

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

In the Matter of

CLARK STREET INVESTMENT GROUP INC.
dba The Reef
License No.: PC-000254

ENF No.: 23-00005

_____/ CONSENT ORDER AND STIPULATION

CONSENT ORDER

On March 31, 2023, the Cannabis Regulatory Agency (CRA) issued a formal complaint against the medical marijuana provisioning center license PC-000254 of Clark Street Investment Group Inc. dba The Reef (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)(a) R 420.111(4)(b); R 420.209(3), R 420.209(6)(a)(i), R 420.210(1), R 420.210(2), R 420.211(1)(a), R 420.211(1)(b), R 420.211(1)(c), R 420.211(1)(d), R 420.211(1)(e), R 420.211(1)(f), R 420.211(1)(g), R 420.211(1)(h), R 420.212(1), R 420.502(1), R 420.504(1)(c), R 420.504(1)(d), R 420.504(1)(e), R 420.504(1)(g), R 420.504(1)(h), R 420.505(1)(f), R 420.507(2), R 420.602(2)(h), and R 420.602(5).

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 following sections of the Mich Admin Code:

- A. R 420.111(4)(b) as to paragraphs m, o, p, q, r, and t of the formal complaint.
- B. R 420.209(6)(a)(i) as to paragraph v of the formal complaint.
- C. R 420.210(1) as to paragraph r of the formal complaint.
- D. R 420.210(2) as to paragraphs c, e, h, and s of the formal complaint.

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- E. R 420.212(1) as to paragraphs l, m, o, p, q, r, s, and t of the formal complaint.
- F. R 420.602(2)(h) as to paragraphs f and g of the formal complaint.
- G. R 420.602(5) as to paragraph u of the formal complaint.

Accordingly, for these violations, IT IS ORDERED:

1. The following alleged violations of the Mich Admin Code will be DISMISSED:
 - a. R 420.211(1)(a), R 420.211(1)(b), R 420.211(1)(c), R 420.211(1)(d), R 420.211(1)(e), R 420.211(1)(f), R 420.211(1)(g), and R 420.211(1)(h) as to paragraph b in the formal complaint
 - b. R 420.111(4)(a), R 420.502(1), R 420.504(1)(c), R 420.504(1)(d), R 420.504(1)(e), R 420.504(1)(g), R 420.504(1)(h), R 420.505(1)(f), R 420.507(2) as to paragraph i in the formal complaint.
 - c. R 420.210(2) as to paragraph j in the formal complaint.
 - d. R 420.209(3) as to paragraph k in the formal complaint.
 - e. R 420.111(4)(b), R 420.210(1), R 420.210(2) as to paragraph l in the formal complaint.
 - f. R 420.111(4)(a), R 420.111(4)(b), R 420.502(1), R 420.504(1)(c), R 420.504(1)(d), R 420.504(1)(e), R 420.504(1)(g), R 420.504(1)(h), R 420.505(1)(f), R 420.507(2) as to paragraph s in the formal complaint.
2. The following lapsed or closed ERG numbers and licenses held by Respondent and Respondent's supplemental applicant, Anthony Czuchra, will not be renewed, reinstated, reissued, or reactivated, limited or otherwise, at any future date:
 - a. License PC-000254, closed March 1, 2023
 - b. Licenses GR-C-0001040, GR-C-0001041, closed May 23, 2023
 - c. License GR-C-0001021, closed May 23, 2023
 - d. ERG number 000904, lapsed on May 23, 2023
 - e. IRG-001839, lapsed on May 23, 2023

3. Mr. Czuchra is also a supplemental applicant and minority owner of these state of Michigan marijuana businesses:
 - a. Islandview Investment Group Inc. (AU-ER-0001072)
 - b. The Farmacy Investment Group, Inc. (AU-ER-001232) dba The Reef Muskegon Heights (AU-R-000503)
4. Mr. Czuchra is also a supplemental applicant and 100% owner of this state of Michigan marijuana business:
 - a. Clark Street Investment Group, Inc. (AU-ER-0002620)
5. Prior to the effective date of this order, Respondent or Mr. Czuchra will provide copies of amendments that have been filed with and approved by the CRA (completed amendments), removing Mr. Czuchra from all officer, director, manager, and voting or managing member roles for these state of Michigan marijuana businesses:
 - a. Islandview Investment Group Inc. (AU-ER-0001072)
 - b. The Farmacy Investment Group, Inc. (AU-ER-001232) dba The Reef Muskegon Heights (AU-R-000503)
6. Within 30 days of the effective date of this order, Respondent or Mr. Czuchra will provide copies of additional completed amendments removing Mr. Czuchra as a minority owner and applicant for these state of Michigan marijuana businesses:
 - a. Islandview Investment Group Inc. (AU-ER-0001072)
 - b. The Farmacy Investment Group, Inc. (AU-ER-001232) dba The Reef Muskegon Heights (AU-R-000503)
7. Within 30 days of the effective date of this order, Mr. Czuchra will submit a signed and dated letter to the CRA requesting and consenting to withdrawal of the following prequalifications:
 - a. Clark Street Investment Group, Inc. (AU-ER-0002620)
 - b. Mr. Czuchra (AU-IR-001261)

8. Respondent and Mr. Czuchra are permanently prohibited from applying for or otherwise seeking any new marijuana business license in the State of Michigan; exercising managerial control over a such a business; or otherwise meeting the criteria to be deemed an applicant, supplemental applicant, or otherwise subject to a background investigation of any such business.
9. Respondent and Mr. Czuchra are permanently prohibited from obtaining any new ownership interest in a licensed marijuana business in the State of Michigan.
10. Mr. Czuchra is permanently prohibited from being employed or working in any capacity at a licensed marijuana business in the State of Michigan, including but not limited to, performing the functions of a regular or managerial employee, rendering any services as an independent contractor, or rendering any services via another party.
11. 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.
12. If Respondent or Mr. Czuchra violate any term or condition set forth in this order, Respondent may be subject to additional fines and/or other sanctions.
13. Upon timely compliance with the terms of this order, the CRA will close its investigation regarding Respondent and the individuals associated with the allegations contained in the formal complaint, and the matter will be deemed resolved.

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: _____

By: _____

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 and Respondent's supplemental applicant, Anthony Czuchra, understand and agree that any new application for a state of Michigan marijuana business license or request for renewal will be denied as contrary to the accompanying consent order.
 - b. Respondent was cooperative and wishes to resolve the allegations without the need for and expense of an administrative hearing.
4. The CRA's operations director or his 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 operations director, executive director, or their designees reject the proposed consent order.

CONTINUED ONTO NEXT PAGE

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: 2023.11.14
13:37:33 -05'00'

Desmond Mitchell, Operations Director
or his designee
Cannabis Regulatory Agency

Dated: 11/14/2023

AGREED TO BY:

DocuSigned by:
Anthony Czuchra
9CD6B1A400CC4AA...

Anthony Czuchra, President
on behalf of Respondent
Clark Street Investment Group, LLC

Dated: 11/14/2023

DocuSigned by:
Anthony Czuchra
9CD6B1A400CC4AA...

Anthony Czuchra, individually
and as supplemental applicant of Respondent
and the other named entities and licenses

Dated: 11/14/2023

DocuSigned by:
John Mackewich
1D95D5863A77490...

John D. Mackewich (P70120)
Attorney for Respondent

Dated: 11/14/2023

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PROOF OF SERVICE

I hereby certify that on _____, I mailed a copy of the CONSENT ORDER AND STIPULATION dated _____ in the above captioned case by certified mail (return receipt requested) to:

Clark Street Investment Group, Inc. dba The Reef
14473 Grafton Road
Carleton, Michigan 48117

With a courtesy copy to:

John Mackewich
johnmackewich@mackewich.com

Departmental Technician
Cannabis Regulatory Agency