



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

SHELLY EDGERTON
DIRECTOR

MEDICAL MARIHUANA LICENSING BOARD

November 8, 2018 MEETING

APPROVED MINUTES

In accordance with the Open Meetings Act, 1976 PA 267, as amended, the Michigan Medical Marihuana Licensing Board met on November 8, 2018, at the Michigan Library & Historical Center, 702 West Kalamazoo Street Lansing, MI 48933.

CALL TO ORDER

Johnson, Chairperson, called the meeting to order at 9:38 a.m.

ROLL CALL

Members Present: Rick Johnson, Chairperson
David LaMontaine
Nichole Cover
Donald Bailey
Vivian Pickard (Joined the meeting at 10:07 a.m.)

Staff Present: Andrew Brisbo, State Bureau Administrator
Erika Marzorati, Assistant Attorney General
Bridget Smith, Assistant Attorney General
Kelly Kronner, Departmental Analyst
Kris Jordan, State Administrative Manager
Brian Hanna, State Administrative Manager

PUBLIC COMMENT REMINDER

Johnson reviewed intent of public comment and reminded the audience that comments should not address items that are currently pending before the board or may be before the board at a future meeting.

APPROVAL OF AGENDA

MOTION by Cover, seconded by LaMontaine, to approve the agenda, as presented.

The meeting site and parking is accessible. Individuals attending the meeting are requested to refrain from using heavily scented personal care products in order to enhance accessibility for everyone. People with disabilities requiring additional services (such as materials in alternative format) in order to participate in the meeting should call Kelly Kronner at (517) 284-8584 at least 10 working days before the event.

Roll call vote: In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

APPROVAL OF THE MINUTES

Motion by LaMontaine, seconded by Cover, to approve October 18, 2018 minutes, as presented. Roll call vote: In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

Motion by Cover, seconded by Bailey, to approve October 29, 2018 minutes, as presented. In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

OLD BUSINESS

A. Board Scheduling Availability – 2019

1. Chairman Johnson discussed board scheduling availability for 2019.
 - a. Motion by LaMontaine, seconded by Bailey, to table board availability until Pickard arrives. A voice vote followed.

MOTION PREVAILED

NEW BUSINESS

A. Pre-Qualification Applications

1. Applicant: DCAD, LLC, File No: ERGA-18-000070
 - a. Motion by LaMontaine, seconded by Cover, that DCAD, LLC, has prequalification status for a pending application. Roll call vote: In Favor – LaMontaine, Cover, Bailey, Opposed – Johnson.

MOTION PREVAILED

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2. Applicant: Great Lakes Property Investors, LLC, File No: ERGA-18-000036

- a. Motion by Johnson, seconded by Cover, that Great Lakes Property Investors, LLC, has prequalification status for a pending application. Roll call vote: In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

3-5. Applicant: MPM-C Marshall, LLC, File No: ERGA-18-000553
Applicant: MPM-C Detroit, LLC, File No: ERGA-18-000555
Applicant: MPM-C Hazel Park, LLC, File No: ERGA-18-000556

- a. Motion by LaMontaine, seconded by Bailey, that MPM-C Marshall, LLC, MPM-C Detroit, LLC, and MPM-C Hazel Park, LLC, has prequalification status for a pending application. Roll call vote: In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

6-14. Applicant: MPM-R Hazel Park, LLC, File No: ERGA-18-000557
Applicant: MPM-R Warren, LLC, File No: ERGA-18-000559
Applicant: MPM-R Flint, LLC, File No: ERGA-18-000561
Applicant: MPM-R Lansing, LLC, File No: ERGA-18-000562
Applicant: MPM-R Detroit, LLC, File No: ERGA-18-000564
Applicant: MPM-R Battle Creek, LLC, File No: ERGA-18-000565
Applicant: MPM-R VIII, LLC, File No: ERGA-18-000713
Applicant: MPM-R West, LLC, File No: ERGA-18-000724
Applicant: MPM-R IX, LLC, File No: ERGA-18-000728

- a. Motion by Bailey, seconded by Cover, that agenda items 6 through 14 have prequalification status for a pending application. Roll call vote: In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

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15-16. Applicant: MPM-P Hazel Park, LLC, File No: ERGA-18-000567
Applicant: MPM-P Marshall, LLC, File No: ERGA-18-000558

- a. Motion by LaMontaine, seconded by Cover, that MPM-P Hazel Park, LLC and MPM-P Marshall, LLC, has prequalification status for a pending application. Roll call vote: In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

17. Applicant: R-PTN Haltiner, LLC, File No: ERGA-18-000630

- a. Motion by Bailey, seconded by Cover, to discuss R-PTN Haltiner, LLC's application. A voice vote followed.

MOTION PREVAILED

- b. Discussion

- c. Motion by LaMontaine, seconded by Cover, that R-PTN Haltiner, LLC, has prequalification status for a pending application. Roll call vote: In Favor – LaMontaine, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED

18. Applicant: Shkreli Family Incorporated, File No: ERGA-18-000646

- a. Motion by Bailey, seconded by Cover, that Shkreli Family Incorporated, has prequalification status for a pending application. Roll call vote: In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

B. State Operating License Applications and Related Prequalification

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1. Applicant: Simply Solar, LLC, File No: ERGA-18-000106
Licenses(s): Provisioning Center, File No: PCA-18-000076
 - a. Motion by Cover, seconded by LaMontaine, to deny Simply Solar, LLC's, application because the applicant is not qualified to receive a license under MMFLA sections 402(3)(a) (financial ability and experience to operate or maintain a marihuana facility and responsibility or means to operate or maintain a marihuana facility), 402(3)(c) (the sources and total amount of the applicant's capitalization to operate and maintain the proposed marihuana facility), and 402(3)(e) (the applicant has filed, or had filed against it, a proceeding for bankruptcy within the past 7 years), as evidenced by a failure to provide adequate records to demonstrate an ability to operate a marihuana business in a compliant manner, failure to provide adequate records to support financial account transactions, and sales understated on sales tax returns.
 - b. Discussion
 - c. Roll call vote: In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

2. Applicant: Uncle Bud's Provisioning Center, LLC, File No: ERGA-18-000189
Licenses(s): Provisioning Center, File No: PCA-18-000150
 - a. Motion by Cover, seconded by Bailey, to deny Uncle Bud's Provisioning Center, LLC's, application because the applicant is not qualified to receive a license under MMFLA section 402(3)(c) (the sources and total amount of the applicant's capitalization to operate and maintain the proposed marihuana facility), as evidenced by implausible business arrangements to support capitalization. Roll call vote: In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

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3. Applicant: Uncle Bud's Provisioning Center, LLC, File No: ERGA-18-000189
Licenses(s): Grower Class A, File No: GRA-A-18-000028
 - a. Motion by Cover, seconded by LaMontaine, to deny Uncle Bud's Provisioning Center, LLC's, application because the applicant is not qualified to receive a license under MMFLA section 402(3)(c) (the sources and total amount of the applicant's capitalization to operate and maintain the proposed marihuana facility), as evidenced by implausible business arrangements to support capitalization. Roll call vote: In Favor – LaMontaine, Cover, Bailey, Johnson, Opposed – None.

MOTION PREVAILED

4. Applicant: Indica, LLC, File No: ERGA-18-000237
Licenses(s): Provisioning Center, File No: PCA-18-000152
 - a. Motion by Bailey, seconded by Cover, to discuss Indica, LLC's application. A voice vote followed.

MOTION PREVAILED

- b. Discussion
- c. Motion by LaMontaine, seconded by Cover, to grant Indica, LLC's, application for a Provisioning Center license.
- d. Discussion
- e. Roll call vote: In Favor – LaMontaine, Pickard, Cover, Opposed – Bailey, Johnson.

MOTION PREVAILED

5. Applicant: MMM of A2, Inc. File No: ERGA-18-000242
Licenses(s): Provisioning Center, File No: PCA-18-000056

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- a. Motion by Johnson, seconded by LaMontaine, to grant MMM of A2, Inc.'s application for a Provisioning Center license.
- b. Discussion
- c. Roll call vote: In Favor – LaMontaine, Pickard, Cover, Johnson, Opposed – Bailey.

MOTION PREVAILED

6. Applicant: MarioGibson, LLC, File No: ERGA-18-000250
Licenses(s): Provisioning Center, File No: PCA-18-000016

- a. Motion by Cover, seconded by Pickard, to deny MarioGibson, LLC's, application because the applicant is not qualified to receive a license under MMFLA sections 402(3)(a) (financial ability and experience to operate or maintain a marihuana facility and responsibility or means to operate or maintain a marihuana facility) and 402(3)(c) (the sources and total amount of the applicant's capitalization to operate and maintain the proposed marihuana facility), as evidenced by a failure to provide adequate records to demonstrate an ability to operate a marihuana business in a compliant manner, implausible business arrangements to support the capitalization, and a pattern or history of failure to timely file tax returns and/or satisfy tax obligations when due.
- b. Roll call vote: In Favor – LaMontaine, Pickard, Cover, Bailey, Johnson, opposed – None.

MOTION PREVAILED

7. Applicant: Northern Specialty Provisioning Limited Partnership File No: ERGA-18-000571
Licenses(s): Provisioning Center, File No: PCA-18-000147
Prequalification status for a pending application granted on October 29, 2018.

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- a. Motion by Pickard, seconded by Cover, to grant Northern Specialty Provisioning Limited Partnership's application for a Provisioning Center license. Roll call vote: In Favor – LaMontaine, Pickard, Cover, Johnson, opposed – Bailey.

MOTION PREVAILED

DEPARTMENT REPORT

A. Brisbo gave the board an update on the current volume of applications received, approved, and denied to date. Brisbo stated the Bureau issued an advisory bulletin on November 2 on fire-rated separations for facilities. Brisbo stated that there is a link available on the Bureau's website home page that allows you to search for and see a map showing the location of licensed facilities. Brisbo explained that there have been a few applicants that did not request an investigative hearing following their denial by the board; denial orders also will be posted on the website when they are final. Johnson asked about the ramifications on the Board of the recreational marihuana proposal that passed during the recent election. Brisbo explained that he is comfortable with current staffing levels and assured the board that the department has adequate funding to support the program.

B. Board Scheduling Availability – 2019

- a. Motion by LaMontaine, seconded by Johnson, to untable Board Scheduling Availability for 2019. A voice vote followed.

MOTION PREVAILED

- b. Discussion
- c. Motion by LaMontaine, seconded by Johnson, to approve the dates provided by the department, per request that the May and September dates are changed. Roll call vote: In Favor – LaMontaine, Pickard, Cover, Bailey, Johnson, opposed – None.

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Dates Selected – 2019

January 16, 2019
February 21, 2019
March 21, 2019
April 25, 2019
May 15, 2019 TBD
June 13, 2019
July 17, 2019
August 14, 2019
September 10, 2019 TBD
October 24, 2019
November 21, 2019
December 19, 2019

MOTION PREVAILED

PUBLIC COMMENT

Adam Goldberg – Discussed METRC training and secure transport.

Jim Schauman – Inquired about the application processing timeline.

ADJOURNMENT

MOTION by LaMontaine, seconded by Johnson, to adjourn the meeting at 10:38 a.m.
A voice vote followed.

MOTION PREVAILED

Next Meeting: Formerly scheduled for December 7, 2018, the next Licensing Board Meeting will now take place on December 7, 2018 at 9:30 a.m. at the Michigan Library & Historical Center.

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