

Agenda

Economic Development Corporation

Board of Directors



City of Kalamazoo

Thursday, August 17, 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 July 20, 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 to Approve the 2-year renewal of the Medical Class C Grower and Adult Use Class C Grower Permits to Seven Point Supply, LLC (**Action: Approval of a recommendation to the City Clerk to Approve the 2-year renewal of the Medical Class C Grower and Adult Use Class C Grower Permits to Seven Point Supply, LLC**) - Roll Call Vote
2. Approval of a recommendation to the City Clerk to Approve a 90-day probationary approval of the Adult Use Retailer Permits to 2233 N Burdick, Inc. (**Action: Approval of a recommendation to the City Clerk to Approve a 90-day probationary approval of the Adult Use Retailer Permits to 2233 N Burdick, Inc**) - Roll Call Vote

G. UNFINISHED BUSINESS

H. COMMUNICATIONS AND ANNOUNCEMENTS

1. Cannabis Social Equity Chamber RFP

2. EDC Loan Policy

I. STAFF REPORTS AND UPDATES

J. ADJOURNMENT

**CITY OF KALAMAZOO
ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING
Thursday, July 20, 2023
Community Planning and Economic Development
245 N. Rose Street, Kalamazoo, MI 49007**

MEMBERS PRESENT: Lucas Middleton; Rachel Bair; Sharon Ferraro; Andrew Schipper; Nathan Bolton; Kevan Hess; Torean Greeley; *Kyle Gulau

MEMBERS ABSENT: Michael Gurnee; Jason Novotny; Qianna Decker

CITY STAFF PRESENT: Jessica Wood (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); Heidi Gartley (Brownfield Project Assistant)

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

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

*Director Gulau entered the meeting at this time.

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

APPROVAL OF MINUTES: Director Greeley moved the approval of the minutes from the meeting of June 15, 2023; seconded by Director Hess. Motion approved by voice vote unanimously.

PUBLIC COMMENTS

None.

DIRECTORS' COMMENTS

Director Gulau shared that he had attended a MEDC Strategic Executive Retreat where they discussed their annual goals. He enjoyed seeing the opportunities that the State presented. Director Gulau shared that he is trying to think creatively about how the Board can be proactive with the tools available to them. He expressed a willingness to chat more about the meeting if anyone was interested.

NEW BUSINESS

1. Approval of a recommendation to the City Clerk to Approve the 2-year renewal of the Adult Use Class C Grower (2 permits) and Adult Use Processor Marihuana Business Permit for Harbor Farmz

North, LLC (Action: Approval of a recommendation to the City Clerk to Approve the 2-year renewal of the Adult Use Class C Grower (2 permits) and Adult Use Processor Marihuana Business Permit for Harbor Farmz North, LLC).

Mr. Thuringer stated that Harbor Farmz employs 45 full-time employees and pays between \$14-\$40 per hour. They provide benefits of health, dental, vision, accident, life insurance, and paid time off. Employees also have access to a 401K with a 4.5% match. Harbor Farmz sponsored a live show for local musicians which raised \$700 in cash donations for the Southwest Michigan Food Bank. They donated over \$2500 of gardening supplies to the Kalamazoo Garden Council and nearly \$1000 of gardening supplies to the Kalamazoo Collective Housing. Mr. Thuringer shared that Harbor Farmz puts a priority on relationships with diverse suppliers locally as well as suppliers throughout the State. He said they ban the box on applications and are in good standing with the City. Harbor Farmz employs 10 women and six minorities; they have five women and one minority in their management positions. Twenty-two of their employees reside in the City limits. They have one employee from each of the three SPK neighborhoods. Mr. Thuringer said they employ two people with marihuana convictions. They are committed to making certain that at least 10% of their operating expenses are used with minority/diverse suppliers. Staff recommends they get a two-year renewal for their two Class C Grower licenses.

Director Bolton congratulated them on their Gold Star rating.

Mr. Steve Quarry, Harbor Farmz, shared that it had been challenging to find employees from the qualified census tracts. He said they were open to any sort of networking the Board could offer. Mr. Quarry stated that Mr. Chambers had done a good job of communicating with them and they intended to speak with Mr. Kevin Ford. He also said that a lack of transportation seemed to be an issue for applicants.

Director Ferraro moved approval of a recommendation to the City Clerk to Approve the 2-year renewal of the Adult Use Class C Grower (2 permits) and Adult Use Processor Marihuana Business Permit for Harbor Farmz North, LLC; seconded by Director Greeley.

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

2. Approval of a recommendation to the City Clerk to Approve the 1-year renewal of the Adult Use Class C Grower (3 permits) for Sweet Cut Grow, LLC (Action: Approval of a recommendation to the City Clerk to Approve the 1-year renewal of the Adult Use Class C Grower (3 permits) for Sweet Cut Grow, LLC).

Mr. Thuringer said this was their first renewal. They have three Class C Grower permits which allows 6,000 plants. He said the majority of their staff make \$35,000 per year, with management making \$50,000. Sweet Cut Grow offers health benefits, and they provide profit sharing for employees. Mr. Thuringer said they plan on maintaining a minimum of 50% of employees who reside in the City. Currently, 56% of their employees reside in the City. This year Sweet Cut Grow allocated \$2,000 to the United Negro College Fund. Mr. Thuringer stated that the business plans to donate 0.5% of net cumulative profits to the United Negro College Fund and the Great Lakes Expungement Network. Sweet Cut Grow affirmed that their practices conform with the City's non-discrimination ordinance. Thirteen of their employees reside in the City with one in the Edison neighborhood. They plan to post job fliers in businesses in the qualified census tracts. Three of their employees have prior marihuana convictions. They have received a Gold Star rating. Mr. Thuringer stated that because of the late submission of their personal property tax statement, staff are recommending a one-year renewal.

Mr. Mark Jauernek and Mr. Ryan Jauernek were present to represent Sweet Cut Grow. They indicated they were also having difficulty finding candidates in the qualified census tracts. They requested any

recommendations on how to encourage residents in those census tracks to participate. Director Bair asked if they had found that transportation was an issue for applicants. Mr. Jauernek said they haven't received a lot of feedback about it, but they believed it could be an issue for them as well. They also thought that some people didn't have computers, so that is why they were posting fliers.

Director Hess moved approval of a recommendation to the City Clerk to Approve the 1-year renewal of the Adult Use Class C Grower (3 permits) for Sweet Cut Grow, LLC; seconded by Director Middleton.

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

UNFINISHED BUSINESS

1. Approval of a recommendation to the City Clerk to approve the 1-year renewal of the Medical Provisioning & Adult Use Retail Marijuana Business Permit for AEY Capital, LLC dba Gage (Action: Approval of a recommendation to the EDC Board Agenda Page 2 of 2 July 20, 2023 City Clerk to approve the 1-year renewal of the Medical Provisioning & Adult Use Retail Marijuana Business Permit for AEY Capital, LLC dba Gage).

Mr. Thuringer said that Gage/AEY Capital was presented to EDC for renewal in April. There was a zoning violation of a failed retaining wall. Gage received a 90-day probationary approval. The wall was repaired, and they provided appropriate documentation. Staff recommends that EDC approve their renewal for one-year.

Director Middleton moved approval of a recommendation to the EDC Board Agenda Page 2 of 2 July 20, 2023 City Clerk to approve the 1-year renewal of the Medical Provisioning & Adult Use Retail Marijuana Business Permit for AEY Capital, LLC dba Gage; seconded by Director Schipper.

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

2. Approval of a recommendation to the City Clerk to approve the 1-year renewal 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 to approve the 1-year renewal of the Adult Use Retailer Marijuana Business Permit for Redbud Roots Lab VI, Inc DBA Redbud Roots and GLH).

Mr. Thuringer said that Redbud Roots Lab was up for renewal in May. They had zoning, fire safety, and tax deficiencies. Those items have been confirmed as corrected. Staff recommends that the EDC approve the lab for a one-year renewal.

Director Hess moved approval of a recommendation to the City Clerk to approve the 1-year renewal of the Adult Use Retailer Marijuana Business Permit for Redbud Roots Lab VI, Inc DBA Redbud Roots and GLH Motion; seconded by Director Gulau.

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

3. Approval of a recommendation to the City Clerk to approve the 1-year renewal 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 to approve the 1-year renewal 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).

Mr. Thuringer stated that last month Yuma Way received a 90-day probationary renewal due to fire safety issues and tax deficiencies. Those items have since been corrected. Staff is recommending that the EDC approve Yuma Way for a one-year renewal.

Mr. Thuringer explained to the Board that when he says tax deficiencies, it is typically that the business has not turned in a personal property tax statement on time. There is a specified amount of time to submit that to the City (end of December to March). If people haven't done that or didn't know they needed to do that, there is no way to correct it. He said that staff worked with the Assessor and came up with a form for cannabis businesses to fill out that allows the Board to give them a one-year renewal. Mr. Thuringer said you have to do everything perfectly for a two-year renewal.

Director Gulau moved approval of a recommendation to the City Clerk to approve the 1-year renewal 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; seconded by Director Greeley.

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

COMMUNICATIONS AND ANNOUNCEMENTS

None.

STAFF REPORTS AND UPDATES

Mr. Thuringer reported that they are currently reaching about to MEDC and the Economic Development Administration (EDA) and lining up some funds for the Economic Development Strategy. They plan to interview the top two firms next month. He said the focus will be on SPK and how they can help small businesses. Mr. Thuringer reminded the Board that they plan for BDF funding to come through the EDC. They should get reports on at least a quarterly basis. He said they want to make sure the funding is in the public eye and overseen by the Board. Mr. Thuringer estimated having a consultant on board by their November meeting.

ADJOURNMENT: 8:09 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: July 26, 2023

Re: 1 Medical Class C Grower and 1 Adult Use Class C Grower Permit Renewals for Seven Point Supply, 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 Seven Point Supply, LLC for its facility at 2830 Full Circle Drive and that the EDC Board provide a recommendation regarding the renewal of this permit.

BACKGROUND

On May 26, 2022, the City Clerk issued an Adult Use Class C Grower Permit and on September 15, 2022, issued a Medical Class C Grower to Seven Point Supply, LLC, the applicant, for its facility at 2830 Full Circle Drive. This City Operating Permits are set to expire on August 31, 2023, and must be renewed prior to that date 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;
 - Seven Point Supply (SPS) has 15 full-time employees.
 - 4 Managers at \$90,000 per year salary.
 - 11 Growers at \$62,000 per year salary.
 - They offer 100% full coverage of medical, dental, and vision insurance, 12 weeks paid maternity leave, 3 weeks paid paternity leave, and accrued PTO.
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;
 - They offer mentorship to the educational cannabis programs of Kalamazoo Valley Community College as well as Western Michigan University.

- SPS has reached out in wanting to be Part of the Employer Network for after the certification has been completed.
 - Paying Taxes? - SPS has paid yearly property taxes adding up to the amount of \$150,984.05 which went to fund various projects and public services.
 - Over 2.5 million dollars spent on business development and employee efficiencies. And yet, there are still three major phases of construction planned to be executed over the next five years.
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;
- SPS donates \$10,000 dollars to the Kalamazoo Defenders, the County's first public defender's office available to those who cannot afford an attorney. By donating to this Public Defender's office, SPS is helping the Kalamazoo Defenders achieve their mission to reform the justice system in moving toward rehabilitation as opposed to punishment.
 - They mandate volunteer time for their team. They provide a diverse list of volunteer opportunities to contribute to, working with local nonprofits and charity organizations.
 - SPS has recurring monthly donations sent to Communities in Schools Kalamazoo as well as the Disability Network of Southwest Michigan.
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;
- All taxes have been paid and they are not in default to the city.
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.
- SPS is an equal opportunity employer who, through the hiring process, seeks to designate space for those who have been disproportionately impacted by the war on drugs. They assert that they strongly support the Nondiscrimination Ordinance 1856.
 - 2 women employees are in management roles.
 - Currently, 5 of the SPS team is composed of those who have been disproportionately affected by previous cannabis legislation.
 - 6 employees are minorities and 4 are women.
6. A statement, with supporting documentation, providing answers to the following questions:
- a. How many City residents do you currently employ?
- 6 of the 15 employees are Kalamazoo City residents.
- b. How many current employees reside in Census Tracts 1 (Eastside); 9, 10 (Edison), and/or 2, 02, 3 (Northside)?
- 2 employees live in the Eastside Neighborhood.
 - 1 employee lives in the Edison Neighborhood.
 - 3 employees live in the Northside Neighborhood.

- c. What is your plan to employ residents of the identified census tracts?
 - SPS will hire within the City of Kalamazoo, specifically the disproportionately impacted neighborhoods and communities through hosting job fairs and employment seminars, specifically within the identified census tracts.
 - d. How many of your employees have prior marihuana convictions (excepting a conviction for delivery or distribution to a minor)?
 - 5 employees have prior marihuana 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 refuse to hold previous mistakes against talented employees. Their plan to move any employee up in the company relies on their ambition to perform.
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 July 2023, SPS achieved Gold Level.

Please see the attached Marihuana Renewal Application Checklist that verifies that this business has met all the requirements for renewal. 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 Fire & Zoning inspections. The applicant has met all the requirements for renewal.

RECOMMENDATION

Staff recommends that the EDC Board recommend to the City Clerk's Office a 2-year approval of the Medical Class C Grower and Adult Use Class C Grower Permits to Seven Point Supply, LLC.

ATTACHMENTS

Seven Point Supply, LLC Renewal Application, (Staffing Plan), (Community Benefits Statement), and (Social Equity Plan) from the applicant.

Adult Use Grower Class C & Medical Grower Class C Marihuana Renewal Application Checklist for:

Seven Point Supply, LLC

2830 Full Circle Drive

Contact: Kyle Barker

kbarker@sevenpointssupply.com

Type:Adult Use Grower Class C & Medical Grower Class C

	Date Received	Received By	Comments	
Renewal Application Received	7/11/2023	Scott Borling		
Inspection Type:	Inspection Date	Completed by:	Satisfactory?	Notes
Zoning Inspection	7/18/2023	Pete Eldridge	Yes	
Fire Inspection	7/18/2023	Scott Brooks	Yes	
	Date	Name	Comments	
Business Community Benefits Check-In	7/21/2023	Jared Chambers		
	Invite Sent	EDC Meeting Date		
Invite to EDC Meeting		8/17/2023		
	Full-Time	Part-Time	Comments	
Jobs Created	15			
	Yes/No	Comments:	Verified by:	
Any Past Due Financial Obligations with City? (i.e. taxes owed, fees, fines, etc)	No		Andrew Falkenberg	
Silver Level Social Equity All-Star or better status with the Michigan Cannabis Regulatory Agency	Gold Level			
Attachments	Staffing Plan	City Economic Benefits Plan	Social Equity Plan	Handbook
	Yes	Yes	Yes	N/A

All Items Complete Yes

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 Seven Point Supply, LLC
Business Address 2830 Full Circle Dr
City Kalamazoo State MI Zip Code 49001 Business Phone _____
Business E-mail kbarker@sevenpointsupply.com Business Website _____

TYPE OF PERMIT BEING RENEWED

Medical

Grower:

☐ Class A (500 plants)

☐ Class B (1,000 plants)

☒ Class C (1,500 plants) No. of Class C Permits ①

☐ Processor

☐ Safety Compliance

☐ Provisioning Center

☐ Secure Transporter

Adult Use

Grower:

☐ Class A (100 plants)

☐ Class B (500 plants)

☒ Class C (2,000 plants) No. of Class C Permits ①

☐ Excess Grower

☐ Processor

☐ Safety Compliance

☐ Microbusiness

☐ Retailer

☐ Secure Transporter

☐ Designated Consumption Lounge

FACILITY INFORMATION

Property Address 2830 Full Circle Dr
Real Property Parcel Number 06-25-393-001
Advertised Facility Name Seven Point Supply, LLC
Manager - Full Name Kyle Richard Barker

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

Name Kyle Richard Barker
Address 9485 Werner St. City Richland State MI Zip Code 49083
Phone 269 744 4100 E-mail kbarker@sevenpointsupply.com
Name _____
Address _____ City _____ State _____ Zip Code _____
Phone _____ E-mail _____

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: _____

Date: May 17, 2023

Name (printed): _____

Position: _____

Summary

Full-time employees (32+ hours per week) 15 Part-time employees (< 32 hours per week) 0

Position Title: Managers Annual Average Compensation \$ 90,000
How many people are employed in this position at the licensed facility? Four
Are health insurance benefits available for employees in this position? Yes X 100% No _____
If yes, please indicate the employer contribution to health insurance costs: All X Partial _____ None _____

Position Title: Growers Annual Average Compensation \$ 62,000
How many people are employed in this position at the licensed facility? Eleven
Are health insurance benefits available for employees in this position? Yes X No
If yes, please indicate the employer contribution to health insurance costs: All X Partial None

Position Title: _____ **Annual Average Compensation \$** _____

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 \$** _____

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 \$ _____

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:

Ample PTO and Maternity/Paternity Leave.

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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) Two

Census Tracts 9 and/or 10 (Edison Neighborhood) One

Census Tracts 2.02, and/or 3 (Northside Neighborhood) Three

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

Host job fairs and employment seminars within the identified 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 Five

4. What is your plan for employees with a prior marihuana conviction to move up within your business and/or the marihuana industry?

We support the growth and development with those who have had convictions. We refuse to hold previous mistakes against talented employees.

Attach additional pages as necessary.

INTER-OFFICE MEMO

To: The Economic Development Corporation Board of Directors

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

Date: July 21, 2023

Re: Adult Use Retailer Permit Renewal for 2233 N. Burdick, Inc.

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 2233 N. Burdick, Inc. for its facility at 4500 W. KL Avenue and that the EDC Board provide a recommendation regarding the renewal of this permit.

BACKGROUND

On September 24, 2022, the City Clerk issued the applicant's Adult Use Retailer Permit to 2233 N. Burdick, Inc., for its facility at 4500 W. KL Avenue. This City Operating Permit is set to expire on September 24, 2023, and must be renewed prior to that date for the facility to continue operating. The applicant has submitted the required renewal application and the annual permit fee. City ordinance requires the Economic Development Corporation to 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;
 - They have hired 1 employee so far, an assistant manager who is black. They plan to hire 15 full-time employees upon opening, earning between \$17.00 and \$30.00 hourly wage. Those jobs are listed below.
 - 1 Operations/General Manager, \$65,000/year.
 - 1 to 2 Assistant Store Managers at \$42,000/year.
 - 8 to 9 Patient/Customer Service Representatives at \$31,200/year.
 - 1 receptionist at \$31,200/year.
 - 1 to 2 General Facilities & Maintenance Technicians at \$31,200/year.
 - They plan to compensate employees with health insurance, vacation time, paid holidays, manager performance bonuses, paid sick days, 401(k) plan for managers and executives, paid maternity/paternity leave, paid volunteer days, and an employee discount on product.

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;
 - They expect a \$525,000 annual payroll.
 - They will set out to employ at least 75% of their workforce from the City of Kalamazoo. When open in the past, they hit the 75% threshold and hired persons of color who also reached management level.
 - They initially fully renovated the property, but since the last renewal, have invested \$400,000 in additional renovations.
 - They are proud to confirm that over 95% of its buildout operations were completed by POC-owned and operated companies.
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;
 - They will seek to ensure their hiring practices are inclusive as well as specifically targeted to historically disenfranchised communities from marihuana prohibition, including but not limited to the black community.
 - They have contacted the Douglas Community Association, Open Door Kalamazoo, the local YMCA, and 8 churches within the City seeking disproportionately impacted individuals for job opportunities.
 - They have and will continue to donate to local non-profits such as the Kalamazoo Loaves & Fishes, the Bridge Ministries, the Douglas Community Association, and Open Door Kalamazoo.
 - Including donations made from this fiscal quarter, they will have donated a total of \$10,000 to the four organizations within an 18-month period while non-operational.
 - The company is willing to commit at minimum 10% of its corporate spending towards operations through diverse suppliers.
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;
 - They are in good standing with the City.
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 conformity to the City's Nondiscrimination Ordinance provisions.
 - They are still in the hiring process and don't have employee statistics yet.
6. A statement, with supporting documentation, providing answers to the following questions:
 - a. How many City residents do you currently employ?
 - They are still in the hiring process and don't have employee statistics yet.

- b. How many current employees reside in Census Tracts 1 (Eastside); 9, 10 (Edison), and/or 2, 3 (Northside)?
 - They are still in the hiring process and don't have employee statistics yet.
 - c. What is your plan to employ residents of the identified census tracts?
 - They have in the past and plan to advertise in key locations within the Northside, Eastside, and Edison neighborhoods, such as Park Street Market, the Eastside Neighborhood Association, Urban Alliance, as well as the Probation office at the Michigan Ave. Courthouse downtown and the Kalamazoo County Parole/Probation Office. Email flyers were sent to Open Doors Kalamazoo and YWCA Kalamazoo, as well as outreach to 9 local Baptist churches.
 - d. How many of your employees have prior marihuana convictions (except a conviction for delivery or distribution to a minor)?
 - They are still in the hiring process and don't have employee statistics yet.
 - e. What is your plan for employees with a prior marihuana conviction to move up within your business and/or the marihuana industry?
 - They plan to administer quarterly and yearly evaluations, to promote within, and decide to promote based work ethic.
 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.
 - They have applied but have not yet received a Social Equity All-Star designation.

Please see the attached Marihuana Renewal Application, it 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, but the facility has not completed its City Fire & Zoning inspections. The final phase of renovation is currently ongoing. 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 Retailer Permit to 2233 N. Burdick, Inc., PENDING; completion of staff hiring, completion of Fire & Zoning inspection, and the state Social Equity All-Star designation.

ATTACHMENTS

2233 N. Burdick, Inc. Renewal Application, (Staffing Plan), (Community Benefits Statement), and (Social Equity Plan) from the applicant.

Adult Use Retailer & Medical Provisioning Center Marihuana Renewal Application Checklist for:

2233 N Burdick Inc

4500 W KL Ave

Contact: Paul Weisberger

paulweisberger@wildbillstobacco.com

Type: Adult Use Retailer & Medical Provisioning Center

	Date Received	Received By	Comments	
Renewal Application Received	6/30/2023	Scott Borling		
Inspection Type:	Inspection Date	Completed by:	Satisfactory?	Notes
Zoning Inspection	Not yet scheduled	Pete Eldridge		
Fire Inspection	Not yet scheduled	Scott Brooks		
	Date	Name	Comments	
Business Community Benefits Check-In	7/21/2023	Jared Chambers		
	Invite Sent	EDC Meeting Date		
Invite to EDC Meeting		8/17/2023		
	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)	No		Andrew Falkenberg	
Silver Level Social Equity All-Star or better status with the Michigan Cannabis Regulatory Agency				
Attachments	Staffing Plan	City Economic Benefits Plan	Social Equity Plan	Handbook
	Yes	Yes	Yes	N/A

All Items Complete No

2233 N. BURDICK, INC.

1100 W Maple Rd
Troy, Michigan 48084

June 13, 2023

VIA FEDEX - TRACKING NUMBER: 7724 3193 4674

City of Kalamazoo
City Clerk Office
241 W South Street
Kalamazoo, MI 49007

RECEIVED
JUN 15 2023
Kalamazoo City Clerk

To Whom It May Concern:

Enclosed, please find:

- City of Kalamazoo Marihuana Business Permit Renewal Application;
- Staffing and Employee Compensation Plan;
- Social Equity Plan;
- Hiring Supplement Attachment;
- Statement of Compliance Attachment;
- Marihuana Business Permit Renewal Application Fee in the total of \$5,000.00 via check.

Please file in your usual manner. If you have any questions, please feel free to contact us.

Thanks,



Nick Angerman
Paralegal
(248) 647-9999
nickangerman@wildbillstobacco.com

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 2233 N Burdick Inc.

Business Address 4500 W KL Avenue

City Kalamazoo **State** MI **Zip Code** 49006 **Business Phone** (248)647-9999

Business E-mail paulweisberger@wildbillstobacco.com

Business Website _____

TYPE OF PERMIT BEING RENEWED

Medical

Grower:

☐ Class A (500 plants)

☐ Class B (1,000 plants)

☐ Class C (1,500 plants) No. of Class C Permits _____

☐ Processor

☐ Safety Compliance

☐ Provisioning Center

☐ Secure Transporter

Adult Use

Grower:

☐ Class A (100 plants)

☐ Class B (500 plants)

☐ Class C (2,000 plants) No. of Class C Permits _____

☐ Excess Grower

☐ Processor

☐ Safety Compliance

☐ Microbusiness

☒ Retailer

☐ Secure Transporter

☐ Designated Consumption Lounge

FACILITY INFORMATION

Property Address 4500 W KL Avenue, Kalamazoo, MI 49008

Real Property Parcel Number 06-19-353-003

Advertised Facility Name D/b/a Cannamazoo

Manager - Full Name Mazin Samona (Temporary Manager until hiring process completed)

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

Name Paul Weisberger

Address 1100 W Maple Road

City Troy

State MI

Zip Code 48084

Phone (248)647-9999x107

E-mail paulweisberger@wildbillstobacco.com

Name Kevin Barbieri

Address 1100 W Maple Road

City Troy

State MI

Zip Code 48084

Phone (248)647-9999x108

E-mail kevinbarbieri@wildbillstobacco.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: Mazin Samana Date: 6/15/2023

Name (printed): Mazin Samana Position: President

STAFFING PLAN

Summary

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

Full-time employees (32+ hours per week) 15* Part-time employees (< 32 hours per week) N/A

*staffing statistics provided upon initial opening; upon establishing facility within the local business market the applicant has a goal of 30 employees in total

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: Operations Manager/General Manager Annual Average Compensation \$ 65,000

How many people are employed in this position at the licensed facility? 1*

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

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

Position Title: Assistant Store Manager Annual Average Compensation \$ 42,000

How many people are employed in this position at the licensed facility? 1-2*

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

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

Position Title: Patient/Customer Service Representative Annual Average Compensation \$ 31,200

How many people are employed in this position at the licensed facility? 8-9*

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

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

Position Title: Receptionist Annual Average Compensation \$ 31,200

How many people are employed in this position at the licensed facility? 1*

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

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

Position Title: General Facilities & Maintenance Technician Annual Average Compensation \$ 31,200

How many people are employed in this position at the licensed facility? 1-2 *

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

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

Please provide information on any benefits other than health insurance that are offered to all employees:

Please see the attached Staffing and Employee Compensation Plan included in this application.

Attach additional pages as necessary.

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) TBD

Census Tracts 9 and/or 10 (Edison Neighborhood) TBD

Census Tracts 2.02, and/or 3 (Northside Neighborhood) TBD

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

2233 N. Burdick Inc. is currently in the hiring process for our retail establishment. However, at this time hiring has not been finalized.

Please see the attached Staffing and Employee Compensation Plan and Hiring Supplement Attachment for more details.

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 TBD

4. What is your plan for employees with a prior marihuana conviction to move up within your business and/or the marihuana industry?

2233 N. Burdick Inc. is currently in the hiring process for our retail establishment. However, at this time hiring has not been finalized.

Please see the attached Staffing and Employee Compensation Plan and Hiring Supplement Attachmen for more details.

Attach additional pages as necessary.

Staffing and Employee Compensation Plan Attachment

RETAIL ESTABLISHMENT STAFFING AND EMPLOYEE COMPENSATION PLAN

Introduction

This is our Retail Establishment Staffing and Employee Compensation Plan which shows the number and types of marijuana facilities we intend to operate, where we intend to operate them, the number and type of jobs we anticipate creating, our compensation plan showing the quality of jobs we anticipate creating (amount and type of compensation) and non-wage benefits we will provide to our future employees.

Summary of Job Creation, Compensation and Budget

As discussed in detail below, we anticipate creating approximately 15 (initial opening)-30 (stabilized-mature) jobs at our City of Kalamazoo Retail Establishment; and 200+ total jobs at our affiliated marijuana facilities within the State of Michigan.

Type of Marijuana Facility	Proposed Location	Total Jobs Per Facility	Expected Annual Payroll	Projected Annual Revenue
Retail Establishment	City of Kalamazoo	15 (upon opening)	\$525,000.00	\$7 million

Amount and Type of Compensation: We plan to pay our Retail Establishment employees a ranged hourly wage between \$17.00 and \$30.00 in addition to the additional non-wage benefits specified below. 100% of our employees will earn at least \$17.00 per hour.

Projected Annual Budget and Revenue: We anticipate an annual budget of operating expense for our Retail Establishment to be approximately \$1 Million Dollars with projected revenue from our Retail Establishment to be \$7 Million per annum.

I. Type of Facility/Number of Employees – Our Kalamazoo Retail Establishment

We are proposing to operate **one (1)** Adult Use Marijuana Retail Establishment under the Michigan Regulation and Taxation of Marihuana Act (2018) and City of Kalamazoo Ordinance.

We anticipate employing individuals in the following job classifications within our Retail Establishment:

Retail Establishment Job Title

- Operations Manager

Expected Salary/Wage

\$65,000.00 Per Annum

- General Store Manager (GM) (Initially, may be the same person as Operations Manager) \$65,000.00 Per Annum
- Assistant Store Manager (AM) \$42,000.00 Per Annum
- Receptionist \$31,200.00 Per Annum
- Customer Service Representative (CSR) \$31,200.00 Per Annum
- General Facilities and Maintenance Technician \$31,200.00 Per Annum
- Security Officer \$31,200.00 Per Annum

The number of future employees needed to staff our Retail Establishment directly correlates to the number of Customers that visit our facility each day. All employees, upon hiring, will be subject to the Employee Handbook.

The table below shows our intended staffing, *per shift*, based upon a range of the number of Customers and caregivers that visit our facility (called “Number of Daily Customers”). A shift is approximately seven (7) hours. Our daily hours of operation are from 9 a.m. to 10 p.m. The following job classifications will begin their shift before we open to the public and end their shift after we close: Security Officer and Store Manager (Assistant Store Manager). Shifts will be staggered throughout the day to ensure proper coverage during peak times. We anticipate utilizing a minimum of two (2) shifts per day. We intend to staff our Retail Establishment accordingly:

Retail Establishment Staffing Table

Daily Number of Customers	Total Number of Non-Exempt Employees	Minimum Number of Managers Required	Minimum Staff Required for Operations Per Shift for Each of Two Daily Shifts
250	15+	1 GM or 1 AM	1 Security Officer 1 Receptionist 3 CSRs on Sales Floor
350	16-22	1 GM or 2 AM	1 Security Officer 1 Receptionist 5-7 CSRs on Sales Floor
450	23-30	1 GM and 1 AM (3 AM's if GM off)	2 Receptionist (2 on Friday) 2 Security Officer (2 on Friday) 7-9 CSRs on Sales Floor

II. Other Michigan Marijuana Facilities/Number of Employees – Grower and Processor Facilities (Cities Other than the City of Kalamazoo)

Our City of Kalamazoo adult use marijuana facility is not the only licensed marijuana establishment we intend to operate in Michigan. We have received municipal approval for the following affiliated facilities: five (5) Adult Use Marijuana Grower Facility licenses; (3) Adult Use Marijuana Processor licenses; and twenty (20) Adult Use Marijuana Retail Establishment licenses.

1. Grower Facility: We anticipate employing individuals in the following non-executive job classifications; for example, below are the positions and rates of pay within our affiliated Grower Facilities in Muskegon, Breedsville, and Warren (per location):

<u>Grower Facility Job Title</u>	<u>Expected Salary/Wage</u>
• Chief Adult use Marijuana Production Officer – 1	\$65,000.00 Per Annum
• Director of Cultivation – 1	\$65,000.00 Per Annum
• Operations Manager – 1	\$55,000.00 Per Annum
• Compliance Officer/Metric Technician – 1	\$18.00 Per Hour
• Cultivation Technicians – 2	\$16.00 Per Hour
• Trimmer – 2 to 6	\$15.00 Per Hour
• Packaging/Labeling/Shipping and Receiving Technician - 5	\$15.00 Per Hour
• General Facilities and Maintenance Technician – 1	\$15.00 Per Hour
• Security Technician – 1	\$20.00 Per Hour

2. Processor Facility: We anticipate employing individuals in the following non-executive job classifications; again, by way of example, below are the positions and rates of pay within both of our affiliated Processor Facilities in Battle Creek, Warren and Lansing (per location):

<u>Processor Facility Job Title</u>	<u>Expected Salary/Wage</u>
• Operations Manager – 1	\$55,000.00 Per Annum
• Director of Processing and Manufacturing – 1	\$55,000.00 Per Annum
• Extraction and Processing Technicians – 2	\$15.00 Per Hour
• Final Product Manufacturing Technicians – 2	\$15.00 Per Hour
• Packaging/Labeling/Shipping and Receiving Technician - 2	\$15.00 Per Hour
• General Facilities and Maintenance Technician – 1	\$15.00 Per Hour
• Security Technician – 1	\$20.00 Per Hour

III. Additional Jobs Created – Corporate Level Professional, Executive and Managerial Positions

In addition to the jobs discussed above, we anticipate employing individuals in the following professional, executive, and managerial positions within our overall corporate offices located in the City of Troy, at the stated approximate salary:

<u>Professional, Executive and Managerial Positions</u>	<u>Expected Salary</u>
Chief Executive Officer (CEO)	\$180,000.00
Director of Operations	\$120,000.00
Chief Financial Officer (CFO)	\$120,000.00
Director of Business Development	\$90,000.00
Director of Processing/Manufacturing	\$85,000.00
Director of Compliance/In-House Counsel	\$120,000.00
Compliance Officer	\$85,000.00
Safety and Security Manager	\$65,000.00
Facilities Maintenance Manager	\$55,000.00
Administrative Assistant	\$45,000.00
Bookkeeper	\$42,000.00
Marketing, Website & Social Media Manager	\$45,000.00

IV. Non-Wage Compensation (Benefits)

We intend to compensate our future employees well, not only in their hourly wage, but also through a generous benefit package that may include the following:

- Healthcare Insurance
- Vacation/Other Paid Time Off
- Paid Holidays
- Performance Bonus (Managers)
- Paid Sick Days
- 401(k) Plan (Executive/Managers)
- Paid Maternity/Paternity Leave
- Paid Volunteer Days

- Discount on Adult use Marijuana: For our future employees who are also Customers, we offer a discount on their medicine.

Many of the non-wage benefits offered to employees may be found within our Employee Handbook.

V. Table of Job Classifications – Retail Establishment

Attached is a Table of Job Descriptions detailing the summaries of *some* of our future employees who will be involved in the operation of our adult use marijuana Retail Establishment.

Table of Job Descriptions – Retail Establishment

Chief Executive Officer	<u>JOB SUMMARY:</u> The Chief Executive Officer will be responsible for strategic direction and development of the overall business, including: Interacting with other executives to ensure that company directives are being met within set timelines and budgets; Making personnel decisions; Guiding and directing department directors and managers to accomplish defined business goals; and Duties related to the vision of the company and its stakeholders.
Chief Operations Officer	<u>JOB SUMMARY:</u> The Chief Operations Officer will be responsible for overseeing the overall operation of the entire Retail Establishment, including its relationships with vendors, employees and the community. Additional duties include: Working directly with other executives to manage day-to-day operations; Guiding manager-level employees in their management of the rest of the team; Communicating professionally throughout the organization; and Maintaining accountability for the ongoing operation of the Retail Establishment, including record keeping, Customer confidentiality, security, IT, facility cleanliness and human resources.
Chief Financial Officer	<u>JOB SUMMARY:</u> The Chief Financial Officer is responsible for the administrative, financial, and risk management operations of the Retail Establishment, to include the development of a financial and operational strategy, metrics tied to that strategy, and the ongoing development and monitoring of control systems designed to preserve company assets and report accurate financial results. Other key responsibilities include: Participate in key decisions as a member of the executive management team; Manage accounting, legal, Human Resources and tax operations as they relate to the company's financial health; Oversee vendor pricing negotiations and transaction agreements; Manage any third parties to which functions have been outsourced; Oversee the company's transaction

	processing systems; Implement financial operational best practices; Oversee employee benefit plans, with particular emphasis on maximizing a cost effective benefits package; and Supervise acquisition due diligence and negotiate acquisitions if/when appropriate.
Chief Technology Officer	<u>JOB SUMMARY:</u> Responsibilities of the Chief Technology Officer will include: Delegate duties and tasks within the IT department; Review completed tasks to ascertain compliance with standards; Monitor all team members and provide necessary advice and guidance; Perform periodic risk assessments and initiate risk control strategies; Organize regular seminars and trainings to teach team members new computer techniques and methods; Keep up with trends in the constantly evolving information technology industry; Perform regular IT audit to discover areas of weaknesses and fortify them; Work alongside other departments to achieve company goals and visions; Provide solutions to any user-level, IT-related challenges in the organization; Perform regular appraisal of IT systems in conjunction with the Systems Administrator to devise strategies to help with improvement; Carry out in-depth research to reveal new and better methods of handling functions within the department; Ensure that the company's data and Customer information are protected from unauthorized access.
Chief Marketing Officer	<u>JOB SUMMARY:</u> The Chief Marketing Officer (CMO) is responsible for marketing activities and oversees the development and delivery of our overall marketing strategy to drive our company's success in the adult use cannabis industry, including: champions brand strategy and thought leadership via strategic opportunities; defines marketing goals and programs; develops marketing strategy for products; oversees implementation of communication strategies; oversees product management, education, public relations and communication of products and services; oversees management of social media presence and directs programs to improve social media reputation and recognition.
Director of Safety and Security	<u>JOB SUMMARY:</u> Responsible for managing the security and safety activities, working with executive management, the security systems provider and other managers to define, create and operate legal, secure and compliance adult use marijuana facilities; creates, maintains and upgrades security infrastructure, equipment and operations; monitors the security equipment; keeps and manages all security related records; manages all security vendor relationships; oversees third-party security guard staff; creates and implements security procedures and training; coordinates with management to establish necessary safety protocol; manages and implements all required OSHA rules, regulations and guidelines; and conduct staff training on best practices for safety in the workplace.

Accountant/ Bookkeeper	JOB SUMMARY: Responsible for managing all payables and receivables, P&L statements, balance sheets, and payroll. Handles payroll and payroll taxes as well as all corporate taxes and insurance. Requires at least 5 years' experience in accounting/bookkeeping role with all certifications and training current. CPA preferred. Reports to the CFO.
Operations Manager	JOB SUMMARY: The Operations Manager is responsible for overall dispensing operations, including staffing, receipt and distribution of product, related recordkeeping, inventory management, budgeting, and management of the product vault and banking. The Operations Manager oversees all periodic inventories and compliance with the City of Kalamazoo ordinance and the Michigan Regulation and Taxation of Marihuana Act.
General Manager (Assistant General Manager)	JOB SUMMARY: General Manager assists Operations Manager with the overall dispensing operations, including staffing, receipt and distribution of product, and all related recordkeeping. Handles hiring, firing, employee discipline, payroll, operation of Inventory Tracking System, employee training, Point of Sale system, customer relations, and vendor relations. Responsible for daily opening and closing procedures.
Customer Services Representative (CSR)	JOB SUMMARY: Under direct supervision of General Manager, Customer Services Representative (CSR) duties include: • Receive and greet Customers, in person and by phone; answering simple questions and requests. • Conduct new Customer orientation and assist Customers in completing related data input. • Assist Customers with their choice of marijuana flower and related marijuana infused products. • Maintain a safe and clean work environment by complying with procedures, rules, and regulations. • Maintain inventory by checking stock to determine inventory level, anticipating needed medications and supplies, placing and expediting orders, verifying receipt, removing outdated medicine. • Maintain proper storage and security conditions as per established policies and procedures. • Confirm containers contain prescribed products, print and affix labels at point of sale. • Use and operate dispensary point of sale software and Metrc inventory tracking to process sales.

Receptionist	<u>JOB SUMMARY:</u> The receptionist answers phones, greets Customers, enters Customer data into the Customer system, and handles service scheduling. The receptionist is both a gatekeeper of the process and the first contact point for Customers. Verify and check Customers' Registry Identification Cards authorizing them to receive marijuana products in compliance with state law; Check Identification; and assist Customer check-in.
General Facilities & Maintenance Technician	<u>JOB SUMMARY:</u> Under direct supervision of Director of Facilities Maintenance, the General Facilities & Maintenance Technician duties include: • Clean building floors by sweeping, mopping, and/or vacuuming daily; Record performed cleaning on cleaning schedules and maintain logs; • Gather and empty trash. For marijuana waste, ensure it is adequately shredded and mixed before disposal; • Service, clean, and supply restrooms daily; • Clean and polish furniture and fixtures frequently; • Clean windows, glass partitions, and mirrors, using soapy water or other cleaners; • Dust furniture, walls, machines, and equipment; • Make adjustments and minor repairs to heating, cooling, ventilating, plumbing, and electrical systems; • Monitor building security and safety by performing such tasks as locking doors after operating hours, and checking electrical appliance use to ensure that hazards are not created; • Move heavy furniture, equipment, and supplies, either manually or by using hand trucks; • Mow and trim lawns and shrubbery using mowers, hand and power trimmers, and clear debris from grounds; and • Remove snow from sidewalks, driveways, and parking areas, using snowplows, snow blowers, and snow shovels, and spread snow melting chemicals.
Security Officer	<u>JOB SUMMARY:</u> Monitor video surveillance; conduct routine foot patrol; monitor functionality of alarm and surveillance equipment; engage in perimeter and grounds checks; assisting receptionist in administration of visitor procedures; and verify visitor identification.

Social Equity Plan Attachment

Social Equity Plan

2233 N Burdick Inc. d.b.a. Cannamazoo soon to be “Levels” (“Company”) will commit to ensuring that its hiring practices and community involvement prove to be beneficial towards the local community. For hiring, the company will set out to employ 75% of its workforce from Kalamazoo. Additionally, the company will seek to hire any employees not located in Kalamazoo proper from the surrounding area within Kalamazoo County. When open in the past, we hit the 75% local hiring threshold and hired person of color (“POC”) who also reached management level status. We are optimistic that the hiring process we are currently in for our location will meet the standards put forth in this plan.

Furthermore, the company will seek to ensure its hiring practices are inclusive as well as specifically targeted to historically disenfranchised communities from marihuana prohibition, including but not limited to the Black community. The company has actively used advertisements and outreach in its hiring methods to attempt to create a diverse group of employees. The company is seeking to hire individuals who have been convicted of marihuana crimes in the past; the only exception to this practice will be individuals who were involved with trafficking to minors, which the company will NOT hire to be in compliance with CRA regulations. In order to achieve hiring individuals convicted of minor offenses during marijuana prohibition, the company has advertised in key locations (such as grocery stores and landmark businesses) within the Northside, Eastside, and Edison neighborhoods. Examples of these locations as of now include the Park Street Market, the Eastside Neighborhood Association, the Urban Alliance, as well as the probation office at the Michigan Avenue Courthouse downtown and the Kalamazoo County Parole/Probation Office. Advertisements for job postings included specific language that incentivized applications from POC and also those with a history of minor convictions. Please see the attached Exhibit A for an example of the current flyer used for postings. Additionally, the company has contacted the following organizations to better reach both aforementioned demographics who may reside within the Northside, Edison, and Eastside neighborhoods: Douglass Community Association; Edison Neighborhood Association; Open Door Kalamazoo; the local YMCA; and eight churches within the city. Furthermore, the company has sent out representatives to canvas businesses and organizations within each neighborhood as a means to try and find any additional opportunities to advertise job postings. Through these hiring strategies and practices implemented into our current hiring process the company believes it can help provide employment and opportunity to individuals that have been disproportionally impacted historically within the industry.

In addition to its hiring practices the company will seek to be a productive and contributing member to the nearby community. The company desires to be a good corporate citizen within the local area and will want to be a neighbor that positively impacts the surrounding community. To accomplish this, the company will look to be active in its work with the Kalamazoo Regional Chamber of Commerce. Likewise, the company has and will continue donating to local non-profits - such as the Kalamazoo Loaves & Fishes, the Bridge Ministries, the Douglass Community Association, and Open Door Kalamazoo - in order to help support the community, as well as committing to volunteer hours from the company.

Exhibit A



KALAMAZOO **NOW HIRING**

Now Hiring residents from
the Eastside, Northside, and Edison
communities for all positions.

*****Levels is a strong believer of
Diversity and Minority**
hiring in the workplace. We encourage non-violent criminals
with misdemeanors especially with marijuana convictions
to apply as we believe in second chance opportunities.***

TO APPLY
EMAIL: INFO@ENJOYLEVELS.COM

Hiring Supplement Attachment

2233 N Burdick Inc.

Hiring Supplement Attachment

2233 N Burdick Inc. (the “company”) is committed to being proactive in our attempt to hire candidates from Kalamazoo with prior convictions from marihuana prohibition. Likewise, the company recognizes that certain populations have been disproportionately policed in marihuana prohibition, with the Black community being a specific example. As such, the company will put additional resources into advertising our jobs to encourage individuals with previous marihuana charges to apply, and especially those within the Black community.

Historically, 2233 N Burdick Inc. has been tactful in establishing and maintaining an inclusive hiring process at our previous Kalamazoo location, as well as our affiliate stores throughout the state. The company takes great pride in emphasizing hiring individuals within the local community. Furthermore, the company has been mindful of providing job opportunities to traditionally marginalized communities. While our previous Kalamazoo store was in operation, over 30% of our employees were Black; additionally, our employee base at the same store was 50% persons of color (“POC”). Our affiliate stores have hiring and employment that align with Kalamazoo’s workplace diversity. As such, well over 50% of the company’s employees at our affiliate store in Muskegon are Black. Similarly, over 50% of our employees at Center Line affiliate store are Black, including the General Manager, even though the local population is below that threshold. POC employees in positions of authority or roles with managerial functions are not just limited to Center Line, but additionally in some affiliate stores and our previous Kalamazoo operation. 2233 N Burdick Inc. has a proven track record of utilizing inclusive hiring practices and internal promotion. Whether our previous operation in Kalamazoo, or at our current affiliate locations, the company is diligent in maintaining the standard of inclusive practices we have created for ourselves.

Our company recognizes that hiring individuals with prior marihuana charges will require exerting extra resources and effort. As noted in our Social Equity Plan, the company has reached out to multiple local area institutions to better enhance our potential applicant pool from individuals with prior marihuana charges. In addition to our desire to continue these efforts, we believe that one approach that could see success is through direct language advertising. Specifically, we seek to use forward and affirmative statements that make clear of our intentions to any potential applications. Currently, the company is in the midst of the hiring process and will continue to tweak and adjust our advertisements and job postings in order to best achieve the goals previously set forth. Below is a working example of a job posting for a Management position that we are looking to post in the community in order to provide the most up to date copy:

Job Posting Example (Management)

Full Job Description (Management Position)

About Levels Cannabis:

Born and built in Michigan, the Levels team has been at the center of the state's pro-cannabis movement for more than a decade. For us, it is not just about a passion for cannabis—it is a higher calling.

Job Summary:

The Management team will motivate their staff through coaching to maximize sales and provide excellent customer experience. The managers will work directly with Cline Service Representatives and other staff to carry out all retail operations.

Essential Duties Include:

- Provide coaching, training, and support to your team.
- Maintain a high level of product knowledge and ensure compliance with state regulations and internal Standard Operating Procedures.
- Work closely with the management and retail teams to ensure appropriate stock levels are met.
- Complete all necessary administrative paperwork in a timely manner
- Manage and maintain retail establishment inventory.
- Create a supportive environment to develop / motivate staff.
- Implement workflow procedures based on direction from the company's General Manager.
- Supervise employees during day-to-day tasks.
- Providing customer support in escalated situations and managing the overall workflow of a workplace.

LIMITATIONS AND DISCLAIMER:

The above job description is meant to describe the general nature and level of work being performed; it is not intended to be construed as an exhaustive list of all responsibilities, duties and skills required for the position. All job requirements are subject to possible modification to reasonably accommodate individuals with disabilities. Some requirements may exclude individuals who pose a direct threat or significant risk to the health and safety of themselves or other employees. This job description in no way states or implies that these are the only duties to be performed by the employee occupying this position. Employees will be required to follow any other job-related instructions and to perform other job-related duties requested by their supervisor in compliance with Federal and State Laws. Requirements are representative of minimum levels of knowledge, skills and/or abilities. To perform this job successfully, the employee must possess the abilities or aptitudes to perform each duty proficiently. Continued employment remains on an "at-

will" basis.

Levels Cannabis equal employment opportunities to all employees and applicants for employment without regard to race, color, religion, sex, national origin, age, disability, or genetics.

*** Levels is a strong believer of Diversity and Minority hiring in the workplace. We encourage non-violent criminals with misdemeanors -including but not limited to previous marihuana offenses- to apply as we believe in second chances opportunities.***

Job Type: Full-time

Salary: \$42,000.00 - \$65,000.00 per year (depending on Management position)

Experience level: 2 years

Shift:

- 8 hour shift
- Day shift
- Evening shift
- Morning shift
- Night shift

Weekly day range:

- Monday to Friday
- Weekend availability

Education:

- High school or equivalent (Required)

Experience:

- Supervising Experience: 2 years (Required)
- Customer Service: 2 years (Required)

Work Location: In person

As seen above, the company believes that a direct and straightforward advertisement may be one solution towards raising the volume of applicants with prior marihuana convictions. The company will post these ads at a high rate in the three previously mentioned neighborhoods and, to try and specifically find applicants from the Black community, will put further emphasis on the Northside and Edison neighborhoods.

2233 N Burdick is excited to move forward with our 4500 W KL Avenue Retail Establishment and continue to move forward with our hiring process. The company is cognizant of the negative impacts that marihuana prohibition had on POC individuals, and especially the Black

community. The company understands that many individuals with prior marihuana charges face barriers of entry into the workforce even after marihuana legalization; as such, our hiring practices seek to provide fair opportunities to all, and especially those with previous marihuana charges. We hope that between our history of inclusive hiring, our Social Equity Plan, and this supplemental attachment, we are fully able to portray 2233 N Burdick Inc.'s genuine desire to be part of change, and actively contribute to erasing the stigma and consequences stemming from marihuana prohibition.

Statement of Compliance Attachment

2233 N Burdick Inc.

Community Benefits & Compliance Statement

Property Improvements

Licensee was granted a provisioning center and retail center license for the property located at 4500 W. KL Avenue, located near the intersection of South Drake Road and W. KL Avenue. Since being granted the license, Licensee has fully and substantially renovated the building inside and out into a first-class retail establishment holding a certificate of occupancy. Licensee is finishing up renovations of the facility and expects to be completed in the near future. In addition to the proposed renderings, please see the attached progress picture at the end of the document from the time of the initial application submissions (early-mid June). Licensee contacted numerous POC owned and operated contracting companies in order to try and implement the same hiring standards in the building renovation as in hiring of facility employees. Licensee was able to hire three separate POC owned and operated companies (Manna Construction; T Holmes Hauling; and Fernando's Flooring) for contracting, and between the three companies the project is set to be completed soon. Licensee has invested hundreds of thousands of dollars in the process to complete everything depicted in the original site plans and building plans submitted to the City of Kalamazoo and since the previous adult use renewal has invested approximately an additional \$400,000.00 in the renovation.

Economic Benefits

Licensee, when opened previous location in Kalamazoo, created a total of 25 jobs (20 full-time and 5 part-time employees). With the –re-launch Licensee anticipates starting with 15 jobs initially and then increasing the employees to 30 jobs upon stabilization of the retail center. This does not include the jobs created during the new renovation of the property as described above. During its time of being open, Licensee has already generated sales tax revenue and increased the facility's personal property tax. Furthermore, other positive impacts have resulted from making this land use available.

Studies show that the average property values will raise. A 2016 study found that “legalizing retail marijuana leads to an average of 6 percent housing value appreciation.” This report compared property values of Colorado municipalities that opted in to permit the retail sales of marijuana against those that did not. This report concluded the rather large increase in property value was due to the creation of a “stronger housing demand and restricted housing supply.” In short, more people want to move to municipalities that enacted ordinances permitting the sale of marijuana and less people want to leave them this will have a positive impact on home values, property tax revenue, and the continued appreciation of the surrounding community.

Job Creation and Training

Licensee has trained in the past all 25 or so previous employees in the highly regulated METRC reporting and chain of custody system. All future employees will go through this training as well. Further, standard operating procedures have been implemented to train and comply with the MMFLA and MRTMA provisions, including but not limited to limits on purchases and verifying identifications. Licensee's employees will also be trained on the specific types of medical benefits available in order to intelligently advise clients which products are best suited for their desired outcome, while additionally informing clients of proper dosage and side effects. Finally, high performing employees have previously had the ability to obtain management roles within the company, and we intend to continue this practice when open.

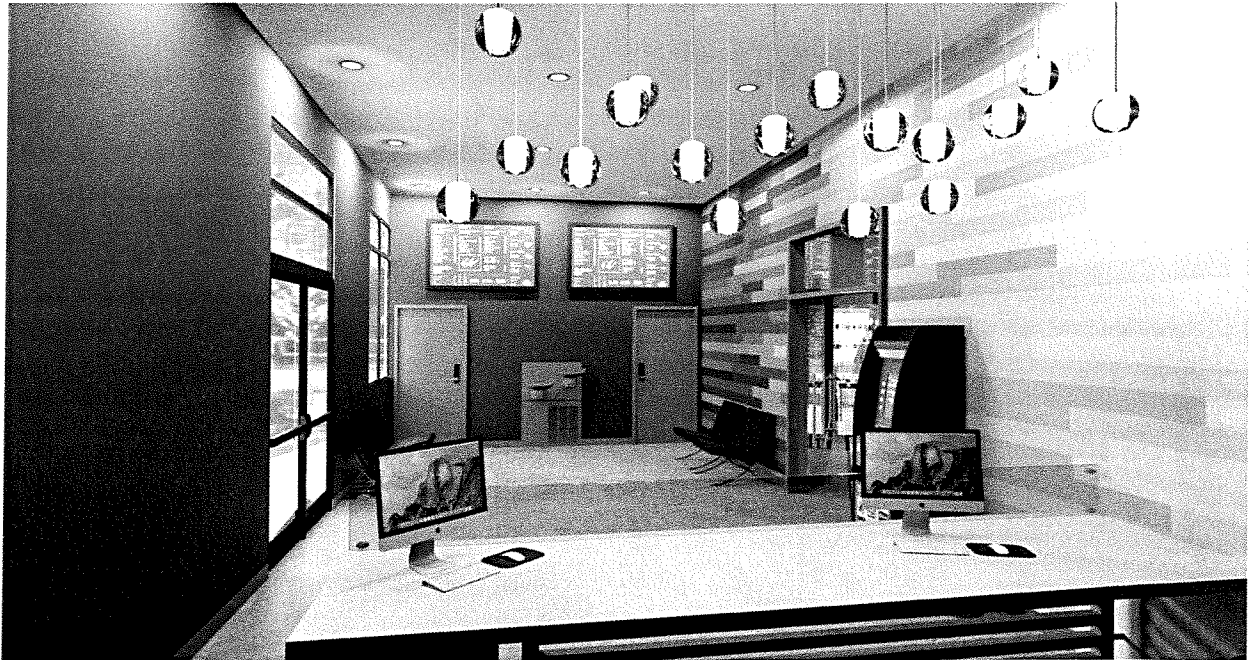
Community Outreach

The company will look to be active in its work with the Kalamazoo Regional Chamber of Commerce. Likewise, the company has, and will continue to, donate to local non-profits -such as the Kalamazoo Loaves & Fishes, the Bridge Ministries, the Douglass Community Association, and Open Door Kalamazoo - in order to help support the community, as well as committing to volunteer hours from the company. Licensee has formed a relationship with The Bridge Church located in Portage, Michigan. Licensee's designated community liaison has donated thousands of dollars to The Bridge Church and will continue working with Pastor Jeff Wenke on future projects.

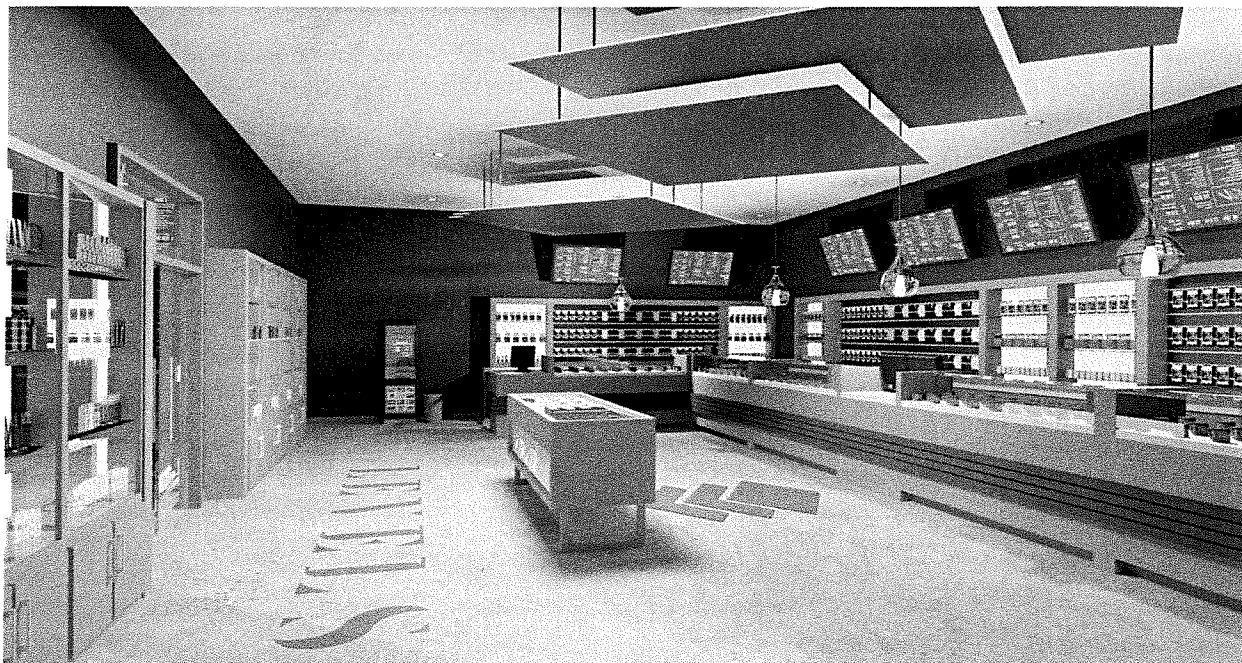
Project Renderings and Current Renovation Status



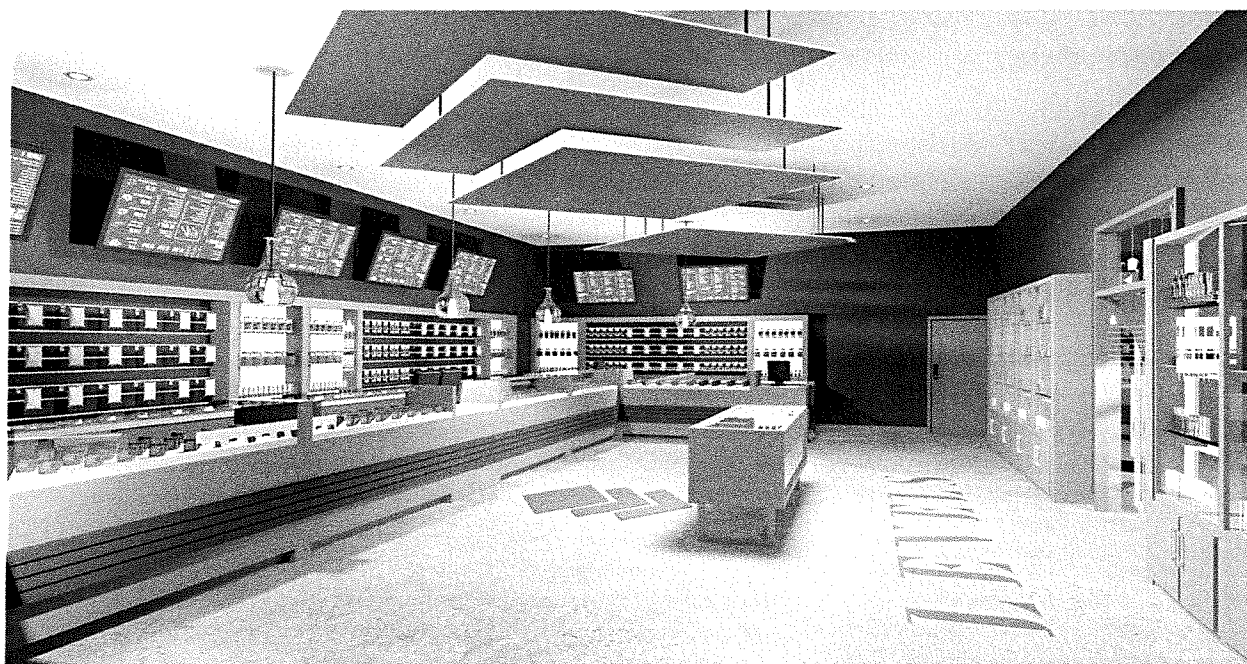
See above: Waiting Lobby Rendering (Patient Viewpoint)



See above: Waiting Lobby Rendering (Staff Viewpoint)



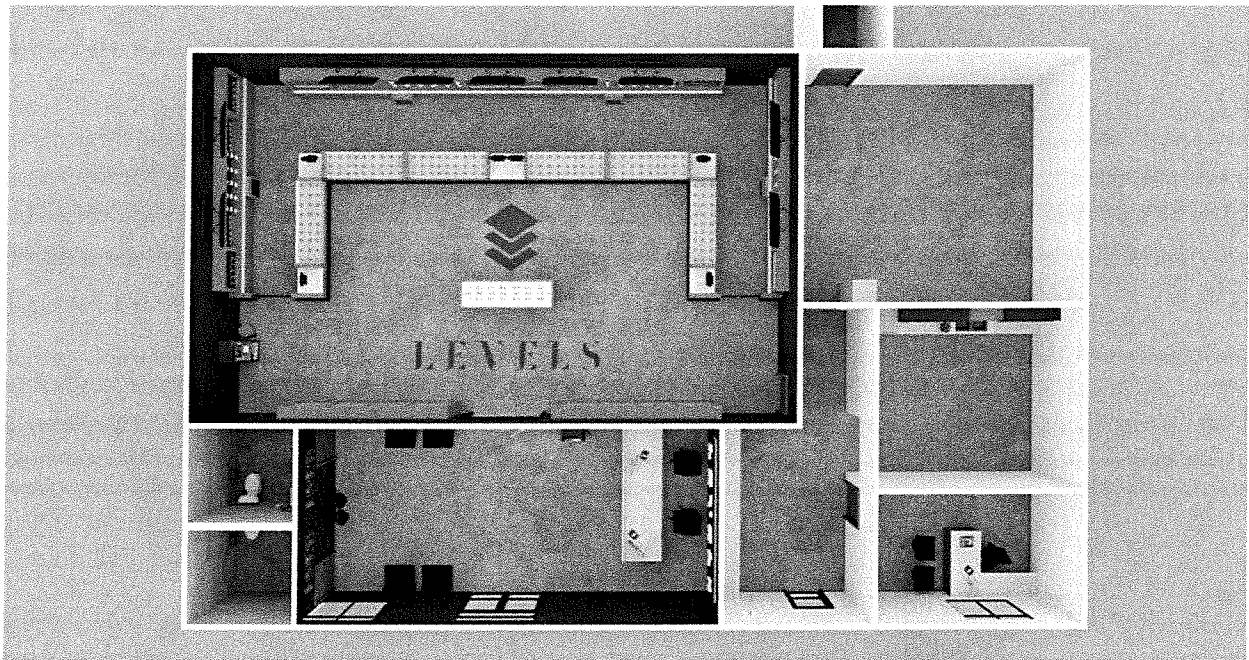
See above: Patient Sales Floor



See above: Patient Sales Floor (Alternative Angle)



See above: Employee Break Room Rendering



See above: Facility Floor Plan Rendering









EDC Board of Directors Staff Report

City of Kalamazoo

TO: The Economic Development Corporation Board of Directors

FROM: Prepared by: Jared Chambers, Business Specialist

DATE: August 17, 2023

SUBJECT: Cannabis Social Equity Chamber RFP

SUMMARY:

Cannabis Social Equity Chamber RFP

BACKGROUND:

Social Equity Cannabis Chamber RFP – Synopsis

Introduction

- The City of Kalamazoo's Economic Development Corporation (EDC) and the City aim to form a Social Equity Cannabis Chamber.
- Objective: Assist cannabis businesses, promote social equity, and focus on profitability & safety.

Main Goals

- Establish an Equity Committee to liaise with the City on funding.
- Incentivize local cannabis businesses for hiring and training in Northside, Eastside, and Edison neighborhoods.
- Set up a job board exclusive to these neighborhood residents.
- Workforce selection and training prioritizing underrepresented individuals.

Community Impact & Workforce Development

- Collaborate with EDC to help underserved individuals break into the cannabis industry.
- Develop community outreach, focusing on health, safety, and employer concerns related to cannabis.

- Propel micro-home-based businesses and provide comprehensive training for cannabis entrepreneurship.

Contract Details

- Initial contract: 3 years from January 1, 2024.
- City holds the right to extend the contract with mutual agreement.

Scope of Work Highlights

- Outreach & Education on health and safety with cannabis.
- Distinguish between state and federal laws for cannabis.
- Youth workforce development in SPK neighborhoods.
- Support SPK neighborhood micro home-based businesses.
- Offer cannabis business ownership workshops and membership funding.
- College tuition reimbursement for cannabis programs in KVCC.
- On-the-job training reimbursement for hiring SPK residents.
- Connect cannabis businesses with local social equity-promoting organizations.

Conclusion & Next Steps

- The initiative seeks to promote social equity and bolster the cannabis industry's positive impact in Kalamazoo.
- Encourage organizations and individuals to respond to this RFP and join in shaping Kalamazoo's brighter, inclusive future.

RECOMMENDATION: