City of Lansing
Medical Marihuana Commission
Special Meeting
Friday, March 8, 2019 2:00 PM
2500 S Washington Avenue
City Clerk’s Training Room

Meeting Agenda

1. Call to Order/Introductions
2. Approval of the Agenda
3. Approval of Minutes from 2-15-19
4. Public Comment on Agenda Items
5. Commission Appeal Hearings*
   - 2117 S Cedar Inc – 2117 S Cedar St.
   - Green Square Holdings, LLC – 5031 S Cedar St
6. New Business & Updates
7. Public Comment
8. Adjournment
December 15, 2017 – Application submitted

December 21, 2017 – Department review of applications begins

August 3, 2018 – Scoring and Ranking denial letter sent........................................1

Initial Score Sheet........................................................................................................4

August 17, 2018 – Hearing Officer Appeal submitted...................................................7

October 1, 2018 – Restored to Pending............................................................................84

December 6, 2018 – Scoring & Ranking denial letter sent..............................................85

Updated Score Sheet...................................................................................................89

December 20, 2018 – Hearing Officer Appeal Submitted.............................................92

January 19, 2019 – Second Denial Letter......................................................................177

Hearing Officer Recommendation................................................................................180

Updated Score Sheet...................................................................................................186

February 5, 2018 – Commission Hearing Date Change.................................................188

February 6, 2018 – Commission Appeal Submitted.....................................................190

Exhibits Removed for Attempt to Cure on Appeal

Exhibit 12

Exhibit 17
stamps
endicia

Shipping Label Receipt

Delivery Confirmation™ Service Number:
9405 5116 9900 0851 7671 62
Priority Mail 2-DAY with USPS TRACKING #*
Electronic Service Fee: $0.000
Total Postage and Fees: $6.35
Weight: 1 oz
Print Date: 09/03/2018
Mailing Date: 09/03/2018

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

To: 2117 Cedar Inc
32411 Mound Rd
Warren MI 48092-3827

*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 claim 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.
August 3, 2018

2117 Cedar Inc
32411 Mound Road
Warren, MI 48092

Dear Provisioning Center Applicant,

The Lansing City Ordinance section 1300.6 discusses Provisioning Center license application evaluation. **Your score of 72 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](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 2117 S Cedar St.**

You have the right to appeal this denial of licensure within 14 days of the date of this letter by filing with the City Clerk’s Office a written statement setting forth fully the grounds for the appeal pursuant to Chapter 1300.15(c). Please note that initial appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted 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,

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>2117 CEDAR INC</th>
<th>2117 CEDAR INC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>---</td>
<td>2117 CEDAR ST</td>
<td>2117 CEDAR ST</td>
</tr>
<tr>
<td>Marketing, Advertising and Promotion</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Tangible Capital Investment in the City of Lansing (Investment in applicants other provisioning centers was not included in score)</td>
<td>15</td>
<td>15</td>
<td>Applicant provides a listing of proposed capital investment in Lansing (including the initial provisioning center (land contract for $300K, $1 million startup costs) and subsequent grow facility (27K sq. ft.), processing operation, testing, etc.). Indicates $27.8 million investment associated with integrated operations (including $52 million for R&amp;D property at 3520 E. Cavanaugh).</td>
</tr>
<tr>
<td>Job Creation (Integrated System) Overall number of jobs created</td>
<td>5</td>
<td>4</td>
<td>Applicant indicates 240 Lansing jobs will be created by their medical marijuana operations but does not provide much detail about them.</td>
</tr>
<tr>
<td>Financial Structure and Financing</td>
<td>3</td>
<td>3</td>
<td>Applicant indicates no bank financing expected, provides proof of capital in the form of bank statements ($70K) and CPA attested liquid asset availability of $51.65 million.</td>
</tr>
<tr>
<td>Plans to Integrate Facility with Other Establishments</td>
<td>2</td>
<td>2</td>
<td>Applicant indicates they intend to integrate their initial provisioning center with a 1,500 plant, 27,000 sq. ft. grow facility and other future operations.</td>
</tr>
<tr>
<td>Scoring Insights</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charitable Plans and Strategies</td>
<td>4</td>
<td>4</td>
<td>Applicant indicates they will contribute a minimum of $100,000 annually to charitable causes, indicates they have been selected by Northern MI University to educate students (legal document provided), and included proof of checks totaling $500 already written to local organizations.</td>
</tr>
<tr>
<td>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>4</td>
<td>Applicant indicates their initial provisioning center will generate about 20 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Fall short of an optimal level of details.</td>
</tr>
<tr>
<td>Amount and Type of Compensation (PC)</td>
<td>2</td>
<td>1</td>
<td>Applicant states that the provisioning center employees will earn between $15 and $55/hour but does not provide an optimal amount of support details.</td>
</tr>
<tr>
<td>Percent of Employees Earning At least $15/Hour (PC)</td>
<td>3</td>
<td>3</td>
<td>Applicant indicates that all of the hourly positions will be paid no less than $15 to $50/hour.</td>
</tr>
<tr>
<td>Projected Annual Budget and Revenue (PC)</td>
<td>2</td>
<td>1</td>
<td>Applicant provides a single line item number for annual budget and revenue (e.g., $0.02 million in expenses and $2.2 million in revenue) but no other details. Lacks sufficient details.</td>
</tr>
<tr>
<td>Sufficient Financial Resources</td>
<td>5</td>
<td>5</td>
<td>Applicant provides litigation compliance verification forms for all key team members. Applicant proves they have over $100,000 in the bank and over $1 million in liquid assets.</td>
</tr>
<tr>
<td>Business Experience</td>
<td>5</td>
<td>4</td>
<td>Applicant indicates they have 2+ years as a medical marijuana caregiver, plus decades of business experience (e.g., business management, pharmacy, bookkeeping). Lacks the optimal amount of applicable business experience.</td>
</tr>
<tr>
<td>Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items</td>
<td>5</td>
<td>5</td>
<td>Table of Contents - org chart, short and long term goals &amp; outreach</td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td>5</td>
<td>1</td>
<td>Very close to residential</td>
</tr>
<tr>
<td>Increased traffic on side streets will be scored lower</td>
<td>5</td>
<td>2</td>
<td>Major traffic control renovations needed</td>
</tr>
<tr>
<td>Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</td>
<td>10</td>
<td>7</td>
<td>Minimum requirement for Sec plan Tier 2, traffic 5 pts, Strong traffic patterns, parking, and circulation.</td>
</tr>
<tr>
<td>Plan to meet with neighborhood organizations</td>
<td>1</td>
<td>1</td>
<td>Have a plan</td>
</tr>
<tr>
<td>Improvements made or proposed to building</td>
<td>3</td>
<td>1</td>
<td>Plans do not reflect improvements past existing structure</td>
</tr>
<tr>
<td>Plan to minimize/eliminate traffic</td>
<td>1</td>
<td>0</td>
<td>Inadequate traffic plan</td>
</tr>
<tr>
<td>Plan to minimize/eliminate noise</td>
<td>2</td>
<td>0</td>
<td>Inadequate noise plan</td>
</tr>
<tr>
<td>Plan to minimize/eliminate odor</td>
<td>3</td>
<td>0</td>
<td>Inadequate odor plan</td>
</tr>
<tr>
<td>LPD Complaints</td>
<td>4</td>
<td>1</td>
<td>1 assault report - 1 damage to property report - 1 light call - 1 trouble of subject call - 2 stolen Auto calls - 2 medical attend w/foreclosures - 1 other report, 6 calls</td>
</tr>
<tr>
<td>Demo of Regulatory Compliance</td>
<td>4</td>
<td>4</td>
<td>No San history</td>
</tr>
<tr>
<td>Litigation History</td>
<td>2</td>
<td>2</td>
<td>Clear history</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td></td>
<td>72</td>
</tr>
</tbody>
</table>
In re: 2117 Cedar Inc.

Applicant

ADMINISTRATIVE APPEAL TO CITY CLERK
PURSUANT TO LANSING ORDINANCE 1300.15(C)

ACTION APPEALED FROM

2117 Cedar Inc. applied for licensing to operate a Medical Marihuana Provisioning Center at 2117 South Cedar Street, Lansing, Michigan 48910 in December 2017. On August 3, 2018, the Lansing City Clerk notified the Applicant that their score of 72 out of 100 eliminated the possibility of scoring in the top twenty. The Applicant, 2117 Cedar Inc., appeals the scoring of their application. (See Exhibit #1)

APPLICABLE ORDINANCE FOR REVIEW

1300.15 – LICENSE REVOCATION; BASES FOR REVOCATION; APPEAL OF 38 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 72 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 presented materials.

DISCUSSION

MARKETING, ADVERTISING AND PROMOTION
TOTAL POSSIBLE POINTS AVAILABLE: 4
POINTS AWARDED: 2

EXPLANATION GIVEN FOR POINTS AWARDED: Applicant provides several marketing, advertising and promotional examples and one minor prevention example (e.g. no advertising or product marketing appealing to minors, website with SEO, etc.) but doesn’t get into much more detail. Lacks sufficient details and minor prevention examples.

DISCUSSION: Marketing, advertising and promotion of a medical marihuana provisioning center involves much more than simply placing ads. As detailed in the Applicant’s Business Plan, 2117 Cedar Inc. will be actively involved in community relations (Business Plan - Page 5) (See Exhibit #5). We expect to partner with the local community and local coalitions to inform the community about medical cannabis issues (Business Plan - Page 10) (See Exhibit #5). We would be holding or participating in community meetings as part of our community outreach program (Business Plan - Page 10) (See Exhibit #5). We would be holding education programs and workshops to benefit the community (Business Plan - Page 11) (See Exhibit #5). We would keep our corporate “brand” visible through sponsorship of community and industry causes (Business Plan - Page 12) (See Exhibit #5). We would offer community outreach and community benefit programs to the financially disadvantaged (Business Plan - Page 12) (See Exhibit #5). We would be hiring local employees. All of these are examples of marketing and advertising that the examiner did not take into consideration when awarding the given score.

Our marketing plan not only includes advertisement placement, it included marketing from the inside out. We would be hiring new employees as part of a marketing plan in addition to providing our work force (Business Plan - Page 7) (See Exhibit #5). Hiring local employees is beneficial for many reasons. Hiring from the local talent pool signals to customers and clients that you are a true citizen of the community. You are invested in its’ growth, the well-being of its’ citizens and the health of the local economy. Vetting candidates is easier. This may sound cynical, but local candidates are less likely to stretch the truth in their application materials. It’s easier to build a network that has a local foundation of employees. Customers want to work with people they know and trust. Finally, it equally important that local employees are less likely to leave their
employment. The Applicant also detailed charitable endeavors that would be part of an overall marketing plan. These examples were also excluded from scoring.

As for minor prevention methods, first and foremost is that in order to gain admittance to our facility, the customer must show a valid patient/caregiver ID card and a valid state identification (Business Plan - Page 18) **(See Exhibit #5)**. So not only do we not market to youths, we won’t sell to them as well.

In conclusion, our Business Plan details several marketing techniques far beyond websites with SEO. For this category, the Applicant should have been awarded 4 points instead of 2 points.

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**JOB CREATION (OVERALL NUMBER OF JOBS CREATED)**

**TOTAL POSSIBLE POINTS AVAILABLE: 5**

**POINTS AWARDED: 4**

**EXPLANATION GIVEN FOR POINTS AWARDED:** Applicant indicates 240 Lansing jobs will be created by their medical marihuana operations but does not provide much detail about them.

**DISCUSSION:** As “detailed” in our Business Plan, 2117 Cedar Inc. expects to create 240 Lansing jobs. For our provisioning center personnel, 20 new jobs will be filled as follows:

- Pharmacist (Salary)
- Dispensary Manager (Salary)
- Merchandize Manager (Salary)
- Medical Director (Salary)
- Security Officer (Salary and Hourly)
- Pharmacist technicians (Salary)
- Information Technologist (Salary)
- Budtenders/Sales agents (Hourly)
- Cashier (Hourly)
- Counter Agents (Hourly)
- Cleaners (Hourly)
- Security employees (Hourly)

This will account for 20 of the 240 jobs (Business Plan - Page 7) **(See Exhibit #5)**. The proposed build out of the provisioning center would add approximately 50 new construction employees (Business Plan - Page 7) **(See Exhibit #5)**. In addition, our Parent Company will be seeking licensing for a Medical Marihuana Grow facility and a Medical Marihuana Processing facility, each of which will add 100 new jobs (Business Plan - Page 7) **(See Exhibit #5)**. Since our business plan involves hiring from the local talent pool, of the 270 total jobs created, we estimated that 240 would come from the Lansing market.
In conclusion, our Business Plan details a complete explanation on how 240 new Lansing jobs would be created. For this category, the Applicant should have been awarded 5 points instead of 4 points.

NUMBER OF JOBS AT THE PROVISIONING CENTER
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 4

EXPLANATION GIVEN FOR POINTS AWARDED: Applicant indicates their initial provisioning center will generate about 20 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Falls short of an optimal level of detail.

DISCUSSION: As detailed in our Business Plan, 2117 Cedar Inc. we expect to create 240 Lansing jobs. For our provisioning center personnel, 20 new jobs will be filled as follows:

- Pharmacist (Salary)
- Dispensary Manager (Salary)
- Merchandize Manager (Salary)
- Medical Director (Salary)
- Security Officer (Salary and Hourly)
- Pharmacist technicians (Salary)
- Information Technologist (Salary)
- Budtenders/Sales agents (Hourly)
- Cashier (Hourly)
- Counter Agents (Hourly)
- Cleaners (Hourly)
- Security employees (Hourly)

This will account for 20 of the 240 jobs (Business Plan - Page 7) (See Exhibit #5). The proposed build out of the Provisioning Center would add approximately 50 new construction employees (Business Plan - Page 7) (See Exhibit #5).

The employee training is fully discussed, and the employee handbook is also included.

Applicant has more than amply answered the category. The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) indicated that 5 points would be available for job creation based on the number of jobs created at the provision center itself. In our case, we will have 70 new jobs (between provisioning center employees and construction employees). The scoring by the examiner indicates a maximum score at 6 employees. We expect to employ 70! The Scoring Criteria requires a number and does not ask for an explanation. This is inconsistent with the category itself. The category did not ask for a description – simply an amount. We have provided an explanation in
addition to providing a number.

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

AMOUNT AND TYPE OF COMPENSATION
TOTAL POSSIBLE POINTS AVAILABLE: 2
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: Applicant states that the provisioning center employees will earn between $15 and $50/Hour but does not provide an optimal amount of support detail.

DISCUSSION: As detailed in our Business Plan, 2117 Cedar Inc. we expect to have approximately 20 provisioning center employees. For our provisioning center personnel, the breakdown of those positions are as follows:

Pharmacist (Salary)
Dispensary Manager (Salary)
Merchandize Manager (Salary)
Medical Director (Salary)
Security Officer (Salary and Hourly)
Pharmacist technicians (Salary)
Information Technologist (Salary)
Budtenders/Sales agents (Hourly)
Cashier (Hourly)
Counter Agents (Hourly)
Cleaners (Hourly)
Security employees (Hourly)

As can be readily seen, the first seven positions are salaried positions and would not be covered by the $15.00 - $50.00/hour rate (Business Plan - Page 7) (See Exhibit #5). These positions would be compensated based on experience and suitability for the position.

Along with Municipal Ordinance, the City published a Medical Marihuana Provisioning Center Scoring Criteria (See Exhibit #2) outline (See enclosed).

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of jobs at the provisioning center</td>
<td>5</td>
</tr>
<tr>
<td>Amount of compensation</td>
<td>2</td>
</tr>
<tr>
<td>Job creation</td>
<td></td>
</tr>
<tr>
<td>Percent of employees earning over $15 per hour</td>
<td>3</td>
</tr>
<tr>
<td>Projected annual budget and revenue</td>
<td>2</td>
</tr>
</tbody>
</table>

For the category of amount and type of compensation, there is no subjectivity to this scoring. The “amount of compensation” required a response indicating an amount. As for the type of compensation, the acceptable responses would have been either hourly or
salaried. The applicant clearly stated for the hourly employees, compensation will be paid at an hourly rate of between $15.00 and $50.00 per hour depending on the position and the relative experience of the employee. The “scoring insights” describing the deduction from full scoring as lacking “an optimal amount of support details”. This is inconsistent with the category itself. Again, the category did not ask for a description – simply an amount.

In conclusion, our Business Plan detailed exactly what was asked. For this category, the Applicant should have been awarded 2 points instead of 1 point.

PROJECTED ANNUAL BUDGET AND REVENUE
TOTAL POSSIBLE POINTS AVAILABLE: 2
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: The Applicant stated their projected annual revenue was $1,200,000 and their annual budget (after expenditures for build out) was calculated at $1,020,000 (Estimation of Jobs Created – Page 1). The “scoring insights” deducted 1 point as it “lacks sufficient details”.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) for this variable were stated as follows:

<table>
<thead>
<tr>
<th>Job creation</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of jobs at the provisioning center</td>
<td>5</td>
</tr>
<tr>
<td>Amount of compensation</td>
<td>2</td>
</tr>
<tr>
<td>Percent of employees earning over $15 per hour</td>
<td>3</td>
</tr>
<tr>
<td>Projected annual budget and revenue</td>
<td>2</td>
</tr>
</tbody>
</table>

The “projected annual budget and revenue” required a response indicating an amount. In good faith, the Applicant projected their annual revenue at $1,200,000. This was consistent with their proposed location. For their budget, the Applicant first considered their total investment expenditures for the first year (exclusive of the cost of real property acquisition) as:

- Expected Buildout Costs $700,000.00
- Security Equipment $ 50,000.00
- Legal Expenses $ 35,000.00
- Administrative Expenses $ 24,000.00
- Sales and Marketing $ 75,000.00

(Business Plan – Page 7) (See Exhibit #5)

When you include the costs for utilities, salaries and other operating expenses, an annual budget of $1,020,000 is a realistic and calculated amount. Rather than arbitrarily selecting figures that might impress the reviewing authorities, the applicant has clearly stated an amount for annual revenue and expenses.
For this category, the Applicant should have been awarded 2 points instead of 1 point.

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BUSINESS EXPERIENCE
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 4

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” deducted 1 point as it “lacked the optimal amount of applicable business experience”.

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

<table>
<thead>
<tr>
<th>Business Experience</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>History of success in operating business or businesses, years of operation, relevant business experience, other commercial licenses, medical certifications, and/or licenses.</td>
<td></td>
</tr>
</tbody>
</table>

With medical marihuana sale only recently approved, most Michigan entities will not have any tangible business experience selling marihuana. Joseph Aiello does have experience operating a Medical Marijuana Provisioning Center in the City of Detroit prior to submission of this Application. Power Play Powersports 2, Inc. was granted a municipal license to operate a medical marihuana provisioning center at 14917 Gratiot, Detroit, Michigan. This fact was clearly set out in the Resume re Marihuana Experience (Page 2)(See Exhibit #7) but was not recognized by the reviewers in the “scoring insights”. This is in addition to the “decades of business experience” running multi-million-dollar entities and having pharmaceutical and bookkeeping experience that is crucial to operating a successful business.

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

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BUFFERING BETWEEN RESIDENTIAL ZONED AREAS AND ESTABLISHMENT
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” deducted 4 points as the location is “very close to residential”.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) for this variable were stated as follows:

<table>
<thead>
<tr>
<th>Impact on neighborhood</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td></td>
</tr>
</tbody>
</table>
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 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 (See Exhibit #2) focus uses the phrase "residential zoned areas" (plural). 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.

Verified by submitted maps measuring the distances, the Applicant satisfied all of the stated buffering requirements: (see Location and Distance from Buffered Areas) (See Exhibit #8)
<table>
<thead>
<tr>
<th></th>
<th>Allowed Distance</th>
<th>Actual Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>School</td>
<td>1,000 feet</td>
<td>1,417 feet</td>
</tr>
<tr>
<td>Library</td>
<td>500 feet</td>
<td>5,833 feet</td>
</tr>
<tr>
<td>Playground</td>
<td>500 feet</td>
<td>1,696 feet</td>
</tr>
<tr>
<td>Commercial childcare</td>
<td>500 feet</td>
<td>1,115 feet</td>
</tr>
<tr>
<td>Church</td>
<td>500 feet</td>
<td>1,030 feet</td>
</tr>
<tr>
<td>Substance abuse prevention</td>
<td>500 feet</td>
<td>2,762 feet</td>
</tr>
</tbody>
</table>

A comparison of the actual distances with the setback distances show the establishment located at least double the distance from the stated setbacks (it is located approximately 1½ time the distance from the nearest school). The “scoring insights” indicate the establishment was “very close to residential”. If the comment was the establishment was very close to a residential property, the reviewer has interjected a requirement not stated to be evaluated in either the ordinance or the scoring criteria.

The property qualifies as a proper location for a Medical Marijuana Provisioning Center. The fact that it is located more than double the required distance must result in an award of more than just 1 point. One point would be awarded if the establishment barely exceeded a stated minimum buffer.

For this category, the Applicant should have been awarded 5 points and not just 1 point.

INCREASED TRAFFIC ON SIDE STREETS WILL BE SCORED LOWER
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 2

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” deducted 3 points indicating “major traffic control renovations needed”.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) for this variable were stated as follows:

Traffic Patter(s) Increased traffic on side streets will be scored lower

To address the impact the establishment would have on traffic patterns, the Applicant stated the following:

In support of an Application for a Medical Marihuana Licensure to operate a provisioning center at 2117 South Cedar Street, Lansing, Michigan 48910, the Applicant, 2117 Cedar Inc., a subsidiary of FMJRL, Inc. and a Michigan Corporation submits the following statement how their land use will have an effect on the surrounding neighborhood (See Exhibit #6):
1. The proposed use of the establishment as a Medical Marihuana Provisioning Center is consistent with land use for the surrounding neighborhood and not have a detrimental effect on traffic patterns and resident safety.

2. Pedestrian access on South Cedar Street will be clearly marked.

3. There will be no exit onto a residential street.

4. Speed will be clearly posted for travel in the parking lot.

5. There will be complete ADA access with appropriate ramps and handrails.

6. There will be proper lighting and increased visibility for pedestrians and invitees.

7. The parking lots will be smooth and maintained.

8. The proposed hours of operation will be between 9:00 am and 10:00 p.m.

9. The proposed site is zoned for commercial use and will be used in that manner.

10. The proposed site is located on a main thoroughfare – South Cedar Street.

11. Ingress and egress from the proposed facility will be directed solely onto South Cedar Street and not towards any side street that would lead towards residential property.

12. There is ample parking at the proposed facility and there will be signage posted not to park on any residential side street.

13. To reduce traffic in/out of the facility, scheduled appointment times with patients will be arranged. The facility will be able to accept call-in orders to predict traffic patterns to minimize traffic and noise.

14. By reducing the traffic flow in and out of the proposed location, this will also minimize the amount of noise to the surrounding neighborhood.

15. Any use of medical marihuana on the premises is strictly prohibited. This will eliminate any odors to the surrounding neighborhood.

16. There will be additional buffering between the proposed location and any residential neighborhood by the installation of a block wall or fencing.

(Land Use and Effect on Traffic Patterns – Pages 1-2) (See Exhibit #6)
A review of the Applicant’s Land Use and Effect on Traffic Patterns shows careful detail to the effects the establishment would have on the surrounding neighborhood. When read in conjunction with the Applicant’s Site Plan, the flow of traffic is deliberately kept onto South Cedar Street and away from the side street that would lead into the residential neighborhoods. To deter foot traffic away from the residential neighborhood, a block wall will be installed as an additional buffer between the properties on Colvin Court and the Applicant’s establishment.

For this category, the Applicant should have been awarded 5 points instead of 2 points.

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**ENTRANCE AND EXIT ON MAIN STREETS, ADEQUATE PARKING NOT ON RESIDENTIAL STREETS, QUALITY OF SECURITY PLAN**

**TOTAL POSSIBLE POINTS AVAILABLE:** 10  
**POINTS AWARDED:** 7

**EXPLANATION GIVEN FOR POINTS AWARDED:** The “scoring insights” indicate minimum requirements for security plan Tier 2, Traffic 5 pts, strong traffic patterns, parking and circulation.

**DISCUSSION:** To address the entrance and exit on main streets, the facility faces South Cedar Street and the plan is to have the flow of traffic enter and exit onto South Cedar Street. By looking at the Applicant’s Site Plan, the flow of traffic is onto South Cedar Street and away from Riley Street or Colvin Court. Therefore, there should have been no deductions based on the ingress/egress onto South Cedar Streets.

To address the adequacy of parking the Applicant’s Site Plan (See Exhibit #4) has 32 available parking spaces. The site was a former used car lot. In addition, there will be a block wall to the East of the Applicant’s lot to act as an additional buffer and to discourage any parking on the neighboring side streets. In addition, there will be signage on the Applicant’s property not to park on the neighboring side streets. Therefore, there should have been no deductions as to the adequacy of the Applicant’s proposed parking.

The examiner was satisfied with the Applicant’s Security Plan and articulated no negative comments. Therefore, there would be no scoring deductions based on the Applicant’s Security Plan.

For this category, the Applicant should have been awarded 5 points and not just 1 point.

---

**IMPROVEMENTS MADE OR PROPOSED TO BUILDING**

**TOTAL POSSIBLE POINTS AVAILABLE:** 3  
**POINTS AWARDED:** 1

**EXPLANATION GIVEN FOR POINTS AWARDED:** The “scoring insights” indicate plans do not reflect improvements to the existing structure.
DISCUSSION: The Applicant questions how the reviewer concluded the plans do not reflect improvements to the structure? An examination of the Applicant’s Business Plan discloses an expected build out cost of $700,000. This is in addition to $50,000 to be spent on security and lighting. (Business Plan – Page 7) (See Exhibit #5) A review of the Applicant’s Site Plan (See Exhibit #4) shows the addition of landscaping and handicap ramps. A review of the Applicant’s Land Use Plan (See Exhibit #6) shows improvements to the parking lot and additional buffering between the establishment and the residential neighborhood by the installation of a block wall.

In addition, the Applicant provided color renderings (See Exhibit #3) of the facility before and after the build out was completed. Clearly the anticipated spending of $700,000 for build out contemplates significant improvements to the existing structure and the surrounding lot. For this category, the Applicant should have been awarded 3 points and not just 1 point.

PLAN TO ELIMINATE/MINIMIZE TRAFFIC
TOTAL POSSIBLE POINTS AVAILABLE: 1
POINTS AWARDED: 0

EXPLANATION GIVEN: The “scoring insights” indicate an inadequate traffic plan.

DISCUSSION: The Applicant’s Land Use and Effect on Traffic Patterns (See Exhibit #7) directly addressed this issue. The Applicant proposed the following to directly address pedestrian and motorist traffic, the Applicant would implement the following:

- Pedestrian access on South Cedar Street would be clearly marked.
- There would be no exit onto a residential street.
- Speed would be clearly posted for travel in the parking lot.
- There would be proper lighting and increased visibility for pedestrians and invitees.
- The parking lots would be smooth and maintained.
- The proposed hours of operation would be between 9:00 am and 10:00 p.m.
- Ingress and egress from the proposed facility would be directed solely onto South Cedar Street and not towards any side street that would lead towards residential property.
- To reduce traffic in/out of the facility, scheduled appointment times would patients will be arranged. The facility would also accept call-in orders to predict traffic patterns to minimize traffic and noise.
At the intersection of Riley and South Cedar, there is a traffic signal device, which, by all measures, is a traffic control measure enjoyed by all.

The Applicant was awarded zero points. A score of zero points indicates the Applicant made no attempt to address the issue. From the materials presented, the Applicant not only addressed their attempts to minimize/eliminate traffic issues, the Applicant has set for ideas that can be implemented at other provisioning centers to help them address their traffic issues. For this category, the Applicant should have been awarded 1 point and not zero points.

---

**PLANS TO ELIMINATE/MINIMIZE NOISE**
**TOTAL POSSIBLE POINTS AVAILABLE: 2**
**POINTS AWARDED: 0**

**EXPLANATION GIVEN FOR POINTS AWARDED:** The “scoring insights” indicate an inadequate noise plan.

**DISCUSSION:** South Cedar Street is a major thoroughfare, routinely used by commercial vehicles and by many oversized commercial vehicles. The Applicant cannot be penalized for this fact. This facility will not add to the noise level, but equally important, this facility cannot minimize the noise level from the commercial traffic. We have stated measures that will impact “our” generated noise level, however the municipality should address the overall commercial noise level if it is an issue to the residential neighborhood.

There is no evidence the “facility itself” would increase the level of noise. There is no manufacturing going on at the facility. No speakers are depicted in the Applicant’s Site Plan to play amplified music. Therefore, the only increase in the noise level would be from automotive traffic in the facility parking lot. The Applicant’s Land Use and Effect on Traffic Patterns directly addressed this issue (See Exhibit #6). The Applicant proposed the following to directly address noise reduction:

- Speed would be clearly posted for travel in the parking lot. By maintaining a speed limit, this would reduce the amount of sound created by customer vehicles.

- The parking lots would be smooth and maintained. By maintaining the parking lot, the materials used would absorb automotive sound.

- The proposed hours of operation would be between 9:00 am and 10:00 p.m. The proposed hours of operation would reduce the level of noise created either early in the morning or late in the evenings.
• To reduce traffic in/out of the facility, scheduled appointment times with patients would be arranged. The facility would also accept call-in orders to predict traffic patterns to minimize traffic and noise.

• By reducing the traffic flow in and out of the proposed location, this will also minimize the amount of noise to the surrounding neighborhood.

• There will be additional buffering between the proposed location and any residential neighborhood by the installation of a block wall or fencing. Just as walls are erected on highways to reduce noise, the block wall would create a noise reduction barrier to the surrounding neighboring houses.

(Land Use and Effect on Traffic Patterns – Pages 1-2) (See Exhibit #6)

Again, the Applicant was awarded zero points. A score of zero points indicates the Applicant made no attempt to address the issue. It is clear the Applicant has more than adequately addressed the issue of noise created by their facility. For this category, the Applicant should have been awarded 2 points and not zero points.

-----------------------------------------------------------------------------------------------------------------

PLANS TO ELIMINATE/MINIMIZE ODOR
TOTAL POSSIBLE POINTS AVAILABLE: 3
POINTS AWARDED: 0

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” indicate an inadequate odor plan.

DISCUSSION: There is no evidence the facility itself would increase the odor level. Nevertheless, the Applicant’s Land Use and Effect on Traffic Patterns (See Exhibit #6) directly addressed this issue. The Applicant proposed the following to directly address any odor issues:

• By addressing the traffic flow in and out of the proposed location, this would also minimize the amount of noise and odor to the surrounding neighborhood.

• The proposed hours of operation would be between 9:00 am and 10:00 p.m. The proposed hours of operation would further reduce any odor level.

• Any use of medical marihuana on the premises would be strictly prohibited. This will further eliminate any odors to the surrounding neighborhood.

(Land Use and Effect on Traffic Patterns – Pages 1-2) (See Exhibit #6)

Again, the Applicant was awarded zero points. A score of zero points indicates the Applicant made no attempt to address the issue. It is clear the Applicant has more than
adequately addressed the issue of odors created by their facility. For this category, the Applicant should have been awarded 3 points and not zero points.

LPD COMPLAINTS
TOTAL POSSIBLE POINTS AVAILABLE: 4
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” only awarded 1 point citing 1 assault report, 1 damage to property report, 1 fight call, 1 trouble with subject call, 2 stolen auto calls, 3 medical/welfare calls, 1 other report, and 8 call.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) for this variable were stated as follows:

Applicant/stakeholders Lansing Police Department complaints/incidents 4
record of acts detrimental Demonstration of regulatory compliance 2
to security, safety, morals Business litigation history 2
good order, general welfare

It is clear the focus is on the “applicant” and not the prior occupants. The prior occupants included a used car lot that had automotive bays for auto repair. From the documents submitted, the Applicant-corporation was not formed until December 7, 2017. While the Applicant did submit a signed commercial lease agreement, the Applicant’s location has remained closed.

All of the Lansing Police Department incidents occurred prior to the Applicant’s occupation of the subject property. There has been no record of any acts detrimental to security, safety, morals, good order or general welfare since the Applicant became a tenant. As stated by Frank Mastroianni, Director for 2117 Cedar Inc., the Applicant had no record of detrimental acts nor were there any complaints or incidents with the Lansing Police Department. (See Exhibit #9)

For this category, the Applicant should have been awarded 4 points instead of 1 point.

CONCLUSION

The Applicant has addressed each category where a reduction from full point value was given. In each instance, the Applicant has clearly shown that the examiner either did not score the category correctly or overlooked the materials presented.
Based on the foregoing, a correction must be made awarding the applicant additional points.

Respectfully,

[Signature]

Aaron D. Geyer
Attorney for Applicant

Prepared by
AIELLO & ASSOCIATES, PLLC
Aaron D. Geyer (P-39889)
Attorney at Law
32411 Mound Road
Warren, Michigan 48092
Tel. (586) 303-2211
Fax. (586) 303-1259
aaron@chrisaiello.com
EXHIBITS

TABLE OF CONTENTS

1. Denial Letter from Lansing City Clerk with application scoring
2. Medical Marijuana Provisioning Center Scoring Criteria
3. Applicant’s Cover Page (showing artist rendition of completed facility)
4. Applicant’s Site Plan (originally submitted)
5. Applicant’s Business Plan (originally submitted)
6. Applicant’s Land Use and Effect on Surrounding Neighborhood (originally submitted)
7. Applicant’s Resume Regarding Experience with Medical Marihuana or a Related Industry
8. Location and Distance to Buffered Uses (originally submitted)
Dear Provisioning Center Applicant,

The Lansing City Ordinance section 1300.6 discusses Provisioning Center license application evaluation. Your score of **72 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](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 2117 S Cedar St.

You have the right to appeal this denial of licensure within 14 days of the date of this letter by filing with the City Clerk’s Office a written statement setting forth fully the grounds for the appeal pursuant to Chapter 1300.15(c). Please note that initial appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted 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,

Chris Swope, Master Municipal Clerk
Lansing City Clerk
<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Total Possible Points</th>
<th>2112 CEDAR INC</th>
<th>2117 CEDAR INC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>---</td>
<td>2112 S CEDAR ST</td>
<td>2117 S CEDAR ST</td>
</tr>
</tbody>
</table>

**Marketing, Advertising and Promotion**

<table>
<thead>
<tr>
<th>Score</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Applicant provides several marketing, advertising and promotion examples and one minor presentation example (e.g., no advertising or product marketing appealing to minorities, website with SEO, etc.) but doesn't get into much more detail. Lacks sufficient details and minor presentation examples.</td>
</tr>
<tr>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

**Tangible Capital Investment in the City of Lansing**

*Investment in applicants other provisioning centers was not included in score*

<table>
<thead>
<tr>
<th>Score</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>Applicant provides a listing of proposed capital investment in Lansing (including the initial provisioning center, land contract for 50K, 21 million cost center, and subsequent grow facility (72K sq. ft.), processing operations, testing, etc.). Indicates $27.8 million investment associated with Integrated Operations (including $22 million for R&amp;D property at 1507 S. Cavanaugh).</td>
</tr>
<tr>
<td>15</td>
<td></td>
</tr>
</tbody>
</table>

**Job Creation (Integrated System)**

<table>
<thead>
<tr>
<th>Overall number of jobs created</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Applicant indicates 240 Lansing jobs will be created by their medical marijuana operation but does not provide much detail about them.</td>
</tr>
<tr>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>

**Financial Structure and Financing**

<table>
<thead>
<tr>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
</tr>
</tbody>
</table>

**Plans to Integrate Facility with Other Establishments**

<table>
<thead>
<tr>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
</tr>
<tr>
<td>Charitable Plans and Strategies</td>
</tr>
<tr>
<td>--------------------------------</td>
</tr>
<tr>
<td>Applicant indicates they will contribute a minimum of $100,000 annually to charitable causes, indicates they have been selected by Northern MI University to educate students (legal document provided), and included proof of checks totaling $100 already written to local organizations.</td>
</tr>
<tr>
<td><strong>Number of Jobs at the Provisioning Center</strong></td>
</tr>
<tr>
<td>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>
</tr>
<tr>
<td>Applicant indicates their initial provisioning center will generate about 30 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Fell short of an optimal level of details.</td>
</tr>
<tr>
<td><strong>Amount and Type of Compensation (PC)</strong></td>
</tr>
<tr>
<td>Applicant states that the provisioning center employees will earn between $15 and $30/hour but does not provide an optimal amount of support details.</td>
</tr>
<tr>
<td><strong>Percent of Employees Earning At Least $15/Hour (PC)</strong></td>
</tr>
<tr>
<td>Applicant indicates that all of the hourly positions will be paid no less than $15 to $30/hour.</td>
</tr>
<tr>
<td><strong>Projected Annual Budget and Revenue (PC)</strong></td>
</tr>
<tr>
<td>Applicant provides a single line item number for annual budget and revenue (e.g., $1.02 million in expenses and $1.2 million in revenue) but no other details. Lacks sufficient details.</td>
</tr>
<tr>
<td><strong>Sufficient Financial Reserves</strong></td>
</tr>
<tr>
<td>Applicant provides litigation compliant verification forms for all key team members. Applicant proves they have well over $100,000 in the bank and over $1 million in liquid assets.</td>
</tr>
<tr>
<td><strong>Business Experience</strong></td>
</tr>
<tr>
<td>Applicant indicates they have 7+ years as a medical marijuana caregiver, plus decades of business experience (e.g., business management, pharmacy, bookkeeping). Lacks the optimal amount of applicable business experience.</td>
</tr>
<tr>
<td>Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items</td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
</tr>
<tr>
<td>Increased traffic on side streets will be scored lower</td>
</tr>
<tr>
<td>Entrance and exit on main streets; adequate parking not on residential streets; Quality of Security Plan</td>
</tr>
<tr>
<td>Plan to meet with neighborhood organizations</td>
</tr>
<tr>
<td>Improvements made or proposed to building</td>
</tr>
<tr>
<td>Plan to minimize/eliminate traffic</td>
</tr>
<tr>
<td>Plan to minimize/eliminate noise</td>
</tr>
<tr>
<td>Plan to minimize/eliminate odor</td>
</tr>
<tr>
<td>LPD Complaints</td>
</tr>
<tr>
<td>Demo of Regulatory Compliance</td>
</tr>
<tr>
<td>Litigation History</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>
EXHIBIT 2
## Medical Marijuana Provisioning Centers Scoring Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Plan &amp; Job Creation</strong></td>
<td></td>
</tr>
<tr>
<td>Ownership structure</td>
<td>Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items</td>
</tr>
<tr>
<td>Organizational chart</td>
<td></td>
</tr>
<tr>
<td>Worker Training Program</td>
<td></td>
</tr>
<tr>
<td>Short term and long term goals and objectives</td>
<td></td>
</tr>
<tr>
<td>Community outreach &amp; education</td>
<td></td>
</tr>
<tr>
<td>Marketing, advertising, promotion</td>
<td>Minimization of exposure to minors</td>
</tr>
<tr>
<td>Tangible capital investment in the City of Lansing</td>
<td>Economic benefit to the City of the business plan, real property ownership, grower and/or processor facilities in the City</td>
</tr>
<tr>
<td>Job creation</td>
<td>Overall number of jobs created within the City of Lansing (highest), Lansing region, and Michigan (lowest)</td>
</tr>
<tr>
<td>Financial Structure and Financing</td>
<td>Net worth/capitalization sufficient for business plan as evidenced by notarized CPA attestation, financial institution statements, or the equivalent.</td>
</tr>
<tr>
<td>Plans to integrate grower facility with other establishments</td>
<td></td>
</tr>
<tr>
<td>Charitable plans and strategies</td>
<td>Commitment to fiscal and/or volunteer work</td>
</tr>
<tr>
<td></td>
<td>Number of jobs at the provisioning center</td>
</tr>
<tr>
<td></td>
<td>Amount and type of compensation</td>
</tr>
<tr>
<td>Job creation</td>
<td>Percent of employees earning over $15 per hour</td>
</tr>
<tr>
<td></td>
<td>Projected annual budget and revenue</td>
</tr>
<tr>
<td><strong>Total - Business Plan/Job Creation</strong></td>
<td>Incomplete plan will get zero points</td>
</tr>
</tbody>
</table>
## Medical Marijuana Provisioning Centers Scoring Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Stability &amp; Experience</strong></td>
<td></td>
</tr>
<tr>
<td>Sufficient Financial Resources</td>
<td>5</td>
</tr>
<tr>
<td>Financial forms including debt,</td>
<td></td>
</tr>
<tr>
<td>bankruptcy, insolvency, tax compliance</td>
<td></td>
</tr>
<tr>
<td>tax returns and CPA attested, active</td>
<td></td>
</tr>
<tr>
<td>bank/financial statements.</td>
<td></td>
</tr>
<tr>
<td>Business Experience</td>
<td>5</td>
</tr>
<tr>
<td>History of success in operating</td>
<td></td>
</tr>
<tr>
<td>business or businesses, years of</td>
<td></td>
</tr>
<tr>
<td>operation, relevant business</td>
<td></td>
</tr>
<tr>
<td>experience, other commercial licenses,</td>
<td></td>
</tr>
<tr>
<td>medical certifications and/or licenses</td>
<td></td>
</tr>
<tr>
<td>Total - Financial Stability &amp;</td>
<td>10</td>
</tr>
<tr>
<td>Experience</td>
<td></td>
</tr>
<tr>
<td>Criteria</td>
<td>Maximum Points</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td><strong>Land Use</strong></td>
<td></td>
</tr>
<tr>
<td>Impact on neighborhood</td>
<td>5</td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td></td>
</tr>
<tr>
<td>Traffic pattern(s)</td>
<td>5</td>
</tr>
<tr>
<td>Increased traffic on side streets will be</td>
<td></td>
</tr>
<tr>
<td>scored lower</td>
<td></td>
</tr>
<tr>
<td>Resident safety</td>
<td>10</td>
</tr>
<tr>
<td>Entrance and exit on main streets,</td>
<td></td>
</tr>
<tr>
<td>adequate parking not on residential</td>
<td></td>
</tr>
<tr>
<td>streets, Quality of Security Plan</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Land Use</strong></td>
<td>20</td>
</tr>
<tr>
<td>Criteria</td>
<td>Maximum Points</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td><strong>Outreach</strong></td>
<td></td>
</tr>
<tr>
<td>Planned outreach</td>
<td>1</td>
</tr>
<tr>
<td>Improvements made or proposed to building</td>
<td>3</td>
</tr>
<tr>
<td>Plan to minimize/eliminate traffic</td>
<td>1</td>
</tr>
<tr>
<td>Plan to minimize/eliminate noise</td>
<td>2</td>
</tr>
<tr>
<td>Plan to minimize/eliminate odor</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total - Outreach</strong></td>
<td><strong>10</strong></td>
</tr>
</tbody>
</table>
### Medical Marijuana Provisioning Centers Scoring Criteria

<table>
<thead>
<tr>
<th>Applicant/Stakeholder History</th>
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EXHIBIT 3
Application
for
Medical Marijuana
Provisioning Center License

2117 South Cedar Street
Lansing, MI. 48910

2117 S Cedar Inc.
EXHIBIT 5
## BUSINESS PLAN

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BUSINESS PLAN

This is the written BUSINESS Plan for 2117 Cedar Inc. (“We”, “Us”, “Our”). This plan addresses and meets the application requirements of the City of Lansing’s Medical Marihuana Ordinance for the regulation and licensing of Medical Marihuana Establishments.

1. Executive Summary – Mission Statement

The mission statement of 2117 Cedar Inc. is to establish a first-class medical marijuana dispensary to retail medical marijuana to its patients. We want to provide greater access to the medicinal effects cannabis can bring to those in need. At 2117 Cedar Inc., we will always put our patients first. Our staff is knowledgeable of industry and licensing regulations. We continually attend industry seminars and workshops to stay current with evolving regulations. We are here to service the community properly, now and in the future.

It’s one thing to say we will have community involvement, it’s another thing to back up those words and promises with FACTS. We have been selected by a major university, Northern Michigan University, to provide programs to students directly related to the medical marijuana industry. We will be providing classroom education to students in the fields of medical marihuana growing, cultivation, processing, and dispensary operations.

Our dispensary will provide our patients with safe products, professionally packaged, and presented in a compassionate, service-focused way in a comfortable setting by well-trained staff. Patient care and education is a key element of our approach, and has to be part of an array of wellness and support services (transportation, interpreters, and care advocates) we offer our patients.

Our dispensary is being designed and built to feature state of the art technology with forward-looking green practices. Security and safety are critical components of our operations. We also plan to take every effort to be “good neighbors” in the community. This means providing extensive community outreach, including hiring and public involvement. It also means minimizing any negative impacts or nuisances that may arise from our operations.

Our key objectives are:

- To provide safe and legal access to medical cannabis for all qualified patients regardless of their ability to pay;
- To reduce the barriers and improve access to medical cannabis and its potential benefits, including the potential to reduce health disparities in underserved and minority residents in Lansing; and
- To revitalize our neighborhood and contribute to Lansing’s wider economic development through job creation, increased tax base, and education and outreach.
Finally, 2117 Cedar Inc. has sufficient capital in place to build, secure, and start up the proposed dispensary. We have sufficient capital to cover estimated costs of build, operation, compensation of employees with fringe benefits, equipment costs, utility costs, legal compliance, and other operating and maintenance costs as needed. As requested, we have provided proof of capitalization to cover such amounts.

2. Proposed Ownership Structure of the Establishment:

2117 Cedar Inc. is one element in the FMJRL, Inc. family of companies. Frank Mastroianni has a 100% ownership in FMJRL, Inc. and shares a 50% interest in 2117 Cedar Inc. with his business partner, Joseph Aiello.

Contemporaneous with this Application, FMJRL subsidiaries will be filing a Medical Marihuana Grower application, a Medical Marihuana Processor application, and another Medical Marihuana Provisioning Center application. You will find that 2117 Cedar Inc. along with the other subsidiaries, are highly motivated and highly qualified medical marihuana businesses worthy of the opportunity to do business in the City of Lansing. Please see attachment showing proposed Master Plan for our Medical Marihuana Development and Research Facility.

3. Current Organization Chart:

Frank Mastroianni – President, Director
Joseph Aiello - Vice President, Treasurer, Secretary, Director

4. Implementation Strategy

2117 Cedar Inc. will use a community-driven, patient-centered care approach that will benefit all Lansing residents, including delivering care in a way that makes quality, affordable medical cannabis available to underserved minority, low-income and indigent populations. This complex commitment dictates the features of our implementation strategy:

- Patient-centered care,
- A professional clinical setting,
- Product variety,
- Scientific quality control,
- A skilled and knowledgeable staff,
- Investment in sustainable operations, community outreach, and enabling/support services.
A. Patient-Centered Care

The crucial element of our PCC approach will be meeting our patients where they are: communicating with them in the terms they are comfortable with. This requires that our staff be well-trained, comfortable with diversity, and competent to interact appropriately with individuals from different backgrounds and levels of “medical literacy.” As a “socio-culturally competent” caregiver, 2117 Cedar Inc. will educate and empower its patients so that they share responsibility for their own healthcare decision-making and healthy lifestyle choices. Our PCC-focused dispensary will provide:

- A welcoming environment,
- Respect for patients’ values and expressed needs,
- Patient empowerment,
- Staff socio-cultural competence,
- Help with coordination of care across providers,
- Emphasis on patient comfort and support, and
- Community outreach and collaboration.

Our staff, facility, and operations will prioritize education and patient empowerment. Maintaining a holistic focus and supportive services, it will seek to identify underlying factors that broadly influence quality of life, with emphasis falling on pain management, avoiding unhealthy behaviors, lifestyle change, improving physical conditioning, adopting better nutritional practices, reducing stress, and taking advantage of the profound mental health benefits that patients can derive from interpersonal support such as counseling, support groups, and community activities with those suffering from similar conditions.

As noted in our discussion above, research has shown PCC to result not only in far higher levels of patient satisfaction with their care, but also in better clinical outcomes and quality of life. While we are not practicing medicine, embracing PCC as the centerpiece of our model puts us ahead of the curve in this rapidly growing trend in healthcare.

B. Professional Clinical Setting

The compassionate cause of medical cannabis is ill served by reminders of the counterculture or association with the image or ethos of the “stoner.” Our atmosphere will be designed to move medical cannabis away from any association with the counterculture or even with the casualness of uninformed home cultivation and focus attention on its scientific and medical legitimacy. In keeping with this, our dispensary collective will maintain the professional look and feel of a professional medical service clinic, and the fact that our products are scientifically cultivated and tested will be the key element in our strategy on which we plan to build public awareness of our “brand.”
C. Strain Variety

Different strains of cannabis have different therapeutic and palliative effects, some offering relief from a given condition more than others. Furthermore, patients with serious medical conditions, such as those with wasting syndrome or undergoing chemotherapy for cancer, can have very specific tolerances, intolerances, and idiopathic reactions to medication. To offer patients customized and scientifically precise treatment options, it is critical that we provide as wide a variety of strains of medical cannabis and as great a variety of delivery methods as possible. We will also provide a wide range of oils and edibles as soon as we begin our operations.

D. Scientific Quality Control

As discussed below, all our products will be tested for purity and potency by an independent testing laboratory and bear a guarantee of scientific quality control. We will work with our independent lab to provide the best possible product at a fair price.

E. Skilled and Knowledgeable Member Staff

Without a skilled and knowledgeable staff, our product diversity and Patient-Centered Care would be of little benefit to most patients. A crucial feature of our strategy is the extensive training that our staff will undergo to be able to advise patients on such things as the specific effects and side effects of various strains or delivery methods, their benefits for specific medical conditions, and their interactions with other medications, as well as with drugs and alcohol.

Providing patients with types of information they cannot obtain in traditional health care settings conforms with our general strategy of offering something that does not replace traditional health care, but complements it by providing something critically lacking in it. The need for complementary care is particularly evident in the case of medical cannabis because physicians typically recommend only that the patient use it, without specifying the strain or delivery form. This creates a patient information deficit and education need that our approach is designed to address. Because many dispensaries do not take this need seriously enough, our educational approach will quickly distinguish our “brand.”

F. Investment in Community Outreach and Enabling Services

Many states have dispensaries offering a variety of peripheral services on a patient-centered care model. 2117 Cedar’s approach builds on successful dispensary models, improves the scope and type of community outreach, and delivers more targeted services that will benefit all Lansing residents.

5. Proposed Marketing, Advertising and Business Promotion Plan:

The success and growth of any business, especially a new business, starts with an effective
marketing and advertising plan. Consistent with the promulgated Emergency Rules for the Medical Marihuana Facilities Licensing Act filed with the Secretary of State on December 4, 2017, the Applicant intends to fully comply with Emergency Rule 42.

**Rule 42. Marketing and advertising restrictions.**

1. Marihuana facilities shall comply with all municipal ordinances, state law, and these rules regulating signs and advertising.
2. A licensee shall not advertise marihuana product where the advertisement is visible to members of the public from any street, sidewalk, park, or other public place.
3. Marihuana products must be marketed or advertised as “medical marihuana” for use only by registered qualifying patients or registered primary caregivers.
4. Marihuana products must not be marketed or advertised to minors aged 17 years or younger. Sponsorships targeted to members aged 17 years or younger are prohibited.

It is expected that 2117 Cedar Inc. will spend over $70,000 annually for the first year using the following marketing options:

A. The proposed marketing plan starts with a proper Website with detailed information. 2117 Cedar Inc. will utilize Search Engine Optimization (SEO optimization). **SEO will position our website and will help eliminate exposure of any marketing or promoting marihuana products to minors.**

B. 2117 Cedar Inc. will hold business events and conferences. This will improve community relations by providing educating the public.

C. 2117 Cedar Inc. will utilize alternative online advertising options including Mantis, 420 Network, 420 Click and Women Grow. These sites are known in the cannabis culture, again eliminating marketing exposure to children.

D. 2117 Cedar Inc. will advertise in thematic magazines including Dope, Cannabis Now, 420 Magazine, Marijuana Venture and MG Magazine. This also allows for specific marketing to an adult target audience within the cannabis culture.

E. 2117 Cedar Inc. will not market, advertise or sell ANY product that appeals to minor children such as “gummy bears”.

6. **Verification, Paperwork, and Tracking**

A. **Verification**

Michigan allows patients and their designated caregivers to enroll in an identification program that provides them with a government-issued card identifying them as legally-qualified medical cannabis patients or caregivers. These medical marihuana identification cards allow for easy verification of the
cardholder’s current eligibility status through a verification system that dispensaries and law enforcement can access. To be eligible for purchase of any medical marihuana product, we will verify the individual’s credentials with a state approved identification to verify their identity. Before anyone is allowed into our facility, they must present proper credentials.

**Paperwork Compliance**

All individual patients will be required to complete an application on their initial entry into our location. The patient will have to attest they have read the application, understood it, have answered all questions truthfully, and agree to abide by all rules and requirements of the provisioning center. The individual patient will be met by a qualified staff member who will speak with the individual patient and answer any questions the patient may have. The patient will then be given a Patient Handbook.

**Tracking**

We plan to track all patients, caregivers and sales. For every day, month, quarter, and year, we will track the total number of individuals who visit the dispensary, the number of their visits, and the number, quantity, and type of products sold and on hand for sale, as well as the number of plants or products under cultivation or production. This will allow us to ensure and document for the purposes of regulatory compliance the aggregate amount of medical marihuana in our facility does not exceed allowable limits.

All books, records, and accounts, including those related to membership, will be maintained to comply with applicable laws and regulations.

**7. Tax Compliance and Accounting**

2117 Cedar will comply with local, state, and federal tax requirements. We are well aware of the unique federal tax implications for medical cannabis businesses, and have consulted with appropriate professionals to ensure full compliance with the Internal Revenue Service’s treatment of medical marijuana. We understand that for any drug that is considered illegal by the Federal government, including medical marijuana (albeit medically legal according to the State of Michigan), a 1982 tax code prohibits cost deductions for our business. 2117 Cedar Inc. has hired a qualified Certified Public Accountant (Paul Samways) that is knowledgeable and capable of timely generating any forms or statements required.
8. Planned Tangible Capital Investment:

A. The total investment required for the first year of operation (exclusive of the cost of real property acquisition) is:

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B. In addition to the application being submitted for this Medical Marihuana Provisioning Center, Frank Mastroianni intends to submit applications for one Medical Marihuana Grow Facility (1500 plants in a 27,000 square foot facility) and one Medical Marihuana Processor Facility the City of Lansing. We expect to add 240 new jobs to the City of Lansing, each of which will pay between $15.00 to $50.00 per hour that will have a positive economic benefit to the City.

9. Expected Job Creation from the proposed Medical Marihuana establishment:

The licensing of this establishment will create approximately 20 new jobs. It is expected the Applicant will be seeking qualified employees to fill the following jobs:

- Pharmacist (Salary)
- Dispensary Manager (Salary)
- Merchandize Manager (Salary)
- Medical Director (Salary)
- Security Officer (Salary and Hourly)
- Pharmacist technicians (Salary)
- Information Technologist (Salary)
- Budtenders/Sales agents (Hourly)
- Cashier (Hourly)
- Counter Agents (Hourly)
- Cleaners (Hourly)
- Security employees (Hourly)

Each new job created will pay no less than $15.00 per hour. In addition, Frank Mastroianni (through his entities) will be seeking licenses for two Medical Marihuana Grow operations and a Medical Marihuana Processor operation, each of which should add 100 new jobs. In addition, the proposed buildout of the provisioning center will add approximately 50 construction jobs.
10. **Planned Worker Training Programs:**

2117 Cedar Inc. intends to ensure all personnel are properly trained and educated to run a first-class Medical Marihuana Provisioning Center. To accomplish this goal, the staff must:

a. Understand the rules and regulations imposed by the City of Lansing and the State of Michigan relative to the Michigan Medical Marihuana Act. This involves educating the staff and making sure they attend seminars to maintain the proper level of proficiency.

b. Understand the needs of the individual patients

c. Understand the floor plan of the dispensary and the various safety and security measures to handle any emergency situation that might develop.

d. Understand all point of sale procedures for any transfers or sales

e. Follow procedures in an employee handbook that will be given to all staff personnel. The handbook communicates business rules and performance standards, encourages employees to behave in a certain way, and helps ensure employees are treated consistently. The handbook also explains employee safety procedures, employee guidelines, security protocols, and educational training.

f. Understand the various products available with their benefits and drawbacks that would be available to patients.

g. Understand product information, dosage and daily limits.

h. Understand the educational materials available for the individual patient and caregivers.

i. Planned worker training includes background checks of employees and requirements that employees immediately report any new or pending criminal charges.

11. **Financial Structure and Financing of the Proposed Medical Marihuana Establishment:**

It is expected that the costs of improvement to the property will cost between $700,000. 2117 Cedar Inc., a subsidiary of MJRL, Inc., is owned by Frank Mastroianni who has the financial resources to improve the proposed medical marihuana establishment without the need to incur new debt. No bank financing is expected.
12. **Building and Construction Plan**

The plans for conversion and upgrade of the existing facility keep several goals in mind:

- Complying with all code requirements,
- Meeting and exceeding safety and efficiency standards specific to the type of operations proposed, and
- Life safety, satisfying all regulatory compliance issues.

The new facility is designed to maximize the safety of our patients, employees, and neighbors, as well as the safety and security of our products. The design incorporates the most environmentally friendly materials and the latest technologies, enabling us to conserve energy and lessen our carbon footprint.

Areas of the lot not covered by the building will be upgraded and used for parking, circulation, and open space. Improvements to the surrounding lot will include repair of deteriorated portions of the pavement and the creation of ample parking spaces. The parking stalls will be marked with 4-inch wide white stripes.

Numerous public improvements will be undertaken landscaping, sidewalk, and lighting improvements.

See Security Plan (Item #14) for security measures being implemented.

13. **Competitive Advantage, Short-Term and Long-Term Goals and Objectives Consistent with this Chapter:**

What sets 2117 Cedar apart from other applicants is the economic growth that FMJRL, Inc. can bring to the City. In addition to this Provisioning Center License application, subsidiaries within FMJRL, Inc. will be seeking licensing for a Medical Marihuana Grower, a Medical Marihuana Processor and another Medical Marihuana Provisioning Center. The short-term goals of 2117 Cedar Inc. are to commence building improvement once licensing is granted. Operations will commence after the appropriate inspections and certificates have been issued. We have been selected by a major university to educate their students about our industry.

As for our long-term goals, it is the expectation that 2117 Cedar Inc. will continue to grow and develop with the community and become an industry standard for other provisioning centers to follow. We grow here, we process here, we employ here, and we dispense here. As for the long-term goals of our parent company, there are developed real estate plans for additional medical marihuana facilities in the City of Lansing if the city allows for expansion. We intend to establish a non-profit enterprise that will work in conjunction with cancer foundations and medical facilities to eradicate cancer in our
lifetime. We are here to be YOUR industry leader, someone you can be proud to acknowledge and sponsor.

14. Community Outreach / Education Plans and Strategies:

The mission statement of the South Lansing Community Development Association is to support citizen-driven development by a) providing programs and resources that address community-identified needs, b) empowering local residents and stakeholders to advocate for change, and c) facilitating collaborative efforts to achieve goals. We share the same core values. As part of our marketing strategy, we intend to hold business events and conferences. In conjunction with organizations such as the South Lansing Community Development Association and the South Side Community Coalition, these goals can be met with the community benefitting from planned programs.

We can PROVE we are serious about education. 2117 Cedar (along with the other companies in the FMJRL family) have been selected by Northern Michigan University, an accredited public university established by the Michigan Legislature in 1899, to provide programs to students directly related to the medical marijuana industry. Our curriculum includes classroom education to students in the fields of medical marihuana growing, cultivation, processing, and dispensary operations.

2117 Cedar is committed to strong public engagement and outreach to OUR community. Our community outreach has three goals: (i) to establish a process by which the community can express itself regarding the project; (ii) to inform the community about medical cannabis issues; and (iii) to ensure that our approach genuinely reflects the community's needs. To reach our goals, we anticipate doing one or more of the following, depending on input at various stages of the project:

- Identifying a broad cross-section of community-based organizations and community leaders, including those representing indigent and traditionally underserved and underrepresented residents, to learn how residents and stakeholders can best receive useful information that enables them to participate meaningfully.

- Identifying and visiting civic, senior, and veteran organizations, health care support groups, and community meetings to introduce our nonprofit organization, our mission, and our vision for the patient care center. We believe this type of outreach establishes our legitimacy with the community and our vested interest in its welfare. We will listen receptively and respond to any concerns about the project.

- Holding or participating in a community meeting to introduce 2117 Cedar Inc. and present the project to any parties with similar goals. Again, our purpose would be to listen and find ways to be responsive. Completing our outreach
efforts with a follow-up letter to community stakeholders, letting them know that we heard their concerns and what procedures we will follow in responding to such concerns.

We are committed to engaging our patient and residential communities on an ongoing basis. We will partner with local community organizations to solicit volunteers for these positions.

We are proud of our military community and the services they provide. We are here to serve our active and veterans and give back to those who promised their lives for ours. We have the knowledge and compassion to address the needs of those who suffer with the unpleasant aftermaths of conflict and war.

A. Outreach Strategies

2117 Cedar Inc. will create public awareness in several ways:

1. Public Education

We can create public awareness of our dispensary through our community outreach and education programs. By offering free workshops and seminars on topics related to medical cannabis and the conditions for which it is typically recommended, as well as on legal issues surrounding medical cannabis, we make the existence of our organization known and attract members by positioning ourselves in the public mind as ambassadors of a socially responsible provider.

2. Developing Provider Alliances

An important element of our patient-centered approach is the help we will offer patients in finding providers and services to handle other aspects of their care and in coordinating their care across their many different providers. To be able to do this, we must first build alliances with these other providers and organizations. However, alliances are two-way streets and will result in our getting referrals from them as well. A key part of this outreach initiative will be educating alliance partners on the benefits and legalities of medical cannabis, and on the processes involved in referring people for medical cannabis use. Hosting educational forums for other providers will therefore be a critical element in our business approach. Building strong alliances with other health care providers, community health clinics, hospices, community service organization, patient advocacy groups, support groups, AIDS organizations, senior homes, and referral networks will create a strong and lasting source of patient referrals. At the same time, it will give us greater resources to fulfill our own patient-centered mission, which includes helping patients find appropriate providers for services we do not offer and helping them coordinate their care across providers. Being known in the patient community as a wellness center with especially strong networking and referral resources will itself be a draw to patients with complex medical conditions.
3. **Industry Leadership and Sponsorships**

We will keep our corporate “brand” visible though sponsorships of community and industry causes and through industry activism that reflects our community-focused public health agenda and its emphasis on compassion and social justice.

4. **Public Relations**

Carefully managed messaging and coverage in local media can be a very effective means to create public awareness.

5. **Word of Mouth**

In the medical cannabis industry, satisfied members and their word of mouth is perhaps the most powerful generator of a growing membership. Many dispensaries report that “friend” is the most common answer reported on new patient intake forms when patients are asked to indicate how they heard about a dispensary. We do not intend to enlist patients to recruit new members or to offer any special incentives to do this. We will not need to. The high quality of supportive patient-centered care we offer as part of our basic mission will be incentive enough. We intend to operate as a “community center” for those suffering from serious medical conditions—what the literature on patient-centered care sometimes refers to as a “medical home-away-from-home” where patients can interact supportively with one another. Since non-members legally cannot be allowed in our facility, patients who appreciate this aspect of our services will naturally recommend membership to those of their friends who are also qualified medical cannabis patients.

**Community and Economic Development**

City government has shown great interest in revitalization and community development plans that correct systemic inequities and benefit blighted areas and disadvantaged populations. This brings us to a crucial component of our implementation strategy, which is an aggressive outreach and community benefits program. All transactions and money collected in excess of operating and recapitalization costs will be dedicated to funding this larger charitable mission, which has three components:

- Giving indigent and low-income patients full access to our products and wellness/support services,
- Removing other barriers to access through enabling services (providing transportation, interpreters, and referral to other access-enabling services), and
- A Community Benefits Plan.
1. **Commitment to Local Hiring and Spending**

We are committed to making our project a source of economic stimulus for Lansing. From initial build-out of the facility to the implementation of our community development initiatives, we intend to contract, buy, and hire locally, taking advantage of local recruitment resources to offer employment to displaced local workers who are willing to be retrained.

We estimate net direct spending for initial build-out and set-up will exceed $700,000.00 with the majority of these expenditures being spent on goods and services provided by local companies.

We believe that Phase I day-to-day operations will add approximately 20 qualified full-time employment opportunities to City’s economy (plus another 220 new jobs from the other facilities). The dispensary will contribute directly to the revitalization of its immediate neighborhood by funneling an influx of visitors from in and around the vicinity of the dispensary, brining incidental business to shops, restaurants, and other services in the area.

2. **Community Benefits Plan**

We believe that we can and should have a critical role in the delivery of medical marijuana healthcare. We also believe that we have an important fiduciary obligation to be a “good neighbor” and provide benefits to our community as part of our healthcare mission. Therefore, we view our Community Benefits Plan as a blueprint for how we plan to accomplish our Mission.

In developing our Community Benefits Plan, we will ensure regular involvement of the community, including that of the representatives of the targeted underserved populations, in the planning and implementation of the Community Benefits Plan.

3. **Good Neighbor**

2117 Cedar Inc. seeks to be an asset and a beneficial resource for the surrounding community. As a good neighbor, we will seek neighborhood and other necessary input through every phase of our operation, beginning with the build out and construction phase. We will evaluate and abate any potential public safety/nuisance violations.

We also believe that being a good neighbor requires that we work to improve the neighborhood. Some of the public improvements we plan to address are:
• Access Improvements
• Drainage Improvements
• Landscape Improvements
• Sewer Improvements
• Sidewalk Improvements
• Traffic Engineering Improvements
• Lighting Improvements
• Code Compliance

Finally, we will take all efforts to mitigate noise, odor, and pollution/waste, and will address nuisances, including limiting foot and car traffic. (See Item 27 for additional measures being implemented on land use and the effects on traffic patterns).

B. Neighborhood Engagement and Communication-Community Support

1. Community Engagement and Communication Plan:

   a. The Applicant will provide information to each recognized neighborhood entity within a ½ mile radius from the Facility location. To ensure that access to the Community Engagement Coordinator (“CEC”) is reliable and well defined, the Applicant will distribute the contact information to the designated officer/neighbor within each organization. Information for the CEC shall include cell phone number, email, Facebook, and Twitter accounts.

   b. The CEC will produce a monthly newsletter announcing community events, resurfacing of important city announcements, industry news, and company sponsored functions. Distribution of the newsletter will be by electronic transmission to all interested residents and neighborhood organizations that are subscribers. Subscription will be at no cost. A request to have a recipient removed from the list will be honored in a timely manner. The newsletter will also be available on the company’s website.

   c. The CEC shall be responsible for the community news content on the company’s website. The format of the website shall comply with standards to assist the visually impaired in accessing content.

   d. The CEC will coordinate with the designated officials within City, County and State government to ensure that useful information is disseminated accordingly.

   e. The CEC will not promote the business activity or product of the company, commercial messages shall be prohibited with respect to the work activities of the CEC, as defined.
Additionally, the CEC will be required to attend organized neighborhood meetings that occur within the outreach area. Meeting schedules are determined by the respective neighborhood bodies conducting the meeting. Attendance by the CEC shall be mandatory.

g. The employee, manager, or owner of the company designated as the CEC may engage in other work activities of the company, however, their responsibilities and duties as CEC shall be defined and limited only to community engagement and communications.

h. Company literature, in print and electronic format, shall include the name and contact information of the CEC. The company website will prominently display this information on its home page.

i. A page on the company website, titled “Community Engagement and Communication Plan”, will outline the method that the company applies to communicate with the interested public; provide a detailed account of meetings attended; and, information shared at neighborhood engagements.

2. Statement of Support for Lansing Neighborhoods and Community Needs:

a. The Applicant, through its business activities, shall have a charitable purpose to support various community needs, to include, but, not limited to, human services, homelessness shelter services, food distribution, recreation programming and infrastructure, cultural events, and educational initiatives within the K-12 environment with the cooperation of the Lansing School District.

b. Primary focus of the Applicant is to support needs within the target area of the company location, however, the company will expand its reach based on need and collaboration with its community partners.

c. Amongst our family of companies, we will appropriate a minimum of $100,000 on an annual basis to support neighborhood and community needs. This does not include the value of volunteer work conducted by team members of the company.

d. A volunteer ethos shall be a part of the corporate culture of the company. Team member participation in the plethora of events and activities that occur will be listed in both the “Support of Lansing Neighborhoods and Community Needs” and “Community Engagement and Communication Plan” sections of the website.
e. The company shall list the value of volunteer work on its website. Valuation of volunteer work shall conform to the “Economic Impact of Volunteers Calculator” located at www.pointsoflight.org.

Office of Government Relations:

a. The Applicant recognizes the importance of maintaining a robust channel of communication with government officials and agencies, at all levels, having jurisdiction over the Applicant’s medical marihuana business activities.

b. The company shall identify a team member to serve in the capacity of “Government Affairs Associate” (“GAA”). The GAA will inform the Office of the Mayor, City Clerk, Ingham County – Chairperson, and the designated person(s) at Licensing and Regulatory Affairs (LARA), of non-material and material changes occurring, or contemplated, at the company. All notifications shall comply with stipulated rules governing notice requirements.

c. The GAA will represent the company at meetings held by Lansing City Council, Ingham County and the State of Michigan, specifically LARA.

The GAA shall communicate all interactions with the various government entities with the company’s management, ownership, and legal team.

15. Charitable Plans and Strategies:

Community involvement is very important to 2117 Cedar Inc. We have already financially contributed to the Lansing Parks & Recreation Department, the South Lansing Community Development Association and the South Side Community Coalition and will continue to do so in the future.

Amongst our family of companies, we will appropriate a minimum of $100,000 on an annual basis to support neighborhood and community needs. This does not include the value of volunteer work conducted by team members of the company. In addition, we will be performing volunteer work with the various community outreach programs. (See Community Outreach above.)

We are proud of our military community and the services they provide. We are here to serve our active and veterans and give back to those who promised their lives for ours.

One of our long-term goals within the FMJRL family of companies is to establish a non-profit enterprise that will ultimately lead to a cure for cancer in our lifetimes.
16. **Minimum Operation Standards**

(a) Our Provisioning Center will be located in a building, as defined under Lansing Ordinance Section 1300.9.

(b) We will not be open between the hours of 10 p.m. and 9 a.m.;

(c) Consumption of marihuana on the premises will be strictly prohibited;

(d) We will continuously monitor our entire premises with a surveillance systems that include security cameras and video recordings will be maintained in a secure, off-site location for at least 14 days;

(e) We will install a permanent barrier between public or common areas of our medical marihuana provisioning center and our restricted or non-public areas. We will not store, display or transfer medical marihuana in an area accessible to the general public;

(f) Our medical marihuana storage areas within our medical marihuana provisioning center will be separated from any customer/patient areas by a permanent barrier. We will not display Medical marihuana in a sales area only if permitted by the MMFLA;

(g) Any usable medical marihuana remaining on premises of our medical marihuana provisioning center while our medical marihuana provisioning center is not in operation will be secured in a safe permanently affixed to the premises;

(h) We will not operate our Medical Marihuana provisioning center in a manner creating noise, dust, vibration, glare, fumes, or odors detectable to normal senses beyond the boundaries of the property. Further we will not create any nuisance that hinders the public health, safety and welfare of the residents of the City of Lansing.

(i) Our license shall be prominently displayed on the premises of a medical marihuana provisioning center;

(j) We will dispose of medical marihuana in a manner that prevents its acquisition by any person who may not lawfully possess it and otherwise in conformance with state law;

(k) All medical marihuana will be delivered to a patient will be properly packaged and labeled. Our label will include:

1. A unique alphanumeric identifier for the person to whom it is being delivered;
2. A unique alphanumeric identifier for the cultivation source of the marihuana;
3. That the package contains marihuana;
4. The date of delivery, weight, type of marihuana and dollar amount or other
consideration being exchanged in the transaction;

(5) A certification that all marihuana in any form contained in the package was cultivated, manufactured, and packaged in the state of Michigan;

(6) The warning that; “this product is manufactured without any regulatory oversight for health, safety or efficacy. There may be health risks associated with the ingestion or use of this product. Using this product may cause drowsiness. Do not drive or operate heavy machinery while using this product. Keep this product out of reach of children. This product may not be used in any way that does not comply with state law or by person who does not possess a valid medical marihuana patient registry card.”

(7) The name, address, email address, and telephone number of an authorized representative of the dispensary whom a patient can contact with any questions regarding the product.

(l) We will require all registered patients to present both their Michigan medical marihuana patient/caregiver id card and state identification prior to entering restricted/limited areas or non-public areas of the medical marihuana provisioning center, and if no restricted/limited area is required, then promptly upon entering the medical marihuana provisioning center.

(m) Our premises shall be open for inspection during the stated hours of operation and as such other times as anyone is present on the premises.

(n) We will not display any signs that are inconsistent with local laws or regulations or state law.

(o) We will not advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors.

(p) We will not place or maintain an advertisement of medical marihuana within the distance limitations set forth in Lansing Ordinance Section 1300.13(a)

(q) Certified laboratory testing results that display at a minimum the tetrahydrocannabinol (thc), cannabidiol (cbd), total cannabinoid testing results, and a pass/fail rating based on the certified laboratory’s state-required testing will be available to all medical marihuana provisioning center patients/customers upon request and prominently displayed.
LAND USE AND EFFECT ON SURROUNDING NEIGHBORHOOD

In support of an Application for a Medical Marihuana Licensure to operate a provisioning center at 2117 South Cedar Street, Lansing, Michigan 48910, the Applicant, 2117 Cedar Inc., a subsidiary of FMJRL, Inc. and a Michigan Corporation submits the following statement how their land use will have an effect on the surrounding neighborhood:

1. The proposed use of the establishment as a Medical Marihuana Provisioning Center is consistent with land use for the surrounding neighborhood and not have a detrimental effect on traffic patterns and resident safety.

2. Pedestrian access on South Cedar Street will be clearly marked.

3. There will be no exit onto a residential street.

4. Speed will be clearly posted for travel in the parking lot.

5. There will be complete ADA access with appropriate ramps and handrails.

6. There will be proper lighting and increased visibility for pedestrians and invitees.

7. The parking lots will be smooth and maintained.

8. The proposed hours of operation will be between 9:00 am and 10:00 p.m.

9. The proposed site is zoned for commercial use and will be used in that manner.

10. The proposed site is located on a main thoroughfare – South Cedar Street.

11. Ingress and egress from the proposed facility will be directed solely onto South Cedar Street and not towards any side street that would lead towards residential property.

12. There is ample parking at the proposed facility and there will be signage posted not to park on any residential side street.
13. To reduce traffic in/out of the facility, scheduled appointment times with patients will be arranged. The facility will be able to accept call-in orders to predict traffic patterns to minimize traffic and noise.

14. By reducing the traffic flow in and out of the proposed location, this will also minimize the amount of noise to the surrounding neighborhood.

15. Any use of medical marihuana on the premises is strictly prohibited. This will eliminate any odors to the surrounding neighborhood.

16. There will be additional buffering between the proposed location and any residential neighborhood by the installation of a block wall or fencing.
RESUME REGARDING EXPERIENCE WITH
MEDICAL MARIHUANA OR A RELATED INDUSTRY

In support of an Application for a Medical Marihuana Licensure to operate a provisioning center at 2117 South Cedar Street, Lansing, Michigan 48910, the Applicant, 2117 Cedar Inc., a subsidiary of FMJRL, Inc. and a Michigan Corporation submits the following statement identifying the qualifications and business experience of their staff:

Our staff (along with additional staff to be added) is knowledgeable and experienced as evidenced by the following:

SHAREHOLDERS AND STAKEHOLDERS

a. Frank Mastroianni

Frank Mastroianni has a degree in Business Management from Adrian College. For ten years, he was the manager of sales and marketing for Italy and American Construction. He has been a licensed realtor for the past fifteen years and is a multi-million dollar producer. For the past nine years, he has been a licensed residential builder.

Frank Mastroianni (either individually or as a sole corporate owner) owns five commercial properties and twelve residential properties in Southeast Michigan with a net worth in excess of four million dollars. He is also a co-owner of several additional commercial properties in Southeast Michigan. He is married (Rachel) with five sons.

Frank Mastroianni (Con Yank Inc.) has been approved by the City of Warren to operate a Medical Marihuana Grow Facility under the City of Warren local ordinance.

b. Joseph Aiello

Joseph Aiello has an extensive background experience in business management. For almost twenty years, Joseph Aiello was a design
engineer working with companies such as Ford Motor Company, General Motors, and Chrysler Corporation. For almost ten years, he managed government contracts as a civilian engineer with the United States Army (Sterling Heights, Michigan). For the past two years, he has been running an engineering firm in Florida, Manatee Engineering Services, LLC. This firm alone has a net worth in excess of twenty million dollars. He is married (Angela) with three children.

Joseph Aiello has the individual knowledge and ability to run a successful Medical Marihuana Provisioning Center. He routinely attends seminars and workshops to keep up to date with rules and regulations within the industry at both the state and municipal levels. He is actively involved in securing licensing for several other medical marihuana facilities in the State of Michigan.

Joseph Aiello has been instrumental and has an ownership in facilities that have been licensed by municipalities including:

**City of Warren, Michigan**
24224, Mound Road, Warren, Michigan
Growing medical marihuana
March 2017 – Present
Occupancy approved by Building Department, City of Warren, Michigan (1 City Square #305, Warren, Michigan 48093 Tel. (586) 574-4504)

**City of Ferndale, Michigan**
903 E. Lewiston, Ferndale, Michigan
Medical Marihuana Provisioning Center
Municipal license granted in 2014 by Ferndale City Counsel (City Hall Annex, 5694 Second Avenue, Ferndale, Michigan 48220. Email: SusanDuncan@cityofferndale.org)

**City of Detroit, Michigan**
14917 Gratiot, Detroit, Michigan
Medical Marihuana Provisioning Center
November 2017 – Present
Municipal license granted by: Board of Zoning Appeals, City of Detroit (Coleman A. Young Municipal Centre, 2 Woodward Avenue, Suite 212, Detroit, Michigan 48226 Tel. (313) 224-3595)
OPERATORS AND EMPLOYEES

c. Margaret (Margo) Carter

Margaret Carter studied medical billing at Baker College for two years. For six years until 2009, she managed the pharmacy and health/beauty departments at Arbor Drugs in Warren. She was the Manager at Brightside Dental in Warren where she was in charge of employees, patient relations, booking, billing, payroll, medical billing and inventory management. For five and one-half years, she managed an automotive collision shop (Steve’s Custom Color) again being in charge of insurance claims, ordering, scheduling, payroll and accounting. She has additional experience in accounting and bookkeeping when she worked for S&D Rental Properties, LLC for five years.

Margaret Carter has been a licensed medical marihuana patient and caregiver for more than two years. Her own experience with pain management makes her an exceptional asset with patient-caregiver interactions. She has extraordinary knowledge of the various medicines that can be used to treat patients. She constantly attends seminars and events to stay current with new products and new treatment plans. She can offer suggestions and dosage instructions to help the patient. In addition to her accounting and management skills, she is responsible, well-organized and has great social skills.

d. Sara Mokoski

Sara Mokoski (a Lansing resident) has a bachelor’s degree in Kinesiology from Michigan State University. For three and one-half years, she was employed at the MSU Bakery where she collaborated with the HR Department, did marketing of products online, and fulfilled product orders. She was a Behavioral Therapist for a year and one-half treating autistic children when employed by Responses located in Portage, Michigan. She was also a Personal Trainer for six months when she worked for Compel Fitness in Lansing.

As a licensed medical marihuana patient, Ms. Mokoski has first hand experience with medical marihuana products and their effects on the human body. Her graduate degree also provides invaluable experience as Kinesiology involves the scientific study of human body movement, addressing the physiological, biomechanical, and psychological mechanisms of movement.
LOCATION AND DISTANCE TO BUFFERED USES

2117 Cedar, Inc. is located a distance greater than all required for buffered uses.

a. The closest school is as follows: (1,000 feet per 1300.13(A)(1))

   Success VLC – 1,417 feet

   Notes:

   1. Potterville Adult Education is not a “school” under Ordinance definitions 1300.2(F) because a “school” provides instruction to children and youth in grades pre-kindergarten through 12, and Headstart when the instruction is provided by a school.

   2. Family Growth Center located at 549 E. Mt Hope, Lansing, Michigan is not a “school” because it is a child care center that is not provided by a school. (It has been identified in Item d. of this statement.

   3. Maplewood School formerly located at 2216 S. Cedar Street is closed and boarded up.

b. The closest library is as follows: (500 feet per 1300.13(A)(2))

   John W. Chi Memorial Medical Library – 5,833 feet

c. The closest public playground is as follows: (500 feet per 1300.13(A)(2))

   Clifford Park – 1,696 feet

d. The closest commercial childcare organization (non-home occupation) is as follows: (500 feet per 1300.13(A)(2))

   Family Growth Center – 1,115 feet

e. The closest church is as follows: (500 feet per 1300.13(A)(2))

   Mt Hope United Methodist – 1,030 feet
f. The closest substance abuse prevention services or substance abuse treatment and rehabilitation service is as follows: (500 feet per 1300.13(A)(2))

Red Cedar Clinic – 2,762 feet
Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

Enter a city, a zip code, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

Distance From: Success V.L.C, Lansing, Michigan
Distance To: 2117 S Cedar, Lansing, Michigan

Calculate Distance

Straight line distance: 0.26 miles, 0.43 kilometers (km), 1399 feet, 426 meters
Driving distance: 0.27 miles, 0.43 kilometers (km), 1417 feet, 432 meters

3 Steps to Fast Maps & Directions
1) Click "Get Maps"
2) Free Access - No Sign Up
3) Get Free Directions and Maps

Google Express
Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

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Distance From: 2117 S Cedar, Lansing, MI  Distance To: John W Chi Memorial Medical Library, Li

Straight line distance: 0.52 miles, 0.84 kilometers (km), 2771 feet, 845 meters
Driving distance: 1.10 miles, 1.78 kilometers (km), 5633 feet, 1778 meters

Other tools to help with distance questions
In addition to this tool we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
Playground or Park - 1,696 feet

Clifford Park

Capital Area
Michigan Works
Google Map Developers
not associated with google maps

Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

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Distance From: 2117 S Cedar, Lansing, MI Distance To: Clifford Park, Lansing, Michigan

Calculate Distance

Straight line distance: 0.16 miles, 0.26 kilometers (km), 856 feet, 261 meters
Driving distance: 0.32 miles, 0.52 kilometers (km), 1696 feet, 517 meters

Google

You can share or return to this by using the link below
https://www.mapdevelopers.com/distance_from_to.php?
&from=2117%20S%20Cedar%20Lansing%20MI&to=Clifford%20Park%20Lansing

Get Maps

3 Steps to Fast Maps & Directions
1) Click "Get Maps"
2) Free Access - No Sign Up
3) Get Free Directions and Maps online

All your stores in one

Google Express

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Distance From: 2117 S Cedar, Lansing, MI
Distance To: Family Growth Center, Lansing, Michigan
Calculate Distance

Straight line distance: 0.21 miles, 0.34 kilometers (km), 1115 feet, 340 meters
Driving distance: 0.27 miles, 0.43 kilometers (km), 1417 feet, 432 meters

Other tools to help with distance questions

In addition to this tool we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

Enter a city, a zipcode, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

Distance From: 2117 S Cedar, Lansing, MI  Distance To: Mt Hope United Methodist, Lansing, MI  Calculate Distance

Straight line distance: 0.19 miles, 0.31 kilometers (km), 1015 feet, 309 meters
Driving distance: 0.20 miles, 0.31 kilometers (km), 1030 feet, 314 meters

Other tools to help with distance questions

In addition to this tool we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
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Distance From: [2117 S Cedar, Lansing, MI] Distance To: [Red Cedar Clinic, Lansing, Michigan]  Calculate Distance

Straight line distance: 0.27 miles, 0.44 kilometers (km), 1441 feet, 439 meters
Driving distance: 0.52 miles, 0.84 kilometers (km), 2762 feet, 842 meters

3 Steps to Fast Maps & Directi
1)  Click "Get Maps"
2)  Free Access - No Sign Up
3)  Get Free Directions and Ma

All your stores in on:

Google Express

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DETRIMENTAL ACTS TO SECURITY, SAFETY, MORALS, GOOD ORDER, AND GENERAL WELFARE

FRANK MASTROIANNI, states the following:

1. I am a Director of 2117 Cedar Inc. and have the authority to issue this statement.

2. The Applicant, 2117 Cedar Inc., a subsidiary of FMJRL, Inc. and a Michigan Corporation has submitted an Application for a Medical Marihuana Licensure to operate a provisioning center at 2117 South Cedar Street, Lansing, Michigan 48910.

3. The Applicant and the stakeholders of the Applicant have no record of acts detrimental to security, safety, morals, good order or general welfare.

4. The Applicant and the stakeholders of the Applicant have no record of any complaints or incidents with the Lansing Police Department.

5. The Applicant and the stakeholders of the Applicant have no record of any business litigation history.

/s/ Frank Mastroianni
Frank Mastroianni, Director
2117 Cedar Inc.
Medical Marihuana Application: 2117 S. Cedar Inc.

City Clerk Summary of Key Findings

**Increased Traffic on Side Streets Will Be Ranked Lower**

Upon further review we found that the applicant will be awarded 3 points instead of 1. This is due to their high traffic rating by our traffic expert. However, the traffic department recommends that they close the S. Cedar entrance which would push traffic towards the neighborhoods, whereas the applicant recommends closing the side entrance to avoid sending traffic into the side streets. Due to these conflicting proposals no additional points were awarded.

**Traffic Plan**

Upon further review we have found that the applicants “Land Use and Effects on Surrounding Neighborhood” section counts as a traffic plan. The applicant will be awarded 1 point instead of 0.

However, we disagree with the appellant argument that “Land Use and Effects on Surrounding Neighborhood” should be consider an appropriate Noise plan or Odor plan.
Mr. Mastroianni,

Per our conversation, I wanted to make you aware that the status of the application for 2117 Cedar, Inc. at 2117 S. Cedar Street has been updated from DENIED to PENDING as of October 1, 2018.

If we need any additional information or a change in your status, we will let you know.

Have a good day.

Brian P. Jackson  
Chief Deputy City Clerk, CMMC  
Lansing City Clerk’s Office  
124 W. Michigan Avenue | Lansing, MI 48933  
O: 517-483-4135  Fax: 517-377-0068  
brian.jackson@lansingmi.gov  
Website | Facebook | Twitter

Chris Swope, MMC/CMC  
Lansing City Clerk
Stamps
endicia

Shipping Label Receipt

Delivery Confirmation™ Service Number:

9405 5116 9900 0719 8410 65

Priority Mail 2-DAY with USPS TRACKING #
Electronic Service Fee: $0.00
Total Postage and Fees: $8.35
Weight: 1 oz
Print Date: 12/06/2018

Mailing Date: 12/06/2018

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

To:
2117 Cedar Inc
32411 Mound Rd
Warren MI 48092-3827

*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.
From: Chris Swope <no-reply@stamps.com>
Sent: Thursday, December 06, 2018 4:12 PM
To: Biehler, Deb
Subject: Chris Swope has sent you a package

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:** 2117 Cedar Inc  
  32411 Mound Rd, Warren, MI 48092-3827
- **Mailing Date:** 12/6/2018
- **Est. Delivery:** 2 days
- **Service:** Priority Mail (R)
- **Signature:** Not Required
- **Tracking:** 3405511699000718841055

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

2117 S Cedar Inc
32411 Mound Road
Warren, MI 48092

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 2117 S Cedar St.

You have the right to appeal this denial of licensure within 14 days of the date of this letter by filing with the City Clerk’s Office a written statement setting forth fully the grounds for the appeal pursuant to Chapter 1300.15(c). Please note that initial appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted 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,

Chris Swope

Chris Swope, Master Municipal Clerk
Lansing City Clerk

CC: City of Lansing Law Department
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<th>Applicant Name</th>
<th>Total Possible Points</th>
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<th>Z217 CEDAR INC</th>
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<td>Scoring Insights</td>
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<td>Applicant provides several marketing, advertising and promotion examples and one minor prevention example (e.g., no advertising or product marketing appealing to minors, website with SEO, etc.) but doesn't get into much more detail. Lacks sufficient details and minor prevention examples.</td>
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<td>Job Creation</td>
<td>5</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>(Integrated System)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall number of jobs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>created</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Structure and</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Financing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plans to Integrate Facility</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>with Other Establishments</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>Charitable Plans and Strategies</td>
<td>4</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>Applicant indicates they will contribute a minimum of $100,000 annually to charitable causes, indicates they have been selected by Northern MI University to educate students (legal document provided), and included proof of checks totaling $600 already written to local organizations.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>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.</th>
<th>5</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant indicates their initial provisioning center will generate about 20 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Fall short of an optimal level of details.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Amount and Type of Compensation (PC)</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant states that the provisioning center employees will earn between $15 and $30/hour but does not provide an optimal amount of support details.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percent of Employees Earning At Least $15/Hour (PC)</th>
<th>3</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant indicates that all of the hourly positions will be paid no less than $15 to $30/hour.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Projected Annual Budget and Revenue (PC)</th>
<th>2</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant provides a single line item number for annual budget and revenue (e.g., $1.02 million in expenses and $1.2 million in revenue) but no other details. Lacks sufficient details.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sufficient Financial Resources</th>
<th>5</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant provides litigation compliance verification forms for all key team members. Applicant proves they have well over $800,000 in the bank and over $1 million in liquid assets.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business Experience</th>
<th>5</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant indicates they have 2+ years as a medicinal marijuana caregiver, plus decades of business experience (e.g., business management, pharmacy, book keeping). Lacks the optimal amount of applicable business experience.</td>
<td></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>4</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------------------------------------------</td>
<td>----</td>
<td>----</td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Increased traffic on side streets will be scored lower</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td>Plan to meet with neighborhood organizations</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Improvements made or proposed to building</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Plan to minimize/eliminate traffic</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Plan to minimize/eliminate noise</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Plan to minimize/eliminate odor</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>LPD Complaints</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Demo of Regulatory Compliance</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Litigation History</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100</td>
<td>73</td>
</tr>
</tbody>
</table>
In re: 2117 Cedar Inc.

Applicant

ADMINISTRATIVE APPEAL TO CITY CLERK
PURSUANT TO LANSING ORDINANCE 1300.15(C)

ACTION APPEALED FROM

2117 Cedar Inc. applied for licensing to operate a Medical Marihuana Provisioning Center at 2117 South Cedar Street, Lansing, Michigan 48910 in December 2017. On December 6, 2018, the Lansing City Clerk notified the Applicant that their score of 75 out of 100 eliminated the possibility of scoring in the top twenty. The Applicant, 2117 Cedar Inc., appeals the scoring of their application. (See Exhibit #1)

APPLICABLE ORDINANCE FOR REVIEW

1300.15 – LICENSE REVOCATION; BASES FOR REVOCATION; APPEAL OF 38 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 75 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 presented materials.

DISCUSSION

CONTENT AND SUFFICIENCY OF INFORMATION; PROFESSIONALISM OF SUBMITTED DOCUMENTATION INCLUDING CLEAR LABELING OF REQUIRED ITEMS
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 4

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” indicate “Table of Contents, org chart, short and long term goals & outreach”.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) examine the overall presentation of the materials submitted by the Applicant. The Applicant submitted over 175 pages of material, with color illustrations, in a bound folder. On the exterior of the folder was an artist rendering of the proposed facility. There was a Table of Contents with tab dividers to allow easy access to any portion of the application. There was a budget breakdown including a proposed Master Plan for the various medical marihuana facilities sought by the Applicant’s parent company (FMJRL, Inc.)

The Scoring Criteria evaluated: (1) Ownership structure, (2) Organizational chart, (3) Worker training program, (4) Short-term and long-term goals and objectives, and (5) Community outreach & education. The “scoring insights” had the following remarks - “Table of Contents, org chart, short and long term goals & outreach”. The “scoring insights” addressed each of the scoring criteria with the exception of the worker-training program. If the Applicant was deducted a point for not addressing this issue, the scorer missed the Applicant’s materials directly addressing Employee education and training. In Tab #11 (identified as “Statement Regarding Employee Training and Education”), the Applicant provided the following:

2117 Cedar Inc. intends to ensure all personnel are properly trained and educated to run a first-class Medical Marihuana Provisioning Center. To accomplish this goal, the staff must:

a. Understand the rules and regulations imposed by the City of Lansing and the State of Michigan relative to City Ordinances, the MMMA, the

-93-
MMFLA, and the MTA. This involves educating the staff and making sure they attend seminars to maintain the proper level of proficiency.

b. Complete compliance training that will cover all municipal, state, and federal laws and requirements relating to medical marihuana. Obligations of licensed cannabis collectives will be emphasized. Other topics may include the rules and regulations of the dispensary, sexual harassment training, effective interaction with law enforcement personnel, and the rights and responsibilities of medical marihuana patients.

c. Complete medical training that will include disabled rights and sensitivity, how to identify and interact with a patient having a medical emergency, the proper uses and benefits of medical marihuana, and an introduction to the other medical treatments offered by our wellness program.

d. Understand the floor plan of the dispensary and the various safety and security measures to handle any emergency situation that might develop. In addition to its focus on safety, security training will include acceptable currency identification and counterfeit detection, warning signs of possible diversion to the illegal market, lock and alarm procedures, perimeter and entrance control, robbery response techniques, conflict resolution techniques, and diversion detection techniques.

e. Follow procedures in an employee handbook that will be given to all staff personnel. The handbook communicates business rules and performance standards, encourages employees to behave in a certain way, and helps ensure employees are treated consistently.

f. Understand the various products that would be available to patients. Just as a pharmacy technician would not suggest eye drops to someone with the symptoms of diarrhea, different strains are known to produce different effects.

See Exhibit #4 – Statement Regarding Employee Training and Education

Additionally, the Applicant received notice from the City Clerk in August 2018 that its score of 72 had eliminated the possibility of scoring in the top twenty. See Exhibit #3 City of Lansing Provisioning Center Ranking – printed on August 3, 2018. The Applicant filed an Administrative Appeal pursuant to Lansing Ordinance 1300.15(C) and was rescored. In the initial scoring, the Applicant was awarded a full score of five points for this category. The comments in the original scoring indicated the remarks – “Table of Contents, org chart, short and long term goals & outreach”. The same remarks appear for the December scoring – “Table of Contents, org chart, short and long term goals & outreach”. There were no changes in circumstances that would have warranted a change in score from 5 points to 4 points. The only explanation is scorer bias.

Finally, in the letter from the Lansing City Clerk informing the Applicant about their right to an appeal, the letter informs the Applicant that, “appeals are limited to materials provided during the application process” and “no new material will be considered on appeal”. If the Applicant is restricted to materials provided during the application process, the reviewer (re-scorer) should be bound by the same limitations. Again, nothing
changed from December 2017 when the application was submitted to August 2018 when the Applicant’s score was disclosed to December 2018 when the Applicant’s score was changed without explanation.

For this category, the Applicant should have been awarded 5 points and not 4 points.

MARKETING, ADVERTISING AND PROMOTION – MINIMIZATION OF EXPOSURE TO MINORS
TOTAL POSSIBLE POINTS AVAILABLE: 4
POINTS AWARDED: 3

EXPLANATION GIVEN FOR POINTS AWARDED: The Scoring Insight notes indicate that “Applicant provides several marketing, advertising and promotional examples and one minor prevention example (e.g. no advertising or product marketing appealing to minors, website with SEO, etc.) but doesn’t get into much more detail. Lacks sufficient details and minor prevention examples.”

DISCUSSION: Marketing, advertising and promotion of a medical marihuana provisioning center involves much more than simply placing ads. As detailed in the Applicant’s Business Plan, 2117 Cedar Inc. will be actively involved in community relations (Business Plan - Page 5) (See Exhibit #7). We expect to partner with the local community and local coalitions to inform the community about medical cannabis issues (Business Plan - Page 10) (See Exhibit #7). We would be holding or participating in community meetings as part of our community outreach program (Business Plan - Page 10) (See Exhibit #7). We would be holding education programs and workshops to benefit the community (Business Plan - Page 11) (See Exhibit #7). We would keep our corporate “brand” visible through sponsorship of community and industry causes (Business Plan - Page 12) (See Exhibit #7). We would offer community outreach and community benefit programs to the financially disadvantaged (Business Plan - Page 12) (See Exhibit #7). We would be hiring local employees. All of these are examples of marketing and advertising that the examiner did not take into consideration when awarding the given score.

Our marketing plan not only includes advertisement placement, it included marketing from the inside out. We would be hiring new employees as part of a marketing plan in addition to providing our work force (Business Plan - Page 7) (See Exhibit #7). Hiring local employees is beneficial for many reasons. Hiring from the local talent pool signals to customers and clients that you are a true citizen of the community. You are invested in its’ growth, the well-being of its’ citizens and the health of the local economy. Vetting candidates is easier. This may sound cynical, but local candidates are less likely to stretch the truth in their application materials. It’s easier to build a network that has a local foundation of employees. Customers want to work with people they know and trust. Finally, it equally important that local employees are less likely to leave their employment. The Applicant also detailed charitable endeavors that would be part of an overall marketing plan. These examples were also excluded from scoring.
As for minor prevention methods, first and foremost is that in order to gain admittance to our facility, the customer must show a valid patient/caregiver ID card and a valid state identification (Business Plan - Page 18) (See Exhibit #7). So not only do we not market to youths, we won’t sell to them as well.

In conclusion, our Business Plan details several marketing techniques far beyond websites with SEO. For this category, the Applicant should have been awarded 4 points instead of 3 points.

JOB CREATION (OVERALL NUMBER OF JOBS CREATED)
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 4

EXPLANATION GIVEN FOR POINTS AWARDED: The Scoring Insight notes disclose that the “Applicant indicates 240 Lansing jobs will be created by their medical marihuana operations but does not provide much detail about them”.

DISCUSSION: As “detailed” in our Business Plan, 2117 Cedar Inc. expects to create 240 Lansing jobs. For our provisioning center personnel, 20 new jobs will be filled as follows:

- Pharmacist (Salary)
- Dispensary Manager (Salary)
- Merchandize Manager (Salary)
- Medical Director (Salary)
- Security Officer (Salary and Hourly)
- Pharmacist technicians (Salary)
- Information Technologist (Salary)
- Budtenders/Sales agents (Hourly)
- Cashier (Hourly)
- Counter Agents (Hourly)
- Cleaners (Hourly)
- Security employees (Hourly)

This will account for 20 of the 240 jobs (Business Plan - Page 7) (See Exhibit #7). The proposed build out of the provisioning center would add approximately 50 new construction employees (Business Plan - Page 7) (See Exhibit #7). In addition, our Parent Company will be seeking licensing for a Medical Marihuana Grow facility and a Medical Marihuana Processing facility, each of which will add 100 new jobs (Business Plan - Page 7) (See Exhibit #7). Since our business plan involves hiring from the local talent pool, of the 270 total jobs created, we estimated that 240 would come from the Lansing market.

In conclusion, our Business Plan details a complete explanation how 240 new Lansing jobs would be created. For this category, the Applicant should have been awarded 5 points instead of 4 points.
NUMBER OF JOBS AT THE PROVISIONING CENTER
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 4

EXPLANATION GIVEN FOR POINTS AWARDED: The Scoring Insight notes stated, “Applicant indicates their initial provisioning center will generate about 20 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Falls short of an optimal level of detail.”

DISCUSSION: As detailed in our Business Plan, 2117 Cedar Inc. we expect to create several new Lansing jobs. For our provisioning center personnel, 20 new jobs will be filled as follows:

- Pharmacist (Salary)
- Dispensary Manager (Salary)
- Merchandize Manager (Salary)
- Medical Director (Salary)
- Security Officer (Salary and Hourly)
- Pharmacist technicians (Salary)
- Information Technologist (Salary)
- Budtenders/Sales agents (Hourly)
- Cashier (Hourly)
- Counter Agents (Hourly)
- Cleaners (Hourly)
- Security employees (Hourly)

See Business Plan - Page 7 (See Exhibit #7). The proposed build out of the Provisioning Center would add approximately 50 new construction employees (Business Plan - Page 7) (See Exhibit #7).

The employee training is fully discussed, and the employee handbook is also included.

Applicant has more than amply answered the category. The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) shows a sliding scale where points are awarded based on the number of jobs at the Provisioning Center.

<table>
<thead>
<tr>
<th>Number of Jobs</th>
<th>Points to Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;6 jobs, insufficient detail</td>
<td>1</td>
</tr>
<tr>
<td>&lt;6 jobs, sufficient detail</td>
<td>2</td>
</tr>
<tr>
<td>6 jobs, sufficient detail</td>
<td>3</td>
</tr>
<tr>
<td>&gt;6 jobs, insufficient detail</td>
<td>4</td>
</tr>
<tr>
<td>&gt;6 jobs, sufficient detail</td>
<td>5</td>
</tr>
</tbody>
</table>

If more than 6 jobs are created, the minimum award is 4 points. In our case, we will have 70 new jobs (between provisioning center employees and construction employees). The
scoring by the examiner indicates a maximum score at 6 employees. We expect to employ 70!

For detail of the jobs created, again the Applicant’s Business Plan sets forth the identity of these new employees:

Pharmacist (Salary)
Dispensary Manager (Salary)
Merchandize Manager (Salary)
Medical Director (Salary)
Security Officer (Salary and Hourly)
Pharmacist technicians (Salary)
Information Technologist (Salary)
Budtenders/Sales agents (Hourly)
Cashier (Hourly)
Counter Agents (Hourly)
Cleaners (Hourly)
Security employees (Hourly)

Insufficient detail would have been to give a number with no further explanation. For this category, the Applicant should have been awarded 5 points instead of 4 points.

-------------------------------------------------------------------------------------

AMOUNT AND TYPE OF COMPENSATION
TOTAL POSSIBLE POINTS AVAILABLE: 2
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: The Scoring Insight notes disclosed the following: “Applicant states that the provisioning center employees will earn between $15 and $50/Hour but does not provide an optimal amount of support detail.”

DISCUSSION: As detailed in our Business Plan, 2117 Cedar Inc. we expect to have approximately 20 provisioning center employees. For our provisioning center personnel, the breakdown of those positions are as follows:

Pharmacist (Salary)
Dispensary Manager (Salary)
Merchandize Manager (Salary)
Medical Director (Salary)
Security Officer (Salary and Hourly)
Pharmacist technicians (Salary)
Information Technologist (Salary)
Budtenders/Sales agents (Hourly)
Cashier (Hourly)
Counter Agents (Hourly)
Cleaners (Hourly)
Security employees (Hourly)

As can be readily seen, the first seven positions are salaried positions and would not be covered by the $15.00 - $50.00/hour rate (Business Plan - Page 7) (See Exhibit #7). These positions would be compensated based on experience and suitability for the position.

Along with Municipal Ordinance, the City published a Medical Marihuana Provisioning Center Scoring Criteria (See Exhibit #2) outline (See enclosed).

<table>
<thead>
<tr>
<th>Job creation</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of jobs at the provisioning center</td>
<td>5</td>
</tr>
<tr>
<td>Amount of compensation</td>
<td>2</td>
</tr>
<tr>
<td>Percent of employees earning over $15 per hour</td>
<td>3</td>
</tr>
<tr>
<td>Projected annual budget and revenue</td>
<td>2</td>
</tr>
</tbody>
</table>

For the sub-category entitled “Amount and Type of Compensation”, there is no subjectivity to this scoring. The “amount of compensation” required a response indicating an amount. As for the type of compensation, the acceptable responses would have been either hourly or salaried.

The applicant clearly stated for their hourly employees, compensation will be paid at an hourly rate of between $15.00 and $50.00 per hour depending on the position and the relative experience of the employee. The “scoring insights” describing the deduction from full scoring as lacking “an optimal amount of support details”. This is inconsistent with the category itself. There is no subjectivity to the scoring of this sub-category. Again, the category did not ask for a description - simply an amount.

In conclusion, our Business Plan detailed exactly what was asked. For this category, the Applicant should have been awarded 2 points instead of 1 point.

**PROJECTED ANNUAL BUDGET AND REVENUE**

**TOTAL POSSIBLE POINTS AVAILABLE:** 2

**POINTS AWARDED:** 1

**EXPLANATION GIVEN FOR POINTS AWARDED:** The notes to the scoring reflect, “the Applicant provides a single line item number for annual budget and revenue (e.g. $1.02 million in expenses and 1.2 million in revenue) but no other information”. The “scoring insights” deducted 1 point as it “lacks sufficient details”.

**DISCUSSION:** The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) for this variable were stated as follows:

<table>
<thead>
<tr>
<th>Job creation</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of jobs at the provisioning center</td>
<td>5</td>
</tr>
<tr>
<td>Amount of compensation</td>
<td>2</td>
</tr>
<tr>
<td>Percent of employees earning over $15 per hour</td>
<td>3</td>
</tr>
<tr>
<td>Projected annual budget and revenue</td>
<td>2</td>
</tr>
</tbody>
</table>
The “projected annual budget and revenue” required a response indicating an amount. In good faith, the Applicant projected their annual revenue at $1,200,000. This was consistent with their size and proposed location.

For their budget, the Applicant first considered their total investment expenditures for the first year (exclusive of the cost of real property acquisition) as:

<table>
<thead>
<tr>
<th>Expected Buildout Costs</th>
<th>$700,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security Equipment</td>
<td>$ 50,000.00</td>
</tr>
<tr>
<td>Legal Expenses</td>
<td>$ 35,000.00</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>$ 24,000.00</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>$ 75,000.00</td>
</tr>
</tbody>
</table>

(Business Plan – Page 7) (See Exhibit #7)

When you factor in the costs for rent, utilities, salaries and other operating expenses, an annual budget of $1,020,000 is a realistic and calculated amount. Rather than arbitrarily selecting figures that might impress the reviewing authorities, the applicant has clearly stated an amount for annual revenue and expenses.

For this category, the Applicant should have been awarded 2 points instead of 1 point.

----------------------------------------
BUSINESS EXPERIENCE
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 4
----------------------------------------

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” deducted 1 point as it “lacked the optimal amount of applicable business experience”.

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

Business Experience: History of success in operating business or businesses, years of operation, relevant business experience, other commercial licenses, medical certifications, and/or licenses.

5

With medical marihuana sale only recently approved, most Michigan entities will not have any tangible business experience selling marihuana. Joseph Aiello does have experience operating a Medical Marihuana Provisioning Center in the City of Detroit prior to submission of this Application. Power Play Powersports 2, Inc. was granted a municipal license to operate a medical marihuana provisioning center at 14917 Gratiot, Detroit, Michigan. This fact was clearly set out in the Resume re Marihuana Experience (Page 2) (See Exhibit #7) but was not recognized by the reviewers in the “scoring
"insights". This is in addition to the "decades of business experience" running multi-million-dollar entities and having pharmaceutical and bookkeeping experience that is crucial to operating a successful business.

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: 0

EXPLANATION GIVEN FOR POINTS AWARDED: The "scoring insights" deducted 4 points as the location is "very close to residential".

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) for this variable were stated as follows:

Impact on neighborhood Buffering between residential zoned areas and establishment
5

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 MEDICAL MARIJUANA PROVISIONING CENTERS.

(A) EXCEPT IN ACCORDANCE WITH SECTION 1300.18, FOR BUFFERING AND DISPERSION PURPOSES, NO MEDICAL MARIJUANA 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 MARIJUANA PROVISIONING CENTER.

(B) MEDICAL MARIJUANA 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 (See Exhibit #2) focus uses the phrase “residential zoned areas” (plural). A plain reading of the scoring criteria and the applicable ordinance must therefore focus on the enumerated factors in the ordinance itself—(Ordinance 1300.13(A)) setbacks from schools, libraries, playgrounds, childcare, churches and substance abuse prevention centers. Clearly setbacks for schools, libraries, playgrounds, childcare facilities, places of worship and substance abuse prevention centers relate to residential-related services (as opposed to commercial-related services).

Verified by submitted maps measuring the distances, the Applicant satisfied all of the stated buffering requirements: (see Location and Distance from Buffered Areas)(See Exhibit #10)

<table>
<thead>
<tr>
<th></th>
<th>Allowed Distance</th>
<th>Actual Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>School</td>
<td>1,000 feet</td>
<td>1,417 feet</td>
</tr>
<tr>
<td>Library</td>
<td>500 feet</td>
<td>5,833 feet</td>
</tr>
<tr>
<td>Playground</td>
<td>500 feet</td>
<td>1,696 feet</td>
</tr>
<tr>
<td>Commercial childcare</td>
<td>500 feet</td>
<td>1,115 feet</td>
</tr>
<tr>
<td>Church</td>
<td>500 feet</td>
<td>1,030 feet</td>
</tr>
<tr>
<td>Substance abuse prevention</td>
<td>500 feet</td>
<td>2,762 feet</td>
</tr>
</tbody>
</table>

A comparison of the actual distances with the setback distances show the following multiplied distances from the required setbacks:

<table>
<thead>
<tr>
<th></th>
<th>Actual Distance</th>
<th>Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>School</td>
<td>1,417 feet</td>
<td>1.47 times</td>
</tr>
<tr>
<td>Library</td>
<td>5,833 feet</td>
<td>11.67 times</td>
</tr>
<tr>
<td>Playground</td>
<td>1,696 feet</td>
<td>3.92 times</td>
</tr>
<tr>
<td>Commercial childcare</td>
<td>1,115 feet</td>
<td>2.23 times</td>
</tr>
<tr>
<td>Church</td>
<td>1,030 feet</td>
<td>2.06 times</td>
</tr>
<tr>
<td>Substance abuse prevention</td>
<td>2,762 feet</td>
<td>5.52 times</td>
</tr>
</tbody>
</table>

From the foregoing chart, the Applicant is located at least double the distance from the stated setbacks (it is located approximately 1½ time the distance from the nearest school).

The “scoring insights” indicate the establishment was “very close to residential”. If the
comment was the establishment was very close to a residential property, the reviewer has interjected a requirement not stated to be evaluated in either the ordinance or the scoring criteria. The Lansing Ordinance does not require the facility be located a specific distance from residential housing. In fact, Lansing is one of a very few municipalities that does not have a setback requirement from residential housing. The property qualifies as a proper location for a Medical Marihuana Provisioning Center. When the Applicant’s landlord purchased the property in anticipation of the Applicant presenting an application for a medical marihuana provisioning center, the location from known setbacks were taken into consideration. If the proximity to residential property were going to be considered, a different site would have been selected.

The Applicant received notice from the City Clerk in August 2018 that its’ score of 72 had eliminated the possibility of scoring in the top twenty. (See Exhibit #3) The Applicant filed an Administrative Appeal pursuant to Lansing Ordinance 1300.15(C) and was rescored. In the initial scoring, the Applicant was awarded one point for this category. The comments in the original scoring indicated the remarks – “very close to residential”. The same remarks appear for the December scoring – “very close to residential”. There was absolutely no change in the location of this Applicant between August and December. The only explanation is scorer bias.

In the letter from the Lansing City Clerk informing the Applicant about their right to an appeal, the letter informs the Applicant that, “appeals are limited to materials provided during the application process” and “no new material will be considered on appeal”. If the Applicant is restricted to materials provided during the application process, the reviewer (re-scorer) should be bound by the same limitations.

The language set forth in the scoring criteria mandates comparison to the buffering requirements stated in the ordinance. There are no other buffering requirements stated in the Ordinance. The proximity of the property to the identified buffers defines the criteria for the award of points. An applicant that is located on the fringe of a stated buffer should score less than an applicant that is located more than double the distance from that same buffer. A score of zero points totally disregards the fact that the property is located more than double the distance from the identified buffers.

For this category, the Applicant should have been awarded 5 points and not 0 points.

ENTRANCE AND EXIT ON MAIN STREETS, ADEQUATE PARKING NOT ON RESIDENTIAL STREETS, QUALITY OF SECURITY PLAN
TOTAL POSSIBLE POINTS AVAILABLE: 10
POINTS AWARDED: 7

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” indicate minimum requirements for security plan Tier 2, Traffic 5 pts, strong traffic patterns, parking and circulation.

DISCUSSION: To address the entrance and exit on main streets, the facility faces South Cedar Street and the plan is to have the flow of traffic enter and exit onto South Cedar
Street. By looking at the Applicant's Site Plan, the flow of traffic is onto South Cedar Street and away from Riley Street or Colvin Court. Therefore, there should have been no deductions based on the ingress/egress onto South Cedar Streets.

To address the adequacy of parking the Applicant's Site Plan (See Exhibit #6) has 32 available parking spaces. The site was a former used car lot. In addition, there will be a block wall to the East of the Applicant's lot to act as an additional buffer and to discourage any parking on the neighboring side streets. In addition, there will be signage on the Applicant's property not to park on the neighboring side streets. Therefore, there should have been no deductions as to the adequacy of the Applicant's proposed parking.

The examiner was satisfied with the Applicant's Security Plan and articulated no negative comments. Therefore, there would be no scoring deductions based on the Applicant's Security Plan.

For this category, the Applicant should have been awarded 5 points and not just 1 point.

PLANS TO ELIMINATE/MINIMIZE NOISE
TOTAL POSSIBLE POINTS AVAILABLE: 2
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: The "scoring insights" indicate an inadequate noise plan.

DISCUSSION: South Cedar Street is a major thoroughfare, routinely used by commercial vehicles and by many oversized commercial vehicles. The Applicant cannot be penalized for this fact. This facility will not add to the noise level, but equally important, this facility cannot minimize the noise level from the commercial traffic. We have stated measures that will impact "our" generated noise level, however the municipality should address the overall commercial noise level if it is an issue to the residential neighborhood.

There is no evidence the "facility itself" would increase the level of noise. There is no manufacturing going on at the facility. No speakers are depicted in the Applicant's Site Plan to play amplified music. Therefore, the only increase in the noise level would be from automotive traffic in the facility parking lot. The Applicant's Land Use and Effect on Traffic Patterns directly addressed this issue (See Exhibit #8). The Applicant proposed the following to directly address noise reduction:

- Speed would be clearly posted for travel in the parking lot. By maintaining a speed limit, this would reduce the amount of sound created by customer vehicles.
- The parking lots would be smooth and maintained. By maintaining the parking lot, the materials used would absorb automotive sound.
• The proposed hours of operation would be between 9:00 am and 10:00 p.m. The proposed hours of operation would reduce the level of noise created either early in the morning or late in the evenings.

• To reduce traffic in/out of the facility, scheduled appointment times with patients would be arranged. The facility would also accept call-in orders to predict traffic patterns to minimize traffic and noise.

• By reducing the traffic flow in and out of the proposed location, this will also minimize the amount of noise to the surrounding neighborhood.

• There will be additional buffering between the proposed location and any residential neighborhood by the installation of a block wall or fencing. Just as walls are erected on highways to reduce noise, the block wall would create a noise reduction barrier to the surrounding neighboring houses.

(Land Use and Effect on Traffic Patterns – Pages 1-2) (See Exhibit #8)

Again, the Applicant was awarded zero points. A score of zero points indicates the Applicant made no attempt to address the issue. It is clear the Applicant has more than adequately addressed the issue of noise created by their facility. For this category, the Applicant should have been awarded 2 points and not zero points.

PLANS TO ELIMINATE/MINIMIZE ODOR
TOTAL POSSIBLE POINTS AVAILABLE: 3
POINTS AWARDED: 0

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” indicate an inadequate odor plan.

DISCUSSION: There is no evidence the facility itself would increase the odor level. Nevertheless, the Applicant’s Land Use and Effect on Traffic Patterns (See Exhibit #8) directly addressed this issue. The Applicant proposed the following to directly address any odor issues:

• By addressing the traffic flow in and out of the proposed location, this would also minimize the amount of noise and odor to the surrounding neighborhood.

• The proposed hours of operation would be between 9:00 am and 10:00 p.m. The proposed hours of operation would further reduce any odor level.

• Any use of medical marihuana on the premises would be strictly prohibited. This will further eliminate any odors to the surrounding neighborhood.

(Land Use and Effect on Traffic Patterns – Pages 1-2) (See Exhibit #8)
Again, the Applicant was awarded zero points. A score of zero points indicates the Applicant made no attempt to address the issue. It is clear the Applicant has more than adequately addressed the issue of odors created by their facility. For this category, the Applicant should have been awarded 3 points and not zero points.

LPD COMPLAINTS
TOTAL POSSIBLE POINTS AVAILABLE: 4
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” only awarded 1 point citing “1 assault report, 1 damage to property report, 1 fight call, 1 trouble with subject call, 2 stolen auto calls, 3 medical/welfare calls, 1 other report”, for a total of 8 calls.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) for this variable were stated as follows:

Applicant/stakeholders Lansing Police Department complaints/incidents 4
record of acts detrimental Demonstration of regulatory compliance 2
to security, safety, morals Business litigation history 2
good order, general welfare

The focus of this sub-category is on the “applicant” and not any prior occupants. From the documents submitted, the Applicant-corporation was not formed until December 7, 2017. While the Applicant did submit a signed commercial lease agreement, the Applicant’s location has remained closed. There have been no police contacts since the Applicant’s formation.

All of the Lansing Police Department incidents occurred prior to the Applicant’s occupation of the subject property. There has been no record of any acts detrimental to security, safety, morals, good order or general welfare since the Applicant became a tenant. As stated by Frank Mastroianni, Director for 2117 Cedar Inc., the Applicant had no record of detrimental acts, nor were there any complaints or incidents with the Lansing Police Department. (See Exhibit #11) The prior occupants included a used car lot with automotive bays for auto repair. Obviously, the Applicant cannot be responsible for acts that may have occurred prior to their occupancy of the property.

For this category, the Applicant should have been awarded 4 points instead of 1 point.

DEMONSTRATION OF REGULATORY COMPLIANCE
TOTAL POSSIBLE POINTS AVAILABLE: 4
POINTS AWARDED: 3

EXPLANATION GIVEN FOR POINTS AWARDED: No tax history.

DISCUSSION: Again, the Applicant received notice from the City Clerk in August 2018 that its’ score of 72 had eliminated the possibility of scoring in the top twenty. (See
Exhibit #3) The Applicant filed an Administrative Appeal pursuant to Lansing Ordinance 1300.15(C) and was rescored. In the initial scoring, the Applicant was awarded full credit – four points for this category. The comment for no tax history was considered and rejected. Nothing has changed from the initial scoring to the present that would merit a scoring deduction.

The point is that the Applicant has no history of non-compliance. There is no mention the Applicant attempted to operate without licensing. There have been no instances of non-compliance by either stakeholder of the Applicant.

For this category, the Applicant should have been awarded 4 points instead of 3 point.

BUSINESS LITIGATION HISTORY
TOTAL POSSIBLE POINTS AVAILABLE: 2
POINTS AWARDED: 0

EXPLANATION GIVEN FOR POINTS AWARDED: Clear history.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) for this variable were stated as follows:

- Applicant/stakeholders record of acts detrimental to security, safety, morals good order, general welfare
  - Lansing Police Department complaints/incidents 4
  - Demonstration of regulatory compliance 2
  - Business litigation history 2

The remarks on the scoring criteria indicate the Applicant will get zero points if found to have violated 2016 Ordinance #1202 Moratorium. In May 2016, pursuant to Ordinance #1202, the city imposed a moratorium on new medical marijuana establishments to allow the city to complete its study of the Michigan Medical Marihuana Act (MMMA) and its implications for the city. Neither the Applicant, nor any stakeholder of the Applicant, violated the moratorium.

As noted in the comments to the scoring, the Applicant has a clear litigation history. The Applicant has never sued, or been sued.

The Applicant received notice from the City Clerk in August 2018 that its’ score of 72 had eliminated the possibility of scoring in the top twenty. The Applicant filed an Administrative Appeal pursuant to Lansing Ordinance 1300.15(C) and was rescored. In the initial scoring, the Applicant was awarded two points – the maximum amount allowable for this category. The comments in the original scoring indicated the same remarks – “clear history”. The same remarks appear for the December scoring – “clear history”. There was absolutely no litigation involving the Applicant between August and December. There is no justification for the two-point deduction.

For this category, the Applicant should have been awarded 2 points instead of 0 points.
CONCLUSION

The Applicant has addressed each category where a reduction from full point value was given. In each instance, the Applicant has clearly shown that the examiner either did not score the category correctly or overlooked the materials presented.

Based on the foregoing, a correction must be made awarding the applicant additional points.

Respectfully,

Aaron D. Geyer
Attorney for Applicant

Prepared by
AIELLO & ASSOCIATES, PLLC
Aaron D. Geyer (P-39889)
Attorney at Law
32411 Mound Road
Warren, Michigan 48092
Tel. (586) 303-2211
Fax. (586) 303-1259
aaron@chrisaiello.com
EXHIBITS

TABLE OF CONTENTS

1. Denial Letter from Lansing City Clerk with application scoring (received 12-06-18)

2. Medical Marijuana Provisioning Center Scoring Criteria

3. Application scoring received 08-03-18

4. Applicant’s Statement Regarding Employee Training and Education (originally submitted)

5. Applicant’s Cover Page (showing artist rendition of completed facility)

6. Applicant’s Site Plan (originally submitted)

7. Applicant’s Business Plan (originally submitted)

8. Applicant’s Land Use and Effect on Surrounding Neighborhood (originally submitted)

9. Applicant’s Resume Regarding Experience with Medical Marihuana or a Related Industry

10. Location and Distance to Buffered Uses (originally submitted)

December 6, 2018

2117 S Cedar Inc
32411 Mound Road
Warren, MI 48092

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](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 2117 S Cedar St.**

You have the right to appeal this denial of licensure within 14 days of the date of this letter by filing with the City Clerk's Office a written statement setting forth fully the grounds for the appeal pursuant to Chapter 1300.15(c). Please note that initial appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted 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,

Chris Swope
Master Municipal Clerk
Lansing City Clerk
CC: City of Lansing Law Department

Deb Biehler
*Medical Marihuana Specialist*
**Lansing City Clerk’s Office**
124 W. Michigan Avenue  |  Lansing, MI 48933
O: 517-483-4132  Fax: 517-377-0068
Deb.Biehler@lansingmi.gov
Website | Facebook | Twitter

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### City of Lansing Provisioning Center Ranking

<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Total Possible Points</th>
<th>2137 CEDAR INC</th>
<th>2137 CEDAR INC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>2117 5 CEDAR ST</td>
<td>2137 5 CEDAR ST</td>
<td></td>
</tr>
<tr>
<td>Marketing, Advertising and Promotion</td>
<td>4</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Tangible Capital Investment in the City of Lansing (Investment in applicants other provisioning centers was not included in score)</td>
<td>15</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Job Creation (Integrated System) Overall number of jobs created</td>
<td>5</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Financial Structure and Financing</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Plans to Integrate Facility with Other Establishments</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
</tbody>
</table>

- Applicant provides several marketing, advertising, and promotion examples and one minor prevention example (e.g., no advertising or product marketing appealing to minors, websites with SEO, etc.), but doesn't get into much more detail. Lacks sufficient details and minor prevention examples.
- Applicant provides a listing of proposed capital investment in Lansing (including the initial provisioning center (fixed costs for $300K, $1 million startup costs and subsequent grow facility (27,900 sq. ft.), processing, operation, testing, etc.) indicates $27.8 million investment associated with integrated operations (including $5 million for R&D property at 3530 E. Cavenagh).
- Applicant indicates 360 Lansing jobs will be created by their medical marijuana operations but does not provide much detail about them.
- Applicant indicates no bank financing expected, provides proof of capital in the form of bank statements (3710X) and CPA attested liquid assets availability of > $5.65 million.
- Applicant indicated they intend to integrate their initial provisioning center with a 1,500 plant, 27,000 sq. ft. grow facility and other future operations.
<table>
<thead>
<tr>
<th>Charitable Plans and Strategies</th>
<th>4</th>
<th>4</th>
<th>Applicant indicates they will contribute a minimum of $100,000 annually to charitable causes, indicates they have been selected by Northern MT University to educate students (legal document provided), and included proof of checks totaling $100,000 already written to local organizations.</th>
</tr>
</thead>
<tbody>
<tr>
<td>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>4</td>
<td>Applicant indicates their initial provisioning center will generate about 20 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Fall short of an optimal level of details.</td>
</tr>
<tr>
<td>Amount and Type of Compensation (PC)</td>
<td>2</td>
<td>1</td>
<td>Applicant states that the provisioning center employees will earn between $15 and $35/hour but does not provide an optimal amount of support details.</td>
</tr>
<tr>
<td>Percent of Employees Earning At Least $15/Hour) (PC)</td>
<td>3</td>
<td>3</td>
<td>Applicant indicates that all of the hourly positions will be paid no less than $15 to $35/hour.</td>
</tr>
<tr>
<td>Projected Annual Budget and Revenue (PC)</td>
<td>2</td>
<td>1</td>
<td>Applicant provides a single line item number for annual budget and revenue (e.g., $1.02 million in expenses and $1.3 million in revenue) but no other details. Lacks sufficient details.</td>
</tr>
<tr>
<td>Sufficient Financial Resources</td>
<td>5</td>
<td>5</td>
<td>Applicant provides litigation compliance verification forms for all key team members, applicant proves they have well over $100,000 in the bank and over $1 million in liquid assets.</td>
</tr>
<tr>
<td>Business Experience</td>
<td>5</td>
<td>4</td>
<td>Applicant indicates they have 2+ years as a medical marijuana caregiver, plus decades of business experience (e.g., business management, pharmacy, book keeping). Lacks the optimal amount of applicable business experience.</td>
</tr>
<tr>
<td>Criteria</td>
<td>Score</td>
<td>Weight</td>
<td>Description</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>-------</td>
<td>--------</td>
<td>---------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Content and Sufficiency of Information; Professionalism of submitted</td>
<td>5</td>
<td>4</td>
<td>Table of Contents, neg chart, short and long term goals &amp; outreach.</td>
</tr>
<tr>
<td>documentation including clear labeling of required items</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td>5</td>
<td>0</td>
<td>Very close to residential</td>
</tr>
<tr>
<td>Increased traffic on side streets will be scored lower</td>
<td>5</td>
<td>5</td>
<td>Major traffic control renovations needed</td>
</tr>
<tr>
<td>Entrance and exit on main streets, adequate parking</td>
<td>10</td>
<td>7</td>
<td>Minimum requirement for Sec plan Tier 2, traffic 1 pts, strong traffic patterns, parking,</td>
</tr>
<tr>
<td>not on residential streets, Quality of Security Plan</td>
<td></td>
<td></td>
<td>and circulation.</td>
</tr>
<tr>
<td>Plan to meet with neighborhood organizations</td>
<td>1</td>
<td>2</td>
<td>Have a plan</td>
</tr>
<tr>
<td>Improvements made or proposed to building</td>
<td>3</td>
<td>3</td>
<td>Plans do not reflect improvements just existing structure</td>
</tr>
<tr>
<td>Plan to minimize/eliminate traffic</td>
<td>1</td>
<td>1</td>
<td>Inadequate traffic plan</td>
</tr>
<tr>
<td>Plan to minimize/eliminate noise</td>
<td>2</td>
<td>1</td>
<td>Inadequate noise plan</td>
</tr>
<tr>
<td>Plan to minimize/eliminate odor</td>
<td>3</td>
<td>0</td>
<td>Inadequate odor plan</td>
</tr>
<tr>
<td>LPD Complaints</td>
<td>4</td>
<td>1</td>
<td>1 assault report, 1 damage to property report, 1 fight report, 1 trouble with subject, 2</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>noise, 2 noise, 3 medical check wellness calls, 1 other report, 8 calls.</td>
</tr>
<tr>
<td>Demo of Regulatory Compliance</td>
<td>4</td>
<td>3</td>
<td>No tax history</td>
</tr>
<tr>
<td>Litigation History</td>
<td>2</td>
<td>0</td>
<td>No liability history</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

-115-
# Medical Marijuana Provisioning Centers Scoring Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Plan &amp; Job Creation</strong></td>
<td></td>
</tr>
<tr>
<td>Ownership structure</td>
<td>Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items</td>
</tr>
<tr>
<td>Organizational chart</td>
<td></td>
</tr>
<tr>
<td>Worker Training Program</td>
<td>Minimization of exposure to minors</td>
</tr>
<tr>
<td>Short term and long term goals and objectives</td>
<td>Economic benefit to the City of the business plan, real property ownership, grower and/or processor facilities in the City</td>
</tr>
<tr>
<td>Community outreach &amp; education</td>
<td></td>
</tr>
<tr>
<td>Marketing, advertising, promotion</td>
<td></td>
</tr>
<tr>
<td>Tangible capital investment in the City of Lansing</td>
<td>Overall number of jobs created within the City of Lansing (highest), Lansing region, and Michigan (lowest)</td>
</tr>
<tr>
<td>Job creation</td>
<td></td>
</tr>
<tr>
<td><strong>Financial Structure and Financing</strong></td>
<td>Net worth/capitalization sufficient for business plan as evidenced by notarized CPA attestation, financial institution statements, or the equivalent.</td>
</tr>
<tr>
<td>Plans to integrate grower facility with other establishments</td>
<td></td>
</tr>
<tr>
<td>Charitable plans and strategies</td>
<td>Commitment to fiscal and/or volunteer work</td>
</tr>
<tr>
<td>Job creation</td>
<td>Number of jobs at the provisioning center</td>
</tr>
<tr>
<td></td>
<td>Amount and type of compensation</td>
</tr>
<tr>
<td></td>
<td>Percent of employees earning over $15 per hour</td>
</tr>
<tr>
<td></td>
<td>Projected annual budget and revenue</td>
</tr>
<tr>
<td><strong>Total - Business Plan/Job Creation</strong></td>
<td>Incomplete plan will get zero points</td>
</tr>
</tbody>
</table>

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S:\Clerk_Staff\Licenses\Medical Marihuana\Med Marihuana Licensing 2017\Provisioning Center License Application Scoring v4.xlsx
<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Financial Stability &amp; Experience</strong></td>
<td></td>
</tr>
<tr>
<td>Sufficient Financial Resources</td>
<td>5</td>
</tr>
<tr>
<td>Financial forms including debt, bankruptcy,</td>
<td></td>
</tr>
<tr>
<td>insololvency, tax compliance, tax returns</td>
<td></td>
</tr>
<tr>
<td>and CPA attested, active bank/financial</td>
<td></td>
</tr>
<tr>
<td>statements.</td>
<td></td>
</tr>
<tr>
<td>Business Experience</td>
<td>5</td>
</tr>
<tr>
<td>History of success in operating business or</td>
<td></td>
</tr>
<tr>
<td>businesses, years of operation, relevant</td>
<td></td>
</tr>
<tr>
<td>business experience, other commercial licenses, medical certifications and/or licenses</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Financial Stability &amp; Experience</strong></td>
<td>10</td>
</tr>
</tbody>
</table>
### Medical Marijuana Provisioning Centers Scoring Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land Use</strong></td>
<td></td>
</tr>
<tr>
<td>Impact on neighborhood</td>
<td>5</td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td></td>
</tr>
<tr>
<td>Traffic pattern(s)</td>
<td>5</td>
</tr>
<tr>
<td>Increased traffic on side streets will be scored lower</td>
<td></td>
</tr>
<tr>
<td>Resident safety</td>
<td>10</td>
</tr>
<tr>
<td>Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Land Use</strong></td>
<td>20</td>
</tr>
</tbody>
</table>
EXHIBIT 3
Dear Provisioning Center Applicant,

The Lansing City Ordinance section 1300.6 discusses Provisioning Center license application evaluation. **Your score of 72 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](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 2117 S Cedar St.**

You have the right to appeal this denial of licensure within 14 days of the date of this letter by filing with the City Clerk's Office a written statement setting forth fully the grounds for the appeal pursuant to Chapter 1300.15(c). Please note that initial appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted 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,

Chris Swope, Master Municipal Clerk
Lansing City Clerk
CC: City of Lansing Law Department

72 2117 Cedar
inc 211...ore.pdf
<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Total Possible Points</th>
<th>2117 CEĐAR INC</th>
<th>2117 CEĐAR INC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>---</td>
<td>2117 S CEĐAR ST</td>
<td>2117 S CEĐAR ST</td>
</tr>
<tr>
<td>Marketing, Advertising and Promotion</td>
<td>4</td>
<td>2</td>
<td>Scoring Insights</td>
</tr>
<tr>
<td>Tangible Capital Investment in the City of Lansing (Investment in applicants other provisioning centers was not included in score)</td>
<td>15</td>
<td>15</td>
<td>Applicant provides a listing of proposed capital investment in Lansing (including the initial provisioning center, land, building, 100K, etc.) and subsequent grow facility (e.g., R&amp;D, processing, etc.). Includes $27.8 million investment associated with integrated operations (including $2 million for R&amp;D property at 1510 E. Cavanaugh).</td>
</tr>
<tr>
<td>Job Creation (Integrated System) Overall number of jobs created</td>
<td>5</td>
<td>4</td>
<td>Applicant indicates 260 Lansing jobs will be created by their medical marijuana operations but does not provide much detail about them.</td>
</tr>
<tr>
<td>Financial Structure and Financing</td>
<td>3</td>
<td>3</td>
<td>Applicant indicates no debt financing expected, provides proof of capital in the form of bank statements ($300K) and CPA attested liquid assets availability of $5.13 million.</td>
</tr>
<tr>
<td>Plans to Integrate Facility with Other Establishments</td>
<td>2</td>
<td>2</td>
<td>Applicant indicates they intend to integrate their initial provisioning center with a 1.5 acre, 20,000 sq. ft. grow facility and future operations.</td>
</tr>
<tr>
<td>Charitable Plans and Strategies</td>
<td>4</td>
<td>4</td>
<td>Applicant indicates they will contribute a minimum of $100,000 annually to charitable causes, indicates they have been selected by Northern MI University to educate students (legal document provided), and includes proof of checks totaling $600 already written to local organizations.</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>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>4</td>
<td>Applicant indicates their retail provisioning center will generate about 20 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Fall short of an optimal level of details.</td>
</tr>
<tr>
<td>Amount and Type of Compensation (PC)</td>
<td>2</td>
<td>1</td>
<td>Applicant states that the provisioning center employees will earn between $15 and $25/hour but does not provide an optimal amount of support details.</td>
</tr>
<tr>
<td>Percent of Employees Earning At Least $15/Hour (PC)</td>
<td>3</td>
<td>3</td>
<td>Applicant indicates that all of the hourly positions will be paid no less than $15 to $16/hour.</td>
</tr>
<tr>
<td>Projected Annual Budget and Revenue (PC)</td>
<td>2</td>
<td>1</td>
<td>Applicant provides a single line item number for annual budget and revenue (e.g., $1.02 million in expenses and $1.2 million in revenue) but no other details. Lacks sufficient details.</td>
</tr>
<tr>
<td>Sufficient Financial Resources</td>
<td>5</td>
<td>5</td>
<td>Applicant provides litigation compliance verification forms for all key team members. Applicant proves they have well over $100,000 in the bank and over $1 million in liquid assets.</td>
</tr>
<tr>
<td>Business Experience</td>
<td>5</td>
<td>4</td>
<td>Applicant indicates they have 2+ years as a retail marijuana caregiver, plus decades of business experience (e.g., business management, pharmacy, book keeping). Lacks the optimal amount of applicable business experience.</td>
</tr>
<tr>
<td>Category</td>
<td>Score</td>
<td>Rating</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>-------</td>
<td>--------------</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>5</td>
<td></td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td>5</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Increased traffic on side streets will be scored lower</td>
<td>5</td>
<td>2</td>
<td></td>
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<tr>
<td>Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</td>
<td>10</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Plan to meet with neighborhood organizations</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Improvements made or proposed to building</td>
<td>3</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Plan to minimize/eliminate traffic</td>
<td>1</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Plan to minimize/eliminate noise</td>
<td>2</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Plan to minimize/eliminate odor</td>
<td>3</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>LPD Complaints</td>
<td>4</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Deno of Regulatory Compliance</td>
<td>4</td>
<td>4</td>
<td></td>
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<tr>
<td>Litigation History</td>
<td>2</td>
<td>2</td>
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<tr>
<td><strong>Total</strong></td>
<td>100</td>
<td><strong>37</strong></td>
<td></td>
</tr>
</tbody>
</table>
Mr. Mastroianni,

Per our conversation, I wanted to make you aware that the status of the application for 2117 Cedar, Inc. at 2117 S. Cedar Street has been updated from DENIED to PENDING as of October 1, 2018.

If we need any additional information or a change in your status, we will let you know.

Have a good day.

Brian P. Jackson
Chief Deputy City Clerk, CMMC
Lansing City Clerk’s Office
124 W. Michigan Avenue | Lansing, MI 48933
O: 517-483-4135  Fax: 517-377-0068
brian.jackson@lansingmi.gov
Website | Facebook | Twitter

Chris Swope, MMC/CMC
Lansing City Clerk
STATEMENT OF APPLICANT REGARDING
EMPLOYEE TRAINING AND EDUCATION

2117 Cedar Inc. intends to ensure all personnel are properly trained and educated to run a first-class Medical Marihuana Provisioning Center. To accomplish this goal, the staff must:

a. Understand the rules and regulations imposed by the City of Lansing and the State of Michigan relative to City Ordinances, the MMMA, the MMFLA, and the MTA. This involves educating the staff and making sure they attend seminars to maintain the proper level of proficiency.

b. Complete compliance training that will cover all municipal, state, and federal laws and requirements relating to medical marihuana. Obligations of licensed cannabis collectives will be emphasized. Other topics may include the rules and regulations of the dispensary, sexual harassment training, effective interaction with law enforcement personnel, and the rights and responsibilities of medical marihuana patients.

c. Complete medical training that will include disabled rights and sensitivity, how to identify and interact with a patient having a medical emergency, the proper uses and benefits of medical marihuana, and an introduction to the other medical treatments offered by our wellness program.

d. Understand the floor plan of the dispensary and the various safety and security measures to handle any emergency situation that might develop. In addition to its focus on safety, security training will include acceptable currency identification.
and counterfeit detection, warning signs of possible diversion to the illegal market, lock and alarm procedures, perimeter and entrance control, robbery response techniques, conflict resolution techniques, and diversion detection techniques.

e. Follow procedures in an employee handbook that will be given to all staff personnel. The handbook communicates business rules and performance standards, encourages employees to behave in a certain way, and helps ensure employees are treated consistently.

f. Understand the various products that would be available to patients. Just as a pharmacy technician would not suggest eye drops to someone with the symptoms of diarrhea, different strains are known to produce different effects.
EXHIBIT 5
Application
for
Medical Marijuana
Provisioning Center License

2117 South Cedar Street
Lansing, Mi. 48910

2117 S Cedar Inc.
BUSINESS PLAN

This is the written BUSINESS Plan for 2117 Cedar Inc. (“We”, “Us”, “Our”). This plan addresses and meets the application requirements of the City of Lansing’s Medical Marihuana Ordinance for the regulation and licensing of Medical Marihuana Establishments.

1. Executive Summary – Mission Statement

The mission statement of 2117 Cedar Inc. is to establish a first-class medical marijuana dispensary to retail medical marijuana to its patients. We want to provide greater access to the medicinal effects cannabis can bring to those in need. At 2117 Cedar Inc., we will always put our patients first. Our staff is knowledgeable of industry and licensing regulations. We continually attend industry seminars and workshops to stay current with evolving regulations. We are here to service the community properly, now and in the future.

It’s one thing to say we will have community involvement, it’s another thing to back up those words and promises with FACTS. We have been selected by a major university, Northern Michigan University, to provide programs to students directly related to the medical marijuana industry. We will be providing classroom education to students in the fields of medical marihuana growing, cultivation, processing, and dispensary operations.

Our dispensary will provide our patients with safe products, professionally packaged, and presented in a compassionate, service-focused way in a comfortable setting by well-trained staff. Patient care and education is a key element of our approach, and has to be part of an array of wellness and support services (transportation, interpreters, and care advocates) we offer our patients.

Our dispensary is being designed and built to feature state of the art technology with forward-looking green practices. Security and safety are critical components of our operations. We also plan to take every effort to be “good neighbors” in the community. This means providing extensive community outreach, including hiring and public involvement. It also means minimizing any negative impacts or nuisances that may arise from our operations.

Our key objectives are:

- To provide safe and legal access to medical cannabis for all qualified patients regardless of their ability to pay;

- To reduce the barriers and improve access to medical cannabis and its potential benefits, including the potential to reduce health disparities in underserved and minority residents in Lansing; and

- To revitalize our neighborhood and contribute to Lansing’s wider economic development through job creation, increased tax base, and education and outreach.

Finally, 2117 Cedar Inc. has sufficient capital in place to build, secure, and start up the proposed dispensary. We have sufficient capital to cover estimated costs of build, operation, compensation
of employees with fringe benefits, equipment costs, utility costs, legal compliance, and other operating and maintenance costs as needed. As requested, we have provided proof of capitalization to cover such amounts.

2. **Proposed Ownership Structure of the Establishment:**

2117 Cedar Inc. is one element in the FMJRL, Inc. family of companies. Frank Mastroianni has a 100% ownership in FMJRL, Inc. and shares a 50% interest in 2117 Cedar Inc. with his business partner, Joseph Aiello.

Contemporaneous with this Application, FMJRL subsidiaries will be filing a Medical Marihuana Grower application, a Medical Marihuana Processor application, and another Medical Marihuana Provisioning Center application. You will find that 2117 Cedar Inc. along with the other subsidiaries, are highly motivated and highly qualified medical marihuana businesses worthy of the opportunity to do business in the City of Lansing. **Please see attachment showing proposed Master Plan for our Medical Marihuana Development and Research Facility.**

3. **Current Organization Chart:**

Frank Mastroianni – President, Director
Joseph Aiello - Vice President, Treasurer, Secretary, Director

4. **Implementation Strategy**

2117 Cedar Inc. will use a community-driven, patient-centered care approach that will benefit all Lansing residents, including delivering care in a way that makes quality, affordable medical cannabis available to underserved minority, low-income and indigent populations. This complex commitment dictates the features of our implementation strategy:

- Patient-centered care,
- A professional clinical setting,
- Product variety,
- Scientific quality control,
- A skilled and knowledgeable staff,
- Investment in sustainable operations, community outreach, and enabling/support services.

A. **Patient-Centered Care**

The crucial element of our PCC approach will be meeting our patients where they are: communicating with them in the terms they are comfortable with. This requires that our
staff be well-trained, comfortable with diversity, and competent to interact appropriately with individuals from different backgrounds and levels of “medical literacy.” As a “socio-culturally competent” caregiver, 2117 Cedar Inc. will educate and empower its patients so that they share responsibility for their own healthcare decision-making and healthy lifestyle choices. Our PCC-focused dispensary will provide:

- A welcoming environment,
- Respect for patients’ values and expressed needs,
- Patient empowerment,
- Staff socio-cultural competence,
- Help with coordination of care across providers,
- Emphasis on patient comfort and support, and
- Community outreach and collaboration.

Our staff, facility, and operations will prioritize education and patient empowerment. Maintaining a holistic focus and supportive services, it will seek to identify underlying factors that broadly influence quality of life, with emphasis falling on pain management, avoiding unhealthy behaviors, lifestyle change, improving physical conditioning, adopting better nutritional practices, reducing stress, and taking advantage of the profound mental health benefits that patients can derive from interpersonal support such as counseling, support groups, and community activities with those suffering from similar conditions.

As noted in our discussion above, research has shown PCC to result not only in far higher levels of patient satisfaction with their care, but also in better clinical outcomes and quality of life. While we are not practicing medicine, embracing PCC as the centerpiece of our model puts us ahead of the curve in this rapidly growing trend in healthcare.

B. Professional Clinical Setting

The compassionate cause of medical cannabis is ill served by reminders of the counterculture or association with the image or ethos of the “stoner.” Our atmosphere will be designed to move medical cannabis away from any association with the counterculture or even with the casualness of uninformed home cultivation and focus attention on its scientific and medical legitimacy. In keeping with this, our dispensary collective will maintain the professional look and feel of a professional medical service clinic, and the fact that our products are scientifically cultivated and tested will be the key element in our strategy on which we plan to build public awareness of our “brand.”

C. Strain Variety

Different strains of cannabis have different therapeutic and palliative effects, some offering relief from a given condition more than others. Furthermore, patients with serious medical conditions, such as those with wasting syndrome or undergoing chemotherapy for cancer, can have very specific tolerances, intolerances, and idiopathic
reactions to medication. To offer patients customized and scientifically precise treatment options, it is critical that we provide as wide a variety of strains of medical cannabis and as great a variety of delivery methods as possible. We will also provide a wide range of oils and edibles as soon as we begin our operations.

D. Scientific Quality Control

As discussed below, all our products will be tested for purity and potency by an independent testing laboratory and bear a guarantee of scientific quality control. We will work with our independent lab to provide the best possible product at a fair price.

E. Skilled and Knowledgeable Member Staff

Without a skilled and knowledgeable staff, our product diversity and Patient-Centered Care would be of little benefit to most patients. A crucial feature of our strategy is the extensive training that our staff will undergo to be able to advise patients on such things as the specific effects and side effects of various strains or delivery methods, their benefits for specific medical conditions, and their interactions with other medications, as well as with drugs and alcohol.

Providing patients with types of information they cannot obtain in traditional health care settings conforms with our general strategy of offering something that does not replace traditional health care, but complements it by providing something critically lacking in it. The need for complementary care is particularly evident in the case of medical cannabis because physicians typically recommend only that the patient use it, without specifying the strain or delivery form. This creates a patient information deficit and education need that our approach is designed to address. Because many dispensaries do not take this need seriously enough, our educational approach will quickly distinguish our “brand.”

F. Investment in Community Outreach and Enabling Services

Many states have dispensaries offering a variety of peripheral services on a patient-centered care model. 2117 Cedar’s approach builds on successful dispensary models, improves the scope and type of community outreach, and delivers more targeted services that will benefit all Lansing residents.

5. Proposed Marketing, Advertising and Business Promotion Plan:

The success and growth of any business, especially a new business, starts with an effective marketing and advertising plan. Consistent with the promulgated Emergency Rules for the Medical Marihuana Facilities Licensing Act filed with the Secretary of State on December 4, 2017, the Applicant intends to fully comply with Emergency Rule 42.

Rule 42. Marketing and advertising restrictions.

(1) Marihuana facilities shall comply with all municipal ordinances, state law, and these rules regulating signs and advertising.
(2) A licensee shall not advertise marihuana product where the advertisement is visible to members of the public from any street, sidewalk, park, or other public place.

(3) Marihuana products must be marketed or advertised as "medical marihuana" for use only by registered qualifying patients or registered primary caregivers.

(4) Marihuana products must not be marketed or advertised to minors aged 17 years or younger. Sponsorships targeted to members aged 17 years or younger are prohibited.

It is expected that 2117 Cedar Inc. will spend over $70,000 annually for the first year using the following marketing options:

A. The proposed marketing plan starts with a proper Website with detailed information. 2117 Cedar Inc. will utilize Search Engine Optimization (SEO optimization). **SEO will position of our website and will help eliminate exposure of any marketing or promoting marihuana products to minors.**

B. 2117 Cedar Inc. will hold business events and conferences. This will improve community relations by providing educating the public.

C. 2117 Cedar Inc. will utilize alternative online advertising options including Mantis, 420 Network, 420 Click and Women Grow. These sites are known in the cannabis culture, again eliminating marketing exposure to children.

D. 2117 Cedar Inc. will advertise in thematic magazines including Dope, Cannabis Now, 420 Magazine, Marijuana Venture and MG Magazine. This also allows for specific marketing to an adult target audience within the cannabis culture.

E. 2117 Cedar Inc. will not market, advertise or sell ANY product that appeals to minor children such as "gummy bears".

6. **Verification, Paperwork, and Tracking**

A. **Verification**

Michigan allows patients and their designated caregivers to enroll in an identification program that provides them with a government-issued card identifying them as legally-qualified medical cannabis patients or caregivers. These medical marihuana identification cards allow for easy verification of the cardholder’s current eligibility status through a verification system that dispensaries and law enforcement can access. To be eligible for purchase of any medical marihuana product, we will verify the individual's credentials with a state approved identification to verify their identity. Before anyone is allowed into our facility, they must present proper credentials.

**Paperwork Compliance**
All individual patients will be required to complete an application on their initial entry into our location. The patient will have to attest they have read the application, understood it, have answered all questions truthfully, and agree to abide by all rules and requirements of the provisioning center. The individual patient will be met by a qualified staff member who will speak with the individual patient and answer any questions the patient may have. The patient will then be given a Patient Handbook.

B. Tracking

We plan to track all patients, caregivers and sales. For every day, month, quarter, and year, we will track the total number of individuals who visit the dispensary, the number of their visits, and the number, quantity, and type of products sold and on hand for sale, as well as the number of plants or products under cultivation or production. This will allow us to ensure and document for the purposes of regulatory compliance the aggregate amount of medical marihuana in our facility does not exceed allowable limits.

All books, records, and accounts, including those related to membership, will be maintained to comply with applicable laws and regulations.

7. Tax Compliance and Accounting

2117 Cedar will comply with local, state, and federal tax requirements. We are well aware of the unique federal tax implications for medical cannabis businesses, and have consulted with appropriate professionals to ensure full compliance with the Internal Revenue Service's treatment of medical marijuana. We understand that for any drug that is considered illegal by the Federal government, including medical marijuana (albeit medically legal according to the State of Michigan), a 1982 tax code prohibits cost deductions for our business. 2117 Cedar Inc. has hired a qualified Certified Public Accountant (Paul Samways) that is knowledgeable and capable of timely generating any forms or statements required.

8. Planned Tangible Capital Investment:

A. The total investment required for the first year of operation (exclusive of the cost of real property acquisition) is:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building cost</td>
<td>$300,000.00</td>
</tr>
<tr>
<td>Expected Buildout Costs</td>
<td>$700,000.00</td>
</tr>
<tr>
<td>Security Equipment</td>
<td>$50,000.00</td>
</tr>
<tr>
<td>Legal Expenses</td>
<td>$35,000.00</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>$24,000.00</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>$75,000.00</td>
</tr>
</tbody>
</table>
B. In addition to the application being submitted for this Medical Marihuana Provisioning Center, Frank Mastroianni intends to submit applications for one Medical Marihuana Grow Facility (1500 plants in a 27,000 square foot facility) and one Medical Marihuana Processor Facility the City of Lansing. We expect to add 240 new jobs to the City of Lansing, each of which will pay between $15.00 to $50.00 per hour that will have a positive economic benefit to the City.

9. Expected Job Creation from the proposed Medical Marihuana establishment:

The licensing of this establishment will create approximately 20 new jobs. It is expected the Applicant will be seeking qualified employees to fill the following jobs:

- Pharmacist (Salary)
- Dispensary Manager (Salary)
- Merchandize Manager (Salary)
- Medical Director (Salary)
- Security Officer (Salary and Hourly)
- Pharmacist technicians (Salary)
- Information Technologist (Salary)
- Budtenders/Sales agents (Hourly)
- Cashier (Hourly)
- Counter Agents (Hourly)
- Cleaners (Hourly)
- Security employees (Hourly)

Each new job created will pay no less than $15.00 per hour. In addition, Frank Mastroianni (through his entities) will be seeking licenses for two Medical Marihuana Grow operations and a Medical Marijuana Processor operation, each of which should add 100 new jobs. In addition, the proposed buildout of the provisioning center will add approximately 50 construction jobs.

10. Planned Worker Training Programs:

2117 Cedar Inc. intends to ensure all personnel are properly trained and educated to run a first-class Medical Marihuana Provisioning Center. To accomplish this goal, the staff must:

a. Understand the rules and regulations imposed by the City of Lansing and the State of Michigan relative to the Michigan Medical Marihuana Act. This involves educating the staff and making sure they attend seminars to maintain the proper level of proficiency.

b. Understand the needs of the individual patients
c. Understand the floor plan of the dispensary and the various safety and security measures to handle any emergency situation that might develop.

d. Understand all point of sale procedures for any transfers or sales.

e. Follow procedures in an employee handbook that will be given to all staff personnel. The handbook communicates business rules and performance standards, encourages employees to behave in a certain way, and helps ensure employees are treated consistently. The handbook also explains employee safety procedures, employee guidelines, security protocols, and educational training.

f. Understand the various products available with their benefits and drawbacks that would be available to patients.

g. Understand product information, dosage and daily limits.

h. Understand the educational materials available for the individual patient and caregivers.

i. Planned worker training includes background checks of employees and requirements that employees immediately report any new or pending criminal charges.

11. Financial Structure and Financing of the Proposed Medical Marihuana Establishment:

   It is expected that the costs of improvement to the property will cost between $700,000. 2117 Cedar Inc., a subsidiary of FMJRL, Inc., is owned by Frank Mastroianni who has the financial resources to improve the proposed medical marihuana establishment without the need to incur new debt. No bank financing is expected.

12. Building and Construction Plan

   The plans for conversion and upgrade of the existing facility keep several goals in mind:

   • Complying with all code requirements,
   • Meeting and exceeding safety and efficiency standards specific to the type of operations proposed, and
   • Life safety, satisfying all regulatory compliance issues.

   The new facility is designed to maximize the safety of our patients, employees, and neighbors, as well as the safety and security of our products. The design incorporates the most environmentally friendly materials and the latest technologies, enabling us to conserve energy and lessen our carbon footprint.
Areas of the lot not covered by the building will be upgraded and used for parking, circulation, and open space. Improvements to the surrounding lot will include repair of deteriorated portions of the pavement and the creation of ample parking spaces. The parking stalls will be marked with 4-inch wide white stripes.

Numerous public improvements will be undertaken landscaping, sidewalk, and lighting improvements.

See Security Plan (Item #14) for security measures being implemented

13. Competitive Advantage, Short-Term and Long-Term Goals and Objectives Consistent with this Chapter:

What sets 2117 Cedar apart from other applicants is the economic growth that FMJRL, Inc. can bring to the City. In addition to this Provisioning Center License application, subsidiaries within FMJRL, Inc. will be seeking licensing for a Medical Marihuana Grower, a Medical Marihuana Processor and another Medical Marihuana Provisioning Center. The short-term goals of 2117 Cedar Inc. are to commence building improvement once licensing is granted. Operations will commence after the appropriate inspections and certificates have been issued. We have been selected by a major university to educate their students about our industry.

As for our long-term goals, it is the expectation that 2117 Cedar Inc. will continue to grow and develop with the community and become an industry standard for other provisioning centers to follow. We grow here, we process here, we employ here, and we dispense here. As for the long-term goals of our parent company, there are developed real estate plans for additional medical marihuana facilities in the City of Lansing if the city allows for expansion. We intend to establish a non-profit enterprise that will work in conjunction with cancer foundations and medical facilities to eradicate cancer in our lifetime. We are here to be YOUR industry leader, someone you can be proud to acknowledge and sponsor.

14. Community Outreach / Education Plans and Strategies:

The mission statement of the South Lansing Community Development Association is to support citizen-driven development by a) providing programs and resources that address community-identified needs, b) empowering local residents and stakeholders to advocate for change, and c) facilitating collaborative efforts to achieve goals. We share the same core values. As part of our marketing strategy, we intend to hold business events and conferences. In conjunction with organizations such as the South Lansing Community Development Association and the South Side Community Coalition, these goals can be met with the community benefiting from planned programs.

We can PROVE we are serious about education. 2117 Cedar (along with the other companies in the FMJRL family) have been selected by Northern Michigan University, an accredited public university established by the Michigan Legislature in 1899, to
provide programs to students directly related to the medical marijuana industry. Our curriculum includes classroom education to students in the fields of medical marijuana growing, cultivation, processing, and dispensary operations.

2117 Cedar is committed to strong public engagement and outreach to OUR community. Our community outreach has three goals: (i) to establish a process by which the community can express itself regarding the project; (ii) to inform the community about medical cannabis issues; and (iii) to ensure that our approach genuinely reflects the community's needs. To reach our goals, we anticipate doing one or more of the following, depending on input at various stages of the project:

- Identifying a broad cross-section of community-based organizations and community leaders, including those representing indigent and traditionally underserved and underrepresented residents, to learn how residents and stakeholders can best receive useful information that enables them to participate meaningfully.

- Identifying and visiting civic, senior, and veteran organizations, health care support groups, and community meetings to introduce our nonprofit organization, our mission, and our vision for the patient care center. We believe this type of outreach establishes our legitimacy with the community and our vested interest in its welfare. We will listen receptively and respond to any concerns about the project.

- Holding or participating in a community meeting to introduce 2117 Cedar Inc. and present the project to any parties with similar goals. Again, our purpose would be to listen and find ways to be responsive. Completing our outreach efforts with a follow-up letter to community stakeholders, letting them know that we heard their concerns and what procedures we will follow in responding to such concerns.

We are committed to engaging our patient and residential communities on an ongoing basis. We will partner with local community organizations to solicit volunteers for these positions.

We are proud of our military community and the services they provide. We are here to serve our active and veterans and give back to those who promised their lives for ours. We have the knowledge and compassion to address the needs of those who suffer with the unpleasant aftermaths of conflict and war.

A. Outreach Strategies

2117 Cedar Inc. will create public awareness in several ways:

1. Public Education

We can create public awareness of our dispensary through our community outreach and education programs. By offering free workshops and seminars on topics related
to medical cannabis and the conditions for which it is typically recommended, as well as on legal issues surrounding medical cannabis, we make the existence of our organization known and attract members by positioning ourselves in the public mind as ambassadors of a socially responsible provider.

2. Developing Provider Alliances

An important element of our patient-centered approach is the help we will offer patients in finding providers and services to handle other aspects of their care and in coordinating their care across their many different providers. To be able to do this, we must first build alliances with these other providers and organizations. However, alliances are two-way streets and will result in our getting referrals from them as well. A key part of this outreach initiative will be educating alliance partners on the benefits and legalities of medical cannabis, and on the processes involved in referring people for medical cannabis use. Hosting educational forums for other providers will therefore be a critical element in our business approach. Building strong alliances with other health care providers, community health clinics, hospices, community service organization, patient advocacy groups, support groups, AIDS organizations, senior homes, and referral networks will create a strong and lasting source of patient referrals. At the same time, it will give us greater resources to fulfill our own patient-centered mission, which includes helping patients find appropriate providers for services we do not offer and helping them coordinate their care across providers. Being known in the patient community as a wellness center with especially strong networking and referral resources will itself be a draw to patients with complex medical conditions.

3. Industry Leadership and Sponsorships

We will keep our corporate “brand” visible though sponsorships of community and industry causes and through industry activism that reflects our community-focused public health agenda and its emphasis on compassion and social justice.

4. Public Relations

Carefully managed messaging and coverage in local media can be a very effective means to create public awareness.

5. Word of Mouth

In the medical cannabis industry, satisfied members and their word of mouth is perhaps the most powerful generator of a growing membership. Many dispensaries report that “friend” is the most common answer reported on new patient intake forms when patients are asked to indicate how they heard about a dispensary. We do not intend to enlist patients to recruit new members or to offer any special incentives to do this. We will not need to. The high quality of supportive patient-centered care we offer as part of our basic mission will be incentive enough. We intend to operate as a
“community center” for those suffering from serious medical conditions—what the literature on patient-centered care sometimes refers to as a “medical home-away-from-home” where patients can interact supportively with one another. Since non-members legally cannot be allowed in our facility, patients who appreciate this aspect of our services will naturally recommend membership to those of their friends who are also qualified medical cannabis patients.

Community and Economic Development

City government has shown great interest in revitalization and community development plans that correct systemic inequities and benefit blighted areas and disadvantaged populations. This brings us to a crucial component of our implementation strategy, which is an aggressive outreach and community benefits program. All transactions and money collected in excess of operating and recapitalization costs will be dedicated to funding this larger charitable mission, which has three components:

- Giving indigent and low-income patients full access to our products and wellness/support services,
- Removing other barriers to access through enabling services (providing transportation, interpreters, and referral to other access-enabling services), and
- A Community Benefits Plan.

1. **Commitment to Local Hiring and Spending**

   We are committed to making our project a source of economic stimulus for Lansing. From initial build-out of the facility to the implementation of our community development initiatives, we intend to contract, buy, and hire locally, taking advantage of local recruitment resources to offer employment to displaced local workers who are willing to be retrained.

   We estimate net direct spending for initial build-out and set-up will exceed $700,000.00 with the majority of these expenditures being spent on goods and services provided by local companies.

   We believe that Phase I day-to-day operations will add approximately 20 qualified full-time employment opportunities to City’s economy (plus another 220 new jobs from the other facilities). The dispensary will contribute directly to the revitalization of its immediate neighborhood by funneling an influx of visitors from in and around the vicinity of the dispensary, bringing incidental business to shops, restaurants, and other services in the area.

2. **Community Benefits Plan**
We believe that we can and should have a critical role in the delivery of medical marijuana healthcare. We also believe that we have an important fiduciary obligation to be a “good neighbor” and provide benefits to our community as part of our healthcare mission. Therefore, we view our Community Benefits Plan as a blueprint for how we plan to accomplish our Mission.

In developing our Community Benefits Plan, we will ensure regular involvement of the community, including that of the representatives of the targeted underserved populations, in the planning and implementation of the Community Benefits Plan.

3. **Good Neighbor**

2117 Cedar Inc. seeks to be an asset and a beneficial resource for the surrounding community. As a good neighbor, we will seek neighborhood and other necessary input through every phase of our operation, beginning with the build out and construction phase. We will evaluate and abate any potential public safety/nuisance violations.

We also believe that being a good neighbor requires that we work to improve the neighborhood. Some of the public improvements we plan to address are:

- Access Improvements
- Drainage Improvements
- Landscape Improvements
- Sewer Improvements
- Sidewalk Improvements
- Traffic Engineering Improvements
- Lighting Improvements
- Code Compliance

Finally, we will take all efforts to mitigate noise, odor, and pollution/waste, and will address nuisances, including limiting foot and car traffic. (See Item 27 for additional measures being implemented on land use and the effects on traffic patterns).

**B. Neighborhood Engagement and Communication-Community Support**

**1. Community Engagement and Communication Plan:**

a. The Applicant will provide information to each recognized neighborhood entity within a ½ mile radius from the Facility location. To ensure that access to the Community Engagement Coordinator (“CEC”) is reliable and well defined, the Applicant will distribute the contact information to the designated officer/neighbor within each organization. Information for the CEC shall include cell phone number, email, Facebook, and Twitter accounts.
b. The CEC will produce a monthly newsletter announcing community events, re-messaging of important city announcements, industry news, and company sponsored functions. Distribution of the newsletter will be by electronic transmission to all interested residents and neighborhood organizations that are subscribers. Subscription will be at no cost. A request to have a recipient removed from the list will be honored in a timely manner. The newsletter will also be available on the company’s website.

c. The CEC shall be responsible for the community news content on the company’s website. The format of the website shall comply with standards to assist the visually impaired in accessing content.

d. The CEC will coordinate with the designated officials within City, County and State government to ensure that useful information is disseminated accordingly.

e. The CEC will not promote the business activity or product of the company, commercial messages shall be prohibited with respect to the work activities of the CEC, as defined.

f. Additionally, the CEC will be required to attend organized neighborhood meetings that occur within the outreach area. Meeting schedules are determined by the respective neighborhood bodies conducting the meeting. Attendance by the CEC shall be mandatory.

g. The employee, manager, or owner of the company designated as the CEC may engage in other work activities of the company, however, their responsibilities and duties as CEC shall be defined and limited only to community engagement and communications.

h. Company literature, in print and electronic format, shall include the name and contact information of the CEC. The company website will prominently display this information on its home page.

i. A page on the company website, titled “Community Engagement and Communication Plan”, will outline the method that the company applies to communicate with the interested public; provide a detailed account of meetings attended; and, information shared at neighborhood engagements.

2. Statement of Support for Lansing Neighborhoods and Community Needs:

a. The Applicant, through its business activities, shall have a charitable purpose to support various community needs, to include, but, not limited to, human services, homelessness shelter services, food distribution, recreation programming and
infrastructure, cultural events, and educational initiatives within the K-12 environment with the cooperation of the Lansing School District.

b. Primary focus of the Applicant is to support needs within the target area of the company location, however, the company will expand its reach based on need and collaboration with its community partners.

c. Amongst our family of companies, we will appropriate a minimum of $100,000 on an annual basis to support neighborhood and community needs. This does not include the value of volunteer work conducted by team members of the company.

d. A volunteer ethos shall be a part of the corporate culture of the company. Team member participation in the plethora of events and activities that occur will be listed in both the “Support of Lansing Neighborhoods and Community Needs” and “Community Engagement and Communication Plan” sections of the website.

e. The company shall list the value of volunteer work on its website. Valuation of volunteer work shall conform to the “Economic Impact of Volunteers Calculator” located at www.pointsflight.org.

3. Office of Government Relations:

a. The Applicant recognizes the importance of maintaining a robust channel of communication with government officials and agencies, at all levels, having jurisdiction over the Applicant’s medical marihuana business activities.

b. The company shall identify a team member to serve in the capacity of “Government Affairs Associate” (“GAA”). The GAA will inform the Office of the Mayor, City Clerk, Ingham County – Chairperson, and the designated person(s) at Licensing and Regulatory Affairs (LARA), of non-material and material changes occurring, or contemplated, at the company. All notifications shall comply with stipulated rules governing notice requirements.

c. The GAA will represent the company at meetings held by Lansing City Council, Ingham County and the State of Michigan, specifically LARA.

The GAA shall communicate all interactions with the various government entities with the company’s management, ownership, and legal team.

15. **Charitable Plans and Strategies:**

Community involvement is very important to 2117 Cedar Inc. We have already financially contributed to the Lansing Parks & Recreation Department, the South Lansing
Community Development Association and the South Side Community Coalition and will continue to do so in the future.

Amongst our family of companies, we will appropriate a minimum of $100,000 on an annual basis to support neighborhood and community needs. This does not include the value of volunteer work conducted by team members of the company. In addition, we will be performing volunteer work with the various community outreach programs. (See Community Outreach above.)

We are proud of our military community and the services they provide. We are here to serve our active and veterans and give back to those who promised their lives for ours.

One of our long-term goals within the FMJRL family of companies is to establish a non-profit enterprise that will ultimately lead to a cure for cancer in our lifetimes.

16. Minimum Operation Standards

(a) Our Provisioning Center will be located in a building, as defined under Lansing Ordinance Section 1300.9.

(b) We will not be open between the hours of 10 p.m. and 9 a.m.;

(c) Consumption of marihuana on the premises will be strictly prohibited;

(d) We will continuously monitor our entire premises with a surveillance systems that include security cameras and video recordings will be maintained in a secure, off-site location for at least 14 days;

(e) We will install a permanent barrier between public or common areas of our medical marihuana provisioning center and our restricted or non-public areas. We will not store, display or transfer medical marihuana in an area accessible to the general public;

(f) Our medical marihuana storage areas within our medical marihuana provisioning center will be separated from any customer/patient areas by a permanent barrier. We will not display Medical marihuana in a sales area only if permitted by the MMFLA;

(g) Any usable medical marihuana remaining on premises of our medical marihuana provisioning center while our medical marihuana provisioning center is not in operation will be secured in a safe permanently affixed to the premises;

(h) We will not operate our Medical Marihuana provisioning center in a manner creating noise, dust, vibration, glare, fumes, or odors detectable to normal senses beyond the boundaries of the property. Further we will not create any nuisance that hinders the public health, safety and welfare of the residents of the City of Lansing.

(i) Our license shall be prominently displayed on the premises of a medical marihuana provisioning center;
(j) We will dispose of medical marihuana in a manner that prevents its acquisition by any person who may not lawfully possess it and otherwise in conformance with state law;

(k) All medical marihuana will be delivered to a patient will be properly packaged and labeled. Our label will include:

1. A unique alphanumeric identifier for the person to whom it is being delivered;
2. A unique alphanumeric identifier for the cultivation source of the marihuana;
3. That the package contains marihuana;
4. The date of delivery, weight, type of marihuana and dollar amount or other consideration being exchanged in the transaction;
5. A certification that all marihuana in any form contained in the package was cultivated, manufactured, and packaged in the state of Michigan;
6. The warning that; “this product is manufactured without any regulatory oversight for health, safety or efficacy. There may be health risks associated with the ingestion or use of this product. Using this product may cause drowsiness. Do not drive or operate heavy machinery while using this product. Keep this product out of reach of children. This product may not be used in any way that does not comply with state law or by person who does not possess a valid medical marihuana patient registry card.”
7. The name, address, email address, and telephone number of an authorized representative of the dispensary whom a patient can contact with any questions regarding the product.

(l) We will require all registered patients to present both their Michigan medical marihuana patient/caregiver id card and state identification prior to entering restricted/limited areas or non-public areas of the medical marihuana provisioning center, and if nc restricted/limited area is required, then promptly upon entering the medical marihuana provisioning center.

(m) Our premises shall be open for inspection during the stated hours of operation and as such other times as anyone is present on the premises.

(n) We will not display any signs that are inconsistent with local laws or regulations or state law.

(o) We will not advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors.

(p) We will not place or maintain an advertisement of medical marihuana within the distance limitations set forth in Lansing Ordinance Section 1300.13(a)

(q) Certified laboratory testing results that display at a minimum the tetrahydrocannabinol (the), cannabidiol (cbd), total cannabinoid testing results, and a pass/fail rating based on the
certified laboratory's state-required testing will be available to all medical marihuana provisioning center patients/customers upon request and prominently displayed.
EXHIBIT 8
LAND USE AND EFFECT ON SURROUNDING NEIGHBORHOOD

In support of an Application for a Medical Marihuana Licensure to operate a provisioning center at 2117 South Cedar Street, Lansing, Michigan 48910, the Applicant, 2117 Cedar Inc., a subsidiary of FMJRL, Inc. and a Michigan Corporation submits the following statement how their land use will have an effect on the surrounding neighborhood:

1. The proposed use of the establishment as a Medical Marihuana Provisioning Center is consistent with land use for the surrounding neighborhood and not have a detrimental effect on traffic patterns and resident safety.

2. Pedestrian access on South Cedar Street will be clearly marked.

3. There will be no exit onto a residential street.

4. Speed will be clearly posted for travel in the parking lot.

5. There will be complete ADA access with appropriate ramps and handrails.

6. There will be proper lighting and increased visibility for pedestrians and invitees.

7. The parking lots will be smooth and maintained.

8. The proposed hours of operation will be between 9:00 am and 10:00 p.m.

9. The proposed site is zoned for commercial use and will be used in that manner.

10. The proposed site is located on a main thoroughfare – South Cedar Street.

11. Ingress and egress from the proposed facility will be directed solely onto South Cedar Street and not towards any side street that would lead towards residential property.

12. There is ample parking at the proposed facility and there will be signage posted not to park on any residential side street.
13. To reduce traffic in/out of the facility, scheduled appointment times with patients will be arranged. The facility will be able to accept call-in orders to predict traffic patterns to minimize traffic and noise.

14. By reducing the traffic flow in and out of the proposed location, this will also minimize the amount of noise to the surrounding neighborhood.

15. Any use of medical marihuana on the premises is strictly prohibited. This will eliminate any odors to the surrounding neighborhood.

16. There will be additional buffering between the proposed location and any residential neighborhood by the installation of a block wall or fencing.
RESUME REGARDING EXPERIENCE WITH MEDICAL MARIHUANA OR A RELATED INDUSTRY

In support of an Application for a Medical Marihuana Licensure to operate a provisioning center at 2117 South Cedar Street, Lansing, Michigan 48910, the Applicant, 2117 Cedar Inc., a subsidiary of FMJRL, Inc. and a Michigan Corporation submits the following statement identifying the qualifications and business experience of their staff:

Our staff (along with additional staff to be added) is knowledgeable and experienced as evidenced by the following:

SHAREHOLDERS AND STAKEHOLDERS

a. Frank Mastroianni

Frank Mastroianni has a degree in Business Management from Adrian College. For ten years, he was the manager of sales and marketing for Italy and American Construction. He has been a licensed realtor for the past fifteen years and is a multi-million dollar producer. For the past nine years, he has been a licensed residential builder.

Frank Mastroianni (either individually or as a sole corporate owner) owns five commercial properties and twelve residential properties in Southeast Michigan with a net worth in excess of four million dollars. He is also a co-owner of several additional commercial properties in Southeast Michigan. He is married (Rachel) with five sons.

Frank Mastroianni (Con Yank Inc.) has been approved by the City of Warren to operate a Medical Marihuana Grow Facility under the City of Warren local ordinance.

b. Joseph Aiello

Joseph Aiello has an extensive background experience in business management. For almost twenty years, Joseph Aiello was a design engineer working with companies such as Ford Motor Company, General...
Motors, and Chrysler Corporation. For almost ten years, he managed
government contracts as a civilian engineer with the United States Army
(Sterling Heights, Michigan). For the past two years, he has been running
an engineering firm in Florida, Manatee Engineering Services, LLC. This
firm alone has a net worth in excess of twenty million dollars. He is
married (Angela) with three children.

Joseph Aiello has the individual knowledge and ability to run a successful
Medical Marihuana Provisioning Center. He routinely attends seminars
and workshops to keep up to date with rules and regulations within the
industry at both the state and municipal levels. He is actively involved in
securing licensing for several other medical marihuana facilities in the
State of Michigan.

Joseph Aiello has been instrumental and has an ownership in facilities
that have been licensed by municipalities including:

City of Warren, Michigan
24224, Mound Road, Warren, Michigan
Growing medical marihuana
March 2017 – Present
Occupancy approved by Building Department, City of Warren, Michigan (1 City Square #305, Warren, Michigan 48093 Tel. (586) 574-4504)

City of Ferndale, Michigan
903 E. Lewiston, Ferndale, Michigan
Medical Marihuana Provisioning Center
Municipal license granted in 2014 by Ferndale City Counsel (City Hall Annex, 5694 Second Avenue, Ferndale, Michigan 48220.
Email: SusanDuncan@cityofferndale.org)

City of Detroit, Michigan
14917 Gratiot, Detroit, Michigan
Medical Marihuana Provisioning Center
November 2017 – Present
Municipal license granted by: Board of Zoning Appeals, City of Detroit (Coleman A. Young Municipal Centre, 2 Woodward Avenue, Suite 212, Detroit, Michigan 48226 Tel. (313) 224-3595)
OPERATORS AND EMPLOYEES

c. Margaret (Margo) Carter

Margaret Carter studied medical billing at Baker College for two years. For six years until 2009, she managed the pharmacy and health/beauty departments at Arbor Drugs in Warren. She was the Manager at Brightside Dental in Warren where she was in charge of employees, patient relations, booking, billing, payroll, medical billing and inventory management. For five and one-half years, she managed an automotive collision shop (Steve’s Custom Color) again being in charge of insurance claims, ordering, scheduling, payroll and accounting. She has additional experience in accounting and bookkeeping when she worked for S&D Rental Properties, LLC for five years.

Margaret Carter has been a licensed medical marihuana patient and caregiver for more than two years. Her own experience with pain management makes her an exceptional asset with patient-caregiver interactions. She has extraordinary knowledge of the various medicines that can be used to treat patients. She constantly attends seminars and events to stay current with new products and new treatment plans. She can offer suggestions and dosage instructions to help the patient. In addition to her accounting and management skills, she is responsible, well-organized and has great social skills.

d. Sara Mokoski

Sara Mokoski (a Lansing resident) has a bachelor’s degree in Kinesiology from Michigan State University. For three and one-half years, she was employed at the MSU Bakery where she collaborated with the HR Department, did marketing of products online, and fulfilled product orders. She was a Behavioral Therapist for a year and one-half treating autistic children when employed by Responses located in Portage, Michigan. She was also a Personal Trainer for six months when she worked for Compel Fitness in Lansing.

As a licensed medical marihuana patient, Ms. Mokoski has first hand experience with medical marihuana products and their effects on the human body. Her graduate degree also provides invaluable experience as Kinesiology involves the scientific study of human body movement, addressing the physiological, biomechanical, and psychological mechanisms of movement.
LOCATION AND DISTANCE TO BUFFERED USES

2117 Cedar, Inc. is located a distance greater than all required for buffered uses.

a. The closest school is as follows: (1,000 feet per 1300.13(A)(1))

Success VLC – 1,417 feet

Notes:

1. Potterville Adult Education is not a “school” under Ordinance definitions 1300.2(F) because a “school” provides instruction to children and youth in grades pre-kindergarten through 12, and Headstart when the instruction is provided by a school.

2. Family Growth Center located at 549 E. Mt Hope, Lansing, Michigan is not a “school” because it is a child care center that is not provided by a school. (It has been identified in Item d. of this statement.

3. Maplewood School formerly located at 2216 S. Cedar Street is closed and boarded up.

b. The closest library is as follows: (500 feet per 1300.13(A)(2))

John W. Chi Memorial Medical Library – 5,833 feet

c. The closest public playground is as follows: (500 feet per 1300.13(A)(2))

Clifford Park – 1,696 feet

d. The closest commercial childcare organization (non-home occupation) is as follows: (500 feet per 1300.13(A)(2))

Family Growth Center – 1,115 feet

e. The closest church is as follows: (500 feet per 1300.13(A)(2))

Mt Hope United Methodist – 1,030 feet
f. The closest substance abuse prevention services or substance abuse treatment and rehabilitation service is as follows: (500 feet per 1300.13(A)(2))

Red Cedar Clinic – 2,762 feet
Schools - 1,417 feet
Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

Enter a city, a zipcode, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between two cities as well.

Distance From:  Success UMC, Lansing, Michigan
Distance To:  2107 S Corb, Lansing, Michigan

Straight line distance: 0.26 miles, 0.42 kilometers (km), 1399 feet, 426 meters
Driving distance: 0.27 miles, 0.43 kilometers (km), 1417 feet, 432 meters

3 Steps to Fast Maps & Direct
1. Click "Get Maps"
2. Free Access – No Sign Up
3. Get Free Directions and Maps onlinemap

Other tools to help with distance questions
In addition to this tool we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

Enter a city, a zipcode, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

Distance From: 2117 S Cedar, Lansing, MI
Distance To: John W Chi Memorial Library, MI

Calculate Distance

Straight line distance: 0.32 miles, 0.52 kilometers (km), 2771 feet, 845 meters
Driving distance: 1.10 miles, 1.78 kilometers (km), 5933 feet, 1778 meters

Google Map Developers
not associated with google maps

Other tools to help with distance questions

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playground or Park - 1,696 feet
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Distance From: 2177 S Cedar, Lansing, MI Distance To: Cliftwood Park, Lansing, Michigan

Calculate Distance

Get Maps

3 Steps to Fast Maps & Directions
1. Click 'Get Maps'
2. Free Access - No Sign Up
3. Get Free Directions and Maps

Online Map

Your stores in one place

Other tools to help with distance questions

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Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations.

Enter a city, a zipcode, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

Distance From: 2177 S Cedar, Lansing, MI  Distance To: Family Growth Center, Lansing, Michigan  
Calculate Distance

Straight line distance: 0.21 miles, 0.34 kilometers (km), 1115 feet, 340 meters
Driving distance: 0.27 miles, 0.43 kilometers (km), 1417 feet, 432 meters

3 Steps to Post Maps & Directions
1. Click 'Get Maps'
2. Free Access, No Sign Up
3. Get Free Directions and Maps online

A guide for drivers

Other tools to help with distance questions

In addition to this tool, we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand, you want to click multiple points of the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion, please let us know.
Church - 1,030 feet
Google Map Developers
not associated with google maps

Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

Enter a city, a zipcode, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

Distance From: 2117 S Cedar, Lansing, MI  Distance To: Mt Hope United Methodist, Lansing, MI  Calculate Distance

Straight line distance: 0.19 miles, 0.31 kilometers (km), 1015 feet, 309 meters
Driving distance: 0.20 miles, 0.31 kilometers (km), 1030 feet, 314 meters

You can share or return to this by using the link below:

Other tools to help with distance questions:

In addition to this tool we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
Substance Abuse Treatment
2,762 feet
Red Cedar Clinic
Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

Enter a city, a zipcode, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

Distance From: 2117 S Cedar, Lansing, MI
Distance To: Red Cedar Clinic, Lansing, Michigan

Straight line distance: 0.27 miles, 0.44 kilometers (km), 1441 feet, 439 meters
Driving distance: 0.52 miles, 0.84 kilometers (km), 2762 feet, 842 meters

Other tools to help with distance questions

In addition to this tool we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
DETRIMENTAL ACTS TO SECURITY, SAFETY, MORALS, GOOD ORDER, AND GENERAL WELFARE

FRANK MASTROIANNI, states the following:

1. I am a Director of 2117 Cedar Inc. and have the authority to issue this statement.

2. The Applicant, 2117 Cedar Inc., a subsidiary of FMJRL, Inc. and a Michigan Corporation has submitted an Application for a Medical Marihuana Licensure to operate a provisioning center at 2117 South Cedar Street, Lansing, Michigan 48910.

3. The Applicant and the stakeholders of the Applicant have no record of acts detrimental to security, safety, morals, good order or general welfare.

4. The Applicant and the stakeholders of the Applicant have no record of any complaints or incidents with the Lansing Police Department.

5. The Applicant and the stakeholders of the Applicant have no record of any business litigation history.

/s/ Frank Mastroianni
Frank Mastroianni, Director
2117 Cedar Inc.
January 19, 2019

2117 Cedar Inc
c/o Frank Mastroianni
32411 Mound Rd
Warren, MI 48092

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 2117 S Cedar St. Your score after appeal is 75, which eliminates the possibility of ranking in the top 20, therefore I have determined your appeal is denied.

The City Clerk is not bound by the Hearing Officer’s recommendation. All recommendations are considered, however points are only added if the Hearing Officer’s recommendations are logical given the scoring rubric. The following recommendation could not be accepted:

- **Litigation History** - the score should remain zero because further review of the original application by three separate staff members revealed no litigation history statement. No proof was provided during the appeal to show the litigation history was included with the original application.

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 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.

Should you choose to appeal to the Medical Marihuana Commission, your tentative appeal hearing date will be Friday, March 1, 2019.

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,

Chris Swope, CMMC
City Clerk

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

Jennifer Smith-Zande
Licensing & Elections Clerk
Lansing City Clerk's Office
124 W. Michigan Avenue  |  Lansing, MI 48933
O: 517-483-4151  Fax: 517-377-0068
Jennifer.Smith-Zande@lansingmi.gov
Website  |  Facebook  |  Twitter

Chris Swope, CMMC/CMC
Lansing City Clerk

---

**Stamps Endicia**

**Shipping Label Receipt**

**Delivery Confirmation™ Service Number:**

9405 5116 9900 0604 0209 57

**Priority Mail 2-DAY with USPS TRACKING #**

Electronic Service Fee: $0.000

Total Postage and Fees: $6.35

Weight: 1 oz

Print Date: 01/18/2019  Mailing Date: 01/19/2019

---

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

**To:** 2117 Cedar Inc  
32411 Mound Rd  
Warren MI 48092-3827

---

*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 19, 2019

2117 Cedar Inc
C/o Frank Mastroianni
32411 Mound Rd
Warren, MI 48092

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 2117 S Cedar St. Your score after appeal is 75, which eliminates the possibility of ranking in the top 20, therefore I have determined your appeal is denied.

The City Clerk is not bound by the Hearing Officer’s recommendation. All recommendations are considered, however points are only added if the Hearing Officer’s recommendations are logical given the scoring rubric. The following recommendation could not be accepted:

- **Litigation History** - the score should remain zero because further review of the original application by three separate staff members revealed no litigation history statement. No proof was provided during the appeal to show the litigation history was included with the original application.

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 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.

Should you choose to appeal to the Medical Marihuana Commission, your tentative appeal hearing date will be Friday, March 1, 2019.

Lansing City Clerk’s Office
Ninth Floor, City Hall, 124 W. Michigan Ave., Lansing, MI 48933-1695
517-483-4131 1-179-7-0068 FAX
www.lansingmi.gov/clerk city.clerk@lansingmi.gov
CITY OF LANSING
HEARING OFFICER
DECISION RECOMMENDATION

In Re:

2117 S. Cedar, Inc.
Proposed Location: 2117 S. Cedar St.

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 2117 S. CEDAR, INC. and its license application for a Medical Marihuana Provisioning Center that the license application remain denied.

FACTS

2117 S. CEDAR, INC. ("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 chart, Appellant is able to view the total possible points, its attained points, and short scoring insights 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, referencing the Lansing Ordinance provision for appeal. Appellant states that the examiner either did not score the category correctly or overlooked presented materials.

City Clerk Position

The City Clerk affirms its position on the denial. With its position statement, the City Clerk advised that in September 2018, it developed a tool to apply to all applicants regarding land use criteria for buffering. Additionally, the clerk stated that under Entrance and Exit et al. that the applicant’s score was as to the quality of the security plan and not the entrance/exit/parking section.
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] 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... fixed or arrived at through an exercise of will or by caprice, without consideration or adjustment with reference to principles, circumstances, or

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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."6 Capricious is "apt to change suddenly; freakish; whimsical; humorsome."7

The burden is on the party attacking to affirmatively prove the arbitrary and unreasonable decision.8 This is not to say that a local body may "abrogate constitutional restraints."9

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

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

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

A Lansing applicant must then comply with the MMFLA.13 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.14

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.[.]

---

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[."]
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).
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.\textsuperscript{15}

The largest point deficiency in Appellant’s score comes from the Buffering category. Appellant argues that Lansing does not have a setback requirement from residential housing. The scoring categories have been available to applicants since prior to the filing deadline, and Appellant should have been aware that this category would be considered in scoring and ranking. The proposed location is bordered on most sides by businesses. However, it is located near a slew of residential housing. The insight statements indicate it falls short of an optimal distance. It is recommended that no change is made to Appellant’s score as it has not met its burden to show why this decision was arbitrary or capricious.

Under Entrance and Exit, this Hearing Officer would note that even though it did not have bearing on the clerk’s score, Appellant’s business is in a high-traffic area of the city and circulation of traffic on these streets is of a concern because of the residential neighborhood due east of the location. Under this category Appellant lost points in the security plan, and it provided no argument as to security plan deficiencies. Thus, no point change is warranted.

Under plans to minimize/eliminate odor, Appellant has not made an argument directly related to its odor plan point deficiency. It is not enough for an appellant to “simply announce a position or assert an error[.]”\textsuperscript{16} 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.”\textsuperscript{17} There is no basis to award more points than originally scored based on the provided information and argument.

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 under current ownership, thus scoring in this category is appropriate.

Regulatory Compliance is a category to be scored. As no tax history was provided, a point deduction is appropriate. Under Litigation History, this Hearing Officer is confused as to what “Clear History” is supposed to mean in the context of a 0 of 2 points. Absent other information, 1 point should be awarded in this category.

Appellant’s point deficiencies under Job Creation are related to lack of detail. The scoring insights provide that construction jobs are temporary. Appellant lost one point in this category, and has not met its burden to show why the original score is arbitrary or capricious.

\textsuperscript{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.

\textsuperscript{16} Kevorkian, 248 Mich. App. at 389.

\textsuperscript{17} Id. Again, Appellant’s supplemental materials, not originally provided in its application, are not considered.
Appellant’s other categorical deficiencies not above mentioned relate to lack of detail. In its appeal it has not met its burden to show why the original scores are arbitrary or capricious, and thus its scores are considered appropriate.

CONCLUSION

For the foregoing reasons, it is recommended that Appellant’s application for a provisioning center license remain denied but allocated 1 point as described above.

Respectfully Submitted,

Dated: January 17, 2019

[Signature]

Hilary M. Barnard, Hearing Officer
<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Total Possible Points</th>
<th>2117 CEDAR INC</th>
<th>2117 CEDAR INC</th>
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<tr>
<td>Applicant Address</td>
<td>---</td>
<td>2117 S CEDAR ST</td>
<td>---</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scoring Insights</th>
</tr>
</thead>
</table>

1. Marketing, Advertising and Promotion

- Applicant provides several marketing, advertising and promotion examples and one minor prevention example (e.g., no advertising or product marketing appealing to minors, website with SEO, etc.) but doesn't get into much more detail. Lacks sufficient details and minor prevention examples. 2 good examples and 1 minor example of minimization in the marketing plan 11/30/18 RB

2. Tangible Capital Investment in the City of Lansing

- Applicant provides a listing of proposed capital investment in Lansing (including the initial provisioning center (land contract for $300K, $1 million startup costs) and subsequent grow facility (27K sq. ft.), processing operation, testing, etc.). Indicates $27.8 million investment associated with integrated operations (including $2 million for R&D property at 1520 E. Cavanaugh).

3. Job Creation (Integrated System)
   Overall number of jobs created

- Applicant indicates 240 Lansing jobs will be created by their medical marijuana operations but does not provide much detail about them. Update 11/13/2018: Since construction jobs are temporary, 120 jobs are counted with limited detail about full-time or part-time, benefits and job descriptions. Poor detail like lack of number full time vs part time, pay of salary positions, etc. 1 point deducted.

4. Financial Structure and Financing

- Applicant indicates no bank financing expected, provides proof of capital in the form of bank statements ($702K) and CPA attested liquid assets availability of > $1.65 million.

5. Plans to Integrate Facility with Other Establishments

- Applicant indicates they intend to integrate their initial provisioning center with a 1,500 plant, 27,000 sq. ft. grown facility and other future operations.

6. Charitable Plans and Strategies

- Applicant indicates they will contribute a minimum of $100,000 annually to charitable causes, indicates they have been selected by Northern MI University to educate students (legal document provided), and included proof of checks totaling $600 already written to local organizations.

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 their initial provisioning center will generate about 20 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Fall short of an optimal level of details.

8. Amount and Type of Compensation (PC)

- Applicant states that the provisioning center employees will earn between $15 and $50/hour but does not provide an optimal amount of support details.
| 9. Percent of Employees Earning At Least $15/Hour) (PC) | 3 | 3 | Applicant indicates that all of the hourly positions will be paid no less than $15 to $50/hour. |
| 10. Projected Annual Budget and Revenue (PC) | 2 | 1 | Applicant provides a single item number for annual budget and revenue (e.g., $1.02 million in expenses and $1.2 million in revenue) but no other details. Lacks sufficient details. |
| 11. Sufficient Financial Resources | 5 | 5 | Applicant provides a litigation compliance verification forms for all stakeholders. Applicant proves they have a well over $100,000 in the bank and over $1 million in liquid assets. |
| 12. Business Experience | 5 | 4 | "Applicant indicates they have 2+ years as a medical marijuana caregiver, plus decades of business experience (e.g., business management, pharmacy, bookkeeping). Lacks the optimal amount of applicable business experience. Updated 11/2/2018 The stakeholders have 5+ years of MM ownership experience; below 10+ years optimal experience to receive full points. Staff provides additional caregiver experience. No change in points" |
| 13. Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items | 5 | 4 | "Met or exceeded requested items Update 11/2/18 Letter to cure for sanitation and floor plans from building safety – 1 pt deducted" |
| 14. Buffering between residential zoned areas and establishment | 5 | 0 | "Very close to residential Updated score using a better measurement tool 9/18/18 residential zoning found on the north, east and south side of property which falls short of the optimal distance of 1/4 mile (120 feet) to receive full points."
| 15. Increased traffic on side streets will be scored lower | 5 | 5 | "Major traffic control renovations needed. Updated upon further review, score changed 8/23/18 bpj Traffic recommends closing S. Cedar Enterance which would push in neighborhood, Applicant recommends closing side entrance to avoid traffic into neighborhood. Positive review of traffic plan. Updated 9/25/18 Highest score in all categories, except driveway safety which is adequate score per traffic expert."
<p>| 16. Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan | 10 | 7 | &quot;Minimum requirement for Security plan Tier 2, 2pts, traffic 5 pts, Strong traffic patterns, parking, and circulation. 11/30/2018 Update Security plan review by LPD notes a guard, off-site video storage, waiting room, and a safe, but no equipment specs or barrier information. Consider Tier 2 and equal 2 points. no change in score, just further detail.&quot; |
| 17. Plan to meet with neighborhood organizations, | 1 | 1 | Have a plan |
| 18. Improvements made or proposed to building | 3 | 3 | &quot;Exterior Cosmetic improvements, Plans do not reflect improvements just existing structure Updated 9/24/18 using a more accurate measurement tool $700,000 of construction improvements which is 39% of the SEV of $176,300 which is above the optimal 125% SEV investment amount&quot; |
| 19. Plan to minimize/eliminate traffic | 1 | 1 | Inadequate traffic plan, Land Use considered traffic plan after further review 8/23/18 bpj |
| 20. Plan to minimize/eliminate noise | 2 | 1 | &quot;Inadequate noise plan Update 12/5/2018 – plan to install of a brick wall or fence is listed in Land use and effect on surrounding neighborhood (tab 26) However, it is inferred that it is a noise plan or would reduce noise. 1 point added&quot; |
| 21. Plan to minimize/eliminate odor | 3 | 0 | Inadequate odor plan |
| 22. LPD Complaints | 4 | 1 | 1 assault report - 1 damage to property report - 1 fight call - 1 trouble w/ subject call - 2 stolen Auto calls - 3 medical /check welfare calls - 1 other report, 8 calls (9+ calls = 1 pt) 12/26/2018 No change to score. Applicant currently operating another business at this location. |
| 23. Demo of Regulatory Compliance | 4 | 3 | &quot;no tax history 1 point deduction for building safety&quot; |</p>
<table>
<thead>
<tr>
<th>24. Litigation History</th>
<th>2</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;All stakeholders have a complete litigation history with no or minimal issue. Updated 11/28/18 after further review. &quot;'no record of acts of detrimental to security, safety, morals.'&quot; is determined insufficient.&quot;</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Total Score | 100 | 75 |
February 5, 2019

2117 Cedar Inc
C/o Frank Mastroianni
32411 Mound Rd
Warren, MI 48092

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 a Special Commission Meeting on Friday, March 8, 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.

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 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 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]

Chris Swope, Master Municipal Clerk
Lansing City Clerk

Jennifer Smith-Zande
Licensing & Elections Clerk
Lansing City Clerk’s Office
124 W. Michigan Avenue | Lansing, MI 48933
O: 517-483-4151 Fax: 517-377-0068
Jennifer.Smith-Zande@lansingmi.gov
Website | Facebook | Twitter
In re: 2117 Cedar Inc.

Applicant

ADMINISTRATIVE APPEAL TO THE MEDICAL MARIHUANA COMMISSION PURSUANT TO LANSING ORDINANCE 1300.15(C)

ACTION APPEALED FROM

2117 Cedar Inc. appeals the determination of the Lansing City Clerk dated January 19, 2019 denying the application to operate a Medical Marihuana Provisioning Center at 2117 South Cedar Street, Lansing, Michigan 48910 originally submitted in December 2017.

On December 6, 2018, the Lansing City Clerk notified the Applicant that their score of 75 out of 100 eliminated the possibility of scoring in the top twenty and being awarded a license. The Applicant, 2117 Cedar Inc., appeals the scoring of their application. (See Exhibit #1)

After being notified, the Applicant timely submitted a written statement pursuant to Ordinance 1300.15(C) setting forth the grounds for their appeal. On January 19, 2019, the Clerk issued a written statement affirming the prior score. (See Exhibit #2)

Pursuant to Ordinance Section 1300.15(C), the Applicant has the right to have their application scoring reviewed by the Medical Marihuana Commission if a written statement to the Commission is filed with the City Clerk’s Office within thirty (30) days of the date of the denial letter.

The Applicant seeks review of the scoring of their Medical Marihuana Provisioning Center application under the rules set forth in the Lansing City Ordinance.

APPLICABLE ORDINANCE FOR REVIEW

1300.15 – LICENSE REVOCATION; BASES FOR REVOCATION; APPEAL OF 38 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.

REVIEW PROCEDURES

The review of an appeal shall not be de novo (from the beginning). Instead, the may overturn or modify a decision or finding of the Clerk if it finds the decision to be arbitrary or capricious and not supported by material, substantial, and competent facts on the whole records considered by the Clerk in arriving at such decision. Lansing Ordinance 1300.3(E)).

INTRODUCTION

The term, “arbitrary” has recently been defined by Michigan Eastern District Federal Court Judge Laurie Michelson, using Black’s Law Dictionary as “not supported by fair, solid, and substantial cause, and without reason given. Cerjanec v FCA US LLC, (ED MI 2018) 2018 US Dist LEXIS 131434 (Decided August 6, 2018).

The examiners have awarded the Applicant a total score of 75 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(s) either did not score the category correctly, or overlooked the presented materials.

DISCUSSION

The Applicant’s Scoring on the City of Lansing Provisioning Center Ranking dated January 16, 2019 (Exhibit #3) numerates each scoring category and the presentation of this Statement will follow the same order in the Scoring.

1. MARKETING, ADVERTISING AND PROMOTION – MINIMIZATION OF EXPOSURE TO MINORS
TOTAL POSSIBLE POINTS AVAILABLE: 4
POINTS AWARDED: 3

EXPLANATION GIVEN FOR POINTS AWARDED: The Scoring Insight notes indicate “Applicant provides several marketing, advertising and promotional examples
and one minor prevention example (e.g. no advertising or product marketing appealing to minors, website with SEO, etc.) but doesn’t get into much more detail. Lacks sufficient details and minor prevention examples. 2 good examples and 1 minor example of minimization in the marketing plan 11/30/18 RB”

DISCUSSION: Marketing, advertising and promotion of a medical marijuana provisioning center involves much more than simply placing ads. As detailed in the Applicant’s Business Plan, 2117 Cedar Inc. will be actively involved in community relations (Business Plan - Page 5) (See Exhibit #4). We expect to partner with the local community and local coalitions to inform the community about medical cannabis issues (Business Plan - Page 10) (See Exhibit #4). We will be providing classroom education to university students in conjunction with Northern Michigan University (Business Plan - Page 1) (See Exhibit #4). We will be holding or participating in community meetings as part of our community outreach program (Business Plan - Page 10) (See Exhibit #4). We will be holding education programs and workshops to benefit the community (Business Plan - Page 11) (See Exhibit #4). We will be providing literature to all of our patients with our Patient Education Handbook (See Exhibit #5). We would keep our corporate “brand” visible through sponsorship of community and industry causes (Business Plan - Page 12) (See Exhibit #4). We would offer community outreach and community benefit programs to the financially disadvantaged (Business Plan - Page 12) (See Exhibit #4). We would be hiring local employees. In this paragraph alone, we have cited seven good examples of marketing and advertising that the examiner did not take into consideration when awarding the given score – considerably more the “2 good examples” contained in the Scoring Insights.

Our Business Plan – directed specifically to marketing, stated:

It is expected that 2117 Cedar Inc. will spend over $70,000 annually for the first year using the following marketing options:

A. The proposed marketing plan starts with a proper Website with detailed information. 2117 Cedar Inc. will utilize Search Engine Optimization (SEO optimization). SEO will position of our website and will help eliminate exposure of any marketing or promoting marijuana products to minors.

B. 2117 Cedar Inc. will hold business events and conferences. This will improve community relations by providing educating the public.

C. 2117 Cedar Inc. will utilize alternative online advertising options including Mantis, 420 Network, 420 Click and Women Grow. These sites are known in the cannabis culture, again eliminating marketing exposure to children.

D. 2117 Cedar Inc. will advertise in thematic magazines including Dope, Cannabis Now, 420 Magazine, Marijuana Venture and MG Magazine. This also allows for specific marketing to an adult target audience within the cannabis culture.

E. 2117 Cedar Inc. will not market, advertise or sell ANY product that appeals to minor children such as “gummy bears”.

Our marketing plan not only includes advertisement placement, it included marketing from the inside out. We would be hiring new employees as part of a marketing plan in
addition to providing our work force (Business Plan - Page 7) (See Exhibit #4). Hiring local employees is beneficial for many reasons. Hiring from the local talent pool signals to customers and clients that you are a true citizen of the community. You are invested in its’ growth, the well-being of its’ citizens and the health of the local economy. Vetting candidates is easier. This may sound cynical, but local candidates are less likely to stretch the truth in their application materials. It’s easier to build a network that has a local foundation of employees. Customers want to work with people they know and trust. Finally, it equally important that local employees are less likely to leave their employment. The Applicant also detailed charitable endeavors that would be part of an overall marketing plan. These examples were also excluded from scoring.

As for minor prevention methods, first and foremost is that in order to gain admittance to our facility, the customer must show a valid patient/caregiver ID card and a valid state identification (Business Plan - Page 18) (See Exhibit #4). So not only do we not market to youths, we won’t sell to them as well. We would be advertising in thematic magazine developed to target adults to minimize the possibility of advertising to minors (Business Plan – Page 5) (See Exhibit #4). We would not market to, or advertise any product that appeals to children – such as “gummy bears” (Business Plan – Page 5) (Exhibit #4). Again, in this paragraph, we have cited 3 examples of minor prevention – not the 1 minor example of minimization cited in the Insights.

While the Applicant addressed this issue with the Clerk in their December 20, 2018 written submission, the report of the Hearing Officer Hilary M. Barnard dated January 17, 2019 (included in Exhibit #2) does not respond to the Applicant’s comments demonstrating the Clerk’s decision is arbitrary in that no reason is given for the denial of the Applicant’s resoring request.

In conclusion, our Business Plan details several marketing and minor prevention techniques. The fact that our Business Plan cites at least 7 examples of business advertising but only 2 are acknowledged demonstrates the award is not based on the materials submitted and a review of the record as a whole. For this category, the Applicant should have been awarded 4 points instead of 3 points.

--------------------------------------------------------------------------------------------------------------------------

03. JOB CREATION (OVERALL NUMBER OF JOBS CREATED)  
TOTAL POSSIBLE POINTS AVAILABLE: 5 
POINTS AWARDED: 4

EXPLANATION GIVEN FOR POINTS AWARDED: The Scoring Insight notes disclose that the “Applicant indicates 240 Lansing jobs will be created by their medical marijuana operations but does not provide much detail about them. Update 11/13/18 Since construction jobs are temporary, 120 jobs are counted with limited detail about full-time or part-time, benefits and job description. Poor detail like number of full time vs. part time, pay of salary positions, etc. 1 point deducted.”

DISCUSSION: It must be pointed out that the language in the scoring insights indicates an update to the notes effective November 13, 2018. The Scoring notes for Job Creation contained in the December 6, 2018 (Exhibit #1) do not contain this additional language demonstrating inaccurate file management, incorrect reporting and gross negligence.

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As “detailed” in our Business Plan, 2117 Cedar Inc. expects to create 240 Lansing jobs. For our provisioning center personnel, 20 new jobs will be filled as follows:

- Pharmacist (Salary)
- Dispensary Manager (Salary)
- Merchandize Manager (Salary)
- Medical Director (Salary)
- Security Officer (Salary and Hourly)
- Pharmacist technicians (Salary)
- Information Technologist (Salary)
- Budtenders/Sales agents (Hourly)
- Cashier (Hourly)
- Counter Agents (Hourly)
- Cleaners (Hourly)
- Security employees (Hourly)

This will account for 20 of the 240 jobs (Business Plan - Page 7) (See Exhibit #4). This also sets forth which jobs will be paid on an hourly basis and which jobs will be paid on a salary basis. As for the hourly rate, the Business Plan clearly delineates the fact that hourly employees will be paid between $15.00 - $50.00 per hour based on the job involved and the level of skill, education and experience of the employee. (Business Plan – Page 7) (See Exhibit #4).

The proposed build out of the provisioning center would add approximately 50 new construction employees (Business Plan - Page 7) (See Exhibit #4).

In addition, our Parent Company will be seeking licensing for a Medical Marihuana Grow facility and a Medical Marihuana Processing facility, each of which will add 100 new jobs (Business Plan - Page 7) (See Exhibit #4). Since our business plan involves hiring from the local talent pool, of the 270 total jobs created, we estimated that 240 would come from the Lansing market, whether they are temporary, part-time or full-time.

The report of the Hearing Officer Hilary M. Barnard dated January 17, 2019 (included in Exhibit #2) indicates the appellant did not meet “its burden to show why the original score is arbitrary or capricious” (Report – Page 4 of 5). The Hearing Officer applied the wrong standard of a review to the City Clerk. While a review by the Commission involves an arbitrary and capricious standard (Ordinance 1300.3(E)), a review by the City Clerk “who shall appoint a Hearing Officer to hear and evaluate the appeal and make a recommendation” does not contain language regarding an “arbitrary and capricious” standard. Furthermore, the Hearing Officer neglected her duties in that the Ordinance requires “hear” and evaluate the appeal. No opportunity for a hearing before the Hearing Officer was offered. With the wrong review standards applied and with no opportunity for a “hearing”, the Hearing Officer’s Report in and of itself is arbitrary and capricious.

In conclusion, our Business Plan details a complete explanation how 240 new Lansing jobs would be created. For this category, the Applicant should have been awarded 5 points instead of 4 points.
7. NUMBER OF JOBS AT THE PROVISIONING CENTER
TOTAL POSSIBLE POINTS AVAILABLE: 5
POUNTS AWARDED: 4

EXPLANATION GIVEN FOR POINTS AWARDED: The Scoring Insight notes stated, "Applicant indicates their initial provisioning center will generate about 20 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Falls short of an optimal level of detail."

DISCUSSION: As detailed in our Business Plan, 2117 Cedar Inc. we expect to create several new Lansing jobs. For our provisioning center personnel, 20 new jobs will be filled as follows:

- Pharmacist (Salary)
- Dispensary Manager (Salary)
- Merchandize Manager (Salary)
- Medical Director (Salary)
- Security Officer (Salary and Hourly)
- Pharmacist technicians (Salary)
- Information Technologist (Salary)
- Budtenders/Sales agents (Hourly)
- Cashier (Hourly)
- Counter Agents (Hourly)
- Cleaners (Hourly)
- Security employees (Hourly)

See Business Plan - Page 7 (See Exhibit #4). The proposed build out of the Provisioning Center would add approximately 50 new construction employees (Business Plan - Page 7) (See Exhibit #4).

The Medical Marijuana Provisioning Center Scoring Criteria that was originally made available to applicants in November 2017 (See Exhibit #6) indicated that a maximum of 5 points would be available based on the number of jobs created at the provisioning center. The Applicant indicated that 20 new jobs would be made available. Clearly the award of points would be on a sliding scale based on the number of jobs offered.

The Applicant more than amply addressed the physical number of jobs created. The Medical Marijuana Provisioning Center Scoring Criteria contained in the January 19, 2019 Denial Letter (See Exhibit #2) now shows a sliding scale where points are awarded based on the number of jobs at the Provisioning Center with detail as to the actual number.

<table>
<thead>
<tr>
<th>Number of Jobs</th>
<th>Points to Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;6 jobs, insufficient detail</td>
<td>1</td>
</tr>
<tr>
<td>&lt;6 jobs, sufficient detail</td>
<td>2</td>
</tr>
<tr>
<td>6 jobs, sufficient detail</td>
<td>3</td>
</tr>
<tr>
<td>&gt;6 jobs, insufficient detail</td>
<td>4</td>
</tr>
<tr>
<td>&gt;6 jobs, sufficient detail</td>
<td>5</td>
</tr>
</tbody>
</table>
If more than 6 jobs are created, the minimum award is 4 points. In our case, we will have 70 new jobs (between provisioning center employees and construction employees). The scoring by the examiner indicates a maximum score at 5 employees. We expect to employ 70!

While the Applicant addressed this issue with the Clerk in their December 20, 2018 written submission, the report of the Hearing Officer Hilary M. Barnard dated January 17, 2019 (included in Exhibit #2) again does not respond to the Applicant’s comments demonstrating the Clerk’s decision is arbitrary in that no reason is given for the denial of the Applicant’s rescored request.

For detail of the jobs created, again the Applicant’s Business Plan sets forth the identity of these new employees who would be employed directly at the facility, and also indicated whether the employee would be paid on an hourly or salaried basis. If the Applicant had simply stated they would hire 20 employees that would merit an award of 4 points. Since the Applicant not only set forth the number of employees they would hire, they identified the job each employee occupy and indicated whether that employee would be paid on an hourly or salaried basis. That provides sufficient detail to merit a full score of 5 points.

8. AMOUNT AND TYPE OF COMPENSATION
TOTAL POSSIBLE POINTS AVAILABLE: 2
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: The Scoring Insight notes disclosed the following: “Applicant states that the provisioning center employees will earn between $15 and $50/Hour but does not provide an optimal amount of support detail.”

DISCUSSION: As detailed in our Business Plan, 2117 Cedar Inc. we expect to have approximately 20 provisioning center employees. For our provisioning center personnel, the breakdown of those newly-created positions are as follows:

Pharmacist (Salary)
Dispensary Manager (Salary)
Merchandize Manager (Salary)
Medical Director (Salary)
Security Officer (Salary and Hourly)
Pharmacist technicians (Salary)
Information Technologist (Salary)
Budtenders/Sales agents (Hourly)
Cashier (Hourly)
Counter Agents (Hourly)
Cleaners (Hourly)
Security employees (Hourly)
As can be readily seen, the first seven positions are salaried positions and would not be covered by the $15.00 - $50.00/hour rate (Business Plan - Page 7) (See Exhibit #4). These positions would be compensated based on education, experience and suitability for the position.

Along with Municipal Ordinance, in November 2017 the City Clerk published a Medical Marihuana Provisioning Center Scoring Criteria (See Exhibit #6) outline.

<table>
<thead>
<tr>
<th>Job creation</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of jobs at the provisioning center</td>
<td>5</td>
</tr>
<tr>
<td>Amount of compensation</td>
<td>2</td>
</tr>
<tr>
<td>Percent of employees earning over $15 per hour</td>
<td>3</td>
</tr>
<tr>
<td>Projected annual budget and revenue</td>
<td>2</td>
</tr>
</tbody>
</table>

For the sub-category entitled “Amount and Type of Compensation”, there is no subjectivity to this scoring. The “amount of compensation” required a response indicating an amount. As for the type of compensation, the acceptable responses would have been either hourly or salaried.

The applicant clearly stated for their hourly employees, compensation will be paid at an hourly rate of between $15.00 and $50.00 per hour depending on the position and the relative experience of the employee. The “scoring insights” describing the deduction from full scoring as lacking “an optimal amount of support details”. This is inconsistent with the category itself. There is no subjectivity to the scoring of this sub-category. Again, the category did not ask for a description – simply an amount.

While the Applicant addressed this issue with the Clerk in their December 20, 2018 written submission, the report of the Hearing Officer Hilary M. Barnard dated January 17, 2019 (included in Exhibit #2) again does not respond to the Applicant’s comments demonstrating the Clerk’s decision is arbitrary in that no reason is given for the denial of the Applicant’s rescoring request.

In conclusion, our Business Plan detailed exactly what was asked. For this category, the Applicant should have been awarded 2 points instead of 1 point.

10. PROJECTED ANNUAL BUDGET AND REVENUE
TOTAL POSSIBLE POINTS AVAILABLE: 2
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: The notes to the scoring reflect, “the Applicant provides a single line item number for annual budget and revenue (e.g. $1.02 million in expenses and 1.2 million in revenue) but no other information”. The “scoring insights” deducted 1 point as it “lacks sufficient details”.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #6) for this variable were stated as follows:

<table>
<thead>
<tr>
<th>Job creation</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of jobs at the provisioning center</td>
<td>5</td>
</tr>
<tr>
<td>Amount of compensation</td>
<td>2</td>
</tr>
<tr>
<td>Percent of employees earning over $15 per hour</td>
<td>3</td>
</tr>
</tbody>
</table>
Projected annual budget and revenue

The “projected annual budget and revenue” required a response indicating an amount. In good faith, the Applicant projected their annual revenue at $1,200,000. This was consistent with their size and proposed location.

For their budget, the Applicant first considered their total investment expenditures for the first year (exclusive of the cost of real property acquisition) as:

<table>
<thead>
<tr>
<th>Expected Buildout Costs</th>
<th>$700,000.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Security Equipment</td>
<td>$  50,000.00</td>
</tr>
<tr>
<td>Legal Expenses</td>
<td>$  35,000.00</td>
</tr>
<tr>
<td>Administrative Expenses</td>
<td>$  24,000.00</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>$  75,000.00</td>
</tr>
</tbody>
</table>

(Business Plan – Page 7) (See Exhibit #4)

When you factor in the costs for rent, utilities, salaries and other operating expenses, an annual budget of $1,020,000 is a realistic and calculated amount. Rather than arbitrarily selecting figures that might impress the reviewing authorities, the applicant has clearly stated an amount for annual revenue and expenses.

While the Applicant addressed this issue with the Clerk in their December 20, 2018 written submission, the report of the Hearing Officer Hilary M. Barnard dated January 17, 2019 (included in Exhibit #2) again does not respond to the Applicant’s comments demonstrating the Clerk’s decision is arbitrary in that no reason is given for the denial of the Applicant’s rescore request.

For this category, the Applicant should have been awarded 2 points instead of 1 point.

12. BUSINESS EXPERIENCE
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 4

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” deducted 1 point as it “lacked the optimal amount of applicable business experience”. There is an indication the Insight was updated 11/2/18 stating, “The Stakeholders have 5+ years of MM ownership experience; below 10+ years optimal experience to receive full points. Staff provides additional caregiver experience. No change in points.”

DISCUSSION: Again it must be pointed out that the language in the scoring insights indicates an update to the notes effective November 2, 2018. The Scoring notes for Job Creation contained in the December 6, 2018 (Exhibit #1) do not contain this additional language again demonstrating inaccurate file management, incorrect reporting and gross negligence.

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

History of success in operating business
Business Experience or businesses, years of operation, relevant business experience, other commercial licenses, medical certifications, and/or licenses.

The Scoring Insights are impossible to obtain for a Michigan resident. Medical Marijuana possession was approved on November 4, 2008 requiring an application for approval of a caregiver/patient by the State. Medical Marihuana Facilities licensing was not approved until 2017 with application submissions being permitted in late 2017. Under these circumstances no legal Michigan entity can have 10+ years business experience selling marihuana. As such, the requirements for full credit are completely arbitrary and capricious.

As acknowledged, Joseph Aiello does have experience 5+ years experience and was granted a municipal license to operate a medical marrihuana provisioning center at 14917 Gratiot, Detroit, Michigan. This fact was clearly set out in the Resume re Marihuana Experience (Page 2) (See Exhibit #7). This is in addition to the “decades of business experience” running multi-million-dollar entities and having pharmaceutical and bookkeeping experience that is crucial to operating a successful business.

While the Applicant addressed this issue with the Clerk in their December 20, 2018 written submission, the report of the Hearing Officer Hilary M. Barard dated January 17, 2019 (included in Exhibit #2) again does not respond to the Applicant’s comments demonstrating the Clerk’s decision is arbitrary in that no reason is given for the denial of the Applicant’s resoring request.

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

13. CONTENT AND SUFFICIENCY OF INFORMATION; PROFESSIONALISM OF SUBMITTED DOCUMENTATION INCLUDING CLEAR LABELING OF REQUIRED ITEMS
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 4

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” indicate “met or exceeded requested items.” Updated 11/2/18 Letter to cure for sanitation and floor plans from building safety – 1 pt. deducted”.

DISCUSSION: Once again it must be pointed out that the language in the scoring insights indicates an update to the notes effective November 2, 2018. The Scoring notes dated December 6, 2018 (Exhibit #1) do not contain this reference again demonstrating inaccurate file management, incorrect reporting and gross negligence.

The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #6) examine the overall presentation of the materials submitted by the Applicant. The Applicant submitted over 175 pages of material, with color illustrations, in a bound folder. On the exterior of the folder was an artist rendering of the proposed facility. There was a Table of Contents with tab dividers to allow easy access to any portion of the application. There
was a budget breakdown including a proposed Master Plan for the various medical marihuana facilities sought by the Applicant’s parent company (FMJRL, Inc.)

The Scoring Criteria evaluated: (1) Ownership structure, (2) Organizational chart, (3) Worker training program, (4) Short-term and long-term goals and objectives, and (5) Community outreach & education. The “scoring insights” had the following remarks - “Table of Contents, org chart, short and long term goals & outreach”. The “scoring insights” addressed each of the scoring criteria and noted the application met or exceeded the requested items.

One point was deducted to address a question raised by the Building Safety Department. The letter referenced in the November 2, 2018 update requested clarification to the Floor Plan and the Waste Disposal Plan (See Exhibit #8). Review of the January 30th letter clearly demonstrates it has nothing to do with (1) Ownership structure, (2) Organizational chart, (3) Worker training program, (4) Short-term and long-term goals and objectives, and (5) Community outreach & education.

Additionally, the Applicant received notice from the City Clerk in August 2018 that its’ score of 72 had eliminated the possibility of scoring in the top twenty. See Exhibit #1 City of Lansing Provisioning Center Ranking – printed on August 3, 2018. The Applicant filed an Administrative Appeal pursuant to Lansing Ordinance 1300.15(C) and was rescored. In the initial scoring, the Applicant was awarded a full score of five points for this category. The comments in the original scoring indicated the remarks – “Table of Contents, org chart, short and long term goals & outreach”. The same remarks appear for the December scoring – “Table of Contents, org chart, short and long term goals & outreach”. There were no changes in circumstances that would have warranted a change in score from 5 points to 4 points. The only explanation is scorer bias.

Finally, in the letters from the Lansing City Clerk informing the Applicant about their right to an appeal, the letter informs the Applicant that, “appeals are limited to materials provided during the application process” and “no new material will be considered on appeal”. If the Applicant is restricted to materials provided during the application process, the reviewer (re-scorer) should be bound by the same limitations. Again, nothing changed from December 2017 when the application was submitted to August 2018 when the Applicant’s score was disclosed to December 2018 when the Applicant’s score was changed without explanation.

While the Applicant addressed this issue with the Clerk in their December 20, 2018 written submission, the report of the Hearing Officer Hilary M. Barnard dated January 17, 2019 (included in Exhibit #2) again does not respond to the Applicant’s comments demonstrating the Clerk’s decision is arbitrary in that no reason is given for the denial of the Applicant’s rescoring request.

For this category, the Applicant should have been awarded 5 points and not 4 points.

14. BUFFERING BETWEEN RESIDENTIAL ZONED AREAS AND ESTABLISHMENT
TOTAL POSSIBLE POINTS AVAILABLE: 5
POINTS AWARDED: 0
EXPLANATION GIVEN FOR POINTS AWARDED: The "scoring insights" deducted all 5 points as the location is "very close to residential". There is a further notation that the scorer used a better measurement tool 9/18/18 and found residential properties on the north, east and south sides of the property which fall short of the optimal distance of ¼ mile (1320 feet) to receive full points.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #6) for this variable were stated as follows:

Impact on neighborhood Buffering between residential zoned areas 5 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 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 (See Exhibit #6) focus uses the phrase “residential zoned areas” (plural). A plain reading of the scoring criteria and the applicable ordinance must therefore focus on the enumerated factors in the ordinance itself—(Ordinance 1300.13(A)) setbacks from schools, libraries, playgrounds, childcare, churches and substance abuse prevention centers. Clearly setbacks for schools, libraries, playgrounds, childcare facilities, places of worship and substance abuse prevention centers relate to residential-related services (as opposed to commercial-related services).

Verified by submitted maps measuring the distances, the Applicant satisfied all of the stated buffering requirements: (see Location and Distance from Buffered Areas)(See Exhibit #9)

<table>
<thead>
<tr>
<th></th>
<th>Allowed Distance</th>
<th>Actual Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>School</td>
<td>1,000 feet</td>
<td>1,417 feet</td>
</tr>
<tr>
<td>Library</td>
<td>500 feet</td>
<td>5,833 feet</td>
</tr>
<tr>
<td>Playground</td>
<td>500 feet</td>
<td>1,696 feet</td>
</tr>
<tr>
<td>Commercial childcare</td>
<td>500 feet</td>
<td>1,115 feet</td>
</tr>
<tr>
<td>Church</td>
<td>500 feet</td>
<td>1,030 feet</td>
</tr>
<tr>
<td>Substance abuse prevention</td>
<td>500 feet</td>
<td>2,762 feet</td>
</tr>
</tbody>
</table>

A comparison of the actual distances with the setback distances show the following multiplied distances from the required setbacks:

<table>
<thead>
<tr>
<th></th>
<th>Actual Distance</th>
<th>Distance</th>
</tr>
</thead>
<tbody>
<tr>
<td>School</td>
<td>1,417 feet</td>
<td>1.47 times</td>
</tr>
<tr>
<td>Library</td>
<td>5,833 feet</td>
<td>11.67 times</td>
</tr>
<tr>
<td>Playground</td>
<td>1,696 feet</td>
<td>3.92 times</td>
</tr>
<tr>
<td>Commercial childcare</td>
<td>1,115 feet</td>
<td>2.23 times</td>
</tr>
<tr>
<td>Church</td>
<td>1,030 feet</td>
<td>2.06 times</td>
</tr>
<tr>
<td>Substance abuse prevention</td>
<td>2,762 feet</td>
<td>5.52 times</td>
</tr>
</tbody>
</table>

From the foregoing chart, the Applicant is located at least double the distance from the stated setbacks (it is located approximately 1½ times the distance from the nearest school).

The “scoring insights” indicate the establishment was “very close to residential”. If the comment was the establishment was very close to a residential property, the reviewer has interjected a requirement not stated to be evaluated in either the ordinance or the scoring criteria. The Lansing Ordinance does not require the facility be located a specific distance from residential housing. In fact, Lansing is one of a very few municipalities that does not have a setback requirement from residential housing. The property qualifies as a proper location for a Medical Marihuana Provisioning Center. When the Applicant’s landlord purchased the property in anticipation of the Applicant presenting an application for a medical marihuana provisioning center, the location from known setbacks were taken into consideration. If the proximity to residential property were going to be considered, a different site would have been selected.
The Applicant received notice from the City Clerk in August 2018 that its’ score of 72 had eliminated the possibility of scoring in the top twenty. (See Exhibit #10) The Applicant filed an Administrative Appeal pursuant to Lansing Ordinance 1300.15(C) and was rescoring. In the initial scoring, the Applicant was awarded one point for this category. The comments in the original scoring indicated the remarks – “very close to residential”. The same remarks appear for the December scoring – “very close to residential”. There was absolutely no change in the location of this Applicant between August and December. The only explanation is scorer bias.

To illustrate Scorer bias, the Applicant attaches the scoring of Green Square Holdings LLC that the Appellant received from the Lansing City Clerk (presumably in error). The scoring notes indicate that Green Square Holdings was awarded 3 points because their property was located 224 feet from residential zoning. (See Exhibit #11) The Applicant has attached the City of Lansing Medical Marijuana Ordinance Distance Requirement that demonstrates how distance is calculated. (See Exhibit #12) Using the measurement tool, the nearest residential property to the North and East is 335 feet while the nearest residential property to the South and East is 347 feet. While Green Square Holdings LLC received 3 points for being 224 feet, the Applicant received 0 points for being at least 335 feet.

For this category, the Applicant should have been awarded at least 3 of 5 points, and not 0 points.

16. ENTRANCE AND EXIT ON MAIN STREETS, ADEQUATE PARKING NOT ON RESIDENTIAL STREETS, QUALITY OF SECURITY PLAN
TOTAL POSSIBLE POINTS AVAILABLE: 10
POINTS AWARDED: 7

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” indicate minimum requirements for security plan Tier 2, 2 pts, Traffic 5 pts, strong traffic patterns, parking and circulation. 11/30/18 Update Security plan review by LPD notes a guard, off-site video storage, waiting room, and a safe, but no equipment specs or barrier information. Consider Tier 2 and equal 2 points, no change in score, just further detail.

DISCUSSION: To address the entrance and exit on main streets, the facility faces South Cedar Street and the plan is to have the flow of traffic enter and exit onto South Cedar Street. By looking at the Applicant’s Site Plan, the flow of traffic is onto South Cedar Street and away from Riley Street or Colvin Court. Therefore, there should have been no deductions based on the ingress/egress onto South Cedar Streets.

To address the adequacy of parking the Applicant’s Site Plan (See Exhibit #13) has 32 available parking spaces. The site was a former used car lot. In addition, there will be a “block wall” to the East of the Applicant’s lot to act as an additional buffer and to discourage any parking on the neighboring side streets. In addition, there will be signage on the Applicant’s property not to park on the neighboring side streets. Therefore, there should have been no deductions as to the adequacy of the Applicant’s proposed parking.

The examiner and the LPD were satisfied with the Applicant’s Security Plan and articulated no negative comments. The examiner is mistaken that no specs (detail) are
provided in the Security Plan. The video cameras are kept off site with cloud storage. There will be biometric controlled access to secure areas. The safe is a Cannon Wide Body 64-Gun Safe that is not located on an exterior wall (diagramed in the Applicant’s Floor Plan) to prevent crash and dash entry. The alarm system is monitored by Nest. There will be on-site security. Finally, the medical marihuana is ordered and delivered using a Zelivo kiosk system to monitor product purchases.

For this category, there is no basis for a 3-point deduction to the Applicant’s score.

19. PLANS TO ELIMINATE/MINIMIZE NOISE
TOTAL POSSIBLE POINTS AVAILABLE: 2
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” indicate an inadequate noise plan. Update 12/5/18 – plan to install a brick wall or fence is listed in Land use and effect on surrounding neighborhood section (tab 26) However, it is inferred that it is a noise plan or would reduce noise. 1 point added.

DISCUSSION: South Cedar Street is a major thoroughfare, routinely used by commercial vehicles and by many oversized commercial vehicles. The Applicant cannot be penalized for this fact. This facility will not add to the noise level, but equally important, this facility cannot minimize the noise level from the commercial traffic. We have stated measures that will impact “our” generated noise level, however the municipality should address the overall commercial noise level if it is an issue to the residential neighborhood.

There is no evidence the “facility itself” would increase the level of noise. There is no manufacturing going on at the facility. No speakers are depicted in the Applicant’s Site Plan to play amplified music. Therefore, the only increase in the noise level would be from automotive traffic in the facility parking lot. The Applicant’s Land Use and Effect on Traffic Patterns directly addressed this issue (See Exhibit #15). The Applicant proposed the following to directly address noise reduction:

- Speed would be clearly posted for travel in the parking lot. By maintaining a speed limit, this would reduce the amount of sound created by customer vehicles.

- The parking lots would be smooth and maintained. By maintaining the parking lot, the materials used would absorb automotive sound.

- The proposed hours of operation would be between 9:00 am and 10:00 p.m. The proposed hours of operation would reduce the level of noise created either early in the morning or late in the evenings.

- To reduce traffic in/out of the facility, scheduled appointment times with patients would be arranged. The facility would also accept call-in orders to predict traffic patterns to minimize traffic and noise.
• By reducing the traffic flow in and out of the proposed location, this will also minimize the amount of noise to the surrounding neighborhood.

• There will be additional buffering between the proposed location and any residential neighborhood by the installation of a block wall or fencing. Just as walls are erected on highways to reduce noise, the block wall would create a noise reduction barrier to the surrounding neighboring houses.

(Land Use and Effect on Traffic Patterns – Pages 1-2) (See Exhibit #15)

The Applicant was originally awarded zero points in their original scoring. A score of zero points indicates the Applicant made no attempt to address the issue. It was later changed to one point based on the fact that the Applicant was going to install the block wall. It is clear the examiner overlooked all additional information presented by the Applicant and the Applicant has more than adequately addressed the issue of noise created by their facility. For this category, the Applicant should have been awarded 2 points and not one point.

20. PLANS TO ELIMINATE/MINIMIZE ODOR
TOTAL POSSIBLE POINTS AVAILABLE: 3
POINTS AWARDED: 0

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” indicate an inadequate odor plan.

DISCUSSION: There is no evidence the facility itself would increase the odor level. Nevertheless, the Applicant’s Land Use and Effect on Traffic Patterns (See Exhibit #15) directly addressed this issue. The Applicant proposed the following to directly address any odor issues:

• By addressing the traffic flow in and out of the proposed location, this would also minimize the amount of noise and odor to the surrounding neighborhood.

• The proposed hours of operation would be between 9:00 am and 10:00 p.m. The proposed hours of operation would further reduce any odor level.

• Any use of medical marihuana on the premises would be strictly prohibited. This will further eliminate any odors to the surrounding neighborhood.

(Land Use and Effect on Traffic Patterns – Pages 1-2) (See Exhibit #15)

Applicant was awarded zero points. A score of zero points indicates the Applicant made no attempt to address the issue. It is clear the Applicant has more than adequately addressed the issue of odors created by their facility. For this category, the Applicant should have been awarded 3 points and not zero points.

22. LPD COMPLAINTS
TOTAL POSSIBLE POINTS AVAILABLE: 4
POINTS AWARDED: 1

EXPLANATION GIVEN FOR POINTS AWARDED: The “scoring insights” only awarded 1 point citing “1 assault report, 1 damage to property report, 1 fight call, 1 trouble with subject call, 2 stolen auto calls, 3 medical/welfare calls, 1 other report”, for a total of 8 calls (9+ calls = 1 pt). 12/26/18 No change to score. Applicant currently operating another business at this location.

DISCUSSION: The Medical Marijuana Provisioning Center Scoring Criteria (See Exhibit #2) for this variable were stated as follows:

<table>
<thead>
<tr>
<th>Applicant/stakeholders</th>
<th>Lansing Police Department complaints/incidents</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>record of acts detrimental to security, safety, morals</td>
<td>Demonstration of regulatory compliance</td>
<td>2</td>
</tr>
<tr>
<td>good order, general welfare</td>
<td>Business litigation history</td>
<td>2</td>
</tr>
</tbody>
</table>

The focus of this category is on the “applicant” and not any prior occupants. From the documents submitted, the Applicant-corporation was not formed until December 7, 2017. While the Applicant did submit a signed commercial lease agreement, the Applicant’s location has remained closed. There have been no police contacts since the Applicant’s formation.

All of the Lansing Police Department incidents occurred prior to the Applicant’s occupation of the subject property. There has been no record of any acts detrimental to security, safety, morals, good order or general welfare since the Applicant became a tenant. In the originally submitted documentation, signed by Frank Mastroianni as Director for 2117 Cedar Inc., the Applicant had no record of detrimental acts, nor were there any complaints or incidents with the Lansing Police Department. (See Exhibit #16) The prior occupants included a used car lot with automotive bays for auto repair. Obviously, the Applicant cannot be responsible for acts that may have occurred prior to their occupancy of the property.

More importantly, the Scoring Insights indicate the Applicant is currently operating another business at this location. This is a false statement. The Applicant has attached an affidavit to this Appeal that not only has the Applicant not operated a business at 2117 Cedar Street, no other individual/business has operated at that location since the property was acquired by 2117 Cedar Properties Inc. in December 2017. (See Exhibit #17)

For this category, the Applicant should have been awarded 4 points instead of 1 point.

23. DEMONSTRATION OF REGULATORY COMPLIANCE
TOTAL POSSIBLE POINTS AVAILABLE: 4
POINTS AWARDED: 3

EXPLANATION GIVEN FOR POINTS AWARDED: No tax history 1 point deduction for building safety.

DISCUSSION: Again, the Applicant received notice from the City Clerk in August 2018
that its’ score of 72 had eliminated the possibility of scoring in the top twenty. *(See Exhibit #10)* The Applicant filed an Administrative Appeal pursuant to Lansing Ordinance 1300.15(C) and was rescored. In the initial scoring, the Applicant was awarded full credit – four points for this category. The comment for no tax history was considered and rejected. Nothing has changed from the initial scoring to the present that would merit a scoring deduction.

For the reference that one point was deducted for building safety, as discussed in Section 22 – LPD Complaints, there have been no safety compliance issues since the Applicant’s landlord purchased the property in December 2017.

The point is that the Applicant has no history of non-compliance. There is no mention the Applicant attempted to operate without licensing. There have been no instances of non-compliance by either stakeholder of the Applicant.

For this category, the Applicant should have been awarded 4 points instead of 3 point.

24. BUSINESS LITIGATION HISTORY  
TOTAL POSSIBLE POINTS AVAILABLE: 2  
POINTS AWARDED: 0

**EXPLANATION GIVEN FOR POINTS AWARDED:** All stakeholders have a complete litigation history with no or minimal issue. Updated 11/28/18 after further review, “no record of acts of detrimental to security, safety, morals” is determined insufficient.

**DISCUSSION:** The Medical Marijuana Provisioning Center Scoring Criteria *(See Exhibit #6)* for this variable were stated as follows:

<table>
<thead>
<tr>
<th>Applicant/stakeholders</th>
<th>Lansing Police Department complaints/incidents</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>record of acts detrimental to security, safety, morals</td>
<td>Demonstration of regulatory compliance</td>
<td>2</td>
</tr>
<tr>
<td>good order, general welfare</td>
<td>Business litigation history</td>
<td>2</td>
</tr>
</tbody>
</table>

The remarks on the scoring criteria indicate the Applicant will get zero points if found to have violated 2016 Ordinance #1202 Moratorium. In May 2016, pursuant to Ordinance #1202, the city imposed a moratorium on new medical marihuana establishments to allow the city to complete its study of the Michigan Medical Marihuana Act (MMMA) and its implications for the city. Neither the Applicant, nor any stakeholder of the Applicant, violated the moratorium.

As noted originally, in the comments to the scoring, the Applicant had a clear litigation history. The Applicant never sued or was sued.

Now the November 28, 2018 comment states that the information provided was “insufficient”. There are two stakeholders for this entity – Frank Mastroianni and Joseph Aiello. As stated in the Applicant’s Statement of Detrimental Acts, *(See Exhibit #18)*, the Applicant and the stakeholders have no record of acts detrimental to security, safety, morals, good order or general welfare. This was the information requested and the
information provided—neither have any criminal record. Paragraph 4 states the Applicant and the Stakeholders have no record of complaints with the Lansing Police Department. Finally, the Applicant and the Stakeholders have no business litigation history. Clearly the Applicant has provided the exact information requested. If you provide the information requested, how can that be construed as “insufficient”?

Additionally, Applicant received notice from the City Clerk in August 2018 that its’ score of 72 had eliminated the possibility of scoring in the top twenty. (See Exhibit #10) The Applicant filed an Administrative Appeal pursuant to Lansing Ordinance 1300.15(C) and was rescored. In the initial scoring, the Applicant was awarded two points—the maximum amount allowable for this category. The comments in the original scoring indicated the same remarks—“clear history”. The same remarks appear for the December scoring—“clear history”. There was absolutely no litigation involving the Applicant between August and December. There is no justification for the two-point deduction.

For this category, the Applicant should have been awarded 2 points instead of 0 points.

CONCLUSION

The Applicant has addressed each category where a reduction from full point value was given. In each instance, the Applicant has clearly shown that the examiner either did not score the category correctly or overlooked the materials presented.

Based on the foregoing, a correction must be made awarding the applicant additional points.

Respectfully,

Aaron D. Geyer
Attorney for Applicant

Prepared by
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Warren, Michigan 48092
Tel. (586) 303-2211
Fax. (586) 303-1259
aaron@chrissaiello.com
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Denial Letter from Lansing City Clerk with Application Scoring (received 12-06-2018)</td>
</tr>
<tr>
<td>2</td>
<td>Denial Letter from Lansing City Clerk with Application Scoring (received 01-19-2019)</td>
</tr>
<tr>
<td>3</td>
<td>City of Lansing Provisioning Center Ranking (Scoring) Dated 01-16-2019</td>
</tr>
<tr>
<td>4</td>
<td>Applicant’s Business Plan (originally submitted)</td>
</tr>
<tr>
<td>5</td>
<td>Patient Education Handbook (originally submitted)</td>
</tr>
<tr>
<td>6</td>
<td>Medical Marijuana Provisioning Center Scoring Criteria Dated 11-13-2017</td>
</tr>
<tr>
<td>7</td>
<td>Applicant’s Resume Regarding Experience with Medical Marihuana or a Related Industry</td>
</tr>
<tr>
<td>8</td>
<td>Letter from Building Safety Department dated January 30, 2018</td>
</tr>
<tr>
<td>9</td>
<td>Location and Distance from Buffered Areas</td>
</tr>
<tr>
<td>10</td>
<td>Denial Letter from Lansing City Clerk with Application Scoring dated August 3, 2018 (with Application Scoring)</td>
</tr>
<tr>
<td>11</td>
<td>Application Scoring of Green Square Holdings LLC dated January 17, 2019.</td>
</tr>
<tr>
<td>12</td>
<td>City of Lansing Medical Marijuana Ordinance Distance Requirement</td>
</tr>
<tr>
<td>13</td>
<td>Applicant’s Site Plan</td>
</tr>
<tr>
<td>14</td>
<td>Applicant’s Security Plan</td>
</tr>
</tbody>
</table>
15. Applicant’s Land Use and Effect on Traffic Patterns.


17. Sworn Statement Regarding Real Property Use

18. Detrimental Acts to Security, Safety, Morals, Good Order and General Welfare – signed by Applicant’s President (originally submitted)
EXHIBIT _
December 6, 2018

2117 S Cedar Inc
32411 Mound Road
Warren, MI 48092

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 2117 S Cedar St.

You have the right to appeal this denial of licensure within 14 days of the date of this letter by filing with the City Clerk’s Office a written statement setting forth fully the grounds for the appeal pursuant to Chapter 1300.15(c). Please note that initial appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted 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.

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 city.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,

[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>2117 CEDAR INC</th>
<th>2237 S CEDAR ST</th>
<th>2217 S CEDAR ST</th>
<th>2217 S CEDAR ST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>---</td>
<td>2237 S CEDAR ST</td>
<td>---</td>
<td>---</td>
<td>Sending Insights</td>
</tr>
<tr>
<td>Marketing, Advertising and Promotion</td>
<td>4</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible Capital Investment in the City of Lansing (investment in applicants other provisioning centers was not included in score)</td>
<td>15</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job Creation (Integrated System) Overall number of jobs created</td>
<td>5</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Structure and Financing</td>
<td>3</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plants to Integrate Facility with Other Establishments</td>
<td>2</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Applicant provides several marketing, advertising and promotion examples and one minor prevention example (e.g., no advertising or product marketing appealing to minors, website with 110, 462 but doesn't get too much more details. Lacks sufficient details and minor prevention examples.

Applicant provides a listing of proposed capital investment in Lansing (including the retail provisioning center, land contract for $338,421 million startup costs, and subsequent grow facility (373 sq. ft.) processing operation, testing, etc.). Includes $178.8 million investment associated with integrated operations (including $12 million for R&D property at 1510 S. Capitol).

Applicant indicates 742 Lansing jobs will be created by their medical marijuana operations but does not provide much detail about them.

Applicant indicates no bank financing expected, provided proof of capital in the form of bank statements (10/2024) and CPA attested liquid assets availability of $51.65 million.

Applicant indicates they intend to integrate their initial provisioning center with a 1,500 plant, 27,000 sq. ft. grow facility and other future operations.
<table>
<thead>
<tr>
<th>Charitable Plans and Strategies</th>
<th>4</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Jobs at the Provisioning Center Category Thresholds:</td>
<td>5</td>
<td>4</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>5</td>
<td>4</td>
</tr>
<tr>
<td>Amount and Type of Compensation (PC)</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Percent of Employees Earning At Least $15/Hour (PC)</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Projected Annual Budget and Revenue (PC)</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Sufficient Financial Resources</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Business Experience</td>
<td>5</td>
<td>4</td>
</tr>
</tbody>
</table>

Applicant indicates they will contribute a minimum of $100,000 annually to charitable causes, indicates they have been selected by Western University to receive students (legal document provided), and included proof of checks totaling $600 already written to local organizations. Applicant indicates their initial provisioning center will generate above 20 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Full share of an optimal level of benefits. Applicant states that the provisioning center employees will earn between $15 and $25/hour but does not provide an optimal amount of support details. Applicant indicates that all of the hourly positions will be paid no less than $15 to $20/hour. Applicant provides a single line item number for annual budget and revenue (e.g., $1.02 million in expenses and $1.1 million in revenue) but no other details. Lacks sufficient details. Applicant provides litigation consultation redaction forms for all key team members. Applicant proves they have well over $100,000 in the bank and over $1 million in liquid assets. Applicant indicates they have 3 years as a medical marijuana company, plus decades of business experience (e.g., business management, pharmacy, book keeping). Lacks the optimal amount of applicable business experience.
<table>
<thead>
<tr>
<th>Category</th>
<th>Score</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Content and Sufficiency of Information, Professionalism of submitted</td>
<td>5</td>
<td>Table of Contents, org chart, short and long term goals &amp; outcomes</td>
</tr>
<tr>
<td>documentation including clear labeling of required items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td>5</td>
<td>Very close to residential</td>
</tr>
<tr>
<td>Increased traffic on side streets will be scored lower</td>
<td>5</td>
<td>Major traffic control reservations needed</td>
</tr>
<tr>
<td>Entrance and exit on main streets, adequate parking not on residential</td>
<td>10</td>
<td>Minimum requirement for site plan. Tier 2, traffic 5 pts. Strong traffic patterns, parking, and construction.</td>
</tr>
<tr>
<td>streets, Quality of Security Plan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plan to meet with neighborhood organizations</td>
<td>1</td>
<td>Have a plan</td>
</tr>
<tr>
<td>Improvements made or proposed to building</td>
<td>3</td>
<td>Plans do not reflect improvements just existing structure</td>
</tr>
<tr>
<td>Plan to minimize/eliminate traffic</td>
<td>1</td>
<td>Inadequate traffic plan</td>
</tr>
<tr>
<td>Plan to minimize/eliminate noise</td>
<td>2</td>
<td>Inadequate noise plan</td>
</tr>
<tr>
<td>Plan to minimize/eliminate odor</td>
<td>3</td>
<td>Inadequate odor plan</td>
</tr>
<tr>
<td>LPD Complaints</td>
<td>4</td>
<td>1 assault report - 1 damage to property report - 1 theft call - 1 mobile or subject call - 2 sexual assault calls - 2 medical check warrants calls - 1 other report - 2 calls</td>
</tr>
<tr>
<td>Demo of Regulatory Compliance</td>
<td>4</td>
<td>In case history</td>
</tr>
<tr>
<td>Litigation History</td>
<td>2</td>
<td>Clear history</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>
January 19, 2019

2117 Cedar Inc
c/o Frank Mastroianni
32411 Mound Rd
Warren, MI 48092

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 2117 S Cedar St. Your score after appeal is 75, which eliminates the possibility of ranking in the top 20, therefore I have determined your appeal is denied.

The City Clerk is not bound by the Hearing Officer’s recommendation. All recommendations are considered, however points are only added if the Hearing Officer’s recommendations are logical given the scoring rubric. The following recommendation could not be accepted:

- **Litigation History** - the score should remain zero because further review of the original application by three separate staff members revealed no litigation history statement. No proof was provided during the appeal to show the litigation history was included with the original application.

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 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.

Should you choose to appeal to the Medical Marihuana Commission, your tentative appeal hearing date will be Friday, March 1, 2019.
January 19, 2019

2117 Cedar Inc
C/o Frank Mastroianni
32411 Mound Rd
Warren, MI 48092

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The City Clerk is not bound by the Hearing Officer’s recommendation. All recommendations are considered, however points are only added if the Hearing Officer’s recommendations are logical given the scoring rubric. The following recommendation could not be accepted:

- **Litigation History** - the score should remain zero because further review of the original application by three separate staff members revealed no litigation history statement. No proof was provided during the appeal to show the litigation history was included with the original application.

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 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.

Should you choose to appeal to the Medical Marihuana Commission, your tentative appeal hearing date will be Friday, March 1, 2019.

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  city.clerk@lansingmi.gov
CITY OF LANSING
HEARING OFFICER
DECISION RECOMMENDATION

In Re:

2117 S. Cedar, Inc.
Proposed Location: 2117 S. Cedar St.

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 2117 S. CEDAR, INC. and its license application for a Medical Marihuana Provisioning Center that the license application remain denied.

FACTS

2117 S. CEDAR, INC. (“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 chart, Appellant is able to view the total possible points, its attained points, and short scoring insights 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, referencing the Lansing Ordinance provision for appeal. Appellant states that the examiner either did not score the category correctly or overlooked presented materials.

City Clerk Position

The City Clerk affirms its position on the denial. With its position statement, the City Clerk advised that in September 2018, it developed a tool to apply to all applicants regarding land use criteria for buffering. Additionally, the clerk stated that under Entrance and Exit et al. that the applicant’s score was as to the quality of the security plan and not the entrance/exit/parking section.
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."¹

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.²

* * *

[The] review of an appeal shall not be de novo. The commission shall only overturn, or modify, a decision or finding of the clerk if it finds such decision or finding to be arbitrary or capricious and not supported by material, substantial, and competent facts on the whole record considered by the clerk in arriving at such decision or finding.³

The arbitrary or capricious standard of review is the commission’s review and is adopted by this Hearing Officer.⁴ *Arbitrary* and *capricious* have generally accepted meanings.⁵ *Arbitrary* is "without adequate determining principle . . . [f]ixed or arrived at through an exercise of will or by caprice, without consideration or adjustment with reference to principles, circumstances, or

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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 1217 is arbitrary and capricious, that is the standard that will be observed here.
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. The appellate review is limited to the record before the lower court at the time of the relevant decision.

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

“not limit an individual’s or entity’s rights under the [Michigan Medical Marihuana Act (MMMA)], MMA or the [Michigan Tracking Act (MTA)]” and as 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 232-35.15

The largest point deficiency in Appellant’s score comes from the Buffering category. Appellant argues that Lansing does not have a setback requirement from residential housing. The scoring categories have been available to applicants since prior to the filing deadline, and Appellant should have been aware that this category would be considered in scoring and ranking. The proposed location is bordered on most sides by businesses. However, it is located near a slew of residential housing. The insight statements indicate that falls short of an optimal distance. It is recommended that no change is made to Appellant’s score as it has not met its burden to show why this decision was arbitrary or capricious.

Under Entrance and Exit, this Hearing Officer would note that even though it did not have bearing on the clerk’s score, Appellant’s business is in a high-traffic area of the city and circulation of traffic on these streets is of a concern because of the residential neighborhood due east of the location. Under this category Appellant lost points in the security plan, and it provided no argument as to security plan deficiencies. Thus, no point change is warranted.

Under plans to minimize/eliminate odor, Appellant has not made an argument directly related to its odor plan point deficiency. It is not enough for an appellant to “simply announce a position or assert an error[.]”16 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.”17 There is no basis to award more points than originally scored based on the provided information and argument.

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 under current ownership, thus scoring in this category is appropriate.

Regulatory Compliance is a category to be scored. As no tax history was provided, a point deduction is appropriate. Under Litigation History, this Hearing Officer is confused as to what “Clear History” is supposed to mean in the context of a 0 of 2 points. Absent other information, 1 point should be awarded in this category.

Appellant’s point deficiencies under Job Creation are related to lack of detail. The scoring insights provide that construction jobs are temporary. Appellant lost one point in this category, and has not met its burden to show why the original score is arbitrary or capricious.

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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. Again, Appellant’s supplemental materials, not originally provided in its application, are not considered.
Appellant's other categorical deficiencies not above mentioned relate to lack of detail. In its appeal it has not met its burden to show why the original scores are arbitrary or capricious, and thus its scores are considered appropriate.

CONCLUSION

For the foregoing reasons, it is recommended that Appellant's application for a provisioning center license remain denied but allocated 1 point as described above.

Respectfully Submitted,

Dated: January 17, 2019

Hilary M. Barnard, Hearing Officer
<table>
<thead>
<tr>
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<th>Total Possible Points</th>
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<td><strong>Applicant indicates their initial provisioning center will generate about 20 jobs and 50 construction jobs. Employee training is fully discussed and list of job titles and wages provided. Fall short of an optimal level of details.</strong></td>
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<td>8. ‘Amount and Type of Compensation (PC)’</td>
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| 20. Plan to minimize/eliminate noise                  | 2 | 1 | "Inadequate noise plan. Update 12/8/2018 – plan to install 12x8/5/2017 pipe of 1.2 brick wall or fence is listed in Land use and effect on surrounding neighborhood section (Tab 26). However, it is inferred that it is a noise plan or would reduce noise. 1 point added."
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| 22. LPD Complaints                                   | 4 | 1 | 1 assault report - 1 damage to property report - 1 fight call - 1 troubled w/ subject call - 2 stolen Auto calls - 3 medical /check welfare calls - 1 other report, 8 calls (9+ calls = 1 pt) 12/26/2018. No change to score. Applicant currently operating another business at this location. |
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# BUSINESS PLAN

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BUSINESS PLAN

This is the written BUSINESS Plan for 2117 Cedar Inc. ("We", "Us", "Our"). This plan addresses and meets the application requirements of the City of Lansing’s Medical Marihuana Ordinance for the regulation and licensing of Medical Marihuana Establishments.

1. Executive Summary – Mission Statement

The mission statement of 2117 Cedar Inc. is to establish a first-class medical marijuana dispensary to retail medical marijuana to its patients. We want to provide greater access to the medicinal effects cannabis can bring to those in need. At 2117 Cedar Inc., we will always put our patients first. Our staff is knowledgeable of industry and licensing regulations. We continually attend industry seminars and workshops to stay current with evolving regulations. We are here to service the community properly, now and in the future.

It’s one thing to say we will have community involvement, it’s another thing to back up those words and promises with FACTS. We have been selected by a major university, Northern Michigan University, to provide programs to students directly related to the medical marijuana industry. We will be providing classroom education to students in the fields of medical marihuana growing, cultivation, processing, and dispensary operations.

Our dispensary will provide our patients with safe products, professionally packaged, and presented in a compassionate, service-focused way in a comfortable setting by well-trained staff. Patient care and education is a key element of our approach, and has to be part of an array of wellness and support services (transportation, interpreters, and care advocates) we offer our patients.

Our dispensary is being designed and built to feature state of the art technology with forward-looking green practices. Security and safety are critical components of our operations. We also plan to take every effort to be “good neighbors” in the community. This means providing extensive community outreach, including hiring and public involvement. It also means minimizing any negative impacts or nuisances that may arise from our operations.

Our key objectives are:

• To provide safe and legal access to medical cannabis for all qualified patients regardless of their ability to pay;

• To reduce the barriers and improve access to medical cannabis and its potential benefits, including the potential to reduce health disparities in underserved and minority residents in Lansing; and

• To revitalize our neighborhood and contribute to Lansing’s wider economic development through job creation, increased tax base, and education and outreach.
Finally, 2117 Cedar Inc. has sufficient capital in place to build, secure, and start up the proposed dispensary. We have sufficient capital to cover estimated costs of build, operation, compensation of employees with fringe benefits, equipment costs, utility costs, legal compliance, and other operating and maintenance costs as needed. As requested, we have provided proof of capitalization to cover such amounts.

2. Proposed Ownership Structure of the Establishment:

2117 Cedar Inc. is one element in the FMJRL, Inc. family of companies. Frank Mastroianni has a 100% ownership in FMJRL, Inc. and shares a 50% interest in 2117 Cedar Inc. with his business partner, Joseph Aiello.

Contemporaneous with this Application, FMJRL subsidiaries will be filing a Medical Marihuana Grower application, a Medical Marihuana Processor application, and another Medical Marihuana Provisioning Center application. You will find that 2117 Cedar Inc. along with the other subsidiaries, are highly motivated and highly qualified medical marihuana businesses worthy of the opportunity to do business in the City of Lansing. Please see attachment showing proposed Master Plan for our Medical Marihuana Development and Research Facility.

3. Current Organization Chart:

Frank Mastroianni – President, Director
Joseph Aiello - Vice President, Treasurer, Secretary, Director

4. Implementation Strategy

2117 Cedar Inc. will use a community-driven, patient-centered care approach that will benefit all Lansing residents, including delivering care in a way that makes quality, affordable medical cannabis available to underserved minority, low-income and indigent populations. This complex commitment dictates the features of our implementation strategy:

- Patient-centered care,
- A professional clinical setting,
- Product variety,
- Scientific quality control,
- A skilled and knowledgeable staff,
- Investment in sustainable operations, community outreach, and enabling/support services.
A. Patient-Centered Care

The crucial element of our PCC approach will be meeting our patients where they are: communicating with them in the terms they are comfortable with. This requires that our staff be well-trained, comfortable with diversity, and competent to interact appropriately with individuals from different backgrounds and levels of “medical literacy.” As a “socio-culturally competent” caregiver, 2117 Cedar Inc. will educate and empower its patients so that they share responsibility for their own healthcare decision-making and healthy lifestyle choices. Our PCC-focused dispensary will provide:

- A welcoming environment,
- Respect for patients’ values and expressed needs,
- Patient empowerment,
- Staff socio-cultural competence,
- Help with coordination of care across providers,
- Emphasis on patient comfort and support, and
- Community outreach and collaboration.

Our staff, facility, and operations will prioritize education and patient empowerment. Maintaining a holistic focus and supportive services, it will seek to identify underlying factors that broadly influence quality of life, with emphasis falling on pain management, avoiding unhealthy behaviors, lifestyle change, improving physical conditioning, adopting better nutritional practices, reducing stress, and taking advantage of the profound mental health benefits that patients can derive from interpersonal support such as counseling, support groups, and community activities with those suffering from similar conditions.

As noted in our discussion above, research has shown PCC to result not only in far higher levels of patient satisfaction with their care, but also in better clinical outcomes and quality of life. While we are not practicing medicine, embracing PCC as the centerpiece of our model puts us ahead of the curve in this rapidly growing trend in healthcare.

B. Professional Clinical Setting

The compassionate cause of medical cannabis is ill served by reminders of the counterculture or association with the image or ethos of the “stoner.” Our atmosphere will be designed to move medical cannabis away from any association with the counterculture or even with the casualness of uninformed home cultivation and focus attention on its scientific and medical legitimacy. In keeping with this, our dispensary collective will maintain the professional look and feel of a professional medical service clinic, and the fact that our products are scientifically cultivated and tested will be the key element in our strategy on which we plan to build public awareness of our “brand.”
C. Strain Variety

Different strains of cannabis have different therapeutic and palliative effects, some offering relief from a given condition more than others. Furthermore, patients with serious medical conditions, such as those with wasting syndrome or undergoing chemotherapy for cancer, can have very specific tolerances, intolerances, and idiosyncratic reactions to medication. To offer patients customized and scientifically precise treatment options, it is critical that we provide as wide a variety of strains of medical cannabis and as great a variety of delivery methods as possible. We will also provide a wide range of oils and edibles as soon as we begin our operations.

D. Scientific Quality Control

As discussed below, all our products will be tested for purity and potency by an independent testing laboratory and bear a guarantee of scientific quality control. We will work with our independent lab to provide the best possible product at a fair price.

E. Skilled and Knowledgeable Member Staff

Without a skilled and knowledgeable staff, our product diversity and Patient-Centered Care would be of little benefit to most patients. A crucial feature of our strategy is the extensive training that our staff will undergo to be able to advise patients on such things as the specific effects and side effects of various strains or delivery methods, their benefits for specific medical conditions, and their interactions with other medications, as well as with drugs and alcohol.

Providing patients with types of information they cannot obtain in traditional health care settings conforms with our general strategy of offering something that does not replace traditional health care, but complements it by providing something critically lacking in it. The need for complementary care is particularly evident in the case of medical cannabis because physicians typically recommend only that the patient use it, without specifying the strain or delivery form. This creates a patient information deficit and education need that our approach is designed to address. Because many dispensaries do not take this need seriously enough, our educational approach will quickly distinguish our “brand.”

F. Investment in Community Outreach and Enabling Services

Many states have dispensaries offering a variety of peripheral services on a patient-centered care model. 2117 Cedar’s approach builds on successful dispensary models, improves the scope and type of community outreach, and delivers more targeted services that will benefit all Lansing residents.

5. Proposed Marketing, Advertising and Business Promotion Plan:

The success and growth of any business, especially a new business, starts with an effective
marketing and advertising plan. Consistent with the promulgated Emergency Rules for the Medical Marihuana Facilities Licensing Act filed with the Secretary of State on December 4, 2017, the Applicant intends to fully comply with Emergency Rule 42.

**Rule 42. Marketing and advertising restrictions.**

(1) Marihuana facilities shall comply with all municipal ordinances, state law, and these rules regulating signs and advertising.

(2) A licensee shall not advertise marihuana product where the advertisement is visible to members of the public from any street, sidewalk, park, or other public place.

(3) Marihuana products must be marketed or advertised as “medical marihuana” for use only by registered qualifying patients or registered primary caregivers.

(4) Marihuana products must not be marketed or advertised to minors aged 17 years or younger. Sponsorships targeted to members aged 17 years or younger are prohibited.

It is expected that 2117 Cedar Inc. will spend over $70,000 annually for the first year using the following marketing options:

A. The proposed marketing plan starts with a proper Website with detailed information. 2117 Cedar Inc. will utilize Search Engine Optimization (SEO optimization). SEO will position our website and will help eliminate exposure of any marketing or promoting marihuana products to minors.

B. 2117 Cedar Inc. will hold business events and conferences. This will improve community relations by providing educating the public.

C. 2117 Cedar Inc. will utilize alternative online advertising options including Mantis, 420 Network, 420 Click and Women Grow. These sites are known in the cannabis culture, again eliminating marketing exposure to children.

D. 2117 Cedar Inc. will advertise in thematic magazines including Dope, Cannabis Now, 420 Magazine, Marijuana Venture and MG Magazine. This also allows for specific marketing to an adult target audience within the cannabis culture.

E. 2117 Cedar Inc. will not market, advertise or sell ANY product that appeals to minor children such as “gummy bears”.

6. **Verification, Paperwork, and Tracking**

A. **Verification**

Michigan allows patients and their designated caregivers to enroll in an identification program that provides them with a government-issued card identifying them as legally-qualified medical cannabis patients or caregivers. These medical marihuana identification cards allow for easy verification of the
cardholder’s current eligibility status through a verification system that dispensaries and law enforcement can access. To be eligible for purchase of any medical marihuana product, we will verify the individual’s credentials with a state approved identification to verify their identity. Before anyone is allowed into our facility, they must present proper credentials.

Paperwork Compliance

All individual patients will be required to complete an application on their initial entry into our location. The patient will have to attest they have read the application, understood it, have answered all questions truthfully, and agree to abide by all rules and requirements of the provisioning center. The individual patient will be met by a qualified staff member who will speak with the individual patient and answer any questions the patient may have. The patient will then be given a Patient Handbook.

B. Tracking

We plan to track all patients, caregivers and sales. For every day, month, quarter, and year, we will track the total number of individuals who visit the dispensary, the number of their visits, and the number, quantity, and type of products sold and on hand for sale, as well as the number of plants or products under cultivation or production. This will allow us to ensure and document for the purposes of regulatory compliance the aggregate amount of medical marihuana in our facility does not exceed allowable limits.

All books, records, and accounts, including those related to membership, will be maintained to comply with applicable laws and regulations.

7. Tax Compliance and Accounting

2117 Cedar will comply with local, state, and federal tax requirements. We are well aware of the unique federal tax implications for medical cannabis businesses, and have consulted with appropriate professionals to ensure full compliance with the Internal Revenue Service’s treatment of medical marijuana. We understand that for any drug that is considered illegal by the Federal government, including medical marijuana (albeit medically legal according to the State of Michigan), a 1982 tax code prohibits cost deductions for our business. 2117 Cedar Inc. has hired a qualified Certified Public Accountant (Paul Samways) that is knowledgeable and capable of timely generating any forms or statements required.
8. Planned Tangible Capital Investment:

A. The total investment required for the first year of operation (exclusive of the cost of real property acquisition) is:

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<thead>
<tr>
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<th>Cost</th>
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<tbody>
<tr>
<td>Building cost</td>
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<tr>
<td>Expected Buildout Costs</td>
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<tr>
<td>Security Equipment</td>
<td>$50,000.00</td>
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<tr>
<td>Legal Expenses</td>
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<tr>
<td>Administrative Expenses</td>
<td>$24,000.00</td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td>$75,000.00</td>
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B. In addition to the application being submitted for this Medical Marihuana Provisioning Center, Frank Mastroianni intends to submit applications for one Medical Marihuana Grow Facility (1500 plants in a 27,000 square foot facility) and one Medical Marihuana Processor Facility the City of Lansing. We expect to add 240 new jobs to the City of Lansing, each of which will pay between $15.00 to $50.00 per hour that will have a positive economic benefit to the City.

9. Expected Job Creation from the proposed Medical Marihuana establishment:

The licensing of this establishment will create approximately 20 new jobs. It is expected the applicant will be seeking qualified employees to fill the following jobs:

- Pharmacist (Salary)
- Dispensary Manager (Salary)
- Merchandize Manager (Salary)
- Medical Director (Salary)
- Security Officer (Salary and Hourly)
- Pharmacist technicians (Salary)
- Information Technologist (Salary)
- Budtenders/Sales agents (Hourly)
- Cashier (Hourly)
- Counter Agents (Hourly)
- Cleaners (Hourly)
- Security employees (Hourly)

Each new job created will pay no less than $15.00 per hour. In addition, Frank Mastroianni (through his entities) will be seeking licenses for two Medical Marihuana Grow operations and a Medical Marijuana Processor operation, each of which should add 100 new jobs. In addition, the proposed buildout of the provisioning center will add approximately 50 construction jobs.
10. Planned Worker Training Programs:

2117 Cedar Inc. intends to ensure all personnel are properly trained and educated to run a first-class Medical Marihuana Provisioning Center. To accomplish this goal, the staff must:

a. Understand the rules and regulations imposed by the City of Lansing and the State of Michigan relative to the Michigan Medical Marihuana Act. This involves educating the staff and making sure they attend seminars to maintain the proper level of proficiency.

b. Understand the needs of the individual patients

c. Understand the floor plan of the dispensary and the various safety and security measures to handle any emergency situation that might develop.

d. Understand all point of sale procedures for any transfers or sales

e. Follow procedures in an employee handbook that will be given to all staff personnel. The handbook communicates business rules and performance standards, encourages employees to behave in a certain way, and helps ensure employees are treated consistently. The handbook also explains employee safety procedures, employee guidelines, security protocols, and educational training.

f. Understand the various products available with their benefits and drawbacks that would be available to patients.

g. Understand product information, dosage and daily limits.

h. Understand the educational materials available for the individual patient and caregivers.

i. Planned worker training includes background checks of employees and requirements that employees immediately report any new or pending criminal charges.

11. Financial Structure and Financing of the Proposed Medical Marihuana Establishment:

It is expected that the costs of improvement to the property will cost between $700,000. 2117 Cedar Inc., a subsidiary of FMJRL, Inc., is owned by Frank Mastroianni who has the financial resources to improve the proposed medical marihuana establishment without the need to incur new debt. No bank financing is expected.
12. **Building and Construction Plan**

The plans for conversion and upgrade of the existing facility keep several goals in mind:

- Complying with all code requirements,
- Meeting and exceeding safety and efficiency standards specific to the type of operations proposed, and
- Life safety, satisfying all regulatory compliance issues.

The new facility is designed to maximize the safety of our patients, employees, and neighbors, as well as the safety and security of our products. The design incorporates the most environmentally friendly materials and the latest technologies, enabling us to conserve energy and lessen our carbon footprint.

Areas of the lot not covered by the building will be upgraded and used for parking, circulation, and open space. Improvements to the surrounding lot will include repair of deteriorated portions of the pavement and the creation of ample parking spaces. The parking stalls will be marked with 4-inch wide white stripes.

Numerous public improvements will be undertaken landscaping, sidewalk, and lighting improvements.

See Security Plan (Item #14) for security measures being implemented.

13. **Competitive Advantage, Short-Term and Long-Term Goals and Objectives Consistent with this Chapter:**

What sets 2117 Cedar apart from other applicants is the economic growth that FMJRL, Inc. can bring to the City. In addition to this Provisioning Center License application, subsidiaries within FMJRL, Inc. will be seeking licensing for a Medical Marihuana Grower, a Medical Marihuana Processor and another Medical Marihuana Provisioning Center. The short-term goals of 2117 Cedar Inc. are to commence building improvement once licensing is granted. Operations will commence after the appropriate inspections and certificates have been issued. We have been selected by a major university to educate their students about our industry.

As for our long-term goals, it is the expectation that 2117 Cedar Inc. will continue to grow and develop with the community and become an industry standard for other provisioning centers to follow. We grow here, we process here, we employ here, and we dispense here. As for the long-term goals of our parent company, there are developed real estate plans for additional medical marihuana facilities in the City of Lansing if the city allows for expansion. We intend to establish a non-profit enterprise that will work in conjunction with cancer foundations and medical facilities to eradicate cancer in our
lifetime. We are here to be YOUR industry leader, someone you can be proud to acknowledge and sponsor.

14. **Community Outreach / Education Plans and Strategies:**

The mission statement of the South Lansing Community Development Association is to support citizen-driven development by a) providing programs and resources that address community-identified needs, b) empowering local residents and stakeholders to advocate for change, and c) facilitating collaborative efforts to achieve goals. We share the same core values. As part of our marketing strategy, we intend to hold business events and conferences. In conjunction with organizations such as the South Lansing Community Development Association and the South Side Community Coalition, these goals can be met with the community benefitting from planned programs.

We can PROVE we are serious about education. 2117 Cedar (along with the other companies in the FMJRL family) have been selected by Northern Michigan University, an accredited public university established by the Michigan Legislature in 1899, to provide programs to students directly related to the medical marijuana industry. Our curriculum includes classroom education to students in the fields of medical marihuana growing, cultivation, processing, and dispensary operations.

2117 Cedar is committed to strong public engagement and outreach to OUR community. Our community outreach has three goals: (i) to establish a process by which the community can express itself regarding the project; (ii) to inform the community about medical cannabis issues; and (iii) to ensure that our approach genuinely reflects the community's needs. To reach our goals, we anticipate doing one or more of the following, depending on input at various stages of the project:

- Identifying a broad cross-section of community-based organizations and community leaders, including those representing indigent and traditionally underserved and underrepresented residents, to learn how residents and stakeholders can best receive useful information that enables them to participate meaningfully.

- Identifying and visiting civic, senior, and veteran organizations, health care support groups, and community meetings to introduce our nonprofit organization, our mission, and our vision for the patient care center. We believe this type of outreach establishes our legitimacy with the community and our vested interest in its welfare. We will listen receptively and respond to any concerns about the project.

- Holding or participating in a community meeting to introduce 2117 Cedar Inc. and present the project to any parties with similar goals. Again, our purpose would be to listen and find ways to be responsive. Completing our outreach
efforts with a follow-up letter to community stakeholders, letting them know that we heard their concerns and what procedures we will follow in responding to such concerns.

We are committed to engaging our patient and residential communities on an ongoing basis. We will partner with local community organizations to solicit volunteers for these positions.

We are proud of our military community and the services they provide. We are here to serve our active and veterans and give back to those who promised their lives for ours. We have the knowledge and compassion to address the needs of those who suffer with the unpleasant aftermaths of conflict and war.

A. Outreach Strategies

2117 Cedar Inc. will create public awareness in several ways:

1. Public Education

We can create public awareness of our dispensary through our community outreach and education programs. By offering free workshops and seminars on topics related to medical cannabis and the conditions for which it is typically recommended, as well as on legal issues surrounding medical cannabis, we make the existence of our organization known and attract members by positioning ourselves in the public mind as ambassadors of a socially responsible provider.

2. Developing Provider Alliances

An important element of our patient-centered approach is the help we will offer patients in finding providers and services to handle other aspects of their care and in coordinating their care across their many different providers. To be able to do this, we must first build alliances with these other providers and organizations. However, alliances are two-way streets and will result in our getting referrals from them as well. A key part of this outreach initiative will be educating alliance partners on the benefits and legalities of medical cannabis, and on the processes involved in referring people for medical cannabis use. Hosting educational forums for other providers will therefore be a critical element in our business approach. Building strong alliances with other health care providers, community health clinics, hospices, community service organization, patient advocacy groups, support groups, AIDS organizations, senior homes, and referral networks will create a strong and lasting source of patient referrals. At the same time, it will give us greater resources to fulfill our own patient-centered mission, which includes helping patients find appropriate providers for services we do not offer and helping them coordinate their care across providers. Being known in the patient community as a wellness center with especially strong networking and referral resources will itself be a draw to patients with complex medical conditions.
3. Industry Leadership and Sponsorships

We will keep our corporate “brand” visible though sponsorships of community and industry causes and through industry activism that reflects our community-focused public health agenda and its emphasis on compassion and social justice.

4. Public Relations

Carefully managed messaging and coverage in local media can be a very effective means to create public awareness.

5. Word of Mouth

In the medical cannabis industry, satisfied members and their word of mouth is perhaps the most powerful generator of a growing membership. Many dispensaries report that “friend” is the most common answer reported on new patient intake forms when patients are asked to indicate how they heard about a dispensary. We do not intend to enlist patients to recruit new members or to offer any special incentives to do this. We will not need to. The high quality of supportive patient-centered care we offer as part of our basic mission will be incentive enough. We intend to operate as a “community center” for those suffering from serious medical conditions—what the literature on patient-centered care sometimes refers to as a “medical home-away-from-home” where patients can interact supportively with one another. Since non-members legally cannot be allowed in our facility, patients who appreciate this aspect of our services will naturally recommend membership to those of their friends who are also qualified medical cannabis patients.

Community and Economic Development

City government has shown great interest in revitalization and community development plans that correct systemic inequities and benefit blighted areas and disadvantaged populations. This brings us to a crucial component of our implementation strategy, which is an aggressive outreach and community benefits program. All transactions and money collected in excess of operating and recapitalization costs will be dedicated to funding this larger charitable mission, which has three components:

- Giving indigent and low-income patients full access to our products and wellness/support services,
- Removing other barriers to access through enabling services (providing transportation, interpreters, and referral to other access-enabling services), and
- A Community Benefits Plan.
1. **Commitment to Local Hiring and Spending**

   We are committed to making our project a source of economic stimulus for Lansing. From initial build-out of the facility to the implementation of our community development initiatives, we intend to contract, buy, and hire locally, taking advantage of local recruitment resources to offer employment to displaced local workers who are willing to be retrained.

   We estimate net direct spending for initial build-out and set-up will exceed $700,000.00 with the majority of these expenditures being spent on goods and services provided by local companies.

   We believe that Phase I day-to-day operations will add approximately 20 qualified full-time employment opportunities to City’s economy (plus another 220 new jobs from the other facilities). The dispensary will contribute directly to the revitalization of its immediate neighborhood by funneling an influx of visitors from in and around the vicinity of the dispensary, bringing incidental business to shops, restaurants, and other services in the area.

2. **Community Benefits Plan**

   We believe that we can and should have a critical role in the delivery of medical marijuana healthcare. We also believe that we have an important fiduciary obligation to be a “good neighbor” and provide benefits to our community as part of our healthcare mission. Therefore, we view our Community Benefits Plan as a blueprint for how we plan to accomplish our Mission.

   In developing our Community Benefits Plan, we will ensure regular involvement of the community, including that of the representatives of the targeted underserved populations, in the planning and implementation of the Community Benefits Plan.

3. **Good Neighbor**

   2117 Cedar Inc. seeks to be an asset and a beneficial resource for the surrounding community. As a good neighbor, we will seek neighborhood and other necessary input through every phase of our operation, beginning with the build-out and construction phase. We will evaluate and abate any potential public safety/nuisance violations.

   We also believe that being a good neighbor requires that we work to improve the neighborhood. Some of the public improvements we plan to address are:
• Access Improvements
• Drainage Improvements
• Landscape Improvements
• Sewer Improvements
• Sidewalk Improvements
• Traffic Engineering Improvements
• Lighting Improvements
• Code Compliance

Finally, we will take all efforts to mitigate noise, odor, and pollution/waste, and will address nuisances, including limiting foot and car traffic. (See item 27 for additional measures being implemented on land use and the effects on traffic patterns).

B. Neighborhood Engagement and Communication-Community Support

1. Community Engagement and Communication Plan:

a. The Applicant will provide information to each recognized neighborhood entity within a ½ mile radius from the Facility location. To ensure that access to the Community Engagement Coordinator (“CEC”) is reliable and well defined, the Applicant will distribute the contact information to the designated officer/neighbor within each organization. Information for the CEC shall include cell phone number, email, Facebook, and Twitter accounts.

b. The CEC will produce a monthly newsletter announcing community events, re-messaging of important city announcements, industry news, and company sponsored functions. Distribution of the newsletter will be by electronic transmission to all interested residents and neighborhood organizations that are subscribers. Subscription will be at no cost. A request to have a recipient removed from the list will be honored in a timely manner. The newsletter will also be available on the company’s website.

c. The CEC shall be responsible for the community news content on the company’s website. The format of the website shall comply with standards to assist the visually impaired in accessing content.

d. The CEC will coordinate with the designated officials within City, County and State government to ensure that useful information is disseminated accordingly.

e. The CEC will not promote the business activity or product of the company, commercial messages shall be prohibited with respect to the work activities of the CEC, as defined.
f. Additionally, the CEC will be required to attend organized neighborhood meetings that occur within the outreach area. Meeting schedules are determined by the respective neighborhood bodies conducting the meeting. Attendance by the CEC shall be mandatory.

g. The employee, manager, or owner of the company designated as the CEC may engage in other work activities of the company, however, their responsibilities and duties as CEC shall be defined and limited only to community engagement and communications.

h. Company literature, in print and electronic format, shall include the name and contact information of the CEC. The company website will prominently display this information on its home page.

i. A page on the company website, titled “Community Engagement and Communication Plan”, will outline the method that the company applies to communicate with the interested public; provide a detailed account of meetings attended; and, information shared at neighborhood engagements.

2. Statement of Support for Lansing Neighborhoods and Community Needs:

a. The Applicant, through its business activities, shall have a charitable purpose to support various community needs, to include, but, not limited to, human services, homelessness shelter services, food distribution, recreation programming and infrastructure, cultural events, and educational initiatives within the K-12 environment with the cooperation of the Lansing School District.

b. Primary focus of the Applicant is to support needs within the target area of the company location, however, the company will expand its reach based on need and collaboration with its community partners.

c. Amongst our family of companies, we will appropriate a minimum of $100,000 on an annual basis to support neighborhood and community needs. This does not include the value of volunteer work conducted by team members of the company.

d. A volunteer ethos shall be a part of the corporate culture of the company. Team member participation in the plethora of events and activities that occur will be listed in both the “Support of Lansing Neighborhoods and Community Needs” and “Community Engagement and Communication Plan” sections of the website.
e. The company shall list the value of volunteer work on its website. Valuation of volunteer work shall conform to the “Economic Impact of Volunteers Calculator” located at www.pointsoflight.org.

3. Office of Government Relations:

a. The Applicant recognizes the importance of maintaining a robust channel of communication with government officials and agencies, at all levels, having jurisdiction over the Applicant’s medical marihuana business activities.

b. The company shall identify a team member to serve in the capacity of “Government Affairs Associate” (“GAA”). The GAA will inform the Office of the Mayor, City Clerk, Ingham County – Chairperson, and the designated person(s) at Licensing and Regulatory Affairs (LARA), of non-material and material changes occurring, or contemplated, at the company. All notifications shall comply with stipulated rules governing notice requirements.

c. The GAA will represent the company at meetings held by Lansing City Council, Ingham County and the State of Michigan, specifically LARA.

The GAA shall communicate all interactions with the various government entities with the company’s management, ownership, and legal team.

15. **Charitable Plans and Strategies:**

Community involvement is very important to 2117 Cedar Inc. We have already financially contributed to the Lansing Parks & Recreation Department, the South Lansing Community Development Association and the South Side Community Coalition and will continue to do so in the future.

Amongst our family of companies, we will appropriate a minimum of $100,000 on an annual basis to support neighborhood and community needs. This does not include the value of volunteer work conducted by team members of the company. In addition, we will be performing volunteer work with the various community outreach programs. (See Community Outreach above.)

We are proud of our military community and the services they provide. We are here to serve our active and veterans and give back to those who promised their lives for ours.

One of our long-term goals within the FMJRL family of companies is to establish a non-profit enterprise that will ultimately lead to a cure for cancer in our lifetimes.
16. Minimum Operation Standards

(a) Our Provisioning Center will be located in a building, as defined under Lansing Ordinance Section 1300.9.

(b) We will not be open between the hours of 10 p.m. and 9 a.m.;

(c) Consumption of marihuana on the premises will be strictly prohibited;

(d) We will continuously monitor our entire premises with a surveillance systems that include security cameras and video recordings will be maintained in a secure, off-site location for at least 14 days;

(e) We will install a permanent barrier between public or common areas of our medical marihuana provisioning center and our restricted or non-public areas. We will not store, display or transfer medical marihuana in an area accessible to the general public;

(f) Our medical marihuana storage areas within our medical marihuana provisioning center will be separated from any customer/patient areas by a permanent barrier. We will not display Medical marihuana in a sales area only if permitted by the MMFLA;

(g) Any usable medical marihuana remaining on premises of our medical marihuana provisioning center while our medical marihuana provisioning center is not in operation will be secured in a safe permanently affixed to the premises;

(h) We will not operate our Medical Marihuana provisioning center in a manner creating noise, dust, vibration, glare, fumes, or odors detectable to normal senses beyond the boundaries of the property. Further we will not create any nuisance that hinders the public health, safety and welfare of the residents of the City of Lansing.

(i) Our license shall be prominently displayed on the premises of a medical marihuana provisioning center;

(j) We will dispose of medical marihuana in a manner that prevents its acquisition by any person who may not lawfully possess it and otherwise in conformance with state law;

(k) All medical marihuana will be delivered to a patient will be properly packaged and labeled. Our label will include:

   (1) A unique alphanumeric identifier for the person to whom it is being delivered;

   (2) A unique alphanumeric identifier for the cultivation source of the marihuana;

   (3) That the package contains marihuana;

   (4) The date of delivery, weight, type of marihuana and dollar amount or other
consideration being exchanged in the transaction;

(5) A certification that all marihuana in any form contained in the package was cultivated, manufactured, and packaged in the state of Michigan;

(6) The warning that: "this product is manufactured without any regulatory oversight for health, safety or efficacy. There may be health risks associated with the ingestion or use of this product. Using this product may cause drowsiness. Do not drive or operate heavy machinery while using this product. Keep this product out of reach of children. This product may not be used in any way that does not comply with state law or by person who does not possess a valid medical marihuana patient registry card."

(7) The name, address, email address, and telephone number of an authorized representative of the dispensary whom a patient can contact with any questions regarding the product.

(l) We will require all registered patients to present both their Michigan medical marihuana patient/caregiver id card and state identification prior to entering restricted/limited areas or non-public areas of the medical marihuana provisioning center, and if no restricted/limited area is required, then promptly upon entering the medical marihuana provisioning center.

(m) Our premises shall be open for inspection during the stated hours of operation ard as such other times as anyone is present on the premises.

(n) We will not display any signs that are inconsistent with local laws or regulations or state law.

(o) We will not advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors.

(p) We will not place or maintain an advertisement of medical marihuana within the distance limitations set forth in Lansing Ordinance Section 1300.13(a)

(q) Certified laboratory testing results that display at a minimum the tetrahydrocannabinol (thc), cannabidiol (cbd), total cannabinoid testing results, and a pass/fail rating based on the certified laboratory's state-required testing will be available to all medical marihuana provisioning center patients/customers upon request and prominently displayed.
EXHIBIT 5
PATIENT HANDBOOK
PATIENT WELCOME

Welcome to 2117 Cedar Incorporated. Our goal is to provide you with a holistic approach to your wellness. In this Patient Handbook, we have included information about your visit, our guidelines, the medical marijuana law, and how to use medical marijuana. Please feel free to ask any staff member for clarification on handbook.

A. Patient Guidelines to Stay Safe and Health

- Be a courteous and respectful neighbor
- You must be at least 18 years old with a valid registry identification card to enter
- Your identification must be ready at the door when you check in
- Do not use or consume marijuana in transportation or public place
- No cell phone calls or cameras are allowed in the building
- You may not sell or distribute your marijuana medication
- Place your medicine out of sight in a safe place before leaving the facility
- Respect staff, other patients/caregivers, and neighbors
- Report suspicious behavior to us

FAILURE TO COMPLY WITH THESE GUIDELINES WILL RESULT IN TERMINATION OF SERVICE

B. Patients’ Rights

- You have the right to be treated with respect and professionalism.
- You have the right to accurate and easily understood information about the laws and local regulations.
- You have the right to have your medicine provided elsewhere if needed.
- You have the right to accurately labeled and weighed quality medication and accurate information about the medication being provided.
- You have the right to obtain your medication in a safe and friendly environment.
- You have the right to safe and effective medicine handled in appropriate and sanitary conditions.
- You have the right to considerate, respectful, and non-discriminatory care.
- You have the right to know if your referring physician has a personal or professional relationship with us.
MEDICAL MARIJUANA LAW OVERVIEW

In November 2008, the Michigan Medical Marijuana Initiative was approved by 62.7% of voters, making Michigan the thirteenth state to legalize medical marijuana. On the ballot as Proposal 1, the Michigan Medical Marijuana Initiative decriminalized the cultivation and use of medical marijuana by seriously ill individuals who have obtained a doctor’s approval. It allows patients to grow up to 12 marijuana plants and possess up to 2.5 ounces of usable marijuana. Qualified caregivers can grow up to 12 marijuana plants for each patient, with a maximum of five patients per caregiver.

The Michigan Medical Marihuana Act is administered by the Michigan Medical Marihuana Program, which issues Michigan Medical Marihuana Program Registry Identification Cards. It is mandatory for medical marijuana patients and primary caregivers to maintain a valid state registry ID card to receive any protections afforded by the Michigan Medical Marihuana Act. A patient or caregiver who possesses a valid state registry ID card is presumed to be in possession of marijuana for medical purposes if the amount does not exceed the limits allowed by state law.

A. What the Law Does

Protects Patients and Caregivers

The Act says that anyone who follows the requirements can’t be penalized for the medical use of marijuana. The Act prohibits certain discriminatory practices, including:

- A school or landlord can’t refuse to enroll or lease to a qualifying patient unless failing to do so would cause the school or landlord to lose benefits under federal law;
- An employer can’t discriminate against a qualifying patient in hiring, terminating, or imposing employment conditions unless failing to do so would cause the employer to lose benefits under federal law; and
- An employer can’t penalize a qualifying patient for a positive drug test for marijuana, unless the patient used, possessed, or was impaired by marijuana on the employment premises or during hours of employment.

Protects Physicians

The Act states that, if a physician complies with the procedures specified in the Act, she or he shall not be subject to arrest, prosecution or penalty in any manner or denied any right or privilege, including but not limited to civil penalty or disciplinary action by the Arizona board of medical examiners or by any other business, occupational or professional licensing board or bureau, based solely on providing written certifications or for otherwise stating that, in the physician’s professional opinion, a patient is likely to receive therapeutic or palliative benefit from the medical use of marijuana to treat or alleviate the patient’s debilitating medical condition or symptoms associated with the debilitating medical condition, but nothing in this chapter prevents a professional
licensing board from sanctioning a physician for failing to properly evaluate a patient's medical condition or otherwise violating the standard of care for evaluating medical conditions.

Limits Qualifying Medical Conditions

In order to use marijuana as medicine, a qualifying patient must be diagnosed with one or more of the following “debilitating” medical conditions:

- Cancer
- Glaucoma
- Human Immunodeficiency Virus (HIV)
- Acquired Immune Deficiency Syndrome (AIDS)
- Hepatitis C
- Amyotrophic Lateral Sclerosis (ALS)
- Crohn's disease
- Agitation of Alzheimer's disease
- A chronic or debilitating disease or medical condition or the treatment for a chronic or debilitating disease or medical condition that causes:
  i. Cachexia or wasting syndrome;
  ii. Severe and chronic pain;
  iii. Severe nausea;
  iv. Seizures, including those characteristic of epilepsy; and
  v. Severe or persistent muscle spasms, including those characteristic of multiple sclerosis

B. What Medical Marijuana Law Does NOT Do

- Authorize smoking marijuana on public transportation or in a public place.
- Authorize a person to smoke medical marijuana in a parked car while outside a private business that is open to the public.
- Authorize a person to smoke medical marijuana on the front porch of your home.
- Authorize smoking medical marijuana in a public campground – even when no one is around.
- Authorize operating, navigating, or being in actual physical control of a motor vehicle, aircraft, or motorboat while under the influence of marijuana. A registered qualifying patient will not be considered to be under the influence of marijuana solely because of the presence of marijuana in the person's system that appears in a concentration insufficient to cause impairment.
GUIDE TO USING MARIJUANA

The federal government classifies cannabis as a schedule 1 drug; a classification that implies that cannabis has no legitimate medical use. This classification should be changed because cannabis is recommended by a multitude of physicians for the treatment of many medical conditions. Furthermore, THC (the primary active compound in cannabis) is FDA approved and is called dronabinol. Dronabinol is marketed using the trade name Marinol.

There are many methods of using cannabis for the treatment of medical conditions. The following information is intended to inform medical cannabis patients about the various options available to them.

Please note: We are aware the Department may not allow all of these methods of ingestion, the following is for educational purposes only.

A. Smoking
Smoking marijuana produces the most immediate effects and permits the most refined control of your dosage. Smoking any material is not good for the lungs, but the amount of marijuana you need to smoke is so small that you need not be overly concerned. It is better to smoke the flowers rather than the leaves as this also reduces the amount you will need to smoke.

1. Popularity of Smoking
   - Rapid onset: Smoking delivers active compounds quickly into the bloodstream and to receptor sites via the lungs.
   - Simplicity: Compared to other dosage methods, smoking cannabis is simple, requiring very little preparation time. Before smoking cannabis, the patient must simply separate the buds into individual flowers and remove any stems. Doing so ensures an even burn and less need for flame application (less unwanted fumes = better-tasting, more healthful smoke). To make this easy, use a handheld herb grinder or a pair of scissors and a shot glass.
   - Easy dosage determination: smoked cannabis is effective almost immediately, allowing the user to titrate the dose one puff at a time. This allows the user to get just the right dose by gradually increasing the dose until effective.

2. Methods of smoking
   a. Joint:
      (a.k.a. “marijuana cigarette” or “reefer”) Convenience of joints is key, as joints burn for multiple puffs worth of cannabis after only being lit once and are easily transportable. Joints also taste pleasant to most patients, and they don’t require breakable, expensive, or conspicuous equipment. A huge plus is efficient delivery of cannabinoids. This is perhaps due to a joint’s lack of a filter or long piping before the mouth, to which sticky cannabinoids adhere easily, reducing the amount of medicine
that actually reaches the patient’s body. It is a skill to roll a good joint; however, novices uninterested in learning how to do so should buy a joint-rolling machine or pre-rolled joints. Before rolling a joint, the patient should break the bud(s) into small, uniform pieces about the size of the individual bud flowers or slightly smaller. Stems should be removed from the flowers to avoid foul, acrid smoke and possible holes poked in the rolling paper. To roll a joint, practice, practice, practice or ask an expert at our facility for help. Some joint smokers prefer unbleached rolling papers, hemp rolling papers, or clear, cellulose-based papers, which may taste better and contain fewer impurities than traditional, bleached-white rolling papers. **Patients should note that, while still remarkably safe, joints are one of the less-healthful methods of dosage because they burn paper and glue along with cannabis, exposing users to impurities not presented by some other alternative dosage methods. Another downside is waste: Some smoke is inevitably lost between inhalations, and there is usually leftover cannabis in the “roach”, or the small, undesirable leftover part of a burned joint. However, joints’ efficient delivery of cannabinoids—relative to other smoking methods—may compensate for such waste.

b. Dry “Hand” Pipes

Hand Pipes: These come in a (possibly overwhelming) variety of shapes, sizes, and materials, but the basic mechanics are universal. To smoke a cannabis pipe: pack prepared buds into the bowl; and hold a flame directly over the medicine while simultaneously inhaling through the mouthpiece.

c. Water Pipes

Mechanically, these are nearly identical to hand pipes, but use a chamber of water to filter and cool the smoke before it is inhaled. There are two main types: bongs and bubblers, classified by either a large or a small filling chamber, respectively, in which the smoke collects. The main proven advantage over dry pipes or joints is comfort; smoke is cooled and free of hot ashes and particles. *BEWARE: large “hits” of smoke will cause light-headedness and an inclination to blacking out, and water pipes make accidentally taking a bigger-than-expected hit a possibility. Water pipes are supposed by many smokers to be a safer alternative to dry pipes or joints because the water filters tar out of the smoke. Unfortunately, as one test points out, water filtration removes THC and other desirable active compounds more so than tar. This means “in order to obtain the same effective dose of THC, a smoker would end up taking in at least 30% more tars from a water pipe than from an unfiltered joint”. However, water filtration may remove water-soluble toxic gases such as carbon monoxide, which is linked to heart disease, and aldehydes, which promote cancer [3], so more research is required to determine whether water pipes are beneficial or counterproductive.

**A problem with all pipe smoking is that you must suck on one side of the pipe, pulling air and, along with the flame—lighter fluid fumes—over the cannabis, through the pipe, and into your lungs to light the cannabis on fire. Grind your bud to minimize the need for a starting flame. To avoid lighter fluid fumes, some patients
light their pipe with an organic, beeswax-covered hemp wick, or a magnifying glass under bright sunlight.

First time smoking? Use discretion. Cannabis is highly potent! Don’t be alarmed though; this is good news for the patient because it allows him or her to burn less plant material to get an effective dose than with lower-potency cannabis [3,2]. This also means that, if the patient is new to smoking, it may only take one substantial inhalation to get an effective dose. Start with a small hit. Inhale deeply, exhale immediately (it is a myth that holding in the smoke will be more effective), and WAIT for several minutes to feel the effects of the hit before taking the next so as to minimize the dose.

In summary, if a patient wants the quickest relief possible (easy preparation, plus onset in seconds, and understands and accepts the possible risks inherent to smoking his or her medicine, a pipe is the utensil of choice.

Our growing process and drying process are designed to prevent problems associated with fungi that would affect the safety of our medicine. Buds will be inspected upon trimming and after drying for the presence of mold, and samples are sent to a laboratory for testing.

B. Vaporizing

Cannabis vaporizers are designed to let users inhale active cannabinoids while avoiding harmful smoke toxins. They do so by heating cannabis to a temperature that is just below the point of combustion where smoke is produced. At this point, THC and other medically active cannabinoids are emitted with little or none of the carcinogenic tars and noxious gases found in smoke. Many medical marijuana patients who find smoked marijuana highly irritating report effective relief inhaling through vaporizers. Also, vaporizers are very efficient so they can save money in the long term.

C. Eating

Marijuana can be eaten. When consumed this way, it is usually baked in brownies or cookies, and sometimes made into a candy. It takes longer to feel the effects when eaten, and may take longer for you to learn to control your dosage. However, when you do feel the effects, they may be stronger than those felt by smoking. You may also feel certain heaviness in your body. This will not hurt you. Schedule your time so that you can relax when you take it.

D. Tea

Like other herbs, marijuana may be made into a tea. Boil the water first and pour it over the marijuana. Let it steep for longer than you would for common black tea; approximately an hour and a half. Add 1 teaspoon of butter. The effects are similar to eating it.
E. Tincture

To prepare a tincture, use 5 parts fresh marijuana to 1 part vodka. If you are using dried marijuana, as is usually the case, use 10 parts marijuana to 1 part vodka. An easy way to do this if you don't have measuring equipment, is to fill whatever container you are using (glass is preferable as you don't want to leech any residues from metal containers) to thirds full with marijuana, then fill the container with vodka and let stand for a week or more. Afterward, strain the solution. If you use a larger portion of marijuana, the resulting tincture will be more potent.

F. Compress

Follow the recipe as for tea. Make as much as you need to thoroughly soak the cloth you intend to use. Apply to pain and leave on ½ hour.

G. Marinol

Marinol is a synthetic petrochemical analog of THC, one of the active elements found in marijuana. Some patients find that it helps relieve nausea yet takes a long time to work. Do not smoke this product. It has the potential for overdose. Use only under the supervision of a doctor.

**DOSAGE, POTENCY AND TOLERANCE**

A. Dosage

Smoking cannabis effects can be felt almost instantly. Tinctures are slightly slower to take effect than inhalation methods; they start to take effect in five minutes or less. Eating cannabis infused foods or capsules is the slowest method of medicating with cannabis but it provides longer lasting effects than other methods. The effects of ingested cannabis may take from 30 minutes to longer than an hour to be noticeable, and may maintain peak intensity for one to two hours before gradually diminishing over several hours. The effects imparted by eating cannabis are also pharmacologically different from those produced by other intake methods, because THC is converted to 11-hydroxyl-THC in the liver when cannabis is eaten.

When using any cannabis preparation start with a small quantity, wait the proper amount of time for the effects to take place, and then take more if necessary. Dosage determination is most easily accomplished using inhalation and tincture methods. It is more difficult to determine ingestion dosage than inhalation or tincture dosage, because the onset of effects is much less rapid with ingestion. The amount of food and type of food in the digestive tract also play roles in determining effective ingestion dosage, further complicating the task. Whatever the method of intake, a lethal overdose of cannabis cannot be achieved. Overdosing on cannabis may produce unpleasant feelings such as drowsiness or anxiety, but users experiencing such feelings should stay calm and wait for the effects of cannabis to diminish. Users who fear the possibility of unpleasant feelings from an overdose may wish to avoid cannabis edibles, as eating cannabis is the most likely intake method to cause an overdose.
B. Potency

All of the varieties that we will offer are high, medium and low potent*. This is our policy for several reasons. One reason is high potency will save caretakers money by allowing them to use less medicine. Another reason is highly potent varieties are healthier for those who choose to smoke their medicine, because less plant material must be smoked to get the same dose of active compounds. We will also only offer highly potent varieties, as this will aid in simplifying the caretaker's task of choosing the right varieties for their individual needs. One last reason for this policy is that it will help caretakers determine the appropriate dosage of each variety.

*Each variety we offer is of different potency and has unique medicinal effects.

C. Tolerance

Proper dosage is difficult to gauge; many variables at play Cooking THC makes it slightly more psychoactive can be administered using tinctures, ingestion, smoking, vaporizing, and by either the effect of each method and the rate of onset when using each method varies, and vaporization provide the fastest onset of effects of any method of administering

Heavy cannabis use will, over time, result in lowered sensitivity to the drug. However, most patients lose side effects over time, not medicinal efficacy. To avoid gaining tolerance to cannabis, patients should try different varieties of cannabis and different intake methods.

SIDE EFFECTS OF USING MARIJUANA

Marijuana is one of the safest medicines: it is impossible to consume enough to produce a toxic effect in the body. However, if you are unfamiliar with it, there are some effects, which you should be aware of so that you can use it more effectively.

A. Uneasiness

Marijuana usually has a soothing and comforting effect on the mind. Sometimes, however, people do experience feelings of anxiety. If this happens to you, there are several things you can do. Try to stay in environments where you feel naturally comfortable. If you feel anxious, sit or lay down, breathe deeply, and relax. If you have loved ones with you, hold each other for a while. If you have a pet, hold or stroke it. Eating will often quickly reduce the feeling of anxiety. Then, the next time you use it, try reducing your dosage. Because of our social training, you may have feelings of guilt. Know that you have a right to your medicine.

B. Hunger & Thirst

Many patients use marijuana to stimulate appetite. If you are not using marijuana for this purpose, drink water or juice. If you wish to eat, eat good nourishing food rather than sweets.
C. Redness in the Eyes

This will not hurt you. If you must go out in public and are concerned about others’ reaction to the redness, wear sunglasses or use eye drops.

D. Drowsiness

If marijuana makes you sleepy, take a nap if you can and wish to. As with all medicines that can produce drowsiness, don’t drive or operate heavy machinery.

E. Sleeplessness

If you find that you can’t sleep for a while after using marijuana, try reducing your dosage and avoid using it for about two hours or so before you want to sleep.

F. Short-term Memory Loss

Sometimes people find it difficult to carry on a complicated conversation, keep track of details, or perform complex tasks. If this happens to you, schedule your time so that you don’t have to do these things when using your medicine.

G. Giddiness

Many people find that things, which normally don’t seem funny become quite amusing when they use marijuana. Most people enjoy this effect. If you must deal with situations where humor would be inappropriate in your judgment, schedule your time so that you don’t have to deal with them when you are taking your medicine.1

SATIVA VS. INDICA

The efficacy of cannabis is directly related to strain selection, therefore we recommend care be taken in selecting appropriate strains to meet your needs. We are beginning to identify particular varieties that are effective for sleep, pain, appetite, and energy; as well as for specific conditions.

Cannabis potency varies with strains. In terms of medicinal dosage, the idea is to smoke as little as possible in order to reduce respiratory irritations from excessive inhalation of burnt plant matter. Patients are highly encouraged to use vaporizers, or ingest cannabis medicine to reduce any potential risks from smoking. Patients need less high potency cannabis to reach desired effects. Any patients who find they need increasingly larger doses to reach desired effects should reduce, or stop intake for a time, or change the variety of cannabis normally used. This helps patients return to a minimized effective dosage level.

Generally, the sativa plant is the taller and lankier variety, reaching heights of over 5-6

1 Excerpt from Americans for Safe Access
meters. It is characterized by narrow serrated leaves and loose spear-like flower clusters that can be extremely resinous. Primarily, the effects of sativas are on the mind and emotions. In this regard, they tend to be more stimulating, uplifting, energizing, and creativity enhancing. These benefits can be particularly helpful for the psychological component of many illnesses. Sativas are generally better for daytime use.

Indica plants are normally shorter and stockier plants, reaching 1-2 meters in height with wide, deeply serrated leaves and compact and dense flower cluster. The effects of indicas are predominantly physical, although the relief of certain physical symptoms can have emotional results as well. These effects can be characterized as relaxing, sedating, and pain reducing. Indicas are generally best for later in the day and before bed.

Strain crosses, or hybrids, are the result of cross-pollination of various strains. The characteristics, and hence the effects, of one strain will usually be dominant. For example, indica-dominant crosses are good for pain relief, with the sativa component helping with energy, and activity levels. Sativa-dominant crosses are good for stimulating appetite, with the indica component helping to reduce body pain and increase relaxation.²

² Highland Springs Wellness Center
<table>
<thead>
<tr>
<th>Sativa</th>
<th>Indica</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduces depression</td>
<td>Reduces pain</td>
</tr>
<tr>
<td>Relieves headaches and migraines</td>
<td>Relaxes muscle spasms</td>
</tr>
<tr>
<td>Energizes and stimulates</td>
<td>Stimulates appetite</td>
</tr>
<tr>
<td>Reduces awareness of pain</td>
<td>Reduces inflammation</td>
</tr>
<tr>
<td>Increases focus and creativity</td>
<td>Aids sleep</td>
</tr>
<tr>
<td>Reduces nausea</td>
<td>Relieves headaches and migraines</td>
</tr>
<tr>
<td>Stimulates appetite</td>
<td>Reduces intra-ocular pressure</td>
</tr>
<tr>
<td>Supports immune system</td>
<td>Anti-convulsant</td>
</tr>
</tbody>
</table>

**UNDERSTANDING EDIBLES**

Edibles are foods cooked with butter or oil that has been infused with marijuana (e.g. bars or cookies). Edible marijuana usually takes longer to take effect (20 minutes to an hour or more) and the effects generally last longer than smoking or vaporizing marijuana. All of our edibles are carefully enhanced with a consistent strength. Below we have provided safety tips for the consumption of our edible marijuana products.

- You should pay attention to the packing and labeling to make sure you are consuming the recommended strength, particularly since edibles are made in various strengths.
- If you are new to medical marijuana, you may want to start with a half dose, gradually increasing to recommended strength. You should "start low and go slow."
- When using edibles, it is important to no cross-medicate or use alcohol or other drugs. The effect may be strengthened, causing an overreaction, including unusual drowsiness or slow reflexes.
- If you ever over-medicate, medical marijuana is non-toxic and not lethal.
- All products should be stored in a safe place, away from children and pets.
- When eating or drinking medical marijuana, it can take up to 1 to 1.5 hours to feel the effects, depending upon your body’s chemistry. You should wait at least an hour before taking more.
Emerging Clinical Applications for Cannabis and Cannabinoids: A Review of the Recent Scientific Literature
Fourth Edition
THE SAFETY PROFILE OF MEDICAL CANNABIS

Cannabinoids have a remarkable safety record, particularly when compared to other therapeutically active substances. Most significantly, the consumption of marijuana — regardless of quantity or potency — cannot induce a fatal overdose. According to a 1995 review prepared for the World Health Organization, “There are no recorded cases of overdose fatalities attributed to cannabis, and the estimated lethal dose for humans extrapolated from animal studies is so high that it cannot be achieved by … users.”

In 2008, investigators at McGill University Health Centre and McGill University in Montreal and the University of British Columbia in Vancouver reviewed 23 clinical investigations of medical cannabinoid drugs (typically oral THC or liquid cannabis extracts) and eight observational studies conducted between 1966 and 2007. Investigators “did not find a higher incidence rate of serious adverse events associated with medical cannabinoid use” compared to non-using controls over these four decades.

That said, cannabis should not necessarily be viewed as a ‘harmless’ substance. Its active constituents may produce a variety of physiological and euphoric effects. As a result, there may be some populations that are susceptible to increased risks from the use of cannabis, such as adolescents, pregnant or nursing mothers, and patients who have a family history of mental illness.

Patients with hepatitis C, decreased lung function (such as chronic obstructive pulmonary disease), or who have a history of heart disease or stroke may also be at a greater risk of experiencing adverse side effects from marijuana. As with any medication, patients should consult thoroughly with their physician before deciding whether the medical use of cannabis is safe and appropriate.

As states continue to approve legislation enabling the physician-supervised use of medical marijuana, more patients with varying disease types are exploring the use of therapeutic cannabis. Many of these patients and their physicians are now discussing this issue for the first time and are seeking guidance on whether the therapeutic use of cannabis may or may not be advisable. This report seeks to provide this guidance by summarizing the most recently published scientific research (2000-2010) on the therapeutic use of cannabis and cannabinoids for 19 clinical indications:

- Alzheimer’s disease
- Amyotrophic lateral sclerosis
- Chronic pain
- Diabetes mellitus
- Dystonia
- Fibromyalgia
- Gastrointestinal disorders
- Gliomas/other cancers
- Hepatitis C
• Human Immunodeficiency Virus
• Hypertension
• Incontinence
• Methicillin-resistant Staphylococcus aureus (MRSA)
• Multiple sclerosis
• Osteoporosis
• Pruritus
• Rheumatoid arthritis
• Sleep apnea
• Tourette's syndrome

In some of these cases, modern science is now affirming longtime anecdotal reports of medical cannabis users (e.g., the use of cannabis to alleviate GI disorders). In other cases, this research is highlighting entirely new potential clinical utilities for cannabinoids (e.g., the use of cannabinoids to modify the progression of diabetes.)

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**AILMENT SPECIFIC STRAINS**

Below is information about the purported effectiveness of various strains of marijuana for certain health effects.¹

<table>
<thead>
<tr>
<th>Strain</th>
<th>Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanica</td>
<td>Nausea, pain</td>
</tr>
<tr>
<td>Afghanie x Haze</td>
<td>PMS</td>
</tr>
<tr>
<td>AK-47</td>
<td>Pain, nausea, depression, insomnia, headache</td>
</tr>
<tr>
<td>Alien Train Wreck</td>
<td>Asthma</td>
</tr>
<tr>
<td>Apollo 13</td>
<td>Back pain</td>
</tr>
<tr>
<td>Auntie Em</td>
<td>Crohn's Disease, MS</td>
</tr>
<tr>
<td>Aurora B</td>
<td>Nausea, joint pain, arthritis</td>
</tr>
<tr>
<td>Berry-Bolt</td>
<td>Insomnia, joint pain</td>
</tr>
<tr>
<td>Big Bang</td>
<td>Used to sedate and relieve stress &amp; anxiety amongst sufferers of severe anxiety, etc.</td>
</tr>
<tr>
<td>Big Kahuna</td>
<td>Herniated disc pain, arthritis</td>
</tr>
<tr>
<td>Black on Blue Widow</td>
<td>HIV, back pain</td>
</tr>
<tr>
<td>Black Vietnamese</td>
<td>Nausea, muscle spasms, pain</td>
</tr>
<tr>
<td>Blue Fruit</td>
<td>Crohn's Disease, muscle spasms</td>
</tr>
<tr>
<td>Blue Moonshine</td>
<td>Anxiety, depression, insomnia</td>
</tr>
<tr>
<td>Blue Satellite x Jack Herer</td>
<td>Depression, nausea</td>
</tr>
<tr>
<td>Blue Satellite</td>
<td>Pain, nausea, insomnia, anxiety, muscle tension</td>
</tr>
<tr>
<td>Blueberry</td>
<td>Nausea, insomnia, pain</td>
</tr>
<tr>
<td>Bog Sour Bubble</td>
<td>Pain, anxiety</td>
</tr>
<tr>
<td>Bonzo Bud</td>
<td>Body pain, migraine</td>
</tr>
<tr>
<td>Budacolumbia</td>
<td>Nausea</td>
</tr>
<tr>
<td>Burmaherry</td>
<td>Migraine, depression</td>
</tr>
<tr>
<td>Burmese kush</td>
<td>Anxiety, depression</td>
</tr>
<tr>
<td>C99 x Great White Shark</td>
<td>Anxiety</td>
</tr>
<tr>
<td>Cali-O</td>
<td>Nausea</td>
</tr>
<tr>
<td>Catalyst</td>
<td>PMS</td>
</tr>
<tr>
<td>Cinderella 99</td>
<td>Nausea</td>
</tr>
<tr>
<td>CIT</td>
<td>Pain, nausea, insomnia</td>
</tr>
<tr>
<td>Citral</td>
<td>Insomnia</td>
</tr>
<tr>
<td>Cripple Creek</td>
<td>Ankylosing Spondilitis, Hepatitis C, Degenerative Disc Disease, IBS, Interstitial Cystitis, Chronic Rotator Cuff Disease</td>
</tr>
<tr>
<td>Deep Chunk</td>
<td>Joint pain, insomnia</td>
</tr>
<tr>
<td>Dynamite</td>
<td>Asthma, Crohn's Disease, Hepatitis C</td>
</tr>
<tr>
<td>NYC Sour Diesel</td>
<td>Edema, epilepsy, fibromyalgia, radiculopathy</td>
</tr>
<tr>
<td>El Nino</td>
<td>Nausea, insomnia</td>
</tr>
<tr>
<td>Fieldale Haze</td>
<td>Anxiety, back pain</td>
</tr>
<tr>
<td>Fig Widow</td>
<td>Back pain, psychosis</td>
</tr>
<tr>
<td>Firecracker</td>
<td>Anxiety, depression, nausea</td>
</tr>
</tbody>
</table>

¹ Michigan Medical Marijuana Association
<table>
<thead>
<tr>
<th>Name</th>
<th>Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>G13 x HP</td>
<td>Nausea, joint pain, insomnia</td>
</tr>
<tr>
<td>G-13</td>
<td>Depression, pain, ADD, ADHD</td>
</tr>
<tr>
<td>Grapefruit</td>
<td>Arthritis, Hepatitis C, pain, nausea</td>
</tr>
<tr>
<td>Green Queen</td>
<td>Epilepsy, neck/spine pain</td>
</tr>
<tr>
<td>Green Spirit x Timewarp x Herijuana</td>
<td>RLS, insomnia, migraine, joint pain</td>
</tr>
<tr>
<td>Green Spirit</td>
<td>Nausea, headache, body pain</td>
</tr>
<tr>
<td>Herijuana x Trainwreck</td>
<td>Diabetic neuropathy, joint pain, insomnia, MS</td>
</tr>
<tr>
<td>Herijuana</td>
<td>Pain, nausea, insomnia</td>
</tr>
<tr>
<td>Ice Princess x Bubblegum</td>
<td>Migraine</td>
</tr>
<tr>
<td>Jack Herer</td>
<td>Anxiety, fibromyalgia</td>
</tr>
<tr>
<td>Juicy Fruit</td>
<td>Insomnia, joint pain, anxiety</td>
</tr>
<tr>
<td>Kali Mist</td>
<td>Nausea, depression</td>
</tr>
<tr>
<td>Kal-X</td>
<td>Body pain</td>
</tr>
<tr>
<td>Killer Queen</td>
<td>Depression, back pain</td>
</tr>
<tr>
<td>Krinkle x Kush x Freezeland</td>
<td>MS muscle spasms</td>
</tr>
<tr>
<td>Leda Uno</td>
<td>Insomnia</td>
</tr>
<tr>
<td>Legends Ultimate Indica x Herijuana</td>
<td>Muscle spasms, pain</td>
</tr>
<tr>
<td>Legends Ultimate Indica</td>
<td>Insomnia, IBS</td>
</tr>
<tr>
<td>Lemon Chemo</td>
<td>Insomnia, back pain, migraine</td>
</tr>
<tr>
<td>Lemon Haze</td>
<td>RLS, chronic fatigue</td>
</tr>
<tr>
<td>Lifesaver</td>
<td>Nausea, headache, pain</td>
</tr>
<tr>
<td>Lollipop</td>
<td>Cachexia, degenerative bone/disc disease, edema, general pain, general seizures, glaucoma, migraine, MS, nausea, PTSID</td>
</tr>
<tr>
<td>Lowryder</td>
<td>Nausea, pain, headache</td>
</tr>
<tr>
<td>LSD</td>
<td>Nausea, anxiety, depression, headache</td>
</tr>
<tr>
<td>M-39</td>
<td>Depression</td>
</tr>
<tr>
<td>Magic Crystal</td>
<td>Migraine, PMS, depression, SADS, mania, nausea</td>
</tr>
<tr>
<td>Mango x Northern Lights # 5</td>
<td>Pain, nausea, insomnia, anxiety</td>
</tr>
<tr>
<td>Mango</td>
<td>Back pain, nausea</td>
</tr>
<tr>
<td>Masterkush</td>
<td>Nausea</td>
</tr>
<tr>
<td>Medicine Woman</td>
<td>Diabetic neuropathy, general pain, general seizures, glaucoma, Hepatitis C, muscle spasms, nausea, radiculopathy</td>
</tr>
<tr>
<td>Misty</td>
<td>Hepatitis C, back pain, insomnia, nausea</td>
</tr>
<tr>
<td>Motarebel Ogunu Kush</td>
<td>Nerve Pain, muscle spasms, back pain, headache, insomnia</td>
</tr>
<tr>
<td>Mountainberry</td>
<td>Insomnia, migraine, pain</td>
</tr>
<tr>
<td>Northern Lights # 1</td>
<td>Arthritis</td>
</tr>
<tr>
<td>Northern Lights # 2</td>
<td>Nausea, insomnia</td>
</tr>
<tr>
<td>Northern Lights x Jamaican</td>
<td>Arthritis</td>
</tr>
<tr>
<td>Northern Lights x Cinderella 99</td>
<td>Depression</td>
</tr>
<tr>
<td>Northern Lights x Shiva</td>
<td>Body pain, back pain, toothache</td>
</tr>
<tr>
<td>Northern Lights</td>
<td>Anxiety, radiculopathy, insomnia</td>
</tr>
<tr>
<td>Northernberry</td>
<td>Pain</td>
</tr>
<tr>
<td>Oregon 90</td>
<td>Insomnia, joint pain, RLS, pain, nausea</td>
</tr>
<tr>
<td>Original Mystic</td>
<td>Epilepsy</td>
</tr>
<tr>
<td>Strain Name</td>
<td>Conditions</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>OG Kush Purple</td>
<td>Cachexia, degenerative bone/disc disease, Post-Traumatic Stress Disorder</td>
</tr>
<tr>
<td>Phaght Betty</td>
<td>Migraine</td>
</tr>
<tr>
<td>Queen Bee</td>
<td>Neck/spine pain</td>
</tr>
<tr>
<td>Sensi Star</td>
<td>Migraine, anxiety, insomnia, nausea</td>
</tr>
<tr>
<td>Shiskaberry x Dutch Treat</td>
<td>Anxiet, nausea</td>
</tr>
<tr>
<td>Shiskaberry x Hash Plant</td>
<td>Nausea</td>
</tr>
<tr>
<td>Snow White</td>
<td>PMS</td>
</tr>
<tr>
<td>Sour cream</td>
<td>Insomnia, joint pain, nausea</td>
</tr>
<tr>
<td>Stardust 13</td>
<td>Pain, nausea, insomnia</td>
</tr>
<tr>
<td>Strawberry Cough</td>
<td>Back pain, depression</td>
</tr>
<tr>
<td>Super Impact x AK-47</td>
<td>Pain, insomnia</td>
</tr>
<tr>
<td>Super Impact</td>
<td>Nausea, insomnia, muscle pain, depression, anxiety, SADS, mania</td>
</tr>
<tr>
<td>Super Silver Haze</td>
<td>Nausea, depression</td>
</tr>
<tr>
<td>Super Thai</td>
<td>Depression</td>
</tr>
<tr>
<td>Sweet Blu</td>
<td>Degenerative bone/disc disease, diabetic neuropathy, edema, fibromyalgia, muscle spasms, nausea, neck/spine pain</td>
</tr>
<tr>
<td>Sweet Tooth # 3</td>
<td>Depression</td>
</tr>
<tr>
<td>Trainwreck x Herijuana</td>
<td>Nausea</td>
</tr>
<tr>
<td>Trainwreck</td>
<td>Anxiety, arthritis, diabetic neuropathy, depression</td>
</tr>
<tr>
<td>TW x LUI</td>
<td>Arthritis, nausea</td>
</tr>
<tr>
<td>TX</td>
<td>Arthritis, asthma, general pain, general seizures, glaucoma, MS</td>
</tr>
<tr>
<td>Ultra Green</td>
<td>Insomnia</td>
</tr>
<tr>
<td>Wakeford</td>
<td>Anxiety, nausea, insomnia</td>
</tr>
<tr>
<td>White Rhino - aka Medicine Man</td>
<td>Body pain, back pain, joint pain, insomnia</td>
</tr>
<tr>
<td>White Russian</td>
<td>Pain, nausea</td>
</tr>
<tr>
<td>White Widow x Big Bud</td>
<td>Depression</td>
</tr>
<tr>
<td>White Widow</td>
<td>Cachexia, Hepatitis C. Post-Traumatic Stress Disorder</td>
</tr>
</tbody>
</table>
SUBSTANCE ABUSE PREVENTION

We recognize the need to provide a safe environment that helps patients avoid substance abuse and misuse. Personal responsibility is critical to participating in our programs.

In 2009, approximately 28.5 million Americans age 12 and older had abused marijuana at least once in the year prior to being surveyed. Source: National Survey on Drug Use and Health (Substance Abuse and Mental Health Administration Web Site). By the time they graduate from high school, about 42 percent of teens will have tried marijuana, according to the NIDA.

According to the federal government, long-term marijuana use can lead to psychological addiction. It estimates that 9 percent of people who use marijuana will become dependent on it. The number goes up to about 1 in 6 in those who start using young (in their teens) and to 25-50 percent among daily users.

We offer workshops, clinics, and materials about the potential medical marijuana abuse will be integrated in all patient visits, materials, and outreach. Our staff also is trained to recognize possible signs of drug abuse.

REFERENCES AND RESOURCES

A. Marijuana Medical Research

  http://brain.oxfordjournals.org/cgi/content/full/129/5/1081
- A Collection of Articles That Address Research on Marijuana – National Institute on Drug Abuse (NIDA)
  http://www.drugabuse.gov/NIDA_Notes/NN0058.html
  http://www.nap.edu/catalog.php?record_id=6376
- Marijuana Research and Dissemination Update - March 2004 – NIDA

B. Marijuana Fact Sheets

- Cannabis myths: how harmful is cannabis? – UK DrugScope
  http://www.drugscope.org.uk/resources/mediaguide/cannabismyths.htm
- Marijuana: Facts for Teens – National Institute on Drug Abuse (NIDA)
  http://www.drugabuse.gov/MarijBroch/Marijteens.htm
- Marijuana: Facts Parents Need to Know – NIDA
http://www.drugabuse.gov/MarijBroch/MarijparentsN.html

- NIDA Research Report: Marijuana Abuse
  http://www.drugabuse.gov/ResearchReports/Marijuana/default.html

C. Opposing Viewpoints

- (CON) Marijuana Myths & Facts: The Truth Behind 10 Popular Misperceptions – ONDCP

- (PRO) Myths and Facts About Marijuana – Drug Policy Alliance Network
  http://www.drupolicy.org/marijuana/factsmyths/

- Medical Marijuana – ProCon.org
  http://medicalmarijuana.procon.org/

D. Information on the Web

- Michigan Department of Health: Medical Marijuana Program
- Americans for Safe Access
  www.safeaccessnow.org

- Science-based information about the effects of marijuana on your brain and body.
  http://www.marijuana-info.org/


  http://teens.drugabuse.gov/facts/facts_mj1.asp

EXHIBIT 6
# Medical Marijuana Provisioning Centers Scoring Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Plan &amp; Job Creation</strong></td>
<td></td>
</tr>
<tr>
<td>Ownership structure</td>
<td></td>
</tr>
<tr>
<td>Organizational chart</td>
<td>Content and Sufficiency of Information; Professionalism of submitted documentation including clear labeling of required items</td>
</tr>
<tr>
<td>Worker Training Program</td>
<td></td>
</tr>
<tr>
<td>Short term and long term goals and objectives</td>
<td></td>
</tr>
<tr>
<td>Community outreach &amp; education</td>
<td></td>
</tr>
<tr>
<td>Marketing, advertising, promotion</td>
<td>Minimization of exposure to minors</td>
</tr>
<tr>
<td>Tangible capital investment in the City of Lansing</td>
<td>Economic benefit to the City of the business plan, real property ownership, grower and/or processor facilities in the City</td>
</tr>
<tr>
<td>Job creation</td>
<td>Overall number of jobs created within the City of Lansing (highest), Lansing region, and Michigan (lowest)</td>
</tr>
<tr>
<td>Financial Structure and Financing</td>
<td>Net worth/capitalization sufficient for business plan as evidenced by notarized CPA attestation, financial institution statements, or the equivalent.</td>
</tr>
<tr>
<td>Plans to integrate grower facility with other establishments</td>
<td></td>
</tr>
<tr>
<td>Charitable plans and strategies</td>
<td>Commitment to fiscal and/or volunteer work</td>
</tr>
<tr>
<td>Job creation</td>
<td>Number of jobs at the provisioning center</td>
</tr>
<tr>
<td></td>
<td>Amount and type of compensation</td>
</tr>
<tr>
<td></td>
<td>Percent of employees earning over $15 per hour</td>
</tr>
<tr>
<td></td>
<td>Projected annual budget and revenue</td>
</tr>
<tr>
<td><strong>Total - Business Plan/Job Creation</strong></td>
<td>Incomplete plan will get zero points</td>
</tr>
</tbody>
</table>
### Medical Marijuana Provisioning Centers Scoring Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Financial Stability &amp; Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sufficient Financial Resources</td>
<td>Financial forms including debt, bankruptcy, insolvency, tax compliance tax returns and CPA attested, active bank/financial statements.</td>
</tr>
<tr>
<td>Business Experience</td>
<td>History of success in operating business or businesses, years of operation, relevant business experience, other commercial licenses, medical certifications and/or licenses</td>
</tr>
<tr>
<td><strong>Total - Financial Stability &amp; Experience</strong></td>
<td></td>
</tr>
</tbody>
</table>
## Medical Marijuana Provisioning Centers Scoring Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Use</td>
<td></td>
</tr>
<tr>
<td>Impact on neighborhood</td>
<td>5</td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td></td>
</tr>
<tr>
<td>Traffic pattern(s)</td>
<td>5</td>
</tr>
<tr>
<td>Increased traffic on side streets will be scored lower</td>
<td></td>
</tr>
<tr>
<td>Resident safety</td>
<td>10</td>
</tr>
<tr>
<td>Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</td>
<td></td>
</tr>
<tr>
<td><strong>Total - Land Use</strong></td>
<td><strong>20</strong></td>
</tr>
<tr>
<td>Criteria</td>
<td>Maximum Points</td>
</tr>
<tr>
<td>----------</td>
<td>----------------</td>
</tr>
<tr>
<td>Outreach</td>
<td>10</td>
</tr>
<tr>
<td>Planned outreach</td>
<td>Plan to meet with neighborhood organizations, business association, crime watch, and other neighborhood organizations to provide contact information for questions, concerns, etc.</td>
</tr>
<tr>
<td>Improvements made or proposed to building</td>
<td>3</td>
</tr>
<tr>
<td>Plan to minimize/eliminate traffic</td>
<td>1</td>
</tr>
<tr>
<td>Plan to minimize/eliminate noise</td>
<td>2</td>
</tr>
<tr>
<td>Plan to minimize/eliminate odor</td>
<td>3</td>
</tr>
</tbody>
</table>

**Total - Outreach**

10
### Medical Marijuana Provisioning Centers Scoring Criteria

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Maximum Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant/Stakeholder History</td>
<td></td>
</tr>
<tr>
<td>Lansing Police D complaints/incidents</td>
<td>4</td>
</tr>
<tr>
<td>Demonstration of regulatory compliance</td>
<td>4</td>
</tr>
<tr>
<td>Business litigation history</td>
<td>2</td>
</tr>
<tr>
<td>Total - Applicant/Stakeholder History</td>
<td></td>
</tr>
<tr>
<td>Will get zero points if found to have violated 2016 Ordinance #1202 Moratorium.</td>
<td>10</td>
</tr>
</tbody>
</table>

If information found in the application or review is determined to make the applicant ineligible for approval by the State of Michigan, then the application would be removed from consideration.
EXHIBIT 7
RESUME REGARDING EXPERIENCE WITH MEDICAL MARIHUANA OR A RELATED INDUSTRY

In support of an Application for a Medical Marihuana Licensure to operate a provisioning center at 2117 South Cedar Street, Lansing, Michigan 48910, the Applicant, 2117 Cedar Inc., a subsidiary of FMJRL, Inc. and a Michigan Corporation submits the following statement identifying the qualifications and business experience of their staff:

Our staff (along with additional staff to be added) is knowledgeable and experienced as evidenced by the following:

SHAREHOLDERS AND STAKEHOLDERS

a. Frank Mastroianni

Frank Mastroianni has a degree in Business Management from Adrian College. For ten years, he was the manager of sales and marketing for Italy and American Construction. He has been a licensed realtor for the past fifteen years and is a multi-million dollar producer. For the past nine years, he has been a licensed residential builder.

Frank Mastroianni (either individually or as a sole corporate owner) owns five commercial properties and twelve residential properties in Southeast Michigan with a net worth in excess of four million dollars. He is also a co-owner of several additional commercial properties in Southeast Michigan. He is married (Rachel) with five sons.

Frank Mastroianni (Con Yank Inc.) has been approved by the City of Warren to operate a Medical Marihuana Grow Facility under the City of Warren local ordinance.

b. Joseph Aiello

Joseph Aiello has an extensive background experience in business management. For almost twenty years, Joseph Aiello was a design
engineer working with companies such as Ford Motor Company, General Motors, and Chrysler Corporation. For almost ten years, he managed government contracts as a civilian engineer with the United States Army (Sterling Heights, Michigan). For the past two years, he has been running an engineering firm in Florida, Manatee Engineering Services, LLC. This firm alone has a net worth in excess of twenty million dollars. He is married (Angela) with three children.

Joseph Aiello has the individual knowledge and ability to run a successful Medical Marihuana Provisioning Center. He routinely attends seminars and workshops to keep up to date with rules and regulations within the industry at both the state and municipal levels. He is actively involved in securing licensing for several other medical marihuana facilities in the State of Michigan.

Joseph Aiello has been instrumental and has an ownership in facilities that have been licensed by municipalities including:

**City of Warren, Michigan**
24224, Mound Road, Warren, Michigan
Growing medical marihuana
March 2017 – Present
Occupancy approved by Building Department, City of Warren, Michigan (1 City Square #305, Warren, Michigan 48093 Tel. (586) 574-4504)

**City of Ferndale, Michigan**
903 E. Lewiston, Ferndale, Michigan
Medical Marihuana Provisioning Center
Municipal license granted in 2014 by Ferndale City Counsel (City Hall Annex, 5694 Second Avenue, Ferndale, Michigan 48220. Email: SusanDuncan@cityofferndale.org)

**City of Detroit, Michigan**
14917 Gratiot, Detroit, Michigan
Medical Marihuana Provisioning Center
November 2017 – Present
Municipal license granted by: Board of Zcning Appeals, City of Detroit (Coleman A. Young Municipal Centre, 2 Woodward Avenue, Suite 212, Detroit, Michigan 48226 Tel. (313) 224-3595)
c. Margaret (Margo) Carter

Margaret Carter studied medical billing at Baker College for two years. For six years until 2009, she managed the pharmacy and health/beauty departments at Arbor Drugs in Warren. She was the Manager at Brightside Dental in Warren where she was in charge of employees, patient relations, booking, billing, payroll, medical billing and inventory management. For five and one-half years, she managed an automotive collision shop (Steve’s Custom Color) again being in charge of insurance claims, ordering, scheduling, payroll and accounting. She has additional experience in accounting and bookkeeping when she worked for S&D Rental Properties, LLC for five years.

Margaret Carter has been a licensed medical marihuana patient and caregiver for more than two years. Her own experience with pain management makes her an exceptional asset with patient-caregiver interactions. She has extraordinary knowledge of the various medicines that can be used to treat patients. She constantly attends seminars and events to stay current with new products and new treatment plans. She can offer suggestions and dosage instructions to help the patient. In addition to her accounting and management skills, she is responsible, well-organized and has great social skills.

d. Sara Mokoski

Sara Mokoski (a Lansing resident) has a bachelor’s degree in Kinesiology from Michigan State University. For three and one-half years, she was employed at the MSU Bakery where she collaborated with the HR Department, did marketing of products online, and fulfilled product orders. She was a Behavioral Therapist for a year and one-half treating autistic children when employed by Responses located in Portage, Michigan. She was also a Personal Trainer for six months when she worked for Compel Fitness in Lansing.

As a licensed medical marihuana patient, Ms. Mokoski has first hand experience with medical marihuana products and their effects on the human body. Her graduate degree also provides invaluable experience as Kinesiology involves the scientific study of human body movement, addressing the physiological, biomechanical, and psychological mechanisms of movement.
January 30, 2018

2117 Cedar, Inc.
32411 Mound Rd
Warren, Michigan 48092

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 Building Safety Department.

Building Approval subject to plan review and permitting of the proposed alterations, field inspection, and approval of structure for compliance with the Michigan Building, Electrical, Mechanical, and Plumbing Codes. Per State of Michigan Emergency Rule 26(3), the facility shall not operate until the final Certificate of Occupancy has been issued by the Building Safety Office.

Please note that the construction drawings submitted for plan review must contain all of the elements necessary to demonstrate compliance with State of Michigan Emergency Rule 8. Further, the current plan does not appear to comply with Emergency Rule 21(2)(b).

The submitted waste disposal plan does not contain sufficient detail to determine compliance with the State of Michigan Emergency Rule 36(1). Please resubmit.

A copy of the State of Michigan Emergency Rules can be found at the Licensing and Regulatory Affairs website http://www.michigan.gov/lara/0,4601,7-154-79571_83994---,00.html or by phone 517-284-8599.

If you do not address this deficiency with the City of Lansing within ten (10) business days of the date of this letter, your application will be denied. Please submit the required plan to the Clerk’s Office.

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: Building Safety
LOCATION AND DISTANCE TO BUFFERED USES

2117 Cedar, Inc. is located a distance greater than all required for buffered uses.

a. The closest school is as follows: (1,000 feet per 1300.13(A)(1))

   Success VLC – 1,417 feet

   Notes:

   1. Potterville Adult Education is not a “school” under Ordinance definitions 1300.2(F) because a “school” provides instruction to children and youth in grades pre-kindergarten through 12, and Headstart when the instruction is provided by a school.

   2. Family Growth Center located at 549 E. Mt Hope, Lansing, Michigan is not a “school” because it is a child care center that is not provided by a school. (It has been identified in Item d. of this statement.

   3. Maplewood School formerly located at 2216 S. Cedar Street is closed and boarded up.

b. The closest library is as follows: (500 feet per 1300.13(A)(2))

   John W. Chi Memorial Medical Library – 5,833 feet

c. The closest public playground is as follows: (500 feet per 1300.13(A)(2))

   Clifford Park – 1,696 feet

d. The closest commercial childcare organization (non-home occupation) is as follows: (500 feet per 1300.13(A)(2))

   Family Growth Center – 1,115 feet

e. The closest church is as follows: (500 feet per 1300.13(A)(2))
Mt Hope United Methodist – 1,030 feet

f. The closest substance abuse prevention services or substance abuse treatment and rehabilitation service is as follows: (500 feet per 1300.13(A)(2))

   Red Cedar Clinic – 2,762 feet
Schools - 1,417 feet

- Potterville Adult Education
- Mt Hope Elementary School
- Family Growth Center

Additional points of interest:
- Liz's Breadcrumbs Daycare Center
- Reach Studio Art Center
- Beautiful Tone: Massage, Music, Muscle Training
Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

Enter a city, a zip code, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

Distance From: Success VLC, Lansing, Michigan  Distance To: 2117 S Cedar, Lansing, Michigan  

Straight line distance: 0.26 miles, 0.43 kilometers (km), 1399 feet, 426 meters
Driving distance: 0.27 miles, 0.43 kilometers (km), 1417 feet, 432 meters

Other tools to help with distance questions

In addition to this tool we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

Enter a city, a zipcode, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

Distance From: 2117 S Cedar, Lansing, MI Distance To: John W. Chi Memorial Medical Library, Li  

Straight line distance: 0.52 miles, 0.84 kilometers (km), 2771 feet, 845 meters
Driving distance: 1.10 miles, 1.78 kilometers (km), 5833 feet, 1778 meters

Other tools to help with distance questions

In addition to this tool we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
playground or Park - 1,696 feet

Capital Area
Michigan Works

Clifford Park
Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

Enter a city, a zipcode, or an address in both the **Distance From** and the **Distance To** address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

**Distance From:** 2117 S Cedar, Lansing, MI  
**Distance To:** Clifford Park, Lansing, Michigan  
**Calculate Distance**

Straight line distance: 0.16 miles, 0.26 kilometers (km), 856 feet, 261 meters  
Driving distance: 0.32 miles, 0.52 kilometers (km), 1696 feet, 517 meters

Other tools to help with distance questions

In addition to this tool, we also offer a couple other tools that can help find the distance on a map. You can use the **mileage calculator** to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the **distance calculator**. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
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Enter a city, a zipcode, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

Distance From: 2117 S Cedar, Lansing, MI
Distance To: Family Growth Center, Lansing, Michigan

Straight line distance: 0.21 miles, 0.34 kilometers (km), 1115 feet, 340 meters
Driving distance: 0.27 miles, 0.43 kilometers (km), 1417 feet, 432 meters

Other tools to help with distance questions

In addition to this tool we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
Substance Abuse Treatment

2,762 feet
Distance From To: Calculate distance between two addresses, cities, states, zipcodes, or locations

Enter a city, a zipcode, or an address in both the Distance From and the Distance To address inputs. Click Calculate Distance, and the tool will place a marker at each of the two addresses on the map along with a line between them. The distance between them will appear just above the map in both miles and kilometers. The tool is useful for estimating the mileage of a flight, drive, or walk. Can easily determine the distance between 2 cities as well.

Distance From: 2117 S Cedar, Lansing, MI
Distance To: Red Cedar Clinic, Lansing, Michigan
Calculate Distance

Straight line distance: 0.27 miles, 0.44 kilometers (km), 1441 feet, 439 meters
Driving distance: 0.52 miles, 0.84 kilometers (km), 2762 feet, 842 meters

Google Map Developers
not associated with google maps

Other tools to help with distance questions

In addition to this tool we also offer a couple other tools that can help find the distance on a map. You can use the mileage calculator to compare the difference between driving or flying between 2 cities. If on the other hand you want to click multiple points on the map in order to find the distance of the entire line you can do that with the distance calculator. We are always trying to find better ways to provide you with the information you need. If you have a suggestion please let us know.
Dear Provisioning Center Applicant,

The Lansing City Ordinance section 1300.6 discusses Provisioning Center license application evaluation. Your score of 72 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 2117 S Cedar St.

You have the right to appeal this denial of licensure within 14 days of the date of this letter by filing with the City Clerk's Office a written statement setting forth fully the grounds for the appeal pursuant to Chapter 1300.15(c). Please note that initial appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted 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,

Chris Swope, Master Municipal Clerk
Lansing City Clerk
CC: City of Lansing Law Department

72 2117 Cedar
Inc 211...ore.pdf
<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Total Possible Points</th>
<th>2017 Cedar Inc</th>
<th>2017 Cedar Inc</th>
<th>Scoring Insights</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant Address</td>
<td>---</td>
<td>2317 S Cedar St</td>
<td>2317 S Cedar St</td>
<td>---</td>
</tr>
<tr>
<td>Marketing, Advertising and Promotion</td>
<td>4</td>
<td>2</td>
<td></td>
<td>Applicant provides several marketing, advertising and promotion examples and one minor prevention example (e.g., no advertising or product marketing appealing to minors, website with SEO, etc.) but doesn’t get into much more detail. Lacks sufficient details and minor prevention examples.</td>
</tr>
<tr>
<td>Tangible Capital Investment in the City of Lansing (Investment in applicants other provisioning centers was not included in score)</td>
<td>15</td>
<td>15</td>
<td></td>
<td>Applicant provides a listing of proposed capital investment in Lansing (including the initial provisioning center land contract for $300K; $1 million startup costs and subsequent grow facility ($7K sq ft), processing operation, testing, etc.) Indicates $27.8 million investment associated with integrated operations (including $15 million for R&amp;D) prospects at 2500 B. Cavenagh).</td>
</tr>
<tr>
<td>Job Creation (Integrated System) Overall number of jobs created</td>
<td>5</td>
<td>4</td>
<td></td>
<td>Applicant indicates 240 Lansing jobs will be created by their medical marijuana operations but does not provide much detail about them.</td>
</tr>
<tr>
<td>Financial Structure and Financing</td>
<td>3</td>
<td>3</td>
<td></td>
<td>Applicant indicates no bank financing expected, provides proof of capital in the form of bank statements ($700K) and CPA attested liquid assets availability of &gt; $1.65 million.</td>
</tr>
<tr>
<td>Plans to Integrate Facility with Other Establishments</td>
<td>2</td>
<td>2</td>
<td></td>
<td>Applicant indicates they intend to integrate their initial provisioning center with a 1,500 plant, 57,000 sq ft grown facility and other future operations.</td>
</tr>
<tr>
<td>Charitable Plans and Strategies</td>
<td>4</td>
<td>4</td>
<td>Applicant indicates they will contribute a minimum of $100,000 annually to charitable causes, indicates they have been selected by Northern MI University's Pledge to Students (legal document provided), and included proof of checks totaling $60K already written to local organizations.</td>
<td></td>
</tr>
<tr>
<td>Number of Jobs at the Provisioning Center</td>
<td>5</td>
<td>4</td>
<td>Category Thresholds: 1 = &lt; 6 jobs, sufficient 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></td>
</tr>
<tr>
<td>Amount and Type of Compensation (PC)</td>
<td>2</td>
<td>1</td>
<td>Applicant states that the provisioning center employees will earn between $15 and $16/hour but does not provide an optimal amount of support details.</td>
<td></td>
</tr>
<tr>
<td>Percent of Employees Earning At Least $15/Hour) (PC)</td>
<td>3</td>
<td>3</td>
<td>Applicant indicates that all of the hourly positions will be paid no less than $15 to $16/hour.</td>
<td></td>
</tr>
<tr>
<td>Projected Annual Budget and Revenue (PC)</td>
<td>2</td>
<td>1</td>
<td>Applicant provides a single line item number for annual budget and revenue (e.g., $1.02 million in expenses and $1.2 million in revenue) but no other details. Lacks sufficient details.</td>
<td></td>
</tr>
<tr>
<td>Sufficient Financial Resources</td>
<td>5</td>
<td>5</td>
<td>Applicant provides litigation-compliance verification forms for all key team members. Applicant proves they have well over $500,000 in the bank and over $1 million in liquid assets.</td>
<td></td>
</tr>
<tr>
<td>Business Experience</td>
<td>5</td>
<td>4</td>
<td>Applicant indicates they have 2+ years as a medical/nursing caregiver, plus decades of business experience (e.g., business management, pharmacy, book keeping). Lacks the optimal amount of applicable business experience.</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>5</td>
<td>Table of Contents, org chart, short and long term goals &amp; outreach</td>
<td></td>
</tr>
<tr>
<td>Buffering between residential zoned areas and establishment</td>
<td>5</td>
<td>1</td>
<td>Very close to residential</td>
<td></td>
</tr>
<tr>
<td>Increased traffic on side streets will be scored lower</td>
<td>5</td>
<td>2</td>
<td>Major traffic control renovations needed</td>
<td></td>
</tr>
<tr>
<td>Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</td>
<td>10</td>
<td>7</td>
<td>Minimum requirement for Sec plan. Tier 2, traffic 5 pts. Strong traffic lanes, parking, and circulation.</td>
<td></td>
</tr>
<tr>
<td>Plan to meet with neighborhood organizations</td>
<td>1</td>
<td>1</td>
<td>None aspln</td>
<td></td>
</tr>
<tr>
<td>Improvements made or proposed to building</td>
<td>3</td>
<td>1</td>
<td>Plans do not reflect improvements just existing structure</td>
<td></td>
</tr>
<tr>
<td>Plan to minimize/eliminate traffic</td>
<td>1</td>
<td>0</td>
<td>inadequate traffic plan</td>
<td></td>
</tr>
<tr>
<td>Plan to minimize/eliminate noise</td>
<td>2</td>
<td>0</td>
<td>inadequate noise plan</td>
<td></td>
</tr>
<tr>
<td>Plan to minimize/eliminate odor</td>
<td>3</td>
<td>0</td>
<td>inadequate odor plan</td>
<td></td>
</tr>
<tr>
<td>LPD Complaints</td>
<td>4</td>
<td>1</td>
<td>1 assault report, 1 damage to property report, 1 fight call, 1 trouble or subject call, 2 stolen Auto calls, 3 medical/health welfare calls, 1 other report, 8 calls</td>
<td></td>
</tr>
<tr>
<td>Demo of Regulatory Compliance</td>
<td>4</td>
<td>4</td>
<td>no tax history</td>
<td></td>
</tr>
<tr>
<td>Litigation History</td>
<td>2</td>
<td>2</td>
<td>Clear history</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td></td>
<td><strong>72</strong></td>
<td></td>
</tr>
</tbody>
</table>
EXHIBIT II
<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>5031 S. CEDAR ST.</td>
<td>5031 S. CEDAR ST.</td>
</tr>
</tbody>
</table>

14. Buffering between residential zoned areas and establishment

| 5 | 3 | Landlord issue. Updated score using a better measurement tool. 9/18/16, 224 ft from residential zoning which falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points. |
EXHIBIT 13
SECURITY PLAN

2117 Cedar Inc. intends to put forth the following Operation and Safety/Security Plans:

a. **General Construction:** All walls to be constructed during the build out will be reinforced to deter/prevent illegal entry. All interior rooms, windows and points of entry/exit shall use nonresidential commercial-grade locks. The interior of the provisioning center will be lit at all times and shall be divided into the main entrance, employee lockers and break room, bathrooms, general storage areas, and into segregated areas relating to the various stages of the provisioning center ("access areas").

b. **Limitations to Access Areas:** All access areas that house any marihuana products for any reason, and in any quantity, will be secured by a locking device and shall have a sign posted at all entryways restricting access. All persons shall be escorted by an employee having access authority when entering a limited access areas within the facility. Access thereto shall be further limited to the following:

1. Employees having appropriate authority
2. Laboratory staff collecting cannabis samples for purposes of conducting laboratory tests
3. The Department of Licensing and Regulatory Affairs (LARA)
4. Michigan State Police (MSP)
5. Local law enforcement (Police, Fire Department, Building Department)
6. Badged and escorted Visitors
7. Emergency personnel performing their duties
8. Contractors upon written notice to the Department
9. Department-sanctioned visitors

c. **Electronic Video Cloud Cameras:** All limited access areas, security rooms, entrances/exits to the building, areas where marihuana is weighed, packaged, stored or moved within the facility, and the area storing surveillance equipment...
shall be equipped with real-time electronic video cloud cameras (with remote viewing screens located in the Security Office) situated thereabout to ensure visibility of employees and escorted visitors working in the facility. Video cameras will also be situated in all areas of the facility so as to prevent the theft, loss or diversion of medical marijuana. They will capture 24 hours per day with offsite cloud storage and maintain ~ 50 days of storage. The various limited access areas shall be securely separated from one another and only accessible by those employees whose job necessitates their entry into specific designated areas and who display proper identification. Interior areas not associated with cultivation practices shall be well lit, clean, free of debris, and properly maintained.

d. **Biometric Card Readers for Area Access:** The main entrance will be equipped with a biometric/card reader, and all limited access areas within the facility will be equipped with biometric/card controlled access panels that will allow access to authorized employees. Further, this modern access system will permit only authorized employees at the time of their shift into the access area into which they are permitted. All other doors will be, and shall remain, securely locked at all times. Electronic doors will have traditional key lock entrance in the event of a power outage. Keys will be located in a locked cabinet in the Security Office.

e. **Safe:** The provisioning center will utilize a Cannon safe to store any products that contain cannabis. Burglars (or even employees) and fires have no chance against the Cannon Wide Body 64-Gun Safe. According to manufacturer’s disclosures, the safe provides:

- 60-minute fire rating with additional dual stage triple fin door seal that expands up to 7 times its size when exposed to extreme heat
- 64-Gun capacity
- Easy access electronic lock
- 10 locking bolts
- Patented TRU-lock internal hinges
- Exterior Dimensions: 40 in. W x 24 in. L x 59 in. H
- Interior Dimensions: 36-7/8 in. W x 18-7/8 in. L x 56-7/8 in. H

f. **Fire Safety:** The premises shall comply with the NFPA 1, 2018 fire code standard and shall contain the following additional requirements:

1. Ductwork must be installed with accordance with the manufacturer and NFPA 90A.
(2) Suppression systems outlined in NFPA 12, NFPA 13, NFPA 17, NFPA 2001 may be required to meet the suppression needs within a marihuana facility.

g. **Alarm system:** Our provisioning center will integrate an alarm system that is monitored by Nest company and is staffed twenty-four (24) hours a day, seven (7) days a week. The security system can be managed with a smart phone and also includes video security with the nest cameras system we will also be using. This system uses the nest guard, nest detect and all combined with the smart phone for full robust solution. The system will also employ a discrete “panic” buzzer to alert local police.

h. **On-Site Security:** Workforce security includes background checks, proper training and drills, and physical and electronic safeguards for employee safety during transactions. Our Provisioning Center will employ on site security personnel during business hours.

i. **Inventory security:** Requires a system for strict inventory tracking and control along with facility monitoring to prevent diversion, theft, and on-site consumption.

j. **Lighting:** Most buildings waste energy with excessive lighting. Our LED solution provides whole building intelligent light control solutions that improve energy efficiency. The facilities lighting plan will utilize a LED lighting plan all night and around the perimeter of the building to maintain a high visible pattern for the camera and human eye. We will also plan on reducing any light casting away from the buildings lot lines.

k. **Zivelo System:** Our provisioning center will be installing a Zivelo system. Zivelo is a self-service kiosk. The individual goes to a kiosk and places their order. The staff verifies the individual’s credentials and hands the individual a pre-sealed mylar bag. Absolutely no consumption of marihuana shall be permitted on the premises.
LAND USE AND EFFECT ON SURROUNDING NEIGHBORHOOD

In support of an Application for a Medical Marihuana Licensure to operate a provisioning center at 2117 South Cedar Street, Lansing, Michigan 48910, the Applicant, 2117 Cedar Inc., a subsidiary of FMJRL, Inc. and a Michigan Corporation submits the following statement how their land use will have an effect on the surrounding neighborhood:

1. The proposed use of the establishment as a Medical Marihuana Provisioning Center is consistent with land use for the surrounding neighborhood and not have a detrimental effect on traffic patterns and resident safety.

2. Pedestrian access on South Cedar Street will be clearly marked.

3. There will be no exit onto a residential street.

4. Speed will be clearly posted for travel in the parking lot.

5. There will be complete ADA access with appropriate ramps and handrails.

6. There will be proper lighting and increased visibility for pedestrians and invitees.

7. The parking lots will be smooth and maintained.

8. The proposed hours of operation will be between 9:00 am and 10:00 p.m.

9. The proposed site is zoned for commercial use and will be used in that manner.

10. The proposed site is located on a main thoroughfare – South Cedar Street.

11. Ingress and egress from the proposed facility will be directed solely onto South Cedar Street and not towards any side street that would lead towards residential property.

12. There is ample parking at the proposed facility and there will be signage posted not to park on any residential side street.
13. To reduce traffic in/out of the facility, scheduled appointment times with patients will be arranged. The facility will be able to accept call-in orders to predict traffic patterns to minimize traffic and noise.

14. By reducing the traffic flow in and out of the proposed location, this will also minimize the amount of noise to the surrounding neighborhood.

15. Any use of medical marihuana on the premises is strictly prohibited. This will eliminate any odors to the surrounding neighborhood.

16. There will be additional buffering between the proposed location and any residential neighborhood by the installation of a block wall or fencing.
DETRIMENTAL ACTS TO SECURITY, SAFETY, MORALS, GOOD ORDER, AND GENERAL WELFARE

FRANK MASTROIANNI, states the following:

1. I am a Director of 2117 Cedar Inc. and have the authority to issue this statement.

2. The Applicant, 2117 Cedar Inc., a subsidiary of FMJRL, Inc. and a Michigan Corporation has submitted an Application for a Medical Marihuana Licensure to operate a provisioning center at 2117 South Cedar Street, Lansing, Michigan 48910.

3. The Applicant and the stakeholders of the Applicant have no record of acts detrimental to security, safety, morals, good order or general welfare.

4. The Applicant and the stakeholders of the Applicant have no record of any complaints or incidents with the Lansing Police Department.

5. The Applicant and the stakeholders of the Applicant have no record of any business litigation history.

/s/ Frank Mastroianni
Frank Mastroianni, Director
2117 Cedar Inc.
DETRIMENTAL ACTS TO SECURITY, SAFETY, MORALS, GOOD ORDER, AND GENERAL WELFARE

FRANK MASTROIANNI, states the following:

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3. The Applicant and the stakeholders of the Applicant have no record of acts detrimental to security, safety, morals, good order or general welfare.

4. The Applicant and the stakeholders of the Applicant have no record of any complaints or incidents with the Lansing Police Department.

5. The Applicant and the stakeholders of the Applicant have no record of any business litigation history.

/s/ Frank Mastroianni
Frank Mastroianni, Director
2117 Cedar Inc.
Timeline
Green Square Holdings, LLC
5031 S Cedar St
Lansing, Michigan 48910

December 15, 2017 – Application submitted

December 21, 2017 – Department review of applications begins

January 2, 2019 – First Denial for Score & Rank Sent...........................................1

January 16, 2019 – Appeal submitted.............................................................................6

January 17, 2019 – Appeal to Hearing Officer

January 19, 2019 – Hearing Officer Recommendation & 2nd Denial Sent...............31

February 5, 2019 – Hearing Date Email Sent..............................................................42

February 18, 2019 – Commission Appeal submitted..................................................43

Exhibits Removed for Attempt to Cure on Appeal

From the Hearing Officer Appeal:

Bank Statement Dated December 31, 2018 from Exhibit C

Exhibit F

From the Commission Hearing Appeal:

Bank Statement Dated December 31, 2018 from Exhibit C

Exhibit F
stamps endicia Shipping Label Receipt

Delivery Confirmation™ Service Number:
9405 5116 9900 0067 8748 45
Priority Mail 2-DAY with USPS TRACKING #*
Electronic Service Fee: $0.00
Total Postage and Fees: $6.35
Weight: 1 oz
Print Date: 01/02/2019 Mailing Date: 01/02/2019

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 this 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 2, 2019

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 77 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 5031 S Cedar St.

You have the right to appeal this denial of licensure within 14 days of the date of this letter by filing with the City Clerk’s Office a written statement setting forth fully the grounds for the appeal pursuant to Chapter 1300.15(c). Please note that initial appeals are referred to a hearing officer appointed by the City Clerk who will review the appeal and information submitted 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.

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 city.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
Master Municipal Clerk
Lansing City Clerk

CC: City Attorney
Chief of Police
<table>
<thead>
<tr>
<th>Applicant Name</th>
<th>Total Possible Points</th>
<th>GREEN SQUARE HOLDINGS LLC</th>
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<tbody>
<tr>
<td>Applicant Address</td>
<td>---</td>
<td>5031 S. CEDAR ST.</td>
<td>5031 S. CEDAR ST.</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>1. Marketing, Advertising and Promotion</strong></td>
<td>4</td>
<td>3</td>
<td>Scoring Insights</td>
</tr>
<tr>
<td>Applicant provides many detailed marketing, advertising, promotion, and minor minimization examples (e.g., promotions not directed toward minors, will avoid use of cartoonish and child-focused characters, avoid color schemes appealing to minors, won’t advertise in print or social media targeting minors, no minor friendly media promotions, child proof packaging, direct patient business promotions, etc.). 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. (12/14/18 RB)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>2. Tangible Capital Investment in the City of Lansing</strong></td>
<td>15</td>
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GREEN SQUARE HOLDINGS, LLC ("APPELLANT")

APPEAL

Prepared by

Michael D. Stein, Esq.
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<th>Section</th>
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<td>VI. RELIEF REQUESTED</td>
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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 5031 S. Cedar St.

B. PROCEDURAL HISTORY

On January 2, 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 77 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 9 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. 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 for one provisioning center 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. The reviewer’s own notes evidence the enormous investment Green Square is making in Lansing. 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. 6 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 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 C, 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 D). 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. 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 E). We have not submitted a “part 2” of the State application so the 10 day notice has not been triggered yet.

G. 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 F). 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.

H. LPD Complaints

Any calls to the LPD were not related to Green Square nor is it the same entity as the current Tenant. 3 points must be added.

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 23 additional points and give applicant approval for its Lansing Medical Marijuana Provisioning Center.

Respectfully submitted,

[Signature]

Michael D. Stein, Esq
<table>
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<td>&quot;Applicant provides many detailed marketing, advertising, promotion, and minor minimization examples (e.g., promotions not directed toward minors, will avoid use of cartoonish and child-focused characters, avoid color schemes appealing to minors, won't advertise in print or social media targeting minors, no minor friendly media promotions, child proof packaging, direct patient business promotions, etc.). 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. (12/14/18 RB)&quot;</td>
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<td><strong>7. Number of Jobs at the Provisioning Center Category Thresholds:</strong> 1 = &lt; 6 jobs, insufficient details; 2 = &lt; 6 jobs, sufficient details; 3 = ≥ 6 jobs, sufficient details; 4 = ≥ 6 jobs insufficient details; 5 = ≥ 6 jobs, sufficient/good details.</td>
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<td><strong>8. Amount and Type of Compensation (PC)</strong></td>
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<td>Applicant indicates all PC employees will earn at least $20 per hour and provides strong support details.</td>
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<td><strong>9. Percent of Employees Earning At Least $15/Hour (PC)</strong></td>
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<td>Applicant indicates all provisioning center employees will earn at least $20/hour.</td>
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<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>
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<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>
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<td><strong>14. Buffering between residential zoned areas and establishment</strong></td>
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<td>Landlord issue Updated score using a better measurement tool 9/18/18 224 ft from residential zoning which falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points.</td>
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<td><strong>15. Increased traffic on side streets will be scored lower</strong></td>
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<td>Strip mall Updated 9/25/18 high score in all categories</td>
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<td><strong>16. Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan</strong></td>
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<td>&quot;Tier 1 5 pts A+ Security plan. 5 pts traffic, Strong traffic patterns, driveways, parking, and circulation. Well written security plan - waiting room, guard, safe, off-site storage, panic alarm. Security equipment spec's (12/14/18 RB)&quot;</td>
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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
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.
December 12, 2017

To Whom it May Concern,

This letter is verify that the current balance in account [redacted] for Green Square Holdings, LLC is $2,057,897.00 as of today. Please call or email with any questions.

Thank you,

Amy Brien, Branch Manager
Citizens Bank, Royal Oak

248-548-5300
Amy.brien@citizensbank.com
EXHIBIT E
# 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

5. Master Forms and Logs – Sample of Corporate Forms and Logs  
6. Charitable Plans and Strategies  
7. Staffing and Employee Compensation Plan  
8. Projected Annual Budget and Revenue  
9. Provisioning Center Standard Operating Procedures  
10. 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)*
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 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:
9405 5116 9900 0604 3493 00

Priority Mail 2-DAY with USPS TRACKING #*
Electronic Service Fee: $0.000
Total Postage and Fees: $6.35
Weight: 1 oz
Print Date: 01/18/2019 Mailing Date: 01/19/2019

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

To:  Green Square Holdings, LLC
    c/o Ronnie Kassab
    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 19, 2019

Green Square Holdings, LLC
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 5031 S Cedar St. Your score after appeal is 77, which eliminates the possibility of ranking in the top 20, therefore I have determined 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 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.

Should you choose to appeal to the Medical Marihuana Commission, your tentative appeal hearing date will be Friday, March 1, 2019.

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,

Chris Swope, CMMC
City Clerk

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

In Re:

Green Square Holdings, LLC
Proposed Location: 5031 S. Cedar St.

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. Documentation from the clerk highlights the comments in the scoring insights. Further it reiterates that tangible capital investment is an asset that has a physical form.
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.

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

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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."6 Capricious is "apt to change suddenly; freakish; whimsical; humoros."7

The burden is on the party attacking to affirmatively prove the arbitrary and unreasonable decision.8 This is not to say that a local body may "abrogate constitutional restraints."9

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

Under 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[.][] (emphasis added)

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

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

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

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

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

The Bureau of Marihuana Regulation issued an advisory bulletin on or about February 2, 2018 regarding Certified Public Accountant (CPA) attestations. The purpose of the bulletin was to clarify requirements under Emergency Rule 11 stating in pertinent part:

[T]he CPA attested financial statement of assets . . . must meet the following criteria: . . . (2) It must be an attested service as defined in MCL 339.720(1)(a)(v) . . . meaning it must be an examination, review, or agreed-upon procedures engagement to be performed in accordance with the statements on standards for attestation engagement, other than an examination of prospective financial information. A compilation is not an attested service under MCL 339.720(1)(a)(v) and does not meet the attestation requirements of Rule 11. AND (3) It must document both the sources and value of each asset used to provide capitalization and total amount of the applicant’s capitalization to operate and maintain the proposed marihuana facility. Proof must be provided that there is no lien or encumbrance on the asset.

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

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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 Originally known as the Bureau of Medical Marihuana Regulation (BMMR), the bureau is now the Bureau of Marihuana Regulation due to the passage of recreational marihuana laws in Michigan.
16 It should be noted that permanent rules have been issued subsequently from the bureau.
17 In this case it discusses that an “exception that review is permissible ‘to prevent a miscarriage of justice,’” “Most jurisdictions recognize the authority of an appellate court to review an issue, even where the issue was not preserved, when some fundamental error would otherwise result in some egregious result.” However, that “such power of review is to be exercised quite sparingly. Napier, 429 Mich. at 233. Under the facts presented, there is not a fundamental error so as to trigger exercising supplementing on appeal.
give deference to an agency's findings of fact."\textsuperscript{18} The factfinder may not set aside findings just because other facts in the record could have come to a different conclusion.\textsuperscript{19}

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[…\textsuperscript{20} 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.”\textsuperscript{21} This Hearing Officer will not address further the merits of substantial evidence argument.

Under \textbf{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.

As to \textbf{Financial Structure}, Exhibit C in Appellant’s materials corresponds to the CPA attestation. It is merely a CPA document stating Appellant meets capitalization requirements and includes a bank statement. From the documents provided, Appellant is not facially compliant with the requirements set forth by LARA for CPA attestation. Thus, this Hearing Officer cannot award more points in this category.

\textbf{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 under current ownership and attributable to the Appellant,\textsuperscript{22} thus scoring in this category is appropriate.

In \textbf{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[..\textsuperscript{23}] It should be further noted that the State of Michigan application also requires a Litigation History for its licensure application. By definition \textit{summary} as a noun is “an abstract, abridgement, or compendium[..\textsuperscript{24}] 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.

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.

\textsuperscript{18} \textit{Ede C. Levy Co.}, 293 Mich. App. at 341 (citing THML, Ltd. v Comm’r of Ins., 176 Mich. App. 772, 776 (1989)).
\textsuperscript{19} \textit{Id.}
\textsuperscript{21} \textit{Id.}
\textsuperscript{22} In this instance, it is a stakeholder of Appellant that is the owner of the proposed location.
\textsuperscript{23} Lansing Ordinance No. 1217 Sec. 1300.6(B)(4)
\textsuperscript{24} \textit{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,

Dated: January 18, 2019

Hilary M. Barnard, Hearing Officer
<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>5031 S. CEDAR ST.</td>
<td>5031 S. CEDAR ST.</td>
</tr>
<tr>
<td>1. Marketing, Advertising and Promotion</td>
<td>4</td>
<td>3</td>
<td>&quot;Applicant provides many detailed marketing, advertising, promotion, and minor minimization examples (e.g., promotions not directed toward minors, will avoid use of cartoonish and child-focused characters, avoid color schemes appealing to minors, won’t advertise in print or social media targeting minors, no minor friendly media promotions, child proof packaging, direct patient business promotions, etc.). 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. (12/14/18 RB)&quot;</td>
</tr>
<tr>
<td>2. Tangible Capital Investment in the City of Lansing</td>
<td>15</td>
<td>9</td>
<td>Applicant indicates they are proposing to operate 4 provisioning centers in Lansing. 1) a 3,295 sq. ft. facility at 5031 S. Cedar St., 5-year lease, $3k/month rent; 2) a facility at 3330 S. MLK, will own; 3) a facility at 4905 N. Grand River, will own; and 4) a facility at 704 S. Cedar St., will own, $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. This PC (#37) lacks facility ownership and an optimal amount of tangible capital investment (when the other PCs are not taken into consideration).</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>&quot;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. Update 12/5/2018: The CPA attestation does not verify the funds, and do not perform an audit of documents provided by application. 1 point is deducted. (12/14/18 RB)&quot;</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>&quot;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. Update 12/5/2017: Letters of commitment were found in the application to Advent House Ministries, Impressions 5 Science Museum, Women’s Center of Greater Lansing and Greater Lansing Food Bank. full points awarded (12/14/18 RB)&quot;</td>
</tr>
</tbody>
</table>

-39-
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.  

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<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>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

8. Amount and Type of Compensation (PC)  

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Applicant indicates all PC employees will earn at least $20 per hour and provides strong support details.</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

9. Percent of Employees Earning At Least $15/Hour (PC)  

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Applicant indicates all provisioning center employees will earn at least $20/hour.</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

10. Projected Annual Budget and Revenue (PC)  

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<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>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

11. Sufficient Financial Resources  

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>&quot;Applicant does not provide litigation compliance verification for all stakeholders (e.g., Rybicki, Lane, and Breton are missing). Member Kassab had insurance license suspended or in error. Applicant provides CPA attested proof of combined net worth of $70.5 million and bank statements showing a balance of ~$315K. Update 12/6/2018 litigation history is incomplete not due to missing history from employees. Rather, the litigation history document is a less than complete response. 1 point deduction (12/15/18 RB) The CPA attestation does not verify the funds, and do not perform an audit of documents provided by application. 1 point is deducted. 1 point deduction. (12/14/18 RB) &quot;</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

12. Business Experience  

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</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>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Difficulty in finding criteria materials Treasury Letter sent 1 point deducted</td>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

14. Buffering between residential zoned areas and establishment  

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Landlord issue Updated score using a better measurement tool. 9/18/18 224 ft from residential zoning which falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points.</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

15. Increased traffic on side streets will be scored lower  

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Strip mall Updated 9/25/18 high score in all categories</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

16. Entrance and exit on main streets, adequate parking not on residential streets, Quality of Security Plan  

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>&quot;Tier 1 5 pts At Security plan, 5 pts traffic, Strong traffic patterns, driveways, parking, and circulation. Well written security plan - waiting room, guard, safe, off-site storage, panic alarms. Security equipment spec's (12/14/18 RB)&quot;</td>
<td>10</td>
<td>10</td>
</tr>
</tbody>
</table>

17. Plan to meet with neighborhood organizations  

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Score</th>
<th>Total Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>&quot;inadequate plan Plan Found (12/14/18 RB) &quot;</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>18. Improvements made or proposed to building</td>
<td>3</td>
<td>3</td>
<td>&quot;Inadequate planned. Updated 9/25/18 using a more accurate measurement tool. $622,755 of construction which is 985% of the SEV of $63,250 (just for Suite B) Use construction figures of $622,755 instead from Go Greener Construction which stays the same (12/14/18 RB)&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>1</td>
<td>1 B&amp;E alarm - 1 Hold up alarm, 12 calls (9+ calls drops score to 1pt) 12/26/2018 Was operating at time of calls. No change to score.</td>
</tr>
<tr>
<td>23. Demo of Regulatory Compliance</td>
<td>4</td>
<td>0</td>
<td>&quot;Minor Tax. Updated 9/25/18 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>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 or previous/concurrent business litigation history.</td>
</tr>
<tr>
<td><strong>Total Score</strong></td>
<td><strong>100</strong></td>
<td><strong>77</strong></td>
<td></td>
</tr>
</tbody>
</table>
February 5, 2019

Green Square Holdings, LLC
812 S Main St, Suite 200
Royal Oak, MI 48067

Dear Provisioning Center Applicant:

If you wish to appeal the City Clerk’s January 19th report and recommendation of the hearing officer before the City of Lansing Medical Marihuana Commission, your appeal will be heard during a Special Commission Meeting on Friday, March 8, 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.

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 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 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,

Chris Swope, Master Municipal Clerk
Lansing City Clerk

Jennifer Smith-Zande
Licensing & Elections Clerk
Lansing City Clerk’s Office
124 W. Michigan Avenue | Lansing, MI 48933
O: 517-483-4151  F: 517-377-0068
Jennifer.Smith-Zande@lansingmi.gov
Website | Facebook | Twitter
GREEN SQUARE HOLDINGS, LLC ("APPELLANT")

APPEAL

Prepared by

Michael D. Stein, Esq.
# TABLE OF CONTENTS

<table>
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<th>Section</th>
<th>Page(s)</th>
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<tr>
<td>TABLE OF CONTENTS</td>
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<td>II.  STATEMENT OF FACTS</td>
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<td>III. STANDARD OF REVIEW</td>
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<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 5031 A. Cedar St.

B. PROCEDURAL HISTORY

On January 19th, 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 after appeal is 77, which
eliminates the possibility of scoring in the top 20. Therefore, I have determined your appeal 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;
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 9 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 a lease however the buildout is listed at $622,755.00. 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 $622,755.00 (See Exhibit B). Not only did applicant provide a “breakdown” of the costs under GAP principle it also provided a site plan showing the significant improvements which will be made. 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 lease 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. 6 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 C, 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. 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 3 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 3 out of 5 points. 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. 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 D). 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 E).

H. 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 F). 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.

I. **LPD Complaints**

The basis for taking 3 points in this category has to do with LPD calls from a business that is there currently and has nothing to do with Green Square. The current business is not associated with Green Square.

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 23 additional points and give applicant approval for its Lansing Medical Marijuana Provisioning Center.

Respectfully submitted,

Michael D. Stein, Esq.
EXHIBIT A
<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>5031 S. CEDAR ST.</td>
<td>---</td>
<td>5031 S. CEDAR ST.</td>
</tr>
<tr>
<td>Scoring Insights</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Marketing, Advertising and Promotion</td>
<td>4</td>
<td>3</td>
<td>&quot;Applicant provides many detailed marketing, advertising, promotion, and minor minimization examples (e.g., promotions not directed toward minors, will avoid use of cartoonish and child-focused characters, avoid color schemes appealing to minors, won't advertise in print or social media targeting minors, no minor friendly media promotions, child proof packaging, direct patient business promotions, etc.). 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. (12/14/18 R8)&quot;</td>
</tr>
<tr>
<td>2. Tangible Capital Investment in the City of Lansing</td>
<td>5</td>
<td>9</td>
<td>Applicant indicates they are proposing to operate 4 provisioning centers in Lansing, 1) a 3,295 sq. ft. facility at 5031 S. Cedar St., 5-year lease, $3K/month rent; 2) a facility at 3330 S. MLK, will own; 3) a facility at 4905 N. Grand River, will own; and 4) a facility at 7045 S. Cedar St., will own. $425 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. This PC (#37) lacks facility ownership and an optimal amount of tangible capital investment (when the other PCs are not taken into consideration).</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 marihuana facilities within MI (e.g., 50 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>2</td>
<td>2</td>
<td>&quot;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. Update 12/5/2018 The CPA attestation does not verify the funds, and do not perform an audit of documents provided by application. 1 point is deducted. (12/14/18 R8)&quot;</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>&quot;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. Update 12/5/2017 letters of commitment were found in the application to Advent House Ministries, Impressions 5 Science Museum, Women’s Center of Greater Lansing and Greater Lansing Food Bank. Full points awarded (12/14/18 R8)&quot;</td>
</tr>
</tbody>
</table>
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.

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<tbody>
<tr>
<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>
</tbody>
</table>

8. Amount and Type of Compensation (PC)

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<tbody>
<tr>
<td>4</td>
<td>2</td>
<td>Applicant indicates all PC employees will earn at least $20 per hour and provides strong support details.</td>
</tr>
</tbody>
</table>

9. Percent of Employees Earning At Least $15/Hour (PC)

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<tbody>
<tr>
<td>3</td>
<td>3</td>
<td>Applicant indicates all provisioning center employees will earn at least $20/hour.</td>
</tr>
</tbody>
</table>

10. Projected Annual Budget and Revenue (PC)

<p>| | | |</p>
<table>
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<tr>
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</thead>
<tbody>
<tr>
<td>3</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>
</tbody>
</table>

11. Sufficient Financial Resources

<p>| | | |</p>
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<th></th>
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<tbody>
<tr>
<td>5</td>
<td>3</td>
<td>&quot;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. Update 12/6/2018 litigation history is incomplete due to missing history from employees. Rather, the litigation history document is a less than complete response. 1 point deduction (12/15/18 RB) The CPA attestation does not verify the funds, and do not perform an audit of documents provided by application. 1 point is deducted. 1 point deduction. (12/14/18 RB)&quot;</td>
</tr>
</tbody>
</table>

12. Business Experience

<p>| | | |</p>
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<tr>
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<tbody>
<tr>
<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>
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13. Content and Sufficiency of information; Professionalism of submitted documentation including clear labeling of required items

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<th></th>
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<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>Difficulty in finding criteria materials Treasury Letter sent 1 point deducted</td>
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14. Buffering between residential zoned areas and establishment

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<tbody>
<tr>
<td>3</td>
<td>3</td>
<td>Landlord issue Updated score using a better measurement tool 9/18/18 224 ft from residential zoning which falls short of the optimal distance of 1/4 mile (1320 feet) to receive full points.</td>
</tr>
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</table>

15. Increased traffic on side streets will be scored lower

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<td>10</td>
<td>10</td>
<td>&quot;Tier 1 5 pts A+ Security plan. 5 pts traffic, Strong traffic patterns, driveways, parking, and circulation. Well written security plan - waiting room, guard, safe, off-site storage, panic alarm. Security equipment spec's (12/14/18 RB)&quot;</td>
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<td>22. LPD Complaints</td>
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<td>1</td>
</tr>
<tr>
<td>23. Demo of Regulatory Compliance</td>
<td>4</td>
<td>0</td>
</tr>
<tr>
<td>24. Litigation History</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Total Score</td>
<td>77</td>
<td>77</td>
</tr>
</tbody>
</table>
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 C
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 Brion, Branch Manager
Citizens Bank, Royal Oak

248-548-5300
Amy.briem@citizensbank.com
EXHIBIT D
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/nmfl

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.
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/mml.

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/mml.

Please review this checklist for the documents you will need to submit with your completed application form:

<table>
<thead>
<tr>
<th>Municipality Information</th>
<th>Proof of Financial Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Copy of Municipality's Authorizing Ordinance or Resolution</td>
<td>□ Copy of Insurance Policy, Bond, or Securities for Facility</td>
</tr>
<tr>
<td>□ Copy of Municipal Approval Notice</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business Specifications</th>
<th>Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>□ Copy of Marihuana Facility Plan Complying with Rule 8</td>
<td>□ Copy of Staffing Plan</td>
</tr>
<tr>
<td>□ Copy of Technology Plan (3rd party integrating software with METRC)</td>
<td></td>
</tr>
<tr>
<td>□ Copy of Deed or Lease Agreement</td>
<td></td>
</tr>
<tr>
<td>□ Copy of Marketing Plan (advertising, propaganda, etc.)</td>
<td></td>
</tr>
<tr>
<td>□ Copy of Inventory &amp; Recordkeeping Plan</td>
<td></td>
</tr>
</tbody>
</table>

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 Marijuana 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 marijuana facility license.

<table>
<thead>
<tr>
<th>Applicant Name (as appears on official business document)</th>
<th>Doing Business As (dba 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>
</tbody>
</table>

| Name of Local Governing Municipality                     | Municipal Authority Address                                                                                     |

| Contact Name for Municipality                            | Municipality Phone Number                                                                                      |
| Date of Municipal Application (if applicable)             | Municipality Fax Number:                                                                                       |
| County of Business                                       | Business Location Zoning Category (e.g., agriculture, commercial)                                               |

A. The applicant is **required** to notify the municipality that it is applying for a state medical marijuana 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