

Agenda

Economic Development Corporation

Board of Directors



City of Kalamazoo

Thursday, January 16, 2025

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 Economic Development Corporation Board meeting held on December 19, 2025 **(Action: Approve) - Voice Vote**

D. PUBLIC COMMENTS

E. DIRECTOR COMMENTS

F. NEW BUSINESS

1. Approval of a recommendation to the City Clerk's Office for a 2-year approval of the Adult Use Retailer Permit to Compassionate Advisors, LLC dba Pincanna. **(Action: Approve) - Roll Call Vote**
2. Approval of a recommendation to the City Clerk's Office for a 2-year approval of the Medical Provisioning & Adult Use Retailer Permits to Focus Group Enterprises, LLC dba STIIIZY. **(Action: Approve) - Roll Call Vote**
3. Adoption of a Resolution in Support of a Revised Business Development Fund (BDF) - **(Action: Adopt) - Roll Call Vote**
4. Adoption of a Resolution to Dissolve the Marihuana Business Permit Renewal Committee **(Action: Adopt) - 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, December 19, 2024
Community Planning and Economic Development
245 N. Rose Street, Kalamazoo, MI 49007

MEMBERS PRESENT: Lucas Middleton; Kevan Hess; Michael Gurnee; Rachel Bair; Jason Novotny; Sharon Ferraro; Andrew Schipper

MEMBERS ABSENT: Kyle Gulau; Torean Greeley; Alonzo Wilson; Nathan Bolton

CITY STAFF PRESENT: Jamie McCarthy (Development Manager); Jerri Burdue (EDC Liaison/Neighborhood Business & Special Projects Coordinator); *Jessica Wood (Attorney, Dickinson Wright); David Stegink (Consultant, Fishbeck); Jared Chambers (Business Specialist); Heidi Waffle (Brownfield Project Assistant)

*Attorney Wood attended the meeting virtually.

Meeting was called to order at 7:48 AM by Chair Novotny.

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

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

APPROVAL OF MINUTES: Director Ferraro moved approval of the minutes from the meeting of November 21, 2024; seconded by Director Middleton. Motion approved by voice vote unanimously.

PUBLIC COMMENTS

None.

DIRECTORS' COMMENTS

Director Middleton said with the end of the year, he recognized that it has been another good year. He appreciates everyone's involvement throughout the year and hopes everyone has a good holiday and 2025.

NEW BUSINESS

1. Approval of a recommendation to the City Clerk's Office for a 1-year approval of 2 Adult Use Class C Grower and 1 Adult Use Processor Permits to Pure, LLC.

The board, staff, and Attorney Wood discussed the filing of personal property statements amongst Cannabis businesses in the city and that they are very frequently filed late, which affects their compliance for a two-year renewal. Board members discussed giving one-year approvals with a second conditional year contingent upon the filing of tax documents. Board members discussed the onerous process these businesses already go through. However, it was also discussed that the late filing may be a business

decision deliberately made on behalf of these businesses. Attorney Wood reminded the board that they are a recommending body for these permits and that the Clerk processes the final approval. No change to the motion was made.

Director Middleton moved approval of a recommendation to the City Clerk's Office for a 1-year approval of 2 Adult Use Class C Grower and 1 Adult Use Processor Permits to Pure, LLC; seconded by Director Ferraro.

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

UNFINISHED BUSINESS

None.

COMMUNICATIONS AND ANNOUNCEMENTS

None.

STAFF REPORTS AND UPDATES

1. Façade/Whitebox Grant Program

Mr. Burdue shared information on the current program and the proposed changes to the program for 2026.

Director Hess asked how businesses are aware of this resource.

Mr. Burdue shared they have not been actively advertising it recently because they have been working through the pre-existing waitlist. They would hope to more actively advertise it in the future. The waitlist has been finished now.

Director Middleton asked what is the expectation for how the EDC board can help expedite the process.

Mr. Burdue shared it would really come down to the approval process and the public meeting in which the approval is granted.

Directors expressed support for the 25% match by businesses.

2. Marihuana Business Permit Renewal Review Committee

Mr. Burdue discussed the Marihuana Business Permit Renewal Review Committee and that current committee members are currently considering stepping off of the committee.

Mr. Chambers shared about the frustrations the Committee has about not being as impactful as they had hoped. In the beginning, the committee was set up to help fill a gap. However, now with the role Mr. Chambers has and the Cannabis Chamber up and running as a resource, it is understandable that the committee does not have the same value it once had.

Director Novotny shared about his prior experience on the Committee. He can understand their frustration as not being a recommending body.

Director Middleton commented on the value of the Committee discussing the social equity goals with the businesses to highlight that importance, but he understands the legal limitations. He would defer to the committee members and whether or not they feel it adds value.

Director Hess said before the Committee was created, there were multiple permits and renewals coming forward every meeting. Now it is down to only a couple every meeting.

ADJOURNMENT: Meeting was adjourned at 8:25 AM by Chair Novotny.

Signature

Printed Name/Chair

Heidi Waffle/Recording Clerk

INTER-OFFICE MEMO

To: The Economic Development Corporation Board of Directors

From: Jared Chambers, Business Specialist

Date: December 17, 2024

Re: Adult Use Retailer Permit Renewal for Compassionate Advisors, LLC dba Pincanna

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: Compassionate Advisors, LLC dba Pincanna for its facility at 123 E South Street and that the EDC Board provide a recommendation regarding the renewal of this permit. The City Operating Permit, issued on February 1, 2024, is scheduled to expire on January 31, 2025, and must be renewed before its expiration for the facility to continue operating. The applicant has submitted the required renewal application and the annual permit fee. 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;
 - Pincanna employs 9 people, 3 full time & 6 part-time.
 - 1 Assistant Store Manager, earning \$41,600/year.
 - 1 Inventory Supervisor, earning \$37,440/year.
 - 1 Supervisor, earning \$35,360/year.
 - 4 Budtenders, earning \$20,000/year.
 - 2 Receptionists, earning \$18,000/year.
 - Full-time employees are offered dental and vision insurance. Contribution to health insurance costs range from 67.5% to 86%. All employees receive PTO.
 - The company encourages taking time off to address personal issues so that employees are in the right mindset when they show up to work.
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;
 - \$500 donation to Community Homeworks for Critical Home Repairs.
 - \$500 donation to Glass Art Kalamazoo.
 - \$500 donation to YMCA for diapers, personal items, blankets, and towels.
 - Local sourcing from Harbor Farmz - \$5,580 & Pure, LLC - \$22,649.

- Annual sock drive for Heart to Heart.
 - Employees annually volunteer at Kalamazoo Loaves and Fishes.
 - The company sells specialty pre-rolls to fund the fight against breast cancer, proceeds are donated to the Susan G. Komen Breast Cancer Foundation.
 - The company employees participated as a vendor at Pride Day in Kalamazoo June 7th & 8th.
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;
- Approximately 14% of the company's current operational expenses are with diverse suppliers, including minorities, women, LGBTQ, and individuals and businesses that have been disproportionately impacted by marihuana prohibition and enforcement.
 - Pincanna commits to continue spending at least 10% to diverse suppliers.
 - Some of the diverse suppliers include but are not limited to; Mason Jar Plant Store, SteelGuard Security Services (\$80,313), Korotkin Insurance Group (\$40,846), Urban Roots, and Fello Cannabis.
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;
- The business is not in default to the City. They owe winter tax but they are not due until February 14, 2025.
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.
- The facility conforms to the City's Nondiscrimination Ordinance provisions.
 - There are 3 employees in management, 2 are women.
 - There are 6 operational employees, 3 are women and 4 are 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)?
 - 2 employees from the Edison Neighborhood and 1 from the Northside Neighborhood.
 - c. What is your plan to employ residents of the identified census tracts?
 - They will continue to advertise job listings in these specific Census tracts. They will also continue to develop and implement tools to assist hiring managers in identifying and supporting diversity and inclusion in the recruitment and hiring process.

- d. How many of your employees have prior marihuana convictions (excepting a conviction for delivery or distribution to a minor)?
 - No current 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?
 - Their hiring process supports the importance of an all-inclusive culture and complies with the State of Michigan screening process. They do not discriminate against any individuals who were previously disproportionately impacted by marijuana enforcement and encourage those with marijuana convictions to apply for open positions.
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 October 31, 2024, they have received Gold Level.

Please see the attached Marihuana Renewal Application Checklist, completed by City staff to verify if all ordinance requirements 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. 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 Adult Use Retailer Permit to Compassionate Advisors, LLC dba Pincanna.

ATTACHMENTS

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

Adult Use & Medical Safety Compliance, Marijuana Renewal Application Checklist for:

Compassionate Advisors, LLC (DBA Pincanna)

121 & 123 E South St. Kalamazoo, MI 49007

Type: Adult Use Retailer

	Date Received	Received By	Comments	
Renewal Application Received	11/15/2024	Jared Chambers		
Inspection Type:	Inspection Date	Completed by:	Satisfactory?	Notes
Fire Inspection - 123 E South St.	12/11/2024	Scott Brooks	Yes	
Zoning Inspection - 123 E South St.	12/11/2024	Pete Eldridge	Yes	
	Date	Name	Comments	
Business Community Benefits Check-In	12/17/2024	Jared Chambers		
	Invite Sent	EDC Meeting Date		
Invite to EDC Meeting	11/18/2024	EDC Cannabis Committee: 1/14/25; EDC Board Meeting 1/16/25		
	Full-Time	Part-Time	Comments	
Jobs Created	3	6		
	Yes/No	Comments:	Verified by:	
Any Past Due Financial Obligations with City? (i.e. taxes owed, fees, fines, etc)	No	Winter taxes due Feb. 14, 2025	Andrew Falkenberg	
Silver Level Social Equity All-Star or better status with the Michigan Cannabis Regulatory Agency	Yes		Jared Chambers	
			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 Compassionate Advisors, LLC d/b/a Pincanna

Business Address 31731 Northwestern Hwy., Ste. 100 E

City Farmington Hills **State** MI **Zip Code** 48334 **Business Phone** 248-770-1264

Business E-mail martinstoneman@mstonemanpc.com **Business Website** pincanna.com

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 121 & 123 E. South Street, Kalamazoo, MI 49007

Real Property Parcel Number 06-15-391-230

Advertised Facility Name Pincanna

Manager - Full Name Rhiannon Johnson, Assistant Store Manager (We are currently working to fill the Manager position)

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

Name Martin Stoneman (Owner)

Address 31731 Northwestern Hwy., Ste. 100 E **City** Farmington Hills **State** MI **Zip Code** 48334

Phone 248-770-1264 **E-mail** martinstoneman@mstonemanpc.com

Name Cheyenne L. Benyi (Attorney)

Address 201 Townsend St. Ste. 900 **City** Lansing **State** MI **Zip Code** 48933

Phone 517-374-9174 **E-mail** CBenyi@dykema.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 who 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 the 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: 11/4/2024
 Name (printed): Martin Stoneman Position: Owner (Manager of the Manager of the Licensee)

STAFFING PLAN

Summary

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

Full-time employees (32+ hours per week) 3 Part-time employees (< 32 hours per week) 6

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: Assistant Store Manager Annual Average Compensation \$ 41,600

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

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: Inventory Supervisor Annual Average Compensation \$ 37,440

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

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: Supervisor Annual Average Compensation \$ 35,360

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

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: Budtender Annual Average Compensation \$ 20,000

How many people are employed in this position at the licensed facility? 4

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: Receptionist Annual Average Compensation \$ 18,000

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 ☐

Please provide information on any benefits other than health insurance that are offered to all employees:
In addition to health insurance, we offer our full time employees dental and vision insurance, as well as PTO for all full time and part-time employees. Our company contribution to health insurance costs ranges from 67.5% to 86%, depending on the plan. Also, we are always willing to work with our employees should any emergencies come up in their lives. We encourage taking time off to address personal issues so that our employees are in the right mindset when they show up to work.

Attach additional pages as necessary.

ECONOMIC BENEFITS

Please fill out the information below relating to 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

ECONOMIC BENEFITS		
Economic Benefit	Description	Amount
Community Homeworks	Critical Home Repair, donation	\$500
Glass Art Kalamazoo	This is a local non-profit founded by a group of local glass artists. This is a community-access glass arts and education center located at the Park Trades Center in downtown Kalamazoo.	\$500
Harbor Farmz North LLC; Pure LLC; Pinebrook Warren LLC	These are Kalamazoo-based Marijuana Grow or Processing facilities that we partner with to source our inventory.	\$5,580; \$22,649; \$8,560
YWCA	Monetary donation	Varies

JOB CREATION FOR LOCAL RESIDENTS		
Initiative/Description	Date(s)	Outcomes
Local job boards	Ongoing	We advertise available employment on local community job boards.
Indeed job postings	Ongoing	Our Indeed listing is set specifically to the Kalamazoo area.
Internal job board	Ongoing	We've had a Budtender promoted to an Inventory Supervisor and another Budtender promoted to a Supervisor.
Kalamazoo Social Equity Cannabis Chamber Job Fair	10/24/2024	We were signed up to attend this job fair but ended up filling all vacancies prior to the event. We still have a relationship with the Social Equity Cannabis Chamber and will attend job fairs in the future when positions are available.

COMMUNITY OUTREACH		
Initiative/Description	Date(s)	Outcomes
Heart to Hart	Every year from the end of November until the end of December	Annual sock drive provides one of the most needed items to local families and the homeless in the area. This year, we plan to partner with a local vendor.
Kalamazoo Loaves and Fishes	November, annually	This is an annual fall food drive in which our team is compensated their normal hourly rates for participating and volunteering.
Susan G. Komen Breast Cancer Foundation	October, annually	Selling specialty breast cancer pre-rolls.
Kalamazoo Pride Event	June 7-8, 2024	Our team was compensated their normal hourly rates for attending and participating as a vendor at Pride Day.

WORKER TRAINING PROGRAMS		
Initiative/Description	Date(s)	Outcomes
Extensive Team Training Platform	Ongoing (and required during onboarding)	Our training platform supports our employees with safety and active shooter training in the event of an emergency, cannabis knowledge, coaching, understanding compliance, etc.
Active Shooter Training	Various	Each employee has partaken in this training.

SOCIAL EQUITY

Please fill out the information below relating to Social Equity with 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;

SOCIAL EQUITY PLAN INITIATIVE		
Initiative/Description	Date(s)	Outcomes
Spending to diverse suppliers: Steel Guard Security	2023-2024	\$80,313
Spending to diverse suppliers: Korotkin Insurance Group (KIG)	Ongoing	\$40,846.13
Spending to diverse suppliers: Brooklyn Outdoor	Ongoing	\$91,708.40
Spending to diverse suppliers: Mexico Mexico	2023-2024	\$12,080.02

EMPLOYEE DEMOGRAPHIC INFORMATION

Total Number of Employees:		
Employees in Managerial Positions	Total Employees	3
	Number of Women	2
	Number of Minorities	0
Employees in Operational Positions:	Total Employees	6
	Number of Women	3
	Number of Minorities	4

How many City Residents do you currently employ?	Total Employees	8
How many residents do you currently employ from these Census Tracts?	Census Tract 1 (Eastside Neighborhood)	0
	Census Tracts 9 and/or 10 (Edison Neighborhood)	2
	Census Tracts 2.02, and/or 3 (Northside Neighborhood)	1

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

We will continue to advertise job listings in these specific Census tracts. We will also continue to develop and implement tools to assist hiring managers in identifying and supporting diversity and inclusion in the recruitment and hiring process. For example, we have partnered with the Kalamazoo Social Equity Cannabis Chamber as a vendor for their Cannabis Job and Resource Fair.

Attach additional pages as necessary.

2. 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 0

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

Our hiring process supports the importance of an all-inclusive culture and complies with the State of Michigan screening process. We do not discriminate against any individuals who were previously disproportionately impacted by marijuana enforcement and encourage those with marijuana convictions to apply for open positions.

Attach additional pages as necessary.

4. Please attach 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.



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

October 31, 2024

Compassionate Advisors, LLC (DBA: Picanna)
31731 Northwestern Hwy., Ste. 100E
Farmington Hills, MI 48334

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-R-000195
- AU-R-000478
- AU-R-000738
- AU-R-001156
- AU-R-001301

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



PINCANNA

www.Pincanna.com

Social Equity Plan All-Star Program

10.25.2024

Compassionate Advisors, LLC d/b/a Pincanna

Social Equity Plan
Compassionate Advisors, LLC d/b/a Pincanna
10/25/2024

Introduction

Compassionate Advisors, LLC d/b/a Pincanna (the "**Company**") has developed initiatives to demonstrate its dedication to assisting those who have been disproportionately impacted by marijuana prohibition and enforcement. The Company has already opened four facilities in communities harshly affected by marijuana prohibition: Pinconning, Mt. Pleasant, East Lansing, and Kalamazoo. In each of these communities, we have hired, trained and provided competitive compensation to community residents who have been disproportionately impacted. We believe our initiatives will encourage entrepreneurship, support workforce development, and provide those employees with opportunities to improve their skills while being able to comfortably support themselves. We plan to make an ongoing assessment of these initiatives, and further update them, so that additional opportunities for recruitment, employee training, and community outreach projects are suitably explored.

Providing Job Opportunities

The Company has opened Retail and Provisioning centers in Pinconning, Mt. Pleasant, East Lansing, Kalamazoo, and Kalkaska. The Company also has plans to open a store in Saline within the next year or two. Opening such facilities throughout the State creates extensive job opportunities for those residing within disproportionately impacted communities; whether they live within the communities where the stores are located or reside in neighboring locales.

Our stores throughout the state plan to implement our social equity goals. This work will include advertising job openings that target community members that have been more harshly affected by marijuana prohibition. In Kalamazoo, for example, we have partnered with the Kalamazoo Social Equity Cannabis Chamber as a vendor for their Cannabis Job and Resource Fair. We also post job listings on local community job boards and encourage not only local residents to apply, but those with prior marijuana-related convictions to apply. As many as 50% of our current employees in our Kalamazoo store self-identify as part of a social group, or as members of communities, that satisfy the CRA's requirements for eligibility to its Social Equity Program. Apart from the benefits such diversity of employment has provided to these persons, employment diversity has proven to be "good business". The unique insights, perspectives, knowledge and passion for the industry, demonstrated by these individuals, are of service to our customers and benefit our business. As our business in these communities grows, we expect further opportunities for employment and job growth to be provided to eligible community members. We understand the importance of giving back to those communities that have previously endured harsher treatment. This is why we intend to ensure having a positive impact in every city in which we operate.

Our hiring process supports the importance of an all-inclusive culture and complies with the State of Michigan screening process. We do not discriminate against any individuals who were previously disproportionately impacted by marijuana enforcement. In fact, we encourage those with prior marijuana convictions to apply for job openings at our stores.

Incorporating Training Opportunities

Implementing training opportunities in marijuana operations and sales help provide our employees with the skills and knowledge needed to perhaps one day be able to operate their own businesses. This will help the development of the marijuana industry by educating those who may later enter the industry as business owners. Not only are employees being trained in the marijuana products themselves, but they also receive training in business operations which includes, but is not limited to, sales, customer service, business management and leadership training. This training takes place as a part of the onboarding process as well as on a rolling basis. We have developed our own training platform where employees can find on-demand training modules, company SOPs, and any other important employment information they may need.

Employee Benefits

Employees are provided with competitive pay together with a compensation package which includes PTO and sick leave for all team members including qualified part time hourly staff. This allows our staff to comfortably support themselves and gives them the financial freedom to focus on other important aspects of their lives such as education, health and community relations.

In addition to PTO and sick leave, we offer our full time employees health insurance, including dental and vision insurance. Our company contribution to health insurance ranges from 67.5% to 86%, depending on the plan. We are also always willing to work with any of our employees should any emergencies come up in their personal lives. We encourage taking time off to address personal issues so that our employees are in the right mindset when they show up to work.

We provide financial resources to all of our stores to ensure they are financially capable of implementing our company-wide social equity goals. The Company aims to ensure that each employee's life is enhanced through their employment with the Company. This benefits the Company as well as the employee.

Community Reinvestment

Pincanna takes great pride in volunteering our time, supporting local businesses, and making donations to organizations across all of our communities. Examples of our community reinvestment initiatives include:

- Frequent donations (~\$2,000) to Community Homeworks to help with Critical Home Repairs in the Kalamazoo area.
- Frequent donations (~\$500) of highly critical items to YWCA in Kalamazoo including diapers, personal items, blankets, and towels.

- Compensating our Kalamazoo staff their normal hourly rates for one full working day of attending and participating as a vendor (\$1,500) at Pride Day.
- Frequent donations (\$10,000 per year) to Child and Family Charities in East Lansing.
- Hosting an annual holiday sock drive in Kalamazoo.
- Compensating our Kalamazoo staff their normal hourly rates for participating and volunteering in one full working day at Loaves and Fishes, an annual food drive.
- Partnering with local businesses and those in disproportionately impacted communities to source our inventory, including:
 - Harbor Farmz North, LLC, a Kalamazoo-based Grower (approximately \$5,580 spent)
 - D&K Ventures, LLC, a Pinconning-based Processor (approximately \$31,565 spent)
 - CLDD, LLC, a Jackson-based Processor (approximately \$7,732 spent)
 - Pure LLC, a Kalamazoo-based Processor and Grower (approximately \$22,649 spent)
- Donation (\$500) to Glass Art Kalamazoo.
- Donations (\$500) to Fraternal Order of Police
- Donations (\$200) to the Kalkaska County Sheriff's Office
- Membership (\$750) with the Pinconning & Linwood Area Chamber
- Donation (~\$200) to Suckerfest
- Opting for local media outlets for our marketing efforts, including City Pulse (~\$9,162) and Pride Source Media Group (~\$2,875)

Spending

We believe approximately 14% of the Company's current operational expenditures are with diverse suppliers of goods and services, including minorities, women, LGBTQ, and individuals and businesses that have been disproportionately impacted by marijuana prohibition and enforcement.

Pincanna commits to continue spending at least 10% of the Company's corporate spending to diverse suppliers of goods and services. Examples of our diverse suppliers include:

- Mexico Mexico LLC - Facility Designer for Kalamazoo, Pinconning, and Mt. Pleasant stores
- Mason Jar Plant Store - Local Interior Designer
- SteelGuard Security Services - Facility Security Services
- Korotkin Insurance Group (KIG Insurance) - Insurance Provider
- Urban Roots- Inventory supplier
- Brooklyn Outdoor – Signage purchased for interior décor
- Fello Cannabis – Inventory supplier
- Premier Meds, LLC – Inventory supplier
- Pride Source Media Group – Marketing
- Serendipity Media – Marketing
- Seven Point Supply – Inventory supplier
- Primitiv – Inventory supplier

Conclusion

Pincanna is committed to improving the livelihood of those more deeply affected by marijuana prohibition and enforcement through its support of the Social Equity Program and its implementation of social equity principles. As the Company continues to expand, we intend to provide additional opportunities to counter the disproportionate effect of previous prohibition. We plan to continually assess whether we are doing everything we can to promote our social equity goals. The Company is dedicated to leading the way toward mitigating damage caused by the disparate treatment of marijuana prohibition and enforcement.

Benyi, Cheyenne

From: Maria Wadenstorer <maria.wadenstorer@pincanna.com>
Sent: Sunday, October 6, 2024 2:14 PM
To: Benyi, Cheyenne
Subject: FW: Confirmation and Tax Receipt

*** EXTERNAL ***

HomeWorks donation for Kzoo

From: COMMUNITY HOMEWORKS <noreply@networkforgood.com>
Sent: Thursday, October 3, 2024 8:01 AM
To: Maria Wadenstorer <maria.wadenstorer@pincanna.com>
Subject: Confirmation and Tax Receipt



Dear Maria Wadenstorer
Thank you for giving through
Network For Good!

Thank you for your support of COMMUNITY HOMEWORKS. You have made a gift that truly makes a difference. Thank you for giving and inspiring others with your generosity.

At any time, in your [Account](#), you can find a record of all of your donations, project updates, and tax receipts.

If you have any questions, please email jnardi@communityhomeworks.org.

Thanks again for your generosity and for being part of COMMUNITY HOMEWORKS.

Sincerely,

The Team at COMMUNITY HOMEWORKS

Item	Amount
Donation to 2024 Annual Campaign	\$500.00
You have covered the transaction fee, so 100% of your donation goes to the organization. Thank you!	\$15.00
Total	\$515.00

Your Tax Receipt

Donor Name: Maria Wadenstorer	Date: October 3, 2024 08:01 EDT
Total Charge Amount: \$515.00	Method of Payment: Credit Card - (XXXX-XXXX-XXXX-3292)



Pincanna is in Kalamazoo, MI.

June 10 · 🌐



🌈 It was a great opportunity this weekend to get out and support our local #Kalamazoo community at #Pride

🌱 Thank you so much to everyone for came out and stopped by our booth, stay tuned for our pop-up at #EastLansing pride later this month!

#love #pride #michigan #eastlansing #kalamazoo



👍❤️ 12

3 comments



Pincanna is in **East Lansing, MI.**

June 1 · 🌐



🌈 Today marks the first day of Pride and we're excited to continue to show our support within our local communities!

💚 Come stop by our booth on Saturday (6/8) from 2pm-6pm in Kalamazoo, and Saturday (6/22) from 1pm-10pm in East Lansing for some goodies!

🔥 Both events will be full of performances, music, food, and local businesses making for a day full of fun!

[#P...](#) See more



LOVE
IS LOVE.

*Funky
Extracts*

JOIN US FOR THE ANNUAL

**HOLIDAY
SOCK
DRIVE**

RUNS THRU DECEMBER 31ST

**HELP US TO KEEP THOSE WHO ARE LESS
FORTUNATE WARM THIS WINTER**

RECEIVE A FREE GIFT

**WITH YOUR DONATION OF A
BRAND NEW PAIR OF SOCKS**



Pincanna is in East Lansing, MI.

June 19 · 🌐

...

🌱 Pincanna wouldn't be Pincanna without our core tenets of inclusivity and community outreach. Today, we're honoring [#Juneteenth](#) and celebrating [#freedom](#), [#resilience](#), and the ongoing fight for [#equality](#).

👏 Join us in recognizing this historic day and supporting the journey towards a more just and inclusive future.

[#Pincanna](#) [#FarmLabMarket](#)

Products are not for sale. Photos/Videos are for educational purposes only. Must be 21+ to follow.

HONORING
JUNETEENTH
FREEDOM DAY

INTER-OFFICE MEMO

To: The Economic Development Corporation Board of Directors

From: Jared Chambers, Business Specialist

Date: December 18, 2024

Re: Medical Provisioning & Adult Use Retailer Permit Renewal for Focus Group Enterprises, LLC dba STIIIZY

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: Focus Group Enterprises, LLC dba STIIIZY for its facility at 5303 Portage Road and that the EDC Board provide a recommendation regarding the renewal of this permit. The City Operating Permit, issued on January 19, 2023, is scheduled to expire on January 31, 2025, and must be renewed before its expiration for the facility to continue operating. The applicant has submitted the required renewal application and the annual permit fee. 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;
 - STIIIZY employs 8 people, 6 full-time & 2 part-time.
 - 1 General Manager, earning \$68,000/year.
 - 2 Assistant Managers, earning \$44,720/year.
 - 3 Floor Leads, earning \$37,440/year.
 - 2 Dispensary Sales Associates, earning \$31,200/year.
 - The company provides up to 16 hours of paid volunteer hours every year, employer-paid life insurance, and 401k matching.
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;
 - 4/11/23 South Michigan Food Bank - Employees volunteered, sorted, boxed, and assembled pantry items for distribution across eight counties.
 - 10/31/23 Trunk or Treat partnership with Charlie's P.L.A.C.E. – Employees volunteered to distribute candy to local youth and families.
 - 10/23 South Michigan Food Bank – Canned food drive in the store.
 - 8/30/24-9/2/24 Arts, Beats, and Eats – Employees volunteered to staff the celebration.

- 11/8/24 ReLeaf Michigan - \$5,000 contribution to ReLeaf's Treetacular Fundraiser, also donated goods for the event's auction.
 - The company has promoted the KVCC Cannabis Program to employees.
 - The company offers 28 "soft skill" courses to employees.
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;
- In June 2023 STIIIZY partnered with Sisters in Business and Black Wallstreet by making a \$5,000 contribution to the Black Entrepreneur Training Academy (BETA) for one full scholarship. In 2024 STIIIZY has contributed another \$5,000 in an ongoing commitment to incubate small business success.
 - STIIIZY has made \$27,500 worth of contributions to groups in Kalamazoo.
 - Over the past 2 years, staff has logged over 40 paid volunteer hours.
 - October 2024, STIIIZY was a vendor at the KSECC Job Fair.
 - STIIIZY has partnered with Charlie's Place and Swim Up, connecting them with Olympic Swimmer, Jamal Hill.
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;
- The business is 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.
- The hiring and public accommodation practices of the facility conform to the City's Nondiscrimination Ordinance provisions.
 - There are 3 managerial positions, 2 women and 2 minorities.
 - There are 5 operational positions, 2 women and 3 minorities.
 - There is 1 employee disproportionately impacted by marihuana prohibition and enforcement.
6. A statement, with supporting documentation, providing answers to the following questions:
- a. How many City residents do you currently employ?
 - 5 employees are City residents.
 - b. How many current employees reside in Census Tracts 1 (Eastside); 9, 10 (Edison), and/or 2,02,3 (Northside)?
 - No current employees reside in the identified census tracts.
 - c. What is your plan to employ residents of the identified census tracts?
 - The company will continue to participate in and hold local hiring events. They plan to have their hiring department work with KVCC to get plugged into their talent network.

- d. How many of your employees have prior marihuana convictions (excepting a conviction for delivery or distribution to a minor)?
 - 1 employee has a prior marihuana conviction.
 - e. What is your plan for employees with a prior marihuana conviction to move up within your business and/or the marihuana industry?
 - The company uses a “level playing field” approach where individuals with prior marihuana convictions are given the same opportunities as others.
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.
- STIIIZY maintains Gold Level status.

Please see the attached Marihuana Renewal Application Checklist, completed by City staff to verify if all ordinance requirements 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. 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 Provisioning & Adult Use Retailer Permits to Focus Group Enterprises, LLC dba STIIIZY.

ATTACHMENTS

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

Application Checklist

Adult Use & Medical Safety Compliance, Marihuana Renewal Application Checklist for:				
Focus Group Enterprises LLC (DBA STIIIZY)				
5303 Portage Rd. Kalamazoo, MI 49002				
Type: Adult Use Retailer				
	Date Received	Received By	Comments	
Renewal Application Received	11/12/2024	Jared Chambers		
Inspection Type:	Inspection Date	Completed by:	Satisfactory?	Notes
Zoning Inspection - 5303 Portage St.	12/5/2024	Pete Eldridge	Yes	
Zoning Inspection - 5303 Portage St.	12/5/2024	Pete Eldridge	Yes	
	Date	Name	Comments	
Business Community Benefits Check-In	12/18/2024	Jared Chambers		
	Invite Sent	EDC Meeting Date		
Invite to EDC Meeting	11/13/2024	EDC Cannabis Committee: 1/14/25; EDC Board Meeting 1/16/25		
	Full-Time	Part-Time	Comments	
Jobs Created	6	2		
	Yes/No	Comments:	Verified by:	
Any Past Due Financial Obligations with City? (i.e. taxes owed, fees, fines, etc)	No	Taxes paid in full	Andrew Falkenberg	
Silver Level Social Equity All-Star or better status with the Michigan Cannabis Regulatory Agency	Yes		Jared Chambers	
			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 Focus Group Enterprises LLC

Business Address 5303 Portage Road

City Kalamazoo **State** MI **Zip Code** 49002 **Business Phone** (213) 567-4201

Business E-mail jameskimlicensing@gmail.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 5303 Portage Road Kalamazoo, MI 49002

Real Property Parcel Number 10-02-255-003

Advertised Facility Name STIIIZY

Manager - Full Name Alejandra Bobadilla

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

Name Maurice Cunningham

Address 2001 S. Alameda St.

City Los Angeles

State CA

Zip Code 90058

Phone (714) 686-0843

E-mail maurice.cunningham@stiiizy.com

Name

Address

City

State

Zip Code

Phone

E-mail

ATTACHMENTS

Please attach the following as separate documents to this application:

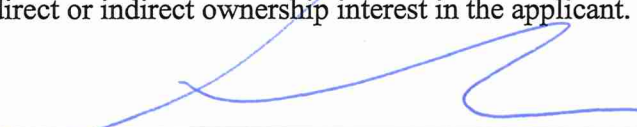
1. The attached Staffing Plan worksheet and any additional pages that provide a description of the actual number of employees, including the number and type of jobs that the licensed facility has created, and the amount and type of compensation (including benefits) paid for such jobs; and
2. An explanation, 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 who 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 the 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: 11/12/2024
Name (printed): James Kim Position: Manager

STAFFING PLAN

Summary

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

Full-time employees (32+ hours per week) 6 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: Dispensary Sales Associate Annual Average Compensation \$ 31,200

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: Floor Lead Annual Average Compensation \$ 37,440

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 ☐

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

Position Title: Assistant Manager Annual Average Compensation \$ 44,720

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: General Manager Annual Average Compensation \$ 68,000

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

Are health insurance benefits available for employees in this position? Yes ☒ 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:

Focus Group Enterprises LLC dba STIIIZY provides employees up to 16 hours of paid volunteer hours every year.
employer-paid life insurance, 401k matching.

Attach additional pages as necessary.

ECONOMIC BENEFITS

Please fill out the information below relating to 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

ECONOMIC BENEFITS		
Economic Benefit	Description	Amount
Financial Support to Local Organizations	See Plan Attached	\$10000
Store Sales	See Plan Attached	\$6,554,943
Charlie's P.L.A.C.E	See Plan Attached	\$10000
ReLeaf Michigan	See Plan Attached	\$7500

JOB CREATION FOR LOCAL RESIDENTS		
Initiative/Description	Date(s)	Outcomes
Swimming Initiative (Charlie's P.L.A.C.E. and Swim Uphill)	October 2024 - July 2025	See Plan Attached
Cannabis Job and Resource Fair	October 24, 2024	See Plan Attached

COMMUNITY OUTREACH		
Initiative/Description	Date(s)	Outcomes
South Michigan Food Bank	4/11/2023, 11/2024	See Plan Attached
Trunk or Treat	10/31/2023	See Plan Attached
Arts, Beats, and Eats	8/30 - 9/2 2024	See Plan Attached
ReLeaf Michigan	11/8/2024	See Plan Attached

WORKER TRAINING PROGRAMS		
Initiative/Description	Date(s)	Outcomes
Internal Training for Job Class Advancement	Ongoing	9 hours 20 minutes of advancement training
Soft Skill Course Offerings (online)	Ongoing	28 courses to support technical skills

SOCIAL EQUITY

Please fill out the information below relating to Social Equity with 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;

SOCIAL EQUITY PLAN INITIATIVE		
Initiative/Description	Date(s)	Outcomes
Partner with Community Groups	See Plan Attached	See Plan Attached
Volunteer Hours	See Plan Attached	See Plan Attached
Charitable Donations	See Plan Attached	See Plan Attached
Focus on Local Hires	See Plan Attached	See Plan Attached

EMPLOYEE DEMOGRAPHIC INFORMATION

Total Number of Employees:		
Employees in Managerial Positions	Total Employees	3
	Number of Women	2
	Number of Minorities	2
Employees in Operational Positions:	Total Employees	5
	Number of Women	2
	Number of Minorities	3

How many City Residents do you currently employ?	Total Employees	5
How many residents do you currently employ from these Census Tracts?	Census Tract 1 (Eastside Neighborhood)	0
	Census Tracts 9 and/or 10 (Edison Neighborhood)	0
	Census Tracts 2.02, and/or 3 (Northside Neighborhood)	0

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

Continue to participate in and hold local hiring events. We plan to have our hiring department work with KVCC and get plugged into their talent network.

Attach additional pages as necessary.

2. 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 1

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

When it comes to individuals with prior cannabis convictions or arrests STIIIZY seeks to level the playing field for all individuals no matter their background. Thus, for certain individuals who meet this criterion they will be given the same opportunity to take advantage of the professional development opportunities provided by STIIIZY. In our eyes such transgressions are not frowned upon, nor do they disqualify individuals for employment with STIIIZY or the opportunities provided. This is something we pride ourselves on as an innovator within this formerly illicit market.

Attach additional pages as necessary.

4. Please attach 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.

See attached

Attachment A

Gold Star Social Equity Status



Stiiizy

AU-R-000587
AU-R-000608
AU-R-000809

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

Attachment B

Social Equity Plan

2024

STIIIZY

Focus Group Enterprises, LLC dba STIIIZY
2024 Social Equity Update

5303 Portage Road
Kalamazoo, MI 49002

Provisioning Center PC-000750
Adult Use Retailer AU-R-000608

licensing@shrynegroup.com
<https://www.stiizy.com/pages/michigan>
(213) 567-4201

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1. Staffing Plan

STIIIZY employs eight staff members in total: six full-time and two part time.

Employment Opportunities and Wages

- Dispensary Sales Associate – \$15.50/hr
- Floor Lead – \$18.00/hr
- Assistant Manager – \$21.50/hr
- General Manager – \$68,000/yr

Full-time Employee Benefits

- Health
- Dental
- Vision
- Life
- Employee Discounts
- 401k Plan with matching contributions

Employee Promotion Policy

We strive to maintain a culture and business practice of fostering the upward mobility of our employees. This policy provides guidelines for advancing and promoting employees from within STIIIZY. Internal promotions are intended to recognize the growth and development in the professional skills, knowledge, and responsibilities of current employees. We want to invest in our employees and reward those who perform well.

Scope and Eligibility

“Promotion” is defined in this policy as advancement to a different position which may be of higher rank, responsibility, and compensation or salary. Often, employees may advance to positions that do not have higher managerial authority. Instead, these advancements may be a career or role change that helps employees develop and grow within the cannabis industry.

Employees may be eligible for promotion only after 1) they have been employed with the Company for a minimum of six (6) months (preferably one (1) year); and 2) are in good standing (as explained below). An employee who is under a performance improvement plan is not eligible for promotion.

Good standing guidelines

- Candidate has demonstrated they are reliable. Any unexcused/inappropriate no call no show within the six (6) months prior to the candidate applying for an open position may disqualify the candidate from consideration for the position.
- Candidate does not have more than one (1) active disciplinary action report (write up) in their personnel file within the four (4) months prior to them applying for an open position.
- Candidate's direct supervisor must complete a performance evaluation form containing an assessment of the candidate's performance which will be used to determine the appropriateness of the promotion.

Criteria for Promotion

STIIIZY promotes employees based on their job performance and workplace conduct, such as:

- Experience in their current position with STIIIZY.
- Work performance in current position.
- Skillset that matches the minimum requirements of the new position.
- Personal motivation, willingness for a change in responsibilities, and proven readiness for an upward advancement.

Criteria for promotion reflect the bigger picture of an employee's work and documented performance or incidents. While good past performance is a consideration of whether an employee is appropriate for promotion, it is not the sole basis when recommending a potential candidate for promotion. Consideration is given to past performance evaluations, accomplishments, demonstrated skills, and any disciplinary action.

All internal promotion opportunities shall be consistent with the STIIIZY's equal employment objectives and policies. Human Resources and managers are required to keep written records of their promotion evaluation process.

All internal promotions will also be reviewed based on the business, fiscal, and legal implications of the potential promotion.

2. Economic Benefits

Economic Benefits

In June 2023 STIIIZY partnered with Kalamazoo-based Sisters in Business (SiB) by making a \$5000 contribution to the Black Entrepreneur Training Academy (BETA) for one full scholarship. Per the organization:

“Black Entrepreneur Training Academy (BETA) is a five-month cohort-based virtual training program to equip, support, and resource Black entrepreneurs. Providing low-barrier access to capital alongside education is key to the success of Black Businesses.”¹

Additionally, the scholarship includes:

- 6 Business Development Modules with trained business experts •
- Weekly office hours
- Accountability Partner
- Business Mentoring and Coaching
- Technical Assistance
- Technical Assistance Grant
- Opportunity to pitch for \$5000 business grant
- Community Support
- Ongoing support from BETA team after completing cohort
- Ongoing access to virtual portal
- Direct access to entrepreneurial support organizations
- Opportunity to participate in other BWSK and SIBs programs at a discounted rate

This year, STIIIZY contributed another \$5,000 to SiB and BETA in an ongoing commitment to incubate local small business success.

Sales

Retail sales are STIIIZY’s most important metric in determining the financial success of the business. In the year 2023 STIIIZY’s gross sales totaled **\$4,265,885**. That is \$467,383 *more* than previously anticipated during the beginning of 2023.

¹ <https://blackwallstreetkalamazoo.org/beta/>

This year, considering the months of January 2024 – October 2024 the store's gross receipts total **\$2,289,058**.

Job Creation

On October 24, 2024, STIIIZY attended the Kalamazoo Cannabis Job and Resource Fair in conjunction with the Kalamazoo Social Equity Cannabis Chamber. To hire local Kalamazoo residents, STIIIZY representatives tabled the event to gather resumes. Additionally, STIIIZY retail staff volunteered at this event to provide the people power necessary to make the event a success. Resumes collected at this event are currently being reviewed by STIIIZY management and talent acquisition teams. Of the seven resumes collected three are Kalamazoo residents.

In the same spirit of job creation, STIIIZY is very excited for its ongoing partnership with Charlie's P.L.A.C.E. and Swim Up to provide accessible swim training for underrepresented and under-resourced youth and adults in low-income areas impacted by violence in Kalamazoo. As of the writing of this plan, STIIIZY has committed \$10000 to this effort. The first step of which is to hire qualified swim instructors and staff to support the program which is projected to launch in the first quarter of 2025.

Community Outreach

STIIIZY provides all employees sixteen hours of paid volunteer time to be used for company-approved volunteer opportunities. Over the past two years STIIIZY volunteers have participated in the following events:

South Michigan Food Bank

- Date: April 11, 2023
- Event Details: STIIIZY Social Impact and Social Equity Team plus STIIIZY retail employees sorted, boxed, and assembled pantry items for distribution across eight counties in Michigan.

Trunk or Treat in partnership with Charlie's P.L.A.C.E

- Date: October 31, 2023
- Event Details: STIIIZY retail employees volunteered to distribute candy to local youth and their families

South Michigan Food Bank

- Date: Month of November 2023

- Event Details: Canned food drive in the store to benefit the South Michigan Food Bank

Arts, Beats, and Eats

- Date: August 30 – September 2, 2024
- Event Details: STIIIZY retail employees volunteered to staff the celebration

ReLeaf Michigan

- Date: November 8, 2024
- Event Details:
 - \$5000.00 contribution to ReLeaf’s Treetacular Fundraiser. Additionally
 - STIIIZY is tabling this event and donating goods for the event’s auction.

Workforce Training

This September STIIIZY promoted the KVCC Cannabis Program to retail employees looking to advance their cannabis industry knowledge and to provide mutual support to KVCC in establishing a positive feedback loop.

All STIIIZY, retail employees have access to role specific training as detailed below:

- All Roles - Retail Succession Plan
- Dispensary Sales Associate Training Program (3 sessions per month)
- Leads Training Program (offered monthly)
- Assistant Manager Training Program (offered monthly)
- AM Performance Management Program

Cumulatively, STIIIZY retail staff at the store have logged nine hours and twenty minutes of training to advance their skills in the cannabis industry.

On top of that, STIIIZY offers retail employees twenty-eight “soft skills” courses to build upon their technical skills.

3. Social Equity Plan

STIIIZY’s Social Equity Plan for Kalamazoo has been extremely successful. In November 2022 upon first becoming operational, STIIIZY set out to inroads with local groups in the community to foster authentic partnerships to demonstrate the positive impacts cannabis businesses can have on their communities.

Partnering with Community Groups

STIIIZY has partnered with the following:

- Sisters in Business
- Black Entrepreneur Training Academy
- South Michigan Food Bank
- Charlie's P.L.A.C.E.
- ReLeaf Michigan

Originally, STIIIZY set out to partner with at least two. STIIIZY remains in regular contact with all the groups listed above as part of an ongoing commitment to dialogue regularly with community groups. In addition to those listed above STIIIZY remains in contact with the City of Kalamazoo Community Planning and Economic Development Department and Shared Prosperity Kalamazoo.

Volunteer Hours

Over the course of two years STIIIZY retail staff have logged over forty paid volunteer hours.

Charitable Donations

As of the writing of this plan STIIIZY has made \$27,500 worth of contributions to groups in or working in Kalamazoo. We are over a quarter of the way to our target of \$100,000 by the year 2028.

Focusing on Local Hires

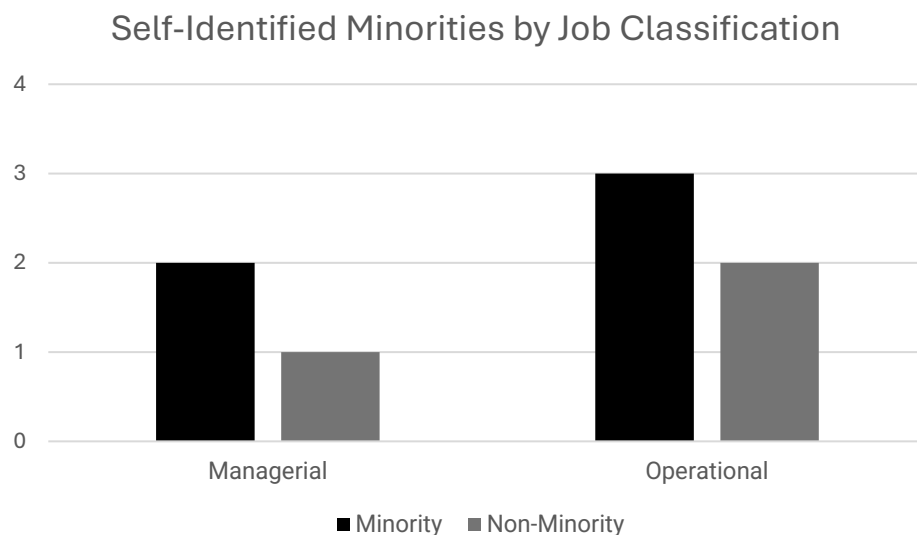
Of our current staff, sixty-three percent are Kalamazoo residents. We are committed to providing more job opportunities to Kalamazoo residents by making ourselves a regular presence at local job fairs; the most recent of which occurred in October of this year as detailed above.

4. Employee Demographics

Of the eight total full and part-time employees at STIIIZY, five are Kalamazoo residents (63%); none of these residents reside within census tracts 1, 2.02, 3, 9, or 10. STIIIZY maintains a good faith effort to hold local hiring events to increase its chances of hiring

individuals from these census tracts. While STIIIZY cannot guarantee employment to residents based on location alone reasonable efforts are taken to make note of candidates from these tracts during the hiring process.

When it comes to individuals with prior cannabis convictions or arrests STIIIZY seeks to level the playing field for all individuals no matter their background. Thus, for certain individuals who meet this criterion they will be given the same opportunity to take advantage of the professional development opportunities provided by STIIIZY. In our eyes such transgressions are not frowned upon, nor do they disqualify individuals for employment with STIIIZY or the opportunities provided. This is something we pride ourselves on as an innovator within this formerly illicit market.



5. Looking Ahead

STIIIZY is thrilled to report incredible progress since the social equity progress report. The partnerships forged over the past two years have resulted in some tremendous impacts on the community and STIIIZY has a lot to look forward to. Across the four social equity impact criteria set out in our plan, STIIIZY has met or surpassed all of the following:

- Number of local non-profits and community groups partnered with – **5**
- Donations or other monies, if applicable, to local non-profits and community groups – **\$27,500**
- Community meeting attendance – **4**
- Number of volunteer hours accrued by STIIIZY – **40+**

Additionally, for the purposes of our internal metrics we've been able to exceed our sales goals and keep our proportion of local hires constant.

Amidst celebrating our successes, we attribute equal weight when reflecting on areas where we can still improve. To date we have not identified any local hires from the City of Kalamazoo's targeted census tracts. We would like to improve this figure in the future by participating in more in-person hiring events.

Another area effecting the cannabis industry more broadly is downsizing, the amount of STIIIZY retail staff has shrunk as competition has grown and access to capital has become less abundant for the industry overall. These factors are, for the most part, out of STIIIZY's immediate control. However, we look forward to greener times for the cannabis industry.

Until then, we look forward to sharing our next update with you.