

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

In the Matter of

UTOPIA GARDENS, LLC  
License No.: PC-000079

ENF No.: 21-00142

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

CONSENT ORDER

On August 30, 2021, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center license (PC-000079) of Utopia Gardens, LLC ("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 420.210(1), R 420.210(2), R 420.212(1) and R 420.111(4)(b).

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 some of the allegations contained in the formal complaint are true and that Respondent violated the first instance of Mich Admin Code R 420.210(2).

Accordingly, for these violations, IT IS ORDERED:

1. Respondent must pay a fine in the amount of Twenty Thousand and 00/100 Dollars (\$20,000). 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 "21-00142" and license number "PC-000079" clearly displayed on the

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check 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. If Respondent fails to timely comply with the terms of this order, Respondent's license shall be suspended until compliance is demonstrated.
3. The alleged violations of Mich Admin Code R 420.210(1), R 420.212(1) and R 420.111(4)(b), and the second instance of R 420.210(2) are DISMISSED.
4. All of Respondent's managers and employees that are responsible for package labeling will complete the Metrc online training course "Michigan Advanced Processor Training" and provide proof of completion within 60 days of the effective date on this consent order.
5. Respondent will provide an updated SOP detailing all required procedures for compliant package labeling within 60 days of the effective date on this consent order.
6. 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-LegalHearings@michigan.gov](mailto:CRA-LegalHearings@michigan.gov).
7. Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.
8. If Respondent violates any term or condition set forth in this order, Respondent will be subject to fines and/or other sanctions under section 407(1) of the MMFLA, MCL 333.27407(1), and Mich Admin Code R 420.808.
9. 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.

CANNABIS REGULATORY AGENCY

Signed on: 02/22/2023

By: Brian Hanna  
Brian Hanna, Executive Director  
and/or his designee  
Cannabis Regulatory Agency

Digitally signed by: Brian Hanna  
DN: CN = Brian Hanna email =  
hanna@mi.chigan.gov C = US O =  
CRA OU = CRA  
Date: 2023.02.22 09:08:38 -05'00'

STIPULATION

The parties stipulate to the following:

1. Except as stated below, 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, administrative rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 *et seq.*, to require the CRA to prove the charges set forth in the formal complaint by presentation of evidence and legal authority, and to present a defense to the charges.
3. The parties considered the following in reaching this agreement:
  - a. The Metrc violations were dismissed because there is no evidence of inversion or diversion. Respondent provided package tracing, invoices, transfer manifests and photographs to prove that the product was entered and tracked in Metrc at all relevant times.
  - b. The evidence indicates the remaining R 420.210(2) violation for having untagged bags of flower was a result of operational errors:

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- i. Respondent originally ordered 10 large bulk packages of flower.
  - ii. After placing the larger buds from the bulk packages on the sales floor in deli-style containers, employees resealed the remaining buds, shake and trim in 10 smaller plastic bags and hand-wrote the strain names on the bags in marker.
  - iii. Respondent failed to keep the Metrc tags from the larger bulk packages with the smaller resealed bags.
- c. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
  - d. Respondent has been licensed as a medical marijuana provisioning center since 2018 and has no prior discipline against its license.
4. The CRA's enforcement division director or his/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 enforcement 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:

Desmond  
Mitchell

Digitally signed by  
Desmond Mitchell  
Date: 2023.02.19  
13:39:52 -05'00'

Desmond Mitchell, Operations Director  
and/or his designee  
Cannabis Regulatory Agency

Dated: 02/19/2023

AGREED TO BY:



Stuart Carter, President  
on behalf of Respondent  
Utopia Gardens, LLC

Dated: 2-13-2023



Jason R. Canvasser (P69814)  
Attorney for Respondent

Dated: 2-16-23

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

In the Matter of

Utopia Gardens, LLC  
ERG No.: 000315  
License No.: PC-000079  
ENF No.: 21-00142

CMP No.: 21-000172

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FORMAL COMPLAINT

The Marijuana Regulatory Agency (“Complainant”) files this formal complaint against Utopia Gardens, LLC (“Respondent”) alleging upon information and belief as follows:

1. The Marijuana Regulatory Agency (MRA) 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 MRA’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 marihuana facility operations.
4. Respondent’s conduct as described below is a risk to public health and safety and/or the integrity of marihuana facility operations.

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## FACTUAL ALLEGATIONS AND INTENDED ACTION OF THE MRA

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 6541 East Lafayette Street, Detroit, Michigan, 48207 at all times relevant to this complaint.

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

- a. On February 10, 2021, the MRA visited Respondent's business to investigate an anonymous complaint into product at Respondent's facility.
- b. Upon performing a product inspection, the MRA observed multiple clear vacuum sealed bags of marijuana flower that were either blank or contained only a strain name written on it in marker.
- c. The bags of flower did not have a statewide monitoring system (METRC) label or number affixed to them.
- d. Respondent looked up the strain names in the point-of-sale system – and each strain name had multiple METRC package tags associated with them.
- e. It is/was impossible to identify the clear vacuum sealed bags with any specific METRC tag number.
- f. Respondent was in possession of marijuana products that were not identified and recorded in the statewide monitoring system in violation of Mich Admin Code, R 420.210(1).
- g. Respondent was in possession of marijuana product without a batch number or identification tag or label in violation of Mich Admin Code, R 420.210(2).
- h. Respondent failed to immediately tag, identify, or record as part of a batch in the statewide monitoring system marijuana product in violation of Mich Admin Code, R 420.210(2).

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- i. Respondent failed to identify and track consistently marijuana product at its business in violation of Mich Admin Code, R 420.212(1).
- j. Respondent failed to enter all transactions, current inventory, and other information required by the administrative rules into METRC in violation of Mich Admin Code, R 420.505(2) and 420.111(4)(b).

THEREFORE, based on the above, the MRA 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 MRA 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 MRA 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 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 MRA 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  
Marijuana Regulatory Agency  
P.O. Box 30205  
Lansing, Michigan 48909

In Person: Department of Licensing & Regulatory Affairs  
Marijuana Regulatory Agency  
2407 North Grand River  
Lansing, Michigan 48906

By Email: MRA-LegalHearings@michigan.gov

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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 Marijuana Regulatory Agency at (517) 284-8599 or [MRA-LegalHearings@michigan.gov](mailto:MRA-LegalHearings@michigan.gov).

Dated: 8/30/21

**MARIJUANA REGULATORY AGENCY**

By: **Claire Patterson**  Digitally signed by Claire Patterson  
Date: 2021.08.30 20:20:55 -04'00'

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Claire Patterson, Scientific and Legal Section  
Manager  
Enforcement Division

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