

Agenda

Economic Development Corporation

Board of Directors

City of Kalamazoo



Thursday, June 15, 2023

7:45 AM

CPED Main Conference Room - 245 N. Rose Street, Suite 100

A. CALL TO ORDER/ROLL CALL

B. ADOPTION OF FORMAL AGENDA

C. APPROVAL OF MINUTES

1. Approval of the minutes from the meeting of the Economic Development Corporation on May 18, 2023 (**Action: Motion to Approve. Voice Vote.**)

D. PUBLIC COMMENTS

E. DIRECTORS' COMMENTS

F. NEW BUSINESS

1. Approval of a recommendation to the City Clerk a 90-day probationary approval of the Adult Use Glass A Grower, Adult Use Processor and Adult Use Retail Marijuana Business Permit for Yuma Way MI, LLC DBA Urban Gardens (**Action: Approval of a recommendation to the City Clerk a 90-Day probationary approval of the Adult Use Glass A Grower, Adult Use Processor and Adult Use Retail Marijuana Business Permit for Yuma Way MI, LLC DBA Urban Gardens) - Roll Call Vote**
2. EDC Loan Policy (Amending of the approved EDC Loan Process) (**Action: Approval of updated loan policy. Roll call vote**)

G. UNFINISHED BUSINESS

H. COMMUNICATIONS AND ANNOUNCEMENTS

I. STAFF REPORTS AND UPDATES

J. ADJOURNMENT

CITY OF KALAMAZOO
ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING
Thursday, May 18, 2023
Community Planning and Economic Development
245 N. Rose Street, Kalamazoo, MI 49007

MEMBERS PRESENT: Nathan Bolton; Michael Gurnee; Kevan Hess; Jason Novotny; Lucas Middleton; Torean Greeley; Kyle Gulau; Rachel Bair; *Sharon Ferraro

MEMBERS ABSENT: Qianna Decker; Andrew Schipper

CITY STAFF PRESENT: Jessica Wood (Attorney, Dickinson Wright); John Weiss (Attorney, Dickinson Wright); Jamie McCarthy (Sustainable Development Coordinator); PJ Thuringer (Economic Development Supervisor); Logan Mulholland (Fishbeck, Consultant); Jared Chambers (Business Specialist); Beth Cheeseman (Executive Administrative Assistant); Jerri Burdue (Neighborhood Business & Special Projects Coordinator)

Meeting was called to order at 7:46 AM by Chair Bolton.

MOTION TO EXCUSE ABSENT MEMBERS: Director Gulau moved to excuse absent members; seconded by Director Hess. Motion approved by voice vote unanimously.

APPROVAL OF AGENDA: Director Gurnee moved the approval of the agenda as presented; seconded by Director Bair. Motion approved by voice vote unanimously.

APPROVAL OF MINUTES: Director Greeley moved the approval of the minutes from the Special Meeting of May 4, 2023; seconded by Director Middleton. Motion approved by voice vote unanimously.

PUBLIC COMMENTS

None.

DIRECTORS' COMMENTS

None.

NEW BUSINESS

1. Approval of a recommendation to the City Clerk to Approve the 2-year renewal of the Adult Use Processor Marijuana Business Permit for 3300 Miller Road LLC. (Action: Approval of a recommendation to the City Clerk to Approve the 2-year renewal of the Adult Use Processor Marijuana Business Permit for 3300 Miller Road LLC) - Roll Call Vote

Mr. Thuringer noted that the staff report stated this business was an adult use retailer instead of an adult use processor. He stated that it was correct on the agenda. This is the processing arm of The Refinery. Mr. Thuringer shared that the business has 12 full-time employees and one part-time employee. The full-time employees are given options for insurance, and they are offered paid time off. Mr. Thuringer reported that they donated to the Douglas Community Association, Urban Alliance, Synergy Health Center, and Black Wall Street. They are intentional in hiring persons of color and those who have been disproportionately affected by marihuana prohibition. They have six female employees – four of whom are supervisors (one of color). They have six male employees including one of color. Mr. Thuringer said the business is in good standing with the City, and they ban the box on their application. They currently employ nine City residents with two employees from the Edison neighborhood – which is a qualified census track. He stated that the business had obtained Gold level certification from the State. Staff recommends a two-year approval.

Mr. Tom Farrell, The Refinery, thanked staff for their assistance with the renewal application.

Director Novotny moved approval of a recommendation to the City Clerk to approve the 2-year renewal of the Adult Use Processor Marijuana Business Permit for 3300 Miller Road LLC; seconded by Director Hess.

A roll call vote was taken, and the motion passed unanimously.

2. Approval of a recommendation to the City Clerk to Approve the 2-year renewal of the Adult Use Retailer Marijuana Business Permit for Refine Michigan Co DBA The Refinery. (Action: Approval of a recommendation to the City Clerk to Approve the 2-year renewal of the Adult Use Retailer Marijuana Business Permit for Refine Michigan Co DBA The Refinery) - Roll Call Vote

Mr. Thuringer shared that this is The Refinery's third renewal. He said they employ 21 people and offer full-time employees health insurance. Mr. Thuringer stated that they donated to the Douglas Community Association, Urban Alliance, Synergy Health Center, Black Wall Street, Loaves & Fishes, and the Fraternal Order of Police. The Refinery employs 13 women – seven in supervisory positions, and two women of color. They employ eight males – four of whom are men of color, with three in supervisory positions. Mr. Thuringer stated that 80% of their employees are City residents. The Refinery is in good standing with the City. They ban the box on their applications. He shared that they employ three Eastside residents and two Edison residents. The Refinery encourages people of color to apply. Three of their employees have previous marihuana convictions and one is a manager. They have obtained a Gold level certification from the State. Mr. Thuringer stated that they passed their fire and zoning inspections. Staff recommend a two year renewal.

*Director Ferraro the entered meeting during Mr. Thuringer's staff report.

Director Gurnee moved approval of a recommendation to the City Clerk to Approve the 2-year renewal of the Adult Use Retailer Marijuana Business Permit for Refine Michigan Co DBA The Refinery; seconded by Director Middleton.

A roll call vote was taken, and the motion passed unanimously.

3. Approval of a recommendation to the City Clerk a 90-day probationary approval of the & Adult Use Retailer Marijuana Business Permit for Redbud Roots Lab VI, Inc DBA Redbud Roots and GLH (Action: Approval of a recommendation to the City Clerk a 90-day probationary approval of the

Adult Use Retailer Marijuana Business Permit for Redbud Roots Lab VI, Inc DBA Redbud Roots and GLH) - Roll Call Vote

Mr. Thuringer stated that Redbud Roots is currently closed due to a theft and the need to reassess their accounting and inventory. As a result, they had to let some employees go. At the time of the application, Redbud Roots employed 29 people, 15 full-time and 14 part-time. He said they offered full medical and dental insurance to eligible employees. Redbud Roots teamed up with Wayne State University to conduct research on the effects of cannabis on the behavioral health among veterans. Mr. Thuringer mentioned their Social Equity action plan that included minorities, veterans, and disabled persons. Fourteen of their employees were female, 13 were persons of color, and six had prior marijuana convictions. Mr. Thuringer stated that Redbud Roots was in default with the City but paid their taxes the day before the meeting. They ban the box on their applications. At the time of application, Redbud Roots employed 16 City residents: four from Eastside, seven from Edison, and five from the Northside. Mr. Thuringer asked how they managed to get so many employees from the qualified census tracts.

Mr. Alex Leonowicz said their employees came from recommendations of other employees - friends of friends. Director Ferraro thought people may be more aware of their business because of their very central location.

Mr. Thuringer stated that they have also used hiring fairs and job postings. He said they received Gold level certification from the State. Mr. Thuringer stated that because of timing, they were not able to verify that fire and zoning inspections were done.

Director Bolton asked if it was because they are closed that staff have recommended the 90 day probation. Mr. Thuringer responded that they recommended the 90 days because they couldn't verify the inspections.

Director Middleton asked Mr. Leonowicz to elaborate on the closure and reopening. Mr. Leonowicz said they plan to reopen within two to three weeks. He indicated that because of the problems they had, it was in the best interest of the company to close. Mr. Leonowicz said there was a lot of progress made and they are close to a resolution.

Director Hess asked if they were bringing back the employees. Mr. Leonowicz stated that they have a few employees working temporarily at Battle Creek. He said they have remained in contact with the other employees. Mr. Leonowicz said they are working through any zoning/fire violations.

Director Novotny noted that they might reopen with new operator. He wondered if there were any implications if that happened within the 90 days. Mr. Leonowicz clarified that their license would still be under the Redbud name.

Mr. Thuringer stated in response to Chair Bolton's earlier question, that the Cannabis Committee has talked about changing the ordinance to say that a business must be open to have their license renewed. That is still under consideration.

Director Hess moved approval of a recommendation to the City Clerk a 90-day probationary approval of the Adult Use Retailer Marijuana Business Permit for Redbud Roots Lab VI, Inc DBA Redbud Roots and GLH; seconded by Director Greeley.

A roll call vote was taken, and the motion passed unanimously.

UNFINISHED BUSINESS

None.

COMMUNICATIONS AND ANNOUNCEMENTS

None.

STAFF REPORTS AND UPDATES

CPED Director, Mr. Antonio Mitchell, said that staff gave a presentation to the City Commission at their COW meeting on the upcoming RFP. Staff hope to put that out this summer. Mr. Thuringer said he would send the PowerPoint to the Board. Director Mitchell stated that, once the RFP is done, they will be sharing it with the Board, the City Commission, and the Mayor for additional feedback. He thought the community should be proud of receiving 11/18 Gold qualifications, 2/2 Silver qualifications, and 1/27 Bronze qualifications. Director Mitchell said it was their long-term goal that all of their cannabis businesses would have a Gold qualification. He mentioned that this process is new, and he hoped with the Board's direction and assistance, they could become a model for the rest of the country.

ADJOURNMENT: 8:06 AM

Signature

Name/Title

Signature

Name/Title

INTER-OFFICE MEMO

To: The Economic Development Corporation Board of Directors

From: Paul Thuringer, Economic Development Supervisor
Jared Chambers, Business Specialist

Date: June 1, 2023

Re: Adult Use Class A Grower, Processor, & Retailer Permit Renewal for Yuma Way MI, LLC

The City Clerk's Office has requested that the Economic Development Corporation (EDC) Board of Directors evaluate the *Marihuana Facility Permit Renewal Application* submitted by Yuma Way MI, LLC for its facility at 617 Portage Street and that the EDC Board provide a recommendation regarding the renewal of this permit.

BACKGROUND

On August 30, 2022, the City Clerk issued an Adult Use Class A Grower, Processor, & Retailer Permit to Yuma Way MI, LLC, the applicant, for its facility at 617 Portage Street. These City Operating Permits are set to expire on August 29, 2023, and must be renewed prior to that date in order for the facility to continue operating. The applicant has submitted the required renewal application and the annual permit fee. City ordinance requires that the Economic Development Corporation review the renewal application and provide a recommendation. Below is the ordinance language that describes the specific role and responsibilities of the EDC in this process:

§ 20B-12

C. In determining whether to grant a renewal of a permit, the members of the City's Economic Development Corporation board will evaluate the permit holder's compliance with the statements it provided with its initial application and submission with its request for renewal of the following information:

1. The Staffing plan for the business which describes the actual number of employees, including the number and type of jobs that the facility has created, and the amount and type of compensation (including benefits) paid for such jobs;
 - Yuma Way currently has 9 full-time employees.
 - 1 General Manager at \$45,000/year.
 - 3 Shift Leads at \$37,000/year.
 - 5 Customer Service Associates at \$32,000/year.
 - Benefits include employee discounts, cash advances, sick leave, and health insurance upon request.
2. An explanation, with supporting factual data, of the economic benefits to the City and the job creation for local residents achieved by the business, results of efforts for community outreach and worker training programs;
 - Yuma Way has redeveloped the site on Portage St, having invested over \$425,000 in building and façade improvements.
 - They have committed to hiring at least 80% of their talent from those who live in Kalamazoo City and/or County.

- The Company ensures training opportunities are in place on an ongoing basis including continuing education training, research education, and guest speakers. Yuma will invite industry physicians, researchers, and publishers to participate in educational lectures for staff.
 - They implement a “Path to Success Program” which allows the opportunity for rapid growth within their company.
 - They plan to give up to 1% of net cumulative profits to charities that are dedicated to serving the local community.
 - This year they have allocated \$1,000 to the Chabad of Kalamazoo, for community and youth programming, and they look forward to making additional donations to like organizations in the coming year.
3. An explanation, with supporting factual data, of the efforts and success achieved by the social equity plan of the business to promote and encourage participation in the marihuana industry by local residents that have been disproportionately impacted by marihuana prohibition and enforcement, and the positive impact of the social equity plan on local residents;
- Their “Path to Success Program” is specifically offered to those who are considered social equity candidates and who were disproportionately harmed by the war on drugs. All full-time employees who have been with the company for more than 60 days have been promoted and received a raise since their initial hiring.
 - Yuma Way is a woman- and immigrant-owned business, that is particularly sensitive to the needs and challenges of marginalized and disenfranchised groups. The owners hosted the first Social Equity Forum in Colorado, which was pivotal in opening the door to those with marijuana felonies to apply for marijuana licensing. Yuma Way plans to apply the same commitment to diversity here in Kalamazoo.
 - In the past year they have spent over \$300,000 with social equity vendors including, Fluresh, LionLabs, Trucenta LLC, Glorious Cannabis, Choice Labs, and more.
 - These companies are located across the state (grand rapids, Jackson, Troy, etc.), they supply items such as pre-rolls, flower, edibles, and other cannabis goods and accessories. It should also be noted that they have also spent at least \$94,000 with a local Kalamazoo Vendor, Rare Michigan Genetics in the past year.
 - They planned to allocate at least 10% of vendor spending to social equity businesses and the \$300,000 has far exceeded this allocation with an estimated 25% or more of their total spending applied to social equity vendors in the past year.
- 4 A statement that the business is not in default to the City for any property tax, special assessment, utility charges, fines, fees, or other financial obligation owed to the City;
- Their Personal Property Tax Statement is pending approval.
- 5 A statement that the hiring and public accommodation practices of the facility conform to the City's Nondiscrimination Ordinance provisions and documentation of the total number of employees broken out by managerial and operational employees, number of women, and number of minority employees and number of employees disproportionately impacted by marihuana prohibition and enforcement.
- They affirm that their hiring and public accommodations practices conform to the City’s anti-discrimination ordinance provisions.
 - 6 out of the 9 employees are women or minorities.

6. A statement, with supporting documentation, providing answers to the following questions:
 - a. How many City residents do you currently employ?
 - 8 employees are City residents.
 - b. How many current employees reside in Census Tracts 1 (Eastside); 9, 10 (Edison), and/or 2,02,3 (Northside)?
 - They have 3 employees from the Edison Neighborhood.
 - c. What is your plan to employ residents of the identified census tracts?
 - The company has a strict policy of non-discrimination and provides job opportunities to talented individuals from all walks of life. 50% of their current staff are from the identified census tracts and 2 have already been promoted to shift leads after joining with no experience. They will continue to strive to provide economic opportunity to all Kalamazoo residents, particularly those from the identified census tracts.
 - d. How many of your employees have prior marihuana convictions (excepting a conviction for delivery or distribution to a minor)?
 - It is unknown if there are any employees with prior marijuana convictions.
 - e. What is your plan for employees with a prior marihuana conviction to move up within your business and/or the marihuana industry?
 - They strive to provide advanced opportunities for all talent without discrimination and with a particular enthusiasm for those who have been most harmed by the war on drugs.
7. Proof that the marihuana business has received recognition and maintains the status as a Silver Level Social Equity All-Star or better with the Michigan Cannabis Regulatory Agency.
 - As of April 6, 2023, they are Gold-level qualifiers.

Please see the attached Marihuana Renewal Application Checklist that verifies that this business has met all the requirements for renewal, pending their fire inspection deficiency corrections and approval of their personal property tax statement. This checklist was completed by City staff to verify if all requirements of the ordinance have been met. The City Clerk has verified that the applicant has no outstanding financial obligations to the City, there have been no complaints to the City Manager regarding compliance with the City's anti-discrimination ordinance, and the facility has passed its City Zoning inspections but not its Fire Inspection. The applicant has not met all the requirements for renewal.

RECOMMENDATION

Staff recommends that the EDC Board recommend to the City Clerk's Office a 90-day probationary approval of the Adult Use Class A Grower, Processor, & Retailer Permits to Yuma Way MI, LLC, pending their fire inspection deficiency corrections and approval of their personal property tax statement. These items may possibly be corrected before the EDC Board meeting, if so, City Staff will change this recommendation to a 2-year renewal.

ATTACHMENTS

Yuma Way MI, LLC Renewal Application, (Staffing Plan), (Community Benefits Statement), and (Social Equity Plan) from the applicant.

Adult Use Retailer & Adult Use Processor & Adult Use Grower Class A Marihuana Renewal
Application Checklist for:

Yuma Way MI LLC DBA ReLeaf on Portage

617 Portage Street

Contact: Rita Tsalyuk

rita.tsalyuk@gmail.com

Type: Adult Use Retailer & Adult Use Grower Class A

	Date Received	Received By	Comments	
Renewal Application Received		Scott Borling		
Inspection Type:	Inspection Date	Completed by:	Satisfactory?	Notes
Zoning Inspection	5/2/2023	Pete Eldridge	Yes	
Fire Inspection	5/2/2023	Scott Brooks	No	1) Deficiency – Fire extinguishers not labeled with dates, will need annual inspection completed of extinguisher in the building (by private contractor) 2) Deficiency – Knox box does not have updated key set for building.
	Date	Name	Comments	
Business Community Benefits Check-In	5/4/2023	Jared Chambers		
	Invite Sent	EDC Meeting Date		
Invite to EDC Meeting				
	Full-Time	Part-Time	Comments	
Jobs Created				
	Yes/No	Comments:	Verified by:	
Any Past Due Financial Obligations with City? (i.e. taxes owed, fees, fines, etc)	Personal Property Tax?		Andrew Falkenberg	
Silver Level Social Equity All-Star or better status with the Michigan Cannabis Regulatory Agency	Gold		Jared Chambers	
Attachments	Staffing Plan	City Economic Benefits Plan	Social Equity Plan	Handbook
			N/A	

All Items
Complete

No

MARIHUANA BUSINESS PERMIT RENEWAL APPLICATION

Pursuant to Chapter 20B of the Kalamazoo City Code

**City of Kalamazoo
Office of the City Clerk
241 West South Street
Kalamazoo, MI 49007**

(Please Print)

BUSINESS INFORMATION (The entity that is licensed by the state and that holds a City MMF permit)

Official Business Name Yuma Way MI LLC

Business Address 617 Portage St.,

City Kalamazoo **State** MI **Zip Code** 49007 **Business Phone** 269-888-7088

Business E-mail urbangardens@yumaway.com **Business Website** yumaway.com

TYPE OF PERMIT BEING RENEWED

Medical

Grower:

- ☐ Class A (500 plants) ☐ Safety Compliance ☐ Secure Transporter
☐ Class B (1,000 plants)
☐ Class C (1,500 plants) No. of Class C Permits

Adult Use

Grower:

- Grower:** ☒ Processor ☒ Retailer
☒ Class A (100 plants) ☐ Safety Compliance ☐ Secure Transporter
☐ Class B (500 plants) ☐ Microbusiness ☐ Designated Consumption Lounge
☐ Class C (2,000 plants) No. of Class C Permits _____
☐ Excess Grower

FACILITY INFORMATION

Property Address 617 Portage St
Real Property Parcel Number _____
Advertised Facility Name Urban Gardens
Manager - Full Name Derek Chandler

CONTACT INFORMATION [the primary point(s) of contact for this application]

Name	Jessica Reuven				
Address	1385 S Colorado Blvd, A712	City	Denver	State	CO
				Zip Code	80222
Phone	720-275-8956	E-mail	jessica.reuven@yumaway.com		

Name	Kirill Merkulov						
Address	1385 S Colorado Blvd, A712	City	Denver	State	CO	Zip Code	80222
Phone	720-275-8956	E-mail	kirill.merkulov@yumaway.com				

ATTACHMENTS

Please attach the following as separate documents to this application:

1. The attached Staffing Plan worksheet and any additional pages that provide a description of the actual number of employees, including the number and type of jobs that the licensed facility has created, and the amount and type of compensation (including benefits) paid for such jobs; and
2. An explanation, with supporting factual data, of the economic benefits to the City and the job creation for local residents achieved by the facility; the results of community outreach efforts; and worker training programs.
3. A social equity plan that: (a) promotes and encourages participation in the marihuana industry by local residents that have been disproportionately impacted by marihuana prohibition and enforcement; and (b) positively impacts local residents.
4. Documentation that indicates your business qualifies as a Silver Social Equity All-Star or better with the Michigan Cannabis Regulatory Agency. **A marihuana business must meet this qualification to be eligible for permit renewal with the City of Kalamazoo.**

The City's Economic Development Corporation will use the information provided in these documents to evaluate the permit holder's compliance with the statements it provided with its initial application (specifically the representations made in Attachment G – Staffing Plan and Attachment H – Community Benefits Statement).

Please complete the following certifications:

- ☒ The permitted facility is not in default to the City for any property tax, special assessment, utility charges, fines, fees or other financial obligation owed to the City.
- ☒ The hiring and public accommodation practices of the permitted facility conforms to the City's anti-discrimination ordinance provisions.
- ☒ I consent to an inspection of the permitted premises as required by ordinance to ensure the premises and its systems are in compliance with the requirements of Chapter 20B of the Kalamazoo City Code.
- ☒ I understand that renewal of a City Operating Permit is contingent on renewal of the State Operating License for this facility.

I hereby certify under the penalty of perjury that the statements made in this application, including all attachments thereto, are true. I further certify that I am an officer, director, or managerial employee of the applicant or a person who holds a direct or indirect ownership interest in the applicant.

Applicant Signature: *Jessica Reuven* Date: 04/14/23

Name (printed): Jessica Reuven Position: Chief Compliance Officer

STAFFING PLAN

Summary

Please indicate the number of employees who work at the licensed facility:

Full-time employees (32+ hours per week) 4 Part-time employees (< 32 hours per week) 2

Position Types and Compensation

Please provide a description of the types of jobs the licensed facility has created, along with the amount of compensation and benefits paid for such jobs:

Position Title:	General Manager	Annual Average Compensation \$	45,000
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How many people are employed in this position at the licensed facility? 91

Are health insurance benefits available for employees in this position? Yes No X

If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☐ None ☐

Position Title: Shift Lead **Annual Average Compensation \$** 37,000

How many people are employed in this position at the licensed facility? 2

Are health insurance benefits available for employees in this position? Yes No ☒

If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☐ None ☐

Position Title: Customer Service Associates Annual Average Compensation \$ 32,000

How many people are employed in this position at the licensed facility? 3

Are health insurance benefits available for employees in this position? Yes _____ No X

If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☐ None ☐

Position Title:	Annual Average Compensation \$
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How many people are employed in this position at the licensed facility?

Are health insurance benefits available for employees in this position? Yes No

If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☐ None ☐

Position Title:	Annual Average Compensation \$
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How many people are employed in this position at the licensed facility?

Are health insurance benefits available for employees in this position? Yes No

If yes, please indicate the employer contribution to health insurance costs: All Partial None

Please provide information on any benefits other than health insurance that are offered to all employees:
employee discounts, cash advances, sick leave, management training,

Attach additional pages as necessary.

* Staffing plans adjusted from inception due to changing market conditions. Health insurance available upon request; however, no requests have been made.

STAFFING PLAN

Compliance with Social Equity Policy

1. How many of your current employees reside in the following Census Tracts:

Census Tract 1 (Eastside Neighborhood)	<u>0</u>
Census Tracts 9 and/or 10 (Edison Neighborhood)	<u>3</u>
Census Tracts 2.02, and/or 3 (Northside Neighborhood)	<u>0</u>

2. What is your plan to employ residents of the identified Census Tracts?

Our company has a strict policy of non discrimination and provide job opportunities to talented individuals
of all walks of life. 50% of our current staff are from a low income census tract and 2 have already been
promoted to shift leads after joining us with no industry experience, We will continue to strive to provide
economic opportunity to all Kalamazoo residents, particularly those from those census tracts.

Attach additional pages as necessary.

3. How many of your employees have prior marihuana convictions or expungements (excepting a conviction for delivery or distribution to a minor)?

Number of employees with marihuana convictions unknown

4. What is your plan for employees with a prior marihuana conviction to move up within your business and/or the marihuana industry? We have several employees whose family members have prior convictions.

We continue to strive to provide advancement opportunities for all talent without discremination and with particular ^{en}enthusiasm for those who have been most harmed by the war on drugs.

Attach additional pages as necessary.

Community Benefits Achievements

Yuma Way MI LLC (“Yuma”) is dedicated to creating opportunities and connections and enhancing the quality of life in the communities in which it operates. We have a tried and true recipe for success which includes pre-operation outreach, social equity commitment, partnership with local non-profits, patronage of local businesses, and worker training opportunities.

Real Estate Investment: The biggest contribution to the Kalamazoo community - is investing in land development by leasing a building that was in need of total rehabilitation, and bringing it to code, improving the facade, and creating a state of the art cannabis operation. We invested over \$425,000 in building improvements at our Kalamazoo location.

Approximate Yearly Tax Revenue Generated: We have generated over \$150,000 in tax revenue on a yearly basis paid to the State of Michigan. The state has in turn provided a portion of tax revenues over to the City of Kalamazoo for local use.

Local Hiring: Yuma is committed to hiring locally and we have a target goal of hiring at least 80% of our talent from those who live in Kalamazoo City and/or County. To-date we have successfully implemented this goal.

Path to Success Program: The Path to Success Program allows the opportunity for rapid growth within our organization. Employees are eligible for contingent promotions with support from management, additional training (if needed to ensure success in the role), and an additional evaluation after sixty (60) days. If the employee has successfully integrated into the role, the promotion will become finalized and associated compensation and benefits will be adjusted accordingly. This process allows employees at all levels to quickly develop new skills, climb the corporate ladder, and take the lead in their career development. This program will be specifically offered to those who considered social equity candidates and were disproportionately harmed by the war on drugs. All full time employees who have been with us for more than 60 days have been promoted and received a raise since their initial hiring.

Ongoing Training Programs: The Company ensures training opportunities are in place on an ongoing basis including continuing education training, research education, and guest speakers. Yuma will invite industry physicians, researchers, and publishers to participate in educational lectures for staff.

Additionally, we have found that scheduling educational pop-up events with marijuana cultivators and infused product manufacturers - is an effective method for product training. We have established

and nourished relationships with over 100 vendors in Colorado and such events have been shown to be effective for both staff and customers.

Below is a general overview and description of the topics covered by the training courses:

TRAINING TOPIC	BRIEF DESCRIPTION
New Hire Orientation	Company overview to introduce corporate mission statement, values and diversity. Employees are educated on history, charitable goals, and commitment to diversity and our local community. The 3-day course will include an introductory curriculum on topics below.
Incident Logs, Reports & Maintenance Logs	Employees will learn how to properly document any and all incidents including community complaints, discrepancies in cash and inventory accountings, security incidents, safety, harassment, and violence in the workplace, etc. Employees will also learn how to log all routine maintenance items. All incidents will be reviewed by management within 24 hrs.
Inventory Management	Employees will learn how to account for an inventory in BioTrackTHC, METRC, on-hand inventory audits, procedures related to discrepancies, theft and diversion, recall procedures, expired inventory controls, and waste management.
Job Specific Training	Employees will be provided a detailed handbook of SOPs tailored to their role, and will be offered continuing education opportunities and regularly updated guidance on any regulatory changes or industry updates. A quiz will be provided quarterly to ensure SOPs are understood and adhered to.
Security	Employees will be fully trained on preventing theft and diversion, identifying and neutralizing security threats, security procedures, and access to systems and controls.
Regulatory Compliance	All staff receive training on marihuana laws, including the Michigan Regulation and Taxation of Marihuana Act as well as Kalamazoo Marijuana laws and other applicable regulations to ensure strict adherence to regulatory compliance by all members of the staff. The CCO will continually monitor and update employees on changes and provide individualized guidance on implementation.
Fire Safety, OSHA & Emergency Evacuation Procedures	All employees will receive training on fire safety training including fire preparedness, fire mitigation, evacuation routes, and the location of all fire prevention equipment, personal protective gear, and first aid/ survival kits.
Workplace Safety & Behavior	Employees will be trained and strictly advised as to company policy with respect to the handling of marihuana material and waste, environmental

	mitigation plans, social media, cell phones, alcohol and drug use, service animals and pets, personal hygiene and dress code, food storage, and personal items, and a zero-tolerance policy on harassment and violence.
Technology	Employees will be provided regular training on how to properly utilize all software and systems related to their role. This includes training on BioTrackTHC, iHeartJane online ordering, Onfleet delivery, Hypur payment systems, Headset, Helix Cannalytics, G-Suite, and Microsoft Office.
Product Offerings	Employees are trained to distinguish between different strands and types of manufactured marihuana products. All Dispensary Associates should be able to guide customer experience and be able to provide information on product types, ingredients, potency, and methods of consumption.
Ongoing Continuing Education	Each employee will be required to complete at least eight (8) hours of Continuing Education per year, with an additional opportunity for another four (4) elective courses, selected by our General Manager and Human Resource Manager based on the individual's specific roles, interest, and responsibilities. These courses allow employees to develop additional skills and competencies.

Community Feedback: At Yuma, we believe that regular communication with all of our stakeholders help us address community issues before they arise and provide for educational opportunities. Therefore, the Company will create a website that will give interested parties updates on our specific plans for operation, provide a tool on the site to give feedback on how we are doing, and to learn about how we are enhancing the quality of life in Kalamazoo.

Discount Programs: Affordability for our customers, especially in emerging markets, is a key component of our mission. To show our commitment to the most vulnerable populations in Kalamazoo, we provide the following discounts on marihuana products:

- 10% for active and reserve military and veterans
- Up to 20% for those on government assistance programs based on Letter of Hardship
- 10% for seniors (age 65+)
- 5% for those who use public transport, ride-sharing, and non-motorized biking to get to our store
- 5% discount for groups arriving via private bus; for example, assisted living facilities or retirement communities that would like to partner with us would be eligible for free private bus transportation for their residents - costs which Yuma would cover
- 5% discount for ride-share customers who arrive in groups of 3 or more

Partnerships With Other Kalamazoo Businesses: At the core of our personal ethos and corporate values is a commitment to enhancing our local community. In keeping with that mission, we are dedicated to using local vendors whenever possible - and in particular, women- and minority-owned businesses. See our social equity plan to see our support of these businesses

Philanthropic/Community Engagement: We have supported local causes including donations to the Kalamazoo Police Department, Local Youth programming and needy individuals. We have also featured local artwork in our store.

Social Equity Plan

As a woman- and immigrant-owned business, Yuma Way MI LLC (“Yuma”) is particularly sensitive to the needs and challenges of marginalized and disenfranchised groups. Our affiliate, The Coffee Joint, the nation’s first licensed social consumption establishment, hosted the first Social Equity Forum in Colorado, which was pivotal in opening the door to those with marijuana felonies to apply for marijuana licensing. Yuma applies the same commitment to diversity in our three Michigan dispensary locations where we strive to be a good partner in the development of opportunities and training for social equity candidates.

Diversity: In compliance with Title VII of the Civil Rights Act of 1964, our corporate policies prohibit discrimination against any applicant or employee on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military service or discharge status or source of income.

Yuma is committed to the principles of affirmative action and equal employment opportunity for all applicants and employees. We are a firm believer and promoter of diversity within our ownership, operations and customer base. We believe that diversity gives us a competitive advantage and is one of the key contributing factors to our success. This is evidenced by the fact that our company is co-owned, operated and managed by the vast majority of women, and all of our founders are immigrants.

Veterans: At Yuma we believe that veterans’ leadership, integrity, ability to work under pressure and commitment to service will make for valuable assets to the Company. Accordingly, we will actively seek veterans to fill key roles within our organization.

The Americans with Disabilities Act (“ADA”): Hiring and making workplace accommodations for disabled workers offers tremendous opportunities for enhancing a disabled worker’s quality of life. Per ADA, Yuma will provide reasonable accommodation to qualified applicants and employees with a disability by modifying or adjusting a job and work environment, or the general method of performance in a way that enables a qualified individual with a disability to enjoy an equal employment opportunity.

Hiring Individuals Disproportionately Impacted by Marijuana Prohibition: Removing barriers to gainful employment, particularly in these already-marginalized groups, is a benefit to the community and thus to the State. Yuma is dedicated to ensuring that the community residents who have faced disproportionate harm from cannabis criminal enforcement are given every employment opportunity possible. At least 80% of our current workforce is composed of those who live in disproportionately impacted communities.

Training for Individuals from Disproportionately Impacted Individuals: Yuma ensures training opportunities are in place on an ongoing basis including continuing education training,

research education, and guest speakers with over 70 hrs of training per year for our employees the majority of whom are from disproportionately impacted communities.

Below is a general overview and description of the topics covered by the training courses:

Training Topic	Brief Description
New Hire Orientation	Company overview to introduce corporate mission statement, values and diversity. Employees are educated on history, charitable goals, and commitment to diversity and our local community. The 3-day course will include an introductory curriculum on topics below.
Incident Logs, Reports & Maintenance Logs	Employees will learn how to properly document any and all incidents including community complaints, discrepancies in cash and inventory accountings, security incidents, safety, harassment, and violence in the workplace, etc. Employees will also learn how to log all routine maintenance items. All incidents will be reviewed by management within 24 hrs. All reports will be kept for at least 7 years.
Inventory Management	Employees will learn how to account for an inventory in BioTrackTHC, METRC, on-hand inventory audits, procedures related to discrepancies, theft and diversion, recall procedures, expired inventory controls, and waste management.
Job Specific Training	Employees will be provided a detailed handbook of SOPs tailored to their role, and will be offered continuing education opportunities and regularly updated guidance on any regulatory changes or industry updates. A quiz will be provided quarterly to ensure SOPs are understood and adhered to.
Security	Employees will be fully trained on preventing theft and diversion, identifying and neutralizing security threats, security procedures, and access to systems and controls. The Security Training is more fully addressed in the Security Plan.
Regulatory Compliance	All staff receive training on Cannabis laws, including Michigan cannabis regulations and other applicable regulations to ensure strict adherence to regulatory compliance by all members of the staff. The CCO will

	continually monitor and update employees on changes and provide individualized guidance on implementation.
Fire Safety, OSHA & Emergency Evacuation Procedures	All employees will receive training on earthquake and fire safety training including fire preparedness, fire mitigation, evacuation routes, and the location of all fire prevention equipment, personal protective gear, and first aid/ survival kits.
Workplace Safety & Behavior	Employees will be trained and strictly advised as to company policy with respect to the handling of cannabis material and waste, environmental mitigation plans, social media, cell phones, alcohol and drug use, service animals and pets, personal hygiene and dress code, food storage, and personal items, and a zero-tolerance policy on harassment and violence.
Technology	Employees will be provided regular training on how to properly utilize all software and systems related to their role. This includes training on BioTrackTHC, iHeartJane online ordering, Onfleet delivery, Hypur payment systems, Headset, Helix Cannalytics, G-Suite, and Microsoft Office.
Product Offerings	Employees are trained to distinguish between different strands and types of manufactured cannabis products. All Dispensary Associates should be able to guide customer experience and be able to provide information on product types, ingredients, potency, and methods of consumption.
Ongoing Continuing Education	Each employee will be required to complete at least eight (8) hours of Continuing Education per year, with an additional opportunity for another four (4) elective courses, selected by our General Manager and Human Resource Manager based on the individual's specific roles, interest, and responsibilities. These courses allow employees to develop additional skills and competencies.

Promotion Opportunities for Disproportionately Impacted Individuals:

Our company's Path to Success Program allows the opportunity for rapid growth within our organization. Employees are eligible for contingent promotions with support from management, additional training (if needed to ensure success in the role), and an additional evaluation after sixty (60) days. If the employee has successfully integrated into the role, the promotion will become finalized and associated compensation and benefits will be adjusted accordingly. This

process allows employees at all levels to quickly develop new skills, climb the corporate ladder, and take the lead in their career development.

Partnering in business ventures with social equity businesses/vendors:

Yuma also focuses on working with vendors that have either minority, veteran, or woman ownership. In the past year we have spent over \$300,000 with social equity vendors including, Fluresh, Lion Labs, Trucenta LLC, Glorious Cannabis, Choice Labs and more. We plan to allocate at least 10% of vendor spend to social equity businesses, and have far exceeded this allocation with an estimate of 25% or more of our total spend applied to social equity vendors in the past year.

Community Reinvestment Plan:

Yuma is committed to donating resources, financial and in kind, to local nonprofits in the areas we serve. We plan to give up to 1% of net cumulative profits to charities who are dedicated to serving the local community. This year we have allocated \$1,000 to the Chabad of Kalamazoo, for community and youth programming, and we look forward to making additional donations to like organizations in the coming year.



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

April 6, 2023

Urban Gardens
1385 S Colorado Blvd, Suite A712
Denver, CO 80223

The Cannabis Regulatory Agency's social equity team reviewed your form for the Social Equity All-Star Program and would like to congratulate you on your acceptance into the program at the gold level. The following license numbers will be displayed on our website under the gold level. These license numbers were provided on your form:

- AU-G-A-000128
- AU-P-000317
- AU-R-000673

Now that you have been accepted into the Social Equity All-Star Program here are some important things to know:

- You are being awarded a digital copy of your Social Equity All-Star Program gold seal. Feel free to use this seal on your website, social media, or in your licensed establishment(s) in any way that makes sense to highlight the establishment's efforts.
- Acceptance into this program is only valid for one year. In order to remain active in the program you will need to submit a Social Equity All-Star Program Renewal form each year you want to participate.
 - If at any time you would like to update your plans on the CRA website, you can email us your updated plan along with the [Social Equity All-Star Program Amendment form](#).

If there are any questions regarding this acceptance letter, please contact the social equity team via email at CRA-SocialEquity@Michigan.gov.

Thank you,

Social Equity Representative
Cannabis Regulatory Agency
www.michigan.gov/CRA



EDC Board of Directors Staff Report

City of Kalamazoo

TO: The Economic Development Corporation Board of Directors

FROM: Antonio Mitchell, Director of Community Planning and Economic Development
Prepared by: PJ Thuringer, Economic Development Supervisor

DATE: June 15, 2023

SUBJECT: EDC Loan Policy (Amending of the approved EDC Loan Process) (**Action: Approval of updated loan policy. Roll call vote**)

SUMMARY:

EDC Loan Policy (Amending of the approved EDC Loan Process) (**Action: Approval of updated loan policy. Roll call vote**)

BACKGROUND:

In March 2022, the EDC Board approved process for loaning Economic Initiative Fund dollars to local businesses. That policy followed the approved EDC Bond Issuance Policy, however, our new EDC Attorney determined that this policy was burdensome and unnecessary.

Please see the attached Economic Development Corporation Loan Policy.

RECOMMENDATION:

Approval of the EDC Loan Policy. If approved, this will go to the City Commission for their approval.

CITY OF KALAMAZOO ECONOMIC DEVELOPMENT CORPORATION (EDC) LOAN POLICY

(NOTE: THE ISSUANCE OF EDC BONDS IS SUBJECT TO A DIFFERENT EDC POLICY AND PROCEDURE)

The Economic Development Corporations Act, PA 338 of 1974, as amended, in particular MCL 125.1608(2), calls for a project plan and the related procedure when an EDC is acquiring an interest in property or in land or incurring obligations for a specific property—none of which is happening when a loan is given.

MCL 125.1607(1)(c) authorizes Economic Development Corporations such as the City of Kalamazoo EDC to provide loans, secured to the satisfaction of the EDC Board.

The EDC Articles, under Article IV Section 2. Loans, combine the concepts of providing loans and borrowing, and provide that “No loan shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors and approved by the Kalamazoo City Commission. Such authority may be general or confined to specific instances.”

Accordingly, the procedure for issuing loans moving forward shall be as follows, unless and until such process is amended at the discretion of the EDC Board.

1. The EDC Board shall, following review of an applicant’s established need and compliance with applicable criteria in effect at the time of application, consider the adoption of a resolution approving a loan agreement and promissory note, or other supporting documents at the EDC Board’s discretion, in accordance with PA 338 of 1974, as amended.
2. Once general EDC loan making authority is granted by the City Commission, individual loan applications shall not be required to go before the City Commission for approval, except at the request and discretion of the EDC Board.

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