City of Lansing
Medical Marihuana Commission
Friday, February 15, 2019 2:00 PM
2500 S Washington Avenue
City Clerk’s Training Room

Meeting Agenda

1. Call to Order
2. Approval of the Agenda
3. Approval of Minutes
5. Public Comment on Agenda Items
6. Commission Appeal Hearings
   Appeals are heard following the approved Medical Marihuana Commission Appeal Hearing Format
   Better Than Nature – 820 W Miller Rd.
   Primo Farms – 1214 S. Washington Ave.
   Green Square – 4905 N. Grand River Ave.
7. Excused Absences
8. Public Comment
9. Adjournment
Timeline – SOM Denial
Better Than Nature
820 W Miller Rd
Lansing, Michigan 48911

December 15, 2017 – Application submitted

December 21, 2017 – Department review of applications begins

December 7, 2018 – SOM Denies Application ......................................................... 1

December 12, 2018 – Denial Letter Sent ................................................................. 22

December 25, 2018 – Appeal submitted ................................................................. 25

December 27, 2018 – Appeal to Hearing Officer

January 7, 2019 – Hearing Officer Report & Denial Sent ......................................... 38

January 25, 2019 – Commission Appeal submitted ................................................ 42
MEDICAL MARIHUANA LICENSING BOARD

December 7, 2018 MEETING

APPROVED MINUTES

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Michigan Medical Marihuana Licensing Board met on December 7, 2018, at the Michigan Library & Historical Center, 702 West Kalamazoo Street Lansing, MI 48933.

CALL TO ORDER

Johnson, Chairperson, called the meeting to order at 9:30 a.m.

ROLL CALL

Members Present: Rick Johnson, Chairperson
Vivian Pickard
Nichole Cover
Donald Bailey

Members Not Present: David LaMontaine

Staff Present: Andrew Brisbo, State Bureau Administrator
Erika Marzorati, Assistant Attorney General
Bridget Smith, Assistant Attorney General
Kelly Kronner, Departmental Analyst
Brian Hanna, State Administrative Manager

PUBLIC COMMENT REMINDER

Johnson reviewed intent of public comment and reminded the audience that comments should not address items that are currently pending before the board or may be before the board at a future meeting.

APPROVAL OF AGENDA

MOTION by Cover, seconded by Pickard, to approve the agenda, as presented. Roll
call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

APPROVAL OF THE MINUTES

Motion by Cover, seconded by Pickard, to approve November 8, 2018 minutes, as presented. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

OLD BUSINESS

None

NEW BUSINESS

A. Board Resolution – Access for Patients

1. Johnson read the Medical Marihuana Licensing Board Resolution on Marijuana Product Access for Patients.
   a. Motion by Johnson, seconded by Pickard, to adopt the marijuana product access for patient’s resolution.
   b. Discussion
   c. Roll call vote: In Favor – Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED

B. Board Resolution – Review and Evaluation

1. Johnson read the Medical Marihuana Licensing Board Resolution on Applicant Review and Evaluation.
   a. Discussion
b. Motion by Johnson, seconded by Pickard, to adopt the applicant review and evaluation resolution. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

C. Pre-Qualification Applications


   a. Motion by Pickard, seconded by Cover, that Weedsnob Growers, Inc. has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

   MOTION PREVAILED


   a. Motion by Pickard, seconded by Cover, that Weedsnob Processing, Inc. has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

   MOTION PREVAILED

3. Applicant: Heavenly Harvest Cultivators, Inc. File No: ERGA-18-000059

   a. Motion by Johnson, seconded by Cover, that Heavenly Harvest Cultivators, Inc. has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

   MOTION PREVAILED


The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-8584 at least 10 working days before the event.

BUREAU OF MARIJUANA REGULATION
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909
www.michigan.gov/BMR

-3-
a. Motion by Pickard, seconded by Bailey, to deny Better Than Nature, LLC's, application because the applicant is not qualified to receive a license under MMFLA sections 402(3)(a) (personal and business probity to operate or maintain a marihuana facility) and 402(3)(f) (the applicant has been served with a complaint, or other notice filed with any public body regarding payment of any tax required under federal, state, or local law that has been delinquent for 1 or more years), as evidenced by a failure to provide records to support business incomes.

b. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

5. Applicant: Apex Ultra Worldwide, LLC, File No: ERGA-18-000197

a. Motion by Cover, seconded by Pickard, to deny Apex Ultra Worldwide, LLC's, application because the applicant is not qualified to receive a license under MMFLA sections 402(3)(a) (personal and business probity to operate or maintain a marihuana facility) and 402(3)(f) (the applicant has been served with a complaint, or other notice filed with any public body regarding payment of any tax required under federal, state, or local law that has been delinquent for 1 or more years), as evidenced by a pattern or history of failure to satisfy business and/or tax obligations when due.

b. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

6. Applicant: 759 E. Pinconning, LLC, File No: ERGA-18-000236

a. Motion by Johnson, seconded by Bailey, that 759 E. Pinconning, LLC, has prequalification status for a pending
application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

7. Applicant: AEY Capital, LLC, File No: ERGA-18-000265
   a. Motion by Pickard, seconded by Cover, that AEY Capital, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

   a. Motion by Pickard, seconded by Cover, that LE Battle Creek, Inc. has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED

   a. Motion by Bailey, seconded by Cover, that Buchanan Development, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

10. Applicant: EAN Management, LLC, File No: ERGA-18-000343
    Applicant: EAN Commercial, LLC, File No: ERGA-18-000344
    Applicant: EAN Development, LLC, File No: ERGA-18-000345
   a. Motion by Bailey, seconded by Cover, that EAN Management, LLC, EAN Commercial, LLC, and EAN
Development, LLC, have prequalification status for pending applications. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

13. Applicant: Cary Investments, LLC, File No: ERGA-18-000346

a. Motion by Pickard, seconded by Cover, that Cary Investments, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED


a. Motion by Pickard, seconded by Bailey, that Aunt Sparkie’s, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

15. Applicant: WHMWM Enterprises, LLC, File No: ERGA-18-000370

a. Motion by Pickard, seconded by Cover, that WHMWM Enterprises, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

16. Applicant: American Wellness Center, LLC, File No: ERGA-18-000376

a. Motion by Johnson, seconded by Cover, that American Wellness Center, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard,
Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED

17. Applicant: Lindzy’s Med Supply Station, LLC, File No: ERGA-18-000380

   a. Motion by Cover, seconded by Pickard, to deny Lindzy’s Med Supply Station, LLC’s, application because the applicant is not qualified to receive a license under MMFLA section 402(3)(a) (personal and business probity to operate or maintain a marihuana facility), as evidenced by a pattern or history of failure to timely file tax returns and/or satisfy tax obligations when due.

   b. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

18. Applicant: Leoni Wellness, LLC, File No: ERGA-18-000385

   a. Motion by Pickard, seconded by Johnson, that Leoni Wellness, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

   Applicant: 1385 South Huron, LLC, File No: ERGA-18-000390
   Applicant: 1385 S. Huron Processing, LLC, File No: ERGA-18-000391
   Applicant: 1385 S. Huron Retail, LLC, File No: ERGA-18-000392

   a. Motion by Johnson, that Webberville Ventures, LLC, 1385 South Huron, LLC, 1385 S. Huron Processing, LLC, and 1385 S. Huron Retail, LLC has prequalification status for a pending application. No support.
MOTION FAILED

b. Motion by Bailey, seconded by Pickard, to discuss Webberville Ventures, LLC, 1385 South Huron, LLC, 1385 S. Huron Processing, LLC, and 1385 S. Huron Retail, LLC's, applications. A voice vote followed.

MOTION PREVAILED

c. Discussion

d. Motion by Bailey, seconded by Pickard, to deny Webberville Ventures, LLC, 1385 South Huron, LLC, 1385 S. Huron Processing, LLC, and 1385 S. Huron Retail, LLC's, applications because the applicant is not qualified to receive a license under MMFLA sections 402(3)(a) (the integrity of the applicant) and 402(3)(a) (the personal and business probity of the applicant), as evidenced by a pattern/history of disregard for the law.

e. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, opposed – None.

MOTION PREVAILED

23. Applicant: PH Strategies, LLC, File No: ERGA-18-000395

a. Motion by Pickard, seconded by Johnson, that PH Strategies, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

a. Motion by Bailey, seconded by Johnson, that Klean Herbal Solutions, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Cover, Bailey, Johnson, Opposed – Pickard.

MOTION PREVAILED

25. Applicant: Advanced STS, LLC, File No: ERGA-18-000492

a. Motion by Pickard, seconded by Cover, that Advanced STS, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED


a. Motion by Pickard, seconded by Cover, that Matson Farms, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED

27. Applicant: Securecann, LLC, File No: ERGA-18-000531

a. Motion by Bailey, seconded by Cover, that Securecann, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED


a. Motion by Pickard, seconded by Bailey, that Minotaur Secure Transport, LLC, has prequalification status for a
pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

29. Applicant: Om Buchanan, LLC, File No: ERGA-18-000589

a. Motion by Pickard, seconded by Cover, that Om Buchanan, LLC, has prequalification status for a pending application.

b. Discussion

c. Roll call vote: In Favor – Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED


a. Motion by Bailey, seconded by Pickard, that Greenway Transport, Inc, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

31-33. Applicant: Fire Packaging, LLC, File No: ERGA-18-001020
Applicant: Universal Growth, LLC, File No: ERGA-18-001021
Applicant: Fireball Retail, LLC, File No: ERGA-18-001022

a. Motion by Bailey, seconded by Cover, to discuss Fire Packaging, LLC’s, Universal Growth, LLC’s, and Fireball Retail, LLC’s, applications. A voice vote followed.

MOTION PREVAILED

b. Discussion

The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-6594 at least 10 working days before the event.
c. Motion by Bailey, seconded by Johnson, to deny Fire Packaging, LLC’s, Universal Growth, LLC’s, and Fireball Retail, LLC’s, applications because the applicant is not qualified to receive a license under MMFLA sections 402(2)(c) (the applicant knowingly submitted a license application containing false information), as evidenced by unsupported claims the applicant was not involved in the business during the time prior issues were identified.

d. Roll call vote: In Favor – Bailey, Johnson, opposed – Pickard, Cover.

MOTION FAILED

e. Motion by Pickard, seconded by Cover, that Fire Packaging, LLC, Universal Growth, LLC, and Fireball Retail, LLC, have prequalification status for pending application.

f. Discussion

g. Roll call vote: In Favor – Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED

34. Applicant: Weisberger Ventures II, LLC, File No: ERGA-18-001032

a. Motion by Pickard, seconded by Cover, that Weisberger Ventures II, LLC, has prequalification status for a pending application. Roll call vote: In Favor – Pickard, Cover, Bailey, Opposed – Johnson.

MOTION PREVAILED

D. State Operating License Applications and Related Prequalification

1-2. Applicant: Pure Green, LLC, File No: ERGA-18-000090

The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-3594 at least 10 working days before the event.
License(s): Grower Class C, File No: GRA-C-18-000181
Applicant: Pure Green, LLC, File No: ERGA-18-000090
License(s): Grower Class C, File No: GRA-C-18-000193
Prequalification status for a pending application granted on April 19, 2018

a. Motion by Pickard, seconded by Cover, to grant Pure Green, LLC’s, applications for 2 Grower Class C licenses.

b. Discussion

c. Roll call vote: In Favor – Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED

3. Applicant: Great Lakes Northern Lights, LLC, File No: ERGA-18-000103
License(s): Provisioning Center, File No: PCA-18-000082

a. Motion by Bailey, seconded by Cover, to grant Great Lakes Northern Lights, LLC’s, application for a Provisioning Center license. Roll call vote: In favor – Cover, Bailey, Opposed – Pickard, Johnson.

MOTION FAILED

b. Motion by Cover, seconded by Johnson, to discuss Great Lakes Northern Lights, LLC’s, application for a Provisioning Center license. A voice vote followed.

MOTION PREVAILED

c. Discussion

d. Motion by Bailey, seconded by Pickard, to table Great Lakes Northern Lights, LLC’s, application until the next meeting. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-8594 at least 10 working days before the event.
MOTION PREVAILED

4. Applicant: Aim High Meds, LLC, File No: ERGA-18-000110
   License(s): Provisioning Center, File No: PCA-18-000145
   Prequalification status for a pending application granted on July 12, 2018
   
   a. Motion by Pickard, seconded by Cover, to grant Aim High Meds, LLC’s, application for a Provisioning Center license.
   Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson
   Opposed – None.

MOTION PREVAILED

5. Applicant: Green Peak Industries, LLC, File No: ERGA-18-000116
   License(s): Grower Class C – 10, File No: GRA-C-18-103 through GRA-C-18-112
   Prequalification status for a pending application granted on July 12, 2018
   
   a. Motion by Pickard, seconded by Cover, to grant Green Peak Industries, LLC’s, applications for 10 Grower Class C licenses. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

6. Applicant: Exclusive Brands, LLC, File No: ERGA-18-000176
   License(s): Processor, File No: PRA-18-000021
   Prequalification status for a pending application granted on May 31, 2018
   
   a. Discussion

   b. Motion by Pickard, seconded by Cover, to grant Exclusive Brands, LLC’s, application for a Processor license. Roll call vote: In Favor – Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED

The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-8594 at least 10 working days before the event.

BUREAU OF MARIJUANA REGULATION
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909
www.michigan.gov/BMR
7. Applicant: No Limit Investment Group, LLC, File No: ERGA-18-000178
   License(s): Provisioning Center, File No: PCA-18-000125

   a. Motion by Bailey, seconded by Cover, to discuss No Limit Investment Group, LLC's, application for a Provisioning Center license. A voice vote followed.

   MOTION PREVAILED

   b. Discussion

   c. Motion by Bailey, seconded by Cover, to deny No Limit Investment Group, LLC's, application because the applicant is not qualified to receive a license under MMFLA sections 402(2)(c) (the applicant knowingly submitted a license application containing false information) and 402(3)(e) (the applicant filed, or had filed against it, a bankruptcy proceeding within the past 7 years), as evidenced by prior undisclosed arrests, the filing of bankruptcy in 2013, and the selling of product in violation of the rules.

   d. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

   MOTION PREVAILED

8. Applicant: HG Lansing, LLC, File No: ERGA-18-000183
   License(s): Provisioning Center, File No: PCA-18-000159

   a. Motion by Pickard, seconded by Cover, to grant HG Lansing, LLC's, application for a Provisioning Center license. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

   MOTION PREVAILED

9-11. Applicant: Capital City Provisioning Center, LLC, File No: ERGA-
18-000659 (Prequalification Only)
Applicant: The Oil Standard, LLC, File No: ERGA-18-000661
(Prequalification Only)
Applicant: FGF, LLC, File No: ERGA-18-000663 (Prequalification Only)

a. Motion by Pickard, seconded by Cover, that Capital City Provisioning Center, LLC, The Oil Standard, LLC, and FGF, LLC, have prequalification status for pending applications. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson Opposed – None.

MOTION PREVAILED

License(s): Grower Class C, File No: GRA-C-18-000182

a. Motion by Pickard, seconded by Bailey, to grant DJR Michigan Properties, LLC’s, application for a Grower Class C license. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

13. Applicant: Great Lakes Cultivation, LLC, File No: ERGA-18-000205
License(s): Grower Class C, File No: GRA-C-18-000024

a. Motion by Bailey, seconded by Cover, to discuss Great Lakes Cultivation, LLC’s, application for a Grower Class C license. A voice vote followed.

MOTION PREVAILED

b. Discussion

c. Motion by Bailey, seconded by Cover, to deny Great Lakes Cultivation, LLC’s, application because the
applicant is not qualified to receive a license under MMFLA sections 402(3)(a) (the integrity, moral character, and reputation of the applicant) and 402(2)(c) (the applicant knowingly submitted a license application containing false information), as evidenced by the criminal background of the applicant.

d. Roll call vote: In favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED


a. Motion by Bailey, seconded by Cover, to grant Pure Releaf N Union, LLC’s, application for a Provisioning Center license. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED


a. Motion by Pickard, seconded by Johnson, to grant HCM Provisioning, Inc’s, application for a Provisioning Center license.

b. Discussion

c. Roll call vote: In Favor – Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED


The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-6564 at least 10 working days before the event.
a. Motion by Bailey, seconded by Pickard, to discuss Adam’s Family Farms, LLC’s, application for a Grower Class A license. A voice vote followed.

MOTION PREVAILED

b. Discussion

c. Motion by Pickard, seconded by Johnson, to grant Adam’s Family Farms, LLC’s, application for a Grower Class A license. Roll call vote: In Favor – Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED

17. Applicant: Dennis Investments, LLC, File No: ERGA-18-000433
License(s): Provisioning Center, File No: PCA-18-000117

a. Motion by Bailey, seconded by Pickard, to discuss Dennis Investments, LLC’s, application for a Provisioning Center license. A voice vote followed.

MOTION PREVAILED

b. Discussion

c. Motion by Bailey, seconded by Cover, to deny Dennis Investments, LLC’s, application because the applicant is not qualified to receive a license under MMFLA sections 402(2)(c) (the applicant knowingly submitted a license application containing false information) and 402(3)(a) (the integrity, moral character, and reputation of the applicant), as evidenced by former undisclosed arrests.

d. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.
MOTION PREVAILED

The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-8594 at least 10 working days before the event.

BUREAU OF MARIJUANA REGULATION
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909
www.michigan.gov/BMR

-17-
   License(s): Provisioning Center, File No: PCA-18-000178

   a. Motion by Bailey, seconded by Pickard, to discuss House of Dank, LLC’s, application for a Provisioning Center license. A voice vote followed.

      MOTION PREVAILED

   b. Discussion

   c. Motion by Pickard, seconded by Cover, to deny House of Dank, LLC’s, application because the applicant is not qualified to receive a license under MMFLA sections 402(3)(a) (the integrity, moral character, and reputation of the applicant), 402(3)(g) (the applicant has a history of noncompliance with regulatory requirements in Michigan or another jurisdiction), and 402(2)(c) (the applicant knowingly submitted a license application containing false information), as evidenced by information presented in the BMR enforcement report that found the entity had previously sold out of state product and failed to disclose former arrests.

   d. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

      MOTION PREVAILED

19. Applicant: Pure Leaf Transportation, LLC, File No: ERGA-18-000604
   License(s): Secure Transporter, File No: STA-18-000012

   a. Motion by Pickard, seconded by Cover, to grant Pure Leaf Transportation, LLC’s, application for a Secure Transporter license. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

      MOTION PREVAILED

The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-8584 at least 10 working days before the event.

BUREAU OF MARIJUANA REGULATION
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909
www.michigan.gov/RMR
License(s): Grower Class C – 2, File No: GRA-C-18-000059 and 
GRA-C-18-000201
Applicant: Redbud Roots Lab IV, LLC, File No: ERGA-18-000701 
License(s): Processor, File No: PRA-18-000041
   a. Motion by Bailey, seconded by Cover, to grant Redbud 
      Roots Lab III, LLC and Redbud Roots Lab IV, LLC’s, 
      applications for 2 Grower Class C licenses and a 
      Processor license. Roll call vote: In Favor – Pickard, 
      Cover, Bailey, Johnson, Opposed – None.

   MOTION PREVAILED

22. Applicant: The Curing Corner, LLC, File No: ERGA-18-000658 
License(s): Provisioning Center, File No: PCA-18-000179
   a. Motion by Pickard, seconded by Cover, to grant The 
      Curing Corner, LLC’s, application for a Provisioning 
      Center license. Roll call vote: In Favor – Pickard, Cover, 
      Johnson, Opposed – Bailey.

23-24. Applicant: Pioneer Medicinal Cultivators, LLC, File No: 
ERGA-18-001093 
License(s): Grower Class C, File No: GRA-C-18-000023 
Applicant: Pioneer Medicinal Cultivators, LLC, File No: 
ERGA-18-001093 
License(s): Provisioning Center, File No: PCA-18-000038
   a. Motion by Bailey, seconded by Pickard, to discuss 
      Pioneer Medicinal Cultivators, LLC’s, applications for a 
      Grower Class C and Provisioning Center license. A voice 
      vote followed.

   MOTION PREVAILED

   b. Discussion

The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-8584 at least 10 working days before the event.
c. Motion by Bailey, seconded by Pickard, to deny Pioneer Medicinal Cultivators, LLC’s, applications because the applicant is not qualified to receive a license under MMFLA section 402(3)(a) (the personal and business probity of the applicant), as evidenced by the applicant’s failure to comply with State of Michigan law. Roll call vote: In favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

DEPARTMENT REPORT

A. Director Brisbo gave the board a statistical update on the current volume of applications received, approved, and denied to date. Director Brisbo then discussed the Bureau’s recently issued advisory bulletin on daily purchasing limits and maximum THC concentrations of marijuana infused products. He stated that the maximum THC levels will be posted on the website as a separate bulletin rather than them being incorporated into the rule set. Brisbo announced recent legislative changes and their effects on the department. The department will now refer to itself as the Bureau of Marijuana Regulation. Brisbo clarified that the alternate spelling of “marihuana” will still be used when citing statute and/or legislation.

PUBLIC COMMENT

Josh Smith – Discussed commercial market for recreational marijuana and the need for new facilities to meet the need for access. Stated that 80% of marijuana purchases are occurring outside the regulatory structure.

CLOSED SESSION

Motion by Johnson, seconded by Pickard, to meet in closed session under section 8(h) of the Open Meetings Act to consider material subject to the attorney-client privilege that is exempt from public disclosure under section 13(1)(g) of the Freedom of Information Act. Roll call vote: In Favor - Pickard, Cover, Bailey, Johnson, Opposed – None

MOTION PREVAILED

The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-8584 at least 10 working days before the event.

BUREAU OF MARIJUANA REGULATION
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909
www.michigan.gov/BMR

-20-
Entered Closed Session at: 11:42 a.m.
Returned to Open Session at: 12:18 p.m.

Motion by Pickard, seconded by Cover, to return to open session. A voice vote followed.

MOTION PREVAILED

Motion by Cover, seconded by Pickard, to approve the July 12, 2018 Closed Session Minutes. Roll call vote: In Favor – Pickard, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

ADJOURNMENT

MOTION by Johnson, to adjourn the meeting at 12:19 p.m. A voice vote followed.

MOTION PREVAILED

Next Meeting: December 21, 2018 at 9:30 a.m. at the Williams Building 1st Floor Auditorium
stamps endicia  Shipping Label Receipt

Delivery Confirmation™ Service Number:
9405 5116 9900 0207 4019 24
Priority Mail 2-DAY with USPS TRACKING #*
Electronic Service Fee: $0.00
Total Postage and Fees: $6.35
Weight: 1 oz
Print Date: 12/12/2018  Mailing Date: 12/12/2018

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

To:  Better Than Nature LLC
  c/o David Zanon
  5576 S M 52
  Stockbridge MI 49285-9463

*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 secure. 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 PHOCOPY.
5. You must mail this package on the "mail date" that is specified on this label.
December 12, 2018

Better Than Nature LLC
5576 S M 52
Stockbridge, MI 49285

Dear Provisioning Center Applicant,

This letter is to inform you that your application for a license to operate Medical Marihuana Provisioning Center in the City of Lansing has been denied for failure to meet the definition of a medical marihuana provisioning center facility as outlined in the City of Lansing ordinance and State of Michigan law.

Lansing City Ordinance 1217 defines a provisioning center as “a commercial or business entity located in the City that is licensed or approved to operate by the State pursuant to the MMFLA and is licensed by the City pursuant to the terms and conditions of this chapter, that sells, supplies, or provides marihuana to registered qualifying patients only as permitted by State law. Medical marihuana provisioning center, as defined in the MMA, MMFLA and MTA, includes any commercial property or business where marihuana is sold in conformance with State law and regulation. A noncommercial or nonbusiness location used by a primary caregiver to assist a qualifying patient, as defined in the MMA, MMFLA or MTA connected to the caregiver through the State’s marihuana registration process in accordance with the MMA, MMFLA or MTA is not a medical marihuana provisioning center for purposes of this chapter.”

The MMFLA defines a provisioning center as “(t) Provisioning center means a licensee that is a commercial entity located in this state that purchases marihuana from a grower or processor and sells, supplies, or provides marihuana to registered qualifying patients, directly or through the patients’ registered primary caregivers. Provisioning center includes any commercial property where marihuana is sold at retail to registered qualifying patients or registered primary caregivers.”
Additionally, 1300.15(b)(5) states:

"A license applied for or issued under this chapter may be denied or revoked on any of the following bases: ....5) Failure of the licensee or the medical marihuana establishment to obtain or maintain a license or approval from the State pursuant to the MMFLA"

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 any information submitted in the appeal as well as information submitted by the City Clerk. The hearing officer will consider the information submitted 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.

Chapter 1300 provides that should the applicant not receive a license, one-half the application fee shall be returned. The refund check will be issued to the name on the receipt received at the time of application submission. This refund will be processed after all appeals are exhausted.

If you have begun business operations pursuant to State Emergency Rule 19 and Executive Order 2017-02, you must cease operations. Operations may resume only if your appeal is granted and the requirements of the temporary operation are satisfied.

Sincerely,

Chris Swope, CMMC/MMC
Lansing City Clerk

cc: M. Yankowski, Lansing Police Chief
    J. Smiertka, Lansing City Attorney
To: Deb Biehler  
Fax number: 517-377-0068

From: Bruce F. Rosenthal, Esq.  
Fax number: 248-432-7644  
No. of Pages (Including cover page) 13

Date: 12-25-2018

Regarding: Notice of Appeal

Phone number for follow-up:  
248-464-9803

---

Bruce Rosenthal, PLLC  
Attorney at Law  
4301 Orchard Lake Road  
Suite 180, PMB 116  
West Bloomfield, MI 48323  
248-464-9803
BRUCE F. ROSENTHAL, ESQ.
ROBERT A. FICANO, ESQ.
ATTORNEYS AT LAW
4301 ORCHARD LAKE ROAD
SUITE 180, PMB 116
WEST BLOOMFIELD, MI 48323

(248) 464-9803 PHONE
(248) 430-0805 FAX
Email: bruce.rosenthal@att.net

Mr. Chris Swope
Ms. Deb Biehler
Lansing City Clerk’s Office
124 W. Michigan Ave.
Lansing, MI 48933
Fax No. 517-377-0068
Deb.Biehler@lansfagmfl.gov

Re: Better Than Nature, LLC
Notice of Intent to Appeal
Provisioning Center Application
Lansing City Ordinance No. 1217
Section 1300.15 (b) (5)

NOTICE OF APPEAL DENIAL
OF LICENSURE PER 1300.15 (b) (5)
TO THE LANSING CITY CLERK

NOW COMES Better Than Nature, LLC, applicant for a license to operate a Medical Marihuana
Facility by the City of Lansing, by an through their attorneys Robert A. Picano and Bruce F. Rosenthal
and for their Notice of Appeal from the City of Lansing denying said license pursuant to Lansing City
Ordinance 1217 and Section 1300.15 (b) (5) and (c) states as follows:

1. That on or about December 12, 2018, Better Than Nature, LLC received from the Lansing
City Clerk’s Office a letter of denial stating as follows:
"This letter is to inform you that your application for a license to operate a Medical Marihuana Provisioning Center in the City of Lansing has been denied for failure to meet the definition of a medical marihuana provisioning center facility as outlined in the City of Lansing Ordinance and State of Michigan Law."

2. The letter from the Lansing City Clerk continues to state per 1300.15 (b) (5) that:

   "a license applied for issued under this chapter may be denied or revoked on any of the following base... 5) failure of the licensee or the medical marihuana establishment to obtain or maintain a license or approval from the state pursuant to the MMPLA."

3. That on or about December 7, 2018, upon decision of the Michigan Medical Marihuana Board a license for a Provisioning Center was denied.

4. That on or about December 21, 2018 through counsel Bruce F. Rosenthal a Freedom of Information Act request was submitted and received by the State of Michigan Department of Licensing and Regulatory Affairs.

5. That on December 21, 2018, Better Than Nature, LLC filed with Andrew Brisbo, Director LARA, Bureau of Medical Marihuana Regulation the following documents A) Notice of Intent to Appeal Medical Marihuana Board’s Decision and Proof of Service, B) Request for Public Investigative Hearing, C) Freedom of Information Act Request No. R010912-122118, D) A copy of the letter from the Department of Licensing and Regulatory Affairs, Bureau of Marihuana Regulations. (copies attached hereto as Exhibit “A”)

6. That Better Than Nature, LLC has the right to appeal this denial of licensure within 14 days from the date of the denial letter from the City of Lansing. This time frame has been met.

7. Since the application of Better Than Nature, LLC for a city license has been denied due to a failure of licensee to obtain or maintain a license or approval from the State of Michigan pursuant to the MMPLA, and said issue is under Appeal with the State of Michigan, we respectfully request this Appeal with the City
Lansing be stayed until final determination of our Appeal at the State of Michigan, Michigan Marihuana Board.


9. Better Than Nature, LLC reserves all rights under City ordinances, State of Michigan or the MMFLA, Emergency Rules or any Statute affecting licensure for a Michigan Medical Marihuana Provisioning Center, including all Due Process Claims.

We respectfully request the above referenced hearing on this matter take place upon final determination by the State of Michigan, LARA, and or Michigan Medical Marihuana Board so that we may properly comply or respond to Section 1300.15 (b) (5) Section 5. Thank you for your attention to this matter.

Respectfully Submitted,

December 24, 2018

Bruce F. Rosenthal
Robert A. Ficano
Attorneys for Better Than Nature, LLC

cc: M. Yankowski
    J. Smiertka
Exhibit "A"
Better Than Nature, LLC.- Notice of Intent to Appeal, Request for a Public Investigative Hearing- ERGA-18-000061

From: Bruce Rosenthal (bruce.rosenthal@att.net)
To: LARA-BMR-Legal@michigan.gov; brisboa@michigan.gov; robertficano@aol.com
Date: Friday, December 21, 2018 10:36 AM EST

Dear Mr. Brisbo,

Attached please find Better Than Nature, LLC’s Notice of Intent to Appeal, and Request for a Public Investigative Hearing which includes the following:

1) Notice of Intent to Appeal Medical Marihuana Board’s Decision and Proof of Service,
2) Request for a Public Investigative Hearing,
3) Better Than Nature’s Freedom of Information Act Request no. R010912-122118,
4) Copy of Letter from Department of Licensing and Regulatory Affairs Bureau of Marihuana Regulation dated December 17, 2018

We hereby request an extension or stay of the 21 day Appeal Period until 21 days from the receipt of all requested documents outlined in our Freedom Of Information Act Request and Filing, in Order to prepare a meaningful and complete Appellate Brief. This package is also being served to your office via Certified Mail. Thank you for your attention to these matters, your anticipated cooperation is greatly appreciated.

Very truly yours,

Bruce F Rosenthal, Esq.
Attorney for Better Than Nature, LLC.

Bruce Rosenthal, PLLC 4301 Orchard Lake Road Suite 180, PMB 116 West Bloomfield, MI 48323 Office Phone: 248-464-9803 Office Fax: 248-432-7644 E-mail bruce.rosenthal@att.net

Better Than Nature Appeal.pdf
706.5kB
Michigan Medical Marihuana Board
Department of Licensing and Regulatory Affairs
Mr. Andrew Brisbo-Director
Ottawa Building
611 W. Ottawa
P.O. Box 30004
Lansing, MI 48909

Re: Notice of Intent to File
   Appeal of Michigan Medical
   Marihuana Board
   Better Than Nature, LLC
   License Application No. ERGA-000061
   Reference No. R010912-122118

NOTICE OF INTENT TO APPEAL
MEDICAL MARIHUANA BOARD’S DECISION
PENDING RECEIPT OF FREEDOM OF
INFORMATION ACT REQUEST AND
REQUEST FOR HEARING PURSUANT
TO MCL 333.27407

NOW COMES Better Than Nature, LLC, License Application Number ERGA-18-000122, by
and through their attorneys Robert A. Ficano and Bruce F. Rosenthal and for their request for Appeal
from the Medical Marihuana Board, pursuant to MCL 333.27407 states as follows:
1. That on or about, December 7, 2018, upon decision of the Medical Marihuana Board a license for a Provisioning Center was denied.

2. That on December 21, 2018 through Counsel Bruce Rosenthal, a Freedom of Information Act Request was submitted and received by the State of Michigan Department of Licensing and Regulatory Affairs bearing reference number R006871-103018 for: (see attached)

   “A copy of the complete file for medical marihuana licensure applicant Better Than Nature, LLC File No. ERGA-18-000061, provisioning center license application File No. and all supplemental Pre-qualification Applications associated with this License Application, including but not limited to the full report provided to the Medical Marihuana Board and any notes between LARA and the Medical Marihuana Board related to these applications”

3. That upon receipt of the information pursuant to the FOIA reference number Better Than Nature, LLC shall have 21 days to file its appeal from the Medical Marihuana Board’s decision pursuant to MCL 333.27407 (3) and (4).

4. Better Than Nature, LLC hereby reserves all rights pursuant to the MMFLA, MCL 333.27402, Emergency Rules, or any Statute or Act effecting licensure for a Michigan Medical Marihuana Provisioning Center.

   We respectfully request the above referenced hearing on this matter after being provided with all requested FOIA documents from the State of Michigan Department of Licensing and Regulatory Affairs Medical Marihuana Division. We thank you for your attention to this matter.

   Respectfully Submitted,

   ________________________________

   December 21, 2018

   Bruce F. Rosenthal
   Robert A. Ficano
PROOF OF SERVICE

The undersigned certifies that a copy of the foregoing instrument was served upon all parties to the above cause to each of the above parties' respective addresses as directed on the pleading on December 21, 2018, by:

☑ E-Mail  ☑ FIRST CLASS MAIL  ☑ FAX  ☑ HAND DELIVERY  ☐ UPS  ☐ FEDERAL EXPRESS

Bruce F. Rosenthal
REQUEST FOR A PUBLIC INVESTIGATIVE HEARING FOR BETTER THAN NATURE, LLC

ERGA-18-000061

NOW COMES, Better Than Nature, License Application Number ERGA-18-000122,

by and through their attorneys Robert A. Ficano, and Bruce F. Rosenthal and for their Request for a

Public Investigative Hearing attaches the following:

A) Notice of Intent to Appeal Medical Marihuana Board’s Decision,

C) LARA's response to FOIA Request extending the time for response by LARA.

Thank you for your attention to this request for Public Investigative Hearing.

Very truly yours,

Dated: December 21, 2018

Bruce F. Rosenthal
FOIA Request :: R010912-122118

From: MI LARA FOIA Center (michiganlara@mycusthelp.net)
To: bruce.rosenthal@att.net
Date: Friday, December 21, 2018 08:31 AM EST

Dear Bruce Rosenthal:

Thank you for your interest in public records of the Department of Licensing and Regulatory Affairs of Michigan. Your 12/21/2018 request has been received in this office and given the reference number R010912-122118 for tracking purposes. A written request made by facsimile, electronic mail, or other electronic transmission is not received by a public body's FOIA coordinator until one (1) business day after the electronic transmission is made. (MCL15.235(1))

Records Requested: "A copy of the complete file for medical marihuana license applicant Better Than Nature, Llc,File Number ERGA-18-000061, provisioning center application, and all supplemental pre-qualification applications associated with this license application, including but not limited to the full report provided to the Medical Marihuana Board and any notes between LARA and the Medical Marihuana Board related to these applications."

In accordance with the Michigan Freedom of Information Act (FOIA), MI LARA provides copies of its public records. Records which are exempt from disclosure by state or federal law will not be provided.

The FOIA does not require governmental bodies to create new records or answer questions. A request must ask for records or information already in existence. A person has the right to subscribe to future issuance of public records that are created, issued or disseminated on a regular basis.

Michigan LARA will respond within five business days to a request. If needed, the agency may issue a notice extending for up to 10 additional business days the time it has to respond to your request.

You can monitor the progress of your request at the link below and you'll receive an email when your request has been completed.

FOIA Request Center

Department of Licensing and Regulatory Affairs
December 17, 2018

Better Than Nature, LLC
Application No. ERGA-18-000061
8375 Ann Arbor Rd.
Grass Lake, MI 49240
davezanon@gmail.com; travis@azpremieremanagement.com

Dear Better Than Nature, LLC:

On December 7, 2018, your January 22, 2018 application for pre-qualification status for a state operating license under the Michigan Marihuana Facilities Licensing Act, MCL 333.27101 et seq., was denied by the Michigan Medical Marihuana Licensing Board for the following reason(s):

Pursuant to Section 402(3)(a) of the Act, (personal and business probity to operate or maintain a marihuana facility) and 402(3)(f) of the Act, (the applicant has been served with a complaint, or other notice filed with any public body regarding payment of any tax required under federal, state, or local law that has been delinquent for 1 or more years), as evidenced by a failure to provide records to support business incomes.

Under section 407(3) of the Act and R 333.293 of the administrative rules promulgated thereunder, you have the right to request a public investigative hearing at which you have the opportunity to present testimony and evidence to establish by clear and convincing evidence your eligibility and suitability for a license.

A request for a public investigative hearing must be filed in writing within 21 days from the date of service of this letter at the following address: Department of Licensing and Regulatory Affairs, Bureau of Marihuana Regulation, P.O. Box 30205, Lansing MI, 48909 or sent electronically to LARA-BMR-Legal@michigan.gov.

Andrew Brisbo
Director
Bureau of Marihuana Regulation

BUREAU OF MARIJUANA REGULATION
2407 NORTH GRAND RIVER • P.O. BOX 30205 • LANSING, MICHIGAN 48909
www.michigan.gov/bmr • 517-284-8584
stamps
endicia
Shipping Label Receipt

Delivery Confirmation™ Service Number:
9405 5116 9900 0044 0212 31

Priority Mail 2-DAY with USPS TRACKING#*
Electronic Service Fee: $0.00
Total Postage and Fees: $6.35
Weight: 1 oz
Print Date: 01/07/2019 Mailing Date: 01/07/2019

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

To:
Apex Ultra Worldwide LLC
631 E Big Beaver Rd Suite 211
Troy MI 48083-1420

*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.
January 7, 2019

Better Than Nature, LLC
c/o David Zanon
5576 S M 52
Stockbridge MI 49285-9463

Dear Provisioning Center Applicant,

I have reviewed the report and recommendation of the hearing officer for your appeal of the denial of your application to operate a Medical Marijuana Provisioning Center in the City of Lansing at 820 W Miller Rd. I have determined, due to the State of Michigan’s denial of your license, your appeal is denied.

The ordinance clearly states that in order to obtain a license from the City of Lansing to operate a Medical Marijuana Provisioning Center, you must obtain a license from the State of Michigan. Should you obtain a state license prior to the expiration of your city appeals, proof of licensure should be submitted to my office immediately.

You have the right to appeal this denial of licensure to the Medical Marijuana 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. The Medical Marijuana Commission Appeal will become a matter of public record. The Commission’s 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.

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.

If you have begun business operations pursuant to State Emergency Rule 19 and Executive Order 2017-02, you must cease operations. Operations may resume only if your appeal is granted and the requirements of licensure are satisfied.

Sincerely,

Chris Swope
City Clerk

cc: M. Yankowski, Lansing Police Chief
    J. Smiertka, Lansing City Attorney
MEMO

To: Chris Swope  
Lansing City Clerk

From: Mary Kay Scullion (P36237)

Re: Application of Better Than Nature LLC  
c/o David Zanon  
5576 s m52  
Stockbridge, MI 49285-9463

Date: December 28, 2018

Introduction and Background

Better Than Nature, LLC has made application to operate a provisioning center in the City of Lansing, Michigan. Although the application by Better than Nature LLC was conditionally approved at the City level, the State of Michigan has acted on the application and denied Petitioner a license to operate. Counsel for Petitioner has filed a Freedom of Information Act request with LARA in an effort to determine the basis for denial. The request is pending at the time of this Memo.

Applicable Law

It is important to keep in mind when reviewing applications and Appeals that there is a full range of legislative and executive statutes/ordinances which are applicable to the licensing of marijuana facilities in the City of Lansing: Executive Order 2017-02, Chapter 1300 of the Lansing City Code, Michigan’s Medical Marijuana Act, the Department of Licensing and Regulatory Affairs Rules, and applicable federal law must all be taken into account as part of the regulatory scheme.

The importance of the State’s regulatory scheme to the City of Lansing is inescapable to the extent that in the preamble to the Ordinance it states that the facilities will be regulated to the extent permissible under State and Federal Law, as well as Chapter 1300 of the City of Lansing Ordinances.

These provisions when read together result in a multiplicity of layers of regulation which are intended to operate concurrently to the extent there is no applicable preemption provision. One cannot lose sight of the fact that “All activities related to medical marijuana... [including a medical marijuana provisioning center]. . . shall be in compliance with the rules of the Medical Marijuana Licensing Board, the rules of the Michigan Department of Licensing and Regulatory Affairs. . .(and) the rules and regulations of the City, the MMMA, MMFLA and the MTA.” 1300.02(d) [emphasis added]

Analysis

The importance of the dual regulatory scheme clearly is emphasized by the facts at Bar. Petitioner’s application for a license was denied under the MMFLA as applied by LARA. At the same time, the City of Lansing had conditionally approved the license. However, the language of Lansing City Ordinance 1300.15(b)(5) makes it clear that the City may not issue a final license to a party that has been denied a license under MMFLA. In light of this fact, the City has no option available other than a denial of the pending application.
Because of the dual licensing requirement, it is the position of the City of Lansing that should LARA approve the license denial on appeal, the conditional license approved by the City of Lansing will take effect.

Recommendation: Deny the appeal pending a final determination by the State of Michigan.

Mary Kay Scullion
Mr. Chris Swope  
Ms. Deb Biebler  
Lansing City Clerk’s Office  
124 W. Michigan Ave.  
Lansing, MI 48933  
Fax No. 517-377-0068  
Deb.Biebler@lansingmi.gov

Re: Better Than Nature, LLC  
Appeal to City of Lansing  
Medical Marihuana Commission  
Lansing City Ordinance 1300.15 (b) (5)  
Section 1300.15 (b) (5)  

APPELLATE BRIEF TO THE CITY OF LANSING -  
MEDICAL MARIHUANA COMMISSION FOR  
DETERMINATION OF DENIAL FOR A  
PROVISIONING CENTER LICENSE ON BEHALF OF  
BETTER THAN NATURE, LLC

NOW COMES Better Than Nature, LLC, which obtained a conditional license approval form the  
City of Lansing for the operation of a provisioning center, by and through their attorneys Robert A.  
Ficano and Bruce Rosenthal, PLLC, file this appeal to the City of Lansing Medical Marihuana  
Commission to be heard February 15, 2019 at 2:00p.m.
1. That on or about December 12, 2018, Better Than Nature, LLC received from the Lansing City Clerk’s Office a letter of denial stating as follows:

“This letter is to inform you that your application for a license to operate a Medical Marihuana Provisioning Center in the City of Lansing has been denied for failure to meet the definition of a medical marihuana provisioning center facility as outlined in the City of Lansing Ordinance and State of Michigan Law.”

2. The letter from the Lansing City Clerk continues to state per 1300.15 (b) (5) that:

“a license applied for issued under this chapter may be denied or revoked on any of the following bases... 5) failure of the licensee or the medical marihuana establishment to obtain or maintain a license or approval from the state pursuant to the MMFLA.”

3. That on or about December 7, 2018, upon decision of the Michigan Medical Marihuana Board a license for a Provisioning Center was denied.

4. That on or about December 21, 2018 through counsel Bruce F. Rosenthal a Freedom of Information Act request was submitted and received by the State of Michigan Department of Licensing and Regulatory Affairs.


6. That Better Than Nature, LLC has the right to appeal this denial of licensure within 14 days from the date of the denial letter from the City of Lansing. This time frame has been met.
7. Since the application of Better Than Nature, LLC for a city license has been denied due to a failure oflicensee to obtain or maintain a license or approval from the State of Michigan pursuant to the MMFLA, and said issue is under Appeal with the State of Michigan, we respectfully request this Appeal with the City of Lansing be stayed until final determination of our Appeal at the State of Michigan, Michigan Marihuana Board.


9. Better Than Nature, LLC reserves all rights under City ordinances, State of Michigan or the

10. That on December 28, 2018, a memo was issued by Hearing Officer - Mary Kay Seullion, Esq, for the Appeal by Better Than Nature, LLC. In Ms. Seullion’s analysis and recommendation, that due to the dual licensing requirement by both the City of Lansing and LARA that “should LARA approve the license denial on appeal, the conditional license approved by the City of Lansing will take effect.” (attached as Exhibit “B”).

11. That Better Than Nature, LLC, has filed and paid for all requested FOIA materials, and as of the date of this Appellate Brief has not yet received those materials from the State of Michigan. (Attached as Exhibit “C”).


13. That, Better Than Nature, LLC has not received the requested FOIA materials, a Brief Summary Date or a Hearing Date from LARA or the Michigan State Attorney General’s office but have submitted recommendations for dates for March and April of 2019.

We respectfully request that this Honorable City of Lansing Medical Marihuana Commission reverse the decision of the City of Lansing to deny Better Than Nature, LLC conditional approval of a Provisioning
Center or in the alternative hold the city’s determination in abeyance pending the complete Appeal process with the Department of Licensing and Regulatory Affairs, Michigan Medical Marihuana Board.

Respectfully Submitted,

Bruce F. Rosenthal
Robert A. Ficano
Attorneys for Better Than Nature, L.L.C

February 3, 2019

cc: M. Yankowski
    J. Smiertka

PROOF OF SERVICE
The undersigned certifies that a copy of the foregoing instrument was served upon all parties to the above cause to each of the attorneys of record herein at their respective addresses as directed on the pleadings on February 3, 2019 by:

☐ E-Mail ☐ FIRST CLASS MAIL ☐ FAX ☐ HAND DELIVERY ☐ UPS ☐ FEDERAL EXPRESS

Bruce F. Rosenthal
Exhibit “A”
Dear Mr. Brisbo,

Attached please find Better Than Nature, LLC’s Notice of Intent to Appeal, and Request for a Public Investigative Hearing which includes the following:

1) Notice of Intent to Appeal Medical Marihuana Board’s Decision and Proof of Service,
2) Request for a Public Investigative Hearing,
3) Better Than Nature’s Freedom of Information Act Request no. R010912-122118,
4) Copy of Letter from Department of Licensing and Regulatory Affairs Bureau of Marihuana Regulation dated December 17, 2018

We hereby request an extension or stay of the 21 day Appeal Period until 21 days from the receipt of all requested documents outlined in our Freedom Of Information Act Request and Filing, in order to prepare a meaningful and complete Appellate Brief. This package is also being served to your office via Certified Mail. Thank you for your attention to these matters, your anticipated cooperation is greatly appreciated.

Very truly yours,

Bruce F Rosenthal, Esq.
Attorney for Better Than Nature, LLC.

Bruce Rosenthal, PLLC 4301 Orchard Lake Road Suite 180, PMB 116 West Bloomfield, MI 48323 Office Phone: 248-464-9803 Office Fax: 248-432-7644 E-mail bruce.rosenthal@att.net
BRUCE F. ROSENTHAL, ESQ.
ROBERT A. FICANO, ESQ.
ATTORNEYS AT LAW
4301 ORCHARD LAKE ROAD
SUITE 180, PMB 116
WEST BLOOMFIELD, MI 48323

(248) 464-9803 PHONE
(248) 430-0805 FAX
Email: bruce.rosenthal@att.net

Michigan Medical Marihuana Board
Department of Licensing and Regulatory Affairs
Mr. Andrew Brisbo-Director
Ottawa Building
611 W. Ottawa
P.O. Box 30004
Lansing, MI 48909

CERTIFIED MAIL

Re: Notice of Intent to File
   Appeal of Michigan Medical
   Marihuana Board
   Better Than Nature, LLC
   License Application No. ERGA-600061
   Reference No. R010912-122118

NOTICE OF INTENT TO APPEAL
MEDICAL MARIHUANA BOARD’S DECISION
PENDING RECEIPT OF FREEDOM OF
INFORMATION ACT REQUEST AND
REQUEST FOR HEARING PURSUANT
TO MCL 333.27407

NOW COMES Better Than Nature, LLC, License Application Number-ERGA-18-000122, by

and through their attorneys Robert A. Ficano and Bruce F. Rosenthal and for their request for Appeal

from the Medical Marihuana Board, pursuant to MCL 333.27407 states as follows:

-48-
1. That on or about, December 7, 2018, upon decision of the Medical Marihuana Board a license for a Provisioning Center was denied.

2. That on December 21, 2018 through Counsel Bruce Rosenthal, a Freedom of Information Act Request was submitted and received by the State of Michigan Department of Licensing and Regulatory Affairs bearing reference number R006871-103018 for: (see attached)

“A copy of the complete file for medical marihuana licensure applicant Better Than Nature, LLC File No. ERGA-18-000061, provisioning center license application File No. and all supplemental Pre-qualification Applications associated with this License Application, including but not limited to the full report provided to the Medical Marihuana Board and any notes between LARA and the Medical Marihuana Board related to these applications”

3. That upon receipt of the information pursuant to the FOIA reference number Better Than Nature, LLC shall have 21 days to file its appeal from the Medical Marihuana Board’s decision pursuant to MCL 333.27407 (3) and (4).

4. Better Than Nature, LLC hereby reserves all rights pursuant to the MMPLA, MCL 333.27402, Emergency Rules, or any Statute or Act effecting licensure for a Michigan Medical Marihuana Provisioning Center.

We respectfully request the above referenced hearing on this matter after being provided with all requested FOIA documents from the State of Michigan Department of Licensing and Regulatory Affairs Medical Marihuana Division. We thank you for your attention to this matter.

Respectfully Submitted,

Bruce F. Rosenthal
Robert A. Ficano

December 21, 2018
PROOF OF SERVICE

The undersigned certifies that a copy of the foregoing instrument was served upon all parties to the above cause to each of the attorneys of record herein at their respective addresses as directed on the pleadings on December 21, 2018 by:

☐ E-Mail ☒ FIRST CLASS MAIL ☐ FAX ☐ HAND DELIVERY ☐ UPS ☐ FEDERAL EXPRESS

[Signature]

Bruce F. Rosenthal
REQUEST FOR A PUBLIC INVESTIGATIVE HEARING FOR BETTER THAN NATURE, LLC
ERGA-18-000061

NOW COMES, Better Than Nature, License Application Number ERGA-18-000122,
by and through their attorneys Robert A. Ficano, and Bruce F. Rosenthal and for their Request for a
Public Investigative Hearing attaches the following:

A) Notice of Intent to Appeal Medical Marihuana Board’s Decision,

C) LARA's response to FOIA Request extending the time for response by LARA.

Thank you for your attention to this request for Public Investigative Hearing.

Very truly yours,

Dated: December 21, 2018

Bruce F. Rosenthal

---

**PROOF OF SERVICE**

The undersigned certifies that a copy of the foregoing instrument was served upon all parties to the above cause to each of the attorneys of record herein at their respective addresses as directed on the pleadings on December 21, 2018 by:

- [x] E-Mail  - [ ] FIRST CLASS MAIL  - [ ] FAX  - [ ] HAND DELIVERY  - [ ] UPS  - [ ] FEDERAL EXPRESS

Bruce F. Rosenthal
Dear Bruce Rosenthal:

Thank you for your interest in public records of the Department of Licensing and Regulatory Affairs of Michigan. Your 12/21/2018 request has been received in this office and given the reference number R010912-122118 for tracking purposes. A written request made by facsimile, electronic mail, or other electronic transmission is not received by a public body’s FOIA coordinator until one (1) business day after the electronic transmission is made. (MCL 15.235(1))

Records Requested: "A copy of the complete file for medical marijuana license applicant Better Than Nature, Lic.File Number ERGA-18-000081, provisioning center application, and all supplemental pre-qualification applications associated with this license application, including but not limited to the full report provided to the Medical Marihuana Board and any notes between LARA and the Medical Marihuana Board related to these applications."

In accordance with the Michigan Freedom of Information Act (FOIA), MI LARA provides copies of its public records. Records which are exempt from disclosure by state or federal law will not be provided.

The FOIA does not require governmental bodies to create new records or answer questions. A request must ask for records or information already in existence. A person has the right to subscribe to future issuance of public records that are created, issued or disseminated on a regular basis.

Michigan LARA will respond within five business days to a request. If needed, the agency may issue a notice extending for up to 10 additional business days the time it has to respond to your request.

You can monitor the progress of your request at the link below and you’ll receive an email when your request has been completed.

FOIA Request Center:

Department of Licensing and Regulatory Affairs
December 17, 2018

Better Than Nature, LLC
8375 Ann Arbor Rd.
Grass Lake, MI 49240
davezanoni@gmail.com; travis@azpremiermanagement.com

Application No. ERGA-18-00061

Dear Better Than Nature, LLC:

On December 7, 2018, your January 22, 2018 application for pre-qualification status for a state operating license under the Michigan Marihuana Facilities Licensing Act, MCL 333.27101 et seq., was denied by the Michigan Medical Marihuana Licensing Board for the following reason(s):

Pursuant to Section 402(3)(a) of the Act, (personal and business probity to operate or maintain a marihuana facility) and 402(3)(c) of the Act, (the applicant has been served with a complaint, or other notice filed with any public body regarding payment of any tax required under federal, state, or local law that has been delinquent for 1 or more years), as evidenced by a failure to provide records to support business incomes.

Under section 407(3) of the Act and R 333.293 of the administrative rules promulgated thereunder, you have the right to request a public investigative hearing at which you have the opportunity to present testimony and evidence to establish by clear and convincing evidence your eligibility and suitability for a license.

A request for a public investigative hearing must be filed in writing within 21 days from the date of service of this letter at the following address: Department of Licensing and Regulatory Affairs, Bureau of Marijuana Regulation, P.O. Box 30205, Lansing MI, 48909 or sent electronically to LARA-BMR-Legul@umichigan.gov.

Andrew Brisco
Director
Bureau of Marijuana Regulation
Exhibit "B"
MEMO

To: Chris Swope  
Lansing City Clerk

From: Mary Kay Scullion (P36237)

Re: Application of Better Than Nature LLC  
c/o David Zanon  
5576 s m52  
Stockbridge, MI 49285-9463

Date: December 28, 2018

Introduction and Background

Better Than Nature, LLC has made application to operate a provisioning center in the City of Lansing, Michigan. Although the application by Better than Nature LLC was conditionally approved at the City level, the State of Michigan has acted on the application and denied Petitioner a license to operate. Counsel for Petitioner has filed a Freedom of Information Act request with LARA in an effort to determine the basis for denial. The request is pending at the time of this Memo.

Applicable Law

It is important to keep in mind when reviewing applications and Appeals that there is a full range of legislative and executive statutes/ordinances which are applicable to the licensing of marijuana facilities in the City of Lansing: Executive Order 2017-02, Chapter 1300 of the Lansing City Code, Michigan’s Medical Marijuana Act, the Department of Licensing and Regulatory Affairs Rules, and applicable federal law must all be taken into account as part of the regulatory scheme.

The importance of the State’s regulatory scheme to the City of Lansing is inescapable to the extent that in the preamble to the Ordinance it states that the facilities will be regulated to the extent permissible under State and Federal Law, as well as Chapter 1300 of the City of Lansing Ordinances.

These provisions when read together result in a multiplicity of layers of regulation which are intended to operate concurrently to the extent there is no applicable preemption provision. One cannot lose sight of the fact that “All activities related to medical marijuana...[including a medical marijuana provisioning center]...shall be in compliance with the rules of the Medical Marijuana Licensing Board, the rules of the Michigan Department of Licensing and Regulatory Affairs...[and] the rules and regulations of the City, the MMMA, MMPLA and the MTA.” 1300.02(d) [emphasis added]

Analysis

The importance of the dual regulatory scheme clearly is emphasized by the facts at Bar. Petitioner’s application for a license was denied under the MMPLA as applied by LARA. At the same time, the City of Lansing had conditionally approved the license. However, the language of Lansing City Ordinance 1300.15(b)(5) makes it clear that the City may not issue a final license to a party that has been denied a license under MMPLA. In light of this fact, the City has no option available other than a denial of the pending application.
Because of the dual licensing requirement, it is the position of the City of Lansing that should LARA approve the license denial on appeal, the conditional license approved by the City of Lansing will take effect.

**Recommendation:** Deny the appeal pending a final determination by the State of Michigan.

Mary Kay Scullion
Potential Commission Hearing Date - Better Than Nature, LLC

From: Smith-Zande, Jennifer (Jennifer.Smith-Zande@lansingmi.gov)
To: rwaidakorkis@yahoo.com; bruce.rosenthal@att.net
Cc: Deb.Biehler@lansingmi.gov; Brian.Jackson@lansingmi.gov; Chris.Swope@lansingmi.gov; Amanda.O.Boyle@lansingmi.gov; Heather.Sumner@lansingmi.gov
Date: Tuesday, January 15, 2019 01:37 PM EST

January 15, 2019

Better Than Nature, LLC
5575 S M-52
Stockbridge, MI 48236

Dear Provisioning Center Applicant:

If you wish to appeal the City Clerk’s January 7th report and recommendation of the hearing officer before the City of Lansing Medical Marihuana Commission, your appeal will be heard during the Commission Meeting on Friday, February 15, 2019, at 2:00 PM in the City Clerk Training Room in the Election Unit of the South Washington Office Complex, 2500 S Washington Avenue in Lansing.

Your appeal must be received on or before February 8, 2019.

Per Lansing City Ordinance 1300-3(e), the Commission’s review of the appeal shall not be de novo. The Medical Marihuana Commission Appeal will become a matter of public record. The Commission shall only overrule, 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 presentation timeline used by the Commission during the meeting for your appeal presentation is enclosed. No additional materials may be submitted for review.

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,

[Signature]

-58-
Exhibit “C”
FOIA Request Extension:: R010912-122118

From: MI LARA FOIA Center (michiganlara@mycusthelp.net)
To: brucerosenthal@att.net
Date: Friday, January 4, 2019 02:30 PM EST

January 04, 2019

Subject: FOIA Request:

Dear Bruce Rosenthal,

Your 12/21/2018 request has been received in this office and given the reference number R010912-122118 for tracking purposes. A written request made by facsimile, electronic mail, or other electronic transmission is not received by a public body's FOIA coordinator until one (1) business day after the electronic transmission is made. (MCL 15.235(1))

In order to determine the existence of any records/information that might be responsive to your request we require additional time to search for and retrieve records, review and examine any found records to separate exempt from nonexempt material, and to determine any allowable processing costs. For these reasons, it is necessary to extend the time for response to 1/18/2019.

If you have questions concerning this matter, please feel free to contact the LARA FOIA Office at LARAFOIAinfo@michigan.gov.

To review a copy of the LARA’s written public summary, procedures, and guidelines, go to www.michigan.gov/lara.

Sincerely,

LARA FOIA Office
SC
FOIA Request #: R010912-122118

From: MI LARA FOIA Center (michiganlara@myousthelo.net)
To: bruce.rosenthal@bt.net
Date: Friday, January 18, 2019 08:25 AM EST

--- Please respond above this line ---

January 18, 2019

RE: PUBLIC RECORDS REQUEST of December 21, 2018, Reference #: R010912-122118

Dear Bruce Rosenthal:

This notice responds to your December 21, 2018 request for records, received by the Michigan Department of Licensing and Regulatory Affairs (LARA) on December 28, 2018, requesting information under the provisions of the Michigan Freedom of Information Act (FOIA), 1976 PA 400, MCL 15.231 et seq.

You requested the following:

“A copy of the complete file for medical marijuana license applicant Better Than Nature, LLC, File Number ERGA-18-00061, provision pending application, and all supplemental pre-qualification applications associated with this license application, including but not limited to the full report provided to the Medical Marijuana Board and any notes between LARA and the Medical Marijuana Board related to those applications.”

Your request will be granted as to nonexempt records in the Department’s possession falling within the scope of your request.

The estimated cost of providing the information is $346.44. Please refer to the attached Detailed Itemization Form for a breakdown of the fee. Failure to charge would result in an unreasonably high cost to the Department in this particular instance because the employees must be taken away from pending work to process the request, and expend additional time to complete regularly assigned departmental work.

Section 4(8) of the FOIA, MCL 15.234(8), provides that a public body may require a good-faith deposit of one-half of the estimated FOIA processing fee. Upon the FOIA Office’s receipt of a payment for $173.22, the request will be processed within an estimated [12] business days. Further, upon completing the processing of the request, the Department will send notice of the balance due, the statutory basis for exemptions, if any, and the statutory remedial rights, if applicable. After receipt of the fee balance, copies of the records will be provided to you within five business days.

Section 4(3) of the FOIA, MCL 15.234(3), provides that the time frame estimate is nonbinding upon the public body, but the public body shall provide the estimate in good faith and strive to be reasonably accurate, and provide the records in a manner based on this state’s public policy set forth in section 1(2) of the FOIA, MCL 15.231(2), and the nature of the request in the particular instance.

The invoice that contains the detailed itemization of fees is ready and available at the FOIA Center.

If you wish to discuss possible ways to reduce the costs, please contact us at laraniainfo@michigan.gov.

Payment can be submitted online or by mail:

• To pay online, visit the following link: FOIA Payment Center.
To pay by check or money order (via mail), send the check or money order, made payable to the State of Michigan to P.O. Box 307004, Lansing, MI 48909. To ensure proper credit, please enclose a copy of the invoice included with this correspondence and include the FOIA request number on the check or money order.

If you have questions concerning this matter, please email us at larafolainfo@michigan.gov.

To review a copy of LARA’s written public summary, procedures, and guidelines, please visit www.michigan.gov/larafoa.

Sincerely,

LARA FOIA Office
SC
INVOICE - PUBLIC RECORDS REQUEST :: R010912-122118

From: MI LARA FOIA Center (michiglanara@mycusthelp.net)
To: bruce.rosenthal@att.net
Date: Thursday, January 24, 2019 11:27 AM EST


Dear Bruce Rosenthal,

Your invoice is ready. Please login to the FOIA Request Center to make an online payment.

The deposit we are requesting is: $173.22

The total amount of the invoice is: $346.44

To view our fees process on what LARA can charge for FOIA requests click HERE.

If you wish to apply for indigency, please complete the affidavit located HERE.

If paying by mail: Please mail a check or money order, payable to the State of Michigan, to P.O. Box 30004, Lansing, MI 48909 and enclose a copy of this invoice.

Sincerely,

LARA FOIA Office
SC

To monitor the progress or update this request please log into the FOIA Request Center.

[Image of LARA logo]

INV19-R010912-1.pdf
90.6kB
Re: FOIA Request R010912-122'18

From: Bruce Rosenthal <bruce.rosenthal@att.net>
To: LARAFOIAInfo@michigan.gov
Date: Thursday, January 24, 2019 11:38 AM EST

Thank you for the information. I have already forwarded a check in the amount of $346.44 and mailed it as directed.

Very truly yours,

Bruce Rosenthal

Bruce Rosenthal, PLLC 4301 Orchard Lake Road Suite 180, PMB 116 West Bloomfield, MI 48323 Office Phone: 248-484-9803 Office Fax: 248-432-7644 E-mail bruce.rosenthal@att.net

On Thursday, January 24, 2019 11:30:49 AM EST, LARAFOIAInfo <LARAFOIAInfo@michigan.gov> wrote:

Dear Bruce Rosenthal,

If you access the FOIA Center, you should be able to go to "view my invoices" and click on make a payment and pay online.

Thank you,

LARA FOIA Office

ds

From: Bruce Rosenthal <bruce.rosenthal@att.net>
Sent: Tuesday, January 22, 2019 4:39 PM
To: LARAFOIAInfo <LARAFOIAInfo@michigan.gov>
Subject: FOIA Request R010912-122118

Dear Sir or Madam,

I was not able to retrieve or obtain an invoice and make payment on this FOIA request. Please contact me so that I can provide credit card payment information on the above referenced FOIA request. Your assistance is greatly appreciated.

Very truly yours,

Bruce Rosenthal, Esq.
Better Than Nature

Mail to State of Michigan
Department of Licensing & Regulatory Affairs

1/23/17
Las Vegas, NV 89149
P.O. Box 3000
Department of Commerce and Regulatory Affairs
State of Michigan
West Bloomfield, MI 48323
581-1804
101 Concho Lane
Boca Raton, FL 33431
Exhibit “D”
Dear Ms. Grissom,

Attached please find our Request for Hearing and Persons Involved with this Request for Hearing. This is in addition to our previously filed pleadings. Thank you for your attention to this matter.

Very truly yours,

Bruce Rosenthal

Bruce Rosenthal, PLLC 4301 Orchard Lake Road Suite 180, PMB 116 West Bloomfield, MI 48323 Office Phone: 248-464-9803 Office Fax: 248-432-7644 E-mail bruce.rosenthal@att.net

Better Than Nature, LLC.pdf
287.8kb
Better Than Nature LLC., v Bureau of Medical Marihuana Regulation Agency No. ERGA-18-000061

From: Bruce Rosenthal (bruce.rosenthal@att.net)
To: peoplesj@michigan.gov, grissomam@michigan.gov, dolehantya@michigan.gov, robertificano@aol.com
Date: Sunday, January 20, 2019 08:33 AM EST

Dear Ms. Peoples,

Attached please find our Request for Hearing and Persons Involved with this Request for Hearing. This is in addition to our previously filed pleadings. Thank you for your attention to this matter.

Very truly yours,

Bruce Rosenthal

Bruce Rosenthal, PLLC 4301 Orchard Lake Road Suite 180, PMB 116 West Bloomfield, MI 48323 Office Phone: 248-464-9803 Office Fax: 248-432-7644 E-mail bruce.rosenthal@att.net

Better Than Nature LLC.pdf
287.9 KB
BRUCE F. ROSENTHAL, ESQ.
ROBERT A. FICANO, ESQ.
ATTORNEYS AT LAW
4301 ORCHARD LAKE ROAD
SUITE 180, PMB 116
WEST BLOOMFIELD, MI 48323

(248) 464-9803 PHONE
(248) 432-7644 FAX
Email: bruce.rosenthal@att.net

January 20, 2019

Ms. Jackie Peoples
Department of Licensing and Regulatory Affairs
Michigan Administrative Hearing System
611 West Ottawa
Ottawa Building, 2nd Floor
Lansing, Michigan 48933

Re: Better Than Nature, LLC v. BMR
Agency No. ERGA-18-000061

Dear Ms. Peoples

Please accept this communication as our Request for Hearing along with the previously submitted
Requests and Appellate materials filed by Better Than Nature, LLC in this matter. If there is any additional
information you require please feel free to contact me at anytime.

Very truly yours,

Bruce F. Rosenthal
Attorney for Green Genie, Inc.
4301 Orchard Lake Road
Suite 180, PMB 116
West Bloomfield, MI 48323
(248) 464-9803
bruce.rosenthal@att.net

c: Alyssa A. Grissom, Esq.
Assistant Attorney General
GrissomA@Michigan.Gov

-71-
REQUEST FOR HEARING

Better Than Nature, LLC
Petitioner

v.

Bureau of Marihuana Regulation
Respondent

Issues
Whether Petitioner has established by clear and convincing evidence that it is eligible and suitable for
the granting of a State license as Grower Class B, Grower Class C and a Provisioning Center as
defined in the Medical Marihuana Facilities Licensing Act and whether any or all due process rights of
Petitioner were violated.

Case No.
Application No. ERGA-18-000061

Bureau of Marihuana Regulation
Medical Marihuana Facilities Licensing

Act/Code of Law
Medical Marihuana Facilities Licensing Act, MCL 333.27101 et. seq. and associated
administrative rules, citations in Petitioner's Appeal (previously filed) and all applicable State
and Federal Due Process Provisions and case law.

333.27407 (3)

Reference: Notice of Denial of Application
CASE TYPE

Medical Marihuana Facility License

-Determination of Eligibility and Suitability of Applicant to be granted a State Operating License

Prepared By

Bruce F. Rosenthal, Esq.
Robert A Picano, Esq.
Phone: (248) 464-9803
Fax: (248) 432-7644
Email address: bruce_rosenthal@att.net

Prepared on: January 20, 2019

Hearing Instructions

-Available dates: available dates for this hearing are all dates listed by Attorney General’s Office or all dates available beginning February 10, 2019.

-Petitioner will be calling at Hearing six witnesses for live testimony

-Petitioner is issuing three subpoenas for unredacted records to A) LARA B) Rehmann C)

Michigan State Police.
PERSONS INVOLVED WITH THIS
REQUEST FOR HEARING

Better Than Nature, LLC
Petitioner

v.

Bureau of Marihuana Regulation
Respondent

-Application No. ERGA-18-000061

Petitioner: Better Than Nature, LLC/David Zanon
Address: 5576 S. M-52
Stockbridge, MI 49285
Phone: (248) 464-9803

-Attorneys for Petitioner
Bruce F. Rosenthal, Esq.
Robert A. Ficano, Esq.
4301 Orchard Lake Road
Suite 180, PMB 116
West Bloomfield, MI 48323
Phone: (248) 464-9803
Fax: (248) 432-7644

-Respondent
Colleen Curtis, Manager
Bureau of Marihuana Regulation
Better Than Nature, LLC v BMR

From: Dolehanty, Alicia (AG) (DolehantyA@michigan.gov)
To: bruce.rosenthal@att.net
Cc: HuntScullyR@michigan.gov; GrissomA@michigan.gov
Date: Wednesday, January 16, 2019 01:57 PM EST

Attached please find a copy of the letter with Request for Hearing in regard to the above named matter.

Thank you for your anticipated cooperation in this matter.

Alicia Dolehanty, Administrative Assistant
Michigan Department of Attorney General
Licensing and Regulation Division
P.O. Box 30758
Lansing, Michigan 48909
(517) 373-1146
(517) 241-1997 -- fax
DolehantyA@michigan.gov
December 17, 2018

Better Than Nature, LLC
8375 Ann Arbor Rd.
Grass Lake, MI 49240
davezanton@gmail.com; travis@azpremiermanagement.com

Dear Better Than Nature, LLC:

On December 7, 2018, your January 22, 2018 application for pre-qualification status for a state operating license under the Michigan Marihuana Facilities Licensing Act, MCL 333.27101 et seq., was denied by the Michigan Medical Marihuana Licensing Board for the following reason(s):

Pursuant to Section 402(3)(a) of the Act, (personal and business probity to operate or maintain a marihuana facility) and 402(3)(f) of the Act, (the applicant has been served with a complaint, or other notice filed with any public body regarding payment of any tax required under federal, state, or local law that has been delinquent for 1 or more years), as evidenced by a failure to provide records to support business incomes.

Under section 407(3) of the Act and R 333.295 of the administrative rules promulgated thereunder, you have the right to request a public investigative hearing at which you have the opportunity to present testimony and evidence to establish by clear and convincing evidence your eligibility and suitability for a license.

A request for a public investigative hearing must be filed in writing within 21 days from the date of service of this letter at the following address: Department of Licensing and Regulatory Affairs, Bureau of Marijuana Regulation, P.O. Box 30203, Lansing MI 48909 or sent electronically to LARA-BMR-Legal@michigan.gov

Andrew Brisbo
Director
Bureau of Marijuana Regulation
PROOF OF SERVICE

STATE OF MICHIGAN

INGHAM COUNTY

Samantha L. Weihusen, Departmental Analyst, with the Department of Licensing and Regulatory Affairs, Bureau of Marijuana Regulation, being sworn, states as follows:

On December 17, 2018, I served a Notice of Denial by electronic service on Better Than Nature, LLC, at the following email address: davezaron@gmail.com and travis@azpremiermanagement.com.

Dated: December 17, 2018

Samantha L. Weihusen
Departmental Analyst
Bureau of Marijuana Regulation
Department of Licensing and Regulatory Affairs

Signed and sworn to before me in Ingham County, Michigan, on December 17, 2018.

JENNIFER R. PIGGOTT
NOTARY PUBLIC – STATE OF MICHIGAN
COUNTY OF EATON
My Commission Expires: 2/16/2020
Acting in the County of: Ingham
Ms. Jackie Peoples  
Department of Licensing and Regulatory Affairs  
Michigan Administrative Hearing System  
611 West Ottawa  
Ottawa Building, 2nd Floor  
Lansing, MI 48933  

Re: Better Than Nature, LLC v BMR  
Agency No.: ERGA-18-000661

January 16, 2019

Dear Ms. Peoples:

Enclosed is a Request for Hearing regarding the above-referenced matter. Should you have any questions, please do not hesitate to contact us.

Sincerely,

Risa Hunt-Scully  
Alyssa A. Grissom  
Assistant Attorneys General  
Licensing & Regulation Division  
Phone: 517-373-1146  
Fax: 517-241-1997

RHS/ad  
Enclosure  
cc: Bruce F. Rosenthal, Esq. – via email bruce.rosenthal@att.net and via regular mail  
cc: Colleen Curtis - via I.D. mail


-78-
REQUEST FOR HEARING

In the Matter of
Better Than Nature, LLC v BMR,
Petitioner,

v.
Bureau of Marijuana Regulation,
Respondent.

2. ISSUE
Whether Petitioner has established by clear and convincing evidence that it is eligible and suitable for a license as a Grower Class II, Grower Class C, and Provisioning Center defined in the Medical Marijuana Facilities Licensing Act.

3. INITIATING AGENCY'S FILE NUMBER
Application No. 3RGA-18-000090

4. STATUTORY START DATE
N/A

5. DAYS ALLOWED
N/A

6. AGENCY
Bureau of Marijuana Regulation

7. DIVISION
Medical Marijuana Facilities Licensing

8. ACTIVITIES OF LAW
Medical Marijuana Facilities Licensing Act, MCL 333.27101 et seq., and associated administrative rules

9. PROVISION OF LAW
333.27407(30); Rule 92

10. CHAPTER/SECTION OF LAW
See Notice of Denial of Application

11. CASE SUB-TYPE
Determination of Eligibility and Suitability of Application for a State Operating License

12. GEOGRAPHICAL AREA
Lansing

13. PREPARED BY
Ran Hunt-Scully

14. REFER TO REQUEST FOR HEARING INSTRUCTIONS
Available dates for this hearing are: March 5, 6, 13, 14, 18, 19; April 2, 3, 4, 8, 9, 10, 11, 16, 17, 18, 22, 23, 24, 29, 30; and May 1, 2, 6, 7, 8, 9, 13, 14, 16, 20, 21, 22, 23, 27, 28, 29.

For MAHS Use Only

DATE RECEIVED
BATCH NUMBER
COMPLETION

DOCKET NUMBER
ALL ASSIGNED

COMMENTS

Rev 11/16
**PERSONS INVOLVED WITH THE REQUEST FOR HEARING**

<table>
<thead>
<tr>
<th>1. IN THE MATTER OF</th>
<th>Better Than Nature, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. AGENCY FILE NUMBER</td>
<td>Application No. RRC-M-18-00661</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. CHECK ONE (X)</th>
<th>X. Petitioner</th>
<th>Respondent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Department Attorney</td>
<td>Department Attorney</td>
</tr>
<tr>
<td></td>
<td>Department Non-Attorney</td>
<td>Department Non-Attorney</td>
</tr>
</tbody>
</table>

| 5. NAME | Better Than Nature, LLC (Iwonda Korkie and David Zaman) |

<table>
<thead>
<tr>
<th>6. FIRM</th>
</tr>
</thead>
</table>

| 7. ON BEHALF OF |

<table>
<thead>
<tr>
<th>8. STREET ADDRESS &amp; BOX</th>
</tr>
</thead>
<tbody>
<tr>
<td>8375 Ann Arbor Road</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>9. CITY</th>
<th>Ann Arbor</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATE</td>
<td>MI</td>
</tr>
<tr>
<td>ZIP CODE</td>
<td>48109</td>
</tr>
<tr>
<td>PHONE</td>
<td>517-410-9293</td>
</tr>
<tr>
<td>FAX</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>10. CHECK ONE (X)</th>
<th>X. Petitioner</th>
<th>Respondent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Department Attorney</td>
<td>Department Attorney</td>
</tr>
<tr>
<td></td>
<td>Department Non-Attorney</td>
<td>Department Non-Attorney</td>
</tr>
</tbody>
</table>

| 11. NAME | Bruce E. Rosenthal, Esq. |

| 12. FIRM |

| 13. ON BEHALF OF |

<table>
<thead>
<tr>
<th>14. STREET ADDRESS &amp; BOX</th>
</tr>
</thead>
<tbody>
<tr>
<td>4301 Orchard Lake Road, Suite 180, PMB 116</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>15. CITY</th>
<th>West Bloomfield</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATE</td>
<td>MI</td>
</tr>
<tr>
<td>ZIP CODE</td>
<td>48323</td>
</tr>
<tr>
<td>PHONE</td>
<td>248-464-9803</td>
</tr>
<tr>
<td>FAX</td>
<td>248-430-0805</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>16. CHECK ONE (X)</th>
<th>X. Petitioner</th>
<th>Respondent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Department Attorney</td>
<td>Department Attorney</td>
</tr>
<tr>
<td></td>
<td>Department Non-Attorney</td>
<td>Department Non-Attorney</td>
</tr>
</tbody>
</table>

| 17. NAME | Colleen Curtiss, Manager |

| 18. FIRM |

| 19. ON BEHALF OF |

<table>
<thead>
<tr>
<th>20. STREET ADDRESS &amp; BOX</th>
</tr>
</thead>
<tbody>
<tr>
<td>525 West Allegan Street, P.O. Box 30083</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>21. CITY</th>
<th>Lansing</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATE</td>
<td>MI</td>
</tr>
<tr>
<td>ZIP CODE</td>
<td>48909</td>
</tr>
<tr>
<td>PHONE</td>
<td>517-284-8562</td>
</tr>
<tr>
<td>FAX</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>22. CHECK ONE (X)</th>
<th>X. Petitioner</th>
<th>Respondent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Department Attorney</td>
<td>Department Attorney</td>
</tr>
<tr>
<td></td>
<td>Department Non-Attorney</td>
<td>Department Non-Attorney</td>
</tr>
</tbody>
</table>

| 23. NAME | Rose Hum-Scully, Assistant Attorney General and Alyssa A. Grisam, Assistant Attorney General |

| 24. FIRM |

| 25. ON BEHALF OF |

<table>
<thead>
<tr>
<th>26. STREET ADDRESS &amp; BOX</th>
</tr>
</thead>
<tbody>
<tr>
<td>P.O. Box 30758</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>27. CITY</th>
<th>Lansing</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATE</td>
<td>MI</td>
</tr>
<tr>
<td>ZIP CODE</td>
<td>48909</td>
</tr>
<tr>
<td>PHONE</td>
<td>517-373-1146</td>
</tr>
<tr>
<td>FAX</td>
<td>517-241-1997</td>
</tr>
</tbody>
</table>

---

-80-
January 20, 2019

Ms. Jackie Peoples
Department of Licensing and Regulatory Affairs
Michigan Administrative Hearing System
611 West Ottawa
Ottawa Building, 2nd Floor
Lansing, Michigan 48933

Re: Better Than Nature, LLC v. BMR
Agency No. ERGA-18-000061

Dear Ms. Peoples,

Please accept this communication as our Request for Hearing along with the previously submitted Requests and Appellate materials filed by Better Than Nature, LLC in this matter. If there is any additional information you require please feel free to contact me at anytime.

Very truly yours,

Bruce F. Rosenthal
Attorney for Green Genie, Inc.
4301 Orchard Lake Road
Suite 180, PMB 116
West Bloomfield, MI 48323
(248) 464-9803
bruce.rosenthal@att.net

cc: Alyssa A. Grissom, Esq.
Assistant Attorney General
GrissomA@Michigan.Gov
REQUEST FOR HEARING

Better Than Nature, LLC
   Petitioner

v.

Bureau of Marihuana Regulation
   Respondent

Issues
Whether Petitioner has established by clear and convincing evidence that it is eligible and suitable for the granting of a State license as Grower Class B, Grower Class C and a Provisioning Center as defined in the Medical Marihuana Facilities Licensing Act and whether any or all due process rights of Petitioner were violated.

Case No.

Application No. ERGA-18-000061

Bureau of Marihuana Regulation

Medical Marihuana Facilities Licensing

Act/Code of Law

Medical Marihuana Facilities Licensing Act, MCL 333.27101 et. seq. and associated administrative rules, citations in Petitioner’s Appeal (previously filed) and all applicable State and Federal Due Process Provisions and case law.

333.27407 (3)

Reference: Notice of Denial of Application
CASE TYPE

Medical Marihuana Facility License

-Determination of Eligibility and Suitability of Applicant to be granted a State Operating License

Prepared By

Bruce F. Rosenthal, Esq.
Robert A Ficano, Esq.
Phone: (248) 464-9803
Fax: (248) 432-7644
Email address: bruce_rosenthal@att.net

Prepared on- January 20, 2019

Hearing Instructions

-Available dates: available dates for this hearing are all dates listed by Attorney General's Office or all dates available beginning February 10, 2019.

-Petitioner will be calling at Hearing six witnesses for live testimony

-Petitioner is issuing three subpoenas for unredacted records to A) LARA B) Rehmann C) Michigan State Police.
PERSONS INVOLVED WITH THIS
REQUEST FOR HEARING

Better Than Nature, LLC
Petitioner

v.

Bureau of Marihuana Regulation
Respondent

-Application No. ERGA-18-000661

Petitioner: Better Than Nature, LLC/David Zanon
Address: 5576 S. M-52
Stockbridge, MI 49285
Phone: (248) 464-9803

-Attorneys for Petitioner
Bruce F. Rosenthal, Esq.
Robert A. Picano, Esq.
4301 Orchard Lake Road
Suite 180, PMB 116
West Bloomfield, MI 48323
Phone: (248) 464-9803
Fax: (248) 432-7644

-Respondent
Colleen Curtis, Manager
Bureau of Marihuana Regulation
December 15, 2017 – Application submitted

December 21, 2017 – Department review of applications begins

January 16, 2018 – Treasury Letter Sent

November 13, 2018 – Scoring and Ranking denial letter sent

November 27, 2018 – Appeal submitted

December 10, 2018 – Appeal to Hearing Officer

January 7, 2019 – Second Denial Sent with Hearing Officer Statement

December 27 – Commission Appeal submitted
Dear Provisioning Center Applicant,

Please review the attached document.

Thank you.

Deb Biehler, Clerk Assistant
Lansing City Clerk’s Office
124 W Michigan Avenue
Lansing, MI 48933
This message was sent to you at the request of Chris Swope, to notify you that they have shipped a package to you. For details about your shipment or to track your package, please refer to the information below.

**Shipment Details**

- **Shipped To:** Primo Farms  
  1214 S Washington Ave  
  Lansing  
  MI 48910-1651
- **Mailing Date:** 1/16/2018
- **Est. Delivery:** 2 days
- **Service:** Priority Mail (R)
- **Signature:** Not Required
- **Tracking:** 9405511899560441955129

The shipment information contained in this email is provided by Stamps.com. For questions about this package, please contact Chris Swope or the U.S. Postal Service.

Easily print USPS shipping labels from your PC or Mac. At Stamps.com, our goal is to simplify shipping so you can focus on your business. Get started at www.stamps.com.
January 16, 2018

Primo Farms
1214 S Washington Ave
Lansing, MI 48910

Dear Provisioning Center Applicant:

This is to advise you that your City of Lansing Medical Marihuana license application has been recommended for denial by the Lansing City Treasurer. You may contact the City of Lansing Treasurer’s Office at 517-483-4114 for more information on this default.

If you do not cure this default with the City of Lansing within five (5) business days of the date of this letter your application will be denied.

Please note there are a number of City departmental approvals required. This notice does not indicate that other departments have completed their review of your application.

Sincerely,

Chris Swope, Master Municipal Clerk
Lansing City Clerk

Cc: Lansing City Treasurer
November 13, 2018

Primo Farms LLC
c/o John Hyden
3503 Autumnwood Lane
Okemos, MI 48864

Dear Mr. Hyden,

This letter is to inform you that your application to operate a Medical Marihuana Provisioning Center in the City of Lansing at 1214 S Washington Avenue has been denied.

The Lansing City Ordinance section 1300.6 discusses Provisioning Center license application evaluation. Your score of 73 out of 100 eliminates the possibility of scoring in the top 20.

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

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 any information submitted in the appeal as well as information submitted by the City Clerk. The hearing officer will consider the information submitted 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.

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.

Lansing City Clerk’s Office
Ninth Floor, City Hall, 124 W. Michigan Ave., Lansing, MI 48933-1695
517-483-4131 $ 517-377-0068 FAX
www.lansingmi.gov/clerk $ clerk@lansingmi.gov
If you have begun business operations pursuant to State Emergency Rule 19 and Executive Order 2017-02, you must cease operations. Operations may resume only if your appeal is granted and the requirements of the temporary operation are satisfied.

Sincerely,

Chris Swope
City Clerk

cc: M. Yankowski, Lansing Police Chief
    J. Smiertka, Lansing City Attorney
<table>
<thead>
<tr>
<th>Applicant Address</th>
<th>Total Possible Points</th>
<th>PRIMO FARMS</th>
<th>PRIMO FARMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing, Advertising and Promotion</td>
<td>4</td>
<td>4</td>
<td>Applicant provides many detailed marketing, advertising, promotion, and minor minimization examples (e.g., will not provide any marketing or solicitations to minors and ads will never feature young people, packaging won’t appeal to those under 21, no outdoor ads other than PC location and hours, focus on hearing, word of mouth advertising, website, etc.).</td>
</tr>
<tr>
<td>Tangible Capital Investment in the City of Lansing</td>
<td>15</td>
<td>12</td>
<td>Applicant indicates they own two PC locations (1214 S. WA Ave. - 3K sq. ft. (covenant deed included in the application); and 2823 S. Cedar St. (2,500 sq. ft. and purchased for $110K). They will also operate a Class C cultivation center (21.9K sq. ft.) and processing center (1K sq. ft.) at the WA ave. address in the same building. Applicants also indicate they will implement programs resulting in $5.15 million in tangible capital generation/savings including; philanthropy, tax revenues, health and wellness centers at each location, educational outreach training, and patient rehabilitation to facilitate workforce return. Given the lack of TCI details provided about the 2823 S. Cedar St. PC and the cultivation center and processing center at S. 1214 WA Ave., and the non-TCI categories included in the &quot;tangible capital generation/savings&quot; category (e.g., philanthropy, training, tax revenues, etc.), this PC does not meet the $1 million threshold for sufficient TCI in the City. Therefore, an additional 3 points were deducted.</td>
</tr>
<tr>
<td>Job Creation (Integrated System) Overall number of jobs created</td>
<td>5</td>
<td>2</td>
<td>Applicant indicates 50 jobs will be created at their provisioning centers, cultivation, and processing operations combined but does not provide detail as to the number of jobs provided at the particular PC covered by this application. Describes staff training, jobs, salaries, local hiring, benefits, etc. Falls short of an optimal number of jobs (counting the individual application PC jobs and other non-PC jobs in the City).</td>
</tr>
<tr>
<td>Financial Structure and Financing</td>
<td>3</td>
<td>3</td>
<td>Applicant indicates they have sound financial standing and are well capitalized to satisfy all of the projected operating needs. Applicant states they have $13 million in net worth, $5 million in liquid assets, and $500K in W2 income. Provides proof of $400K in savings, home equity lines, checking, a 2016 tax return showing $353K adjusted gross income, 2013 tax return showing $427K, 2014 tax return showing $527K, etc.</td>
</tr>
<tr>
<td>Plans to Integrate Facility with Other Establishments</td>
<td>2</td>
<td>2</td>
<td>Applicant indicates they will integrate the provisioning center with a 25.98X sq. ft., 1,500 plant cultivation operation at the same location (1214 S. WA Ave.).</td>
</tr>
<tr>
<td>Charitable Plans and Strategies</td>
<td>4</td>
<td>3</td>
<td>Applicant indicates they will contribute 10% of annual revenue to sponsor not-for-profit charitable events, participate in school lunch programs, employ college interns (20/year with a $750K payback to the community), engage with other organizations like Without Walls and SAP, engage with food and clothing drives, financially support research into cures and treatments, etc., to the tune of $90K/year. Lacks proof of any actual payment or executed agreement. 9/4 UPDATE For Charitable Plans, applicant indicates they will contribute 10% of annual revenue to sponsor not-for-profit charitable events (see Page 2 of Application file in the original application). Suggestion: No change from the original score of 3 is warranted.</td>
</tr>
<tr>
<td>Criteria</td>
<td>Rating</td>
<td>Notes</td>
<td></td>
</tr>
<tr>
<td>----------</td>
<td>--------</td>
<td>-------</td>
<td></td>
</tr>
<tr>
<td>Center Category Thresholds: 1 = &lt; 6 jobs, insufficient details; 2 = &lt; 6 jobs, sufficient details; 3 = 6 jobs, sufficient details; 4 = &gt; 6 jobs insufficient details; 5 = &gt; 6 jobs, sufficient/good details.</td>
<td>5</td>
<td>Applicant indicates 50 jobs will be created at their provisioning centers, cultivation, and processing operations but does not specify how many will be at the 1214 S. WA provisioning center. Describes staff training, jobs, salaries, local hiring, benefits, etc. Falls short of an optimal level of clear details and an indication of how many PC jobs. Update 11/1/2018 Due to failure to state the number of employees at 1214 S. Washington, an additional point was deducted for insufficient detail.</td>
<td></td>
</tr>
<tr>
<td>Amount and Type of Compensation (PC)</td>
<td>2</td>
<td>Applicant indicates all PC employees will earn at least $20 per hour and provides strong support details.</td>
<td></td>
</tr>
<tr>
<td>Percent of Employees Earning At Least $15/Hour (PC)</td>
<td>3</td>
<td>Applicant indicates all provisioning center employees will earn at least $20/hour.</td>
<td></td>
</tr>
<tr>
<td>Projected Annual Budget and Revenue (PC)</td>
<td>2</td>
<td>Applicant provides detailed projected annual budget and revenue data (e.g., $2.9 million in expenses and $3.6 million in revenues during year 1) that are understandable.</td>
<td></td>
</tr>
<tr>
<td>Sufficient Financial Resources</td>
<td>5</td>
<td>Application does not provide litigation compliance verification forms for all key team members (i.e., only Mr. H), but states that none of the stakeholders have had any incidents with the Lansing police. Several primary team players are active landlords who file, as necessary, eviction complaints to evict non-paying tenants (none currently). One team player (Mr. Stiles) is named in a civil lawsuit involving his ex-wife's dissolved business entity, which is now in mediation. Applicant states they have &gt; $13 million in net worth, &gt; $6 million in liquid assets, and &gt; $500K in W2 income. Provides proof of ~$400K in savings, home equity lines, checking, a 2016 tax return showing $353 adjusted gross income, etc.</td>
<td></td>
</tr>
<tr>
<td>9/4 UPDATE For Sufficient Financial Resources, Primo Farms provides the same checking account #6895 with a balance of $102,095 as partial evidence for sufficient financial resources for both its 2823 S. Cedar St. and 1214 S. WA Ave. applications. However, the applicant also states or otherwise provides evidence of sufficient financial resources via net worth statements totaling $11.90 million (including $325K savings account and cash for David Sheets), and checking/savings/HEI/Visa credit card loan amounts totaling more than $153K in Hs name. Also provide an AGI on the 2015 tax return of $353K (H). Suggestion: No change in the score of 4 is recommended (applicant lost 1 point due to not providing litigation compliance forms for all stakeholders (i.e., only Mr. H).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Experience</td>
<td>5</td>
<td>Applicant indicates they have &gt; 10 years experience as medical marijuana caregivers, 90+ years of business experience (retail, legal, business development, etc.), have an advisory board with applicable experience (medical, financial, security), and have engaged the services of a cannabis consulting company from Colorado (Medicine Man Technologies) with expertise in cultivation, processing, and provisioning.</td>
<td></td>
</tr>
<tr>
<td>Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items</td>
<td>5</td>
<td>Met or exceeded requested items Updated 10/31/18 – Treasurer Letter – 1 point deducted</td>
<td></td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td>5</td>
<td>No resident nearby. Updated score using a better measurement tool. 9/18/18 350 ft from residential zoning which falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points.</td>
<td></td>
</tr>
<tr>
<td>City of Lansing Provisioning Center Ranking</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Increased traffic on side streets will be scored lower</strong></td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>No side streets Updated 9/24/18 score using a better measurement tool, Traffic and Parking Review scored highest in most categories. 5 points - No change in score</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</strong></td>
<td>10</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Parking issues esp. with grow at same address-Tier 1 5pts A+ Security plan, 5 pts traffic, Strong traffic patterns, driveways, parking, and circulation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Plan to meet with neighborhood organizations,</strong></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Have Plan, Tab 19 pg 21-22, 27-28, 31-35, 40-41, and 60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Improvements made or proposed to building</strong></td>
<td>3</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Complete remodel to accommodate grow facility, tab 19 pg 63-66 Updated 9/24/18 using a more accurate measurement tool, no improvements could be found in Business Plan 2.7 section. Investments does not fit criteria of improvements to the facility. Also, the 1 year Pro Forma nor 3 Year Projected Income/Operating. Cost have costs listed that could NOT be construed as building improvements</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Plan to minimize/eliminate traffic</strong></td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Traffic plan included, tab 19 pg 58 and 67</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Plan to minimize/eliminate noise</strong></td>
<td>2</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>All operation inside facility; new patient orientation; patient handbook, tab 19 pg 68 detailed plan Updated 10/31/2019 no discussion of external noise issues remediation – 1 point deducted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Plan to minimize/eliminate odor</strong></td>
<td>3</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Detailed plan industrial grade HVA including HEPA filter; doors &amp; windows will remain closed; outside doorknobs to monitor; no consumption within 1000 ft, tab 19 pg 68-69 Updated 10/31/2019 2 paragraphs descriptions with no specs. lack of details warrant score changed to two points</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>LPD Complaints</strong></td>
<td>4</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>1 BAE report - 1 Larceny report - 2 assist LFD w/ Fire calls - 1 illegal dumping call - 1 weapon complaint call - 1 Drug complaint call, 7 calls (5-9 calls drops score to 2pts)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Demo of Regulatory Compliance</strong></td>
<td>4</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Updated 9/25/18 major tax issue, 2 pt deducted, expired electrical permit 1 pt deducted, Trash/grass violations 1 pt deducted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Litigation History</strong></td>
<td>2</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Only summary provided, pg 70 of business plan, no LARA, tab 19 pg 69-70 A summary and not a complete history 1 point deducted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ICP</strong></td>
<td>55</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Score</strong></td>
<td>100</td>
<td>79</td>
<td></td>
</tr>
</tbody>
</table>
November, 2018

Mr. Chris Swope
Lansing City Clerk
Lansing City Clerk's Office
Ninth Floor, City Hall
124 W. Michigan Avenue
Lansing, Michigan 48933-1695
City.clerk@lansingmi.gov

Re: Notice of Appeal - Application Evaluation - Primo Farms, LLC 1214 S. Washington Avenue

NOTICE OF APPEAL OF APPLICATION EVALUATION FOR PROVISIONING CENTER
PER LANSING CITY ORDINANCE SECTION 1300.6

Please accept this Notice of Appeal of Application Evaluation for Provisioning Center ("Appeal") on behalf of Primo Farms, LLC (hereafter "Applicant") applying for a provisioning center license at 1214 S. Washington Avenue, Lansing, Michigan.

The City Clerk's Office notified Applicant via email on November 13, 2018 that due to the score of 73 for this application, 1214 S. Washington was eliminated from the possibility of licensure because the score would not fall within the top 20 application scores and was therefore denied.

This letter (filed within 14 days of Notice by the Lansing City Clerk's Office) is respectfully submitted based upon the inaccuracy of the review of the comprehensive and exhaustive detailed information provided by Applicant in its December 2017 application materials pertaining to each of the categories required per Lansing City Ordinance 1300. The scored categories by the reviewer for this application were erroneous as several categories were not properly and thoroughly reviewed or were simply omitted from review, and in particular one item was perceived as deficient in two separate sections (see Litigation History Compliance whereas 1 point was deducted in two sections for the same issue in both "Sufficient Financial Resources" and "Litigation History") as provided within the Applicant's application and business plan, thus the maximum number of points were not allotted for several categories. Applicant contends that upon this subsequent review of the information contained herein, the Applicant will receive additional points based on the oversight of the reviewer of the information provided in Applicant's exhaustive and comprehensive December 2017 application and additional information submitted as to clarify issues raised during grading.

As such, Applicant is submitting, along with this Notice, the scoring checklist the Clerk provided in the denial letter with a brief synopsis of the issue under each category scored explaining each erroneous scoring of the items in question and the argument for the additional allocation of points. This method of submission is for ease of review for the Hearing Officer assigned. As a courtesy, Applicant precisely directs the Hearing Officer to portions of its business plan submitted with its application in December 2017 to the Clerk's office, that specifically address each of the items in contention that Applicant maintains should have received additional point allocation and consideration.

Now therefore, the Applicant respectfully requests upon review of the application of detailed materials provided, that Applicant receives an additional 21 points for the items outlined within this appeal.

Respectfully,

[Signature]

John Hyden, Esq.
In re: 1214 S. Washington, PRIMO FARMS, LLC
Applicant (Provisioning Center Facility)

ACTION APPEALED FROM

Primo Farms, LLC has applied for licensing to operate a Medical Marihuana Provisioning Center at 1214 S. Washington Street, Lansing, Michigan 48910. On November 13, 2018, the Lansing City Clerk notified the Applicant that their score of 73 out of 100 eliminates the possibility of scoring in the top twenty. Primo Farms, LLC appeals the scoring of their application.

APPLICABLE ORDINANCE FOR REVIEW

1300.15 – LICENSE REVOCATION; BASES FOR REVOCATION; APPEAL OF LICENSE DENIAL.

(C) APPEAL OF DENIAL OF AN APPLICATION OR REVOCATION OF A LICENSE: The city clerk shall notify an applicant of the reason(s) for denial of an application for a license or license renewal or for revocation of a license or any adverse decision under this chapter and provide the applicant with the opportunity to be heard. Any applicant aggrieved by the denial or revocation of a license or adverse decision under this chapter 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 on appeal of a denial or revocation or adverse action shall be by the commission pursuant to section 1300.3. Any decision by the commission on an appeal shall be final for purposes of judicial review. The clerk may engage professional experts to assist with the proceedings under this section 1300.15.

INTRODUCTION

The examiners have awarded the Applicant a total score of 73 out of 100 points. The Applicant will address each category where a reduction from full point value was given. In each instance, the Applicant will clearly show that the examiner either did not score the category correctly or overlooked the materials presented.
Attached (Exhibit A) is a letter from Managing Member John Hyden of Primo Farms LLC. indicating that the Provisioning Center located 2832 S Cedar St. Lansing, Michigan has been denied and they have decided not to Appeal.

DISCUSSION
TANGIBLE CAPITAL INVESTMENT IN THE CITY OF LANSING: 15
POINTS AWARDED: 12

EXPLANATION GIVEN:
Applicant indicates they own two PC locations (1214 S. WA Ave. - 3K sq. ft. (covenant deed included in the application); and 2823 S. Cedar St. (2,500 sq. ft. and purchased for $110K)). They will also operate a Class C cultivation center (21.9K sq. ft.) and processing center (1K sq. ft.) at the WA ave. address in the same building. Applicants also indicates they will implement programs resulting in $5.16 million in tangible capital generation/savings including: philanthropy, tax revenues, health and wellness centers at each location, educational outreach training, and patient rehabilitation to facilitate workforce return. Given the lack of TCI details provided about the 2823 S. Cedar St. PC and the cultivation center and processing center at S. 1214 WA Ave., and the non-TCI categories included in the "tangible capital generation/savings" category (e.g., philanthropy, training, tax revenues, etc.), this PC does not meet the $1 million threshold for sufficient TCI in the City. Therefore, an additional 3 points were deducted.

DISCUSSION: Applicant Primo Farms LLC. set forth IN THEIR BUSINESS PLAN SECTION 19 their proposed build out of the Provisioning Center and the proposed build out of the Cultivation Facility in their floor plan without specifically enumerating the exact cost associated thereto. The following as listed below shows with specific detail the exact categories necessary and related costs that will be incurred for the initial TANGIBLE CAPITAL INVESTMENT REQUIRED to have the Provisioning Center and Cultivation up and running after inspections and receiving the approval from the City of Lansing and State of Michigan for licensure.
The source of funds have been committed by a letter of credit issued by stakeholder David Sheets (Exhibit B) to PRIMO FARMS in the amount of $4,000,000 and will be repaid by the operations of the Provisioning Center and Cultivation Facility as revenues are generated over time. In addition the stakeholders will invest individually up to $200,000 each as been the case to offset costs incurred during the application process.

In conclusion, these details offer a complete explanation how Tangible Capital Investment exceeds the $1,000,000 necessary investment in the Marijuana Facilities and in the City of Lansing.

For this category, the Applicant should have been awarded 15 points.
JOB CREATION (INTEGRATED SYSTEM)
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 2

EXPLANATION GIVEN:
Applicant indicates 50 jobs will be created at their provisioning centers, cultivation, and processing operations combined but does not provide detail as to the number of jobs provided at the particular PC covered by this application. Describes staff training, jobs, salaries, local hiring, benefits, etc. Falls short of an optimal number of jobs (counting the individual application PC jobs and other non-PC jobs in the City).

DISCUSSION: As discussed in the in our Business Plan, Primo Farms, LLC projects creating a minimum of 50 Lansing jobs. However, specific to the provisioning center personnel to be located at 1214 S. Washington, 18 new jobs will be filled as follows:
TOTAL ANNUAL PERSONNEL BUDGET PROJECTED FOR PROVISIONING CENTER ONLY:

Other Jobs Created by Primo Farms, LLC (Grow and Parent/Headquarter Operations):

(Year 1 Projections – Does not include fringe benefits and healthcare)
Cultivation Facility and Corporate Headquarters Payroll:  
$2,324,200

TOTAL PERSONNEL BUDGET: Provisioning Ctr., Corp. Office, and Cultivation:  
$3,430,600

Primo Farms has identified additional positions that, as growth of the business  
warrants, will be added to enhance services to its clientele. However, the projections  
listed above are primary to the operations of the respective aspects of the  
organization, and its affiliated “licensed medical marihuana facilities”.

<table>
<thead>
<tr>
<th>Position</th>
<th>[One each position listed]</th>
<th>[Salary range: $45K - $90K]</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patient Care Coordinator</td>
<td></td>
<td>[See page 10 - 12 of Section 20 “Estimate jobs, compensation, and annual budget &amp; revenue”]</td>
</tr>
<tr>
<td>Case Manager</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director of Human Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vocational Rehab Specialist</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing Specialist</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Member Services Specialist</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Provisioning Center at 1214 S. Washington will account for 18 of the 50 jobs (Business Plan - Page 7). The proposed build out of the Provisioning Center would employ approximately 25 construction employees to build out the Provisioning Center facility. In addition, our Parent Company will be seeking licensing for a Medical Marihuana Grow facility and potentially another Provisioning Center facility. The application for the Grow facility (1214 S. Washington Avenue) is currently pending in the City Clerk’s Office.

In conclusion, our Business Plan details a complete explanation how 50 new Lansing jobs would be created. For this category, the Applicant should have been awarded 5 points instead of 2 points.

Charitable Plans and Strategies

TOTAL POSSIBLE POINTS AVAILABLE: 4  
POINTS AWARDED: 3

EXPLANATION GIVEN:
Applicant indicates they will contribute 10% of annual revenue to sponsor not-for-profit charitable events, participate in school lunch programs, employ college interns (20/year with a $750K payback to the community), engage with other organizations like Without Walls and SAP, engage with food and clothing drives, financially support research into cures and treatments, etc., to the tune of $90K/year. Lacks proof of any actual payment or executed agreement. (9/4 UPDATE) For Charitable Plans, applicant indicates they will contribute 10% of annual revenue to sponsor not for profit charitable events (see Page 2 of Application
file in the original application). Suggestion: No change from the original score of 3 is warranted.

**DISCUSSION:** The ordinance asks for "Charitable Plans and Strategies, whether fiscally or through volunteer work." Actual "contracts or agreements were not required as proof of intent, or commitment. The Applicant has indicated its intent, as summarized in the "explanation given" above. However, in addition, the Applicant is willing to commit to the City of Lansing the following as further evidence of its sincerity to make charitable contributions. Below is an expression of land transfer that is intended to benefit the citizens of Lansing at the sole direction of city officials, and its processes:

In conclusion, our Business Plan, pages 39 – 42, provided detail of exactly what Primo Farms, LLC is planning to provide to various organizations in the Lansing community. Given the appropriateness of the original response, and the additional considerations detailed above, the Applicant should have been awarded 4 points instead of 3 points.
CENTER CATEGORY THRESHOLDS: 1 = < 6 JOBS, INSUFFICIENT DETAILS; 2 = < 6 JOBS, SUFFICIENT DETAILS; 3 = 6 JOBS, SUFFICIENT DETAILS; 4 => 6 JOBS INSUFFICIENT DETAILS; 5 => 6 JOBS, SUFFICIENT/GOOD DETAILS.

TOTAL POSSIBLE POINTS AVAILABLE: 2
POINTS AWARDED: 1

EXPLANATION GIVEN: Applicant indicates 50 jobs will be created at their provisioning centers, cultivation, and processing operations but does not specify how many will be at the 1214 S. WA provisioning center. Describes staff training, jobs, salaries, local hiring, benefits, etc. Falls short of an optimal level of clear details and an indication of how many PC jobs. Update 11/1/2018 Due to failure to state the number of employees at 1214 S. Washington, an additional point was deducted for insufficient detail.

DISCUSSION: See page 2 of Section 20 “Estimate jobs, compensation, and annual budget & revenue” which provides a comprehensive organizational chart, containing job positions that are reflected in the explanation provided above in reference to: JOB CREATION (INTEGRATED SYSTEM)

Specifically, the jobs for the Provisioning Center to be located at 1214 S. Washington is as follows, with salaries (and corresponding hourly rates included):

<table>
<thead>
<tr>
<th>Pos</th>
<th>Count</th>
<th>Annual Salary</th>
<th>Effective Hourly Rate Based on 2,080 Hrs./Yr.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TOTAL ANNUAL PERSONNEL BUDGET PROJECTED FOR PROVISIONING CENTER ONLY:

$1,106,400

Detailed job descriptions can be found on pages 3 - 12 of the same section 20 of the Application. Budget detail can be found on page 13 of the same.

For this category, the Applicant should have been awarded 5 points instead of 1 point.

SUFFICIENT FINANCIAL RESOURCES
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 4

EXPLANATION GIVEN: Application does not provide litigation compliance verification forms for all key team members (i.e., only Mr. H), but states that none of the stakeholders have had any incidents with the Lansing police. Several primary team players are active landlords who file, as necessary, eviction complaints to evict non-paying tenants (none currently). One team player (Mr. Stiles) is named in a civil lawsuit involving his ex-wife’s dissolved business entity, which is now in mediation. Applicant states they have > $13 million in net worth, > $6 million in liquid assets, and > $500K in W2 income. Provides proof of ~$400K in savings, home equity lines, checking, a 2016 tax return showing $353 adjusted gross income, etc. 9/4 UPDATE For Sufficient Financial Resources, Primo Farms provides the same checking account #6895 with a balance of $102,095 as partial evidence for sufficient financial resources for both its 2823 S. Cedar St. and 1214 S. WA Ave. applications. However, the applicant also states or otherwise provides evidence of sufficient financial resources via net worth statements totaling $11.90 million (including $325K savings account and cash for David Sheets), and checking/savings/HEL/Visa credit card loan amounts totaling more than $153K in H’s name. Also provide an AGI on the 2016 tax return of $353K (H). Suggestion: No change in the score of 4 is recommended (applicant lost 1 point due to not providing litigation compliance forms for all stakeholders (i.e., only Mr. H).
DISCUSSION: The Members have clearly demonstrated that they have slightly more than $100,000 in the name of "Primo Farms, LLC" in an account at Federal Credit Union, see Section 18 of the Application. Furthermore, the Members of Primo Farms, LLC have individually provided evidence of liquidity, which collectively, demonstrates they have in excess of $1 million in liquid assets.

The statement regarding “litigation history” and the corresponding reference appears to be a repeat of the “Litigation History”, represented as the final scoring category on the scoring sheet, which already deducts “one (1) point” from the Applicant’s score.

The information contained in Section 18 of the Application clearly demonstrates that the Applicant has “Sufficient Financial Resources” to launch a Provisioning Center facility in Lansing at the subject location of 1214 S. Washington Avenue.

For this category, the Applicant should have been awarded 5 points instead of 4 point.

BUFFERING BETWEEN RESIDENTIAL ZONED AREAS AND ESTABLISHMENT TOTAL POSSIBLE POINTS AVAILABLE: 5 POINTS AWARDED: 3

EXPLANATION GIVEN: No resident nearby Updated score using a better measurement tool 9/18/18 350 ft from residential zoning which falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria for this variable were stated as follows:

Impact on neighborhood: Buffering between residential zoned areas and establishment.

The buffering of a Medical Marijuana Provisioning Center was set forth by the municipal ordinance, stating as follows:

1300.13 – LOCATION, BUFFERING, DISPERSION, AND ZONING REQUIREMENTS FOR OF MEDICAL MARIHUANA PROVISIONING CENTERS.

(A) EXCEPT IN ACCORDANCE WITH SECTION 1300.18, FOR BUFFERING AND DISPERSION PURPOSES, NO MEDICAL MARIHUANA PROVISIONING CENTER SHALL BE LOCATED WITHIN:

(1) ONE THOUSAND (1000) FEET, OF AN OPERATIONAL SCHOOL, INCLUDING PRE-KINDERGARTEN THAT IS LOCATED WITHIN A SCHOOL; OR
(2) FIVE HUNDRED (500) FEET, OF THE FOLLOWING BUFFERED USES: PUBLIC PLAYGROUND EQUIPMENT LOCATED IN A PARK; A COMMERCIAL CHILD CARE ORGANIZATION (NON-HOME OCCUPATION) THAT IS REQUIRED TO BE LICENSED OR REGISTERED WITH THE MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES, OR ITS SUCCESSOR AGENCY, A CHURCH; A FACILITY AT WHICH SUBSTANCE ABUSE PREVENTION SERVICES OR SUBSTANCE ABUSE TREATMENT AND REHABILITATION SERVICES AND THOSE TERMS ARE DEFINED IN PART 61 OR PA 368 OF 1978, MCL 333.6101 ET SEQ., ARE OFFERED; OR ANOTHER MEDICAL MARIHUANA PROVISIONING CENTER.

(B) MEDICAL MARIHUANA PROVISIONING CENTERS SHALL BE LIMITED TO F AND F1-COMMERCIAL, G2-WHOLESALE, H-LIGHT INDUSTRIAL, AND I-HEAVY INDUSTRIAL AS SUCH DISTRICTS ARE DESCRIBED AND DESIGNATED AS PROVIDED IN THE ZONING CODE PROVISIONS OF THE LANSING CODIFIED ORDINANCES.

(C) NO MEDICAL MARIHUANA PROVISIONING CENTER SHALL BE LOCATED WITHIN ANOTHER BUSINESS EXCEPT AS PERMITTED BY THE MEDICAL MARIHUANA LICENSING BOARD REGULATIONS.

The scoring criteria focus uses the phrase “residential zoned areas”. A plain reading of the scoring criteria and the applicable ordinance must therefore focus on the enumerated factors in the ordinance itself – setbacks from schools, libraries, playgrounds, childcare, churches and substance abuse prevention centers.

The subject property meets, or exceeds the minimum distance requirements for buffering listed in section 1300.13 of the Ordinance. There was no stipulated distance requirement for “buffering” from residentially zoned properties, however, the subject property located 1214 S. Washington Avenue is buffered by, on all sides, by one of the following zoning districts: H-Light Industrial, I-Heavy Industrial, and F-Commercial. It should be noted that the active railroad track is a far more intrusive land use, a land use which is unquestionably consistent with an industrial district. For the Applicant to be held to a higher standard than an active rail line that creates pollution, noise, and traffic interruption is questionable, in the Applicant’s opinion. In addition, the City does not make a distinction between: Single Family (A & B Residential); Two Family (C Residential); and, the Multi-Family Districts (DM-1, DM-2, DM-3, and DM-4). Lastly, how is E-1 Shopping District to be interpreted in this regard? The Ordinance and Medical Marihuana Facility application are both silent on the buffering and treatment of the various residential districts.

1214 S. Washington Avenue is a highly suitable location for a Provisioning Center and Grow Facility, as is proposed by the Applicant. The land use is consistent with the City of Lansing’s Comprehensive Master Plan, “Design Lansing”.
See page 57 of the “Business Plan”, Section 4.0 “Land Use” – 4.1 Impact on Neighborhood – Buffering between residential zoned areas and establishment for further evidence of the Applicant’s discussion regarding residential buffering.

For this category, the Applicant should have been awarded 5 points and not just 3 points.

IMPROVEMENTS MADE OR PROPOSED TO BUILDING

TOTAL POSSIBLE POINTS AVAILABLE: 3
POINTS AWARDED: 0

EXPLANATION GIVEN: Complete remodel to accommodate grow facility, tab 19 pg. 63-66 Updated 9/24/18 using a more accurate measurement tool, no improvements could be found in Business Plan 2.7 section. Investments does not fit criteria of improvements to the facility. Also, the 5 year Pro Forma nor 3 Year Projected Income/Operating Cost have costs listed that could NOT be construed as building improvements

DISCUSSION: Applicant Primo Farms LLC. sets forth IN THEIR LEASE AGREEMENT (attached as Exhibit C) the proposed buildout of the Real Property located at 1214 S Washington Ave. Lansing, Michigan. The following as listed below shows with specific detail the exact categories necessary and related costs that will be incurred for the Capital Improvements necessary to the building structure and related areas prior to the buildout of the marijuana facility. Physical improvements to be made to the Provisioning Center facility at 1214 S, Washington Avenue Lansing Michigan.
The source of funds have been committed by a letter of credit issued by stakeholder David Sheets and will be repaid by the operations of the Provisioning Center and Cultivation Facility as revenues are generated in the financial Pro-Formas previously submitted. In conclusion, these details offer a complete explanation how the Capital Improvement in the Real Property exceeds the 125% of the SEV of $300,000 by Four times the amount as required by the City of Lansing.

For this category, the Applicant should have been awarded 3 points.

---

**PLAN TO MINIMIZE/ELIMINATE NOISE**

**TOTAL POSSIBLE POINTS AVAILABLE: 2**

**POINTS AWARDED: 1**

**EXPLANATION GIVEN:** ALL OPERATION INSIDE FACILITY; NEW PATIENT ORIENTATION; PATIENT HANDBOOK, TAB 19 PG 68 DETAILED PLAN UPDATED 10/31/2018 NO DISCUSSION OF EXTERNAL NOISE ISSUES REMEDIATION – 1 POINT DEDUCTED

**DISCUSSION:** A Member of the Applicant team is Stiles Lawn, Landscaping and Snow Removal is a skilled landscaper, with clients throughout the Lansing region. The Applicant will invest $76,544 which is reflected in both the Tangible Capital Investment discussion and the attached “Commercial Lease Agreement with Option to Purchase”, see page 3 - Section 6, of the lease. In addition, a fencing budget of $164,000 is also reflected the same discussion material regarding “Tangible Capital Investment” and the above-referenced section of the Lease.

Again, having a partner that is professionally engaged in lawn care and plowing services, Stiles Lawn, Landscaping and Snow Removal shall not conduct snow plowing operations at the subject property **prior to 7am** on any morning of the week as further evidence regarding the Applicant’s commitment to neighborhood peace and quiet.

Furthermore, as stated on page 68, Section 5.4, of the “Business Plan”, no loitering will be permitted on the premises. Playing of music from automobiles will be monitored, in which s Security Guard team member will request that music not be played with the vehicle...
windows open, and or at levels that can be easily heard by a pedestrian passing by the facility.

For this category, the Applicant should have been awarded 2 points and not just 1 point.

PLAN TO MINIMIZE/ELIMINATE ODOR
TOTAL POSSIBLE POINTS AVAILABLE: 3
POINTS AWARDED: 2

EXPLANATION GIVEN: Detailed plan industrial grade HVA including HEPA filter; doors & windows will remain closed, outside doorman to monitor; no consumption within 1000ft, tab 19 pg 68-69. Updated 10/31/2018 2 paragraphs descriptions with no specs. Lack of details warrant score changed to two points.

DISCUSSION: Primo Farms, LLC submitted facility sanitation plan (Section 10 of the Application “Facility Sanitation Plan”), security plan (Section 23 of the Application “Security Plan”), and employee training (Section 19 of the Application “Business Plan—Worker Training Program, pages 17 – 19 section 2.3) and “Plans to Minimize/Eliminate Odor” (Section 19 of the Application, “Business Plan” 5.5) adequately detail and ensure that odor will not be an issue. Primo Farms, LLC plans to cultivate marihuana within a section of the building to the west of the proposed Provisioning Center, however, the building separation and air handling systems will be separately operated, and will installed to the standard required by the Building Safety Office, Department of Planning and Economic Development, City of Lansing. Currently, A grow/cultivation operation does not exist in the west section of the subject property at this time. Additionally, the Bureau of Medical Marihuana Regulation Emergency Rules 35 and 39 already requires that provisioning centers store all products for sale in a sealed container. Furthermore, the Applicant indicated repeatedly throughout its application that it will comply with all applicable laws and regulations governing the industry. As a result, its application adequately demonstrated no reason for odor to be a concern and Primo Farms, LLC should have received 3 out of 3 points in this category. To have reduced this category, after the fact, by one (1) point is, in the opinion of the Applicant, an unfair application of the LARA rules, as the City Ordinance is silent on placing the burden on the Applicant to provide “specifications” for either equipment or design. The Applicant does not believe that, as was indicated in the Clerk’s scoring analysis, a “no specs. Lack of details warrant score change to two points.” The Applicant should have retained a score of 3 points for this category. Score should return to 3 points.
LPD COMPLAINTS
TOTAL POSSIBLE POINTS AVAILABLE: 4
POINTS AWARDED: 2

EXPLANATION GIVEN: 1 B&E report - 1 Larceny report - 2 assist LFD w/ Fire calls
- 1 illegal dumping call - 1 weapon complaint call - 1 Drug complaint call, 7 calls (5-9 calls drops score to 2pts)

DISCUSSION: There is no basis for attributing any of these LPD complaints to Primo Farms, LLC. Primo Farms, LLC, which was formed in August 30, 2017, is not open for business. There are no members of the public permitted on or near its premises at this time. Primo Farms, LLC is not open to the public (and has not been open prior to the filing of its application) and has no knowledge of any police calls or responses to the property, these LPD complaints should not be attributed to Primo Farms, LLC. As such, Primo Farms, LLC should have received 4 out of 4 points in this category.

Furthermore, the previous operator did what any respectable business operator is expected to do, and that is to contact the proper authorities in the event of an incident. For the past activities to apply to Primo Farms, LLC is perceived by the Applicant as an unfair interpretation and treatment of the Applicant by doing harm in the form of a reduced score. The contents of the Application, at various points, addresses compliance with the requirements of the LARA - Bureau of Medical Marihuana Regulation, the City of Lansing and other enforcement agencies as required.

XXXXXXX

The Applicant is requesting the full consideration of the review team evaluating the facts of the appeal, and that the score for the Provisioning Center facility application, submitted by Primo Farms, LLC for the location at 1214 S. Washington Avenue be re-scored, and returned to the status of “Pending”.

Thank you.

Sincerely,

John M. Hyden
Manager/Member
Primo Farms, LLC
3503 Autumnwood Lane
Okemos, MI 48864
EXHIBIT A
November 27, 2018

Mr. Chris Swope  
Lansing City Clerk  
Lansing City Clerk’s Office  
Ninth Floor, City Hall  
124 W. Michigan Avenue  
Lansing, Michigan 48933-1695  
City.clerk@lansingmi.gov

Re: Notice of Waiving right of Appeal for Provisioning Center located at 2823 S. Cedar St Lansing Michigan

Please accept this Notice of Waiver of right to Appeal the denial of the Application Evaluation for Provisioning Center on behalf of Primo Farms, LLC (hereafter "Applicant") applying for a provisioning center license at 2823 S. Cedar Street, Lansing, Michigan.

We have decided to pursue only our license applications for a Provisioning Center and a Cultivation Facility at this time located at 1214 S. Washington Ave, Lansing, Michigan.

Respectfully,

[Signature]

John Hyden, Esq.
EXHIBIT D
## 5-Year Pro Forma For One (1) Provisioning Center

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accessories / Merchandise</td>
<td>125,000</td>
<td>144,900</td>
<td>159,390</td>
<td>175,329</td>
<td>184,095</td>
</tr>
<tr>
<td>Apparel</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
</tr>
<tr>
<td>Edibles</td>
<td>540,000</td>
<td>621,000</td>
<td>683,100</td>
<td>751,410</td>
<td>798,961</td>
</tr>
<tr>
<td>Flower</td>
<td>2,124,000</td>
<td>2,442,600</td>
<td>2,686,860</td>
<td>2,955,346</td>
<td>3,103,323</td>
</tr>
<tr>
<td>Hoth / Wax</td>
<td>756,000</td>
<td>869,400</td>
<td>956,340</td>
<td>1,051,974</td>
<td>1,104,573</td>
</tr>
<tr>
<td>Other</td>
<td>35,000</td>
<td>41,400</td>
<td>45,240</td>
<td>50,094</td>
<td>52,559</td>
</tr>
<tr>
<td>Topicals</td>
<td>128,200</td>
<td>134,200</td>
<td>136,620</td>
<td>150,282</td>
<td>157,796</td>
</tr>
<tr>
<td>Discounts</td>
<td>(108,000)</td>
<td>(124,200)</td>
<td>(156,230)</td>
<td>(150,282)</td>
<td>(157,796)</td>
</tr>
<tr>
<td><strong>GROSS REVENUE</strong></td>
<td>3,600,000</td>
<td>4,137,100</td>
<td>4,549,230</td>
<td>5,002,353</td>
<td>5,251,571</td>
</tr>
<tr>
<td><strong>COST OF GOODS SOLD</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accessories / Merchandise</td>
<td>63,000</td>
<td>72,450</td>
<td>79,695</td>
<td>87,665</td>
<td>92,048</td>
</tr>
<tr>
<td>Apparel</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>Edibles</td>
<td>174,200</td>
<td>142,820</td>
<td>157,113</td>
<td>172,824</td>
<td>181,468</td>
</tr>
<tr>
<td>Flower</td>
<td>955,820</td>
<td>1,095,170</td>
<td>1,209,087</td>
<td>1,329,996</td>
<td>1,396,495</td>
</tr>
<tr>
<td>Hoth / Wax</td>
<td>113,400</td>
<td>130,410</td>
<td>143,451</td>
<td>157,796</td>
<td>165,686</td>
</tr>
<tr>
<td>Other</td>
<td>11,999</td>
<td>13,799</td>
<td>15,176</td>
<td>16,696</td>
<td>17,531</td>
</tr>
<tr>
<td>Topicals</td>
<td>54,102</td>
<td>56,807</td>
<td>56,807</td>
<td>56,807</td>
<td>56,807</td>
</tr>
<tr>
<td><strong>TOTAL COST OF GOODS SOLD</strong></td>
<td>1,316,279</td>
<td>1,512,371</td>
<td>1,662,708</td>
<td>1,828,078</td>
<td>1,919,032</td>
</tr>
<tr>
<td><strong>GROSS PROFIT</strong></td>
<td>2,283,721</td>
<td>2,624,929</td>
<td>2,886,522</td>
<td>3,174,275</td>
<td>3,332,538</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>360,000</td>
<td>62,500</td>
<td>62,500</td>
<td>62,500</td>
<td>62,500</td>
</tr>
<tr>
<td>Insurance</td>
<td>150</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Property Tax</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Alarm &amp; Security</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Waste Disposal</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>License Renewal - City</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>License Renewal - State</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Annual License Assessment Fee - State</td>
<td>57,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
<td>25,000</td>
</tr>
<tr>
<td>Dispensary Excise Tax - State</td>
<td>108,600</td>
<td>125,119</td>
<td>136,477</td>
<td>150,071</td>
<td>157,547</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>216,000</td>
<td>248,320</td>
<td>272,884</td>
<td>300,141</td>
<td>315,094</td>
</tr>
<tr>
<td>Payroll - Management</td>
<td>189,600</td>
<td>195,280</td>
<td>201,477</td>
<td>207,181</td>
<td>213,396</td>
</tr>
<tr>
<td>Payroll - Benefits</td>
<td>249,600</td>
<td>257,089</td>
<td>264,801</td>
<td>272,745</td>
<td>280,927</td>
</tr>
<tr>
<td>Payroll - Compliance Officers</td>
<td>99,640</td>
<td>102,835</td>
<td>105,920</td>
<td>109,998</td>
<td>112,371</td>
</tr>
<tr>
<td>Payroll Expenses</td>
<td>80,856</td>
<td>83,282</td>
<td>85,760</td>
<td>88,354</td>
<td>91,004</td>
</tr>
<tr>
<td>Key Man Life Insurance</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Maintenance</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
</tr>
<tr>
<td>Utilities - Electric / Water / Natural</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Internet &amp; Phone</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Advertising</td>
<td>24,000</td>
<td>24,000</td>
<td>24,000</td>
<td>24,000</td>
<td>24,000</td>
</tr>
<tr>
<td>Accounting / Bookkeeping / Payroll</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
</tr>
<tr>
<td>Media/backpack/SAP Programs</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
</tr>
<tr>
<td>Grow A Rate - Food Bank</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Without Walls Program</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Training &amp; Education</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Philanthropy</td>
<td>60,000</td>
<td>60,000</td>
<td>60,000</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Supplies</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>1,543,046</td>
<td>1,290,350</td>
<td>1,346,578</td>
<td>1,407,089</td>
<td>1,449,840</td>
</tr>
<tr>
<td><strong>NET PROFIT</strong></td>
<td>740,675</td>
<td>1,334,580</td>
<td>1,539,944</td>
<td>1,767,186</td>
<td>1,862,699</td>
</tr>
</tbody>
</table>

Consulting Fees

<table>
<thead>
<tr>
<th>Year</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support Fee</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>TOTAL FEES</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td><strong>ADJUSTED NET PROFIT</strong></td>
<td>690,675</td>
<td>1,284,580</td>
<td>1,490,944</td>
<td>1,717,186</td>
<td>1,812,699</td>
</tr>
</tbody>
</table>
stamps endicia  Shipping Label Receipt

Delivery Confirmation™ Service Number:
9405 5116 9900 0044 0751 80

Priority Mail 2-DAY with USPS TRACKING #*
Electronic Service Fee: $0.00
Total Postage and Fees: $6.35
Weight: 1 oz
Print Date: 01/07/2019  Mailing Date: 01/07/2019

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

To: Primo Farms LLC
3503 Autumnwood Lane
Okemos MI 48864-5995

*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 free 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.
January 7, 2019

Primo Farms LLC
c/o John Hyden
3503 Autumnwood Lane
Okemos, MI 48864

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 1214 S Washington Ave. I have determined your appeal is denied.

In my review of the Hearing Officer’s letter, I determined that her recommendation of an additional point in the Sufficient Financial Resources category was not warranted. Because some litigation is financial in nature, it is potentially relevant to competence in the operation of a business. The one point reduction was due to an insufficient litigation history, which could be directly relevant to the certainty and reliability of the financial resources of the applicant.

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. The Medical Marihuana Commission Appeal will become a matter of public record. The Commission’s review of an appeal shall not be de novo. The Commission shall only over turn, 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.

If you have begun business operations pursuant to State Emergency Rule 19 and Executive Order 2017-02, you must cease operations. Operations may resume only if your appeal is granted and the requirements of licensure are satisfied.

Sincerely,

Chris Swope
City Clerk

cc: M. Yankowski, Lansing Police Chief
    J. Smiertka, Lansing City Attorney
CITY OF LANSING
HEARING OFFICER
DECISION RECOMMENDATION

In Re:

Primo Farms, LLC
Proposed Location: 1214 S. Washington Ave.

Provisioning Center License Denial

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 PRIMO FARMS, LLC and its license application for a Medical Marihuana Provisioning Center that the license application remain denied.

FACTS

PRIMO FARMS, LLC ("Appellant") applied to the City of Lansing to operate a Medical Marihuana Provisioning Center within the city limits. This recommendation follows a timely appeal from Appellant.

By letter dated November 13, 2018, Appellant was informed that its license application was denied because of its score and rank, having received a score of 73 out of 100. Appellant was informed that this score eliminated the possibility of scoring in the top twenty applicants and that 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 November 13 letter, Appellant was provided a copy of the City of Lansing Provisioning Center Ranking sheet for its business. On the chart, Appellant is able to view the total possible points, its attained points, and short statements regarding the scoring.

Appellant has a myriad of point deficiencies in categories adding up to its total score.

Appellant’s Position

Appellant disputes the denial. Its appeal alleges that the examiner “either did not score the category correctly or overlooked the materials presented.” With Appellant’s appeal are several different exhibits.¹

¹ See Appellant’s Action Appeal From, at *1. Appellant also references another of its business locations in its appeal document at 2832 S. Cedar St. stating its license has been denied and it has decided not to appeal that decision. Id. at 2.
City Clerk Position

The City Clerk affirms its position on the denial and notes that several documents and other included information was not in Appellant’s original application.

APPLICABLE LAW & REASONING

The issue 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.

---

2 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.
3 City of Lansing Ordinance No. 1217 Sec. 1300.15(C).
4 Id. at 1300.3(E).
The arbitrary or capricious standard of review is the commission’s review and is adopted by this Hearing Officer.\(^5\) Arbitrary and capricious have generally accepted meanings.\(^6\) 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."\(^7\) Capricious is "apt to change suddenly; freakish; whimsical; humorsome."\(^8\)

The burden is on the party attacking to affirmatively prove the arbitrary and unreasonable decision.\(^9\) This is not to say that a local body may "abrogate constitutional restraints."\(^10\)

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.\(^11\) Further, an appellate body will generally not consider issues not raised in or ruled on by a lower review.\(^12\) 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)

(12)(V) Expected job creation from the proposed medical marihuana establishment(s) . . . (X) Community outreach/education plans and strategies [and] (XI) [c]haritable plans and strategies, whether fiscally or through volunteer work.

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

\(^5\) 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.


\(^7\) Id.

\(^8\) Id.


\(^10\) Id. at 162.

\(^11\) 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[].")

“not limit an individual’s or entity’s rights under the [Michigan Medical Marihuana Act (MMA)], 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.

Concerning application review, under the City of Lansing Ordinance No. 1217 Section 1300.6:

(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.[]

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, 429 Mich. at 232-35. Thus, this review will address the appeal on Appellant’s first basis and the application as originally provided. This excludes Exhibit B, Exhibit C, and 3 pages of Exhibit E from consideration in this appeal. Further, additional information on pages 2-3; 4-5; 7-8; 12; and 13 which included a table listing provisioning center costs; sale listing costs for cultivation buildout; offer to convey property; jobs table; building improvements table; and commercial lease agreement respectively.

As much supplemental material is referenced in Appellant’s appeal letter, it is further addressed in the following paragraphs. As it is not part of the original application, it cannot be considered for the first time on appeal.

Appellant raises a Tangible Capital argument. Capital is understood to be “[m]oney or assets invested, or available for investment, in a business” Further, the City Clerk has articulated that Tangible Capital is rooted in a physical object. For demonstration the Appellant must provide

---

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 Id. 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.
17 See Napier, 429 Mich. at 232-35; see also 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[.]”)
18 Capital, Black’s Law Dictionary (7th ed.).
supporting factual data. As a note, this appeal can only consider the materials relevant to this specific application and location. Here, Appellant has iterated its points of tangible capital, and its cultivation build out in its business plan. While the two number calculations meet the 1 million threshold, the table listing the cultivation buildout was not in the original application, and cannot now be considered to increase Appellant’s score.¹⁹

Under Appellant’s Job Creation arguments, It is not enough for an appellant to “simply announce a position or assert an error[,]”²⁰ Thus leaving the oversee 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.”²¹ No further points can be awarded, as Appellant has not met its burden to show why 18 jobs is significant enough to merit more points.

Under Charitable Plans and Strategies, Appellant has referenced a land transaction sale. Even if this had been in the original application materials, there is no documentation that this donation would be accepted by the City or otherwise evidence of such business dealings. Merely stating that Appellant “will do X” is not illustrative of Appellant’s plans. Further, Appellant indicates other operational support to local associations but nothing further in support. There is no provided basis or argument to merit more points than already given in this category.

Under Sufficient Financial Resources, the scorer has referenced litigation history under its 9/4 update. This Hearing Officer does not understand why a point was deducted and thus agrees that Appellant should be awarded full points in this category.

As to Litigation History, Appellant’s scoring sheet indicates that there was a summary provided as page 70 of the business plan. Appellant was awarded 1 point in this category because it was a summary and not a complete history. This Hearing Officer agrees with this assessment. In evaluating a license application, consideration will be given to “[w]hether the applicant or any of its stakeholders have a record of acts detrimental public health, security, safety, morals, good order, or general welfare[.]”²² It should be further noted that the State of Michigan application also requires a Litigation History for its licensure application. By definition summary as a noun is “an abstract, abridgement, or compendium[.]”²³ The request is for litigation history, and Appellant has provided a summary missing information. There is nothing in the record suggesting that the decision of the scorer is arbitrary and capricious, nor has Appellant met its burden to show it was.

LPD Complaints exist as to the location. As LPD has records attributable to the current owners, whether or not the business was open to the public is irrelevant in the current instance. Police resources were used, thus scoring in this category is appropriate.

Under plans to minimize/eliminate traffic, noise & odor, Appellant states that it will comply with the requirements of the industry and that LARA has already required things. This argument holds no merit as the City’s requirements can build upon the floor that LARA has set if in the interest of

¹⁹ It should be noted that this recommendation does not take into consideration Exhibit B either, a Promissory Note dated 11/27/18.
²¹ Id.
²² Lansing Ordinance No. 1217 Sec. 1300.6(B)(4)
²³ Summary, Merriam Webster Dictionary.
its community and duly authorized. It is not enough for an 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.”

CONCLUSION

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

Respectfully Submitted,

[Signature]

Hilary M. Barnard, Hearing Officer

---

25 Id. Again, Appellant’s supplemental materials, not originally provided in its application, are not considered.
<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Total Possible Points</th>
<th>PRIMO FARMS</th>
<th>PRIMO FARMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>---</td>
<td>1214 S. WA AVE, 1214 S. WASHINGTON AVE.</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>1. Marketing, Advertising and Promotion</td>
<td>4</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Applicant provides many detailed marketing, advertising, promotion, and minor minimization examples (e.g., will not provide any marketing or solicitations to minors and ads will never feature young people, packaging won't appeal to those under 21, no outdoor ads other than PC location and hours, focus on healing, word of mouth advertising, website, etc.).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Tangible Capital Investment in the City of Lansing</td>
<td>15</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Applicant indicates they own two PC locations (1214 S. WA Ave, -3K sq. ft. (covenant deed included in the application); and 2823 S. Cedar St. (2,500 sq. ft. and purchased for $110K)). They will also operate a Class C cultivation center (21.9K sq. ft.) and processing center (3K sq. ft.) at the WA ave. address in the same building. Applicants also indicates they will implement programs resulting in $5.16 million in tangible capital generation/savings including: philanthropy, tax revenues, health and wellness centers at each location, educational outreach training, and patient rehabilitation to facilitate workforce return. Given the lack of TCI details provided about the 2823 S. Cedar St. PC and the cultivation center and processing center at S. 1214 WA Ave., and the non-TCI categories included in the &quot;tangible capital generation/savings&quot; category (e.g., philanthropy, training, tax revenues, etc.) this PC does not meet the $1 million threshold for sufficient TCI in the City. Therefore, an additional 3 points were deducted.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Job Creation (Integrated System) Overall number of jobs created</td>
<td>5</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Applicant indicates 50 jobs will be created at their provisioning centers, cultivation, and processing operations combined but does not provide detail as to the number of jobs provided at the particular PC covered by this application. Describes staff training, jobs, salaries, local hiring, benefits, etc. Falls short of an optimal number of jobs (counting the individual application PC jobs and other non-PC jobs in the City).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Financial Structure and Financing</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Applicant indicates they have sound financial standing and are well capitalized to satisfy all of the projected operating needs. Applicant states they have &gt; $13 million in net worth, &gt; $6 million in liquid assets, and &gt; $500K in W2 income. Provides proof of ~$400K in savings, home equity lines, checking, a 2016 tax return showing $353K adjusted gross income, 2015 tax return showing $427K, 2014 tax return showing $327K, etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Plans to Integrate Facility with Other Establishments</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Applicant indicates they will integrate the provision center with a 25.98K sq. ft., 1,500 plant cultivation operation at the same location (1214 S. WA Ave).</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Charitable Plans and Strategies</td>
<td>4</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>&quot;Applicant indicates they will contribute 10% of annual revenue to sponsor not-for-profit charitable events, participate in school lunch programs, employ college interns (20/year with a $750K payback to the community), engage with other organizations like Without Walls and SAP, engage with food and clothing drives, financially support research into cures and treatments, etc., to the tune of $90K/year. Lacks proof of any actual payment or executed agreement. 9/4 UPDATE For Charitable Plans, applicant indicates they will contribute 10% of annual revenue to sponsor not-for-profit charitable events (see Page 2 of Application file in the original application). Suggestion: No change from the original score of 3 is warranted.&quot;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Number of Jobs at the Provisioning Center Category Thresholds: 1 = &lt; 6 jobs, insufficient details; 2 = &lt; 6 jobs, sufficient details; 3 = 6 jobs, sufficient details; 4 = &gt; 6 jobs insufficient details; 5 = &gt; 6 jobs, sufficient/good details.</td>
<td>5</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>&quot;Applicant indicates 50 jobs will be created at their provisioning centers, cultivation, and processing operations but does not specify how many will be at the 1214 S. WA provisioning center. Describes staff training, jobs, salaries, local hiring, benefits, etc. Falls short of an optimal level of clear details and an indication of how many PC jobs. Update 11/1/2018 Due to failure to state the number of employees at 1214 S. Washington, an additional point was deducted for insufficient detail.&quot;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Amount and Type of Compensation (PC)</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Applicant indicates all PC employees will earn at least $20 per hour and provides strong support details.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9. Percent of Employees Earning At Least $15/_hour (PC)</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Applicant indicates all provisioning center employees will earn at least $20/hour.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Projected Annual Budget and Revenue (PC)</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Applicant provides detailed projected annual budget and revenue data (e.g., $2.9 million in expenses and $3.6 million in revenues during year 1) that are understandable.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Sufficient Financial Resources</td>
<td>5</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>&quot;Application does not provide litigation compliance verification forms for all key team members (i.e., only Mr. H.), but states that none of the stakeholders have had any incidents with the Lansing police. Several primary team players are active landlords who file, as necessary, eviction complaints to evict non-paying tenants (none currently). One team player (Mr. Stiles) is named in a civil lawsuit involving his ex-wife’s dissolved business entity, which is now in mediation. Applicant states they have &gt; $1 million in net worth, &gt; $6 million in liquid assets, and &gt; $500K in W2 income. Provides proof of ~$400K in savings, home equity lines, checking, a 2016 tax return showing $353 adjusted gross income, etc. 9/4 UPDATE: For sufficient Financial Resources, Primo Farms provides the same checking account #6895 with a balance of $10,095 as partial evidence for sufficient financial resources for both its 2823 S. Cedar St. and 1214 S. WA Ave. applications. However, the applicant also states or otherwise provides evidence of sufficient financial resources via net worth statements totaling ~$1.9 million (including $325K savings account and cash for David Sheets), and checking/savings/HELOC credit card loan amounts totaling more than ~$153K in H’s name. Also provide an AGI on the 2016 tax return of ~$353K (H). Suggestion: No change in the score of 4 is recommended (applicant lost 1 point due to not providing litigation compliance forms for all stakeholders (i.e., only Mr. H). Updated 10/31. No stakeholder has provided a complete business litigation history. Rather, they have provided summary and 1 disclosure for 1 of the stakeholders.&quot;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Business Experience</td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Applicant indicates they have &gt; 10 years experience as medical marijuana caregivers, 90+ years of business experience (retail, legal, business development, etc.), have an advisory board with applicable experience (medical, financial, security), and have engaged the services of a cannabis consulting company from Colorado (Medicine Man Technologies) with expertise in cultivation, processing, and provisioning.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items</td>
<td>5</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>&quot;Met or exceeded requested items. Updated 10/31/18 - Treasurer Letter sent on 1/14/18 - 1 point deducted.&quot;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14. Buffering between residential zoned areas and establishment</td>
<td>5</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>No resident nearby. Updated score using a better measurement tool. 9/18/18 350 ft from residential zoning which falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>15. Increased traffic on side streets will be scored lower</td>
<td>5</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>&quot;No side streets Updated 9/24/18 score using a better measurement tool. Traffic and Parking Review scored highest in most categories. 5 points. No change in score&quot;</td>
<td></td>
</tr>
<tr>
<td>16. Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</td>
<td>10</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Parking issues esp. with grow at same address-Tier 1 Spts A+ Security plan, 5 pts traffic, Strong traffic patterns, driveways, parking, and circulation</td>
<td></td>
</tr>
<tr>
<td>17. Plan to meet with neighborhood organizations,</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Have Plan, Tab 19 pg 21-22, 27-28, 31-35, 40-41, and 60</td>
<td></td>
</tr>
<tr>
<td>18. Improvements made or proposed to building</td>
<td>3</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Complete remodel to accommodate grow facility, tab 19 pg 63-66 Updated 9/24/18 using a more accurate measurement tool, no improvements could be found in Business Plan 2.7 section. Investments does not fit criteria of improvements to the facility. Also, the 5 year Pro Forma nor 3 Year Projected Income/Operating Cost have costs listed that could NOT be construed as building improvements</td>
<td></td>
</tr>
<tr>
<td>19. Plan to minimize/eliminate traffic</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Traffic plan included, tab 19 pg 58 and 67</td>
<td></td>
</tr>
<tr>
<td>20. Plan to minimize/eliminate noise</td>
<td>2</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>&quot;All operation inside facility, new patient orientation; patient handbook, tab 19 pg 68 detailed plan. Updated 10/31/2018 no discussion of external noise issues remediation – 1 point deducted&quot;</td>
<td></td>
</tr>
<tr>
<td>21. Plan to minimize/eliminate odor</td>
<td>3</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>&quot;Detailed plan industrial grade HVA including HEPA filter; doors &amp; windows will remain closed, outside doorperson to monitor; no consumption within 1000ft, tab 19 pg 68-69 Updated 10/31/2018. 2 paragraphs descriptions with no specs. Lack of details warrant score changed to two points&quot;</td>
<td></td>
</tr>
<tr>
<td>22. LPD Complaints</td>
<td>4</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1 B&amp;E report - 1 Larceny report - 2 assist LFD w/ Fire calls - 1 illegal dumping call - 1 weapon complaint call - 1 Drug complaint call, 7 calls (5-9 calls drops score to 2pts) 12/26/2018 - Not operating at time of complaints. Currently at H/O. Points should be increased to 4 when updated score sheet sent.</td>
<td></td>
</tr>
<tr>
<td>23. Demo of Regulatory Compliance</td>
<td>4</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Updated 9/25/18 major tax issue, 2 pt deducted, expired electrical permit 1 pt deducted, Trash/grass violations 1 pt deducted</td>
<td></td>
</tr>
<tr>
<td>24. Litigation History</td>
<td>2</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Only summary provided, pg 70 of business plan, no LARA, tab 19 pg 69-70 A summary and not a complete history 1 point deducted. Updated 11/28/18 after further review, &quot;no active litigation&quot; and failure to provide lit history for Hyden and Sheets is determined unsufficient</td>
<td></td>
</tr>
<tr>
<td>Total Score</td>
<td>100</td>
<td>74</td>
<td></td>
</tr>
</tbody>
</table>
February 4, 2019

Via E-mail
Deb Biehler
Office of the Lansing City Clerk
City Hall
124 W Michigan Ave,
Ninth Floor
Lansing, MI 48933

Re: Primo Farms, LLC
1214 S. Washington Avenue Appeal

Dear Ms. Biehler:

Please find enclosed Primo Farms, LLC’s ("Primo") appeal regarding the denial of its 1214 S. Washington Avenue Provisioning Center Application filed with the Lansing City Clerk. This appeal is being filed on February 4, 2019, within the 30-day appeal window provided in City of Lansing Ordinance No. 127 § 1300.15 for taking an appeal of the City Clerk’s January 7, 2019 denial of Primo’s first stage appeal.

Thank you for your consideration regarding this matter.

Respectfully,

John Hyden, Esq.
CITY OF LANSING

MEDICAL MARIJUANA COMMISSION

In the Matter of the
Application for Licensure of
Primo Farms, LLC for
1214 S. Washington Avenue
Lansing, Michigan 48910

/ 

John Hyden (P63882)
Primo Farms, LLC
1214 S. Washington Avenue
Lansing, Michigan 48910
Telephone (517) 881-6734
Attorney for Primo

APPLICANT-APPELANT'S BRIEF ON APPEAL
ACTION APPEALED FROM

Primo Farms, LLC ("Primo" or "Applicant") has applied for licensing to operate a Medical Marijuana Provisioning Center at 1214 S. Washington Street, Lansing, Michigan 48910. On November 13, 2018, the Lansing City Clerk notified the Applicant that their score of 73 out of 100 eliminated the possibility of scoring in the top twenty. Primo subsequently appealed the scoring of their application which was denied by the Lansing City Clerk on January 7, 2019 and now appeals that decision to the City of Lansing Medical Marijuana Commission (the "Commission") in accordance with City of Lansing Ordinance No. 1217 Section 1300.15.

APPEAL RIGHTS

Section 1330.15 (c) of the City of Lansing Ordinance No. 1217 ("Lansing Ordinance") provides that the city clerk shall notify an applicant of the reason(s) for denial of an application for a license or license renewal or for revocation of a license or any adverse decision under this chapter and provide the applicant with the opportunity to be heard. Any applicant aggrieved by the denial or revocation of a license or adverse decision under this chapter 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 on appeal of a denial or revocation or adverse action shall be by the commission pursuant to section 1300.3. Any decision by the commission on an appeal shall be final for purposes of judicial review. The clerk may engage professional experts to assist with the proceedings under this section 1300.15.

STANDARD OF REVIEW

Lansing Ordinance Section 1300.03 (e) provides that the Commission shall review and decide all appeals that are forwarded to it by the City Clerk under this Chapter. The Commission 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 and 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.

LEGAL ANALYSIS

Although the Commission is prohibited from performing a de novo review of the underlying facts pursuant to Lansing Code § 1300.03(e), the Commission is empowered to modify decisions that are challenged by an applicant, such as Primo, when it can be affirmatively shown that the City Clerk’s decisions are not supported by substantial evidence or were arbitrary and capricious. The Michigan Court of Appeals has explained that an arbitrary and capricious decision is "fixed or arrived at through an exercise of will or by caprice, without consideration or adjustment with reference to
principles, circumstances or significance." *Mich Farm Bureau v Dep’t of Envil Quality*, 292 Mich App 106, 141-142; 807 NW2d 866 (2011). According to The Wolters Kluwer Bouvier Law Dictionary, under an arbitrary and capricious standard of review a decision should be reversed only if evidence has been ignored or badly used. Arbitrary and capricious is a standard of review of an administrative decision by an appellate review board or a court in judicial review, or of a trial court's decision by an appellate court. The reviewing body works from a presumption that the lower decision was proper and is only to be reversed if review of the decisions leads the reviewing body to believe the first decision was made in an arbitrary or capricious manner. Evidence of arbitrariness or caprice includes evidence that the judge or officer who made the first decision failed to consider all of the evidence, to hear the relevant arguments, to consider reasonable alternative conclusions, to give a reasonable explanation for the decision reached, or to reach an answer that logically relates to the evidence and to the arguments made. (Emphasis added.)

**BACKGROUND**

On December 13, 2017, Primo filed its Washington Provisioning Application with the City Clerk, as part of the City's competitive process to authorize a maximum of twenty (20) provisioning centers. At that time, Primo also submitted a separate and distinct provisioning center application for 2823 S. Cedar Street, Lansing, Michigan 48910 ("Cedar Provisioning Application").

Primo filed the aforementioned Applications in reliance upon the City Clerk providing a fair, equitable and objective process in administering the Lansing Ordinance. Per the Lansing Ordinance, the City Clerk was required to utilize a process which laid out the scoring criteria. The scoring criteria was designed to “ensure a fair selection process that allows [the City Clerk] to select most qualified applicants that provide long terms of benefit to the City in terms [of] jobs and investment, but most importantly to protect the public health, safety, and welfare of residents.” (Nov. 13, 2017 City Press Release). The scoring criteria were intended to provide an “objective rubric by which to judge the applications and differentiate the qualification of the applicants”. As required, the scoring criteria requirements were established and all applicants submitted their applications based on same. At that time, a decision was made to utilize an outside firm to examine and provide the scoring of the eight-five (85) provisioning applicants using the prescribed criteria.

By letter dated November 13, 2018, Primo was informed that its Washington Provisioning Application was denied because of its score and rank having received a score of 73 out of 100. Primo was informed that this score eliminated the possibility of scoring in the top twenty applicants and that it would not be receiving a provisioning center license and that Primo had the right to appeal that decision. With the November 13 letter, Primo was provided a copy of the *City of Lansing Provisioning Center Ranking Sheet* for its business. On the chart, Primo was able to view the total possible points, its attained points, and short statements regarding the scoring ("Primo’s Scoring Chart").
On December 7, 2018, Primo filed its appeal on that decision. The City Clerk then again denied Primo’s appeal for additional points.

Primo further contends, which is evidenced in Primo’s Scoring Chart, that once the scoring was completed by the initial examiner, the City Clerk began an arbitrary and capricious process to move scores around in an unanticipated, unfounded and unfair manner. Primo’s Scoring Chart shows that beginning in September 2018 and continuing through November 2018, even after Primo received its Scoring Chart and while Primo was in the process of exercising its appeal rights, that the City Clerk continued to take points away from Primo, which resulted in a fourteen-point deduction on Primo’s Scoring Chart and ultimately resulted in the denial of Primo’s Application.

While the Lansing Ordinance may have contemplated the City Clerk being permitted to use some discernment when making determinations, it does not permit the City Clerk to arbitrarily re-review applications, intentionally disregarding pertinent information that was submitted in reliance on the prescribed objective criteria or to disregard the scoring criteria to dictate the top twenty applicant list. In fact, the City Clerk’s arbitrary practices, at best, violate the fair, equitable and objective process requirements prescribed in the Lansing Ordinance which were clearly designed to protect against this very behavior.

This arbitrary, capricious and abuse of power is further evidenced in the City’s Clerk denial letter of January 7, 2019 whereby the Lansing Clerk advises that the additional point recommended by the Hearing Officer was not warranted and that Primo’s appeal was denied (see January 7, 2019 letter attached as Attachment B).

REQUEST FOR RELIEF

Based on the foregoing, this appeal is requesting the Commission review Primo’s scoring criteria outlined in the discussion section below, and Attachment A “Specific Relief Sought from Commission” and modify the City Clerk’s decision by reinstating twelve (12) points reduced by the City Clerk during re-reviews of Primo’s scoring on 9/4/18, 9/18/18, 9/24/18, 9/25/18, 10/31/18, 11/1/18, and 11/28/18 on the basis that the City Clerk’s decisions were arbitrary and capricious and in direct violation of the Lansing Ordinance.

DISCUSSION

As of the date of this appeal, the City Clerk has awarded the Applicant a total score of 74 out of 100 points. The Applicant will address each category where the City Clerk reduced arbitrarily the point value given by the initial examiner. In each instance, the Applicant will clearly show that the initial examiner was correct in their scoring and the City Clerk arbitrarily and capriciously reduced points in several categories for the purpose of lowering Primo’s overall score of 88 to 73. By doing this, the City Clerk did not score the category correctly and overlooked the materials presented. Primo asks this Commission to review the following arguments and the facts and evidence that support each argument to reinstate the appropriate number of points to Primo.

For ease of review, each Argument will begin on a new page.
ARGUMENT 1 - ARBITRARY SCORING ITEM 3.

The original scoring of Item 3. Job Creation was arbitrary and not consistent with scores allotted to other applicants with the same or similar information submitted in their business plans and the information provided by Primo was enough to garner a score of “3” according to the “Examples of High Scores”.

ITEM 3. JOB CREATION

The original scorer reviewed Primo’s business plan and allotted a score of “2”. According to its business plan, Primo had committed to creating 50 positions within the City of Lansing and by the standard established in Exhibit 1-A below, should have garnered Primo a score of “3”.

Exhibit 1-A Examples of High Scores

<table>
<thead>
<tr>
<th>Category</th>
<th>Matched Up Scoring Insights Examples</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>3. Job Creation (Integrated System)</td>
<td>Overall number of jobs created</td>
<td>25 jobs at each provisioning center with 12 being part-time at each center. 180 jobs at two grow facilities. Totaling 205 jobs between this center and grows. Grows will be 1,500 plants each. Includes information on employee benefits. (Vacation and sick days, health insurance, and bonuses). Has employee training manual and handbook. Plan to advertise about jobs specifically within Lansing. States there will be General Managers, Assistant Manager Shift Leaders, Inventory Manager, Quality Assurance Manager, and Sales Associates. Example of Job description: GM oversees provisioning center operations, and ensuring that the company policies are being followed. Coordinates the hiring of all employees and maintains the paperwork. Works with other.</td>
</tr>
</tbody>
</table>

Figure 1 - Primo committed to create 50 jobs which by this standard garners a "3".

Page Length of High Quality Plan
Could be anywhere from 5-15 pages depending on how many different types of positions are being created.

The initial reviewer acknowledges Primo provided a level of detail acceptable. Again, LCO § 1300.06(b) states that "the Clerk shall assess, evaluate, score, and rank each application based upon a scoring and ranking procedure developed by the Clerk consistent with the requirements, conditions, and provisions of this chapter in each of the categories set forth below in this subsection," including business plans, job creation, land use and resident safety, neighborhood integration and improvement, applicant history and experience, and financial resources. Under the ordinance, the Clerk must score each application consistently with the ordinance's requirements; if the scoring criteria and the ordinance are inconsistent, then the terms of the ordinance govern. See also Christiana v Dept of Cnty Health, 278 Mich App685, 688-690; 754 NW2d 533 (2008) (stating that an agency's interpretation of a statute cannot contradict the will of the legislative
body or violate the statute's plain language). If the Clerk fails to follow the ordinance's requirements, the decision is contrary to law and arbitrary and capricious.

Section 20 “Estimates of Jobs, Compensation, Annual Budget & Revenue” Summary Sheet

Applicant Grower Facility Checklist
City of Lansing Ordinance 1217 Section 1300.5(23) states:

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Applicant’s Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>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, and the projected annual budget and revenue of the medical marijuana establishment</td>
<td>Applicant will create 50 full time positions in the City of Lansing. These jobs will range from professional positions (finance and operations) to management positions and staff level positions (security, cultivators, extractors, and bud tenders). All professional and management positions will be salaried positions while the staff level positions will be hourly. Compensation ranges from a minimum of $20 per hour. No employee of Applicant will earn less than $20 per hour. On average staff level positions will earn $26-$32 per hour. The annual operating cost for Applicant is estimated to be between $4M-$5M annually. The total gross revenue for Applicant is estimated to be $9-$10M annually.</td>
</tr>
</tbody>
</table>

Attached are the following documents:

1. Organization Chart
2. Positions Descriptions with Salaries
3. 5-year Pro Forma for one (1) provisioning center
4. 3-year Projected Income Statement and Projected Operating Costs for 1 cultivation center, 1 processing center and 2 provisioning centers

Requested Relief Requested by Primo of the Commission

Primo prays the Commission change the score from a “2” to a “3” consistent with the “Examples of High Scores”.

Page 7 of 35
ARGUMENT 2 - ARBITRARY SCORING ITEM 7.

The original scoring of Item 7. Number of Jobs at Provisioning Center were arbitrary and not consistent with scores allotted to other applicants with the same or similar information submitted in their business plans and the information provided by Primo was enough to garner a score of “5” according to the “Examples of High Scores”.

ITEM 7. NUMBER OF JOBS AT THE PROVISIONING CENTER

The original scorer reviewed Primo’s business plan and allotted a score of “2”. Primo had committed to creating 50 positions within the City of Lansing in its business plan, 18 of which would be full-time positions at 1214 S. Washington for the provisioning center. In accordance with the standard established in Exhibit 2-A below “Examples of High Scores” the commitment of 6 or more well detailed full-time positions should garner an applicant full points for this Item “5”. Primo has committed to 18 full-time provisioning center employees which should have garnered Primo a score of “5”. In reviewing the information Primo submitted within its application to the City Clerk on December 13, 2017, Primo projected the annual provisioning center salaries at 1214 S. Washington to be $625,896 and along with the organization chart provided below in Exhibit 2-B is more than ample information that more than 6 full-time positions would be created at the 1214 S. Washington provisioning center.

In reviewing Exhibit 2-B and comparing Primo’s score on this Item against the other applicants who received scores with similar facts, the Commission should notice the arbitrary discrepancy between Primo’s allotment and the other applicants who all submitted appeals to this Commission which is how Primo obtained their scores for this brief. In fact, Primo’s scoring is inconsistent with the “Examples of High Scores” document (Exhibit 2-A below) as well. Again, Primo clearly outlined in its business plan (see organization chart and Pro forma) and more clearly in its first level appeal that 18 full time positions would be created for the provisioning center at Washington Avenue. To make the point clearer and using a reasonable person standard, Primo clearly stated that the Pro forma provided in its application was for only one (1) provisioning center and outlined over $625,896 it will initially create 50 full-time positions in the City of Lansing in its business plan. The scorer points out that Primo did not specify which location these jobs would pertain to. Primo provided clarity in its first level appeal and would have done same for the City Clerk if requested. Primo is aware of several instances where applicants spoke directly with City Clerk staff and were able to negotiate additional points based on clarity provided and requested by the City Clerk’s office. Simply read the appellant briefs that have been submitted to this Commission for the factual evidence surrounding that assertion.

To further Primo’s point about clarification and to use a reasonable person standard, simply divide the 50 positions between the two locations Primo submitted provisioning center applications for, Washington would receive 25 positions (of interest to the Commission, Cedar was decidedly removed from the appeals process by Primo prior to the appeal submission of Washington to directly allocate all resources to the Washington location for clarification and commitment if required). According to the “Examples of High Scores”
below, the creation of six (6) well described positions in a provisioning center would garner a "5" in this category in which Primo’s commitment far exceeds.

**Exhibit 2-A Examples of High Scores**

<table>
<thead>
<tr>
<th>Category</th>
<th>Mocked Up Scoring Insights Example</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. Number of Jobs at the Provisioning Center</td>
<td>State that there will be 13 total jobs at this location. 5 will be part-time employees. Lists each job type, along with a paragraph or bullet point description of the duties. The lowest paid employee will be paid $17/hour, includes salary for managers. Includes information on employee benefits such as sick days, bonus, vacation days, health and dental insurance for full-time employees. Employee education plan outlining how they will teach employees to safely handle product. Interact with the public, and learn about the effects of MM, including the strains they intend to have in stock. Mock shift schedule, employee handbook, and employee expectations.</td>
<td>Specific to this center's application. Other locations are not included. s = 6 jobs, sufficient/good details. Must be at least 6 full-time positions within that specific center. Must include: • Distinction between full-time and part-time • Job titles and duties • Benefits • Salary or amount/hour • Details about training • Hiring practices 2 = 6 jobs, sufficient details; Page Length of High Quality Plan Varies, and may be part of other materials</td>
</tr>
</tbody>
</table>

Now to further Primo’s argument over the capricious nature in which the City Clerk re-reviewed and reduced points to Primo, on November 1, 2018, the City Clerk re-reviewed Primo’s application and arbitrarily reduced the original allocation of points from a “2” to a “1” without merit and not substantiated by facts. In fact, the City Clerk consistently re-reviewed Primo’s original scoring on 7 occasions with the only goal to reduce the number of points (see ATTACHMENT A “Specific Relief Sought from Commission”), as presented below a direct excerpt from Primo’s scoring sheet:

<table>
<thead>
<tr>
<th>7. Number of Jobs at the Provisioning Center Category</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Thresholds: 1 = 6 jobs, insufficient details; 2 = 6 jobs, sufficient details; 3 = 6 jobs, sufficient details; 4 = 6 jobs, insufficient details; 5 = 6 jobs, sufficient/good details.</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>

*Applicant indicates 50 jobs will be created at their provisioning centers, cultivation, and processing operations but does not specify how many will be at the 1214 S WA provisioning center. Describes staff training, jobs, salaries, local hiring, benefits, etc. Falls short of an optimal level of job title and an indication of how many PC jobs. **Update 11/1/2018 Due to failure to state the number of employees at 1214 S. Washington, an additional point was deducted for insufficient detail** |

**Exhibit 2-B – Information as submitted in City Clerk on December 13, 2017**

**SECTION 20 “Estimates of Jobs, Compensation, Annual Budget & Revenue” Summary Sheet**

Applicant Grower Facility Checklist
City of Lansing Ordinance 1217 Section 1300.5(23) states:
Requirement: Applicant’s Response:

<table>
<thead>
<tr>
<th>REQUIRED INFO</th>
<th>RESPONSE</th>
</tr>
</thead>
</table>

Page 9 of 35
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, and the projected annual budget and revenue of the medical marihuana establishment.

Applicant will create 50 full time positions in the City of Lansing. These jobs will range from professional positions (finance, legal and management positions and staff level positions (security, cultivation, extractors, and bud tenders). All professional and management positions will be salaried positions while the staff level positions will be hourly. Compensation ranges from $100k+ to a minimum of $20 per hour. Employee of Applicant will earn less than $20 per hour. On average, level positions will earn $26-$32 per hour. The annual operating costs of Applicant is estimated to be between $4M-$5M annually. The total revenue for Applicant is estimated to be $9-$10M annually.

Attached are the following documents:
1. Organization Chart
2. Positions Descriptions with Salaries
3. 5-year Pro Forma for one (1) provisioning center
4. 3-year Projected Income Statement and Projected Operating Costs for 1 cultivation center, 1 processing center and 2 provisioning centers

**Organization Chart**

[Organization Chart Image]
Position Descriptions with Salaries:

President and CEO (Salary $150-520k)

The President and CEO is responsible for providing strategic leadership for the company by working with the Advisory Board and senior management to establish long-range goals, strategies, plans and policies.

Chief Operating Officer (Salary $125-3150k)

The Chief Operating Officer position provides the leadership, management and vision necessary to ensure that the company has the proper operational controls, administrative and reporting procedures, and people systems in place to effectively grow the organization and to ensure financial strength and operating efficiency. The position accomplishes this through a respectful, constructive and energetic style, guided by the objectives of the company.

General Counsel (Salary $110-5125k)

The General Counsel provides senior management with effective advice on company strategies and their implementation, manages the legal function, and obtains and oversees the work of outside counsel. The general counsel is directly involved in complex business transactions and negotiating critical contracts.

Chief Financial Officer (Salary $125-3150k)

The Chief Financial Officer is accountable for the administrative, financial, and risk management operations of the company, to include the development of a financial and operational strategy, metrics tied to that strategy, and the ongoing development and monitoring of control systems designed to preserve company assets and report accurate financial results.

Director of Facilities (Salary $75-590k)

The Director of Facilities supervises the physical plant operations including all buildings and grounds, utilities, energy management systems and safety/security systems to provide a safe, healthy, and comfortable environment for students, faculty and staff. The individual in this position is responsible for the scheduling, and supervision of maintenance and repair activities, contracted services, and custodial services, and ensuring the physical operation of the facilities meets budgetary and strategic objectives.

Chief Compliance Officer (Salary $100-3125k)

The Chief Compliance Officer (CCO) is primarily responsible for overseeing and managing compliance within the organization, ensuring that the company and its employees are complying:
1. With regulatory requirements
2. With internal policies and procedures
The CCO is the architect & steward of enterprise compliance strategy, structure and processes.

Chief Marketing Officer (Salary $90-5110k)

The Chief Marketing Officer (CMO) is responsible for overseeing the planning, development and execution of an organization's marketing and advertising initiatives. The CMO ensures the organization's message is distributed across channels and to targeted audiences to meet sales objectives.

Director of Cultivation (Salary $125-159k)

The Director of Cultivation job duties include:
- Work in conjunction with growers to maintain a best practice, state of the art cultivation facility.
- Assist with cultivation plane, including electricity and water usage
- Manage and maintain grow-house protocols and a team of employees
- Analyze and catalog each individual strain from clone to harvest
- Execute preventative maintenance as it relates to powdery mildew, mold, spider/mites, root aphids, or any other type of disease
- Maintain a clean, organized and professional work environment
- Collaborate with management staff to provide timely reporting to Owner
- Assist in government inspections with inventory and compliance audits
- Ensuring compliance with the Operations and Management Plans Cultivation Area Procedures
- Manages the daily operations of a greenhouse and/or nursery
- Plans, schedules, and directs the performance of assigned staff
- Ordering of crop inputs and supplies for the Grow Area
- Assign work schedules and duties to nursery or greenhouse staff, and supervise their work
- Provide for proper sanitation of the growing area
- Maintenance and sanitation of Grow Area physical space
- Compliance with Company policies and procedures
- Setting propagation, germination and planting schedules for all crops
- Hire employees, and train them in gardening techniques
- Identify plant varieties as well as problems such as diseases, weeds, and insect pests
- Coordinate clerical, recordkeeping, inventory
- Explain and enforce safety regulations and policies
- Supervision of Cultivation Technicians

Human Resources Generalist (Salary $75-590k)

The Human Resources Generalist is responsible for effectively implement HR strategy through developing and administering policies, programs and services for recruitment, compensation, compliance, development, support and retention. The responsibilities of the Human Resources Generalist include:

- Facilitate a supportive work environment and an engaged workforce consistent with the Applicant’s mission, core values and culture;
• Partner with leadership in analyzing, interpreting, and forecasting workforce trends for department(s) and identify and monitor key HR metrics (vacancy and turnover rates, aging demographics, etc.);
• Advise and consult with departmental leaders on operational decisions; facilitating the development of departmental systems or protocols that promote HR strategy (talent, engagement, and health and well-being) and ensure Applicant’s policies and procedures are followed;
• Serve as departmental resource on human resource policies, and processes;
  o interpret and apply HR policies and procedures
  o administer departmental protocols and best practices, ensuring that department rules, policies, practices and programs meet legal/regulatory standards and follow Applicant’s policies; recommend new policies or changes to existing policies
  o is a resource for employees for resolving workplace issues
  o evaluate and respond to presenting human resource issues and when appropriate consult with outside consultants
  o assess and anticipate HR-related needs
• Operationalize HR programs and services, (e.g. Performance Management, Recruitment and Retention, Reward and Recognition, Compensation, Learning and Development, Employee Health, Well-being and Safety, Employee and Labor Relations, Leave Management, etc.);
• Function as a communication liaison, identify and share departmental issues, concerns, and needs with Applicant’s leadership team. A resource for information for their respective departmental leadership and employees; and
• May initiate, review and/or approve HR transactions at the department level.

Accountant (Salary $75-$90k)
The Accountant is responsible for providing financial information to management by researching and analyzing accounting data and preparing reports. The Accountant’s job duties include:

• Prepares asset, liability, and capital account entries by compiling and analyzing account information.
• Documents financial transactions by entering account information.
• Recommends financial actions by analyzing accounting options.
• Summarizes current financial status by collecting information, preparing balance sheet, profit and loss statement, and other reports.
• Substantiates financial transactions by auditing documents.
• Maintains accounting controls by preparing and recommending policies and procedures.
• Guides accounting clerical staff by coordinating activities and answering questions.
• Reconciles financial discrepancies by collecting and analyzing account information.
• Secures financial information by completing data base backups.
• All other functions that are associated with an Accountant role.

Receptionist (Hourly Rate $20-$25)
The Receptionist will be the face of the store, the first impression on customers and hold numerous vital responsibilities. Those responsibilities include:
• Welcoming and greeting all visitors
• Checking ID’s
• Answering phones/taking and distributing messages
• Being mindful of state MIED regulations
• Communicating with Dispensary Specialists & managers
• Upkeep of inventory online for website and kiosks
• Upkeep of digital menus throughout the day
• Creating signs and labels
• Maintain a clean and organized work environment
• Supporting managers and assuming all other clerical duties, as requested

Maintenance (Hourly Rate $25-$55)
Maintenance staff performs general cleaning and minor maintenance duties in maintaining the facilities, adjacent walks and grounds, and ensure all equipment is clean, orderly and in functional condition. The maintenance staff aids staff, visitors and other employees, as necessary.

Security Manager (Salary $75-$90k)
The Security Manager is responsible for monitoring the security operations for Applicant. They implement security policies, regulations, rules, and norms and make sure that the environment in Applicant’s organization is safe for employers and visitors. The Security Manager is required to hire new security members and delegate tasks and duties to them, as appropriate.

Lead Security Guard (Hourly Rate $25-$35)
The Lead Security Guard is responsible for the following:
• Oversees, instructs and coordinates the activities of Security Attendants.
• Monitors and arranges shift activities according to schedule requirements and staff availability. Establishes and coordinates work schedules and post coverage.
• Makes necessary changes to schedules in the event of unexpected absences. Reviews, coordinates and may authorize requests for time off and use of casual employees.
• Conducts inspections of various security posts to ensure on-duty Security Attendants are properly performing their assigned tasks.
• Maintains a security blotter of all activities and incidents occurring during the shift.
• Assists in the recommendation, development and implementation and enforcement of improvements to systems and procedures. Maintains close liaison with on-duty personnel at Yale Campus Police and Yale New Haven Hospital to assure on-going incidents receive a coordinated response.
• Serves as a principal source of information on rules and procedures governing security and parking operations.
• Provides relief for Security Attendants.
• Performs clerical functions incidental to security and parking activities.

Security Guard (Hourly Rate $20-$25)

The Security Guard works within the Security Team and is responsible for ensuring company facilities, employees, patients and products are well secured in accordance with established procedures and policies. The Security Guard is responsible for the following:
• Conducting security checks.
• Viewing security monitors.
• Reports significant problems to authorities.
• Completing scheduled security reports.
• Assisting and supporting Company personnel with special needs.
• Assuring on call duties, as required.
• Responding to alarms and security problems, as needed.
• Securing premises and personnel by patrolling property; monitoring surveillance equipment; inspecting buildings, equipment, and access points; permitting entry.
• Participating in routine safety equipment checks to ensure security equipment is functioning properly and is regularly maintained, following manufacturer’s instructions; inspects and adjusts security systems, equipment and machinery as needed to ensure operational use and detect evidence of tampering; troubleshoots malfunctions, calling for repairs as needed; evaluates new equipment and techniques.
• Monitoring and authorizing entrance and departure of employees, visitors, vendors and other persons, asking for appropriate documentation and/or authorization to stop suspicious people and guard against their and maintaining security of premises.
• Warning persons of rule infractions or policy/procedure violations; apprehends or evicts violators from premises, using force when necessary.
• Responding to alarms, calls of distress, or emergencies such as fire, injuries or presence of unauthorized persons by calling police, fire departments and/or local emergency response teams.
• Investigating and reporting disturbances, hazards, and suspicious activities to local police for correction actions.
• Writing reports of daily activities and irregularities, such as security / surveillance equipment or property damage, theft, presence of unauthorized persons, or unusual occurrences in a timely and accurate manner and within established protocols and guidelines.
• Ensuring reports, records and other documentation is accurate, complete, timely and in accordance with established policies and procedures.
• Maintaining company’s stability and reputation by complying with local, state and federal laws and regulations.
• Receiving necessary information from previous shift personnel pertaining to events that transpired during the shift such as resident medical problems, disciplinary problems or new arrivals and any special instructions; relieving the reliever the watch and informing necessary personnel that the watch has been relieved.
• Performing other duties as assigned by the Security management.

The Security Guard is armed and will have access to different types of methods needed to contact police, medical services, fire etc., when necessary.

Dispensary Specialist (Hourly Rate $25-$35, plus commission)

The customer experience begins and ends with the Dispensary Specialist. A Dispensary Specialist is responsible for the initial greeting, assessing the needs of patients, and educating/guiding them on the benefits and differences of our products. Dispensary Specialists deliver the company’s retail promise to every person and patient while ensuring high levels of patient satisfaction through excellent sales service. A successful Dispensary Specialist will be able to elevate company standards, achieve sales goals, provide excellent product suggestions, and exceed patient’s expectations. The Dispensary Specialist will ultimately inspire patient confidence and create loyalty to Applicant’s brand. In addition, the Dispensary Specialist maintains strict inventory controls to ensure complete compliance through the prevention of diversion.

Cultivation Specialist (Hourly Rate $25-$35)

The Cultivation Specialist duties include being responsible for all aspects of the cannabis cultivation including:
• Cloning/planting
• Watering and nutrient management
• Individual plant health
• Treatment of pests or disease
• Light change in accordance with cultivation cycle
• Plant destruction as warranted
• Determination of readiness for harvest
• Conduct of harvest
• Caring and drying
• Storage of trim product

The Cultivation Specialist’s specific responsibilities include the following:
• Ensures that each plant receives the individual attention it needs for optimal growth, health and quality. They are responsible for maintaining reservoirs, including mixing, cleaning and refilling contents. Additionally, in collaboration with the Cultivation Manager, the Cultivation Specialist assigns and oversees daily tasks of Cultivation Assistants and Farm Assistants and collaborates with Cultivation Manager in the training and oversight of cultivation site staff and their performance.
• Monitors for quality control to ensure excellence of product yield and value.
• Collaborates with other employees in all areas to improve environmental performance by using fewer resources and increasing recycling and reuse.
• Implements procedures that maximize safety, assure consistent maintenance and sanitation of all equipment.
• Implements procedures that assure that buildings and equipment used for cultivation, harvest, preparation, packaging, storage, infusion or sale of marijuana are maintained in clean and sanitary condition.
• Assures that marijuana that is in the process of production, preparation, manufacture, packing, storage, sale, distribution or transportation is protected from flies, dust, dirt and all other contamination.
➢ Assures that refuse and waste products incident to the manufacture, preparation, packing, selling, distributing, or transportation of marijuana are removed from the cultivation site at least once every 24 hours or more often as necessary to maintain clean conditions.
➢ Oversees general facility maintenance and exercises sound problem-solving skills.
➢ Employs professional and clear communication practices to maintain a positive and progressive work environment.
➢ Responsible for each batch of marijuana cultivated and entering cultivation data into the inventory tracking system.
➢ Tracks and records movement of plants between cultivation rooms through each stage of cultivation, e.g., seedling/clove, vegetative stage, flower, harvest, trimming, curing, drying, storage.
➢ Demonstrates knowledge of and observes responsibility for every harvest.
➢ Demonstrates knowledge of and observes responsibility for the disposal of unusable marijuana.
➢ Maintains clean and tidy workspace and displays a high standard of cleanliness.
➢ Willingness to perform any task requested.

Extraction Specialist (Hourly Rate $25-$35)

The Extraction Specialist’s job duties include the following:
➢ Responsible for the preparation and execution of extraction and processing of product in accordance with the state and local standards.
➢ Ensure consistency and efficacy of product through quality control testing and procedures.
➢ Perform all assigned duties required to ensure a clean and safe production facility.
➢ Follow all defined Good Manufacturing Practices (GMP) to ensure the highest level of food safety.
➢ Complete the sanitation of all production equipment and tools including work space, lab equipment, containers, and appliances. Assists with the creation of batch production records and labels in accordance with the state standards.
➢ Ensure the appropriate information is accurate and listed clearly in accordance with the state standards.
➢ Work as state-approved laboratory to send samples for regular testing of extracted product and document all results for compliance with state regulations.
➢ Ability to master and control all equipment in a laboratory-type environment including Butane, Ethanol, CO2 extraction.
➢ Ability to follow SOP’s (Standard Operating Procedures).
➢ Performing preparatory & post-processing functions using chemistry instruments and methods.
➢ Performing extractions and infusions using state-of-the-art equipment.
➢ Providing well-organized and detailed data.
➢ Following strict compliance protocol.
➢ Working in a production style environment. Expect to perform demos, live courses and online videos.

Patient Care Coordinator (Salary $45-$60k)

The Patient Care Coordinator is responsible for ensuring that a medical facility is providing high quality care services. They work with administration, staff and patients to reach healthcare goals and keep the lines of communication open. The job duties for the Patient Care Coordinator include the following.

➢ Orient and educates patients and their families by meeting them, explaining the role of the patient care coordinator; initiating the care plan; providing educational information in conjunction with direct care providers related to treatments, procedures, medications, and continuing care requirements.
➢ Develops interdisciplinary care plan and other care management tools by participating in meetings; coordinating information and care requirements with other care providers; resolving issues that could affect smooth care progression; fostering peer support; providing education to others regarding the care management process.
➢ Monitors delivery of care by completing patient rounds; documenting care; identifying progress toward desired care outcomes; intervening to overcome deviations in the expected plan of care; reviewing the care plan with patients in conjunction with the direct care providers; interacting with involved departments to negotiate and expedite scheduling and completion of tests, procedures, and consults; reporting personnel and performance issues to the unit manager; maintaining ongoing communication with utilization review staff regarding variance from the care plan or transfer/discharge plan.
➢ Evaluates outcomes of care with the interdisciplinary team by measuring intervention effectiveness with the team; implementing team recommendations.
➢ Complies with hospital and legal requirements by fostering nursing practices that adhere to the hospitals and nursing division's philosophy, goals, and standards of care; requiring adherence to nurse practice act and other governing regulations.
➢ Protects self, co-workers, and patients by following policies and procedures to prevent the spread of bloodborne and/or airborne diseases.
➢ Respects patients by recognizing their rights; maintaining confidentiality.
➢ Maintains quality service by establishing and enforcing organization standards.
➢ Maintains patient care database by entering new information as it becomes available; verifying findings and reports; backing up data.
➢ Maintains professional and technical knowledge by attending educational workshops; reviewing professional publications; establishing personal network; benchmarking state-of-the-art practices; participating in professional societies.
➢ Contributes to team effort by accomplishing related goals as needed.

Auditor (Salary $60-$80k)

Auditors perform (internal) financial and risk management audits and independent statutory (external) financial audits of commercial and public-sector organizations. Auditors assess local and central government departments with the aim of improving efficiency and effectiveness.

Director of Human Services (Salary $75-$90k)

The Director of Human Services oversees human services program processes, including recruitment, orientation, scheduling, quality service delivery, compliance and fiscal responsibility.

Case Manager (Salary $60-$80k)
The Case Manager accomplishes clients’ care by assessing treatment needs, developing, monitoring, and evaluating treatment plans and progress; facilitating interdisciplinary approach; monitoring staff performance.

**Vocational Rehabilitation Specialist (Salary $60-$80k)**

Positions in this job family are assigned responsibilities for performing complex professional work in program consultation and monitoring; guidance and counseling, client training, and specialized job placement for the vocational rehabilitation of individuals with physical or mental disabilities, blindness or visual impairments. Assigned responsibilities also include evaluating patients work capacities, providing assistive technology services and administering tests to determine vocational aptitudes, interests, abilities, and potential of patients.

**Housing Specialist (Salary $40-$60k)**

The Housing Specialist assesses housing barriers of individuals and families experiencing homelessness to determine housing and service needs. Develop a housing procurement, financial, and self-sufficiency case management plan with clients. This shall include intake interview to determine client’s needs, goals, and eligibility.

**Inventory Specialist (Salary $40-$60k)**

The Inventory Specialist is responsible for maintaining accurate inventory controls through adherence to company guidelines and policies. General Purpose: Customer Service, inventory controls, Back-Room Operations, Merchandising and signing standards.

**Community Evangelist/Public Relations (Salary $40-$60k)**

The Community Evangelist/Public Relations position is responsible for developing a marketing and communications plan including strategy, goals, budget and tactics. Develop media relations strategies, seeking high-level placements in print, broadcast and online media. Coordinate all public relations activities. Direct social media to engage audiences across traditional and new media. Leverage existing media relationships and cultivate new contacts within business and industry media. Manage media inquiries and interview requests. Create content for press releases, byline articles and keynote presentations. Monitor, analyze and communicate PR results on a quarterly basis. Evaluate opportunities for partnerships, sponsorships and advertising on an on-going basis. Build relationships with thought leaders to grow industry awareness. Maintain a keen understanding of industry trends affecting clients and make appropriate recommendations regarding communication strategy surrounding them.

**Member Services Specialist (Salary $40k-$50k)**

Serve as liaison between the patient and community services. Provide information in person or by phone as well as information on the full range of provisioning center products and services. Open accounts for patients, resolve issues and professionally handle all patient daily needs.

**5-Year Pro Forma For One (1) Provisioning Center**

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>REVENUE</td>
<td>Accessory MERCHANDISE</td>
<td>126,000</td>
<td>144,900</td>
<td>159,390</td>
<td>175,329</td>
</tr>
<tr>
<td>Apparel</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
</tr>
<tr>
<td>Edibles</td>
<td>540,000</td>
<td>621,000</td>
<td>685,100</td>
<td>715,410</td>
<td>788,910</td>
</tr>
<tr>
<td>Flowers</td>
<td>5,134,000</td>
<td>2,442,690</td>
<td>2,086,840</td>
<td>2,955,546</td>
<td>3,103,323</td>
</tr>
<tr>
<td>Hash / Wax</td>
<td>756,000</td>
<td>869,400</td>
<td>955,340</td>
<td>1,051,974</td>
<td>1,104,373</td>
</tr>
<tr>
<td>Other</td>
<td>36,000</td>
<td>41,400</td>
<td>45,540</td>
<td>50,094</td>
<td>52,599</td>
</tr>
<tr>
<td>Topicals</td>
<td>108,000</td>
<td>124,300</td>
<td>136,620</td>
<td>150,282</td>
<td>157,766</td>
</tr>
<tr>
<td>Discs</td>
<td>(108,000)</td>
<td>(124,300)</td>
<td>(136,620)</td>
<td>(150,282)</td>
<td>(157,766)</td>
</tr>
<tr>
<td>GROSS REVENUE</td>
<td>3,600,000</td>
<td>4,137,300</td>
<td>4,549,230</td>
<td>5,002,353</td>
<td>5,251,771</td>
</tr>
<tr>
<td>COST OF GOODS SOLD</td>
<td>Accessory MERCHANDISE</td>
<td>63,000</td>
<td>72,450</td>
<td>79,495</td>
<td>87,665</td>
</tr>
<tr>
<td>Apparel</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>Edibles</td>
<td>124,200</td>
<td>142,830</td>
<td>157,113</td>
<td>172,824</td>
<td>181,466</td>
</tr>
<tr>
<td>Flowers</td>
<td>955,800</td>
<td>1,095,170</td>
<td>1,209,087</td>
<td>1,320,996</td>
<td>1,396,495</td>
</tr>
<tr>
<td>Hash / Wax</td>
<td>113,400</td>
<td>130,410</td>
<td>145,451</td>
<td>157,796</td>
<td>165,866</td>
</tr>
<tr>
<td>Other</td>
<td>1,999</td>
<td>13,799</td>
<td>15,178</td>
<td>16,696</td>
<td>17,531</td>
</tr>
<tr>
<td>Topicals</td>
<td>38,880</td>
<td>44,712</td>
<td>49,183</td>
<td>54,102</td>
<td>56,807</td>
</tr>
<tr>
<td>TOTAL COST OF GOODS SOLD</td>
<td>1,316,279</td>
<td>1,517,371</td>
<td>1,663,708</td>
<td>1,828,078</td>
<td>1,919,032</td>
</tr>
<tr>
<td>GROSS PROFIT</td>
<td>2,383,721</td>
<td>2,624,929</td>
<td>2,885,522</td>
<td>3,174,275</td>
<td>3,332,538</td>
</tr>
<tr>
<td>OPERATING EXPENSES</td>
<td>Rent</td>
<td>350,000</td>
<td>62,500</td>
<td>62,500</td>
<td>62,500</td>
</tr>
<tr>
<td>Insurance</td>
<td>150</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Property Tax</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Alarm &amp; Security</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Waste Disposal</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>License Renewal - Lic</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>License Renewal - St</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Annual License Assessment Fax - Sate</td>
<td>57,000</td>
<td>55,000</td>
<td>55,000</td>
<td>55,000</td>
<td>55,000</td>
</tr>
<tr>
<td>Dispensary Excise Tax - State</td>
<td>168,000</td>
<td>184,197</td>
<td>184,197</td>
<td>184,197</td>
<td>184,197</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>210,000</td>
<td>248,338</td>
<td>272,954</td>
<td>300,141</td>
<td>315,094</td>
</tr>
<tr>
<td>Payroll - Management</td>
<td>189,000</td>
<td>205,288</td>
<td>203,147</td>
<td>207,181</td>
<td>209,396</td>
</tr>
</tbody>
</table>
In addition to that point, Primo has included a spreadsheet (Exhibit 2-C below) outlining all appellant’s appeals and scores that were submitted to the Commission and you can see the arbitrary nature in which Primo was allotted a “1” for a category it should have received the full “5” points according to both standards in Exhibits 2-A and 2-B. The only other candidate to receive a “1” stated they would create four (4) positions and provided no description. For this reason, the scoring allotted to Primo was arbitrary. LCO § 1300.06(b) states that "the Clerk shall assess, evaluate, score, and rank each application based upon a scoring and ranking procedure developed by the Clerk consistent with the requirements, conditions, and provisions of this chapter in each of the categories set forth below in this subsection," including business plans, job creation, land use and resident safety, neighborhood integration and improvement, applicant history and experience, and financial resources. Under the ordinance, the Clerk must score each application consistently with the ordinance's requirements; if the scoring criteria and the ordinance are inconsistent, then the terms of the ordinance govern. See also Chrisidiana v Dep't of Cnty Health, 278 Mich App685, 688-690; 754 NW2d 533 (2008) (stating that an agency's interpretation of a statute cannot contradict the will of the legislative body or violate the statute's plain language). If the Clerk fails to follow the ordinance's requirements, the decision is contrary to law and arbitrary and capricious. The below referenced table evidences that Primo was treated arbitrarily compared to other applicants.
Exhibit 2-C Commission Applicants Compared Scores for Item 7.

<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Score Allotted by City Clerk</th>
<th>Information Reviewed by City Clerk</th>
<th>Proposed # of Jobs Created</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lansing Provisioning Center (66)</td>
<td>5</td>
<td>Applicant indicates there will be 5 new jobs created and describes employee training program, position, job titles and responsibilities. Details sufficient.</td>
<td>15</td>
</tr>
<tr>
<td>EDEN2 63</td>
<td>4</td>
<td>Applicant indicates there will be 20 to 25 new jobs created and describes employee training program, position, job titles and responsibilities. Details sufficient.</td>
<td>12 to 25</td>
</tr>
<tr>
<td>First Class, Inc. (74)</td>
<td>5</td>
<td>Applicant indicates there will be 6 new jobs created and describes employee training program, position, job titles and responsibilities. Details sufficient.</td>
<td>13</td>
</tr>
<tr>
<td>QPS Michigan Holdings, LLC (62)</td>
<td>4</td>
<td>Applicant indicates there will be 8 to 10 new jobs created and describes employee training program, position, job titles and responsibilities. Details sufficient.</td>
<td>15 to 20</td>
</tr>
<tr>
<td>Edena1 (66)</td>
<td>4</td>
<td>Details insufficient.</td>
<td>12 to 25</td>
</tr>
<tr>
<td>MM Lansing LLC (65)</td>
<td>1</td>
<td>Details insufficient.</td>
<td>5 to 10</td>
</tr>
<tr>
<td>CCEUS (63)</td>
<td>3</td>
<td>Details insufficient.</td>
<td>10</td>
</tr>
<tr>
<td>MI Capital Center, Inc. (58)</td>
<td>5</td>
<td>Details insufficient.</td>
<td>12 to 25</td>
</tr>
<tr>
<td>S273 LLC (65)</td>
<td>4</td>
<td>Details insufficient.</td>
<td>16</td>
</tr>
<tr>
<td>First Property Holdings, LLC (70)</td>
<td>4</td>
<td>Details insufficient.</td>
<td>16</td>
</tr>
<tr>
<td>AEY Holdings, LLC (74)</td>
<td>4</td>
<td>Details insufficient.</td>
<td>16</td>
</tr>
<tr>
<td>Better Green (65)</td>
<td>4</td>
<td>Details insufficient.</td>
<td>10</td>
</tr>
<tr>
<td>Green Peak Industries, LLC (74)</td>
<td>5</td>
<td>Details insufficient.</td>
<td>11</td>
</tr>
<tr>
<td>PJGPC Investments, LLC (611)</td>
<td>4</td>
<td>Details insufficient.</td>
<td>10 to 20</td>
</tr>
<tr>
<td>Semen Consulting Services, Inc. (5)</td>
<td>4</td>
<td>Details insufficient.</td>
<td>15</td>
</tr>
<tr>
<td>Primo Foods, LLC (17)</td>
<td>1</td>
<td>Details insufficient.</td>
<td>18</td>
</tr>
</tbody>
</table>

REQUESTED RELIEF REQUESTED BY PRIMO OF THE COMMISSION

Primo prays the Commission change the score from a “1” to a “5” consistent with the “Examples of High Scores”. 

Page 17 of 35
ARGUMENT 3 - ARBITRARY SCORING ITEM 11.

ITEM 11. Sufficient Financial Resources

The original scoring of Item 11. Sufficient Financial Resources were arbitrary and not consistent with scores allotted to other applicants with the same or similar information submitted in their business plans and the information provided by Primo was enough to garner a score of “5” according to the “Examples of High Scores”.

The original scorer reviewed Primo’s business plan and allotted a score of “4”. At no time did the City Clerk’s office explain that the lack of LARA’s prescribed Litigation Forms were a necessary part of the application process but most importantly for this Item, Primo has already lost one (1) point in Item 24. Litigation History and deducting a point from this Item for the same issue in Item 24 is arbitrary and capricious. The Hearing Officer agreed with Primo’s argument and awarded an additional point in this Item. However, the City Clerk made the unilateral decision to ignore the Hearing Officer’s recommendation and denied the one (1) point allocation she awarded Primo. For this reason alone, this deduction of one (1) point by the City Clerk should be viewed as arbitrary and capricious when he circumvents the Hearing Officer, whom he has appointed to review this case making her review, judgment and recommendations moot.

Below is an excerpt from Attachment B, the opinion on this Item as written by Hilary M. Barnard, the Hearing Officer reviewing Primo’s first level appeal:

Under Sufficient Financial Resources, the scorer has referenced litigation history under its 9/4 update. This Hearing Officer does not understand why a point was deducted and thus agrees that Appellant should be awarded full points in this category.

REQUESTED RELIEF REQUESTED BY PRIMO OF THE COMMISSION

Primo prays the Commission change the score from a “4” to a “5” consistent with the recommendation of the Hearing Officer.
ARGUMENT 4 - ARBITRARY SCORING ITEM 13.

ITEM 13. Content and Sufficiency of Information: Professionalism of submitted documentation including clear labeling of required items

The original scoring of Item 13, Content and Sufficiency of Information: Professionalism of submitted documentation including clear labeling of required items allocated the full award of “5” points to Primo. On 10/31/18, the City Clerk made note that a “Treasurer Letter” was sent to Primo on 1/14/18 (see below, Exhibit 4-A). The City Clerk then deducted one (1) point. This is erroneous and not based on fact. I affirm that Primo never received any letter from the Treasurer’s Office of any sort requesting additional information. I would challenge the City Clerk to provide notice of same.

Exhibit 4-A Primo Scoring Sheet

The original scorer reviewed Primo’s business plan and allotted a score of “5”. At no time did the Treasurer’s Office provide notice of information required/requested of Primo.

Exhibit 4-B Examples of High Scores

REQUESTED RELIEF REQUESTED BY PRIMO OF THE COMMISSION

Primo prays the Commission change the score from a “4” to a “5” consistent with the scoring of the initial reviewer.
ARGUMENT 5 - ARBITRARY SCORING ITEM 18.

ITEM 18. Improvements made or proposed to building
The original scoring of Item 18. Improvements made or proposed to building allocated the full award of “5” points to Primo. On 9/24/18, the City Clerk made note that they were now using a more accurate measurement tool (see below, Exhibit 5-A). Again, this is another example as to where the City Clerk arbitrarily and capriciously sought to reduce and deduct points from Primo’s original scoring.

Exhibit 5-A Primo Scoring Sheet

<table>
<thead>
<tr>
<th>Item</th>
<th>Score</th>
<th>Deduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>18. Improvements made or proposed to building</td>
<td>3</td>
<td>0</td>
</tr>
</tbody>
</table>

The City Clerk’s intent to reduce additional points from Primo is erroneous and not based on fact. The original reviewer clearly found the information within the business plan that provided the information required (see “Examples of High Scores” below Exhibit 5-B).

Applicant Primo Farms LLC. sets forth in their lease agreement the proposed buildout of the Real Property located at 1214 S Washington Ave. Lansing, Michigan and fully described this in its business plan on pages 63-66. The following as listed below shows with specific detail the exact categories necessary and related costs that will be incurred for the capital improvements necessary to the building structure and related areas prior to the buildout of the marijuana facility.

Exhibit 5-B – Information as submitted to City Clerk on December 13, 2017

5.2 Improvements Made or Proposed to Buildings (3 points)
Both facilities the Applicant will utilize are made with concrete block and are secure simply by their structural foundation. The facilities will be updated dramatically to ensure the safety and security of the building, its occupants and surrounding neighbors. The exterior of the facilities shall be equipped with an automatic electronic alarm, lighting, and video monitoring to detect unwanted and unauthorized intrusion. Applicant, through planned construction improvements and security equipment installation will ensure that each facility, people and product inside are safe from unwanted or negligent harm and that plant and products are not observable from outside the facility. All exterior access doors (main as well as emergency exit) shall contain metal detectors within the door frames, be well lit and equipped with door alarms. Real time recording video cameras (with remote viewing screens located in the Security office) shall be situated throughout to ensure visibility of persons accessing or attempting to access the facility. Access shall be granted through the call-up monitor operated by security personnel or a biometric key fob. Exterior windows shall have aesthetically pleasing metal roll down doors that will cover each during non-business hours and the exterior of the building will undergo extensive and significant landscape improvements to encourage a welcoming site on Washington Avenue and to keep with the Renaissance theme of R EO Town and at the Cedar Street location to dramatically improve that section of one of Lansing’s main roadways.

Significant building improvements include:
1. New doors
2. New windows and metal roll down covers
3. Awnings
4. Fire protection system
5. Alarm and surveillance system
6. Updated electrical, plumbing and HVAC
7. Odor control systems
8. Limited professional signage for the provisioning center
9. Remodeled retail sales area that resembles a contemporary modern look on the front facing Washington Avenue side (See Section 4 “Floor Plan” of the Applicant’s Application).
10. Paved parking with rod iron fencing surrounding the lot and separating from the railroad tracks (Washington Ave) and residential areas (Cedar Street).
11. Landscaping with tasteful and aesthetically pleasing hanging seasonal plants and planters.

Additionally, improvements will be made to the cultivation, processing and provisioning facilities, which include, but are not limited to the following:

- Cultivation Facilities
  Applicant will retain the services of professional structural, electrical and mechanical engineers and architects to design and construct their cultivation facilities of the highest efficiency and sustainability without sacrificing quality of the produced product and to ensure that Applicant is accounting for as many variables as possible. A few of the variables that will be considered are as follows:
  - Air flow methodology and capacity – to ensure there is appropriate air flow in all areas of the facility.
  - Temperature control and thermal load from lighting to sun – to ensure heat mitigates are in place to avoid heat stress as much as possible.
  - De-humidification systems – To ensure the appropriate means are implemented and utilized for achieving target humidity to allow for the successful growth of crops.
  - Equipment specs – To ensure equipment is sufficient to meet the goals and objectives outlined in this Business Plan.

Pictorial illustrations of the cultivation facilities design are included below.
Provisioning Facilities. The interior of the provisioning center will have a modern design that reflects the local charm of Ingham County, and the buildings will feature an exterior with extensive greenery and low-impact landscaping, storm water mitigation, and permeable paving. The spaces created at both provisioning centers will have a design that is sensitive to local context, energy efficient with sustainable design features and material choices throughout, and a pioneering model for future businesses in an emerging market. Pictorial illustrations of the interior designs of the provisioning facilities are included below.

The statement by the re-review of the City Clerk that “no capital improvement costs were included in the Pro Forma” is inaccurate, see Exhibit 5-C below where Primo did include $360,000 under the “Rent” section of the Pro Forma, $6,000 under Alarm & Security”, $12,000 under “Maintenance” and $50,000 under “Support” that are the costs for initial buildout of the facility to accommodate the vertical integration of a provisioning center and grow facility in the same building. Making the City Clerk’s re-review erroneous, impractical and invalid. As you can see, the initial improvement in the building located at 1214 S Washington as outlined in the Pro forma is $410,000 and total over time will be $1,210,685. The grading criteria suggests that the capital improvement should be in excess of 125% of the SEV. The current SEV for 1214 S. Washington is $300,000.

The original scorer reviewed Primo’s business plan and allotted a score of “3”. The City Clerk’s actions are again consistent with the pattern observed on 9/4/18, 9/18/18, 9/24/18, 9/25/18, 10/31/18, 11/1/18, and 11/28/18 to strategically deduct points from Primo’s scoring allotted by the original reviewer.
### 5-Year Pro Forma For One (1) Provisioning Center

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accessories / Merchandis</td>
<td>156,000</td>
<td>144,900</td>
<td>139,309</td>
<td>175,320</td>
<td>184,095</td>
</tr>
<tr>
<td>Apparel</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
</tr>
<tr>
<td>Edibles</td>
<td>540,000</td>
<td>662,900</td>
<td>682,609</td>
<td>751,410</td>
<td>788,581</td>
</tr>
<tr>
<td>Flower</td>
<td>2,124,000</td>
<td>2,442,600</td>
<td>2,868,809</td>
<td>2,955,346</td>
<td>3,103,323</td>
</tr>
<tr>
<td>Hash / Wax</td>
<td>756,000</td>
<td>869,400</td>
<td>956,340</td>
<td>1,051,974</td>
<td>1,104,573</td>
</tr>
<tr>
<td>Other</td>
<td>56,000</td>
<td>61,400</td>
<td>45,509</td>
<td>50,094</td>
<td>52,269</td>
</tr>
<tr>
<td>Topicals</td>
<td>108,000</td>
<td>124,200</td>
<td>136,629</td>
<td>150,282</td>
<td>157,796</td>
</tr>
<tr>
<td>Discountes</td>
<td>(108,000)</td>
<td>(124,200)</td>
<td>(136,629)</td>
<td>(150,282)</td>
<td>(157,796)</td>
</tr>
<tr>
<td><strong>GROSS REVENUE</strong></td>
<td>3,600,000</td>
<td>4,337,700</td>
<td>4,549,239</td>
<td>5,002,353</td>
<td>5,251,571</td>
</tr>
<tr>
<td><strong>COST OF GOODS SOLD</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accessories / Merchandis</td>
<td>63,000</td>
<td>72,450</td>
<td>79,695</td>
<td>87,665</td>
<td>92,048</td>
</tr>
<tr>
<td>Apparel</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
<td>9,000</td>
</tr>
<tr>
<td>Edibles</td>
<td>124,200</td>
<td>142,530</td>
<td>157,113</td>
<td>172,824</td>
<td>181,466</td>
</tr>
<tr>
<td>Flower</td>
<td>955,800</td>
<td>1,099,170</td>
<td>1,209,087</td>
<td>1,329,596</td>
<td>1,396,495</td>
</tr>
<tr>
<td>Hash / Wax</td>
<td>113,400</td>
<td>130,410</td>
<td>143,455</td>
<td>157,796</td>
<td>165,686</td>
</tr>
<tr>
<td>Other</td>
<td>11,599</td>
<td>13,795</td>
<td>15,178</td>
<td>16,696</td>
<td>17,521</td>
</tr>
<tr>
<td>Topicals</td>
<td>38,880</td>
<td>44,712</td>
<td>49,183</td>
<td>54,162</td>
<td>56,800</td>
</tr>
<tr>
<td><strong>TOTAL COST OF GOODS SOLD</strong></td>
<td>1,316,279</td>
<td>1,532,371</td>
<td>1,665,708</td>
<td>1,828,078</td>
<td>1,919,032</td>
</tr>
<tr>
<td><strong>GROSS PROFIT</strong></td>
<td>2,283,721</td>
<td>2,804,929</td>
<td>2,884,522</td>
<td>3,174,275</td>
<td>3,322,538</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>360,000</td>
<td>62,500</td>
<td>62,500</td>
<td>62,500</td>
<td>62,500</td>
</tr>
<tr>
<td>Insurance</td>
<td>150</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Property Tax</td>
<td></td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Alarm &amp; Security</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Waste Disposal</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>License Renewal - City</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>License Renewal - State</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>License Renewal - State</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual License Assessment Fee - State</td>
<td>57,000</td>
<td>23,000</td>
<td>23,000</td>
<td>23,000</td>
<td>23,000</td>
</tr>
<tr>
<td>Dispossession Expense - State</td>
<td>108,000</td>
<td>124,419</td>
<td>116,473</td>
<td>150,071</td>
<td>157,547</td>
</tr>
<tr>
<td>Sales Tax</td>
<td>216,000</td>
<td>248,238</td>
<td>272,954</td>
<td>300,141</td>
<td>315,094</td>
</tr>
<tr>
<td>Payroll - Management</td>
<td>189,600</td>
<td>195,288</td>
<td>201,147</td>
<td>207,181</td>
<td>213,396</td>
</tr>
<tr>
<td>Payroll - Benefits</td>
<td>249,600</td>
<td>277,088</td>
<td>264,801</td>
<td>272,745</td>
<td>280,927</td>
</tr>
<tr>
<td>Payroll - Compliance Greener</td>
<td>99,840</td>
<td>102,835</td>
<td>106,920</td>
<td>109,998</td>
<td>113,711</td>
</tr>
<tr>
<td>Payroll Expenses</td>
<td>80,856</td>
<td>83,282</td>
<td>85,780</td>
<td>88,354</td>
<td>91,004</td>
</tr>
<tr>
<td>Key Man Life Insurance</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Maintenance</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
<td>12,000</td>
</tr>
<tr>
<td>Utilities - Electric</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Internet &amp; Phone</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Advertising</td>
<td>24,000</td>
<td>24,000</td>
<td>24,000</td>
<td>24,000</td>
<td>24,000</td>
</tr>
<tr>
<td>Accounting / Bookkeeping / Payroll</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
</tr>
<tr>
<td>Meals/Backpack/SF Program</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
<td>18,000</td>
</tr>
<tr>
<td>Grow A Rowe - Food Bank</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Without Walls Program</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Training &amp; Education</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Philanthropy</td>
<td>60,000</td>
<td>60,000</td>
<td>60,000</td>
<td>60,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Supplies</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
<td>3,000</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>1,543,046</td>
<td>1,290,350</td>
<td>1,340,578</td>
<td>1,407,089</td>
<td>1,449,840</td>
</tr>
<tr>
<td><strong>NET PROFIT</strong></td>
<td>740,675</td>
<td>1,334,980</td>
<td>1,539,944</td>
<td>1,767,186</td>
<td>1,882,699</td>
</tr>
</tbody>
</table>

Consulting Fees

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support Fee</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td><strong>TOTAL FEES</strong></td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td><strong>ADJUSTED NET PROFIT</strong></td>
<td>690,675</td>
<td>1,284,980</td>
<td>1,489,944</td>
<td>1,717,186</td>
<td>1,832,699</td>
</tr>
</tbody>
</table>

Figure 7 - Notice this is for 1 provisioning center, not 2

Figure 8 - $410,000 in Improvements made to the building in Rent, Alarm & Security, Maintenance, and Support Fee
**Exhibit 5-D Examples of High Scores**

| Improvement made or proposed to building | The SEV of the building is $120,000 and list the improvement budget at $500,000. They are investing 42.7% back into the building. | Percentage of the dollar amount invested in upgrading the location in comparison to the SEV (State Equalized Value) of property |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1st Investing 12.5% over the SEV value  | 3rd Investing 25% over the SEV value                                                                                                                          |
| Usually listed with the budget and explanation of improvements included either after the budget or in the business plan. | Doesn't include furniture, or inventory |
| Improvements made specifically to building or property that cannot be removed. | Page Length: N/A |

**Exhibit 5-E Assessed Value of 1212 S. Washington (aka. 1214 S. Washington)**

**REQUESTED RELIEF REQUESTED BY PRIMO OF THE COMMISSION**

Primo prays the Commission change the score from a “0” to a “3” consistent with the scoring of the initial reviewer hired by the City Clerk and reviewed all applicants against the scoring rubric as outlined in the ordinance.
ARGUMENT 6 - ARBITRARY SCORING ITEM 20.

The original scoring of Item 20, Plan to Minimize and Eliminate Noise allotted the full award of “2” points to Primo. On 10/31/18, the City Clerk again arbitrarily re-reviewed Primo’s scoring with the intent to deduct points. The City Clerk then deducted one (1) point (see below, Exhibit 6-A). This deduction is erroneous, arbitrary, capricious and not based in fact.

Exhibit 6-A Primo Scoring Sheet

ITEM 20. Plan to Minimize and Eliminate Noise

The original scorer reviewed Primo’s business plan and allotted a score of “2”. The scorer found information fully describing the detailed plan on page 68 of the business plan. As stated on page 68, Section 5.4, of the “Business Plan”, no loitering will be permitted on the premises. Playing of music from automobiles will be monitored, in which a Security Guard team member will request that music not be played with the vehicle windows open, and or at levels that can be easily heard by a pedestrian passing by the facility. Although the building at 1214 S. Washington’s parking lot only faces the south railroad tracks and the building itself serves as a natural barrier for noise, as part of its business plan Primo has committed to a noise barrier fence to reduce all noise at a cost of $164,000. 1214 S. Washington has no lawn to mow and is by its nature next to an extremely noisy industrial area surrounded by the General Motors Grand River plant, the Board of Water and Light and a railroad that passes along its southern border. Primo fully described its plan to minimize and eliminate noise in its business plan.

According to the “Examples of High Score Sheet” (see Exhibit 6-B below), this information should have sufficed to garner the initial score of “2”. However, consistent with all other items deducted by the City Clerk during re-reviews of Primo’s scoring on 9/4/18, 9/18/18, 9/24/18, 9/25/18, 10/31/18, 11/1/18, and 11/28/18, the City Clerk arbitrarily and capriciously deducted one (1) point erroneously.

Exhibit 6-B Examples of High Scores
5.4 Plans to Minimize/Eliminate Noise (2 points)

Potential sources of noise include the functioning of Applicant’s internal operations, and patients. Applicant’s internal operations are designed to achieve maximum efficiency, with minimum superfluous noise. Establishing and maintaining quiet working and operational conditions stems from experience and well-defined policy, relative to interpersonal verbal communication and other sources of noise, like personal music, or smartphone related electronic noise. Applicant’s management will be familiar with the application of quiet workplace standards due to Applicant having policies in place to respect and remain compliant with neighborhood noise expectations. All Applicant operations will take place inside the facility. There will be no noise produced from the operations. Applicant will introduce patients to their codes of conduct at their new patient member orientation and no loitering outside the facility will be tolerated. Applicant will also remind new patients that the code of conduct policy is delineated in Applicant’s patient handbook, which they will receive at their new patient member orientation. Applicant’s code of conduct policy will also be posted prominently inside their facilities and quietly enforced by staff, particularly the outside door person. Any loud noise, including that from conversations between patients, will immediately attract scrutiny from Applicant’s staff and result in code of conduct policy enforcement, up to and including the removal of patient(s) from the Applicant’s facility.

REQUESTED RELIEF REQUESTED BY PRIMO OF THE COMMISSION

Primo prays the Commission change the score from a “1” to a “2” consistent with the scoring of the initial reviewer hired by the City Clerk and reviewed all applicants against the scoring rubric as outlined in the ordinance.
ARGUMENT 7 - ARBITRARY SCORING ITEM 24.

The original scoring of Item 24. Litigation History allotted correctly a score of “1” for this Item to Primo. On 11/28/18 the City Clerk again arbitrarily re-reviewed Primo’s scoring with the intent to deduct points. The City Clerk then deducted one (1) point (see below, Exhibit 9-A). Interestingly, this deduction was performed after Primo had been denied and notified by the City Clerk’s office on November 13, 2018. The City Clerk was again reviewing Primo’s scoring after it had already been denied and its score finalized determining it would not be in the top 20 applicants. Again, arbitrary means fixed or arrived at through an exercise of will or by caprice, without consideration or adjustment with reference to principles, circumstances or significance, and capricious means apt to change suddenly, freakish or whimsical. This deduction is erroneous, arbitrary, capricious and not based in fact as the City Clerk continued even after denial of Primo and during its time to evaluate its appeal, made whimsical and sudden deductions of points.

ITEM 24. Litigation History

The original scorer reviewed Primo’s business plan and allotted a score of “1”. At no time did the City Clerk’s office explain that the lack of LARA’s prescribed Litigation Forms were a necessary part of the application process but most importantly for this Item, Primo did provide litigation history in a narrative in the business plan for all stakeholders not just one. The Hearing Officer acknowledged in her brief that Primo should have only lost one (1) point in this category as well. However, the City Clerk made the decision that he did not agree with the Hearing Officer and again did not recognize one (1) point should be allocated in his category for the fact that Primo did provide litigation history in the business plan.

For this reason alone, the deduction of one (1) point by the City Clerk should be viewed as arbitrary and capricious when he fails to acknowledge facts within the business plan and attempts to again deduct points from an applicant’s score that most certainly places it within the top 20 scores of the remaining applicants.

Below is an excerpt from Attachment B, the opinion on this Item as written by Hilary M. Barnard, the Hearing Officer reviewing Primo’s first level appeal:

As to Litigation History, Appellant’s scoring sheet indicates that there was a summary provided as page 70 of the business plan. Appellant was awarded 1 point in this category because it was a summary and not a complete history. This Hearing Officer agrees with this assessment. In evaluating a license application, consideration will be given to “[w]hether the applicant or any of its stakeholders have a record of acts detrimental public health, security, safety, morals, good order, or general welfare[.]” It should be further noted that the State of Michigan application also requires a Litigation History for its licensure application. By definition summary as a noun is “an abstract, abridgement, or compendium[.]” The request is for litigation history, and Appellant has provided a summary missing information. There is nothing in the record suggesting that the decision of the scorer is arbitrary and capricious, nor has Appellant met its burden to show it was.

REQUESTED RELIEF REQUESTED BY PRIMO OF THE COMMISSION

*Primo prays the Commission change the score from a “0” to a “1” consistent with the recommendation of the Hearing Officer.*

Page 27 of 35
CONCLUSION

Primo respectfully requests that the Commission review each of the items whereby Primo has provided substantial and compelling evidence that points were not allocated equitably (Item 3) and were deducted without substantiated failure of Primo to provide the information required in the Examples of High Scores (Item 7, 11, 13, 18, 20, 24). Primo also provided substantial and compelling evidence that the City Clerk acted in an arbitrary and capricious nature while continuously attempting to reduce Primo’s overall score in each category. Does the Commission find it equitable that the City Clerk would re-review Primo’s application on 9/4/18, 9/18/18, 9/24/18, 9/25/18, 10/31/18, 11/1/18, and 11/28/18 with no intent to ever provide additional points to Primo’s score? The standard of review of the Commission in this case is arbitrary and capricious. Arbitrary means fixed or arrived at through an exercise of will or by caprice, without consideration or adjustment with reference to principles, circumstances or significance, and capricious means apt to change suddenly, freakish or whimsical.

A reasonable person could easily discern that prior to the City Clerk’s initial review of Primo’s scoring on 9/4/18, Primo had an overall score of “88”. Primo has committed tremendous time and financial resources to provide jobs, economic prosperity and be a good business citizen for the residents of the City of Lansing in obtaining a provisioning center license from the City Clerk. Primo has never operated any type of medical marijuana business in violation of the moratorium and submitted a sound business plan and a complete application that met 88 of the 100 possible points.

At some point in time, and it appears when this “shell game” of applicants began being denied and appeals commenced, did Primo undertake a constant barrage of reviews by the City Clerk that circumvented the intent of the ordinance and its scoring criteria, which as outlined in LCO § 1300.06(b), were designed to “ensure a fair selection process that allows [the City Clerk] to select most qualified applicants that provide long terms of benefit to the City in terms [of] jobs and investment, but most importantly to protect the public health, safety, and welfare of residents.” (Nov. 13, 2017 City Press Release) The scoring criteria intended to provide an objective rubric by which to judge the applications and differentiate the qualification of the applicants.

Primo is respectfully requesting, that upon the review of this brief and the evidence provided herein, that the Commission correct the City Clerk’s flawed re-scoring of its 1214 S. Washington Avenue application that was reduced and reallocate twelve (12) points as requested in Attachment A and reinstate those points based on the premise and standard of review that the City Clerk deducted those points arbitrarily, capriciously and without substantial evidence.
## ATTACHMENT A
Specific Relief Sought from Commission

<table>
<thead>
<tr>
<th>Item Number and Title</th>
<th>Initial Review Score</th>
<th>City Clerk Date of Re-review</th>
<th>City Clerk Re-score</th>
<th>Points Deducted by City Clerk After the Initial Scoring</th>
<th>Simplistic Argument by Primo to Reinstated Points</th>
<th>Points Primo Requests be Reallocated Per Item by Commission</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Job Creation</td>
<td>2</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>&quot;Examples of High Score allocates&quot; allocates &quot;3&quot; points for creating 20 to 100 jobs. Primo will create 50 jobs (see page 7 of appeal for information Primo provided in its application to substantiate 50 positions).</td>
<td>1</td>
</tr>
<tr>
<td>7 Number of Jobs at the Provisioning Center</td>
<td>2</td>
<td>11/1/2018</td>
<td>1</td>
<td>-1</td>
<td>Applicant provided in its Pro forma $425,895 in provisioning center salaries for 2,284.5. Washington provisioning center operations only (see page 17 of appeal for information Primo provided in its application to substantiate) and an organization chart evidencing over 6 positions created (see page 10 of appeal for information Primo provided in its application to substantiate).</td>
<td>4</td>
</tr>
<tr>
<td>11 Sufficient Financial Resources</td>
<td>5</td>
<td>10/31/2018</td>
<td>4</td>
<td>-1</td>
<td>Hearing Officer determined this point should be given back on first level appeal and the City Clerk denied arbitrarily (see Attachment B - Hearing Officer Opinion).</td>
<td>1</td>
</tr>
<tr>
<td>13 Content and Sufficiency of Information</td>
<td>5</td>
<td>10/31/2018</td>
<td>4</td>
<td>-1</td>
<td>Primo never received a &quot;Treasurer Letter&quot; or any other correspondence requesting additional information to its submitted application.</td>
<td>1</td>
</tr>
<tr>
<td>18 Improvements made or proposed to building</td>
<td>3</td>
<td>9/24/2018</td>
<td>0</td>
<td>-3</td>
<td>Applicant described in great detail the improvements that would be made to the building (see page 22-24 of appeal for information Primo provided in its application to substantiate) and provided in its Pro forma $428,000 in initial building improvements (categories where dollars were allotted: rent, maintenance, support fees, admin &amp; security) for its vertical operations (providing, processing and grow) (see page 25 of appeal for information Primo provided in its application to substantiate).</td>
<td>3</td>
</tr>
<tr>
<td>20 Plans to minimize or eliminate noise</td>
<td>2</td>
<td>10/31/2018</td>
<td>1</td>
<td>-1</td>
<td>Applicant described in great detail its plans to minimize both internal and external noise and specifically lists &quot;no listening outside of building will be tolerated, which is the exact language used in the &quot;Examples of High Scores&quot; (see page 28 of appeal for information Primo provided in its application to substantiate).</td>
<td>1</td>
</tr>
<tr>
<td>24 Litigation History</td>
<td>1</td>
<td>11/28/2018</td>
<td>0</td>
<td>-1</td>
<td>The City Clerk deducted one (1) point during the appeals process (11/25/18). Primo was denied by the City Clerk on 11/13/18 arbitrarily and capriciously. Primo had provided a history, which according to the &quot;Examples of High Scores&quot; and consistent with other applicants scoring, should have garnered one (1) point.</td>
<td>1</td>
</tr>
</tbody>
</table>

Page 29 of 35
ATTACHMENT B
Hearing Officer Opinion

Hilary M. Barnard
Attorney at Law

CITY OF LANSING
HEARING OFFICER
DECISION RECOMMENDATION

In Re:

Primo Farms, LLC
Proposed Location: 1214 S. Washington Ave.

Provisioning Center License Denial

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 PRIMO FARMS, LLC and its license application for a Medical Marijuana Provisioning Center that the license application remain denied.

FACTS

PRIMO FARMS, LLC ("Appellant") applied to the City of Lansing to operate a Medical Marijuana Provisioning Center within the city limits. This recommendation follows a timely appeal from Appellant.

By letter dated November 13, 2018, Appellant was informed that its license application was denied because of its score and rank, having received a score of 75 out of 100. Appellant was informed that this score eliminated the possibility of scoring in the top twenty applicants and that 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 November 13 letter, Appellant was provided a copy of the City of Lansing Provisioning Center Ranking sheet for its business. On the chart, Appellant is able to view the total possible points, its attained points, and short statements regarding the scoring.

Appellant has a myriad of point deficiencies in categories adding up to its total score.

Appellant’s Position

Appellant disputes the denial. Its appeal alleges that the examiner “either did not score the category correctly or overlooked the materials presented.” With Appellant’s appeal are several different exhibits.1

---

1 See Appellant’s action appeal from, at *1. Appellant also references another of its business locations in its appeal document at 2632 S. Cedar St, stating its license has been denied and it has decided not to appeal that decision. Id. at 2.
**City Clerk Position**

The City Clerk affirms his position on the denial and notes that several documents and other included information was not in Appellant’s original application.

**APPLICABLE LAW & REASONING**

The issue 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." 2

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.3

* * *

[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.4

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. 1200.15(C).

3 Id. at 1500.3(E).
Hilary M. Barnard
Attorney at Law

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. . . . [i]nstead or arrived at through an exercise of will or by
caprice, without consideration or adjustment with reference to principles, circumstances, or
significance, . . .; arbitrary; devoid of adequate reasoning." *Capricious* is "apt to change suddenly; freakish;
whimsical; capricious."*

The burden is on the party attacking to affirmatively prove the arbitrary and unreasonable
decision. This is not to say that a local body may "abrogate constitutional restraints."* 10

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:*11 (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.12 Further, an appellate body will generally not consider issues not raised in or
ruled on by a lower court.13 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)

(12)(V) Expected job creation from the proposed medical marihuana establishment(s) . . . [X] Community outreach/education plans and strategies [and]
(XII) [c]haritable plans and strategies, whether fiscally or through volunteer work:

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

---

* There is no inherent binary in license issuance; issuing 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.
  (1946).
10 Id.
11 Id.
  (1959)).
13 Id. at 162
14 See e.g., MCR 7.105(B)(4)(a)(i)(v); (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[.]”)

---

Page 3 of 6
Hilary M. Barnard
Attorney at Law

“[not limit an individual’s or entity’s rights under the [Michigan Medical
Marijuana Act (MMMA), MMA or the [Michigan Trimming Act (MTA)]” and
drafters intended that “these acts supersede [the] ordinance where there is a
conflict.” 12

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

Concerning application review, under the City of Lansing Ordinance No. 1217 Section 1300.6:

(D) In the event that there are more applicants for provisioning center licenses who
meet the minimum requirements set forth in 1500 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[.] 16

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., Noyer, 429 Mich. at 232-33.18 Thus, this review will address the
appeal on Appellant’s first basis and the application as originally provided. This includes Exhibit B,
Exhibit C, and 3 pages of Exhibit E from consideration in this appeal. Further, additional
information on pages 2-3, 4-5, 7-8, 12, and 13 which included a table listing provisioning center
costs; site listing costs for cultivation buildout; offer to convey property; jobs table; building
improvements table; and commercial lease agreement respectively.

As much supplemental material is referenced in Appellant’s appeal letter, it is further addressed in
the following paragraphs. As it is not part of the original application, it cannot be considered for
the first time on appeal.19

Appellant raises a Tangible Capital argument. Capital is understood to be “[m]oney or assets
invested, or available for investment, in a business.” 20 Further, the City Clerk has articulated that
Tangible Capital is rooted in a physical object. For demonstration the Appellant must provide

12 City of Lansing, Michigan Ordinance No. 1217 Sec. 1300.2(C).
13 Id. at Sec. 1300.2(D).
14 MMFLA, MCL § 333.7402(3)(g).
15 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. Noyer, 429 Mich. at 233. Under the facts presented, there is not
a fundamental error to as to trigger enunciating implementing on appeal.
16 See Noyer, 429 Mich. at 232-33, see also 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[.]”
17 Capital, Black’s Law Dictionary (7th ed.).
supporting factual data. As a note, this appeal can only consider the materials relevant to this specific application and location. Here, Appellant has iterated its points of tangible capital and its cultivation build out in its business plan. While the two number calculations meet the 1 million threshold, the table listing the cultivation buildout was not in the original application, and cannot now be considered to increase Appellant’s score.16

Under Appellant’s ‘Job Creation’ arguments, it is not enough for an appellant to “simply announce a position or assert an error.”20 Thus leaving the overseer of appeal to “discover and rationalize the basis for his claim, or unravel and elaborate for him his arguments, and then search for authority to either sustain or reject his position.”21 No further points can be awarded, as Appellant has not met its burden to show why 18 jobs is significant enough to merit more points.

Under Charitable Plans and Strategies, Appellant has referenced a land transaction sale. Even if this has been in the original application materials, there is no documentation that this donation would be accepted by the City or otherwise evidence of such business dealings. Merely stating that Appellant ‘will do X’ is not illustrative of Appellant’s plans. Further, Appellant indicates other operational support to local associations but nothing further in support. There is no provided basis of argument to merit more points than already given in this category.

Under Sufficient Financial Resources, the scorer has referenced litigation history under its 9/4 update. This Hearing Officer does not understand why a point was deducted and thus agrees that Appellant should be awarded full points in this category.

As to Litigation History, Appellant’s scoring sheet indicates that there was a summary provided as page 70 of the business plan. Appellant was awarded 1 point in this category because it was a summary and not a complete history. This Hearing Officer agrees with this assessment. In evaluating a license application, consideration will be given to “[w]hether the applicant or any of its stakeholders have a record of acts detrimental to public health, security, safety, morals, good order, or general welfare.”22 It should be further noted that the State of Michigan application also requires a Litigation History for its licensure application. By definition summary as a noun is “an abstract, abridgment, or compendium.”23 The request is for litigation history, and Appellant has provided a summary missing information. There is nothing in the record suggesting that the decision of the scorer is arbitrary and capricious, nor has Appellant met its burden to show it was.

LPD Complaints exist as to the location. As LPD has records attributable to the current owners, whether or not the business was open to the public is irrelevant in the current instance. Police resources were used, thus scoring in this category is appropriate.

Under plans to minimize eliminate traffic, noise & odor, Appellant states that it will comply with the requirements of the industry and that LARA has already required things. This argument holds no merit as the City’s requirements can build upon the floor that LARA has set if in the interest of

16 It should be noted that this recommendation does not take into consideration Exhibit E either, a Promissory Note dated 11/27/18.
18 Id.
19 Procuring Ordinance No. 1327 Sec. 1300(6)(4).
20 Summary, Merriam Webster Dictionary.
CONCLUSION

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

Respectfully Submitted,

[Signature]

Hilary M. Barnard, Hearing Officer

---

35 Id. Again, Appellant’s supplemental materials, not originally provided in its application, are not considered.
Timeline
Green Square Holdings, LLC
4905 N. Grand River Ave.
Lansing, Michigan 48906

December 15, 2017 – Application submitted

December 21, 2017 – Department review of applications begins

December 6, 2018 – First Denial for Score & Rank sent.................................1

December 20, 2018 – Hearing Officer Appeal Submitted.............................8

December 26, 2018 – Appeal to Hearing Officer

January 7, 2019 – Second Denial Sent with Hearing Officer Statement.........45

February 6, 2019 – Commission Appeal submitted.................................55

*Exhibits Removed – Not part of Original Application*

Bank Account Statement from Exhibit D in HO Appeal

Exhibit H from HO Appeal

Bank Account Statement from Exhibit D in Commission Appeal

Exhibit I from Commission Appeal
Delivery Confirmation™ Service Number:
9405 5116 9900 0719 2083 25
Priority Mail 2-DAY with USPS TRACKING #*
Electronic Service Fee: $0.00
Total Postage and Fees: $3.35
Weight: 1 oz
Print Date: 12/06/2016

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

To: Green Square Holdings LLC
812 S Main St Suite 200
Royal Oak MI 48067-3280

*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.
This message was sent to you at the request of Chris Swope, to notify you that they have shipped a package to you. For details about your shipment or to track your package, please refer to the information below.

**Shipment Details**

**Shipped To:** Green Square Holdings LLC  
812 S Main St Suite 200, Royal Oak, MI 48067-3280

**Mailing Date:** 12/6/2018

**Est. Delivery:** 2 days

**Service:** Priority Mail (R)

**Signature:** Not Required

**Tracking:** 040551169000007109208325

The shipment information contained in this email is provided by Stamps.com. For questions about this package, please contact Chris Swope or the U.S. Postal Service.

Easily print USPS shipping labels from your PC or Mac. At Stamps.com, our goal is to simplify shipping so you can focus on your business. Get started at www.stamps.com.
December 6, 2018

Green Square Holdings LLC
812 S Main Street Suite 200
Royal Oak, Michigan 48067

Dear Provisioning Center Applicant,

The Lansing City Ordinance section 1300.6 discusses Provisioning Center license application evaluation. **Your score of 75 out of 100** eliminates the possibility of scoring in the top twenty. 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 4905 N Grand River Avenue.**

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 by the City Clerk. 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.
If you have begun business operations pursuant to State Emergency Rule 19 and Executive Order 2017-02, you must cease operations. Operations may resume only if your appeal is granted and the requirements of the temporary operation are satisfied.

Sincerely,

[Signature]

Chris Swope, Master Municipal Clerk
Lansing City Clerk

CC: City of Lansing Law Department
<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Total Possible Points</th>
<th>GREEN SQUARE HOLDINGS LLC</th>
<th>GREEN SQUARE HOLDINGS LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>4905 N. GRAND RIVER AVE.</td>
<td>4905 N. GRAND RIVER AVE.</td>
<td>Scoreing Insights</td>
</tr>
<tr>
<td>1. Marketing, Advertising and Promotion</td>
<td>4</td>
<td>3</td>
<td>Applicant provides marketing, advertising, promotion, and minor minimization examples (e.g., direct marketing to patients and caregivers through both e-mail and short message service texting will require patient consent, ads will be educational in nature but not targeted to minors). However, information is missing (cut-off). Lacks optimal marketing, advertising, promotion, and minor minimization examples and details.</td>
</tr>
<tr>
<td>2. Tangible Capital Investment in the City of Lansing</td>
<td>15</td>
<td>12</td>
<td>Applicant indicates they are proposing to operate 4 provisioning centers in Lansing: 1) 4,340 sq. ft. facility at 4905 N. Grand River, will own, $425K purchase price, interim lease with $1/month rent until City approval obtained; 2) facility at 3330 S. MLK, will own; 3) a facility at 7045 S Cedar St, will own; and 4) a facility at 5031 S. Cedar St., will lease. $4.25 million for real estate acquisition, construction, computers, and equipment at the 4 PCs. Also applying for 1 grower facility license (Class C) and 1 processor license in Lansing. Also applying for 8 grower licenses and 1 processor license in River Rouge, Troy, Harrison Twp., Roseville, and Warren. 20 total facilities throughout MI. Lacks facility ownership at one of the PCs.</td>
</tr>
<tr>
<td>3. Job Creation (Integrated System) Overall number of jobs created</td>
<td>5</td>
<td>5</td>
<td>Applicant indicates they anticipate creating over 1,000 jobs at their medical marijuana facilities within MI (e.g., 60 jobs at 4 Lansing PCs, 120 jobs at other City facilities, ~60 jobs at related corporate entities in Lansing region, etc.). Details job titles and descriptions, benefits, education, salaries/wages, shifts, local hiring, etc. for the PCs, grow, and processing operations.</td>
</tr>
<tr>
<td>4. Financial Structure and Financing</td>
<td>3</td>
<td>2</td>
<td>Applicant indicates they are funding all 4 PCs from personal funds and that members have deposited $2 million into an operating account to cover any and all startup costs, plus owners have a combined net worth of &gt;$100 million to use if necessary. Applicant actually provides CPA attested proof of combined net worth of $70.5 million and bank statements showing a balance of ~$315K.</td>
</tr>
<tr>
<td>5. Plans to Integrate Facility with Other Establishments</td>
<td>2</td>
<td>2</td>
<td>Applicant indicates they will integrate the provisioning center with a Class C (1,001 to 1,500 plants) grower facility in Lansing.</td>
</tr>
<tr>
<td>6. Charitable Plans and Strategies</td>
<td>4</td>
<td>4</td>
<td>Applicant indicates they will provide resources to veterans and indigent patients to assist individual most in need (e.g., free transportation) and build working relationships with charitable organizations near the PC. Financial donations ($100K/year at each of the 4 PCs) and volunteer work will be made to food banks, shelters, senior programs, adopt-a-highway programs, graffiti remediation, etc. Lacks proof of any actual payment or executed agreement.</td>
</tr>
<tr>
<td>7. Number of Jobs at the Provisioning Center Category Thresholds: 1 = &lt; 6 jobs, insufficient details; 2 = &lt; 6 jobs, sufficient details; 3 = 6 jobs, sufficient details; 4 = &gt; 6 jobs insufficient details; 5 = &gt; 6 jobs, sufficient/good details.</td>
<td>5</td>
<td>5</td>
<td>Applicant indicates 15 jobs will be created at the provisioning center and provides details about job titles and descriptions, benefits, education, salaries/wages, shifts, local hiring, etc. for the PCs, grow, and processing operations.</td>
</tr>
<tr>
<td>8. Amount and Type of Compensation (PC)</td>
<td>2</td>
<td>2</td>
<td>Applicant indicates all PC employees will earn at least $20 per hour and provides strong support details.</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>---</td>
<td>---</td>
<td>----------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>9. Percent of Employees Earning At Least $15/Hour (PC)</td>
<td>3</td>
<td>3</td>
<td>Applicant indicates all provisioning center employees will earn at least $20/hour.</td>
</tr>
<tr>
<td>10. Projected Annual Budget and Revenue (PC)</td>
<td>2</td>
<td>2</td>
<td>Applicant provides detailed projected annual budget and revenue data (e.g., $3.4 million in expenses and $5 million in retail sales in 2018) that are understandable.</td>
</tr>
<tr>
<td>11. Sufficient Financial Resources</td>
<td>5</td>
<td>3</td>
<td>Applicant does not provide litigation compliance verification for all stakeholders (e.g., Rybicki, Lane, and Breton are missing). Member Kassab had insurance license suspended in error. Applicant provides CPA attested proof of combined net worth of $70.5 million and bank statements showing a balance of $331K.</td>
</tr>
<tr>
<td>12. Business Experience</td>
<td>5</td>
<td>4</td>
<td>Applicant indicates they have many years (not fully specified) of medical marijuana experience (provisioning center ownership, consultant, officer, board member, compliance in AZ and CO, AZ cultivation center board member), plus decades of applicable other industry experience (insurance, real estate, liquor). Lacks the optimal amount of applicable business experience.</td>
</tr>
<tr>
<td>13. Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items</td>
<td>5</td>
<td>4</td>
<td>Difficulty to find required criteria materials, Treasury Letter sent 1 point deducted</td>
</tr>
<tr>
<td>14. Buffering between residential zoned areas and establishment</td>
<td>5</td>
<td>1</td>
<td>Inadequate layout provided. Updated score using a better measurement tool. 9/18/18 Residential zoning on east and west sides which allows only one point and falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points.</td>
</tr>
<tr>
<td>15. Increased traffic on side streets will be scored lower</td>
<td>5</td>
<td>2</td>
<td>Potential for side street parking. Updated 10/2/18 zero scores in driveway safety &amp; circulation safety. Strong scores for traffic pattern and adequate parking, 2 points.</td>
</tr>
<tr>
<td>16. Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</td>
<td>10</td>
<td>7</td>
<td>Strong parking. Inadequate driveways and circulation. Inadequate layout provided for 2 pts. Tier 1 A+ security plan with waiting room, guard, safe, off-site video storage, Security equipment spec's for 5 pts.</td>
</tr>
<tr>
<td>17. Plan to meet with neighborhood organizations</td>
<td>1</td>
<td>1</td>
<td>Inadequate plan. 10/8 Plan Found</td>
</tr>
<tr>
<td>18. Improvements made or proposed to building</td>
<td>3</td>
<td>3</td>
<td>&quot;Professional drawings and permits pulled, Updated 9/24/18 using a more accurate measurement tool, $66,000 of mechanical construction along with interior electrical &amp; paint which is 104% of the SEV of $63,400 which falls short of the 125% SEV investment amount. Updated 12/6/18 - use construction figures of $820,260 instead from Go Greener Construction which increase to 1294%.&quot;</td>
</tr>
<tr>
<td>19. Plan to minimize/eliminate traffic</td>
<td>1</td>
<td>1</td>
<td>Traffic plan included</td>
</tr>
<tr>
<td>20. Plan to minimize/eliminate noise</td>
<td>2</td>
<td>2</td>
<td>Detailed plan including barrier/sound dampening fencing</td>
</tr>
<tr>
<td>21. Plan to minimize/eliminate odor</td>
<td>3</td>
<td>3</td>
<td>Detailed plan including seal building, HVAC with carbon filter, staff training, odor complaint tracking</td>
</tr>
<tr>
<td>22. LPD Complaints</td>
<td>4</td>
<td>4</td>
<td>No calls</td>
</tr>
<tr>
<td>23. Demo of Regulatory Compliance</td>
<td>4</td>
<td>0</td>
<td>&quot;Updated 9/25/18 Minor tax compliance 1 pt deducted, no code issues. Update 11/28/18 failure to comply with Emergency Rules to notice City of application within 10 days - 3pt deduction.&quot;</td>
</tr>
<tr>
<td>24. Litigation History</td>
<td>2</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>------------------------</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td><strong>Updated 12/6/2018</strong> Missing litigation history for all stakeholders= 0 points, only provides a summary business litigation statement for past 7 years for business, and states nothing about personal litigation history.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Score</strong></td>
<td>100</td>
<td>75</td>
<td></td>
</tr>
</tbody>
</table>
GREEN SQUARE HOLDINGS, LLC ("APPELLANT")

APPEAL

Prepared by

Michael D. Stein, Esq.
TABLE OF CONTENTS

TABLE OF CONTENTS .................................................................................................................. ii

STATEMENT OF ISSUES PRESENTED ................................................................................. iii

I.  INTRODUCTION .................................................................................................................. 1

II.  STATEMENT OF FACTS ................................................................................................... 1

III. STANDARD OF REVIEW ................................................................................................. 2

IV.  ARGUMENT ..................................................................................................................... 2

V.   CONCLUSION ................................................................................................................. 12

VI.  RELIEF REQUESTED ..................................................................................................... 12
STATEMENT OF ISSUES PRESENTED

1. WAS THE CITY CLERK’S DECISION SUPPORTED BY COMPETENT MATERIAL, AND SUBSTANTIAL EVIDENCE?
   
   Appellant Answers: No

2. WERE THE APPLICANTS SCORES BASED ON ARBITRARY & CAPRICIOUS FINDINGS
   
   Appellant Answers: Yes

3. WERE THE APPLICANTS SCORES BASED ON IMPROPER/INCONSISTENT SCORING
   
   Appellant Answers: Yes

4. DID THE SCORING METHOD COMPLY WITH LANSING’S ORDINANCE
   
   Appellant Answers: No

5. SHOULD THIS CITY CLERK REVERSE THE DECISION TO DENY APPELLANTS APPLICATION?

   Appellant Answers: Yes
I. INTRODUCTION

The applicant, Green Square Holdings, LLC ("Green Square") has applied for a Provisioning Center license in the City of Lansing under its ordinance and in accordance with the Michigan Medical Marihuana Facilities Licensing Act however, Appellant's license was denied for purported insufficient material. Quite simply, the City of Lansing either did not fully review the entire application or ignored the sufficiency of the plans provided. Appellant has therefore filed the instant appeal pursuant to Lansing City Ordinance No. 1217 section 1300.15(c) as its only avenue to seek review of its score and status in the City of Lansing and asks this Clerk to reverse the City's decision due to lack of material, competent, and substantial evidence, erroneous and improper scoring, arbitrary & capricious findings and failure to score the application in accordance with its own ordinance.

II. STATEMENT OF FACTS

A. APPELLANT'S MMPC APPLICATION

Appellant, Green Square is owned by highly recognized and awarded local Michigan residents with decades of combined experience working within highly regulated industries including Medical Marijuana operations in other states. Green Square's application was timely filed for an MMPC license within the City of Lansing for the location of 4905 N. Grand River Ave.

B. PROCEDURAL HISTORY

On December 6th, 2018, Green Square received an email from your office advising that it would not be selected to receive a Provisioning Center license. The correspondence from your office indicated that the basis for the denial was as follows: "Your score of 75 out of 100
eliminates the possibility of scoring in the top twenty. Therefore, your application for licensure is denied.” In addition, the denial correspondence included the applicant’s sub-scores based on the ordinance criteria along with a brief summary of determining factors for each sub-score; this scoring sheet is also attached (See Exhibit A, Scoring sheet).

After this denial, Green Square is left with no further avenues for reconsideration of the City’s administrative decision. Therefore, Green Square files the instant Appeal.

III. STANDARD OF REVIEW

The basis for this appeal is (1) the scoring is not based on competent, material and substantial evidence; (2) Scoring is arbitrary & capricious; (3) Applicants scoring was based on improper/inconsistent scoring; (2) Scoring methods do not comply with the ordinance; and (3) Scoring was an abuse of discretion.

Although Appellant recognizes the Clerk’s office is not a court of law, the applicable standard of review is whether the decision is supported by competent, material, and substantial evidence on the record, and represents the reasonable exercise of the board’s discretion. “Substantial evidence’ is evidence that a reasonable person would accept as sufficient to support a conclusion.” *Edw C Levy Co v Marine City Zoning Bd of Appeals*, 293 Mich App 333, 341-42; 810 NW2d 621 (2011) (quoting *Dowerk v Charter Tp of Oxford*, 233 Mich App 62, 72; 592 NW2d 724 (1998)). Furthermore, scoring must be proper, consistent, comply with the applicable ordinance and not an abuse of discretion.

IV. ARGUMENT

A. Tangible Capital Investment in the City of Lansing

The applicant was only awarded 12 out of 15 points. The scoring insight for this category states, in part, as follows: “Lacks facility ownership at one of the PCs” This is appears to the
basis for deducting 3 points. Green Square clearly indicates, and the reviewer notes in it insight
comments directly above, Green Square has executed Purchase Agreements for 3 dispensaries
and a lease for a fourth. The location pertaining to this appeal is under contract to be purchased.
In addition to four MMPC facilities Green Square also has acquired property in Lansing for a
Class C cultivation facility and processor license. The reviewer even acknowledges "$4.25
million for real estate acquisition, construction, computers, and equipment at the 4 PC’s." (See
Exhibit A, Tangible Capital Investment comments). This figure didn’t even include the costs for
the additional cultivation and processing facilities. The cost of the buildout alone is listed at
$820,260.00 (See Exhibit B). Not only did applicant provide a “breakdown” of the costs under
GAP principle it also provided a site plan showing the improvements which will be made
whereby an old dilapidated eyesore will be turned into a viable facility (See Exhibit C, Site
Plan). The reviewer’s own notes evidence the enormous investment Green Square is making in
Lansing. Even if the other 3 PC’s are not included in Lansing capital investment calculations, the
real estate purchase price and buildout alone is One million dollars. The addition of the other
Class C & Processing facilities is another several million dollars.

This Score is arbitrary & capricious and not based on documented evidence. 3 more
points should be awarded.

B. Financial Structure and Financing

The applicant was only awarded 2 out of 3 point in this category. The reviewers clearly
states “Applicant actually provides CPA-attested proof of a combined net worth of $70.5
million....” How has the applicant not clearly demonstrated enough funding for the proposed
proposed projects? The reviewer further acknowledges the members have already deposited $2
million into the Green Square operating account and it doesn’t even have approval yet. The
reviewer has acknowledged and the applicant has provided CPA ATTESTED PROOF OF A COMBINED NET WORTH OF $70.5 MILLION DOLLARS (See Exhibit D, CPA attested financials) with an additional $30 million in net worth to add on top of the CPA attested funds. Additionally, $2 million in cash is shown which covers the start-up costs. An additional point is not only warranted it has been justified in the reviewer’s notes and applicants plan.

C. Business Experience

The members of Green Square have owned dispensaries and cultivation facilities in Colorado and Arizona since the laws of those States have permitted them to do so. They also hold liquor licenses and Insurance Agency/producer licenses issued through the Michigan Department of Insurance and Finance which they’ve held for over twenty years. Again, this is not in dispute; however, the reviewer believes the applicants “Lack the optimal amount of applicable business experience” There is no plausible explanation to this action. Taking a point in this category is not only arbitrary & capricious but further demonstrates efforts by the City Clerk’s office to take points at will without regard to the standards set forth.

D. Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items.

The applicant was only awarded four out of 5 points in this category. The reviewer Insight comments do not reference a single issue with “content and sufficiency of information.” Furthermore, a table of contents was provided (See Exhibit E). Taking one point away was another blatant attempt to erroneously steal points from an otherwise impeccably drafted application. Why would applicant be deducted one point when no issue as to the content was
cited and applicant has scored relatively well in all of the categories? This deduction is
unwarranted, an abuse of discretion and excessive.

E. Sufficient Financial Resources

The applicant was only awarded 4 out of 5 points for this category. The scoring insight for
this category states that “Applicant does not provide a litigation compliance verification form for
all key team members. This is incorrect. The checklist prepared by the Clerk’s office upon
receipt of the application on December 15, 2017 did not indicate this was missing. In fact, the
applicant and stakeholders gave their litigation history in sworn affidavits. This disclosure is in
full compliance with Ordinance No. 1217 § 1300.6(4). Again, this is very perplexing that this
item was supplied and referenced in the Table of Contents but scored as if nothing was supplied.
The reviewer also notes that applicants have “a combined net worth of $10.4 million which is
over 100 times more than the required capital to operate a PC in Lansing and 10 times more than
the $1,200,000 projected costs for the provisioning centers and processing facility. A CPA
attested financial statement clearly demonstrates the availability of these funds

This score should be adjusted upward 1 points for a full score so rightfully deserved.

F. Buffering between residential zoned areas and establishment.

The applicant was only awarded 1 out of 5 points and the comment states “inadequate
layout provided.” A full Site plan & floor plan was submitted (See Site & Floor
Plan). Mysteriously, the Clerk’s office, nine months later the City re-measured the distance from
residential zoning with a “better measurement tool”. Appellant seriously questions the motives
behind this unordinary conduct and wonders whether all distances for all applicants have been
re-measured with a “better tool”. The “re-measurement” that occurred on 9/18/18 is both highly
unusual and not permitted under the ordinance in any manner. Moreover,
The reviewer cites no complaints or issues from adjacent residential properties. Ordinance section §1300.13 is entitled “Location, buffering, dispersion, and zoning requirements for medical marihuana provisioning centers.” Specifically, the applicant’s location is zoned Commercial and, as such, a provisioning center is permitted in this zone. Ordinance §1300.13(B). The buffering between the subject property and the residential has been approved by the City of Lansing and meets the screening and buffering requirements of the Lansing Zoning Ordinance in Chapter 1290. Furthermore the reviewer never states how “distant from homes” the location is. There is no authority in the ordinance to deduct points for an inadequate fence when the location is in a permitted zone, has complied with the buffering requirements in both the general zoning ordinance and the medical marihuana ordinance. The city council did not adopt a setback or buffering requirement for residential properties adjacent to a provisioning center in and F-1 Commercial zone, and there is no basis to administratively determine that a houses around the location but not close warrants a four point deductions for “buffering”. An additional 4 points should be added.

G. Increases Traffic on Side Streets

As the scorer notes, we have “strong scores for traffic pattern and adequate parking” Green Square also proposed to close the driveway on the sidestreet however the City would not permit it. Green Square also proposed to demolish part of the front of the building to provide for barrier free parking (See Exhibit E).

There cannot be increased traffic on side streets if Applicant could close the driveway. An addition 3 point should be added.

H. Entrance and Exit on Main Streets, Adequate Parking and Quality of Security Plan.
The applicant was only awarded 7 out of 10 points in this category. The scoring analysis states “Strong parking. Inadequate driveways and circulation. Inadequate layout for 2 points.”

The criteria does not describe what inadequate refers to. Green Square submitted sufficient information to demonstrate it has more than adequate parking and no impact on traffic patterns. The proposed location is at Grand River. Grand River has retail & service business fronting the corridors and MLK is an arterial corridor servicing cars and transit vehicles accessing other corridors and destinations. The Green Square Site Plan and Security Plan in the application materials satisfies the City’s requirements for a security plan and ample parking for a provisioning center under Section 1300.05 (b)(14). Green Square should have been awarded 10 of 10 points for this category.

I. Demonstration of Regulatory Compliance

A point was taken for a “minor tax issue” however the issue was discussed with the City and Green Square’s CPA. No taxes were owed and the matter was dropped. The treasury had made a mistake. The remaining 3 points were taken because the City claimed “failure to comply with emergency rules to notice city of application within 10 days.” The City misunderstands the rule. The requirement applies to turning in part 2 of the State Application known as the Facilities License Application. The attached exhibit is an email from LARA stating the same (See Exhibit F). We have not submitted a “part 2” of the State application so the 10 day notice has not been triggered yet.

J. Litigation History

0 out of 2 points in this category is absurd. First, each applicant stated he had no litigation history. The application has an entire section entitled “Litigation Discloser” (See Exhibit G). The requirement of litigation history disclosure has very clearly been met. Second, applicant provided
a litigation history disclosure form for the entity itself. The ordinance did not specify what from “must be used.” Third, the applicant & stakeholder’s significant business history and lack of significant litigation history demand 2 out of 2 points in this category. Lastly, there is no requirement to disclose litigation for employees. The 2 listed individuals who didn’t have a disclosure are employees.

V. CONCLUSION

On behalf of the applicant, we request an immediate review of this appeal as we have raised serious concerns about the competency of this review and scoring that has missed many items that were actually supplied.

VI. RELIEF REQUESTED

It is clear in this case that Green Square’s application was wrongfully denied and that it has now been unfairly stripped of its ability to receive a license. The City’s denial is clearly inappropriate and inaccurate.

WHEREFORE, Appellant respectfully requests the City Clerk order the City of Lansing to reverse its decision, award 25 additional points and give applicant approval for its Lansing Medical Marijuana Provisioning Center.

Respectfully submitted,

Michael D. Stein, Esq
<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>GREEN SQUARE HOLDINGS LLC</th>
<th>GREEN SQUARE HOLDINGS LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>4305 N. GRAND RIVER AVE.</td>
<td>4905 N. GRAND RIVER AVE.</td>
</tr>
</tbody>
</table>

**Scoring Insights**

1. **Marketing, Advertising and Promotion**
   - Applicant provides marketing, advertising, promotion, and minor minimization examples (e.g., direct marketing to patients and caregivers through both e-mail and short message service messaging will require patient consent, ads will be educational in nature but not targeted to minors). However, information is missing (cut-off). Lacks optimal marketing, advertising, promotion, and minor minimization examples and details.
   - Points: 3

2. **Tangible Capital Investment in the City of Lansing**
   - Applicant indicates they are proposing to operate 4 provisioning centers in Lansing: 1) 4,340 sq. ft. facility at 4905 N. Grand River, will own, $425K purchase price, interim lease with $1/month rent until City approval obtained; 2) facility at 3330 S. MLK will own; 3) a facility at 7045 S. Cedar St., will own; and 4) a facility at 5031 S. Cedar St., will lease. $4.25 million for real estate acquisition, construction, computers, and equipment at the 4 PCs. Also applying for 1 grower facility license (Class C) and 1 processor license in Lansing. Also applying for 8 grower licenses and 1 processor license in River Rouge, Troy, Harrison Twp., Roseville, and Warren. 20 total facilities throughout MI. Lacks facility ownership at one of the PCs.
   - Points: 12

3. **Job Creation (Integrated System) Overall number of jobs created**
   - Applicant indicates they anticipate creating over 1,000 jobs at their medical marijuana facilities within MI (e.g., 80 jobs at 4 Lansing PCs, 120 jobs at other City facilities, ~60 jobs at related corporate entities in Lansing region, etc.). Details job titles and descriptions, benefits, education, salaries/wages, shifts, local hiring, etc. for the PCs, grow, and processing operations.
   - Points: 5

4. **Financial Structure and Financing**
   - Applicant indicates they are funding all 4 PCs from personal funds and that members have deposited $2 million into an operating account to cover any and all startup costs, plus owners have a combined net worth of $100 million to use if necessary. Applicant actually provides CPA attested proof of combined net worth of $70.5 million and bank statements showing a balance of ~$315K.
   - Points: 2

5. **Plans to Integrate Facility with Other Establishments**
   - Applicant indicates they will integrate the provisioning center with a Class C (1,001 to 1,590 plants) grower facility in Lansing.
   - Points: 2

6. **Charitable Plans and Strategies**
   - Applicant indicates they will provide resources to veterans and indigent patients to assist individuals most in need (e.g., free transportation) and build working relationships with charitable organizations near the PC. Financial donations ($100K/year at each of the 4 PCs) and volunteer work will be made to food banks, shelters, senior programs, adopt-a-highway programs, graffiti remediation, etc. Lacks proof of any actual payment or executed agreement.
   - Points: 4

7. **Number of Jobs at the Provisioning Center Category Thresholds: 1 = < 6 jobs, insufficient details; 2 = < 6 jobs, sufficient details; 3 = 6 jobs, sufficient details; 4 = > 6 jobs insufficient details; 5 = > 6 jobs, sufficient/good details.**
   - Applicant indicates 15 jobs will be created at the provisioning center and provides details about job titles and descriptions, benefits, education, salaries/wages, shifts, local hiring, etc. for the PCs, grow, and processing operations.
   - Points: 5
<p>| 8. Amount and Type of Compensation (PC) | 2 | Applicant indicates all PC employees will earn at least $20 per hour and provides strong support details. |
| 9. Percent of Employees Earning At Least $15/Hour (PC) | 3 | Applicant indicates all provisioning center employees will earn at least $20/hour. |
| 10. Projected Annual Budget and Revenue (PC) | 2 | Applicant provides detailed projected annual budget and revenue data (e.g., $3.4 million in expenses and $5 million in retail sales in 2018) that are understandable. |
| 11. Sufficient Financial Resources | 3 | Applicant does not provide litigation compliance verification for all stakeholders (e.g., Pybicki, Lane, and Breton are missing). Member Kassab had insurance license suspended in error. Applicant provides CPA attested proof of combined net worth of $70.5 million and bank statements showing a balance of ~$335K. |
| 12. Business Experience | 4 | Applicant indicates they have many years (not fully specified) of medical marijuana experience (provisioning center ownership, consultant, officer, board member, compliance in AZ and CO, AZ cultivation center board member), plus decades of applicable other industry experience (insurance, real estate, liquor). Lacks the optimal amount of applicable business experience. |
| 13. Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items | 4 | Difficulty to find required criteria materials, Treasury Letter sent 1 point deducted |
| 14. Buffering between residential zoned areas and establishment | 1 | Inadequate layout provided. Updated score using a better measurement tool. 9/18/18 residential zoning on east and west sides which allows only one point and falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points. |
| 15. Increased traffic on side streets will be scored lower | 2 | Potential for side street parking. Updated 10/2/18 zero scores in driveway safety &amp; circulation safety, strong scores for traffic pattern and adequate parking. 2 points |
| 16. Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan | 7 | Strong parking, inadequate driveways and circulation. Inadequate layout provided for 2 pts. Tier 1 A+ security plan with waiting room, guard, safe, off-site video storage, Security equipment specs for 5 pts |
| 17. Plan to meet with neighborhood organizations, | 1 | Inadequate plan 10/8 Plan Found |
| 18. Improvements made or proposed to building | 3 | “Professional drawings and permits pulled, updated 9/24/18 using a more accurate measurement tool, $56,000 of mechanical construction along with interior electrical &amp; paint which is 104% of the SEV of $63,400 which falls short of the 125% SEV investment amount. Updated 12/6/18 - use construction figures of $820,260 instead from Go Greener Construction which increase to 1294%” |
| 19. Plan to minimize/eliminate traffic | 1 | Traffic plan included |
| 20. Plan to minimize/eliminate noise | 2 | Detailed plan including barrier/sound dampening fencing |
| 21. Plan to minimize/eliminate odor | 3 | Detailed plan including seal building, HVAC with carbon filter, staff training, odor complaint tracking |
| 22. LEP Complaints | 4 | No complaints |
| 23. Demo of Regulatory Compliance | 0 | “Updated 9/25/18 Minor tax compliance 1 pt deducted, no code issues. Update 11/28/18 failure to comply with Emergency Rules to notice City of application within 10 days - 3pt deduction” |</p>
<table>
<thead>
<tr>
<th>24. Litigation History</th>
<th>2</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Updated 12/5/2018 Missing litigation history for all stakeholders= 0 points, only provides a summary business litigation statement for past 7 years for business, and states nothing about personal litigation history</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Score</td>
<td>75</td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT B
April 21, 2017

RE: Green Square

Dear Green Square,

We are pleased to budget cost for your four Dispensary (see addresses)

All costs are intended for BUDGET use only. This is NOT a quote or contract for construction. This is intended for initial costing only, a contract can be completed after zoning approval. (Allow three weeks)

- 4905 N Grand River Ave,
- 4,340 sq ft
- Total: $820,260.00
- 7045 S Cedar st,
- 2,504 sq ft
- Total: $473,256.00
- 5031 Cedar st,
- 3,295 sq ft
- Total: 622,755.00
- 3330 MLK,
- 2,820 sq ft
- Total: 532,980.00
- Total: for all four projects; $2,449,251.00

Projects time lines: From building permit issued -11 Months. If zoning approval hard costs and contract quote will be submitted in three weeks.

DEMOLITION NOT INCLUDED
OFFICE INTERIOR FINISH: INTERIOR DOORS, TRIM, AND HARDWARE: HEAT AND AIR CONDITIONING: PLUMBING: FIRE PROTECTION: ELECTRICAL: ENGINEERING:

State of Michigan Sealed Site, Floor, Elevations, Foundation, and Frame Cross-Section Drawings. Permit NOT Included

Go Greener, LLC

3% Management Fee:

Labor for Job-Site Management $52,634.00

BUDGET PRICE: $2,449,251.00

Land use approval: $250.00

Go Greener, LLC
4520 N Grand River Ave,
Lansing, MI, 48906

Best,
Russell M Chambers
**PROPOSED PROVISIONING CENTER**
Green Square Holding, LLC.
4905 N. Grand River Ave.,
LANSING, MI 48906

**LEGAL DESCRIPTION:**
Lots 13, 14, 83 & 84 Westmont Sub
Parcel ID # 33010106128241

**BUILDING CODE ANALYSIS**

<table>
<thead>
<tr>
<th>JURISDICTION:</th>
<th>CITY OF LANSING</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOVERNING CODE:</td>
<td>- 2015 MICHIGAN BUILDING CODE</td>
</tr>
<tr>
<td>- 2015 MICHIGAN PLUMBING CODE</td>
<td></td>
</tr>
<tr>
<td>- 2015 MICHIGAN MECHANICAL CODE</td>
<td></td>
</tr>
<tr>
<td>- 2014 MICHIGAN ELECTRICAL CODE</td>
<td></td>
</tr>
<tr>
<td>- 2015 INTERNATIONAL FIRE CODE</td>
<td></td>
</tr>
<tr>
<td>- 2015 MICHIGAN UNIFORM ENERGY CODE</td>
<td></td>
</tr>
<tr>
<td>ARCHITECT/CIVIL ENGINEER</td>
<td></td>
</tr>
<tr>
<td>NSI CONSTRUCTION</td>
<td></td>
</tr>
<tr>
<td>4320 PRATT RD, ANN ARBOR, MI 48103 (313) 790-0129</td>
<td></td>
</tr>
</tbody>
</table>

**A&M CONSULTANTS**
635 MASON ST, STE B290
DEARBORN, MI 48124
PH:(313) 790-0129
FAX:(313)582-0028

**PROPERTY OWNER / APPLICANT**
Green Acres Wellness Center, LLC.
4905 N. Grand River Ave.,
LANSING, MI 48906

**Drawing Index**

- COVER SHEET
- SP-1 EXISTING SITE PLAN
- SP-2 PROPOSED SITE PLAN
- L-1 LANDSCAPING PLAN
- A-1 PROPOSED FLOOR PLAN
- A-2 ELEVATION PLAN
- A-3 SECURITY FLOOR PLAN

**BUILDING AREA INFORMATION**

<table>
<thead>
<tr>
<th>BUILDING</th>
<th>4,340 S.F.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALLOWABLE HEIGHT:</td>
<td>1 STORY</td>
</tr>
<tr>
<td>ACTUAL HEIGHT:</td>
<td>10' MAXIMAL 24'-0&quot; PREFERRED</td>
</tr>
<tr>
<td>PER OCCUPANT:</td>
<td>TABLE 1008.3.1 - 2 XL PER OCCUPANT OR 36' W/H</td>
</tr>
<tr>
<td>MAX WIND 2 ENTRANCE REQUIRED</td>
<td></td>
</tr>
<tr>
<td>MAX. TRAVEL DISTANCE:</td>
<td>TABLE 1017.2 200 FEET</td>
</tr>
</tbody>
</table>

**SETBACKS:**

| NORTH SETBACK (GRAND RV) | 81' |
| EAST SETBACK | 38 |
| WEST SETBACK | 0' |
| SOUTH SETBACK | 76' |

**PARKING PROVIDED:**

| PROVIDED | 17 |
| INCLUDING | 2 H.C. |

**DATE: 12/02/2017**

**REVISIONS SHEET NO.**

**COVER SHEET**
NOTE:

Provide proper ventilation, either natural or mechanical, shall be provided so that each person in the premises will be supplied with one thousand two hundred (1,200) cubic feet of air per hour, or as required by applicable code, whichever is greater.

NOTE:

Install energy recovery ventilation system:

Brand: Soler and Palau

Model: No. IRC 800-115V, 60 Hz Single PH, 970 CFM

Materials installed in drop ceiling plenums shall be rated. Per sections 602.2.1 through 602.2.1 IMSMC.

Combustible materials (i.e. PVC Pipe, PVC Conduct, etc.) shall be fully enclosed within continuous noncombustible enclosures or enclosures approved gypsum board assemblies or within materials listed and labeled for such application.

Exit doors shall be operable without the use of a key.

Means of egress exit signage shall comply with Section 1011 and means of egress illumination shall comply with section 1006 MBOC 2012. The location of exit signage is subject to field approval.

SPECIAL INSPECTIONS: The owner shall employ a special inspector during construction on the following type of work. Concrete: During concrete construction as required by section 1703.3 and Table 1703.3 MBOC 2012. The special inspector shall provide a copy of all inspection reports and findings to the Building Inspector assigned to the project.
TO: Whom it may Concern

FROM: Sal Shimoun

DATE: December 12, 2017

RE: Capitalization/Liquidity Requirements
    Green Square Holdings, LLC

I, Sal Shimoun, a Certified Public Accountant attest that Green Square Holdings, LLC meets the capitalization and liquidity requirements as it relates to the Michigan Marihuana Licensing Act Emergency Rules. I have obtained the necessary confirmation from Citizens Bank that supports the requirements (copy attached).

Thank you,

[Signature]

Sal Shimoun
Certified Public Accountant
Shimoun, Yaldo, Kashat & Associates, P.C.
December 12, 2017

To Whom It May Concern,

This letter is to verify that the current balance in account [redacted] for Green Square Holdings, LLC is $2,037,897.00 as of today. Please call or email with any questions.

Thank you,

Amy Brian, Branch Manager

Citizens Bank, Royal Oak

248-548-5300

Amy.brian@citizensbank.com
# Table of Contents – 4905 N. Grand River

## Book 1
1. Completed Application  
   a. Criminal History Authorization Form, Photo Identification and Treasury Form  
2. Introduction to Green Square and Other Marijuana Licenses – Euflora - Colorado  
   a. FOCUS Standards  
   b. Statement of Ownership and/or Lease  
   c. Forthcoming Operational Manual/Guide  
3. Corporate Organizational Documents  
4. Business Plan & Job Creation Organizational Chart – Overall Ownership Structure  
   a. Organizational Chart – Overall  
   b. Employee Training and Education Plan – Patient Focused and Seed to Sale Training  
   c. Statement of Short-Term and Long-Term Goals  
   d. Community Outreach, Patient Education and Community Education Plan  
   e. Proposed Marketing, Advertising and Business Promotions Plan  
   f. Planned Tangible Capital Investment in the City of Lansing  
   g. Expected Job Creation Table

## Book 2
   h. Master Forms and Logs – Sample of Corporate Forms and Logs  
   i. Charitable Plans and Strategies  
   j. Staffing and Employee Compensation Plan  
   k. Projected Annual Budget and Revenue  
   l. Provisioning Center Standard Operating Procedures  
   m. Emergency Action and Response Guide

5. Financial Structure and Financing, Net Worth, Bank Statements, Resumes & Experience  
6. Safety, Security and Diversion Prevention Plan  
7. Applicant/Stakeholder History of Security, Moral or General Welfare Incidents  
8. Proposed Text and Graphic Material of Exterior  
10. Patient Recordkeeping and Inventory Control Plan

## Book 3
11. Alcohol and Drug Abuse Awareness Plan  
13. Site Analysis (Impact on Neighbors and Traffic Patterns) and Traffic Study  
14. Surety Bond  
15. Insurance Policy  
16. Location Area Map

*Floor Plan and Site Plan (See Insert – Rear of Book 3)*
City of Lansing

Medical Marijuana Provisioning Center Application
SITE ANALYSIS 4905 N. GRAND RIVER AVE.

LOCATION
This section of N. Grand River Ave and W. is typified by small Industrial, retail and service businesses. Within approximately 1000 feet of the proposed Medical Marijuana Provisioning Center (MMPC) facility along both sides of the streets, business include: restaurants (3), Storage Facility (1), construction co. (1), Gift Shop (1), Fuel Center (1), Clutch Manufacturing (1), MMPC (1, unlicensed), Production Tool Co. (1), Home Appliance center (1) and Used Auto Sales. Based on commercial uses along this part of N Grand River Ave. The proposed facility is well complimented by the mix of local businesses.

IMMEDIATE NEIGHBORS
There are some residential structures immediately to the West, North, and South of the proposed location.

LANDSCAPING AND SCREENING
Additional landscaping is proposed along the all (4) sides of the property, with Landscaping islands to include (17) Crimson King Maple Trees, (88) Buffalo Juniper, And (88) Russian Sage. All Landscaping are will be fully irrigated. Please see the landscape plan for details. A Poured concrete wall proposed on the Architectural plans to the North and West of the Property To create a Buffer for the residential house in the area.

BUFFERING AND DISPERSION
The Location Area Map to the right depicts distances from the proposed MMPC to buffered uses within 1000 feet and 500 feet. There appear to no prohibited uses within the stipulated buffers with the exception of an unlicensed MMPC to the West. We are deploying the use of a noise buffer.

BUILDING CODE COMPLIANCE AND RENOVATION
Please see attached Architectural drawings and Designs for the proposed MMPC Center. Part of the front of the building will be demolished to provide for Barrier free parking, a complete renovation for the exterior and the interior for the MMPC Center will be performed, please see attached Architectural Drawings, with all building, Mechanical, Plumbing, Barrier free accessibility compliance, and fire codes.

TRAFFIC
Average daily traffic counts along this route are 13,861 vehicles according to MDOT Traffic Volume data. The owner expects an annual daily average of 50 customers driving vehicles to the facility. This represents approximately 0.00360% of the daily volume. This facility will have a minimal impact on daily traffic volumes.

PARKING
There is more than enough off-street parking for this site based on the Mercantile Code requirements. The proposed facility includes new 6" concrete parking lot, and new 6" concrete curbs to define parking and Landscaping area. (17) vehicles parking spaces including three (2) van-accessible parking spaces.

SITE LIGHTING
LED dusk/dawn lights will be installed to provide a minimum of 1.0 foot candles of illumination to walkways and parking spaces. All light will be directed downward to remain on-site to the extent practicable.

NOISE
Due to the relatively low traffic volume and indoor patient activity, and the Set-back of the structure there will be no noise impact for this proposed MMPC use.

ODOR CONTROL
The Applicant will employ best-practices carbon filter/scrubber air purification units located in storage areas and patient areas to reduce odor to a minimum. There should be no external odors emanating from the facility. We have attached a separate Odor Control and Response Plan.

NEIGHBORHOOD DEMOGRAPHICS
Google Analytics demographic maps depicting married couples as a percentage of the population and college-educated residents suggests that this area is equal to or above the Lansing Michigan average. These data suggest above-average neighborhood stability to support the community and improved economic development.

CRIME RATES
Based on data provided by Neighborhood Scout, this area represents the approximate median rate for Lansing as a whole.
Thank you for contacting the Bureau of Marijuana Regulation.

The 10 day requirement is upon submitting a facility license applications.

Bureau of Marijuana Regulation
Facility Licensing Division – Application Section
Office: (517)284-8599
www.michigan.gov/mnfl

From: Paula Givens <paula.givens@industryassurance.com>
Sent: Tuesday, December 18, 2018 12:50 PM
To: LARA-MedicalMarijuana <LARA-MedicalMarijuana@michigan.gov>
Subject: 10 Day Municipal Notice Requirement

Greetings,

My apologies for the inconvenience, but an answer to the below question would be appreciated at your earliest convenience and before close of business tomorrow.

The MMFLA requires a 10 day notice be sent to a municipality.

Please clarify for me, if you would, when that notice must be sent.

Must an applicant send that Notice when they file the Entity and other Prequalification applications, or must an Applicant send that notice when they file their Marihuana Facilities License Application.

My question is when MUST this Notice be filed. Is it due upon filing the prequalification application and before the Facilities license application is filed?

I ask because the MMFLA does not specify and because there is a check box on the Facilities application.
Shipping Label Receipt

Delivery Confirmation™ Service Number:
$405 5116 9900 0044 0159 02
Priority Mail 2-DAY with USPS TRACKING #*
Electronic Service Fee: $0.000
Total Postage and Fees: $6.35
Weight: 1 oz
Print Date: 01/07/2019
Mailing Date: 01/07/2019

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

To: Green Square Holdings, LLC
812 S Main St, Suite 200
Royal Oak MI 48067-3280

*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.
January 7, 2019

Green Square Holdings, LLC
c/o Ronnie Kasseb
812 S Main St, Suite 200
Royal Oak, MI 48067

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 4905 N Grand River Ave. I have determined that your appeal is 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.

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.

If you have begun business operations pursuant to State Emergency Rule 19 and Executive Order 2017-02, you must cease operations. Operations may resume only if your appeal is granted and the requirements of licensure are satisfied.

Sincerely,

Chris Swope, CMMC
City Clerk

cc: M. Yankowski, Lansing Police Chief
    J. Smiertka, Lansing City Attorney
<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Total Possible Points</th>
<th>GREEN SQUARE HOLDINGS LLC</th>
<th>GREEN SQUARE HOLDINGS LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>---</td>
<td>4905 N. GRAND RIVER AVE.</td>
<td>4905 N. GRAND RIVER AVE.</td>
</tr>
</tbody>
</table>

### Scoring Insights

1. **Marketing, Advertising and Promotion**
   - **Score:** 4
   - **Points:** 3
   - Applicant provides marketing, advertising, promotion, and minor minimization examples (e.g., direct marketing to patients and caregivers through both e-mail and short message service texting will require patient consent, ads will be educational in nature but not targeted to minors). However, information is missing (cut-off). Lacks optimal marketing, advertising, promotion, and minor minimization examples and details.

2. **Tangible Capital Investment in the City of Lansing**
   - **Score:** 15
   - **Points:** 12
   - Applicant indicates they are proposing to operate 4 provisioning centers in Lansing: 1) 4,340 sq. ft. facility at 4905 N. Grand River, will own, $425K purchase price, interim lease with $1/month rent until City approval obtained; 2) facility at 3330 S. MLK, will own; 3) a facility at 7045 S. Cedar St., will own; and 4) a facility at 5031 S. Cedar St., will lease. $4.25 million for real estate acquisition, construction, computers, and equipment at the 4 PCs. Also applying for 1 grower facility license (Class C) and 1 processor license in Lansing. Also applying for 8 grower licenses and 1 processor license in River Rouge, Troy, Harrison Twp., Roseville, and Warren. Total 20 facilities throughout MI. Lacks facility ownership at one of the PCs.

3. **Job Creation (Integrated System) Overall number of jobs created**
   - **Score:** 5
   - **Points:** 5
   - Applicant indicates they anticipate creating over 1,000 jobs at their medical marijuana facilities within MI (e.g., 60 jobs at 4 Lansing PCs, 120 jobs at other City facilities, ~60 jobs at related corporate entities in Lansing region, etc.). Details job titles and descriptions, benefits, education, salaries/wages, shifts, local hiring, etc. for the PCs, grow, and processing operations.

4. **Financial Structure and Financing**
   - **Score:** 3
   - **Points:** 2
   - Applicant indicates they are funding all 4 PCs from personal funds and that members have deposited $2 million into an operating account to cover any and all startup costs, plus owners have a combined net worth of > $100 million to use if necessary. Applicant actually provides CPA attested proof of combined net worth of $70.5 million and bank statements showing a balance of ~$315K.

5. **Plans to Integrate Facility with Other Establishments**
   - **Score:** 2
   - **Points:** 2
   - Applicant indicates they will integrate the provisioning center with a Class C (1,001 to 1,500 plants) grower facility in Lansing.

6. **Charitable Plans and Strategies**
   - **Score:** 4
   - **Points:** 4
   - Applicant indicates they will provide resources to veterans and indigent patients to assist individual most in need (e.g., free transportation) and build working relationships with charitable organizations near the PC. Financial donations ($100K/year at each of the 4 PCs) and volunteer work will be made to food banks, shelters, senior programs, adopt-a-highway programs, graffiti remediation, etc. Lacks proof of any actual payment or executed agreement.

7. **Number of Jobs at the Provisioning Center Category Thresholds:**
   - **Score:** 5
   - **Points:** 5
   - Applicant indicates 15 jobs will be created at the provisioning center and provides details about job titles and descriptions, benefits, education, salaries/wages, shifts, local hiring, etc. for the PCs, grow, and processing operations.
<p>| 8. Amount and Type of Compensation (PC) | 2 | 2 | Applicant indicates all PC employees will earn at least $20 per hour and provides strong support details. |
| 9. Percent of Employees Earning At Least $15/Hour (PC) | 3 | 3 | Applicant indicates all provisioning center employees will earn at least $20/hour. |
| 10. Projected Annual Budget and Revenue (PC) | 2 | 2 | Applicant provides detailed projected annual budget and revenue data (e.g., $3.4 million in expenses and $5 million in retail sales in 2018) that are understandable. |
| 11. Sufficient Financial Resources | 5 | 3 | Applicant does not provide litigation compliance verification for all stakeholders (e.g., Rybicki, Lane, and Breton are missing). Member Kassab had insurance license suspended in error. Applicant provides CPA attested proof of combined net worth of $70.5 million and bank statements showing a balance of $315K. |
| 12. Business Experience | 5 | 4 | Applicant indicates they have many years (not fully specified) of medical marijuana experience (provisioning center ownership, consultant, officer, board member, compliance in AZ and CO, AZ cultivation center board member), plus decades of applicable other industry experience (insurance, real estate, liquor). Lacks the optimal amount of applicable business experience. |
| 13. Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items | 5 | 4 | Difficulty to find required criteria materials, Treasury Letter sent 1 point deducted |
| 14. Buffering between residential zoned areas and establishment | 5 | 1 | Inadequate layout provided. Updated score using a better measurement tool. 9/18/18 Residential zoning on east and west sides which allows only one point and falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points. |
| 15. Increased traffic on side streets will be scored lower | 5 | 2 | Potential for side street parking. Updated 10/2/18 zero scores in driveway safety &amp; circulation safety. Strong scores for traffic pattern and adequate parking. 2 points |
| 16. Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan | 10 | 7 | Strong parking. Inadequate driveways and circulation. Inadequate layout provided for 2 pts. Tier 1 A+ security plan with waiting room, guard, safe, off-site video storage, Security equipment spec's for 5 pts |
| 17. Plan to meet with neighborhood organizations, | 1 | 1 | Inadequate plan 10/8 Plan Found |
| 18. Improvements made or proposed to building | 3 | 3 | &quot;Professional drawings and permits pulled. Updated 9/24/18 using a more accurate measurement tool, $66,000 of mechanical construction along with interior electrical &amp; paint which is 104% of the SEV of $63,400 which falls short of the 125% SEV investment amount. Updated 12/6/18 - use construction figures of $820,260 instead from Go Greener Construction which increase to 1294%&quot; |
| 19. Plan to minimize/eliminate traffic | 1 | 1 | Traffic plan included |
| 20. Plan to minimize/eliminate noise | 2 | 2 | Detailed plan including barrier/sound dampening fencing |
| 21. Plan to minimize/eliminate odor | 3 | 3 | Detailed plan including seal building, HVAC with carbon filter, staff training, odor complaint tracking |
| 22. LPD Complaints | 4 | 4 | No calls |
| 23. Demo of Regulatory Compliance | 4 | 0 | &quot;Updated 9/25/18 Minor tax compliance 1 pt deducted, no code issues. Update 11/28/18 failure to comply with Emergency Rules to notice City of application within 10 days - 3pt deduction&quot; |</p>
<table>
<thead>
<tr>
<th>24. Litigation History</th>
<th>2</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Updated 12/6/2018 Missing litigation history for all stakeholders= 0 points, only provides a summary business litigation statement for past 7 years for business, and states nothing about personal litigation history</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Score</strong></td>
<td><strong>100</strong></td>
<td><strong>75</strong></td>
</tr>
</tbody>
</table>
CITY OF LANSING
HEARING OFFICER
DECISION RECOMMENDATION

In Re:

Green Square Holdings, LLC
Proposed Location: 4905 N. Grand River Ave.

Provisioning Center License Denial

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 GREEN SQUARE HOLDINGS, LLC and its license application for a Medical Marihuana Provisioning Center that the license application remain denied.

FACTS

GREEN SQUARE HOLDINGS, LLC ("Appellant") applied to the City of Lansing to operate a Medical Marihuana Provisioning Center within the city limits. This recommendation follows a timely appeal from Appellant.

By letter dated December 6, 2018, Appellant was informed that its license application was denied because of its score and rank, having received a score of 75 out of 100. Appellant was informed that this score eliminated the possibility of scoring in the top twenty applicants and that 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 December 6 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 short insight statements.

Appellant has point deficiencies in several categories.

Appellant's Position

Appellant disputes the denial. With its appeal letter it provided a brief. It argues that (1) the reviewer's decision was not supported by competent material and substantial evidence; (2) the scores were based on arbitrary and capricious findings; (3) the scoring was improper and inconsistent; (4) the scoring method did not comply with the ordinance; and (5) the Clerk's office should reverse its decision.

City Clerk Position

The City Clerk affirms its position on the denial.
APPLICABLE LAW & REASONING

The issue 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]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

---

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).
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.
significance, . . . decisive but unreasoned." Capricious is "apt to change suddenly; freakish; whimsical; humorose." The burden is on the party attacking to affirmatively prove the arbitrary and unreasonable decision. This is not to say that a local body may "abrogate constitutional restraints." 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. Further, an appellate body will generally not consider issues not raised in or ruled on by a lower court at the time of the relevant decision.

Under Section 1300.6:
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.

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.

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

---

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."
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.

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.

Appellant cites Edw. C. Levy Co. v. Marine City Zoning Bd., 293 Mich. App. 333 (2011), which is a case pertinent to zoning and municipal planning. The merits of this case’s citation are to the standards of review and defining a substantial evidence test. Even if there were basis to use this test, Appellant’s argument is flawed because as stated in this case the factfinder is “not permitted to draw its own conclusions from the evidence presented to the administrative body . . . [and] 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.

The bulk of Appellant’s arguments are rooted in a standard of review with no statutory or procedural reference in this forum. The only referenced standard of review in regard to the application process is arbitrary and capricious. It is not enough for an 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.” This Hearing Officer will not address further the merits of substantial evidence argument.

Under Tangible Capital, Appellant has failed to meet its burden of why the score of 12 is arbitrary and capricious. As to this license application, tangible capital can only be calculated as to this specific location. Anything attributable to other locations cannot count for this application.

---

12 City of Lansing, Michigan Ordinance No. 1217 Sec. 1300.2(C).
13 Id. at Sec. 1300.2(D).
14 MMFLA, MCL § 333.27402(3)(g).
15 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.
17 Id.
The remaining point deficiencies on Appellant’s application are often 1 per category, again Appellant has not met its burden to show that these decisions are arbitrary and capricious, thus this Hearing Officer finds no merit in additional points. For example, In Litigation History, Appellant is missing litigation history for stakeholders and only provides a summary of litigation and not individual history. This Hearing Officer agrees with this assessment. In evaluating a license application, consideration will be given to “[w]hether the applicant or any of its stakeholders have a record of acts detrimental public health, security, safety, morals, good order, or general welfare[,]”20 It should be further noted that the State of Michigan application also requires a Litigation History for its licensure application. By definition summary as a noun is “an abstract, abridgement, or compendium[.]”21 The request is for litigation history, and Appellant has provided a summary missing information. There is nothing in the record suggesting that the decision of the scorer is arbitrary and capricious, nor has Appellant met its burden to show it was.

CONCLUSION

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

Respectfully Submitted,

Dated: January 5, 2019

Hilary M. Barnard, Hearing Officer

---

20 Lansing Ordinance No. 1217 Sec. 1300.6(B)(4)
21 Summary, Merriam Webster Dictionary.
GREEN SQUARE HOLDINGS, LLC ("APPELLANT")

APPEAL

Prepared by

Michael D. Stein, Esq.
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TABLE OF CONTENTS</td>
<td>ii</td>
</tr>
<tr>
<td>STATEMENT OF ISSUES PRESENTED</td>
<td>iii</td>
</tr>
<tr>
<td>I. INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>II. STATEMENT OF FACTS</td>
<td>1</td>
</tr>
<tr>
<td>III. STANDARD OF REVIEW</td>
<td>2</td>
</tr>
<tr>
<td>IV. ARGUMENT</td>
<td>2</td>
</tr>
<tr>
<td>V. CONCLUSION</td>
<td>12</td>
</tr>
<tr>
<td>VI. RELIEF REQUESTED</td>
<td>12</td>
</tr>
</tbody>
</table>
STATEMENT OF ISSUES PRESENTED

1. WAS THE CITY CLERK’S DECISION SUPPORTED BY COMPETENT MATERIAL, AND SUBSTANTIAL EVIDENCE?
   Appellant Answers: No

2. WERE THE APPLICANTS SCORES BASED ON ARBITRARY & CAPRICIOUS FINDINGS
   Appellant Answers: Yes

3. WERE THE APPLICANTS SCORES BASED ON IMPROPER/INCONSISTENT SCORING
   Appellant Answers: Yes

4. DID THE SCORING METHOD COMPLY WITH LANSING’S ORDINANCE
   Appellant Answers: No

5. SHOULD THIS CITY CLERK REVERSE THE DECISION TO DENY APPELLANTS APPLICATION?
   Appellant Answers: Yes
I. INTRODUCTION

The applicant, Green Square Holdings, LLC ("Green Square") has applied for a Provisioning Center license in the City of Lansing under its ordinance and in accordance with the Michigan Medical Marihuana Facilities Licensing Act however, Appellant’s license was denied for purported insufficient material. Quite simply, the City of Lansing either did not fully review the entire application or ignored the sufficiency of the plans provided. Appellant has therefore filed the instant appeal pursuant to Lansing City Ordinance No. 1217 section 1300.15(c) as its only avenue to seek review of its score and status in the City of Lansing and asks this Clerk to reverse the City’s decision due to lack of material, competent, and substantial evidence, erroneous and improper scoring, arbitrary & capricious findings and failure to score the application in accordance with its own ordinance.

II. STATEMENT OF FACTS

A. APPELLANT’S MMPC APPLICATION

Appellant, Green Square is owned by highly recognized and awarded local Michigan residents with decades of combined experience working within highly regulated industries including Medical Marijuana operations in other states. Green Square’s application was timely filed for an MMPC license within the City of Lansing for the location of 4905 N. Grand River Ave.

B. PROCEDURAL HISTORY

On January 7th, 2019, Green Square received an email from your office advising that it would not be selected to receive a Provisioning Center license. The correspondence from your office indicated that the basis for the denial was as follows: “Your score of 75 out of 100
eliminates the possibility of scoring in the top twenty. Therefore, your application for licensure is denied.” In addition, the denial correspondence included the applicant’s sub-scores based on the ordinance criteria along with a brief summary of determining factors for each sub-score; this scoring sheet is also attached (See Exhibit A, Scoring sheet).

After this denial, Green Square is left with no further avenues for reconsideration of the City’s administrative decision. Therefore, Green Square files the instant Appeal.

III. STANDARD OF REVIEW

The basis for this appeal is (1) the scoring is not based on competent, material and substantial evidence; (2) Scoring is arbitrary & capricious; (3) Applicants scoring was based on improper/inconsistent scoring; (2) Scoring methods do not comply with the ordinance; and (3) Scoring was an abuse of discretion.

Although Appellant recognizes the Clerk’s office is not a court of law, the applicable standard of review is whether the decision is supported by competent, material, and substantial evidence on the record, and represents the reasonable exercise of the board’s discretion. “Substantial evidence’ is evidence that a reasonable person would accept as sufficient to support a conclusion.” Edw C Levy Co v Marine City Zoning Bd of Appeals, 293 Mich App 333, 341-42; 810 NW2d 621 (2011) (quoting Dowerk v Charter Tp of Oxford, 233 Mich App 62, 72; 592 NW2d 724 (1998)). Furthermore, scoring must be proper, consistent, comply with the applicable ordinance and not an abuse of discretion.

IV. ARGUMENT

A. Tangible Capital Investment in the City of Lansing

The applicant was only awarded 12 out of 15 points. The scoring insight for this category states, in part, as follows: “Lacks facility ownership at one of the PCs” This is appears to the
basis for deducting 3 points. Green Square clearly indicates, and the reviewer notes in it insight comments directly above, Green Square has executed Purchase Agreements for 3 dispensaries and a lease for a fourth. The location pertaining to this appeal is under contract to be purchased. In addition to four MMPC facilities Green Square also has acquired property in Lansing for a Class C cultivation facility and processor license. The reviewer even acknowledges “$4.25 million for real estate acquisition, construction, computers, and equipment at the 4 PC’s.” (See Exhibit A, Tangible Capital Investment comments). This figure didn’t even include the costs for the additional cultivation and processing facilities. The cost of the buildout alone is listed at $820,260.00 (See Exhibit B). Not only did applicant provide a “breakdown” of the costs under GAP principle it also provided a site plan showing the improvements which will be made whereby an old dilapidated eyesore will be turned into a viable facility (See Exhibit C, Site Plan). The reviewer’s own notes evidence the enormous investment Green Square is making in Lansing. Even if the other 3 PC’s are not included in Lansing capital investment calculations, the real estate purchase price and buildout alone is One million dollars. The addition of the other Class C & Processing facilities is another several million dollars.

This Score is arbitrary & capricious and not based on documented evidence. 3 more points should be awarded.

B. Financial Structure and Financing

The applicant was only awarded 2 out of 3 point in this category. The reviewers clearly states “Applicant actually provides CPA-attested proof of a combined net worth of $70.5 million....” How has the applicant not clearly demonstrated enough funding for the proposed proposed projects? The reviewer further acknowledges the members have already deposited $2 million into the Green Square operating account and it doesn’t even have approval yet. The
reviewer has acknowledged and the applicant has provided CPA ATTESTED PROOF OF A
COMBINED NET WORTH OF $70.5 MILLION DOLLARS (See Exhibit D, CPA attested
financials) with an additional $30 million in net worth to add on top of the CPA attested funds.
Additionally, $2 million in cash is shown which covers the start-up costs. An additional point is
not only warranted it has been justified in the reviewer’s notes and applicants plan.

C. Business Experience

The members of Green Square have owned dispensaries and cultivation facilities in Colorado
and Arizona since the laws of those States have permitted them to do so. They also hold liquor
licenses and Insurance Agency/producer licenses issued through the Michigan Department of
Insurance and Finance which they’ve held for over twenty years. Again, this is not in dispute;
however, the reviewer believes the applicants “Lack the optimal amount of applicable business
experience” There is no plausible explanation to this action. Taking a point in this category is not
only arbitrary & capricious but further demonstrates efforts by the City Clerk’s office to take
points at will without regard to the standards set forth.

D. Content and Sufficiency of Information; Professionalism of submitted documentation
including clear labeling of required items.

The applicant was only awarded four out of 5 points in this category. The reviewer insight
comments do not reference a single issue with “content and sufficiency of information.”
Furthermore, a table of contents was provided (See Exhibit E). Taking one point away was
another blatant attempt to erroneously steal points from an otherwise impeccably drafted
application. Why would applicant be deducted one point when no issue as to the content was
cited and applicant has scored relatively well in all of the categories? This deduction is unwarranted, an abuse of discretion and excessive.

E. Sufficient Financial Resources

The applicant was only awarded 4 out of 5 points for this category. The scoring insight for this category states that “Applicant does not provide a litigation compliance verification form for all key team members. This is incorrect. The checklist prepared by the Clerk’s office upon receipt of the application on December 15, 2017 did not indicate this was missing. In fact, the applicant and stakeholders gave their litigation history in sworn affidavits. This disclosure is in full compliance with Ordinance No. 1217 § 1300.6(4). Again, this is very perplexing that this item was supplied and referenced in the Table of Contents but scored as if nothing was supplied. The reviewer also notes that applicants have “a combined net worth of $10.4 million which is over 100 times more than the required capital to operate a PC in Lansing and 10 times more than the $1,200,000 projected costs for the provisioning centers and processing facility. A CPA attested financial statement clearly demonstrates the availability of these funds

This score should be adjusted upward 1 points for a full score so rightfully deserved.

F. Buffering between residential zoned areas and establishment.

The applicant was only awarded 1 out of 5 points and the comment states “inadequate layout provided.” A full Site plan & floor plan was submitted (See Site & Floor Plan). Mysteriously, the Clerk’s office, nine months later the City re-measured the distance from residential zoning with a “better measurement tool”. Appellant seriously questions the motives behind this unordinary conduct and wonders whether all distances for all applicants have been re-measured with a “better tool”. The “re-measurement” that occurred on 9/18/18 is both highly unusual and not permitted under the ordinance in any manner. Moreover,
The reviewer cites no complaints or issues from adjacent residential properties. Ordinance section §1300.13 is entitled “Location, buffering, dispersion, and zoning requirements for medical marihuana provisioning centers.” Specifically, the applicant’s location is zoned Commercial and, as such, a provisioning center is permitted in this zone. Ordinance §1300.13(B). The buffering between the subject property and the residential has been approved by the City of Lansing and meets the screening and buffering requirements of the Lansing Zoning Ordinance in Chapter 1290. Furthermore the reviewer never states how “distant from homes” the location is. There is no authority in the ordinance to deduct points for an inadequate fence when the location is in a permitted zone, has complied with the buffering requirements in both the general zoning ordinance and the medical marihuana ordinance. The city council did not adopt a setback or buffering requirement for residential properties adjacent to a provisioning center in and F-1 Commercial zone, and there is no basis to administratively determine that a houses around the location but not close warrants a four point deductions for “buffering”. An additional 4 points should be added.

G. Increases Traffic on Side Streets

As the scorer notes, we have “strong scores for traffic pattern and adequate parking” Green Square also proposed to close the driveway on the sidestreet however the City would not permit it. Green Square also proposed to demolish part of the front of the building to provide for barrier free parking (See Exhibit F). There cannot be increased traffic on side streets if Applicant could close the driveway. An addition 3 point should be added.

H. Entrance and Exit on Main Streets, Adequate Parking and Quality of Security Plan.
The applicant was only awarded 7 out of 10 points in this category. The scoring analysis states “Strong parking. Inadequate driveways and circulation. Inadequate layout for 2 points”

The criteria does not describe what inadequate refers to. Green Square submitted sufficient information to demonstrate it has more than adequate parking and no impact on traffic patterns. The proposed location is at Grand River. Grand River has retail & service business fronting the corridors and MLK is an arterial corridor servicing cars and transit vehicles accessing other corridors and destinations. The Green Square Site Plan and Security Plan in the application materials satisfies the City’s requirements for a security plan and ample parking for a provisioning center under Section 1300.05 (b)(14). Green Square should have been awarded 10 of 10 points for this category.

I. Demonstration of Regulatory Compliance

A point was taken for a “minor tax issue” however the issue was discussed with the City and Green Square’s CPA. No taxes were owed and the matter was dropped. The treasury had made a mistake. The remaining 3 points were taken because the City claimed “failure to comply with emergency rules to notice city of application within 10 days.” The City misunderstands the rule. The requirement applies to turning in part 2 of the State Application known as the Facilities License Application. The attached exhibit is an email from LARA stating the same (See Exhibit G). We have not submitted a “part 2” of the State application so the 10 day notice has not been triggered yet. Additionally, page 2 of the “Marijuana Facilities Licensing Application” states “within 10 days of this application. Appellant has not done a Marijuana Facility Licensing Application yet (See Exhibit H).

J. Litigation History
0 out of 2 points in this category is absurd. First, each applicant stated he had no litigation history. The application has an entire section entitled “Litigation Discloser” (See Exhibit I). The requirement of litigation history disclosure has very clearly been met. Second, applicant provided a litigation history disclosure form for the entity itself. The ordinance did not specify what from “must be used” Third, the applicant & stakeholder’s significant business history and lack of significant litigation history demand 2 out of 2 points in this category. Lastly, there is no requirement to disclose litigation for employees. The 2 listed individuals who didn’t have a disclosure are employees.

V. CONCLUSION

On behalf of the applicant, we request an immediate review of this appeal as we have raised serious concerns about the competency of this review and scoring that has missed many items that were actually supplied.

VI. RELIEF REQUESTED

It is clear in this case that Green Square’s application was wrongfully denied and that it has now been unfairly stripped of its ability to receive a license. The City’s denial is clearly inappropriate and inaccurate.

WHEREFORE, Appellant respectfully requests the City Clerk order the City of Lansing to reverse its decision, award 25 additional points and give applicant approval for its Lansing Medical Marijuana Provisioning Center.
Respectfully submitted,

Michael D. Stein, Esq
<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Total Possible Points</th>
<th>GREEN SQUARE HOLDINGS LLC</th>
<th>GREEN SQUARE HOLDINGS LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Applicant Address</strong></td>
<td></td>
<td>4905 N. GRAND RIVER AVE.</td>
<td>4905 N. GRAND RIVER AVE.</td>
</tr>
<tr>
<td><strong>Scoring Insights</strong></td>
<td></td>
<td><strong>Score</strong></td>
<td><strong>Score</strong></td>
</tr>
<tr>
<td><strong>1. Marketing, Advertising and Promotion</strong></td>
<td></td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Applicant provides marketing, advertising, promotion, and minor minimization examples (e.g., direct marketing to patients and caregivers through both e-mail and short message service texting will require patient consent, ads will be educational in nature but not targeted to minors). However, information is missing (cut-off). Lacks optimal marketing, advertising, promotion, and minor minimization examples and details.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2. Tangible Capital Investment in the City of Lansing</strong></td>
<td></td>
<td>15</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Applicant indicates they are proposing to operate 4 provisioning centers in Lansing. 1) 4,340 sq. ft. facility at 4905 N. Grand River, will own, $425K purchase price, interim lease with $1/month rent until City approval obtained; 2) facility at 3330 S. MLK, will own; 3) a facility at 7045 S. Cedar St., will own; and 4) a facility at 5031 S. Cedar St., will lease. $4.25 million for real estate acquisition, construction, computers, and equipment at the 4 PCL. Also applying for 1 grower license (Class C) and 1 processor license in Lansing. Also applying for 8 grower licenses and 1 processor license in River Rouge, Troy, Harrison Twp., Roseville, and Warren. 20 total facilities throughout Mi. Lacks facility ownership at one of the PCs.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>3. Job Creation (Integrated System) Overall number of jobs created</strong></td>
<td></td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Applicant indicates they anticipate creating over 1,000 jobs at their medical marijuana facilities within Mi (e.g., 60 jobs at 4 Lansing PCLs, 120 jobs at other City facilities, ~60 jobs at related corporate entities in Lansing region, etc.). Details job titles and descriptions, benefits, education, salaries/wages, shifts, local hiring, etc. for the PCs, grow, and processing operations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>4. Financial Structure and Financing</strong></td>
<td></td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Applicant indicates they are funding all 4 PCs from personal funds and that members have deposited $2 million into an operating account to cover any and all startup costs, plus owners have a combined net worth of &gt; $100 million to use if necessary. Applicant actually provides CPA attested proof of combined net worth of $70.5 million and bank statements showing a balance of ~$315K.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>5. Plans to Integrate Facility with Other Establishments</strong></td>
<td></td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Applicant indicates they will integrate the provisioning center with a Class C (1,001 to 1,500 plants) grower facility in Lansing.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6. Charitable Plans and Strategies</strong></td>
<td></td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Applicant indicates they will provide resources to veterans and indigent patients to assist individual most in need (e.g., free transportation) and build working relationships with charitable organizations near the PC. Financial donations ($100K/year at each of the 4 PCs) and volunteer work will be made to food banks, shelters, senior programs, adopt-a-highway programs, graffiti remediation, etc. Lacks proof of any actual payment or executed agreement.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7. Number of Jobs at the Provisioning Center Category Thresholds:</strong></td>
<td></td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>1 = &lt; 6 jobs, insufficient details; 2 = &lt; 6 jobs, sufficient details; 3 = 6 jobs, sufficient details; 4 = &gt; 6 jobs, insufficient details; 5 = &gt; 6 jobs, sufficient/good details.</td>
<td>Applicant indicates 15 jobs will be created at the provisioning center and provides details about job titles and descriptions, benefits, education, salaries/wages, shifts, local hiring, etc. for the PCs, grow, and processing operations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>8. Amount and Type of Compensation (PC)</td>
<td>2</td>
<td>2</td>
<td>Applicant indicates all PC employees will earn at least $20 per hour and provides strong support details.</td>
</tr>
<tr>
<td>9. Percent of Employees Earning At Least $15/Hour (PC)</td>
<td>2</td>
<td>3</td>
<td>Applicant indicates all provisioning center employees will earn at least $20/hour.</td>
</tr>
<tr>
<td>10. Projected Annual Budget and Revenue (PC)</td>
<td>2</td>
<td>2</td>
<td>Applicant provides detailed projected annual budget and revenue data (e.g., $3.4 million in expenses and $5 million in retail sales in 2018) that are understandable.</td>
</tr>
<tr>
<td>11. Sufficient Financial Resources</td>
<td>5</td>
<td>3</td>
<td>Applicant does not provide litigation compliance verification for all stakeholders (e.g., Pybicki, Lane, and Breton are missing). Member Kassab had insurance license suspended in error. Applicant provides CPA attested proof of combined net worth of $70.5 million and bank statements showing a balance of ~$315K.</td>
</tr>
<tr>
<td>12. Business Experience</td>
<td>5</td>
<td>4</td>
<td>Applicant indicates they have many years (not fully specified) of medical marijuana experience (provisioning center ownership, consultant, officer, board member, compliance in A2 and CO, A2 cultivation center board member), plus decades of applicable other industry experience (insurance, real estate, liquor). Lacks the optimal amount of applicable business experience.</td>
</tr>
<tr>
<td>13. Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items</td>
<td>5</td>
<td>4</td>
<td>difficulty to find required criteria materials, Treasury Letter sent 1 point deducted</td>
</tr>
<tr>
<td>14. Buffering between residential zoned areas and establishment</td>
<td>5</td>
<td>1</td>
<td>inadequate layout provided. Updated score using a better measurement tool. 9/18/18 Residential zoning on east and west sides which allows only one point and falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points.</td>
</tr>
<tr>
<td>15. Increased traffic on side streets will be scored lower</td>
<td>5</td>
<td>2</td>
<td>Potential for side street parking. Updated 10/2/18 zero scores in driveway safety &amp; circulation safety, strong scores for traffic pattern and adequate parking. 2 points</td>
</tr>
<tr>
<td>16. Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</td>
<td>10</td>
<td>7</td>
<td>Strong parking, inadequate driveways and circulation. Inadequate layout provided for 2 pts. Tier 1 A+ security plan with waiting room, guard, safe, off-site video storage, Security equipment spec’s for 5 pts</td>
</tr>
<tr>
<td>17. Plan to meet with neighborhood organizations,</td>
<td>1</td>
<td>1</td>
<td>inadequate plan 10/8 Plan Found</td>
</tr>
<tr>
<td>18. Improvements made or proposed to building</td>
<td>3</td>
<td>3</td>
<td><em>Professional drawings and permits pulled, Updated 9/24/18 using a more accurate measurement tool, $56,000 of mechanical construction along with interior electrical &amp; paint which is 10% of the SEV of $53,400 which falls short of the 125% SEV Investment amount. Updated 12/6/18 - use construction costs of $820,600 instead from Go Greener Construction which increase to 1294%</em></td>
</tr>
<tr>
<td>19. Plan to minimize/eliminate traffic</td>
<td>1</td>
<td>1</td>
<td>traffic plan included</td>
</tr>
<tr>
<td>20. Plan to minimize/eliminate noise</td>
<td>2</td>
<td>2</td>
<td>Detailed plan including barrier/sound dampening fencing</td>
</tr>
<tr>
<td>21. Plan to minimize/eliminate odor</td>
<td>3</td>
<td>3</td>
<td>Detailed plan including seal building, HVAC with carbon filter, staff training, odor complaint tracking</td>
</tr>
<tr>
<td>22. LPD Complaints</td>
<td>4</td>
<td>4</td>
<td>no calls</td>
</tr>
<tr>
<td>23. Demo of Regulatory Compliance</td>
<td>4</td>
<td>0</td>
<td>&quot;Updated 9/25/18 Minor tax compliance 1 pt deducted, no code issues. Update 11/28/18 failure to comply with Emergency Rules to notice City of application within 10 days - 3pt deduction&quot;</td>
</tr>
<tr>
<td>24. Litigation History</td>
<td>2</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>------------------------</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Updated 12/6/2018 Missing litigation history for all stakeholders= 0 points, only provides a summary business litigation statement for past 7 years for business, and states nothing about personal litigation history</td>
<td></td>
</tr>
<tr>
<td>Total Score</td>
<td>100</td>
<td>75</td>
<td></td>
</tr>
</tbody>
</table>
April 21, 2017

RE: Green Square

Dear Green Square,

We are pleased to budget cost for your four Dispensary (see addresses)

All costs are intended for BUDGET use only. This is NOT a quote or contract for construction. This is intended for initial costing only, a contract can be completed after zoning approval. (Allow three weeks)

- 4905 N Grand River Ave,
- 4,340 sq ft
- Total: $820,260.00
- 7045 S Cedar st,
- 2,504 sq ft
- Total: $473,256.00
- 5031 Cedar st,
- 3,295 sq ft
- Total: $622,755.00
- 3330 MLK,
- 2,820 sq ft
- Total: 532,980.00
- Total: for all four projects; $2,449,251.00

Projects time lines: From building permit issued -11 Months. If zoning approval hard costs and contract quote will be submitted in three weeks.

DEMOLITION NOT INCLUDED
OFFICE INTERIOR FINISH: INTERIOR DOORS, TRIM, AND HARDWARE: HEAT AND AIR CONDITIONING: PLUMBING: FIRE PROTECTION: ELECTRICAL: ENGINEERING:

State of Michigan Sealed Site, Floor, Elevations, Foundation, and Frame Cross-Section Drawings. Permit NOT Included

Go Greener, LLC

3% Management Fee:

Labor for Job-Site Management $52,634.00

BUDGET PRICE: $2,449,251.00

Land use approval: $250.00

Go Greener, LLC
4520 N Grand River Ave,
Lansing, MI, 48906

Best,
Russell M Chambers
EXHIBIT D
TO: Whom it may Concern

FROM: Sal Shimoun

DATE: December 12, 2017

RE: Capitalization/Liquidity Requirements
Green Square Holdings, LLC

I, Sal Shimoun, a Certified Public Accountant attest that Green Square Holdings, LLC meets the capitalization and liquidity requirements as it relates to the Michigan Marihuana Licensing Act Emergency Rules. I have obtained the necessary confirmation from Citizens Bank that supports the requirements (copy attached).

Thank you,

Sal Shimoun
Certified Public Accountant
Shimoun, Yaldo, Kashat & Associates, P.C.
Citizens Bank

December 12, 2017

To Whom It May Concern,

This letter is to verify that the current balance in account [redacted] for Green Square Holdings, LLC is $2,037,897.00 as of today. Please call or email with any questions.

Thank you,

Amy Brian, Branch Manager

Citizens Bank, Royal Oak

248-548-5300

Amy.brien@citizensbank.com
GREEN SQUARE

City of Lansing

Medical Marijuana Provisioning Center Application
# Table of Contents – 4905 N. Grand River

**Book 1**

1. Completed Application  
   a. Criminal History Authorization Form, Photo Identification and Treasury Form  
2. Introduction to Green Square and Other Marijuana Licenses – Eufora - Colorado  
   a. FOCUS Standards  
   b. Statement of Ownership and/or Lease  
   c. Forthcoming Operational Manual/Guide  
3. Corporate Organizational Documents  
4. Business Plan & Job Creation Organizational Chart – Overall Ownership Structure  
   a. Organizational Chart – Overall  
   b. Employee Training and Education Plan – Patient Focused and Seed to Sale Training  
   c. Statement of Short-Term and Long-Term Goals  
   d. Community Outreach, Patient Education and Community Education Plan  
   e. Proposed Marketing, Advertising and Business Promotions Plan  
   f. Planned Tangible Capital Investment in the City of Lansing  
   g. Expected Job Creation Table  

**Book 2**

h. Master Forms and Logs – Sample of Corporate Forms and Logs  
   i. Charitable Plans and Strategies  
   j. Staffing and Employee Compensation Plan  
   k. Projected Annual Budget and Revenue  
   l. Provisioning Center Standard Operating Procedures  
   m. Emergency Action and Response Guide  
5. Financial Structure and Financing, Net Worth, Bank Statements, Resumes & Experience  
6. Safety, Security and Diversion Prevention Plan  
7. Applicant/Stakeholder History of Security, Moral or General Welfare Incidents  
8. Proposed Text and Graphic Material of Exterior  
10. Patient Recordkeeping and Inventory Control Plan  

**Book 3**

11. Alcohol and Drug Abuse Awareness Plan  
13. Site Analysis (Impact on Neighbors and Traffic Patterns) and Traffic Study  
14. Surety Bond  
15. Insurance Policy  
16. Location Area Map  

*Floor Plan and Site Plan (See Insert – Rear of Book 3)*
SITE ANALYSIS 4905 N. GRAND RIVER AVE.

LOCATION
This section of N. Grand River Ave and W. is typified by small Industrial, retail and service businesses. Within approximately 1000 feet of the proposed Medical Marijuana Provisioning Center (MMPC) facility along both sides of the streets, business include: restaurants (3), Storage Facility (1), construction co. (1), Gift Shop (1)., Fuel Center (1), Clutch Manufacturing (1), MMPC (1, unlicensed). Production Tool Co. (1), Home Appliance center (1) and Used Auto Sales. Based on commercial uses along this part of N Grand River Ave. The proposed facility is well complimented by the mix of local businesses.

IMMEDIATE NEIGHBORS
There are some residential structures immediately to the West, North, and South of the proposed location.

LANDSCAPING AND SCREENING
Additional landscaping is proposed along the all (4) sides of the property, with Landscaping islands to include (17) Crimson King Maple Trees, (88) Buffalo Juniper, And (88) Russian Sage. All Landscaping are will be fully irrigated. Please see the landscape plan for details. A Poured concrete wall proposed on the Architectural plans to the North and West of the Property To create a Buffer for the residential house in the area.

BUFFERING AND DISPERSION
The Location Area Map to the right depicts distances from the proposed MMPC to buffered uses within 1000 feet and 500 feet. There appear to no prohibited uses within the stipulated buffers with the exception of an unlicensed MMPC to the West. We are deploying the use of a noise buffer.

BUILDING CODE COMPLIANCE AND RENOVATION
Please see attached Architectural drawings and Designs for the proposed MMPC Center. Part of the front of the building will be demolished to provide for Barrier free parking, a complete renovation for the exterior and the interior for the MMPC Center will be performed, please see attached Architectural Drawings, with all building, Mechanical, Plumbing, Barrier free accessibility compliance, and fire codes.

TRAFFIC
Average daily traffic counts along this route are 13,861 vehicles according to MDOT Traffic Volume data. The owner expects an annual daily average of 50 customers driving vehicles to the facility. This represents approximately 0.00360% of the daily volume. This facility will have a minimal impact on daily traffic volumes.

PARKING
There is more than enough off-street parking for this site based on the Mercantile Code requirements. The proposed facility includes new 6" concrete parking lot, and new 6" concrete curbs to define parking and Landscaping area. (17) vehicles parking spaces including three (2) van-accessible parking spaces.

SITE LIGHTING
LED dusk/dawn lights will be installed to provide a minimum of 1.0 foot candles of illumination to walkways and parking spaces. All light will be directed downward to remain on-site to the extent practicable.

NOISE
Due to the relatively low traffic volume and indoor patient activity, and the Set-back of the structure there will be no noise impact for this proposed MMPC use.

ODOR CONTROL
The Applicant will employ best-practices carbon filter/scrubber air purification units located in storage areas and patient areas to reduce odor to a minimum. There should be no external odors emanating from the facility. We have attached a separate Odor Control and Response Plan.

NEIGHBORHOOD DEMOGRAPHICS
Google Analytics demographic maps depicting married couples as a percentage of the population and college-educated residents suggests that this area is equal to or above the Lansing Michigan average. These data suggest above-average neighborhood stability to support the community and improved economic development.

CRIME RATES
Based on data provided by Neighborhood Scout, this area represents the approximate median rate for Lansing as a whole.
Thank you for contacting the Bureau of Marijuana Regulation.

The 10 day requirement is upon submitting a facility license applications.

Bureau of Marijuana Regulation
Facility Licensing Division – Application Section
Office: (517)284-8599
www.michigan.gov/mmfl

From: Paula Givens <paula.givens@industryassurance.com>
Sent: Tuesday, December 18, 2018 12:50 PM
To: LARA-MedicalMarijuana <LARA-MedicalMarijuana@michigan.gov>
Subject: 10 Day Municipal Notice Requirement

Greetings,

My apologies for the inconvenience, but an answer to the below question would be appreciated at your earliest convenience and before close of business tomorrow.

The MMFLA requires a 10 day notice be sent to a municipality.

Please clarify for me, if you would, when that notice must be sent.

Must an applicant send that Notice when they file the Entity and other Prequalification applications, or must an Applicant send that notice when they file their Marijuana Facilities License Application.

My question is when MUST this Notice be filed. Is it due upon filing the prequalification application and before the Facilities license application is filed?

I ask because the MMFLA does not specify and because there is a check box on the Facilities application.
EXHIBIT H
MARIHUANA FACILITY LICENSE APPLICATION

This facility license application and requested supporting documentation is the SECOND of two steps in the application process for consideration for a marihuana facility license.

Please refer to the Application Instruction Booklet for instructions on how to complete all forms in the applications process and the manner in which your forms and documents must be arranged and submitted at: www.michigan.gov/mmfl.

All questions on this form must be answered completely and truthfully. Any incomplete information may result in an application being delayed or denied. If using pen, use BLUE or BLACK ink only and print clearly. Make a copy of your completed forms before submitting as they will not be returned or copied for you. Please refer to the Application Instruction Booklet for assistance in filling out this application located at www.michigan.gov/mmfl.

Please review this checklist for the documents you will need to submit with your completed application form:

- Municipality Information
  - Copy of Municipality’s Authorizing Ordinance or Resolution
  - Copy of Municipal Approval Notice
- Business Specifications
  - Copy of Marihuana Facility Plan Complying with Rule 8
  - Copy of Technology Plan (3rd party integrating software with METRC)
  - Copy of Deed or Lease Agreement
  - Copy of Marketing Plan (advertising, propaganda, etc.)
  - Copy of Inventory & Recordkeeping Plan
- Proof of Financial Responsibility
  - Copy of Insurance Policy, Bond, or Securities for Facility
- Employees
  - Copy of Staffing Plan
- Attestations
  - G - Acknowledgment and Consent to Investigations, Statute & Rule Compliance (notarized)
  - H - Applicant’s Interest & Experience Attestation (notarized)
  - I - Confirmation of Sec. 205 Compliance (notarized)

Prior to licensure the applicant must pass all preclosure inspections and comply with all other licensure requirements in the Act and Emergency Rules and provide proof as requested.
PERSON COMPLETING APPLICATION
Please provide the following information for the individual who will act as the primary contact to the Bureau of Medical Marihuana Regulation for this license.

<table>
<thead>
<tr>
<th>Name (Last, First, Middle)</th>
<th>Affiliation with Applicant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mailing Address</td>
<td>Business Name (if applicable)</td>
</tr>
<tr>
<td>City</td>
<td>State</td>
</tr>
<tr>
<td>Attorney License No. (if applicable)</td>
<td>Fax:</td>
</tr>
<tr>
<td>CPA License No. (if applicable)</td>
<td>Email Address</td>
</tr>
</tbody>
</table>

BUSINESS PREMISES & MUNICIPALITY INFORMATION
Please provide the following information regarding the entity seeking a marihuana facility license.

<table>
<thead>
<tr>
<th>Applicant Name (as appears on official business document)</th>
<th>Doing Business As (d/b/a as used in conducting business. Attach copy of filed assumed name certificate) (if applicable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entity Physical Address</td>
<td>FEIN/SSN</td>
</tr>
<tr>
<td>City</td>
<td>State</td>
</tr>
<tr>
<td>Entity Mailing Address</td>
<td>Entity Email Address</td>
</tr>
<tr>
<td>City</td>
<td>State</td>
</tr>
<tr>
<td>Name of Local Governing Municipality</td>
<td>Municipal Authority Address</td>
</tr>
<tr>
<td>Contact Name for Municipality</td>
<td>Municipality Phone Number</td>
</tr>
<tr>
<td>Date of Municipal Application (if applicable)</td>
<td>Municipality Fax Number:</td>
</tr>
<tr>
<td>County of Business</td>
<td>Business Location Zoning Category (e.g., agriculture, commercial)</td>
</tr>
</tbody>
</table>

A. The applicant is **required** to notify the municipality that it is applying for a state medical marihuana facility license. Has the applicant notified the above municipality via certified mail, or will it do so within 10 days of this application?

☐ No  ☐ Yes
Exhibit X

Made Public during Commission Hearing
Applicant/Stakeholder History of Security, Moral or General Welfare Incidents

Both the Applicant and all of the stakeholders have demonstrated in the past a positive business and moral history without any Police Department complaints, and absence of negative regulatory compliance history and a lack of negative business litigation history.

I. Applicant History - Corporate

The Applicant corporate entity for this Provisioning Center license in the City of Lansing is Green Square Holdings LLC. This corporate entity has never been the subject of:

- Any City of Lansing Police Department Complaint and/or Incident;
- A claim that we failed to meet any City of Lansing expectation of regulatory compliance; or
- Have any history of any litigation.

Most notably, our Provisioning Center has never been found to have been in violation of the City of Lansing 2016 Ordinance #1202 Moratorium.

II. Stakeholder Business Litigation History

Our stakeholders have a long-demonstrated history of positive acts, social contribution and good moral character. Our stakeholders Hani Kassab, Jr., Ronnie Kassab, Anthony Yousif and Scotti Denha, have never personally been the subject of:

- Any City of Lansing Police Department Complaint and/or Incident

  Hani Kassab, Jr: Has not been involved in any business litigation as an individual in the past 7 years.

  Scotti Denha: Has not been involved in any business litigation as an individual in the past 7 years.

  Ronnie Kassab: Has not been involved in any business litigation as an individual in the past 7 years.

  Anthony Yousif: Has not been involved in any business litigation as an individual in the past 7 years.
DISCLOSURE 8 - LITIGATION HISTORY

Refer to the Application Instruction Booklet for instructions on how to complete this form at: www.michigan.gov/mmfl

Applicant Name: 
Gateway Square Holdings, LLC
Phone No.: 248-755-7433
Fax No.: 

Is the applicant currently a party to any civil lawsuits involving its business practice?

☑ No  ☐ Yes

Has the applicant been a party to any other litigation during the past seven years?

☑ No  ☐ Yes

In the previous ten years, has the applicant been accused of internal misconduct?

☑ No  ☐ Yes

In the previous ten years, has an ultimate decision been issued adverse to the applicant or any of its officers, executives, or managers that would have or could have a current or future effect in the entity?

☑ No  ☐ Yes

In the previous ten years, has an ultimate decision been issued adverse to the applicant or any of its officers, executives, or managers that could reasonably be expected to reflect upon the current or future financial responsibility or ability of the entity or the character, reputation, or integrity of the entity or any of its officers, executives or managers?

☑ No  ☐ Yes

If you answered YES to any of the above questions, you are required to complete the following information.

(1) Please provide the following for all litigation related to the supplemental applicant’s business practices, pending or concluded, for the past 7 years. (attach additional pages as necessary)

<table>
<thead>
<tr>
<th>Case Caption</th>
<th>Docket/Case No.</th>
<th>Court</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

For any cases that are currently pending, provide the case caption, the cause of action, and a brief explanation regarding the allegations of the case. (add additional pages if necessary)