

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

In the Matter of

CAPITAL SOLUTIONS YPSILANTI, LLC  
dba House of Dank Ypsilanti  
License No.: PC-000088

ENF No.: 22-00485

\_\_\_\_\_/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On November 1, 2022, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center license PC-000 of Capital Solutions Ypsilanti, LLC dba House of Dank Ypsilanti (Respondent) under the Medical Marijuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and the administrative rules promulgated thereunder. The formal complaint alleged Respondent violated Mich Admin Code, R 420.111(4)(b), R 420.210(1), and R 420.210(2).

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 the allegations contained in the formal complaint are true and that Respondent violated Mich Admin Code, R 420.111(4)(b), R 420.210(1), and R 420.210(2).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of six thousand and 00/100 dollars (\$6,000.00). 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](http://www.michigan.gov/cra). Check or money orders shall be made payable to the State of Michigan with enforcement number "22-00485" and license number "PC-000088" clearly displayed on the check or

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

2. If Respondent fails to timely comply with the terms of this order, Respondent's license shall be suspended until compliance is demonstrated.
3. Unless otherwise specified in this order, Respondent shall direct any communications to the CRA that are required by the terms of this order to [CRA-CSS@michigan.gov](mailto:CRA-CSS@michigan.gov).
4. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
5. If Respondent violates any term or condition set forth in this order, Respondent shall be subject to fines and/or other sanctions under section 407(1) of the MMFLA, MCL 333.27407(1), and Mich Admin Code, 420.808.
6. 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.

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

CANNABIS REGULATORY AGENCY

Signed on: 12/15/2023

By: Brian Hanna  
Digitally signed by: Brian Hanna  
 DN: CN = Brian Hanna email = hannab@michigan.gov C = US O = CRA OU = CRA  
 Date: 2023.12.15 15:30:04 -05'00'

Brian Hanna, Executive Director  
or his designee  
Cannabis Regulatory Agency

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## 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 MMFLA.
2. Respondent understands and intends that by signing this stipulation, Respondent is waiving the right under the MMFLA, the 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 able to trace the unlabeled product to source packages found in the statewide monitoring system (Metrc).
  - b. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
  - c. Respondent's license PC-000088 was closed on April 24, 2023.
  - d. Respondent was licensed as a medical marijuana provisioning center since 2020 and has no prior discipline against its license.
4. The CRA's centralized services 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 the CRA's centralized services director, executive director, or their designees reject the proposed consent order.

**CONTINUED ON NEXT PAGE**


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

AGREED TO BY:

Sara E.  
Hernandez

 Digitally signed by: Sara E. Hernandez  
DN: CN = Sara E. Hernandez email = hernandezs1@michigan.gov C = AD  
O = LARA OU = MRA  
Date: 2023.12.13 15:45:15 -05'00'

Sara Hernandez, CSD Director  
or her designee  
Cannabis Regulatory Agency

Dated: 12/12/2023

AGREED TO BY:



Laith Hanna, Authorized Officer  
on behalf of Respondent  
Capital Solutions Ypsilanti, LLC

Dated: Dec 11 2023 12:41 PST



Scott F. Roberts (P74324)  
Attorney for Respondent

Dated: Dec 11 2023 06:48 PST

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

In the Matter of

Capital Solutions Ypsilanti, LLC dba House of Dank Ypsilanti  
License No.: PC-000088

ENF No: 22-00485

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FORMAL COMPLAINT

The Cannabis Regulatory Agency (“Complainant”) files this formal complaint against Capital Solutions Ypsilanti, LLC dba House of Dank Ypsilanti (“Respondent”) alleging upon information and belief as follows:

1. The Cannabis Regulatory Agency (CRA) is authorized under the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101 *et seq.*, and Executive Reorganization Order No.2019-2, MCL 333.27001, to investigate alleged violations of the MMFLA 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 MMFLA or administrative rules.

2. Section 402(12) of the MMFLA provides that the expiration of a license does not terminate the CRA’s authority to impose sanctions on the license.

3. Section 206(c) of the MMFLA provides that the administrative rules must ensure the health, safety, and security of the public and integrity of the marijuana facility operations.

4. Respondent’s conduct as described below is a risk to public health and safety and/or the integrity of marijuana facility operations.

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## FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE CRA

5. Respondent holds an active state operating license under the MMFLA to operate a medical marijuana provisioning center facility in the state of Michigan.

6. Respondent operated at 50 Ecorse Rd. Suite B, Ypsilanti, Michigan 48198, at all times relevant to this complaint.

7. Following an investigation, the CRA determined that Respondent violated the MMFLA and/or administrative rules promulgated thereunder as set forth below:

- a. On June 14, 2022, the CRA conducted a compliance check at Respondent's medical marijuana provisioning center facility.
- b. The CRA observed Respondent packaging 1-ounce prepackaged marijuana shake bags from a bulk flower jar with no statewide monitoring system (Metrc) tag. Respondent stated it was combined shake of different marijuana strains and they were unaware what Metrc tag number the finished packages would be sold under.
- c. The CRA also discovered an untagged jar of marijuana flower behind the untagged shake jar. Respondent stated it was 'Skunk Hero #2' being processed into individual bags and the Metrc tag must be 'nearby'. No Metrc tag was identified for the product.

### Count I

Respondent's actions as described above demonstrate a violation of Mich Admin Code, R 420.111(4)(b), which states a provisioning center shall comply with all of the following: (b) Enter all transactions, current inventory, and other information into the statewide monitoring system as required in the medical marijuana facilities licensing act, these rules, and the marijuana tracking act.

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### **Count II**

Respondent's actions as described above demonstrate a violation of Mich Admin Code, R 420.210(1), which states except for designated consumption establishments or temporary marihuana events licensed under the MRTMA, a marihuana business must not have marihuana products that are not identified and recorded in the statewide monitoring system pursuant to these rules. A licensee shall not transfer or sell a marihuana product that is not identified in the statewide monitoring system pursuant to these rules.

### **Count III**

Respondent's actions as described above demonstrate a violation of Mich Admin Code, R 420.210(2), which states except for a designated consumption establishment or temporary marihuana event licensed under the MRTMA, a marihuana business must not have any marihuana product without a batch number or identification tag or label pursuant to these rules. A licensee shall immediately tag, identify, or record as part of a batch in the statewide monitoring system any marihuana product as provided in these rules.

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.

Under MCL 333.27407(4) and 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 mailing.

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

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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 MMFLA 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: [CRA-LegalHearings@michigan.gov](mailto:CRA-LegalHearings@michigan.gov)

If Respondent fails to timely respond to this formal complaint, a contested case hearing will be scheduled to resolve this matter.

Questions about this complaint should be directed to the Cannabis Regulatory Agency at (517) 284-8599 or [CRA-LegalHearings@michigan.gov](mailto:CRA-LegalHearings@michigan.gov).

Dated: 

11/1/2022
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By: 

Alyssa A. Grissom	Digitally signed by Alyssa A. Grissom Date: 2022.11.01 14:11:24 -04'00'
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Alyssa A. Grissom  
Legal Section Manager  
Cannabis Regulatory Agency

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Dated: 

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By: 

Alyssa A. Grissom	Digitally signed by Alyssa A. Grissom Date: 2022.11.01 14:11:24 -04'00'
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Alyssa A. Grissom  
Legal Section Manager  
Cannabis Regulatory Agency