



Pharmhouse Wellness

AU-G-C-000766

This entity qualifies for the Gold level tier of
the Social Equity All-Star Program

Pharmhouse Wellness Social Equity Plan

Five Lakes Farm, LLC (the parent company of Pharmhouse Wellness) prioritizes participation in the improvement of the local community in which we operate by creating growth industry jobs, strategic and local sourcing and financial contributions to impactful community organizations. We believe cannabis social equity is more than a plan or a checkbox—for us; it is a deeply held company value.

Pharmhouse Wellness has partnered with [Aligned Planning](#), a woman-owned business enterprise based in Grand Rapids, to assist with our Cannabis Social Equity Plan. While this plan is optional, as Pharmhouse Wellness qualifies as a City of Grand Rapids Tier 1 Equity Applicant, equity in the industry and in the area where the business is located (John Ball Neighborhood) is a priority. Pharmhouse Wellness also qualifies as an equity applicant through the State of Michigan.

As a complement to the State of Michigan, Cannabis Regulatory Agency and per Emergency Rule 7(13) Pharmhouse Wellness is prepared to undertake some or all of the following actions “to promote and encourage participation in the marijuana industry by people from communities that have been disproportionately impacted by marijuana prohibition and enforcement and to positively impact those communities.”

In addition to the benefits afforded to Pharmhouse Wellness at the state level, we recognize the local benefit of having Tier 1 status as an Equity Applicant and the potential savings related to reduced permit fees, multi-year licenses, and priority review.

Below is our commitment to social equity as a cannabis business operating in the City of Grand Rapids and the State of Michigan.

We have a company policy in place to offer financial contributions through various avenues for both medical marijuana patients and community members. Special consideration is given to those who have been affected by marijuana-related convictions.

Community Impact Contributions

Local Impact Fund

Pharmhouse Wellness established and makes contributions to a Local Impact Fund to reduce the impact on residents geographically located nearest to the provisioning, retail business and grow facility. The company operates Pharmhouse Wellness, a marijuana provisioning and retail center located at 831 Wealthy St. SW Grand Rapids. The provisioning and retail center is located in an industrial zone, the “Transitional City Center,” which is reserved primarily for commercial and industrial use.

Due to changes over time in City Master Planning, two Owner Occupied Low-Density Detached Residential homes are located between the provisioning and retail center and grow facility, sharing common property lines.

Each resident has begun receiving \$250/quarterly contributions, or a combined \$2,000 annually to defray the impact of marijuana prohibition and enforcement and improve quality of life.

In addition, we have begun shared services that we believe improve the safety, security and aesthetic of the block that is shared with our residential neighbors. Lawn care, round-the-clock security, and lending equipment or services as needed we believe further reduces the impact of Pharmhouse Wellness on our residential neighbors.

Westpharm Reinvestment Fund

Pharmhouse Wellness (Five Lakes Farm, LLC) is owned and operated by Casey Kornoelje, an individual who qualifies for an Adult Use marijuana application and annual licensing fee reductions. Per the Marijuana Regulatory Agency [Social Equity guidance](#), the following fee reduction schedule applies:

-25% fee reduction for having resided in a disproportionately impacted community for at least 5 cumulative years within the last 10 years.

-40% fee reduction for having a marijuana-related felony conviction.

-10% fee reduction for having been registered as a primary caregiver for at least 2 years between 2008 and 2017.

The ownership team has in place the *Westpharm Reinvestment Fund* in partnership with strategic women and/or minority-owned community planning partners and local nonprofit organizations to advance social equity programs and neighborhood-focused initiatives. The Westpharm Reinvestment Fund receives annual contributions corresponding to the savings on existing licensure and assessment fee reductions, as well as periodic contributions, should new applications be made in the future. These contributions will assist in the management and oversight of the fund itself, administration of the various equity initiatives, and support for the initiatives.

Programs that are planned or already executed that advance social equity within our neighborhood may include:

Legal Services Events

A legal service event would be an as-available event with attorneys who can advise neighborhood members, patrons/customers, and others related to topics such as expungement, labor relations, landlord/tenant issues and other associated matters. This service is often unattainable; when it is, it may not always be offered in Spanish, which is prevalent in the West Side.

Small Business Training

The path to prosperity lies with ownership opportunities and the ability to take a dream and

make it a reality. Recognizing that training is essential to learn the requirements at the local and state levels for small businesses, quarterly training programs would be offered through partnerships with Grand Rapids Opportunities for Women, Grand Rapids Area Black Businesses, Local First, SCORE, the SBC and others, as applicable.

Business Façade Grant Program

Many existing businesses struggle for capital to invest in necessary upgrades to their facades and interior improvements to meet building code. In a neighborhood with an aging building stock, investing in upgrading a commercial building can be cost-prohibitive. The Westpharm Reinvestment Fund will provide small grants to help offset the costs of permitting and professional services for code-compliant shop drawings and potentially assist with the improvements.

Mobility/Tactical Urbanism Enhancement

Pharmhouse Wellness understands the financial impact transportation choices have on a household. Further, we see the benefit of safe street spaces planned and designed for people first, especially people who walk, bike, and use alternatives to single-occupancy vehicles. Options for this enhancement fund may include improved/decorate street space with paint and wayfinding, testing new crosswalk configurations during a quick build event sponsored by Pharmhouse Wellness or additional street furniture, including seating, bus shelters and bike repair stations.

Redemption Discount

Pharmhouse Wellness offers public accommodation practices through a “Redemption Discount,” which equates to a standing 5% discount on all products purchased in the store for any qualifying medical patient with a criminal record, including marijuana misdemeanors. A fixed 10% discount is offered on all products for those individuals whose criminal history includes a marijuana felony.

We have partnered with Lansing-based [Redemption Cannabis Company](#) led by CEO Ryan Basore. Ryan Basore, a convicted marijuana felon, spent four years in federal prison for the manufacture and distribution of marijuana. Upon release, Ryan led and organized an effort to back the Democratic and pro-cannabis candidate, Dana Nessel, for Attorney General. Redemption Cannabis Company donates a portion of each sale to help support individuals and families who have been disproportionately affected by the war on cannabis.

Home Ownership Training

We have seen during the pandemic the disproportionate effects it has had on communities of color and renters. Owning a home means a safe place. Owning a home means a commitment to a neighborhood. Owning a home means a pathway to prosperity. Owning a home also means financial responsibility. By providing a path to homeownership that begins with training, we want to help community members understand the commitment of a house and property. The Westpharm Reinvestment Fund would also be used to provide “matching funds” for down payment assistance.

Household Façade Grant Program

Like the Business Façade Grant Program, this would focus on owner-occupied housing to provide funds to upgrade the façade and potentially help to improve social cohesion and neighborliness in a community. These ties help to bind us to a place and increase stability and increase homeownership rates.

Employment

Priority Hiring

Pharmhouse Wellness adheres to LARA/MRA and State of Michigan hiring requirements, including a clean criminal record for the past 10 years. That said, Five Lakes Farm remains committed to providing employment opportunities to individuals impacted by the war on drugs. When recruiting employees and selecting business partners, Five Lakes Farm gives preference to qualified job candidates and business owners who disclose having been charged with marijuana-related crimes and residents who live within the communities identified by the MRA as communities disproportionately impacted by marijuana prohibition and enforcement.

Pharmhouse Wellness advertises job opportunities in local non-English language newspapers and websites, radio in Spanish and English, and post flyers in locally-owned and minority-owned businesses to ensure widespread recruitment efforts. Priority will be given to individuals living in a Neighborhood of Focus within the City of Grand Rapids, provided all laws and equal opportunity laws are abided by.

This is evident from the top-down of the organization. Pharmhouse Wellness and Five Lakes Farm is owned and operated by [Casey Kornoelje](#), who has both felony and misdemeanor marijuana criminal records. Pharmhouse Wellness' EmployeeHandbook includes statements and policies related to equal opportunity, non-discrimination, and anti-harassment.

Local First

In addition to the above specific efforts, we plan to directly support the disproportionately impacted local communities by working primarily with local contractors/businesses, purchasing supplies whenever possible and creating local jobs.

Some of Pharmhouse Wellness' key vendors include Redemption Cannabis and [Healing Organic Garden](#). Healing Organic Garden is a woman-led, veteran-owned cannabis company. Supporting these vendors aligns with our organization's goal of supporting employment and the tax bases of Kent County and the City of Grand Rapids.

We have spent more than \$500,000 with women-owned, veteran-owned and social equity qualified cannabis businesses.

Mentorship

Opening any business is a learning curve that results in numerous lessons learned.

Pharmhouse Wellness is committed to supporting new businesses and helping provide a mentor/mentee relationship.

Pharmhouse Wellness is excited to bring our passion for this industry to those areas where we plan to establish ourselves as valued members of the local community and become more active members of social equity opportunities in Grand Rapids and across the State.

Vendor	Amount		Invoice Proof
G&R Cleaning		Cleaning	On hand
Aligned Planning		Planning	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Power Heating & Cooling		HVAC	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Aligned Planning		Planning	On hand
G&R Cleaning		Cleaning	On hand
GR Tech		Tech	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Aligned Planning		Planning	On hand
Simpler Site		SEO	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
G&R Cleaning		Cleaning	On hand
Good Hands Security		Security	On hand
Aligned Planning		Planning	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
G&R Cleaning		Cleaning	On hand
GR Tech		Tech	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Aligned Planning		Planning	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand

Aligned Planning		Planning	On hand
Simpler Site		SEO	On hand
G&R Cleaning		Cleaning	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
GR Tech		Tech	On hand
Aligned Planning		Planning	On hand
Good Hands Security		Security	On hand
Aligned Planning		Planning	On hand
G&R Cleaning		Cleaning	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Aligned Planning		Planning	On hand
G&R Cleaning		Cleaning	On hand
Modern Fire Security		Fire	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
GR Tech		Tech	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Simpler Site		SEO	On hand
Aligned Planning		Planning	On hand
G&R Cleaning		Cleaning	On hand
G&R Cleaning		Cleaning	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Aligned Planning		Planning	On hand
G&R Cleaning		Cleaning	On hand
G&R Cleaning		Cleaning	On hand
Good Hands Security		Security	On hand

Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Aligned Planning		Planning	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
Arrow Electric		Electric	On hand
Good Hands Security		Security	On hand
Good Hands Security		Security	On hand
	\$ 184,476		
Total Micro LBE Spend	\$ 184,476		
Cost of Good Sold	\$ 2,567,559		
Operating Expense**	\$ 546,558		
MICRO LBE SPEND AS % OF TOTAL EXPENSES		5.92%	
Excludes \$628,000 in federal, state and local income taxes paid between 6/30/21-5/31/22			
\$5,682 GR income taxes paid 5/13/22			
\$128,777 Federal income taxes paid 4/18/22			
\$22,724 State income taxes paid 4/18/22			
\$11,826 State income taxes paid 3/9/22			
\$9,674 GR income taxes paid 2/4/22			
\$38,691 State income taxes paid 1/19/22			
\$186,422 Federal income taxes paid 1/18/22			
\$9,560 GR income taxes paid 10/13/21			
\$37,848 State income taxes paid 9/30/21			
\$169,850 Federal income taxes paid 9/16/21			
\$6,946 GR income taxes paid 7/30/21			
Excludes \$6,275 of State licensing Fees paid between 6/30/21-5/31/22			
\$6,250 LARA 11/5/21			
\$25 MI Corporation Divison 2/14/22			

Community Reinvestment Plan and Activities 2021-2022

Pharmhouse Wellness + Five Lakes Farm

As Grand Rapids' only locally-owned and independently operated cannabis business, we divide our community reinvestment efforts into two categories—efforts where we're asked to participate, lend a hand, and give financial support; and areas where we see a need that we can fulfill.

Each quarter we review activities and options where our businesses can make a difference for disproportionately affected communities and the people that live in those places as well as working with BIPOC citizens and people with cannabis-related police records.

Tree Canopy Enhancements

We partnered with Friends of Grand Rapids Parks and Downtown Grand Rapids, Inc. to plant 40 street trees along Wealthy Street and Front Avenue, including involvement from residents of the John Ball neighborhood. The tree planting leveraged financial support from Padnos, a scrap material processing company and Spectrum Industries, an automotive painting and coating company on Wealthy Street.

We have been part of two tree planting efforts with friends of Grand Rapids Parks.

<https://www.woodtv.com/news/grand-rapids/friends-of-gr-parks-plant-trees-along-wealthy-street/>

Safe Streets Project

We secured funding for a collaborative “safe street” project at Wealthy and Front Street to provide protected and accessible bus stops and travel lane configuration to provide a safer crosswalk and bike lanes. Matching funds were provided by Downtown Grand Rapids, Inc., Mobile GR, The Rapid, and Exodus Place support services have been committed. Five Lake Farm + Pharmhouse Wellness has provided staff support and will engage and cover placemaking activities including a street mural, plantings, lighting, and potentially benches and planters for the bus waiting areas. This is an ongoing project.

Public Art

We initiated and completed a public art project for West Wealthy corridor—the street that leads to our businesses and provided artist stipends to 7 local and BIPOC and LGBTQ+ artists to paint bollards, signal boxes, and murals within the public realm and on Five Lakes Farm + Pharmhouse Wellness property. The art project also leveraged financial support and collaboration from Spectrum Industries.

<https://www.woodtv.com/news/grand-rapids/west-wealthy-beautification-project-seeks-approval-from-city/>

<https://www.woodtv.com/news/grand-rapids/artists-begin-working-on-pieces-for-west-wealthy-corridor/>

Expungement Efforts

We are partners with the Great Lakes Expungement Network (GLEN) and hosted our first expungement event in March 2022 as part of our second-anniversary celebration. From that event, 47 applications were sent to GLEN. Of the 47 applications, 30 were eligible for some sort of expungement; 14 of them (because they were not cannabis offenses) were moved to other organizations that work with GLEN. The other 16 applications were enrolled in GLEN's full-service expungement program, which is limited to people with at least one cannabis conviction in Michigan.

<https://www.woodtv.com/news/grand-rapids/expungement-resource-fair-for-nonviolent-cannabis-offenders-in-gr/>

Native Species Habitat Houses

Coordinated and supported a Neighborhood Match Grant with the John Ball Area Neighbors for a Habitat House project, which included neighborhood involvement of over 100 individuals who painted bird houses, bat boxes and pollinator boxes which were hung within the Grand River corridor, John Ball Park, and along parkways within the neighborhood that surrounds Pharmhouse Wellness.

Felons Feeding Families

Pharmhouse Wellness provided 100 turkeys and other food staples to families in need during Thanksgiving 2021.

<https://www.michiganradio.org/community/2021-11-24/still-need-a-turkey-this-grand-rapids-cannabis-shop-is-giving-them-out-for-free>

Non-Profit Engagement

Engaged with Exodus Place for future art at the signal box located at Front and Wealthy. We also engage with several neighborhood associations supporting their work and they also support us with information sharing.

We meet monthly with John Ball Area Neighbors—our closest City of Grand Rapids Neighborhood Association—to bring its members and leaders up to speed on what Pharmhouse is doing in the community.