STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CANNABIS REGULATORY AGENCY

In the Matter of

Inkster Pine Park LLC License No.: AU-G-C-000398		ENF No.: 25-00503
	/	CONSENT ORDER AND STIPULATION

CONSENT ORDER

On June 4, 2025, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the adult-use marijuana grower class C license (AU-G-C-000398) of Inkster Pine Park LLC (Respondent) under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.112a(1), R 420.112a(2), R 420.803(3)(c), and R 420.802(7).

The executive director reviewed the stipulation contained in this document and agrees the public interest is best served by resolution of the formal complaint. Therefore, the executive director finds that all of the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.112a(1), R 420.112a(2), R 420.803(3)(c), and R 420.802(7).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of five hundred fifty-five and 56/100 dollars (\$555.56). This fine shall be paid within 30 days of the effective date of this order by check, money order, or online through Accela Citizen Access (ACA). Instructions on how to make online payments can be found under the Tips for Licensees bulletin section at www.michigan.gov/cra. Check or money orders shall be made payable to the State of Michigan with enforcement number "25-00503" and license number "AU-G-C-000398" clearly displayed on the check

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or money order. Respondent shall mail the fine to Department of Licensing and Regulatory Affairs, Cannabis Regulatory Agency, PO BOX 30205, Lansing, Michigan 48909.

- 2. Within 30 days of the effective date of this order, the Respondent will submit written documentation that it has terminated the management agreement with Golf Shore Holding, Inc.
- 3. If Respondent fails to timely comply with the terms of this order, Respondent's license shall be suspended until compliance is demonstrated.
- Unless otherwise specified in this order, Respondent shall direct any communications to the CRA that are required by the terms of this order to <u>CRA-CSS@michigan.gov</u>.
- 5. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
- If Respondent violates any term or condition set forth in this order, Respondent shall be subject to fines and/or other sanctions under section7(1)(c) of the MRTMA, MCL 333.27957, and Mich Admin Code, R 420.808.
- 7. Upon timely compliance of the terms of this order by Respondent, the matters set forth in the formal complaint shall be deemed resolved and closed subject to this Consent Order.

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This order shall be effective 30 days after the date signed by the CRA's executive director or his designee, as set forth below.

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Signed on: 9/18/2025

By: Brian Hanna

Digitally signed by: Brian Hanna

DN: CN = Brian Hanna email = hannab@michigan.gov C = US O = CRA OU = CRA

Date: 2025.09.18 09:38:35 -04'00'

Brian Hanna, Executive Director or his designee Cannabis Regulatory Agency

STIPULATION

The parties stipulate to the following:

- 1. The facts alleged in the formal complaint are true and constitute a violation of the administrative rules promulgated under the MRTMA.
- 2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MRTMA, administrative rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 et seq., to require the CRA to prove the violations set forth in the formal complaint by presentation of evidence and legal authority, and to present a defense to the violations.
- 3. The parties considered the following in reaching this agreement:
 - a. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
- 4. The CRA's legal division director or her designee must approve this proposed agreement before it is forwarded to the CRA's executive director or his designee for review and issuance of the above consent order. The parties reserve the right to proceed to an administrative hearing without prejudice to either party, should

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the CRA's legal division director, executive director, or their designees reject the proposed consent order.

By signing this stipulation, the parties confirm that they have read, understand, and agree with the terms of the consent order.

AGREED TO BY:	AGREED TO BY:		
Alyssa A. Grissom Digitally signed by Alyssa A. Grissom Date: 2025.09.17 16:26:16 -04'00'	Nichaella		
Alyssa Grissom, Director Legal Division or her designee Cannabis Regulatory Agency	Michael Carr, Authorized Officer on behalf of Respondent Inkster Pine Park LLC		
Dated: 9/17/2025	Dated:09/11/2025		

STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS CANNABIS REGULATORY AGENCY

In the Matter of

Inkster Pine Park, LLC ENF No.: 25-00503

License No.: AU-G-C-000398

FORMAL COMPLAINT

The Cannabis Regulatory Agency (CRA) files this formal complaint against Inkster Pine Park, LLC (Respondent) alleging upon information and belief as follows:

- 1. The CRA is authorized under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951, *et seq.*, and Executive Reorganization Order No. 2019-2, MCL 333.27001, to investigate alleged violations of the MRTMA and the administrative rules promulgated thereunder, take disciplinary action to prevent such violations, and impose fines and other sanctions against applicants and licensees that violate the MRTMA or administrative rules.
- 2. Section 8(1)(d) of the MRTMA provides that the administrative rules must ensure the health, safety, and security of the public and integrity of the marijuana establishment operations.

FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE CRA

- 3. Respondent holds an active state license under the MRTMA to operate an adult use class C grower establishment in the state of Michigan.
- 4. Respondent operated at 2424 John Daly Street, Inkster, Michigan 48141, at all times relevant to this complaint.
- 5. Following an investigation, the CRA determined that Respondent violated the MRTMA and/or administrative rules promulgated thereunder as set forth below:

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Formal Complaint ENF No.: 25-00503 CRA 5052

- a. The CRA Financial Compliance Section (FCS) reviewed Respondent's Fiscal Year 2024 annual financial statement (AFS) and determined Respondent had an active management agreement with Gulf Shore Holding, Inc. (Gulf Shore) with an effective date of February 1, 2021 (the agreement).
- b. The FCS reviewed Respondent's Accela records and observed Gulf Shore was not an approved applicant, and the CRA had not reviewed and approved the agreement.
- c. In responses to a notice of deficiency (NOD) on the AFS, Respondent stated Gulf Shore is not an applicant because it does not have any authority or decision-making ability.
- d. The CRA License Maintenance Section (the LMS) reviewed the agreement and determined it is in fact a "management agreement" as defined in Mich Admin Code, R 420.801(1)(j), because it is a contract for Gulf Shore to provide management and other services, and the terms allow Gulf Shore to exercise control over Respondent's licensed operations. More specifically:
 - a. Section (1)(b) appointed Gulf Shore as Respondent's agent.
 - b. Section (1)(c) granted Gulf Shore a limited power of attorney (POA) to access, receive and control Respondent's funds, and to transfer funds to pay expenses, including its service fees, without oversight.
- e. These powers also caused Gulf Shore to be a "managerial employee" as defined in R 420.1(1)(o)¹ and an "applicant" as defined in R 420.1(1)(c)(i). Therefore, Respondent was required to report Gulf Shore as a supplemental applicant before the February 1, 2021, effective date of the agreement.
- f. Respondent was also required to submit the agreement to the CRA for review and approval on March 7, 2022, when the administrative rules were

¹ This rule is identical to R 420.1(1)(p) in the prior administrative ruleset in effect when the agreement was implemented.

updated to add the agreement reporting requirements in R 420.112a and R 420.802(7).

g. On January 6, 2025, the LMS notified Respondent's owner, M.C., in an email that Respondent would need to complete the following within 30 days:

a. Submit a complex amendment to Respondent's license application to add Gulf Shore as a supplemental applicant.

b. Provide missing information for Exhibit A.

h. On January 14, 2025, M.C. stated in a reply email that instead of adding Gulf Shore as an applicant, Respondent would amend the agreement to remove the agency and POA terms before January 21, 2025.

i. On January 29, 2025, Respondent provided an executed first amendment to the management agreement (the first amendment) to the FCS as an attachment to an NOD response. However, Respondent never submitted the first amendment on the required reporting form for review and approval by the LMS.

j. As of the date of this formal complaint, the CRA has not approved the agreement or the first amendment, and Respondent has not reported Gulf Shore as a managerial employee applicant. As a result, Respondent has been operating with an unapproved managerial employee applicant for more than four years; an unapproved management agreement for more than three years; and an unapproved first amendment to the management for more than four months.

Count I

Respondent's actions as described above in paragraphs a through j demonstrate a violation of Mich Admin Code, R 420.112a(1) which states in relevant part, a licensee may contract for another party to provide management or other services necessary for the operation of the licensee pursuant to a management agreement approved by the agency.

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Formal Complaint ENF No.: 25-00503 CRA 5052 Count II

Respondent's actions as described above in paragraphs a through j demonstrate a

violation of Mich Admin Code, R 420.112a(2) which states in relevant part, a

licensee shall submit a complete, unredacted, signed copy of the management

agreement to the agency for review and approval prior to performance under the

agreement. Approval by the agency indicates an agency determination that it does

not appear based upon the information provided that the other party meets the

definition of applicant.

Count III

Respondent's actions as described above in paragraphs a through j demonstrate a

violation of Mich Admin Code, R 420.803(3)(c), which states in relevant part,

Licensees shall report to the agency any proposed material changes to the

marihuana business before making them, including: (c) the addition of a person

named or disclosed in the application.

Count IV

Respondent's actions as described above in paragraphs a through j demonstrate a

violation of Mich Admin Code, R 420.802(7), which states the licensee shall notify

the agency within 10 business days of amending a management agreement that

constitutes a material change to the marijuana business.

THEREFORE, based on the above, the CRA gives notice of its intent to impose

fines and/or other sanctions against Respondent's license, which may include the

suspension, revocation, restriction, and/or refusal to renew Respondent's license.

Pursuant to Mich Admin Code, R 420.704(2), any party aggrieved by an action of the

CRA suspending, revoking, restricting, or refusing to renew a license, or imposing a

fine, shall be given a hearing upon request. A request for a hearing must be submitted

to the CRA in writing within 21 days after service of this complaint. Notice served by

certified mail is considered complete on the business day following the date of the

CANNABIS REGULATORY AGENCY 2407 NORTH GRAND RIVER P.O. BOX 30205 LANSING, MICHIGAN 48909 mailing.

Respondent also has the right to request a compliance conference under Mich

Admin Code, R 420.704(1). A compliance conference is an informal meeting at which

Respondent has the opportunity to discuss the allegations in this complaint and

demonstrate compliance under the MRTMA and/or the administrative rules. A

compliance conference request must be submitted to the CRA in writing.

Hearing and compliance conference requests must be submitted in writing by one of

the following methods:

By Mail: Department of Licensing & Regulatory Affairs

Cannabis Regulatory Agency

P.O. Box 30205

Lansing, Michigan 48909

In Person: Department of Licensing & Regulatory Affairs

Cannabis Regulatory Agency

2407 North Grand River

Lansing, Michigan 48906

By Email: <u>CRA-LegalHearings@michigan.gov</u>

If Respondent fails to timely respond to this formal complaint, a contested case

hearing will be scheduled to resolve this matter.

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Formal Complaint ENF No.: 25-00503 CRA 5052 Questions about this complaint should be directed to the Cannabis Regulatory Agency at (517) 284-8599 or CRA-LegalHearings@michigan.gov.

Dated:		By: _	Grissom	15:53:17 -04'00'
	S/A/DE		Alyssa A.	A. Grissom Date: 2025.06.04

Alyssa A. Grissom, Director Legal Division Or her designee Cannabis Regulatory Agency