

Agenda

Economic Development Corporation

Board of Directors

City of Kalamazoo



Thursday, February 20, 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 January 16, 2025

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 Green Peak Industries, Inc. dba Skymint.
2. Approval of a recommendation to the City Clerk's Office for a 1-year approval of the Class A Microbusiness and Designated Consumption Lounge Permits to Royalweb, LLC dba Only Alien, contingent on the Applicant correcting the deficiencies by paying delinquent property taxes, and submitting approved Silver Level designation from the CRA by February 28, 2025. If the applicant fails to correct the deficiencies by this deadline, then the recommendation is approval of a 90-day probationary renewal.
3. Approval of a recommendation to the City Clerk's Office for a 2-year approval of the Medical & Adult Use Processor Permits to Portage Acquisitions, Inc. dba Black Market Retailers, contingent on the Applicant correcting the outstanding deficiencies by paying the delinquent taxes and paying the renewal permit application fee by February 28, 2025. If the Applicant fails to correct the deficiencies by this deadline, then the recommendation is approval of a 90-day probationary renewal.

4. Motion to establish a nominating committee to recommend candidates for 2025 board vacancies.
5. Approval of a Contract Renewal with Dickinson-Wright to provide legal services to the Brownfield Redevelopment Authority from April-December 2025.
6. Kalamazoo Social Equity Cannabis Chamber 2024 Annual Report Presentation

G. UNFINISHED BUSINESS

H. COMMUNICATIONS AND ANNOUNCEMENTS

I. STAFF REPORTS AND UPDATES

1. 2024 EDC Budget Report

J. ADJOURNMENT

**CITY OF KALAMAZOO
ECONOMIC DEVELOPMENT CORPORATION BOARD MEETING
Thursday, January 16, 2025
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; Kyle Gulau; Alonzo Wilson

MEMBERS ABSENT: Nathan Bolton

CITY STAFF PRESENT: Jamie McCarthy (Development Manager); Jerri Burdue (EDC Liaison/Neighborhood Business & Special Projects Coordinator); *Jessica Wood (Attorney, Dickinson Wright); Logan Mulholland (Consultant, Fishbeck); Jared Chambers (Business Specialist); Heidi Waffle (Brownfield Project Assistant); Chelsie Downs-Hubbarth (Community Investment Manager); *Erin Hahn (Community Investment Administrative Assistant)

Meeting was called to order at 7:47 AM by Chair Novotny.

Prior to calling the roll, Chair Novotny shared that Director Greeley has resigned from the EDC and BRA boards.

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

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

APPROVAL OF MINUTES: Director Ferraro moved approval of the minutes from the meeting of December 19, 2024; seconded by Director Middleton. Motion approved by voice vote unanimously.

PUBLIC COMMENTS

None.

DIRECTORS' COMMENTS

Director Gurnee mentioned the previous meeting's discussion regarding requirements for two-year permit renewals for Cannabis businesses. He thinks that the requirement surrounding outstanding property taxes is something the City of Kalamazoo has for marihuana permits but it does not match other permit requirements within the city. He wouldn't mind revisiting that at some point to talk about whether or not they are applying the program consistently across the city boards with similar requests.

Mr. Burdue said it is definitely something worth looking into.

Ms. McCarthy mentioned the difference between personal property taxes and the filing of personal property statements. She thought it would be useful for the board to have the difference between these

two terms clarified and that perhaps the assessor can come in to help talk about the terminology and when those items are due. They can talk about what programs have what requirements.

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.

Director Ferraro moved 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; seconded by Director Hess.

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

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.

Director Gurnee moved 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; seconded by Director Middleton.

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

3. Adoption of a Resolution in Support of a Revised Business Development Fund (BDF).

Mr. Burdue shared they do not have funding in 2025 for the program but they are hoping to pursue FFE dollars. He reviewed changes that are addressed in the revised version, such as a 25% match by businesses, as well as an application window and scoring rubric. There would be additional assistance for architectural design, which would be beneficial for obtaining the three bids that businesses are required to do. He said they are looking at the EDC having some capacity as a review committee.

Director Gulau asked about the review process and said he worries an ad hoc review process may not be consistent enough.

Director Burdue said ad hoc in this process more so refers it being during a quarter of a year because it will not be a full year commitment for that review committee.

*Ms. Erin Hahn entered the meeting at 8:00AM.

Director Gulau moved adoption of a Resolution in Support of a Revised Business Development Fund (BDF); seconded by Director Schipper.

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

4. Adoption of a Resolution to Dissolve the Marihuana Business Permit Renewal Committee.

Mr. Burdue said especially with the departure of Director Greeley and no expressed interest from other board members to join the committee, staff is expediting the dissolution of this committee. They feel that staff has a good handle on it in terms of the review of the permit renewal information and that the Social Equity Chamber should be stepping into a role of assisting marihuana businesses with their social equity plans. He said the future permit process will be much like the permits brought forward today, where staff will bring a recommendation and there is room for any questions or comments from the board. He said eliminating one of the steps to attend a committee meeting will help streamline the process for Cannabis businesses.

Mr. Burdue discussed that the resolution is open to further evaluate in the future the level of which the EDC wants to be involved in the renewal process, as well as if it should shift to more of an administrative review.

Director Ferraro said she likes the idea of making it administrative, because being able to look at all the boxes a business has checked in the process allows the board to see where the problems are.

Mr. Chambers explained further about the Social Equity Cannabis Chamber's role as a resource for businesses in their social equity initiatives.

Director Middleton moved adoption of a Resolution to Dissolve the Marihuana Business Permit Renewal Committee; seconded by Director Hess.

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

*Attorney Wood entered the meeting at 8:06 AM.

UNFINISHED BUSINESS

Director Gulau mentioned the topic of how the EDC can start measuring some of the leading metrics with the Economic Development Strategy. He said he heard the site plan review process for the City is changing and he is wondering how they as a board can start thinking about how they might measure that process as one of the tools of economic development.

Ms. McCarthy stated she can put that on the list as they move towards the board retreat.

COMMUNICATIONS AND ANNOUNCEMENTS

Mr. Burdue shared they are working on gathering input from the development community regarding the OPRA policy and hopefully it will go back to City Commission in February or March.

Mr. Burdue shared he will be leaving the City of Kalamazoo and that his last day is January 17. He said it has been great working with the board and thanked the board for his time working with them.

Chair Novotny thanked Mr. Burdue for all that he contributed.

STAFF REPORTS AND UPDATES

None.

ADJOURNMENT: Meeting was adjourned at 8:09 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: January 20, 2025

Re: Adult Use Retailer Permit Renewal for Green Peak Industries, Inc. dba Skymint

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: Green Peak Industries, Inc. dba Skymint for its facility at 3630 Gull Road and that the EDC Board provide a recommendation regarding the renewal of this permit. The City Operating Permit, issued on February 16, 2023, is scheduled to expire on February 28, 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;
 - Skymint has 11 employees. 5 full-time & 6 part-time.
 - 1 Store Manager, earning \$80,000/year.
 - 1 Assistant Store Manager, earning \$48,800/year.
 - 2 Supervisors, earning \$41,600/year.
 - 7 Retail Specialists, earning \$18,000/year.
 - The business has begun to allow employees to collect tips, with no downward adjustment to their hourly wage.
 - Benefits include, 401K with company match up to 4%, Short-term & long-term disability, PTO accrual & paid holidays, dental, and vision.
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;
 - Job Creation 2023 – 5 part-time and 4 full-time positions for local residents totaling \$335,018.
 - Job Creation 2024 – 5 part-time and 4 full-time positions for local residents totaling \$405,436.
 - February 2023 – Bronson Hospital Crayons 4Kids Toy Drive.

- April 2023 – Kalamazoo Roller Derby – Skymint sponsored the team, engaged the community, and gave out prizes
 - October 2023 – Kalamazoo American Heart Association Walk staff member participation
 - August 2024 – Back to School Drive for local schools.
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;
- No social equity efforts reported – repeated community outreach efforts on application. No evidence of their social equity plan being carried out at the local level.
 - Donations to ReLeaf through round-up totaling \$1,949.
 - Donations to Last Prisoner Project round-up totaling \$531.51.
 - Staff recommends that the business should make an effort to collaborate with the Kalamazoo Social Equity Cannabis Chamber.
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.
- The hiring and public accommodation practices of the facility conform to the City's Nondiscrimination Ordinance provisions.
 - There are 2 management positions, 0 women and 0 minorities.
 - There are 11 operational positions, 6 women and 0 minorities.
6. A statement, with supporting documentation, providing answers to the following questions:
- a. How many City residents do you currently employ?
 - 9 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 employees reside in the identified census tracts.
 - c. What is your plan to employ residents of the identified census tracts?
 - The Store Manager filters candidates based on the identified Census Tracts. Applicants from these tracts who apply through the social equity program are automatically offered an interview and prioritized ahead of other candidates. Additionally, text blasts are sent to customers within these Census Tracts to notify them of job openings, aiming to attract more applicants from these areas and expand the candidate pool.

- d. How many of your employees have prior marihuana convictions (excepting a conviction for delivery or distribution to a minor)?
 - No 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?
 - If a future employee has a prior marihuana conviction, Skymint plans to provide training as well as education on expungement and the “Clean Slate Act.”
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.
- Skymint is 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, and 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 Green Peak Industries, Inc. dba Skymint.

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:

Green Peak Industries, Inc. (DBA Skymint)

3630 Gull Road, Kalamazoo, MI 49048

Type: Adult Use Retailer

	Date Received	Received By	Comments		
Renewal Application Received	12/13/2024	Jared Chambers			
Inspection Type:	Inspection Date	Completed by:	Satisfactory?	Notes	
Fire Inspection - 123 E South St.	1/7/2025	Scott Brooks	Yes		
Zoning Inspection - 123 E South St.	1/7/2025	Pete Eldridge	Yes		
	Date	Name	Comments		
Business Community Benefits Check-In	1/21/2025	Jared Chambers			
	Invite Sent	EDC Meeting Date			
Invite to EDC Meeting	12/17/2025	2/20/2025			
	Full-Time	Part-Time	Comments		
Jobs Created	5	6			
	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	Yes	Gold	Jared Chambers		
			All Items Complete	Yes	

**MARIHUANA BUSINESS PERMIT
RENEWAL APPLICATION**

**Green Peak Industries, Inc. dba Skymint
Adult Use Retailer License For
3630 Gull Road, Kalamazoo, MI 49048**

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DOCUMENTATION

Marihuana Business Permit Renewal Application
Green Peak Industries, Inc. dba Skymint
3630 Gull Road, Kalamazoo, MI 49048

RENEWAL APPLICATION

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 Green Peak Industries, Inc. dba Skymint

Business Address 5 Research Dr.

City Ann Arbor **State** MI **Zip Code** 48103 **Business Phone** 517-449-3240

Business E-mail info@skymintbrands.com **Business Website** www.skymint.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 3630 Gull Road, Kalamazoo, MI 49048

Real Property Parcel Number 06-12-214-001

Advertised Facility Name Skymint

Manager - Full Name Nolan Hamilton

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

Name Anthony Szilagyi

Address 5 Research Dr.

City Ann Arbor

State MI

Zip Code 48103

Phone 517-449-3240

E-mail aszilagyi@skymint.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: _____

Name (printed): _____

Position: _____

STAFFING PLAN

Summary

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

Full-time employees (32+ hours per week) 5 Part-time employees (< 32 hours per week) 8

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: Store Manager Annual Average Compensation \$ \$60,000

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: Assistant Store Manager Annual Average Compensation \$ \$48,800

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 \$ \$41,600

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: Retail Specialist Annual Average Compensation \$ \$18,000

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

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

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

Position Title: Security Guard Annual Average Compensation \$ \$37,000

How many people are employed in this position at the licensed facility? 0

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

401 K with company match up to 4%

Short-Term and Long-Term Disability

PTO Accrual and Paid Holidays

Dental

Vision

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
Job creation	Creation of 5 part-time and 4 full-time positions for local residents	\$295,750
Job creation	Creation of 5 part-time and 4 full-time positions for local residents	\$435,725

JOB CREATION FOR LOCAL RESIDENTS		
Initiative/Description	Date(s)	Outcomes
Creation of 5 part-time and 4 full-time positions for local residents	2023	Paid out salaries of \$295,750 to local residents.
Creation of 5 part-time and 4 full-time positions for local residents	2024	Paid out salaries totaling \$435,725 to local residents.

COMMUNITY OUTREACH		
Initiative/Description	Date(s)	Outcomes
Bronson Hospital Crayons 4 Kids Toy Drive	February 2023	Successful. Received donations of crayons, coloring books, board games and toys
Kalamazoo Roller Derby	April 2023	Successful outcome.
Kalamazoo American Heart Association Walk	October 2023	Several staff members participated
Back to School Drive	August 2024	Successful. Received donations of school supplies for local schools.

WORKER TRAINING PROGRAMS		
Initiative/Description	Date(s)	Outcomes
Standard Operating Procedures Training	Ongoing	Successful - employees are knowledgeable about industry basics and internal procedures.
Training on Statutes and Rules	Ongoing	Employees are knowledgeable about current laws/regs.
New Hire Orientation Program	Ongoing	Successful - employees are familiar with company policies.
Safety and Emergency Training	Ongoing	Successful - Employees are trained on emergency situations and preparedness.

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
Back to School Drive	August 2024	Successful. Received donations of school supplies for local schools.
Bronson Hospital Crayons 4 Kids Toy Drive	February 2023	Successful. Received donations of crayons, coloring books, board games and toys
See attached Social Equity Plan.		

EMPLOYEE DEMOGRAPHIC INFORMATION

Total Number of Employees:		
Employees in Managerial Positions	Total Employees	2
	Number of Women	0
	Number of Minorities	0
Employees in Operational Positions:	Total Employees	11
	Number of Women	6
	Number of Minorities	0

How many City Residents do you currently employ?	Total Employees	9
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?

We plan to host local career fairs to identify candidates. GPI will forge partnerships with organizations connected to the community including local vocational schools, community colleges and universities. Advertisements for open positions will be targeted to local surrounding zip codes. We will also advertise through the Office of Veteran Affairs which will enable our efforts to reach more members of the local veteran community.

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?

We do not currently have any employees with a prior marihuana conviction. However, if a future employee has a prior marihuana conviction, we would provide training supports as well as education on expungement and the "Clean Slate Act."

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.

Jeffrey Donahue Driver License (Front/Back)



STAFFING PLAN WORKSHEET AND ADDITIONAL DOCUMENTATION

STAFFING PLAN

Summary

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

Full-time employees (32+ hours per week) 5 Part-time employees (< 32 hours per week) 8

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: Store Manager Annual Average Compensation \$ \$60,000

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: Assistant Store Manager Annual Average Compensation \$ \$48,800

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 \$ \$41,600

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: Retail Specialist Annual Average Compensation \$ \$18,000

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

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

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

Position Title: Security Guard Annual Average Compensation \$ \$37,000

How many people are employed in this position at the licensed facility? 0

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

401 K with company match up to 4%

Short-Term and Long-Term Disability

PTO Accrual and Paid Holidays

Dental

Vision

Attach additional pages as necessary.

STAFFING AND OPERATIONS PLAN

INTRODUCTION

Green Peak Industries, INC (GPI) DBA Skymint Brands seeks to recruit and support the best available talent, made up of motivated and qualified professionals. We are prepared to invest time and funds into proper employee recruitment, education, and training, specific to the adult-use marihuana industry, the role of our company, and the various ways in which we will help the consumers that our operation will serve.

The GPI Staffing and Operations Plan is part of a comprehensive set of documents created with the mindset of facilitating a safe, secure, and professional startup after licensure. It details the manner in which GPI will attract, hire, and retain qualified professionals of high moral character. Additionally, it provides the day-to-day operations of GPI employees to provision high quality adult-use marihuana to Michigan consumers.

Retailer Employees

The following is a list of key employees to be hired at each Retailer location after state licenses are awarded and prior to the commencement of operations:

- Store Manager
- Assistant Store Manager
- Supervisor/Department Manager
- Retail Specialist
- Security Guard

At a minimum, each retailer location will begin operation with a staff of eleven (11) employees. Based on the success and volume of each location, additional staff will be hired to accommodate the growth of the operation. All retail staff will report directly to Green Peak Industries' corporate office in Ann Arbor, Michigan. Specifically, they will report to the Market Director, Devan Larson. The Market Director reports to the Vice President of Retail, Bryan Lloyd, who has held executive level positions at various retailers for more than twenty years.

All prospective employees are subject to a background check and the results of the background check will be retained in their employee file. The job descriptions, qualifications, roles and responsibilities for each retail position are described in detail below.

Employee Roles, Qualifications Duties and Responsibilities

Store Manager

Role:

- Responsible for overseeing Retailer operations

Supervision Received:

- Market Director (corporate)

Supervision Exercised:

- All Retail employees

Duties and Responsibilities:

- Manages facility operations
- Participates in creating and implementing company policies; directs and coordinates departmental activities to meet business goals and objectives; ensures profitability and growth
- Reviews activities, costs, operations, and forecast-data to determine progress towards company goals and objectives
- Reviews daily and weekly sales and inventory reports to keep the Retailer fully stocked and resolve any complications or problems
- Directs and reviews facility inventory reports
- Develops and implements training protocols and procedures
- Oversees key projects, processes, and performance reports, data and analysis
- Reviews operations and policies to better meet sales goals and to ascertain market demand, consumer habits, and the potential for new markets
- Reviews and approves accounting analyses for budgeting and implementation, financial reporting, and submittal of capital expenditures

- Ensures facility compliance with federal, state, and local industry regulations
- Develops and communicates plans, employee evaluations, sales, and market analysis reports to the ownership group, including principals and other financial backers
- Effectively and productively communicates with the ownership group and subordinates
- Refines, revises, and enforces company Standard Operating Procedures
- Manages employee relations with support of administrative personnel
- Manages performance by formulating effective goals, setting targets, and key performance indicators as appropriate
- Works with various department managers to prevent loss, diversion, and provide inventory oversight and audits
- Sets the tone, pace and directs the workflow of both staff and the management
- Ensures facility compliance with local, state, and federal sanitation standards and occupational, health, and safety regulations
- Responsible for reporting any indication of loss, diversion or theft from the inventory to law enforcement, regulatory agencies, and the owners group
- Participates in continuing Retailer education and general cannabis industry seminars to remain at the forefront of industry best-practices
- Complies with HR policies including confidentiality and non-disclosure

Qualifications:

- A bachelor's degree in business administration, management or a related field, or 5+ years equivalent industry management experience in a retail setting.
- Minimum 5 years managerial experience
- Strong communication skills
- Demonstrated people management skills and development capability
- Demonstrated successful leadership
- Strong organizational skills
- Proficiency in technology software, desktop electronics, MS Office (Word, Excel, Outlook, PowerPoint)
- Fluent in spoken and written English
- First aid training, OSHA training
- Related experience in a highly regulated industry

Assistant Store Manager

Role:

- Responsible for the direct oversight of the Retail operations

Supervision Received:

- Reports to the Retail Store Manager

Supervision Exercised:

- Manages the team of Retail employees, performing supervisory responsibilities in accordance with the organization's policies and applicable laws
- Management responsibilities including interviewing, hiring, and training employees and contractors; planning, assigning, and directing work; appraising performance; rewarding and disciplining subordinates; addressing complaints and resolving problems
- Responsible for opening and closing the facility, ensuring proper working software and hardware

Duties and Responsibilities:

- Manages all employee tasks and duties in the Retail Store
- Develops and implements work plans for employees
- Assists in implementing training protocols and procedures
- Works with the Retail Store Manager to develop marketing and advertising strategies and budgets
- Assists the Retail Store Manager in establishing sales goals and objectives
- Responsible for cash handling and related activities (e.g., drops, deposits)
- Ensures Retailer compliance with local, state, and federal sanitation standards and occupational, health, and safety regulations
- Creates shift schedules and maintains employee scheduling software
- Provides feedback to employees and promotes a positive work environment
- Understands and communicates the company's risk-management strategies that address theft, diversion, tampering, and hazards, such as power outages, or natural disasters
- Ensures the products being supplied to customers are safe, of high-quality, and consistent with regulations
- Collaborates with Human Resources for hiring and employment practices
- Accountable for purchases and expenses for Retailer-related office and cleaning supplies
- Participates in cannabis industry related continuing education and seminars
- Complies and enforces company policies including confidentiality and non-disclosure
- Performs in a manner consistent with the goals and values of the company
- In the event of a voluntary or mandatory recall procedure, serves as part of the Internal Recall Team
- Communicates compliance violations through the Retail Store Manager to the staff
- Performs regular and unscheduled compliance audits
- Provides compliance-specific training programs to facility employees
- Responsible for reporting noticed indications of loss, diversion, or theft from the inventory to the Inventory Control Manager and the Retail Store Manager
- Provides procedures for retention, protection, retrieval, transfer, and disposal of various Retailer and facility records, including sensitive documents
- Designs and implements office policies by establishes standards and procedures for the main office; measures results and makes necessary adjustments
- Complies with company policies including confidentiality and non-disclosure
- Performs in a manner consistent with the goals and values of the company
- Other duties as assigned by the Retail Store Manager

Qualifications:

- Minimum bachelor's degree in business management, operations and/or logistics, project management, or a related field
- Minimum 5 years' experience in operations management, demonstrating successful team management and leadership skills
- Strong communication skills with the ability to direct staff, and take responsibility for the communication
- People management skills and capability
- Strong organizational skills
- Proficiency in technology software, desktop electronics, MS Office (Word, Excel, Outlook, PowerPoint)

Retail Specialist*Role:*

- Manages the sales floor
- Provides exceptional customer service

Supervision Received:

- Assistant Store Manager

Duties and Responsibilities:

- Responsible for customer sales and customer experience
- Maintains presentable, safe, and sanitary Retailer conditions
- Ensures the Retailer floor is properly stocked
- Promotes a positive, customer-service oriented work environment in line with established policies and procedures
- Responsible for using the inventory tracking system and point-of-sales system
- Responsible for cash handling and related activities

Qualifications:

- High school diploma or equivalent (associate's or bachelor's degree in retail, management or a related field is preferred)
- Previous food service or retail experience (preferred)
- Previous industry experience (preferred)

Security Guard*Role:*

- Ensures the security of customers, staff, inventory, and the facility

Supervision Received:

- Manager on Duty/Assistant Manager

Duties and Responsibilities:

- Maintains and implements security standard operating procedures and training
- Provides risk and anti-diversion training to Retailer personnel
- Minimizes risks to the premises by providing fortified support
- Primary point of contact with any Security Vendor
- Ensures compliance with security standard operating procedures
- Masters security technology, such as video surveillance, passwords, and POS applications
- Oversees security of marijuana product and cash
- Ensures consistent monitoring of security systems (surveillance, alarms, and access)
- Ensures facility locks and security equipment are in good working order with monthly inspections

Qualifications:

- High school diploma or equivalent; further education in security administration or similar field (preferred)
- Proven experience as security manager or similar position
- Experience using relevant technology and equipment
- Experience in reporting and emergency response planning
- Excellent knowledge of security protocols and procedures
- Excellent communication and interpersonal skills
- Outstanding organizational and leadership skills
- Prior military experience is preferred

HIRING PROCEDURES

GPI is committed to reaching out to the local community to select a diverse group of individuals who exhibit aptitude, a strong work ethic, and qualifications to enter the adult-use marihuana industry.

As part of an emerging industry, GPI will plan strategically toward recruitment, staffing, and employee training to contribute to successful growth of the industry in Michigan, as well as regional economic growth, and job creation. The strategy will entail hiring and training diverse local workers and providing contract opportunities to Michigan's preferred vendors and other small, local businesses.

Job Creation and Hiring Locally

GPI aims to be a welcome member of the community and will offer well-paying jobs to local residents and an attractive, full-time benefits package with full medical benefits, paid vacation, and other customary benefits.

Our operation depends on having a motivated and talented team of professionals. We will offer ongoing training and support to our employees to ensure we meet and exceed the needs of customers. Key qualifiers for employment will be a high potential to learn and a deep passion for quality, compliance, and service. We recognize that many candidates may not possess direct experience working with adult-use marihuana and will focus on a candidate's applicable or relevant skills that may be transferable to success in our industry.

We are prepared to invest time and funds into proper employee education and training, particularly concerning safe, ethical, and legal aspects of the adult-use marihuana business, the part our company will play in the marihuana industry, and the various ways in which we will help the consumers that our operation will serve.

Hiring

In an effort to hire local staff that are committed to remaining within Michigan and with our company long-term, interviewers will be trained to ask candidates directly about their desire to work for a Michigan-based company. Additionally, applicants will be encouraged to provide relevant information as to how they plan to contribute to the community through their career. Preference will be given to applicants who are dedicated to working within Michigan and contributing to the community in which we intend to operate.

In our hiring procedures, GPI will offer opportunities for career advancement as a way to grow the expertise of our employees and to foster industry growth. As new positions are created, we will make an effort to promote from within first and will reach out to the local community second. Managers who express an interest and/or need to expand their teams will meet with their immediate supervisor and the Human Resources Director to ensure the role is justified and to assess whether the position may be filled internally first. A Personnel Requisition Form will be used to guide this

process. The form will contain mandatory fields such as proposed job title, proposed job description, supervising department, proposed wage/salary, exempt status, and acknowledgement that the position must be posted internally and within the community before seeking outside candidates will be permitted. Upon approval of a new position, the job description will be posted in the facility common areas, such as the break room, to alert all employees to the opportunity. If an internal employee expresses interest, applies, and is qualified, the internal employee will be offered an interview. If no internal employees express interest, the opening will be posted within the community through the channels and partners described above. All employees will be encouraged to speak with their supervisor about their career aspirations and opportunities to advance within the company.

Diversity Plan

GPI is committed to Equal Opportunity Employment (EOE) and engaging the best, most diverse pool of Michigan-based candidates and vendors while creating a work environment where all employees treat each other with equality, dignity, and respect. This will be achieved by communicating the importance of diversity within the company, by providing diversity training, and by ensuring senior-level commitment to diversity. Academic studies have shown that socially diverse groups are more innovative than their homogeneous counterparts. When people from different backgrounds, genders, and races come together to solve problems, they bring with them different information, opinions, dispositions, and perspectives. This mix enhances creativity, lends itself to a deeper understanding of market issues, and leads to more innovative ideas and spontaneous breakthroughs. To this end, GPI has developed this Diversity Plan, to be deployed upon licensure.

Diversity-Focused Hiring and Employment Practices

Informing the Community

GPI intends to promote open roles internally, to encourage employees to continue learning and expanding within the company. Additionally, we will host local career fairs to identify candidates. To promote all open roles and any hiring events, GPI will forge partnerships with organizations intimately connected with diverse communities including local vocational schools, community colleges and universities. These partners will work closely with us in the promotion of hiring and staffing initiatives. Advertisements for open positions will be targeted to local surrounding zip codes. We will also advertise through the Office of Veteran Affairs which will enable our efforts to reach more members of the veteran community.

Diversity-Focused Hiring

GPI is proud to be an Equal Opportunity Employer and anticipates hiring diverse individuals from the local community immediately following licensure. To accomplish this, our HR Director will work to ensure that each hire conforms to our overarching diversity plan. Management will then meet quarterly to discuss the company's diversity status, inclusion plans, overall recruitment efforts, and pursued and missed diversity opportunities.

Engaging Diverse Businesses

GPI intends to develop a culture rich in diversity post-licensure, and will support local, diverse businesses whenever possible. To accomplish this, we have identified core areas where subcontractors may be necessary and have sought out a number of local Small Diverse Businesses capable of filling these voids. We will actively pursue partnerships with Small Diverse Businesses certified in one or more of the diverse-owned business categories: MBE - Minority Business Enterprise; WBE - Woman Business Enterprise; VBE - Veteran Business Enterprise; and LGBTBE - LGBT Business Enterprise.

Diversity Training

GPI understands that sustaining a diverse working environment requires a commitment to education within the company. To ensure that all employees understand the importance of diversity and the company's mission to be an inclusive and accepting organization, all employees will participate in Diversity Training within 60 days of employment. Employees will not be eligible for promotion in pay or title without having completed Diversity Training. This training will occur six times per year, ensuring that each employee has the opportunity to participate within 60 days of his or her start date. Each of the following trainings will be developed by the HR Director, who will also act as GPI's Equal Opportunity Officer: *Archetype Team Training* is a hands on, dynamic training session to encourage all employees and members of management to consider their individual archetypes as it relates to assessing other people and their differences; *Sexual Harassment Training* is required for all employees to ensure all staff understand what sexual harassment looks and sounds like and our commitment to building a safe workplace for all; and *Conflict Resolution Training* is required for all management-level employees and ensures that all employees feel safe and respected at work.

Senior-level Commitment to Diversity

For the diversity plan to succeed, managers, and decision makers within the organization must acknowledge the tremendous benefits of diversity. Increasing awareness of this information is vital across all areas of the company and will be an integral part of the overall plan. In addition to mandatory management training, GPI will coordinate events throughout the year that promote diversity and allow employees to connect with their peers and senior-level staff members to discuss concerns, achievements and ideas. By teaching managers how to effectively work with others, while always respecting employee differences, GPI is confident in its ability to promote a diverse culture and workforce.

As described above, GPI is committed to diversity from the top down and to coordinate efforts to attract diverse groups within the population. Diverse outreach programs will address gender, ethnic background, age, disability status, national origin, military status, and sexual orientation. By valuing and celebrating diversity, we will foster a respected and creative workforce, a high level of employee satisfaction, and a welcome presence in Michigan and the local communities.

Creation and Implementation of Standard Operating Procedures

Green Peak Industries' Standard Operating Procedures (SOP) will be implemented to ensure the secure, safe, and successful management of adult-use marihuana within a professional, customer-facing environment. SOPs include step-by-step instructions on every task within the Retailer, providing the guidelines for personnel conduct and the procedures necessary to comply with the Michigan Marijuana Regulatory Agency (MRA). The SOP document is well organized, presenting a purpose, policy and procedure for every operation in the facility. The purpose establishes a general description of the items included in the SOP. The policy section provides a quick, verbatim reference to the regulations from which the SOP was derived. Procedures are presented in a systematic fashion and include the log forms, charts and diagrams required for proper recordkeeping.

SOP Organization

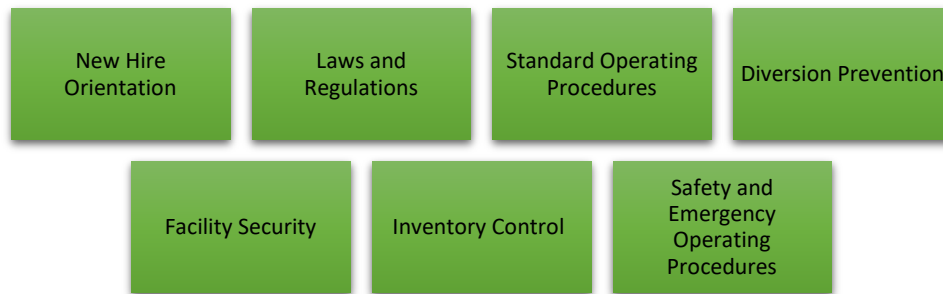
Green Peak Industries has put considerable thought into how the integrated SOP management system will be designed and how it will function. Each Retailer process will have a separate SOP organized around its unique tasks and workflow. The core of the SOP details the full procedure in a step-by-step chronological manner. SOPs will include narratives, images, diagrams, graphs, charts, photos, process-flow, and floor plans. They will be available electronically through a web-based interface for access by every employee. Hard copies will be kept on site for immediate reference and inspection.

The SOP system will be maintained in a secure, cloud-based environment with administrative controls that allow for the immediate adjustment or removal of employee access. Employees will access a view-only environment that does not allow editing, downloading, or printing except to authorized personnel. Online capability will allow management to continually update and administer the SOPs. The Store Manager will be responsible for maintaining and updating the SOP manual, including keeping a current hard copy onsite as a backup and for inspection on demand. The Store Manager will approve and document all SOP changes on a master change log, keeping a chronological record of all significant process changes, the reason for the change, such as new regulation, the date the change was executed, and the Store Manager's initials indicating their final approval.

The SOPs will be organized using a number sequence that identifies the Retailer process to which it relates. For example, the 300 series may be Retailer Security, and the 700 series may be Sanitation. Related forms and checklists will be integrated into the SOPs through hyperlinks that take the user to the appropriate database. The forms database will be similarly organized with the same numbering sequence. A Suspicious Incident form, for example, would exhibit a 300-series number, a Daily Sanitation checklist a 700 series number. Each form and checklist will indicate the length of time it must be archived and kept available for inspection by the MRA.

SOP Training

In addition to any MRA required industry training, internal training will focus on industry basics including state and local regulatory guidelines and proper implementation of facility SOPs. The ongoing, in-house training regimen will include:



Orientation training for new hires will include familiarization with the integrated job-duty/SOP system. Employees will be provided with a copy of all company policies, such as drug-free workplace rules and customer confidentiality requirements. Each employee's annual evaluation will include a review of their personnel file to ensure they are up to date on SOP training certification. Certifications will be cross-referenced in an employee's direct supervisor's file. The annual review of their supervisor will also include reference to the completed training of their direct report employees.

Training Documentation

Attendance at formal training classes will be mandatory. Training on specific SOPs, including applicable laws and regulations, will include an acknowledgement of completion signed by both the employee and a supervisor. Human resource files and training documentation will be maintained in hard copy and an electronic environment for ease of interaction, retention, auditing, and inspection. Employment contracts will specify attendance at training classes, and employees that do not complete the required training in the specified time could have their hours and duties restricted until the training is completed. Failure to complete the required training may lead to an employee's reassignment or termination.

List of SOPs

The following is a sample list of SOPs relating to the Retailer:

- Adverse Customer Reaction and Complaints
- Cleaning and Sanitation
- Cycle Count
- Quarantine and Disposal of Expired, Recalled and Damaged Products
- Equipment Maintenance
- FIFO Inventory Management
- Storage of Marihuana
- Inventory Conversion: Flower
- Opening and Final Cash Drawer Count
- Opening Manager Duties
- Ordering Marihuana Products
- Packaging and Labeling
- Pre-Packing Marihuana Flower
- Product Handling
- Product Returns
- Quality Control

- Recall Plan
- Receiving Inbound Products
- Retailer Agent Closing Duties
- Retailer Agent Opening Duties
- Shipping Product
- Visitor Protocol

SOP Template

STANDARD OPERATING PROCEDURES	
TITLE:	
SOP #: 100	EFFECTIVE DATE:
WRITTEN BY:	APPROVED BY:
REGULATORY REFERENCES:	RELATED DOCUMENTS: Checklists
LIST OF EQUIPMENT USED IN THE PROCESS: Specs and Images	
PURPOSE/POLICY: A clear summary of the objective of the SOP and Company policy.	
RESPONSIBILITIES: Staff responsible for performance	

PROCEDURES:

The core of the SOP details the procedure in full, in a step-by-step chronological manner.

This section of the SOP will include a very detailed description of the procedures and sub procedures within each process. It will include narrative, images, diagrams, graphs, charts, photos, process-flow, and floor plans.

TITLE:

Agent training sign-off _____ Date _____

Supervisory sign-off proficiency _____ Date _____

Employee Continuing Education Log

SOP/CONT. ED. TITLE:

IN HOUSE or (LOCATION):

Employee acknowledgement _____ Date _____

Supervisor acknowledges proficiency _____ Date _____

SOP/CONT. ED. TITLE:

IN HOUSE or (LOCATION):

Employee acknowledgement _____ Date _____

Supervisor acknowledges proficiency _____ Date _____

SOP/CONT. ED. TITLE:

IN HOUSE or (LOCATION):

Employee acknowledgement _____ Date _____

Supervisor acknowledges proficiency _____ Date _____

SOP/CONT. ED. TITLE:
IN HOUSE or (LOCATION):

Employee acknowledgement _____ Date _____

Supervisor acknowledges proficiency _____ Date _____

Training Plan Framework

Green Peak Industries is committed to reaching out to the local community to select a diverse group of individuals who exhibit aptitude, a strong work ethic, and an eagerness to enter the adult-use marihuana industry. Green Peak Industries will implement a robust internal training program to aid the professional development of Retailer employees. The following ongoing, in-house training program for Retailer staff is designed to exceed industry standards:

Operational Training

1. Inventory Tracking System (METRC) / Point of Sale (POS) Software: user interface allows data entry into METRC for barcodes, state ID tags, customer information and transaction tracking, and reports
2. Customer Consultation: reception check in, first-time customer, product consultation, dosage, education, customer literature and resources
3. Security Process and Procedures: employee check in, customer check in, vendor check in, ID verification, safety features, life safety plans, cash handling, shipping, diversion prevention measures
4. Packaging & Labeling Principles
5. Administration/Operational Best Practices: ordering/buying, merchandising, sanitation and safety, record keeping, dispensing operations, maintenance, opening & closing procedures, cash handling, inventory control, product rotation, product return and disposal, product recalls

Training on Statutes and Rules

A comprehensive understanding of the laws and regulations that govern the adult-use marihuana industry is vital in such a heavily regulated and highly scrutinized environment. Employees **must** appreciate the importance of compliance for their own safety, the safety and health of customers and the very survival of the organization itself. Green Peak Industries' Assistant Store Manager will conduct regular training sessions to update staff on current regulatory developments. SOPs will include regulatory references and relevant excerpts that will be hyperlinked to allow the employee to read the entire related regulation without having to exit the online interface. Inclusion of regulatory information in the SOPs will allow employees to view procedures within a regulatory

frame of reference and ensure their understanding of the purpose and importance of the steps they are learning. SOPs will be clear, concise, easy to understand and use.

Training Documentation

Attendance at formal training sessions will be mandatory for Green Peak Industries employees. Completion of training on specific SOPs, including applicable laws and regulations, will require signatures of acknowledgement from both the employee and their supervisor. Documentation of completed training, whether in-house or external, will be retained in each employee's personnel file, maintained in hard copy, and backed up electronically per Green Peak Industries' standard recordkeeping policies. Employment contracts will specify mandatory attendance at training sessions. Employees who do not complete the required training in the specified time may have their hours and duties reduced or restricted until the training is completed. Failure to complete the required training may lead to an employee's reassignment or termination.

Compliance Review and Internal Audit

Green Peak Industries' Training Plan will incorporate audit and evaluation features that clearly show an employee's level of comprehension for an individual SOP. These assessments provide managers with instant insight into the proficiency of their staff and show which individuals may require additional training. This commitment to individualized training demonstrates Green Peak Industries' dedication to effective employee education, rather than simple document distribution.

Green Peak Industries' Store Manager and Assistant Manager will be responsible for SOP training and implementing regularly occurring and random employee audits. Reoccurring audits will include a review of employee personnel files to ensure employees have acknowledged SOPs. Random audits will entail selecting an employee to demonstrate their knowledge and proficiency of an SOP from their job description. Audit activity, employee performance observations, and the steps taken to improve upon or correct inadequacies will be documented within the employee's personnel file. Managers and supervisors will be held accountable for the training of their staff as part of their own overall job performance.

Employee Training Manual

The employee training manual will be divided into sections that address areas of concern in the facility. The training manual will include, for example, but is not limited to:

1. A new-hire orientation training section: New employees will go through an orientation period. As they begin their tenure, employees will be presented with a training manual to include a review of all company policies, such as drug-free workplace rules and confidentiality requirements. This phase of training will also include an introduction to company SOPs, inventory tracking and point-of-sales systems, and how to use them.
2. Laws and Regulations: This section of the training manual will include the critical laws and regulations Green Peak Industries and its employees are subject to. References to these laws and regulations will be incorporated into Green Peak Industries' SOPs.
3. SOP training curriculum: The SOPs themselves will comprise the primary training curriculum. The training manual will include an example of Green Peak Industries SOP documents and reference the actual SOP manual. SOP training will be acknowledged by employees and their managers with a signature from each to denote their comprehension, proficiency, and compliance. Documentation will be retained in the employee's file and made

available for inspection by the Marijuana Regulatory Agency (MRA).

4. Detection and prevention of diversion: This training will be designed and implemented with assistance from Green Peak Industries' professional security consultant. The security consultant will help customize Green Peak Industries' comprehensive security strategy and will conduct training sessions for its employees.
5. Facility Security: This training will be designed and implemented with assistance from Green Peak Industries' corporate Director of Security, who will provide customized security planning and training to Green Peak Industries' employees.
6. Safety and Emergencies: This training will be designed and implemented by Green Peak Industries' Director of Security and local fire and safety agencies. Employees will be trained on emergency situations. Periodic drills will be performed to ensure preparedness.
7. Inventory Control - The training manual will include a section that provides an overview of inventory control. The electronic tracking system is third-party software that will have its own comprehensive user's manual. This will be retained onsite at the Retailer.

Training and Development Programs

Green Peak Industries will develop a detailed training and employee retention program to encourage personal and professional growth within the organization. Operating in an industry that lacks a fully established labor pool of readily skilled employees presents a unique opportunity to attract a diverse workforce and to train them to become industry experts. Green Peak Industries will provide the training necessary to fully integrate new hires into the industry. Once they become proficient, they will have gained a valuable personal asset and be set on a career path in a vibrant growing industry. Green Peak Industries envisions providing the following supplementary areas of instruction. Program managers will be encouraged to augment internal training by attending outside seminars:

- Benefits Enrollment
- Supervisory Training
- Cultural Difference Awareness
- Mentoring
- Cross-Training
- Transition training within the organization
- Hazardous Materials and Response Training
- OSHA required courses
- Continuing Education
- Community Volunteering Incentives

Retailer Daily Operations

Green Peak Industries' retail hours of operation will be as follows:

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
10am-8pm	9am-9pm	9am-9pm	9am-9pm	9am-9pm	9am-9pm	9am-9pm

Daily operations will be divided into two shifts. Hours of operation are subject to change based on customer needs and special events such as holidays. Green Peak Industries' retailers will never open prior to 8am.

All managers will be expected to compile shift notes throughout the day with details such as sales numbers, customer counts, employee behavior, security issues, inventory issues, compliance, or any other significant observations or events.

Manager on Duty (MOD) Opening Duties

The opening manager on duty (MOD) will arrive at least thirty minutes before the start of business to allow enough time to prepare for the day. Upon arrival, the MOD will verify that security personnel are present before unlocking and entering the Retailer. Two or more employees must be present to open the Retailer; managers will not open the store alone. Once inside, the MOD will turn on lights, disable the entry alarm, unlock the safe and remove the products to stock the Retailer. The MOD will ensure a guard is posted at the secured entrance(s) to admit arriving employees. Once security is in place, the MOD will turn on the point-of-sale system terminals and verify that register drawers have the correct opening cash amounts. If the drawer has an overage or shortage, the manager will review the reconciliation and cash close reports for the previous night to confirm their accuracy and take the appropriate actions. Once the cash counts for all point-of-sale terminals have been verified, the MOD will turn on the sound systems, powered displays and/or televisions. The MOD will place any promotional signs needed for the day in their designated locations. The MOD will ensure restrooms are clean and properly stocked. The MOD will count the cashbox to ensure correct amounts of cash are on hand. The MOD will perform a brief check of the inventory tracking system (METRC) to determine if any shipments are coming in that day. The MOD will assign employees to specific point-of-sale terminals and start a Daily Task List form for each. Finally, they will turn on the open sign to indicate the start of the business day. The MOD will interact directly with customers and assist the staff in completing transactions as necessary throughout the day.

MOD Ongoing Duties

The MOD will check cash drawers throughout the day to ensure there is always enough change to conduct business but will aim to keep approximately \$250 in each. If a drawer contains more than \$1,000, the MOD will complete a cash drop (i.e., move cash from a drawer to the safe) for the terminal to return it to \$250. The MOD will also check the dispensing area periodically to help the Retail Specialist Team restock and keep it clean and organized. Throughout the day, the MOD will monitor METRC to check inventory and maintain appropriate stock levels.

Each day of the week both morning shift and night shift managers are responsible for completing product inventory audits.

MOD Shift Change Duties

The evening MOD will arrive at least one hour before the evening Retail Specialists are due. When the evening MOD arrives, they will meet with the morning MOD regarding the day's activities, issues, and any shift notes compiled throughout the day. After the meeting, the evening MOD will check on Retail Specialists to see if their terminals need change or require a cash drop and send the morning Retail Specialists to lunch. Overlap in employee scheduling ensures the Retailer is adequately staffed, and that customers are continually served.

MOD Closing Duties

Five minutes prior to closing the MOD will open the safe and provide the security staff with the keys to the front door, back door, and waste disposal area. The MOD will record on a Key Log the exact time keys are provided and returned, the badge number of the person using the keys, and the MOD's initials.

Directly after closing, the MOD will perform a final drawer count and cash drop on their own terminal and ensure employee terminals are counted out and ready to go for the next day. After the MOD has verified the cash drawers have been counted and reset to \$250, they will recount the final drop by hand in the presence of at least one other employee. Additionally, the final cash drop will be run through a money counter to verify the final amount is correct. Both the MOD and the witnessing employee will count the money and sign their initials next to the final amount, acknowledging the cash count. The MOD will perform final cash drop counts for all Retail Specialists and ensure they are secured in the facility's safe accompanied by a completed deposit slip for tracking and recordkeeping purposes.

Pursuant to the local ordinance, all marihuana products will be stored in the Retailer's permanently affixed vault outside business hours. The MOD will supervise as Retail Specialists move all products from the dispensing area to the limited access storage area for overnight storage.

The MOD will count the manager's change drawer to \$6,000, and restock it with adequate change, as necessary. The MOD will then shut down all laptops, tv's/monitors, and interior lights, and turn on the facility's exterior lights.

At the end of the shift, the MOD will send their shift notes to the required personnel. Retail Specialists will collect trash for removal. The MOD will secure keys for the waste disposal area, front and back doors then place them back in the master lock box. The MOD and security staff will complete a final sweep of the Retailer before setting the alarm and escorting all employees out of the building. Upon exit the MOD and security staff will confirm the doors are securely locked, exterior lights are functioning, and the alarm is properly set before leaving the premises.

Retail Specialist Team Opening Duties

Retail Specialists will arrive 15 minutes prior to opening to complete their opening tasks and prepare for the business day. After clocking in, each Retail Specialist will ask the MOD to assign them a point-of-sale terminal. After receiving their assignment, the Retail Specialist will log into the point-of-sale terminal and open the cash drawer. The Retail Specialist will then count the cash in the drawer to ensure that there is exactly \$250. Any discrepancies in the starting drawer amount will be reported to the MOD, who will file an incident report.

While counting, the Retail Specialist will lay the bills out on the counter according to denomination, and confirm that the bills are "bank faced," meaning they're all faced the same direction. Change will be counted last and will be sorted into designated cash drawer compartments by denomination. This exercise will be repeated at the end of the day directly following the close of business. Once the Retail Specialist has verified their cash drawer is set at the correct base amount of \$250, they will complete the point-of-sale sign-in sheet, which will include the following:

- Name
- Point-of-sale number
- Date
- Starting and final amount of cash drawer
- Retail Specialist's initials

After the cash drawers have been properly counted and logged, Retail Specialist will help stock and face product on the shelves, following First In, First Out (FIFO) inventory methods. They will confirm perishable products are properly stocked and faced in the appropriate refrigerated unit. Once all products and apparel are replenished, the Retail Specialist will perform any remaining routine maintenance and cleaning prior to opening the Retailer for business.

Retail Specialist Shift Change Duties

At shift change, Retail Specialists will stagger closing their cash drawers depending on the flow of customer traffic. The first Retail Specialist that is asked to close their register will begin end-of-shift restocking and cleaning duties.

Retail Specialists are responsible for restocking products in the dispensing area throughout the business day. To do this, the Retail Specialist will first create a list of items that need to be restocked based on the predetermined amounts that fit on any given display shelf. This number is based on the size and dimensions of the shelf, as well as the size of the product packaging.

Retail Specialists will visually inspect each display to discern how many units need to be restocked then add the items and amounts to the restock list. Once the list is complete, it is given to the MOD to approve. The MOD will then accompany the Retail Specialist into the limited-access inventory area to retrieve the required items. Two employees must be present whenever pulling products from the limited-access inventory areas, to prevent possible diversion and for accountability measures. As a Retail Specialist restocks each product, they will make sure its packaging and labeling is correct, compliant, faced forward, and that the product has not expired or been damaged. Products will be placed and organized according to expiration dates, with the first products to expire closest to the front of the display, in line with FIFO best practices.

Retail Specialist Tech Closing Duties

At closing, each Retail Specialist is required to do a final count and cash drop for their register. After the Retail Specialist has verified the cash in the drawer has been reset to the base amount of \$250, they will provide their final cash drop and completed log to the MOD. The MOD will count the final drop by hand and run the final amount through a money counter to verify its accuracy in the presence of the Retail Specialist.

After moving all usable marihuana from the dispensing area to the limited access storage area for overnight storage, Retail Specialists will focus on replenishing non-marihuana stock items. Point-of-sale stations will be supplied with receipt paper, label paper, ink, counterfeit pens, discount cards, loyalty cards, exit bags, and paper bags. Once all products, apparel and supplies have been restocked, the Retail Specialist will perform basic housekeeping duties such as cleaning the bathroom, wiping down glass displays, collecting and taking out trash, sweeping and mopping.

Packaging and Labeling

Packaging should preserve the safety and quality of the adult-use marihuana being transferred to a customer. Labeling should be clear and informative containing associated weights, cannabinoid profiles, expiration dates, and the other required elements outlined by MRA regulations, such as:

- 1) A unique alphanumeric identifier for the person to whom it is begin delivered
- 2) A unique alphanumeric identifier for the cultivation source of the marihuana
- 3) That the package contains marihuana
- 4) The date of delivery, weight, type of marihuana and dollar amount of the transaction
- 5) Certification that all marihuana in any form contained in the package was cultivated, manufactured and packaged in the state of Michigan

Green Peak Industries has created and will maintain strict standard operating procedures (SOPs) to ensure that adult-use marihuana is packaged and labeled using industry best practices to protect the health and safety of customers and the public. The Assistant Store Manager will verify the conformity and accuracy of all exit packaging and provide final approval for Retailer use.

METRC, the Marijuana Regulatory Agency's (MRA) selected inventory tracking system, will trace all incoming and outgoing products and report this activity to the MRA. This system will also assist in the creation of compliant Retailer labels. The primary purpose of METRC and its associated unique product barcodes is to efficiently facilitate and track the movement of products throughout the Retailer. The gathered information is communicated to the MRA for audit and compliance purposes. The system will produce labels at two stages of the process: product intake and product sale. Each label will allow Green Peak Industries to track and manage the physical movement of a product through the Retailer until it is ultimately sold to a customer or disposed of.

Proper product labeling is crucial for running a well-organized and compliant dispensing operation and is used for data collection, reporting, compliance, and internal/external communication purposes. Clear labeling is crucial to properly executing the process of First In, First Out (FIFO); FIFO ensures the oldest products are utilized first ensuring the efficient and safe rotation of products throughout the facility. Clear labeling of stored products also allows for accurate inventory counts and aids the efficiency of third-party inspections by allowing inspectors to quickly observe the contents of a storage area.

Inventory Labeling: Product Intake

All adult-use marihuana products will arrive at the Retailer pre-packaged for individual sale. The moment a product arrives at the facility it is entered into METRC and a barcode label is created. Green Peak Industries will use a Zebra™ printer to provide accurate and consistent labeling of all adult-use marihuana products and associated packages.

Intake Overview

Before products are sold to a customer they will be entered into METRC. The Store Manager and Manager on Duty will ensure products entering the Retailer are properly labeled and comply with MRA regulations. Products whose labels do not include testing results from a Safety Compliance

Facility will be rejected. SOPs for receiving products and creating a Retailer product barcode label are as follows:

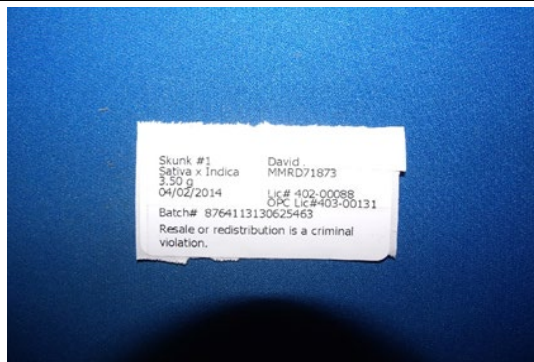
1. In clear view of the surveillance cameras and in the presence of the delivering vendor, the Manager on Duty will check shipments in by reconciling the hardcopy shipping manifest with a copy of the order invoice. The Manager on Duty will perform a physical product count for accuracy. If for any reason a product fails inspection, the shipment will be rejected, and the originating facility will be notified of the reason for the rejection. Results of quality control inspections will be maintained on site and made available to authorities on request.
2. Once shipment compliance has been confirmed, the Manager on Duty will sign copies of both the transport manifest and the invoice and give a set of each to the vendor for their records. Payment will have been made either before the shipment arrives via wire transfer, check, billed for a later date, or made with the vendor at the time of delivery.
3. Report to the MRA that the shipment has arrived by entering the arrival date and time in METRC; a second notification will be sent to confirm that the product in transit has arrived at its destination safely.
4. The Manager on Duty will begin the process of entering all data about the product into METRC, updating inventory levels, and creating product barcode labels.
5. Security biometrics will need to be used to access, and a fingerprint scan will be required before the barcode will print. Once the barcode label prints it is to be securely placed on the product box or container.
6. Enter in METRC that the product has been moved to the stock room and then physically take the product to the vault or stockroom.

Generating Intake Labels

Product information is retrieved from the existing label created by the originating grower or processor by scanning its unique METRC barcode. These labels will include information pertaining to the originating facility, form and weight of the product in each package, and associated laboratory testing results including cannabinoid potency for the product's harvest batch. Green Peak Industries' authorized employee will then input additional product details and appropriate messages into METRC, such as dispensing facility information and any other information the MRA deems necessary. A Retailer barcode label is then created from the combined information. The product intake label will include the following:

- Product Name
- Name of Originating Grower or Processor
- Form of adult-use marijuana product
- Percent THC and CBD
- Barcode Series
- Product SKU Number

The following are examples of inventory tracking system labels and the Zebra™ printer used to create them:



Inventory Labeling: Product Sale

Adult-use marihuana that is dispensed to a customer will be labeled to provide critically important information and to ensure all requisite information is legibly and readily provided to other marijuana establishments, the consuming customer, employees and agencies involved in the oversight of adult-use marihuana. For compliance, all information will be saved electronically for future tracking purposes and will contain all key information required for the documentation of complaints and adverse events and for customers to identify a product or batch number in the event of a recall.

When an adult-use marihuana product has been selected for purchase by a customer at the point-of-sale, the dispensing Retail Specialist will first visually check and verify the validity of their identification card presented by the customer. The information for the product being sold will then be entered into METRC. The Retailer agent can either enter the SKU number manually, or they can scan the barcode from the previously created inventory barcode label. A product sale label will then be printed and placed on the package:

- Unique alphanumeric identifier for the person to whom it is being delivered
- Unique alphanumeric identifier for cultivator
- That the package contains marihuana
- Date of delivery
- Weight, form of marihuana and dollar amount exchanged in the transaction
- Certification that all marihuana was cultivated, manufactured, and packaged in Michigan
- Warning, “this product is manufactured without any regulatory oversight for health, safety or efficacy. There may be health risks associated with the ingestion or use of this product.

Using this product may cause drowsiness. Do not drive or operate heavy machinery while using this product. Keep this product out of reach of children. This product may not be used in any way that does not comply with state law or by person who is not 21 or older.”

- Name, address, email address, and telephone number of an authorized representative of the Retailer whom a customer can contact regarding any questions regarding the product

The Store Manager will review the MRA website regularly and subscribe to bulletin and/or communication portals to stay abreast of regulatory changes. This will ensure Green Peak Industries receives the most up-to-date information on MRA regulations. Changes in regulation that impact labels, in particular, will be communicated through the proper channels and acted upon in a timely manner.

Product Packaging

At the point-of-sale, purchased adult-use marihuana products will be placed in a childproof, pet proof, tamper-evident, light resistant exit package in the form of an opaque bag. Green Peak Industries will maintain ASTM or CPSC certificates for all supplied packaging to ensure compliance with child-resistance standards. Exit packaging will help maintain the integrity and stability of the product, prevent unintentional consumption by children, and identify potential contamination or adulteration of the product prior to its use. Retail Specialists will ensure exit packaging is properly sealed and provide the customer with a sales receipt.

Responsible Advertising and Marketing

Green Peak Industries is committed to responsible advertising and marketing that educates the public about the safe and responsible use of adult-use marihuana treatments while discouraging prohibited use and preventing exposure to minors in accordance with the local ordinance.

Labels for products sold at the Retailer to a customer will be designed without any untruthful or misleading statements, information, or designs, including any government insignia or implication of approval or endorsement by the State of Michigan. Health claims, if any, will be supported by the totality of publicly available scientific evidence for which there is significant scientific agreement. THC, THCA, CBD and CBDA content will be listed on the label per the licensed laboratory analysis results, expressed either as a percentage of the product’s weight or the milligrams of each cannabinoid, depending on dosage form.

At no time will Green Peak Industries encourage, promote, or otherwise create an impression that encourages the use of adult-use marihuana in a manner inconsistent with the approved legal use of marihuana.

As part of Green Peak Industries’ commitment to preventing diversion of adult-use marihuana to minors, no products will be sold at the Retailer that may be attractive to children. Green Peak Industries will avoid any adult-use marihuana packaging that is shaped or designed in a manner that is likely to appeal to minors. Labels will not include any images bearing a resemblance to a cartoon character, fictional character, toys, or any similar images and items whose target audience is children or youth. They also will avoid resemblance to commercially available or trademarked foods or beverages and avoid graphics or other images that may cause the product to be mistaken

for anything but adult-use marihuana. Any implication that endorses recreational use will not be utilized by Green Peak Industries at any time.

Label Compliance Checklist

Labels for adult-use marihuana products sold at the Retailer will be reviewed by the Store Manager to ensure compliance with MRA regulations and Green Peak Industries' internal quality control standards. Every product label review and approval will be documented on the Label Compliance Checklist prior to dispensing.

LABEL COMPLIANCE CHECKLIST	RULE CITATION	COMPLIES WITH REGULATION Y/N	NOTES/ COMMENTS
RECEIVING	SIGNATURE:		
	DATE:		

Waste Disposal Management

The management of adult-use marihuana waste is imperative to maintaining facility compliance. For the prevention of diversion and for the safety and security of the Retailer, its employees and the community, Green Peak Industries has created a destruction and disposal process compliant with the Marijuana Regulatory Agency (MRA) directives and in harmony with conscientious business practices.

Adult-use marihuana products requiring destruction or disposal will be considered “green” waste. Green waste must be constantly controlled due to its potential for diversion and to protect against any marihuana being ingested by a person or animal. Green waste will be collected daily, weighed, recorded, and destroyed. Green waste receptacles will possess a closeable lid and will remain under the direct control of Green Peak Industries until its contents are ground, destroyed, and transferred to an approved disposal facility.

Disposal of Chemical and Other Waste That Does Not Contain Adult-use marihuana

Solid waste consists of everyday refuse such as paper, cardboard, and other common materials. Solid waste receptacles will be located at various sites throughout the facility and will be emptied daily. All solid waste receptacles will be covered to reduce the likelihood of pest intrusions.

Liquid waste, sanitizing agents, and other chemicals will be identified, labeled, held, stored, and disposed of in a manner that protects against contamination of adult-use marihuana and ensures employee safety. Employees who handle chemical waste must be satisfied that they have received sufficient education in health and safety techniques including use of personal protective equipment; knowledge of potential hazards; use of spill kits; and appropriate emergency procedures. Employees must be completely familiar with and understand the associated standard operating procedures (SOPs) for waste handling and disposal before working with these products.

Management and Disposal of Adult-use marihuana Waste

Green Peak Industries will collect, store and transport non-hazardous adult-use marihuana waste as required for disposal by the MRA. Employees will receive hands-on training concerning SOPs for handling and disposing of green waste, and appropriately logging those activities.

Adult-use marihuana Waste Process Overview

If adult-use marihuana flower or product does not meet quality standards, is outdated, unauthorized, damaged, deteriorated, misbranded, mislabeled, adulterated, recalled, or if its container or package has been improperly or accidentally opened, it will not be available for sale. The rejected adult-use marihuana will instead be destroyed or otherwise disposed of in accordance with Green Peak Industries' waste management SOPs. The Store Manager will enforce the following procedures:

1. Segregation. How to determine if adult-use marihuana or an adult-use marihuana product is outdated, unauthorized, damaged, deteriorated, misbranded, mislabeled, or otherwise adulterated. Location within facility designated for waste storage. Access will be limited to authorized personnel. Green Peak Industries will store green waste in a secured receptacle in their direct possession and under constant control.
2. Disposal by authorized personnel. Supervisory approval will be required on all adult-use marihuana waste and products designated for disposal. Segregated inventories (including quarantined items) are clearly identified with a label that includes signature of supervisory personnel and reads: "DO NOT USE."
3. Render substance unusable. Clear description of waste-handling procedures including protocols for rendering the substance unusable prior to disposal in pursuant to § 1300.5 (B)(18). This will include mixing waste with non-consumable solid wastes so that the resulting mixture is at least 51% non-adult-use marihuana waste.
4. Documentation of disposal in the inventory tracking system, METRC. The supervisor's signature will verify waste has been properly entered into METRC.
5. Location of final disposal. Identity of solid waste site/disposal facility or, if allowable, where composted material is located. Green Peak Industries will not incinerate or dispose of green waste using the sewer system.
6. Documentation retained for three years.

Segregation and Storage of Waste Material

Green waste materials are collected throughout the day. After properly recording the green waste material in METRC, it will be segregated in the storage room or separate waste disposal area. Supervisory approval is required for all adult-use marihuana products designated for disposal. Segregated inventories will be clearly identified with a label that includes the signature of supervisory personnel.

Green waste will be stored in dedicated, secure receptacles possessing two locks: one for the waste management company and one for the facility. Green Peak Industries will construct and maintain secure fencing on the premises to prevent unauthorized access to waste disposal containers or compost (if allowed) located outside the facility.

The dedicated waste disposal storage room will be consistently maintained in a clean and orderly fashion and will be deep cleaned weekly. Walls, floors, tables and racks will be sanitized and disinfected to prevent contamination by insects, rodents, birds and other pests. This room will remain locked with biometric or keypad system for limited access by authorized personnel only. Security cameras will cover the exterior and interior of the room at a minimum of two juncture points and will capture video on monitors recording 24 hours a day, 7 days a week.

Disposal Personnel and Surveillance Guidelines

Destruction and disposal of waste material will be performed in a designated limited-access destruction area. Green Peak Industries will send a notification to the MRA via METRC prior to rendering adult-use marihuana unusable. Towards the end of the day, but before the close of business hours, an authorized employee will unlock the storage room and move green waste material to the destruction area.

The steps taken to render marihuana unusable will be conducted under video surveillance and will be recorded from the time the destruction begins to when the rendered material is placed in a locked dumpster or other approved, locked container for removal from the facility. The Store Manager will ensure that the video equipment remains in proper working order. Only authorized employees will be permitted to carry out the disposal process. A list of authorized personnel will be posted in the waste holding area and made available to the MRA upon request.

Rendering Waste Unusable

Adult-use marihuana plant waste will be made unusable and unrecognizable prior to leaving the facility, eradicating THC, CBD, and other cannabinoids from the plant leaving it void of psychoactive elements. Green waste will be rendered unusable by placing it, along with either compostable or non-compostable mixed waste, into an electric woodchipper or grinder so that the resulting mixture is at least 51% non-cannabis waste by volume.

1. Compostable mixed waste – when the waste is to be disposed of as compost, feedstock, or any other kind of organic waste method:
 - Food waste
 - Yard waste
 - Vegetable based grease oils
 - Agricultural materials
 - Biodegradable products and paper
 - Clean wood

- Fruits and vegetables
 - Plant matter
2. Non-compostable mixed waste – when the waste is to be disposed of in a landfill or by another disposal method such as incineration:
- Paper waste
 - Cardboard waste
 - Plastic waste
 - Soil
 - Nonrecyclable plastic
 - Broken glass

Waste Disposal Inventory Tracking

All disposal activities will be recorded in METRC and on manual logs to maintain accurate and comprehensive records regarding waste material that specifically accounts for and reconciles activity related to the disposal of adult-use marihuana. METRC will be utilized to ensure its green waste materials are identified, weighed and tracked while on the premises until disposed of.

Final Disposal and Documentation

A separate written record of the destruction and disposal process will be recorded on the Waste Disposal Log and entered into METRC every time the destruction process takes place. This log will be filed and retained for a minimum of three years and will include:

- The date and time of the disposal
- The manner of the disposal
- The volume and weight of the approved solid waste media used to render the adult-use marihuana unusable
- The batch number(s) associated with the adult-use marihuana scheduled for destruction
- The reasoning for and description of the disposal
- The signature of the authorized employee(s) overseeing the disposal of the adult-use marihuana

All adult-use marihuana waste that is rendered unusable by following the process above will be discarded into a locked dumpster or other approved, locked container for delivery from the facility to an MRA permitted solid waste facility. The Store Manager will be responsible for maintaining any waste disposal company contracts, monitoring individual deliveries by validating waste disposal agent credentials, and ensuring all final documentation of the waste pick up is entered into METRC.

Workplace Safety and Emergency Response

Prior to operational startup, Green Peak Industries will develop a Workplace Safety & Emergency Response Plan that will be a subsection of the comprehensive Security Plan required under the local ordinance. Under this plan, security experts will provide Retailer management and employees with a Workplace Safety Manual that will be used for training purposes. The Store Manager will be responsible for training staff regarding safety and emergency protocols and for planning scheduled safety inspections by local regulatory authorities. In accordance with regulations, the following safety issues will be covered during training:

- **Security** - Staff will understand their respective security roles and responsibilities including the chain-of-command, especially in the event of a security breach. Employees at all levels will be trained to identify threats and vulnerabilities, devise mitigating strategies, and contingency plans, when and why they could be targets of threats and how to respond accordingly. Staff will be tested periodically regarding their knowledge of the Retailer's security strategies and how to utilize them. Development of security policies and procedures will be on-going.
- **Medical Emergencies** - Staff will learn how to recognize and respond to medical emergencies for an illness or injury requiring urgent medical attention. Response will include when to call 911, location of medical kits, lockdown of the facility, and escort of emergency first responders. If trained properly and certified, certain staff may give appropriate first aid until emergency responders arrive. Reporting injuries: any injury at the facility will be recorded in a document or "injury form."
- **Fires** - Staff will learn Green Peak Industries' fire plans including the location, use, and maintenance of firefighting equipment. Plans will comprise schedules for periodic fire drills, when to call 911, the need to account for all staff during a fire or other emergency, the escort of fire department and other emergency personnel, the role of the on-scene commander, and expected response times by nearest fire, ambulance, and police departments. Signs will be posted throughout the facility with graphic floor plans indicating at least two ways of escaping the building from every room.
- **Chemical spills** – Staff will be trained to recognize the danger signs of a chemical spill or release, such as the presence of fumes, odors, or smoke. Staff will also learn to recognize telltale symptoms in people that may have been exposed to toxins, including headaches, dizziness, distress, fainting, skin rash, and blurred vision. Staff will know when to notify management, call 911, coordinate with first responders and secure the area. Knowing how to handle chemicals and how to react during an emergency can reduce the risk of injury. A Safety Data Sheet (SDS, previously, MSDS) is a form containing data regarding the properties of a particular substance. An SDS is intended to provide workers and emergency personnel with procedures for handling or working with a substance in a safe manner and includes information such as physical characteristics, proper storage, disposal, required protective equipment, and spill handling procedures. SDSs can be obtained from the product manufacturer, and many can be downloaded from the web. An SDS for the products housed in the facility will be collected and maintained in a readily available file or location.

Emergency Response

Green Peak Industries has created emergency notification SOPs in cooperation with our security vendor, integrating both standard operating plans for employees and physical alarms within the facility, to ensure timely notification to the Marijuana Regulatory Agency (MRA), law enforcement, and emergency response professionals. The Store Manager will ensure all equipment is kept in good working order and will have the system inspected by an authorized security vendor at least once a year. The security vendor will repair or replace any failed video surveillance component within twenty-four hours.

The Retailer's alarm system will be equipped with an automatic voice dialer that will generate a prerecorded message to alert key employees and authorities via email, phone, text, or a combination thereof in the event of a facility security breach, employee alarm activation, or alarm system failure, including, but not limited to, power outage, loss of supervision, or connectivity issues.

Facility Security and Crime Prevention

All employees will attend a mandatory security and safety training program regarding personal safety and crime prevention techniques to prevent diversion. The training will reinforce company SOPs establishing a uniform method of notification and response to armed robbery, invasion, burglary, or any other criminal incident, providing the safest possible environment for responding officers and involved citizens. Training may include:

- Evaluation of the premises for areas that may be vulnerable to attack
- Evaluation of suspicious persons, vehicles, or packages
- Locations of the Emergency Alert System and other devices
- Location of the silent alarms under each point-of-sale terminal and the portable buttons to notify local law enforcement that a robbery is in progress or that there is other need for police presence
- Dispatcher communication
- Logs and information forms that would be helpful to emergency responders
- A map of the pre-determined safe location away from the facility
- Several copies of the floor plan to assist emergency personnel
- Understanding the potential of a community-wide threat
- How to handle potentially false alarms
- Documentation of the incident on the Alarm Log

Employees will be trained to observe the premises for suspicious persons or activity prior to entering the facility. Every day, the opening Manager on Duty will perform a complete walkthrough of the facility to look for and address potential safety hazards. Any concerns observed will be immediately corrected when possible or scheduled to be corrected.

If suspicious activity is noted, the Manager on Duty that made the observation will immediately notify the Security Guard of the potential threat before approaching the facility. If Security believes the person or activity to be a threat, they will notify local authorities of the situation. As soon as authorities have mitigated the potentially threatening situation, the opening MOD will file a police report regarding the incident, if required. Once the authorities have cleared the opening MOD, they

can enter the facility and record the occurrence in an incident report. The incident will be reported to the MRA.

Employees responsible for closing the Retailer will be trained to view the exterior surveillance monitor to ensure there are no observable security threats, such as suspicious persons or activities taking place near the licensed premises. Closing procedures will also include a final exterior walk around the facility to confirm all entrances and exits are securely locked.

Employees who are required to operate the security alarm system will be trained to activate and deactivate the system, as well as how to respond to burglary, fire, or other emergency that is indicated by the security alarm system.

Once trained, employees that are required to interface with the security alarm system will be issued a unique control panel code that will identify any actions performed by the employee in the security alarm system. Training of all employees will include the “All-Clear” and “Distress” codes assigned to the facility by the security alarm monitoring company, and the appropriate use of each code in the event of an actual or false alarm.

Employees will be informed of the location and operation of all panic buttons throughout the facility. Some employees may also be equipped with a remote panic button, located on their person. Throughout the business day, a minimum of two employees will be present in the facility, especially during opening and closing procedures. Additionally, Green Peak Industries’ security vendors will monitor the licensed premises 24 hours a day, seven days a week, at both occupied and unoccupied times.

Green Peak Industries will conduct periodic security and safety drills to ensure that employees know and take the correct action in various situations. Drills will train facility employees to protect themselves and to also observe and review the security procedures for limitations that can be improved by modifications to security systems, altering response plans, or improving employee awareness of safety protocols.

Detecting Unauthorized Entry

Green Peak Industries will engage the services of a security vendor to install, maintain, and monitor the facility whenever the business is closed. This alarm system will detect movement in all required areas within the Retailer when the premises are vacant. The system will detect unauthorized entry at all ingress and egress points (including roof hatches), and all exterior windows (including skylights) of the premises using passive infrared (or other) motion detectors placed throughout the facility.

The alarm system will be programmed to notify the security vendor, the Store Manager and the corporate offices in the event of a breach. If unavailable, law enforcement will be contacted and dispatched as necessary.

System Backup

The facility’s alarm will be equipped with a failure notification system that will provide an email, phone call, or text within five minutes of any failure in the surveillance system. An autonomous

power supply will be installed to allow the alarm system to remain active in the event of a power outage for a minimum of 48 hours.

Emergency Operating Procedures

The purpose of the Emergency Operations Plan (EOP) is to organize Green Peak Industries' response to emergencies and disasters while providing for the safety and welfare of its staff and customers. The EOP addresses emergencies and disasters caused by natural or manmade events. The EOP covers the full range of complex and changing requirements prior to, during, and following an emergency or disaster. It sets forth lines of authority, responsibilities, and organizational relationships, and shows how emergency actions will be coordinated among the staff.

Specific Job Action Sheets will be available for each employee that instructs them on what to do during a shelter-in-place or evacuation event. These sheets will be kept handy for employees, either at workstations or in Go-Kits. Go-Kits will be prepared in advance and stored within easy reach at each workstation.

Several copies of the EOP will be located around the facility and employees will know where they are kept. Green Peak Industries will maintain a system for keeping facility SOPs updated, what documents will be prioritized in case of emergency evacuation, and a plan for transporting these documents to an alternate location in the event of an evacuation (including the name of the person, and an alternate, who will be responsible for this task).

The EOP will anticipate and plan for as many emergency contingencies as possible, particularly from power losses during severe weather. Since power may go out, employees may only bring non-perishable food and water to the Retailer. The facility will have the ability to communicate without power, cell phones, cable or other hardline telephones by using a battery-operated two-way radio or a hand-crank radio and will maintain a supply of working backup batteries. During an extended emergency situation, such as a blizzard, garbage pick-ups will be delayed mitigating issues with the storage of refuse.

The Retailer will immediately identify itself to local utility companies on receipt of its operating license to inform them of the facility's need for critical services during emergencies. This means that if the power goes off, for example, the facility may be put on a priority list to get power back on as soon as possible. Green Peak Industries recognizes the importance of sharing its EOP with local government emergency managers (city and county). This will ensure that emergency responders include the facility when planning for community-wide emergencies. Emergency managers can also help assess local hazard risks and list nearby resources (shelters, transportation, etc.). Green Peak Industries will conduct emergency plan review and maintenance at least once a year; review could include:

- Communications with the local Office of Emergency Management (OEM)
- Close review of evacuation destinations and directions
- Physical plan analysis along with annual fire safety reviews
- Mutual aid agreements with other facilities, agencies, etc.
- Evacuation maps
- Procedures for Sheltering in Place, evacuation, and fire hazards, and any other hazards

specific to the region

- Cross-training efforts and cross-coverage assignments
- Review and/or update the following emergency plan information every two months:
 - Contact information and call-down lists for key staff members
 - Contact information for contacting staff families
 - Designated staff and departmental emergency assignments
 - Staff organizational chart
 - Supplies List
 - Extra plastic eating utensils, paper plates, cups, garbage bags, and other dry goods supplies may be needed during ANY emergency.
 - Trash bags
 - Flashlights
 - Communications Equipment

Green Peak Industries will keep at least one copy of any confidential information off-site in a secure, restricted access location as insurance from loss due to fire. HIPAA laws still apply during disasters, so confidential facility information will not be left unsecured or stored in a manner that allows access to those other than the authorized facility employees.

If there is a hazard within the facility, such as a fire or chemical spill, occupants within the building will be evacuated or relocated to safety. Incidents such as a bomb threat or receipt of a suspicious package may also require evacuation. If a tornado warning is broadcast, everyone will be moved to the strongest part of the building and away from the exterior glass. If a transportation accident on a nearby highway results in the release of a chemical cloud, the fire department may warn to “shelter-in-place.” To protect employees from an act of violence, “lockdown” will be broadcast, and everyone will hide or barricade themselves from the perpetrator. The emergency plan will include the following protective actions for life-safety:

- Evacuation
- Sheltering
- Shelter-In-Place
- Lockdown

Evacuation

Prompt evacuation of employees requires a warning system that can be heard throughout the facility. Regular testing of the fire alarm system will verify that all employees can hear it. In the event of a fire alarm system failure, a public-address system, air horns or other means will be used to warn everyone to evacuate. The facility will be inspected to make sure that there are always sufficient exits available. At least two exits will allow egress from hazardous areas regardless of position in the building. Exits will be marked with illuminated signs and there will be sufficient emergency lighting to ensure people can safely travel to the exits.

Green Peak Industries will conduct periodic drills to ensure employees are familiar with the sound and know how and where to evacuate. An appointed evacuation team leader will establish a safe assembly area for evacuees away from the building. In addition, at least one person will be assigned to each floor or separate activity/work area to act as a “health-and-safety warden” to direct employees to the nearest safe exit. Employees requiring special assistance to evacuate or

move to a shelter will be assigned a “buddy,” or aide, to assist them during an emergency. Green Peak Industries will work with the local fire department to develop an emergency plan for the evacuation of persons with disabilities.

When employees are evacuated from a building, OSHA regulations require a head count to ensure that everyone has gotten out safely. To make sure all employees are accounted for during an emergency, a list of employees and a visitor log will be maintained at the front desk reception area or main office area. During an emergency an employee will be assigned to take the log to the pre-assigned evacuation location and to conduct a head count. A fire, chemical spill or other hazard may block exits requiring evacuation teams to direct employees to an alternative safe egress point.

Sheltering

Since there may be little time to shelter during a severe weather emergency, early warning is important. If a severe weather warning is broadcast, everyone will move to shelter in the strongest part of the building. Shelters may include basements or interior rooms with reinforced masonry construction. During periodic inspections, current and potential shelter spaces will be checked to ensure they will hold all employees.

Shelter-In-Place

Green Peak Industries will develop a shelter-in-place plan that will include a means to warn everyone to move away from windows and move to the core of the building. Anyone working outside will be told to enter the building immediately. Everyone will remain sheltered until public officials broadcast that it is safe to evacuate the building.

Lockdown

An act of violence in the workplace could occur without warning. If loud “pops” are heard and gunfire is suspected, every employee will know to hide and remain silent. They will seek refuge in a room, close and lock the door, and barricade the door if it can be done quickly. They will be trained to hide under a desk, in the corner of a room and away from the door or windows. Multiple people will be trained to broadcast a lockdown warning from a safe location.

Diversion Prevention

An adult-use marihuana business has a primary responsibility to eliminate opportunities for the diversion of flower and other products to unauthorized recipients. In conjunction with our security partners, Green Peak Industries has developed and will implement a counter-diversion policy based on best practices in the marihuana industry. Using lessons learned from real situations and example strategies that have failed other businesses, Green Peak Industries will avoid repeating others’ failures. Green Peak Industries’ counter-diversion strategy is broken into three parts: general rules, internal counter-diversion strategy, and external counter-diversion strategy.

General Rules

All employees will adhere to the general rules, regardless of their position or status within the company. To be effective, counter-diversion strategies must be two-pronged: internal and external. Internal counter-diversion will consist of safeguards within the facility itself and within standard operational procedures (SOPs) to prevent diversion of adult-use marihuana and adult-use marihuana products by persons within the company such as employees, contractors, contracted

security or transport personnel, visitors, or vendors. External diversion strategies minimize the risk of marihuana or marihuana products being removed or otherwise diverted by focusing on threats from persons not employed or contracted by the company.

Two-Person Rule

Green Peak Industries' internal strategy will rely heavily on the industry standard for high-level asset protection known as the "two-person rule."

The two-person rule is defined as, "a system designed to prohibit access by an individual to certain limited-access areas and vulnerable adult-use marihuana products by requiring at all times the presence of two or more authorized personnel capable of detecting incorrect, unauthorized, or criminal behavior with respect to the task to be performed."

This statement, as well as an affirmation declaring that the employee will not willingly violate the spirit of the two-person rule, will be included in each employee's new hire paperwork. Prospective employees will sign an acknowledgement of this affirmation before being allowed to work at the Retailer.

Specifically, two people will be required to:

- Make any changes in the quantity of marihuana within the inventory control system.
- Make physical changes in the form of marihuana
- Move adult-use marihuana to or from a storage or preparation area.
- Move adult-use marihuana from storage to sales floor.
- Engage in any activity requiring weighing, counting or measuring of marihuana or marihuana products.
- Move marihuana waste to a waste disposal area.
- Enter the waste disposal area for any reason.
- Enter a secured adult-use marihuana storage area for any reason.
- Dispose of marihuana waste.
- Take possession of recalled adult-use marihuana product(s).

Access Control Policy

Minimizing access to adult-use marihuana products within the Retailer is a key strategy for eliminating the potential for product diversion to unintended recipients. Access Control allows employees to keep track of who is in the facility, what part of the facility they are accessing, and the reason for the access. Logs will be maintained when employees enter restricted access areas housing the safe or where product is stored. Signs will be clearly posted in the facility to signify the different access areas. Green Peak Industries will frequently audit video of daily operations to ensure that employees are following policies restricting access to the established zones in the facility.

The Retailer will be divided into public space and limited access areas, defined by accessibility. The reception area in the front of the facility will be the only public area, separated from the rest of the facility by a locked door that will have an unlocking mechanism on the other side that is only accessible to employees. No marihuana will be displayed or sold in this public area. Any individual wanting to gain access to the Retailer will be required to provide valid identification.

Once reception has confirmed the validity of an individual's credentials (customer, vendors, and employee), the door will be unlocked to allow access into the limited access dispensing area.

Areas past public reception are considered limited access and are subject to Green Peak Industries' visitor policy. Areas where adult-use marihuana is stored, the safe, and any additional locked rooms are considered restricted access areas, subject to the two-person rule. As such, no one person will be left alone in these rooms for any reason. The following additional security precautions will apply to all restricted access areas:

- The use of a sign in/out sheet that includes:
 - The name of the employees who entered the restricted access room
 - The duration the employees were present in the room
 - The purpose for entering the restricted access area
- Product movements will be recorded within the inventory tracking system (METRC)
- Rooms are to remain secure when not occupied

Access to secure areas will be given only to individuals who demonstrate a clear and present need. The Store Manager will have ultimate responsibility for issuing access and will record documentation of any assigned facility keys, alarm codes, electronic access codes, passwords, or combination codes.

Employees will be issued keys, based on their position, for access to specific rooms and storage areas. Managers will have keys to the rooms where product is stored and the code to the safe. Retailer employees are responsible for security and must safeguard keys, access control cards, and security codes at all times. Employees may not provide access through any means to any other person; all keys and access cards issued to employees will be retained in the possession of the employee to whom it was issued and may not be transferred directly from one employee to another. Only managers may grant temporary access to any employee, contractor, or visitor.

Employees must report lost keys or access cards to their manager immediately. The Store Manager will determine whether the system has been compromised and whether re-keying will be necessary. It will be against Green Peak Industries' policy to duplicate keys, share passwords, or share access codes.

Prohibited Items

Consumption of adult-use marihuana by either employees or customers will be prohibited on the premises in accordance with §1300.9(C). The following items are prohibited while inside the restricted access dispensing area:

- Electronic devices such as cell phones, digital media storage devices, cameras, music devices, recording devices, or other devices capable of capturing, recording, or storing information
- Purses, bags, backpacks, or other containers
- Food or drinks, except water in a clear bottle, or doctor-prescribed medicines

Visitor Policy

The Retailer, when licensed for adult-use marihuana will be open to public visitors over the age of 21. Only individuals possessing a valid ID will be allowed past the reception area. The public

reception area will be further segregated from the restricted access dispensing area by a second permanent barrier. No adult-use marihuana products will be stored, displayed, or transferred in the public reception area of the Retailer.

Contractors, law enforcement, MRA employees, or other individuals authorized by law will be permitted into limited access areas of the facility. Contractors will be required to schedule an appointment to access the facility and present both personal identification and company credentials to the security employee working at the front desk (or reception) upon arrival. The Security Guard will copy or scan the visitor's credentials, record their identification details on the facility visitor log, and issue the vendor a visitor's badge. Contractors will always be accompanied by an employee escort to keep track of their movements. Escorts will be assigned by security and will remain with their designated vendor while work is performed. When complete, the contractor will return their visitor's badge to security. The facility visitor log will be updated to show the time the badge was returned and the visitor's final departure time.

Internal Counter-Diversion Strategy

In order to ensure no adult-use marihuana or marihuana products are removed by employees or other personnel otherwise authorized to be in the facility, an internal counter-diversion strategy is necessary. The internal counter-diversion strategy will focus on threats from within the company.

Misrepresentation/Diversion of Waste

The misrepresentation of useable marihuana as waste is the most common method of internal diversion. Employees have an opportunity to divert product between the time the product is deemed "waste" in METRC, but before it is made unusable:

- Log the product (expired edible, product that has been dropped on the floor, packaging is incorrect, product was recalled) as waste and destroyed
- Recover or segregate usable marihuana at the disposal site before it is made unusable and unrecognizable.

Other common ways to divert product and avoid the electronic inventory control system can occur when employees:

- Store small quantities of marihuana in loose fitting clothing.
- Use gloves to collect and use the residual marihuana remnants.
- Steal containers used to store marihuana in order to collect and use the residual marihuana remnants.

To minimize the possibility of the diversion or misrepresentation of waste, Green Peak Industries will implement the following measures throughout the facility:

- Tasks to be performed within a limited-access area will be completed using the two-person rule. If an employee must leave a designated area, the other employee must not remain alone in that area. The task will be halted and resumed when two employees are available again. All limited-access areas will remain locked while not in use.
- Tasks will be compartmentalized by process and will take place within defined and separate areas. For example, the shipping area will be separate from the site where waste is made unusable and unrecognizable.

- Employees will be subject to search and random inspections at the request of a manager. Employees will sign an affirmation declaring that they will consent to random searches and inspections as a condition of employment.
- All containers used to store marihuana will be serialized and tracked.
- The area where waste is to be made unusable and unrecognizable will be clearly defined with tape or paint on the floor. This area will be free of clutter or storage to eliminate potential “hiding places” for marihuana to be stored and retrieved at a later date.

Electronic Inventory Tracking System (METRC)

Prior to beginning operations at the Retailer, Green Peak Industries will implement METRC, the MRA-selected inventory tracking system capable of providing inventory management for all forms of adult-use marihuana products in the facility. The complete chain-of-custody, combined with every transaction being recorded, and regular inventory audits provide a strong basis to prevent diversion, theft, or loss. This technology will enable tracking of every movement of inventory by capturing unique identifiers for every traceable entity such as product, transaction, transfers, transport manifests, purchase orders, adjustments, reconciliation, sales, product recalls, outdated and manual entries and associate these actions with an individual user’s identification, ensuring the quality, security, and traceability of inventory at all times. All employees will receive training in METRC, each employee will have a personal log-in and password that they will not share with anyone.

Point-of-Sales

Green Peak Industries will utilize a leading cannabis industry point of sale system, Treez, as secondary support software to provide sales information not available within METRC. The point-of-sales system can also be used to create sales reports, calculate business metrics, quotas, and generate inventory reports not available in METRC. The system will also be programmed with automatic alerts to prevent sales beyond customer limits.

Tracking sales information provides redundancy with METRC improving the accuracy and efficiency of the entire inventory audit process. Weekly checks will be performed on both systems to ensure that the data is consistent and to quickly pinpoint potential theft, loss, or other diversion.

External Diversion

In order to ensure no marihuana or marihuana products are removed by burglaries, break-ins, theft, or situations that arise as threats from persons not employed or contracted by the company, the external counter-diversion strategy will focus on threats from outside the company. The external diversion strategy will consist of the facility construction and security system, employee training, and a proper method of creating and compiling a suspicious activity report system.

Security System

Green Peak Industries has contracted with a security vendor to create a plan for maintaining the safety and security of the employees and customers from known potential threats and hazards. This plan will also protect against any known potential threats to Green Peak Industries’ facility, physical assets, inventory or transportation from internal or external hazards including but not limited to adult-use marihuana diversion and workplace violence.

The security vendor will install, monitor and maintain Green Peak Industries' facility camera monitoring and alarm systems as required by MRA regulations; these systems will play an essential role in preventing diversion by stopping unauthorized entry and using video surveillance recordings to detect and prevent an adverse loss. Video cameras will be installed in all limited access areas (all rooms containing adult-use marihuana, adult-use marihuana storage, security equipment room, etc.), all entrances and exits to the facility including exterior windows, and any area in the facility where employees are interacting with adult-use marihuana plants or products.

Suspicious Activity Reporting System

The suspicious activity reporting system will be put in place so any events that are out of the ordinary or suspicious can be compiled and recorded. The purpose of the suspicious activity report binder will be to compile a record of events, witnessed by employees or recorded on the security and surveillance system, so that a chain of events leading to possible break-ins or internal theft may be identified.

Complaints, Returns, and Recalls

Preventative quality assurance measures are integrated into operations throughout the Retailer to limit the probability that available products will cause serious adverse health concerns or temporary or other minor health consequences to customers and the public.

Green Peak Industries has developed standard operating procedures (SOPs) for receiving product complaints, reporting an adverse event from a product obtained from the Retailer, and identifying and isolating any adult-use marihuana deemed unsafe or unfit for consumption to prevent or minimize its distribution to customers. For purposes of this narrative, an "adverse event" is a health-related episode associated with the use of a adult-use marihuana product that is undesirable, and that is unexpected or unusual. Complaints of adverse events and returns of adult-use marihuana to the Retailer will be handled with the utmost care and urgency.

Should an investigation determine any adult-use marihuana in the inventory is unsafe for consumption or if a grower or Marijuana Regulatory Agency (MRA) directly notifies Green Peak Industries of a product recall, Green Peak Industries will immediately initiate its comprehensive Recall Plan. The Recall Plan will fulfill the responsibility to protect customers from exposure to products that present a health risk or are otherwise defective.

Green Peak Industries' Store Manager is responsible for implementing investigation and recall procedures consistent with Retailer operations and for carrying out such procedures in a manner that maximizes the effectiveness of the recall while minimizing risks to public health and safety. These standard operating procedures will include:

- Appointing a Recall Coordinator responsible for the investigation and recall procedures.
- Investigation of returns and complaints received from customers regarding adult-use marihuana or adult-use marihuana products received from the Retailer that may be causing adverse customer reactions.
- Establishing the factors that necessitate the initiation of a product recall.
- Handling recalled and returned adult-use marihuana and adult-use marihuana products.

- Reporting adverse event investigation results to the physician of record for the individual reported to have experienced the adverse event (if known) and the appropriate public health authority.

Green Peak Industries' Recall Plan includes:

- Responsibilities of the Recall Coordinator and execution of the Recall Plan.
- The identification of the adult-use marihuana or adult-use marihuana products involved including a unique identification number that will match the recalled adult-use marihuana or adult-use marihuana products with a lot and batch number and its test results to facilitate any warnings or recalls the MRA deems appropriate.
- Notify the originating grower and/or processing facilities, key agencies, and the public to whom the adult-use marihuana may have been sold or otherwise distributed.
- How the collected recalled adult-use marihuana will be properly destroyed or disposed of.

Identifying Adverse Effects

One of the most important steps in the product complaint timeline is to determine whether a complaint is merely voicing customer dissatisfaction, or if it represents a potential health concern. Green Peak Industries will provide basic training to its staff on the variety of potential health threats associated with adult-use marihuana, and how to identify and prevent them. Training will also include proper questioning techniques to ensure that staff receives and accurately processes information from concerned customers.

Molds and mildews are some of the most common contaminants found in adult-use marihuana. Most often, the effects of these contaminants are mild, similar to cold or flu symptoms like a stuffy or runny nose, sneezing, or coughing. In some individuals however, or with particular types of mold or mildew, the health consequences can be more severe. Green Peak Industries will use climate controls in the facility to manage temperature and humidity in inventory storage areas to inhibit the development of molds and mildews. Green Peak Industries will also train employees to actively look for and identify signs of mold and mildew during their daily routines, along with proper quarantine and mold mitigation procedures.

Unauthorized and/or excessive amounts of residual pesticides in adult-use marihuana can have a wide spectrum of effects depending on the type of pesticide, method of exposure, and individual sensitivity. Employees will be trained to identify the symptoms of pesticide poisoning, as it is difficult to tell the severity of poisoning based purely on symptoms. Symptoms that seem mild at first such as headache, fatigue, weakness, dizziness, restlessness, nervousness, perspiration, nausea, diarrhea, loss of appetite, loss of weight, thirst, moodiness, soreness in joints, skin irritation, eye irritation, irritation of the nose and throat, could also be symptoms of the early stages of acute poisoning.

Potential contaminants also include bacteria such as E. Coli, Salmonella, Aspergillus, or other harmful strains. These are the least common contaminants identified in adult-use marihuana but can result in severe health consequences for people when exposed. These microorganisms often go undetected when present. While laboratory testing should provide assurance that marihuana is free of microbial contaminants, prevention is the most important defense. Employees will be

required to attend ServSafe® training. While this course is intended primarily for food handlers, many of the covered principles are applicable to dispensing adult-use marihuana.

Recall Coordinator

Green Peak Industries will designate the Assistant Store Manager to serve as Recall Coordinator who will be responsible for the oversight and review of all complaints, returns and recalls. Retailer employees will undergo training regarding the overall investigation and recall process and their associated responsibilities.

Investigation Overview

The Recall Coordinator will, within 24 hours of receipt, review any complaint regarding the quality or safety of the adult-use marihuana sold at the Retailer, and immediately identify related products and production batches remaining within the Retailer inventory that may also be affected. Any identified contaminated adult-use marihuana or derivative products will be physically segregated and quarantined from other products in the facility in a limited-access area under constant video surveillance until it is transferred back to its originating grower or processor for disposal or is otherwise legally destroyed.

If Green Peak Industries discovers that a condition relating to the adult-use marihuana sold at its facility poses a risk to public health and safety, it will immediately notify the originating grower or processor and the MRA by phone and send a written hard-copy and email notification. Green Peak Industries will secure, isolate, and prevent the distribution of the affected adult-use marihuana or adult-use marihuana product; but Green Peak Industries will not destroy or otherwise legally dispose of the affected material(s) before notifying the MRA and coordinating its collection or disposal.

Upon receipt of a complaint or notification of an adverse event, the Recall Coordinator will:

- Review and investigate product complaints to determine whether it involves a possible failure of a product to meet any of its specifications, or any other requirements, including but not limited to those specifications and other requirements that, if not met, may result in a risk of illness or injury.
- Recall Coordinator will review and approve decisions about whether to investigate a product complaint and review and approve the findings and follow-up action of any investigation performed.
- The review and investigation of the product complaint, and the review by the Recall Coordinator about whether to investigate a product complaint, and the findings and follow-up action of any investigation performed, will extend to all related batches and relevant records. Related batches may include, but are not limited to, batches of the same product, other batches processed on the same equipment or during the same period, or other batches produced using the same batches or lots of components or packaging components.
- A written record of the complaint and where applicable its investigation will be kept, including:
 - Identity of the product
 - Batch, lot or other control number of the product
 - Date the complaint was received and the name, address, or telephone number of the complainant, if available
 - Nature of the complaint including, if known, how the product was used

- Names of the Recall Coordinator or quality control personnel who do the following:
 - Review the reason for the product return
 - Review and approve any reprocessing, as applicable, and
 - Review and approve the findings and follow-up action of any investigation performed.
- Findings of the investigation and follow-up action taken when an investigation is performed.
- Response to the complainant.

Handling the Return of Recalled Products

Returned recalled products whose packaging has been compromised will not be accepted by the Retailer. Two people will be required to accept any recalled product, one of which must be the Recall Coordinator. Customers will be encouraged to dispose of recalled product after reporting adverse effects. Upon receipt:

- Returned recalled products will be identified as such and quarantined.
- Returned recalled product will be reviewed and approved or rejected by the Recall Coordinator.
- If the conditions under which returned product has been held, stored, or shipped before or during its return, or if the condition of the product, its containers, or labeling, as a result of storage or shipping, casts doubt on the identity, purity, strength, composition, or freedom from contamination or adulteration of the product, the returned product will be rejected unless examination, testing, or other investigations prove the product meets appropriate standards of identity, purity, strength, and composition and is free of contamination or adulteration.
- If the reason a product is returned implicates associated products, an appropriate investigation will be conducted extending to all related products and relevant records. Related products may include, but are not limited to, batches of the same product, other batches processed on the same equipment or during the same period, or other batches produced using the same components or packaging components.
- Recalled product will be returned to its originating grower facility or processor to be destroyed pursuant to MRA regulations.
- A written record will be kept of the return, and where applicable its investigation, including:
 - Identity of the product;
 - Batch, lot or other control number of the product;
 - Date the returned product was received;
 - Name, address, and telephone number of the complainant and their physician on record (if known)
 - Reason for the return
 - The ultimate disposal of the returned product, and the date of disposal
 - Names of the Recall Coordinator or quality control personnel who do the following:
 - Review the reason for the product return;
 - Review and approve the findings and follow-up action of any investigation performed.

Recall Plan

Should an investigation determine there could be a potential adverse event related to the products sold at the Retailer or upon the receipt of a formal recall notification from the MRA, the Recall Coordinator will initiate the Recall Plan. Once a recall has been initiated the Recall Coordinator will coordinate the execution of the recall decisions throughout the process as required until the recall is complete.

Identifying Products for Recall

All adult-use marihuana packages and finished products are furnished with unique barcodes that allow them to be immediately traced back to their original grower and/or processor and associate them with a specific harvest and production batch to facilitate and expedite a recall investigation.

Using the harvest batch number (for flower) or production batch number (for finished product) associated with a complaint, Retailer staff can search the electronic inventory tracking system (METRC) to immediately identify pertinent information related to the affected product, including the date of harvest, used pesticides, nutrients, fertilizers and other active ingredients utilized during its cultivation, the date the product was received at the Retailer, and the date and customer associated with its final sale. Every package containing products with adult-use marihuana from the suspected batch can be identified and communication with affected customers can be initiated within hours.

Should a recall be determined necessary or if one is initiated by a grower or the MRA, the Recall Coordinator will report on details of all affected product, including:

- Name of product
- Production batch number
- Date of acquisition
- Original quantity procured from grower/processor
- Quantity sold
- Every point-of-origin for affected product
- Date and time of delivery of affected product
- Name of person who accepted the delivery of affected product

Inventory Tracking of Recalls

Green Peak Industries will regularly track information relevant to a recall within METRC. Internal storage and inventory control SOPs are designed to keep products organized and clearly labeled, allowing them to be quickly and easily identified within the Retailer. Accurate recordkeeping throughout the Retailer provides an overview of procurement dates, quantities, inventory levels, and product received and dispensed.

Green Peak Industries will keep an administrative record for any recalled adult-use marihuana by recording from whom the recalled adult-use marihuana was received, the reason for the recall, and the means of transport of the recalled adult-use marihuana back to the originating facility. Green Peak Industries will submit any proposed changes to its Recall Plan to the MRA at least sixty days before the effective date of the proposed change.

Recall Communications

The Recall Coordinator will notify affected parties, including any customers and the originating grower facility or processor. The location of affected production batches and products in the Retailer inventory will be identified through METRC. Internal invoices, sales records, transport manifests, and shipping logs will be utilized to double check the accuracy of METRC.

Green Peak Industries will keep hard copies of all transport manifests onsite at the Retailer. The Inventory Control Manager will keep METRC up to date and ensure the electronic transportation log and travel manifest records are updated in real time.

Affected customers will be contacted via phone and email and will be provided with a hard-copy of the recall notification via US Postal Service. The recall notification will be drafted by the Recall Coordinator detailing:

- Description of the complaint
- Name and description of affected product(s)
- Production batch number(s)
- Quantity purchased
- Date(s) of purchase
- Instructions to dispose of the affected products

As necessary, the Recall Coordinator will use press releases and other appropriate public notifications to ensure that customers are notified of the recall as soon as possible and to issue updates throughout the recall process.

The Recall Coordinator will be the designated point of contact with the MRA. If the recall was not initiated by a grower or the MRA, but instead by Green Peak Industries, the originating grower and/or processor and MRA will be notified via phone and email immediately upon receipt of the complaint and again once the complaint has been reviewed by the Recall Coordinator and determined to be necessary. A detailed explanation of any decision will be provided via email and sent through certified mail within 24 hours of the initial complaint.

The MRA will be contacted and provided with key information throughout the recall process. The Recall Coordinator will be available 24 hours a day during the recall effort. Once Green Peak Industries has successfully recalled the product within the supply chain and the recalled product is quarantined within the facility, the MRA will be contacted to coordinate disposal.

Quarantine and Disposal of Recalled Adult-use marihuana

The Recall Coordinator will oversee destruction of all recalled products, if appropriate. All affected adult-use marihuana and/or adult-use marihuana products will be quarantined both physically within the Retailer and virtually within METRC. METRC will be programmed with virtual inventory rooms that duplicate actual inventory being stored in separate, locked and secure locations. The virtual “quarantined product room” will identify recalled adult-use marihuana inventory awaiting transfer to its originating grower, disposal or destruction.

Recalled adult-use marihuana will be segregated at the Retailer in a secure, limited-access quarantined space under constant video camera surveillance until it is transferred back to the

originating grower or otherwise properly disposed of. Recalled products will be conspicuously labeled “Recalled Product – DO NOT SELL OR CONSUME.” Once it is confirmed that all affected customers have been notified to return the effected products to the Retailer and every effort to ensure that all affected product has been returned to the Retailer and is under quarantine, Green Peak Industries will notify the MRA. Green Peak Industries will coordinate the destruction or other legal disposal of recalled adult-use marihuana with the MRA. Green Peak Industries will invite the MRA to inspect the recalled product and will provide access to an authorized agent to monitor the steps of destruction or disposal.

Unless otherwise directed, Green Peak Industries’ Waste Disposal Management SOPs will be followed. Details of the destruction and disposal of affected product will be included in the recall Summary Report submitted to the MRA, tracked manually on a Waste and Disposal Log, and updated in METRC as it is completed.

Summary Report

Upon completion of a recall the following information will be summarized and submitted to the MRA and entered into METRC:

- The total amount of recalled adult-use marihuana, including types, batches and lots (if applicable).
- The amount of recalled adult-use marihuana received by the Retailer, including types, batches and lots (if applicable) by date and time.
- The total amount of recalled adult-use marihuana returned to an originating grower or processor, including types, batches and lots (if applicable).
- The names of the recall coordinators.
- From whom the recalled adult-use marihuana was received: customer.
- The reason for the recall.
- The manner of disposal of the recalled adult-use marihuana, including:
 - The name of the individual overseeing the disposal of the recalled adult-use marihuana.
 - The method of disposal.
 - The date of disposal.
 - The amount disposed of by types, batches and lots (if applicable).
 - Any other information required by the MRA.

ECONOMIC BENEFITS TO THE CITY

COMMUNITY BENEFITS

INTRODUCTION

Green Peak Industries (“GPI”) is committed to being a positive and valued member of the City of Kalamazoo. We care about helping not only our customers, but also the community and residents who will be fulfilling employment opportunities with our company. Green Peak Industries will go above and beyond the minimum requirements to be a productive and cooperative member of the community, generating many jobs and contributing favorably to the economic development of Kalamazoo. As a fully licensed vertical supplier of both medical and adult-use marihuana, we are focused on providing the highest quality products to the residents of Kalamazoo. Below is a summary GAAP of GPI’s Kalamazoo location for both 2023 and 2024.

Skymint - Kalamazoo	FY 2023	FY 2024
Total Revenue	\$2,906,659	\$3,742,945
Cost of goods sold	\$1,657,898	\$2,429,324
Gross Profit	\$1,248,761	\$1,313,621
<i>Gross Profit %</i>	43.0%	35.1%
Operating Expenses		
Salaries and Benefits	\$335,018	\$405,436
Rent, Utilities and Property Tax	\$283,356	\$252,940
Licensing	\$20,417	\$15,000
Marketing	\$6,615	\$5,950
Insurance	\$18,317	\$11,094
Other	\$160,079	\$160,079
Total Operating Expenses	\$823,802	\$850,499
Operating Profit	\$424,959	\$463,122
Net Income	\$424,959	\$463,122
Profit Margin %	14.6%	12.4%

Job Creation and Hiring Locally

Our Kalamazoo location has the capacity to operate 75-82 hours per week with approximately five (5) full-time employees. Our Staffing Plan Summary explains the payroll impact (excluding taxes and benefits) for this location.

Green Peak Industries aims to integrate our organization into the community while providing jobs that all pay in excess of \$15 per hour to local residents and providing our full-time employees with an attractive benefits package, including full medical benefits, paid vacation, and other customary benefits, including a 401(K) retirement plan. We are the first cannabis company to offer a retirement package to all our employees through TransAmerica.

Green Peak Industries is committed to recruiting the best team possible, as our operation depends on having a motivated and talented team of professionals. We are prepared to invest time and funds into proper employee education and training, particularly regarding what the marijuana industry entails, the part our company will play in the industry, and the various ways in which we will help the residents that our operation will serve.

Green Peak Industries also establishes local partnerships with universities, community organizations, economic development groups, and other business leaders in the area to reach the greatest number of local candidates. These partnerships will create pipeline opportunities to pair qualified candidates with career opportunities with our company.

Charitable Contributions

Green Peak Industries also focuses its charitable efforts on local organizations. We are happy to partner with local groups to find out what they need in order to help their community. We have donated funds to fulfill important cycling trails, fill food banks, and much more.

Beyond monetary contributions, GPI is committed to donating time by participating in local fundraisers and community-oriented campaigns and events. We proudly offer all employees sixteen (16) hours of paid volunteer time annually, further encouraging employee participation, community engagement, and economic development.

Job Training Program

Green Peak Industries is continuing to try and develop a job training program to allow residents to gain experience and develop a competitive edge in the cannabis industry. Under our job training program, participants would be able to work alongside our current employees to gain hands-on experience. Participants could obtain certain cannabis-related certifications by training at various GPI facilities. At the end of the program, participants would have the opportunity to work directly with GPI or be referred to another cannabis facility in Michigan.

Conclusion

Green Peak Industries is more than a business providing marihuana and marihuana products to consumers. It is a welcomed, trusted, and valued member of the local community. We hope to not only continue giving back to the community through economic impact but also be a model of exemplary company values and culture.

We have created jobs for Kalamazoo residents and brought foot traffic to the area. We have already created hundreds of jobs in the state and in the communities where our retailers operate.

We have a clear plan on how to create jobs for the community, while contributing to the economic development of Kalamazoo. Our focus on wellness and economic prosperity is the driving force behind our company and is embodied in every aspect of our business plan. By creating jobs, engaging in philanthropic and business relationships with local companies and organizations, educating the community and producing safe and high-quality products, our company will continue to support the local economy and help its residents to prosper and thrive in new, well-paid and fulfilling jobs.

SOCIAL EQUITY PLAN

SOCIAL EQUITY PLAN

Introduction

Green Peak Industries, LLC understands that marijuana prohibition has negatively impacted many lives throughout Michigan. As leaders in the Michigan cannabis industry, Green Peak Industries has made social equity a priority among its overall business plan. Amid adult-use regulation, it is imperative that we do what we can to include participation in disproportionately impacted communities. Therefore, GPI has developed a multifaceted social equity plan which includes advocating for legislative change, creating a cannabis focused job program, providing equitable business grant funds, and concentrating our community outreach towards social equity communities.

Advocating for Expungement

GPI's Government Affairs team is especially concerned with expungement for marijuana related convictions and continues to lobby for legislative change. While licensed companies such as GPI are profiting from cannabis, others – including individuals who may have knowledge and expertise valuable to the industry – are barred from participating. Expungement would allow those with previous non-violent convictions to fully participate in the cannabis industry. The ability to work in the industry, whether as a business owner or employee, offers life-changing opportunities for individuals and their families.

Advocating for expungement means providing support for expungement bills and informing legislators from both parties on the importance of expungement as it pertains to communities, businesses, and the economy. Our plan reaches beyond traditional lobbying – we encourage grassroots involvement from our 350 employees and encourage them to advocate for the criminal expungement bills that are of importance to their legislators.

Tens of thousands of people have been negatively impacted by minor offenses that prevent them from joining a now legal, regulated market. Expungement is critical to Michigan's cannabis industry. For that reason, advocating for expungement within the state capital has become a priority within our social equity plan.

Green Peak Innovations Cannabis Job Program

As part of our social equity plan, Green Peak Industries is looking to develop a job training program to enable those negatively impacted by marijuana prohibition to gain experience and develop a competitive advantage in the cannabis industry.

Under our job training program, participants would be able to work alongside our production employees to gain hands-on experience of the cultivation and extraction process. Participants could obtain certain cannabis related certifications by training at various GPI licensed facilities, giving them a competitive edge in the industry.

At the end of the program, participants have the possibility to work directly with GPI or to be referenced to another cannabis facility licensed in Michigan.

GPI has been in contact with both the Detroit Regional Workforce Fund and Capital Area Michigan Works! to create such a program. Our production facility and corporate funds, combined with an experienced job training network, would mean a highly successful partnership for disadvantaged communities. Unfortunately, our program development has been stalled due to federal regulations.

Agencies such as Capital Area Michigan Works! and Detroit Regional Workforce fund are almost entirely funded by federal grant programs. Not wanting to risk its funding, programs like CAMW! have its hands tied in its ability to work with us, even if the agency sees the tremendous benefit a program like ours could provide.

Until federal regulations change, or the State of Michigan develops grants specifically for cannabis, our ability to create a fully-fledged job training program is limited. GPI will continue to develop as much of the program as it can.

Equitable Business Grant Fund

Green Peak Industries is dedicated to creating jobs and helping those in the industry accomplish their professional goals under our social equity plan. To this end, we have established a Social Equity Business Grant Fund, designed to award merit-based micro-grants to individuals living in social equity communities or that have been otherwise negatively impacted by marijuana prohibition so that they may establish their own businesses. A percentage of our company's funds will be placed into the micro-grant fund on an annual basis, with grants to be awarded to three eligible groups each year. Our team will contribute decades of combined expertise to guide and mentor each group through the intricacies of business management.

This fund will serve not only to create Michigan-based, equitably-owned businesses, but also will subsequently yield more job creation as each new business builds out their team of employees.

Concentrating Community Outreach in Social Equity Communities

GPI will prioritize job creation in social equity communities as part of our social equity plan. As stated above, we purposely work with organizations like Capital Area Michigan Works! and the Detroit Regional Workforce Fund because these programs would provide us with participants from these communities. GPI would focus additionally on the communities within Kalamazoo and provide employment opportunities in the area. Additionally, GPI's internal hiring practices will ensure equitable and diverse employment.

Diversity Plan

GPI is committed to Equal Opportunity Employment (EOE) and engaging the best, most diverse pool of Michigan-based candidates and vendors while creating a work environment where all employees treat each other with equality, dignity, and respect. This will be achieved by communicating the importance of diversity within the company, by providing diversity training, and by ensuring senior-level commitment to diversity. Academic studies have shown that socially diverse groups are more innovative than their homogeneous counterparts. When people from different backgrounds, genders, and races come together to solve problems, they bring with them different information, opinions, dispositions, and perspectives. This mix enhances creativity, lends itself to a deeper understanding of market issues, and leads to more innovative ideas and spontaneous breakthroughs. To this end, GPI has developed this Diversity Plan, to be deployed upon licensure.

Diversity-Focused Hiring and Employment Practices

Informing the Community

GPI intends to promote open roles internally, to encourage employees to continue learning and expanding within the company. Additionally, we will host local career fairs to identify candidates. To promote all open roles and any hiring events, GPI will forge partnerships with organizations intimately connected with our social equity communities. These partners will work closely with us in the promotion of hiring and staffing initiatives.

Diversity-Focused Hiring

GPI is proud to be an Equal Opportunity Employer and anticipates hiring diverse individuals from each local community where we operate a licensed marijuana facility. To accomplish this, our HR Director will work to ensure that each hire conforms to our overarching diversity plan. Management will then meet quarterly to discuss the company's diversity status, inclusion plans, overall recruitment efforts, and pursued and missed diversity opportunities.

Engaging Diverse Businesses

GPI intends to develop a culture rich in diversity and will support local, diverse businesses whenever possible. To accomplish this, we have identified core areas where subcontractors may be necessary and have sought out several local Small Diverse Businesses capable of filling these voids. We will actively pursue partnerships with Small Diverse Businesses certified in one or more of the diverse-owned business categories: MBE - Minority Business Enterprise; WBE - Woman Business Enterprise; VBE - Veteran Business Enterprise; and LGBTBE - LGBT Business Enterprise.

Senior-Level Commitment to Diversity

For the diversity plan to succeed, managers, and decision makers within the organization must acknowledge the tremendous benefits of diversity within social equity communities. Increasing awareness of this information is vital across all areas of the company and will be an integral part of our diversity and social equity plan. In addition to mandatory management training, GPI will coordinate events throughout the year that promote diversity and allow employees to connect with their peers and senior-level staff members to discuss concerns, achievements and ideas. By teaching managers how to effectively work with others, while always respecting employee differences, GPI is confident in its ability to promote a diverse culture and workforce in disadvantaged communities.

As described above, GPI is committed to diversity from the top down and to coordinate efforts to attract diverse groups within the population. Diverse outreach programs will address gender, ethnic background, age, disability status, national origin, military status, and sexual orientation. By valuing and celebrating diversity, we will foster in a respected and creative workforce, a high level of employee satisfaction, and a welcome presence in Michigan and Kalamazoo.

Community Involvement

As part of our social equity plan, GPI will put additional effort into our community outreach. GPI has begun to forge positive relationships with local officials and community leaders in Kalamazoo and has presented our company's vision to them directly. These meetings have served as a venue to introduce GPI to city council members, to discuss career opportunities with attendees, and to answer questions and address any concerns that may be present about GPI conducting business in the community and how to best serve those who may be disadvantaged by marijuana prohibition. It is at the forefront of GPI's mission to inform and educate the public. GPI will continue to be transparent in its communication regarding its socially responsible business practices.

Donating Resources

GPI intends to give back to the social equity communities where we have facilities by donating annually to local organizations and to local charitable endeavors. We uphold the value that helping others has a positive impact on everyone and that giving back to the community drives us toward a double bottom line. GPI has identified the following local events and sponsorship opportunities:

- Homeless Aid Groups
- Medical Research Foundations
- Adolescent Drug Education/Abstinence Programs
- Domestic Violence Programs
- Community Arts Programs
- Veterans Groups
- Senior Assistance Programs
- Substance Abuse and Addiction Programs
- Local Law Enforcement Programs

GPI will also sponsor numerous community events throughout the year to support worthwhile causes and to establish a positive image.

Donating Time

Beyond monetary contributions, GPI is committed to donating time by participating in local and state fundraisers and community-oriented campaigns and events. To this end GPI has developed and will implement an employee involvement program, encouraging employees to volunteer their time to the groups and organizations most important to them. GPI is proud to offer all employees twenty (20) hours of paid volunteer time annually, further encouraging employee participation and engagement within our community. GPI will develop a calendar each quarter, to be shared with all employees, showcasing volunteer opportunities. Employees will be welcome to donate their time to organizations of their choosing; however, GPI has also identified the following community events and programs as possible employee participation events:

- Blood Drive
- Urban/Community Farm Initiatives
- Food/Clothing/Blanket/Coat Drive
- Community Clean-Up Events
- Charitable Athletic Events (Races, Triathlon, Golf Outings)

Conclusion

Green Peak Industries consistently endeavors to be a model company, employer, and partner in every community where we operate a licensed marijuana facility, including Kalamazoo. GPI will continue to lend its financial resources and its employees' time to create the political and social change necessary to correct the negative impacts of marijuana prohibition. These efforts will be particularly focused in communities designated by the Marijuana Regulatory Agency as social equity communities but will endeavor to do so in every community where it operates a licensed marijuana facility.

SOCIAL EQUITY ALL-STAR DOCUMENTATION



Skymint

AU-R-000106
AU-R-000129
AU-R-000202
AU-R-000237
AU-R-000307

AU-R-000324
AU-R-000335
AU-R-000411
AU-R-000463
AU-R-000475

AU-R-000619
AU-R-000620
AU-R-000621
AU-R-000733
AU-R-000776

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



SKYMINTTM

BRANDS



Social Equity Plan

SKYMINT BRANDS
2023



WHO ARE WE?

CREATIVES. DEEP THINKERS.
MUSIC-LOVERS. BELLY-LAUGHERS.
CURIOUS. CONSIDERATE. SILLY.
SERIOUS. INCLUSIVE.

We are Cannabis LOVERs.... who are in the business for just that... the love of cannabis and what it can do for us, our friends, our families, our communities, and the world.

We are always changing, always learning, always growing.

We get you because we are you.



Community Reinvestment Plan

1.25% OF OUR OPERATING BUDGET IS DIRECTLY
INVESTED BACK INTO COMMUNITIES—AND GROWING.

Corporate Spend Plan

4% OF OUR OPERATING BUDGET IS SPENT IN
SUPPORT OF DIVERSE SUPPLIERS—AND GROWING.

Social Equity Plan

ACTIVE IN 18 SOCIAL EQUITY COMMUNITIES
THROUGHOUT MICHIGAN

COMMITTED TO EQUAL OPPORTUNITY EMPLOYMENT



COMMUNITY REINVESTMENT PLAN

Green Peak Industries, Inc. DBA Skymint, understands the importance of forming meaningful partnerships within every community in which we operate. Accordingly, we focus our time and energy not only on our customers but also the communities in which we serve. We have a demonstrated history of connectivity to communities across the State of Michigan and we provide a wide range of support through financial contributions, volunteering, education, and continuing to work with community leaders to elevate our surroundings. In the past year, we dedicated 1.25% of our operating budget specifically for the direct financial contribution in support of community initiatives throughout the state. Additionally, we are committed to increasing our direct financial support of communities as we continue to grow as a company. In addition to financially supporting communities, Skymint is actively engaged in the support of Michigan communities by engaging local businesses to form partnerships, sharing our industry knowledge as an educational resource, and in donating our employee's time to assist with local charitable initiatives.

Community Involvement

As part of our community development plan, Skymint puts considerable investment of time and resources into our community outreach. Our community outreach begins before we have a license in a community by first getting to know local leaders and understand the community that we are considering to enter as a corporate resident. These interactions not only assist in gaining trust and forming lasting bonds with local leaders, but they also help us to generate an understanding of the unique needs that each community faces so we can best assess how to be a valued member of the community. From there, we are able to interact with local leaders further to discuss how we intend to support the unique needs of each community, whether it be through financial contributions, town hall meetings, providing educational materials at local library, volunteering of time, or in supporting local causes through direct financial contribution. Once we are licensed in a location, we continually have discussions with local leaders, assess local needs, and continue to evolve in the support that we provide to the community.



Engaging Local Businesses

Skymint engages with and anticipates continual development and interaction with local businesses whenever possible, in an effort to work with local contractors as well as to form meaningful business partnerships. Skymint joins and participates in local chambers of commerce in every community where we have a presence, and we use our memberships to facilitate local business engagement opportunities to identify avenues for collaboration with local businesses.

Donating Resources

Skymint embraces the value that helping others has a mutually positive impact on everyone in a community as well as the success of our business, and we directly support communities with ongoing financial commitments throughout Michigan. While some of our direct financial commitments are made to local municipalities directly, we have also made financial contribution in support of local causes as members of communities throughout Michigan. Some examples are as follows:

- Homeless Aid Groups
- Medical Research Foundations
- Adolescent Drug Education/Abstinence Programs
- Domestic Violence Programs
- Community Arts Programs
- Veterans Groups
- Senior Assistance Programs
- Substance Abuse and Addiction Programs
- Local Law Enforcement Programs

While we are dedicating 1.25% of our operating budget to these efforts currently, we are committed to expanding upon our direct financial community support in the future and look forward to working with local communities to identifying local needs and supporting whenever possible.

Donating Time

Beyond monetary contributions, Skymint is committed to donating time by participating in community-oriented campaigns and events. To this end, Skymint has developed and is implementing an employee involvement program, encouraging employees to volunteer their time to the groups and organizations most important to them. Skymint is proud to offer all employees twenty (20) hours of paid volunteer time annually, further encouraging employee participation and engagement within our community. Skymint will develop a calendar each quarter, to be shared with all employees, showcasing volunteer opportunities. Employees will be welcome to donate their time to organizations of their choosing; however, Skymint has also identified the following community events and programs as possible employee participation events:

- Blood Drives
- Urban/Community Farm Initiatives
- Food/Clothing/Blanket/Coat Drive
- Community Clean-Up Events
- Charitable Athletic Events (Races, Triathlon, Golf Outings, etc.)

It is our goal that each employee is aware of the community impact that they can make through volunteerism and we strive to ensure that opportunities for each employee to support their community are known and acted upon.



CORPORATE SPEND PLAN

Skymint firmly believes that the cannabis industry can and should be used as a tool to generate opportunities—especially for those who have been disproportionately impacted by marijuana prohibition and enforcement. Skymint operates retail and cultivation locations throughout Michigan and we are operational in multiple communities that have been identified as social equity communities by the State of Michigan. Within every community that Skymint operates, we believe that we have a responsibility to find and work with as many local operators as we possibly can—when it comes to identifying and working with venders and service providers that are minority owned, women owned, LGBTQ owned, and veteran owned. Currently, Skymint dedicates approximately 4% of our operating expenses for the purposes of supporting these businesses and we are committed to growing our support as we continue to expand our operations.



SOCIAL EQUITY PLAN

Skymint understands that marijuana prohibition has negatively impacted many lives throughout Michigan. As leaders in the Michigan cannabis industry, Skymint has made social equity a priority among its overall business plan and desires to do everything that we can to bolster participation in disproportionately impacted communities to create opportunities in the cannabis industry for every Michigander. Accordingly, Skymint has developed a multifaceted social equity plan which includes advocating for legislative change, creating a cannabis focused job program, providing equitable business grant funds, and concentrating our community outreach towards social equity communities.

Advocating for Expungement

Skymint is especially concerned with expungement for marijuana-related convictions and thereafter creating opportunities for those convicted with previous non-violent marijuana offenses. While licensed companies such as Skymint are profiting from cannabis, others – including individuals who may have knowledge and expertise valuable to the industry – are barred from participating. Expungement would allow those with previous non-violent convictions to fully participate in the cannabis industry. The ability to work in the industry, whether as a business owner or employee, offers life-changing opportunities for individuals and their families.

Advocating for expungement means providing support for expungement bills and informing lawmakers from on the importance of expungement as it pertains to communities, businesses, and the economy. Our plan reaches beyond traditional advocacy – we encourage grassroots involvement from our employees and encourage them to support expungement efforts.

Tens of thousands of people have been negatively impacted by minor offenses that prevent them from joining a now legal, regulated market. Expungement is critical to Michigan's cannabis industry. For that reason, advocating for expungement has become a priority within our social equity plan.





Skymint Cannabis Job Program

As part of our social equity plan, Skymint is committed to developing a job training program to enable those negatively impacted by marijuana prohibition to gain experience and develop a competitive advantage in the cannabis industry.

Under our job training program, participants would be able to work alongside our production employees to gain hands-on experience of the cultivation and extraction process. Participants could obtain certain cannabis related certifications by training at various Skymint licensed facilities, giving them a competitive edge in the industry. At the end of the program, participants have the possibility to work directly with Skymint or to be referenced to another cannabis facility licensed in Michigan.

We have been in contact with both the Detroit Regional Workforce Fund and Capital Area Michigan Works! to create such a program. Our production facility and corporate funds, combined with an experienced job training network, would mean a highly successful partnership for disadvantaged communities. Agencies such as Capital Area Michigan Works! and Detroit Regional Workforce fund are almost entirely funded by federal grant programs, which is slowing the growth of our desired impact until federal regulations catch up to Michigan's legalization status. Skymint will continue to pursue the establishment of our cannabis job program and encourage State grants in support of the program whenever possible.

Concentrating Community Outreach in Social Equity Communities

Skymint either possesses a marijuana license in and/or is currently undergoing development for facilities in the following 18 social equity communities, as identified by the Cannabis Regulatory Agency:

- Ann Arbor
- Battle Creek
- Big Rapids
- Coldwater
- Detroit
- East Lansing
- Flint
- Gaylord
- Grand Rapids
- Hamtramck
- Hazel Park
- Kalamazoo
- Lansing
- Morenci
- Muskegon
- Saginaw
- White Cloud
- Ypsilant

Skymint will continue to prioritize job creation in social equity communities as part of our social equity plan that focusses on hiring locally. As stated above, we purposely work with organizations like Capital Area Michigan Works! and the Detroit Regional Workforce Fund because these programs would provide us with participants from these communities. Additionally, Skymint joins the local chamber of commerce in every community that we operate in and form partnerships to bolster local participation in hiring locally diverse candidates. Skymint's internal hiring practices will also continue to ensure equitable and diverse employment.

Diversity-Focused Hiring and Employment Practices

Skymint is committed to Equal Opportunity Employment (EOE) and engaging the best, most diverse pool of Michigan-based candidates and vendors while creating a work environment where all employees treat each other with equality, dignity, and respect. This will be achieved by communicating the importance of diversity within the company, by providing diversity training, and by ensuring senior-level commitment to diversity. Academic studies have shown that socially diverse groups are more innovative than their homogeneous counterparts. When people from different backgrounds, genders, and races come together to solve problems, they bring with them different information, opinions, dispositions, and perspectives. This mix enhances creativity, lends itself to a deeper understanding of market issues, and leads to more innovative ideas and spontaneous breakthroughs.



Skymint intends to continually promote open roles internally, to encourage employees to continue learning and expanding within the company. Additionally, we will host local career fairs to identify candidates of all different backgrounds throughout the state. To promote all open roles and any hiring events, Skymint has, and will continue to forge, partnerships with organizations intimately connected with our social equity communities. These partners will work closely with us in the promotion of hiring and staffing initiatives. Additionally, Skymint will work with local chambers of commerce, and consultants, to uphold the best diversity hiring practices possible to utilize every opportunity to create a working atmosphere for diversity to thrive. Skymint is proud to be an Equal Opportunity Employer and anticipates hiring diverse individuals from each local community where we operate a licensed marijuana facility. To accomplish this, our HR Director will work to ensure that each hire conforms to our overarching diversity plan. Management will then meet quarterly to discuss the company's diversity status, inclusion plans, overall recruitment efforts, and pursued and missed diversity opportunities.

Senior-Level Commitment to Diversity

For the diversity plan to succeed, managers, and decision makers within the organization must acknowledge the tremendous benefits of diversity within social equity communities. Increasing awareness of this information is vital across all areas of the company and will be an integral part of our diversity and social equity plan. In addition to mandatory management training, Skymint will coordinate events throughout the year that promote diversity and allow employees to connect with their peers and senior-level staff members to discuss concerns, achievements and ideas. By teaching managers how to effectively work with others, while always respecting employee differences, Skymint is confident in its ability to promote a diverse culture and workforce in disadvantaged communities.

As described above, Skymint is committed to diversity from the top down and to coordinate efforts to attract diverse groups within the population. Diverse outreach programs will address gender, ethnic background, age, disability status, national origin, military status, and sexual orientation. By valuing and celebrating diversity, we will foster in a respected and creative workforce, a high level of employee satisfaction, and a welcome presence in Michigan and the local communities.



INTER-OFFICE MEMO

To: The Economic Development Corporation Board of Directors

From: Jared Chambers, Business Specialist

Date: January 22, 2025

Re: Class A Microbusiness and Designated Consumption Lounge Permit Renewal for Royalweb, LLC dba Only Alien

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: Royalweb, LLC dba Only Alien for its facility at 4525 W KL Avenue and that the EDC Board provide a recommendation regarding the renewal of this permit. The City Operating Permit, issued on February 13, 2024, is scheduled to expire on February 28, 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;
 - Only Alien has 6 employees, 3 full-time and 3 part-time.
 - 2 Managers, earning \$38,480/year & 1 earning \$29,120.
 - 1 Budtender, earning \$27,300/year.
 - 2 Receptionists, earning \$23,400/year.
 - 1 Grow Assistant, earning \$14,040/year.
 - Due to financial restraints, no benefits are offered at this time.
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 employ Kalamazoo residents who spend locally.
 - At the time of opening (February 2024), they had over 50% employment of City residents. They currently retain 50%.
 - They organized a canned food drive at the facility, where patrons contributed items that were then donated to the Twelve Baskets food pantry.
 - Partnered with a WMU marketing class, the class analyzed the business and conducted a marketing campaign competition to be used for the business.

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;
 - Community outreach to Kalamazoo and displaced residents for employment opportunities.
 - They secured a \$70,000 contract with a local minority-owned fire protection service.
 - A portion of each True North Gummy sale is donated to the Redemption Foundation's Commissary Program, providing essential commissary supplies to federal cannabis prisoners.
 - Two of the owners have been negatively impacted by marihuana enforcement.
 - One of the owners is of Native American descent, Potawatomi Nation Gun Lake Tribe.
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;
 - Personal Property tax statement and property taxes owed.
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's hiring and public accommodation practices conform to the City's Nondiscrimination Ordinance provisions.
 - There are 2 management positions, 0 women and 1 minority.
 - There are 4 operational positions, 2 women and 1 minority.
 - One of the owners was arrested for marihuana possession.
6. A statement, with supporting documentation, providing answers to the following questions:
 - a. How many City residents do you currently employ?
 - 3 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 employees reside in the identified census tracts.
 - c. What is your plan to employ residents of the identified census tracts?
 - They initially hired an individual from the Edison neighborhood, but employment did not work out. As soon as financially able, they will reach out to those communities to fill more available positions through community leadership outreach and social media.

- d. How many of your employees have prior marihuana convictions (except a conviction for delivery or distribution to a minor)?
 - One of the owners was arrested for marihuana possession.
 - e. What is your plan for employees with a prior marihuana conviction to move up within your business and/or the marihuana industry?
 - Every employee in the company, including future prior conviction employees, receives training in all aspects of the business to open up the opportunity for future advancement, whether at Only Alien or future places of employment.
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 and are waiting for approval.

Please see the attached Marihuana Renewal Application Checklist, completed by City staff to verify if all ordinance requirements have been met. Pending personal property tax statement, real property tax payments, and approval of their Social equity all-star application.

The City Clerk has verified that the applicant has 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 not met all the requirements for renewal.

RECOMMENDATION

Staff recommends that the EDC Board recommend to the City Clerk's Office a 1-year approval of the Class A Microbusiness and Designated Consumption Lounge Permits to Royalweb, LLC dba Only Alien, contingent on the Applicant correcting the deficiencies by paying delinquent property taxes and submitting approved Silver Level designation from the CRA by February 28, 2025. If the Applicant fails to correct the deficiencies by this deadline, then the recommendation is approval of a 90-day probationary renewal.

ATTACHMENTS

Renewal Application, (Staffing Plan)

Application Checklist

Adult Use & Medical Safety Compliance, Marihuana Renewal Application Checklist for:				
Royalweb LLC DBA Only Alien				
4525 W KL Ave.				
Type: Microbusiness & Designated Consumption Lounge				
	Date Received	Received By	Comments	
Renewal Application Received	1/15/2025	Jared Chambers		
Inspection Type:	Inspection Date	Completed by:	Satisfactory?	Notes
Fire Inspection - 123 E South St.	1/21/2025	Scott Brooks	Yes	
Zoning Inspection - 123 E South St.	1/21/2025	Pete Eldridge	Yes	
	Date	Name	Comments	
Business Community Benefits Check-In	1/23/2025	Jared Chambers		
	Invite Sent	EDC Meeting Date		
Invite to EDC Meeting	1/16/2025	2/20/2025		
	Full-Time	Part-Time	Comments	
Jobs Created	6	3		
	Yes/No	Comments:	Verified by:	
Any Past Due Financial Obligations with City? (i.e. taxes owed, fees, fines, etc)	Yes	2025 ppt; past due real property taxes.	Andrew Falkenberg	
Silver Level Social Equity All-Star or better status with the Michigan Cannabis Regulatory Agency	No	Applied	Jared Chambers	
			All Items Complete	No

MARIHUANA BUSINESS PERMIT RENEWAL APPLICATION

Pursuant to Chapter 20B of the Kalamazoo City Code

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

(Please Print)

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

Official Business Name Royalweb LLC

Business Address 4525 W KL Ave.

City Kalamazoo State MI Zip Code 49006 Business Phone 269-599-0809

Business E-mail Onefineline@yahoo.com Business Website OnlyAlien.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 class A

☐ Retailer

☐ Secure Transporter

☒ Designated Consumption Lounge

FACILITY INFORMATION

Property Address 4525 W KL Ave. Kalamazoo, MI 49006

Real Property Parcel Number #06-19-357-005, 06-19-357-006, 06-19-357-007

Advertised Facility Name Only Alien

Manager - Full Name Marty Webber

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

Name Marty Webberh

Address 42311 27th street

City Mattawan

State MI

Zip Code 49071

Phone 269-599-0809

E-mail Onefineline@yahoo.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: Marty Webber Date: 1-15-25
Name (printed): Marty Webber Position: managing partner

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) 3

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: Manager Annual Average Compensation \$ 38,480

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 X

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

Position Title: Bud tender Annual Average Compensation \$ 29,120

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 X

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

Position Title: Bud tender Annual Average Compensation \$ 27,300

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 X

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

Position Title: Receptionist Annual Average Compensation \$ 23,400

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 X

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

Position Title: Grow assistant Annual Average Compensation \$ 14,040

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 X

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:

Due to financial restraints, none currently

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
currently employ Kalamazoo and surrounding residents who then take their wages and spend locally	Employees live in Kalamazoo or the immediate surroundings and spend their wages at local businesses for dining/entertainment	Varies per employee

JOB CREATION FOR LOCAL RESIDENTS		
Initiative/Description	Date(s)	Outcomes
To include Kalamazoo residents as employees in our facility	2-13-24 to current	At the time of opening, we had over 50% of our employees as Kalamazoo residents.
		We are currently still at 50% including individuals from the Edison and Vine neighborhoods

COMMUNITY OUTREACH		
Initiative/Description	Date(s)	Outcomes
Due to financial restraints at this time we were only able to do food drives for 12 Buckets food bank	December 24	received canned food donations from patrons that were donated to local food bank.

WORKER TRAINING PROGRAMS		
Initiative/Description	Date(s)	Outcomes
Internal managerial programs / to train employees with skills to help them advance in the company and future endeavors.	2-13-24 to current	currently have continued the training for 2 managers and continue to expand that training
Mentorship program / facilitate and train displaced individuals from the community to help them achieve gainful employment	2025	Due to financial hardships with the business we currently do not offer this but will be available spring of 2025.

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 marijuana industry by local residents that have been disproportionately impacted by marijuana prohibition and enforcement, and the positive impact of the social equity plan on local residents;

SOCIAL EQUITY PLAN INITIATIVE		
Initiative/Description	Date(s)	Outcomes
community employee outreach / continue to reach out to Kalamazoo + displaced residents for employment opportunities	2-13-24 to current	Out of our 6 employees 3 are Kalamazoo residents with 2 from Edison + vine neighborhoods

EMPLOYEE DEMOGRAPHIC INFORMATION

Total Number of Employees:		6
Employees in Managerial Positions	Total Employees	2
	Number of Women	0
	Number of Minorities	1
Employees in Operational Positions:		
	Total Employees	4
	Number of Women	2
	Number of Minorities	1

How many City Residents do you currently employ?	Total Employees	3
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?

Initially had an employee from Tract 10 but did not work out. As soon as financially able we will be reaching out to those communities to fill more available positions. Through community leadership position suggestions and social media.

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?

Every employee in our company, including future prior conviction employees, receive training in all aspects of the business to open up the opportunity for future advancement, whether it be in our company or future places of employment

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.

EMPOWERING CHANGE: UNITING BRANDS FOR JUSTICE



With every True North Gummy purchase, you join us in supporting federal cannabis prisoners through the Commissary Program. A portion of each sale aids in providing essentials and hope to those in need. Let's sweeten the path to justice and reform, one gummy at a time.



INTER-OFFICE MEMO

To: The Economic Development Corporation Board of Directors

From: Jared Chambers, Business Specialist

Date: January 22, 2025

Re: Medical & Adult Use Processor Permit Renewal for Portage Acquisitions, Inc. dba Black Market Retailers

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: Portage Acquisitions, Inc. dba Black Market Retailers for its facility at 3635 E Kilgore Road and that the EDC Board provide a recommendation regarding the renewal of these permits. The City Operating Permit, issued on February 16, 2023, is scheduled to expire on February 28, 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;
 - The business has 20 full-time employees.
 - 1 Facility Manager, earning \$71,000/year.
 - 1 Assistant Facility Manager, earning \$52,000/year.
 - 2 Distribution Managers, earning \$45,000/year.
 - 1 Metric Specialist, earning \$47,000/year.
 - 2 Inventory Specialists, earning \$37,500/year.
 - 8 Packaging Specialists, earning \$32,000/year.
 - 3 Laboratory Processing Technicians, earning \$40,000/year.
 - 2 Accounting Staff, earning \$48,000/year.
 - Employee benefits include short-term and long-term disability insurance, tuition reimbursement, health, dental, and vision, vacation time off, 401K, and employee discounts at their commonly owned retail facilities.
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;
 - Portage Acquisitions has now also completed a phase 2 buildout which resulted in an additional \$375,000 in facility upgrades as well as several

- additional jobs at the facility (as well as temporary construction jobs).
 - Currently providing 20 well-paying full-time jobs, the company expects to create even more as it continues to expand. With the phase 2 project now fully operational, they anticipate hiring an additional 5 to 10 employees over the next two years.
 - Rotary Club - Organized several successful blood drives to address critical healthcare needs.
 - Portage Senior Center - Sponsored multiple families in need, providing essential resources and support.
 - Out-Front Kalamazoo - Collaborated with local organizers to promote community enrichment and impactful initiatives.
 - They sponsored multiple job fairs to enhance employment and workforce development, offering residents job opportunities and career guidance.
 - Employee Tuition Reimbursement Program to support higher education and skill development for employees. 4 employees have completed the program.
- 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 partner with the Veteran Access Program. – An organization aimed at creating affordable and convenient access to medical cannabis products for Michigan Veterans in need.
 - They employ 39 Kalamazoo residents across affiliated companies.
 - They offer tuition reimbursement for cannabis courses at KVCC through Green Flower Media.
 - Employees have access to an app for DEI training and various other courses.
 - They collaborate with the Kalamazoo Social Equity Cannabis Chamber and were a vendor at the October 2024 Job Fair.
- 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;
 - Delinquent Property Taxes.
 - They have not paid the renewal application fee.
- 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's hiring and public accommodation practices conform to the City's Nondiscrimination Ordinance provisions.
 - There are 4 employees in management positions. ☒ women and ☒ minorities.
 - There are 16 employees in operational positions. ☒ women and ☒ minorities.
 - The number of women and minorities are not confirmed for this facility.
- 6. A statement, with supporting documentation, providing answers to the following questions:
 - a. How many City residents do you currently employ?

- 14 City residents.
 - b. How many current employees reside in Census Tracts 1 (Eastside); 9, 10 (Edison), and/or 2, 02, 3 (Northside)?
 - 7 employees. 3 from Eastside, 3 from Edison, and 1 from Northside.
 - c. What is your plan to employ residents of the identified census tracts?
 - The hiring manager and Human Resources make a concerted effort to interview any applicant from the identified census tracts.
 - d. How many of your employees have prior marihuana convictions (excepting a conviction for delivery or distribution to a minor)?
 - 7 people with prior marihuana convictions. (Not confirmed if all are at this facility).
 - e. What is your plan for employees with a prior marihuana conviction to move up within your business and/or the marihuana industry?
 - Priority has always been given to hiring those who have prior marihuana convictions. Once hired all employees have merit-based opportunities to move up in the company.
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.
- The business is Gold level.

Please see the attached Marihuana Renewal Application Checklist, completed by City staff to verify if all ordinance requirements have been met. Pending Delinquent 2024 real property taxes and permit renewal application fee.

The City Clerk has verified that the applicant has 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 not 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 & Adult Use Processor Permits to Portage Acquisitions, Inc. dba Black Market Retailers, contingent on the Applicant correcting the outstanding deficiencies by paying the delinquent taxes and paying the renewal permit application fee by February 28, 2025. If the Applicant fails to correct the deficiencies by this deadline, then the recommendation is approval of a 90-day probationary renewal.

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:				
Portage Acquisitions, Inc. DBA Black Market Retailers				
3635 E Kilgore Rd.				
Type: Adult Use Retailer				
	Date Received	Received By	Comments	
Renewal Application Received	1/17/2025	Jared Chambers		
Inspection Type:	Inspection Date	Completed by:	Satisfactory?	Notes
Fire Inspection - 123 E South St.	1/30/2025	Scott Brooks	Yes	
Zoning Inspection - 123 E South St.	1/30/2025	Pete Eldridge	Yes	
	Date	Name	Comments	
Business Community Benefits Check-In	1/29/2025	Jared Chambers		
	Invite Sent	EDC Meeting Date		
Invite to EDC Meeting	1/22/2025	2/20/2025		
	Full-Time	Part-Time	Comments	
Jobs Created	20			
	Yes/No	Comments:	Verified by:	
Any Past Due Financial Obligations with City? (i.e. taxes owed, fees, fines, etc)	Yes	2024 Property Taxes, renewal fee	Andrew Falkenberg	
Silver Level Social Equity All-Star or better status with the Michigan Cannabis Regulatory Agency	Yes	Gold	Jared Chambers	
			All Items Complete	No

MARIHUANA BUSINESS PERMIT RENEWAL APPLICATION

Pursuant to Chapter 20B of the Kalamazoo City Code

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

(Please Print)

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

Official Business Name Portage Acquisitions, Inc.

Business Address 3635 E Kilgore Rd

City Kalamazoo State MI Zip Code 49001 Business Phone 269-532-1250

Business E-mail jevin@lakeeffected.com Business Website https://blackmarketretailers.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 3635 E Kilgore Rd.

Real Property Parcel Number 06-36-496-003

Advertised Facility Name Portage Acquisitions d/b/a Black Market

Manager - Full Name Jevin Weyenberg

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

Name Todd Schafer

Address 2145 Crooks Rd., Suite 230

City Troy

State MI

Zip Code 48084

Phone 248-894-3430

E-mail todd@lakeeffected.com

Name Jevin Weyenberg

Address 3635 E Kilgore Rd

City Kalamazoo

State MI

Zip Code 49001

Phone 269-806-5590

E-mail jevin@lakeeffected.com

ATTACHMENTS

Please attach the following as separate documents to this application:

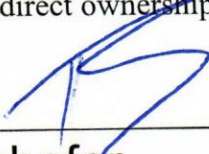
1. The attached Staffing Plan worksheet and any additional pages that provide a description of the actual number of employees, including the number and type of jobs that the licensed facility has created, and the amount and type of compensation (including benefits) paid for such jobs; and
2. An explanation, 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: 1-17-25
Name (printed): Todd Schafer Position: member

STAFFING PLAN

Summary

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

Full-time employees (32+ hours per week) 20 Part-time employees (< 32 hours per week) _____

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: Facility Manager Annual Average Compensation \$ 71,000

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: Assistant Facility Manager Annual Average Compensation \$ 52,000

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: Distribution manager Annual Average Compensation \$ 45,000

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

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

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

Position Title: Metro Specialist Annual Average Compensation \$ 47,000

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: Inventory Specialist Annual Average Compensation \$ 37,500

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:
short and long term disability insurance, tuition reimbursement, health, dental and vision, vacation
time off, 401k, employee discount at our commonly owned retail facilities.

Attach additional pages as necessary.

STAFFING PLAN

Summary

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

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

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: Packaging Specialist Annual Average Compensation \$ 32,000
How many people are employed in this position at the licensed facility? 8
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: Laboratory Processing Tech Annual Average Compensation \$ 40,000
How many people are employed in this position at the licensed facility? 3
Are health insurance benefits available for employees in this position? Yes ☒ No ☐
If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☒ None ☐

Position Title: Accounting staff Annual Average Compensation \$ 48,000
How many people are employed in this position at the licensed facility? 2
Are health insurance benefits available for employees in this position? Yes ☒ No ☐
If yes, please indicate the employer contribution to health insurance costs: All ☐ Partial ☒ None ☐

Position Title: _____ 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:

Attach additional pages as necessary.

UPDATED COMMUNITY BENEFITS STATEMENT

PORTAGE ACQUISITIONS, INC.

Economic Benefit

Portage Acquisitions operates a medical and adult use Processor at 3635 E Kilgore Rd. Generally, these operations provide significant revenue through annual administrative fees, excise taxes, increased property values, jobs, and robust economic growth.

The property at 3635 E Kilgore is in a heavily-industrialized area, which is not near any residential properties. Portage Acquisitions has already renovated and upgraded the building and will perform additional renovations. Specially, Portage Acquisitions has spent over \$500,000 in building and fixture upgrades at the facility thus far. Portage Acquisitions has now also completed a phase 2 buildout which resulted in an additional \$375,000 in facility upgrades as well as several additional jobs at the facility (as well as temporary construction jobs). Portage Acquisitions has already closed financing on \$672,000 of processing equipment which be installed at the facility as part of the phase 2 buildout. We always make an effort to contract, buy, and hire locally. Accordingly, we believe that the nearby community has and will continue benefit from having a successful and expanding business. Additionally, 3635 E Kilgore will provide significant property tax revenue to the City.

Job creation and Training

Portage Acquisition's has 20 well-paying full time jobs. As we continue to expand, additional well-paying jobs will be created. We anticipate needing to hire an additional 5 to 10 positions over the next 2 years as the phase 2 project is now fully operational.

Portage Acquisitions is a dedicated employer that will offer career advancement and reward employees for longevity and loyalty. Portage Acquisitions offers health, dental and vision benefits to our employees. Additional benefits offered include long and short term disability insurance, paid vacation time and tuition reimbursement. More recently, we began offering a 401k plan to our dedicated employees.

Portage Acquisitions recognizes that its employees are the key to its success. Its employees receive regular training and education, as applicable, on state and local laws; Michigan Occupational and Health Standards; US Occupational Safety and Health Administration Laboratory Safety Guidance; THC extraction procedures; safe food handling, including knowledge of allergens, proper sanitation procedures, and safe food handling. Portage Acquisitions may seek ServSafe certification. All our employees will be trained to be not just knowledgeable, but extremely knowledgeable about medical and/or adult use marihuana.

Community Outreach - Portage Acquisition's Commitment to the Local Community is Real

Portage Acquisitions is committed to be a responsible, receptive, and involved member of the Kilgore Road area and the City of Kalamazoo. Consistent with our mission statement, community outreach and planned education are necessary to support citizen-driven development by a) providing programs and resources that address community-identified needs, b) empowering local residents and stakeholders to advocate for change, and c) facilitating collaborate efforts to achieve goals. These are our core values. As part of our marketing strategy, we intend to hold business events and conferences.

We are committed to strong public engagement and outreach to OUR community. Our community outreach has three goals: (i) to establish a process by which the community can express itself regarding the project; (ii) to inform the community about medical cannabis issues; and (iii) to ensure that our approach genuinely reflects the community's needs. To reach our goals, we anticipate doing one or more of the following, depending on input at various stages of the project:

- Identifying a broad cross-section of community-based organizations and community leaders, including those representing indigent and traditionally underserved and underrepresented residents, to learn how residents and stakeholders can best receive useful information that enables them to participate meaningfully.
- Identifying and visiting civic, senior, and veteran organizations, health care support groups, and community meetings to introduce our nonprofit organization, our mission, and our vision for the patient care center. We believe this type of outreach establishes our legitimacy with the community and our vested interest in its welfare. We will listen receptively and respond to any concerns about the project.
- Holding or participating in a community meeting to introduce us and present the project to any parties with similar goals. Again, our purpose would be to listen and find ways to be responsive. Completing our outreach efforts with a follow-up letter to community stakeholders, letting them know that we heard their concerns and what procedures we will follow in responding to such concerns.

We are committed to engaging our patient and residential communities on an ongoing basis. We will partner with local community organizations to solicit volunteers for these positions.

We are proud of our military community and the services they provide. We are here to serve our active and veterans and give back to those who promised their lives for ours. We have the knowledge and compassion to address the needs of those who suffer with the unpleasant aftermaths of conflict and war.

In 2021, we donated \$2500 to the VFW to help fund a new roof at their building in Kalamazoo. In December of 2021, we put on a drive at several of our locations to collect living essential goods and products. The drive was a huge success as we collected over \$23,000 of essential

products which were donated to the Young Kings and Queen Foundation in Kalamazoo. We also sponsored a coat drive this winter which was likewise a huge success as we collected approximately \$40,000 worth of coats (3 UHAUL Trucks full) which were donated to Uplift Kalamazoo and Twelve Baskets.

We also began working with the Professional Cannabis Education Network on worker training programs specific to diversity and inclusion in the workplace. We look forward to continuing our work with PCEN in the future.

In 2022, we were a sponsor at the Radisson job fair in Kalamazoo. We also had a booth at the job fair and hired several individuals from this event. We continued our work with 12 baskets charity conducting foods drives at our retail locations (and giving generous discounts to customers who participated). In 2002, we also sponsored the Out Front Kalamazoo festival at a cost of \$6500. We continued our work with the Portage Senior Center with \$5000 in donations in 2022. We are proud to have been a member of the Southwest Michigan First Council of 100 in 2022. Our employee tuition reimbursement program has been a big success in 2022. We reimbursed several employees for tuition costs for cannabis courses at KVCC.

In 2023-2024, we expanded our commitment to community engagement and support in meaningful ways. As proud Members of the Rotary Club, we played an active role in organizing several successful blood drives, helping to address critical healthcare needs in our community. We deepened our partnership with the Portage Senior Center by sponsoring several families in need, providing essential support during challenging times and ensuring they had access to necessary resources.

Our participation in Out-Front Kalamazoo remained strong, as we collaborated with local organizers to foster community enrichment and drive impactful initiatives. We also took significant steps to address employment and workforce development by sponsoring multiple job fairs within the City of Kalamazoo. These events provided local residents with access to job opportunities, career guidance, and connections to employers, reinforcing our dedication to strengthening the local economy.

Our employee tuition reimbursement program has continued to thrive in 2023-2024, enabling team members to pursue higher education and skill development. This program has empowered employees to achieve personal and professional growth while building a more skilled workforce for the community. Currently, we are proud to employ 39 Kalamazoo residents across our affiliated companies, demonstrating our sustained commitment to creating local job opportunities and fostering economic stability within the city.

Through these efforts, we remain deeply invested in the well-being and prosperity of the Kalamazoo community, and we look forward to continuing our work to make a positive, lasting impact.

PORTAGE ACQUISITIONS

SOCIAL EQUITY PLAN

Background

The City of Kalamazoo requires that marihuana commercial business permit applicants submit a social equity plan (“SEP”) 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. PORTAGE ACQUISITIONS’s Preliminary Social Equity Plan established the expectations that all community members are prepared to work and live in a multicultural, diverse and international society as well as are exposed to a variety of beliefs, cultures, and differences as a catalyst for intellectual growth while challenging the systems of power, privilege, and inequity. This SEP will guide PORTAGE ACQUISITIONS, in these efforts.

This SEP is deeply rooted in PORTAGE ACQUISITIONS’s former Preliminary Social Equity Plan. Consistent with the former social equity plan, this social equity plan explicitly recognizes, facilitates awareness, and addresses patterns of social inequity within the marihuana industry. This desire for equity is reflected in its definition and vision at PORTAGE ACQUISITIONS and is based on several assumptions:

1. PORTAGE ACQUISITIONS approaches diversity from the standpoint of differences among social groups, not among individuals. For example, while the presence of a variety of psychologically diverse attributes such as personality or individually based values are critical to our institutional development, these are not the areas specific to social inequity in which groups of people systemically experience inequitable treatment and institutional barriers to success.
2. Social groups are marked by socially created differences in power, privilege, and access. Approaches to social difference, social identity, social location, and social inequity calls for appreciation of the multiple, complex, fluid, and cross-cutting aspects of social identities, and awareness that the inequities experienced by any and all disadvantaged groups warrant attention and collective efforts towards remedy (Adams et al., 2013).
3. Fostering social equity requires purposeful, institutional-level change. Individual-level strategies by themselves cannot create and sustain a diverse college community.

Marihuana business leadership and the Michigan marihuana industry as a whole will implement this social equity plan. Implementation will require a team effort. The plan will be implemented through broader civil deliberation and a process of exploration among members of the marihuana industry to determine how the expressed goals manifest into industry activities, and contribute to the value of institutional diversity, equity, and inclusion.

Introduction

Patient and adult-use marihuana user education is the foundation of PORTAGE ACQUISITIONS's Social Equity Plan. Throughout the development of PORTAGE ACQUISITIONS's SEP, social equity rose to the forefront. We identified social equity as a core theme that must permeate throughout every aspect of the marihuana industry so that all patients and adult-use customers can effectively learn.

Consistent with the preliminary social equity plan, PORTAGE ACQUISITIONS began the development process for this SEP within the context of respect, equity and civility for the interaction among diverse constituents of the marihuana industry. Speech and actions which perpetuate minimization, hate, oppression, group supremacy or exclusion are not recognized as productive and constructive forms of diversity in this industry. As a result, PORTAGE ACQUISITIONS chose to use "systemically non-dominant" terminology rather than "historically disadvantaged" developed by Debra Jenkins, AAS, MA, MS, Ph.D candidate.

PORTAGE ACQUISITIONS believes that replacing "historically disadvantaged" with the title "systemically non dominant" brings the attention to the current systems of oppression and no longer allows us to deny or minimize the way oppression manifests today. For purposes of this SEP, systemically non-dominant groups refer to groups of people outside the dominant group within systems of oppression. Systems of oppression provide benefits and assets for members of specific groups. The recipient groups are referred to as dominant groups because such advantages grant impacting levels of power, privilege, and status within social, economic, and political infrastructures of a society (Jenkins, 2015).

The following are goals and activities for each of the three social equity objectives mentioned above:

- Create and sustain an accessible and inclusive environment in the Michigan marihuana industry by utilizing principles of universal design and social justice so that all marihuana industry participants can achieve equitable outcomes.
- Demonstrate improved intercultural competency among employees and managerial staff through comprehensive professional development and curricular transformation.
- Institutionalize hiring and retention practices that challenge systems of power, privilege, and inequity.

The social equity plan is a product of all the research and discussions of how to create and sustain PORTAGE ACQUISITIONS as a socially equitable marihuana business for all groups. The goals and strategies of the SEP are intentionally broad and provide the opportunity for individual units and departments to lead the implementation.

This plan has been developed as a five-year plan, as the identified goals will take time to implement. Both the strategies and progress toward the goals will be evaluated each year by PORTAGE ACQUISITIONS. Additional goals may be added to the plan as continued assessment of diversity at PORTAGE ACQUISITIONS indicates the need.

PORTAGE ACQUISITIONS's SEP will guide our business efforts in promoting, developing, and sustaining diversity and equity in our community. The plan's intention is to develop and enhance systems, training, programs, and policies that analyze and challenge systems of power, privilege, and inequity to support community learning.

Vision

PORTAGE ACQUISITIONS recognizes, understands, confronts, and challenges the institutional systems of power, privilege, and inequity so that all members of the City of Kalamazoo community can support civic learning.

Purpose

Facilitate municipal learning by providing the conditions that improve educational outcomes and eliminate systemic disparities among all groups.

Objective: Create and sustain an accessible and inclusive environment by utilizing principles of universal design and social justice so that all marihuana industry participants can achieve equitable outcomes.

- **Adapt physical structures and spaces to meet universal design and social justice principles utilizing the following guidelines:**
 - Clear directional signs have large, high-contrast print
 - Restrooms, waiting areas, and other facilities are physically accessible to all individuals regardless of gender identity, mobility, and size
 - Furniture and fixtures are adjustable for mobility and size to allow arrangements that are accessible and improve work environment, various learning activities, and interactions
 - Emergency and security policies and procedures are clear, visible, and inclusive of all individuals. Routes of travel are unobstructed, rubble and hole free, and non-slip
- **Utilize universal design and social justice principles in materials, events, and environments utilizing the following guidelines:**
 - Provide caption videos
 - Offer touch screens
 - Write out words in materials and signage– no acronyms
 - All PORTAGE ACQUISITIONS events have marketing tools that are accessible
 - Adhere to PORTAGE ACQUISITIONS's standards for accessible, adaptable, and usable design of websites
 - Create all materials available in various formats and languages
 - Provide audio descriptions for visuals including pictures, videos, and charts

Objective: Demonstrate improved intercultural competency among employees and customers through comprehensive professional development and curricular transformation.

- **Provide comprehensive and continuing training and educational resources to help PORTAGE ACQUISITIONS employees work effectively in a diverse marihuana industry community, utilizing the following guidelines:**
 - Select all trainers and facilitators based on their ability to (a) infuse the analysis of power, privilege, and inequity into their training and (b) share strategies for creating equitable learning outcomes for patients and customers from systemically non-dominant groups
 - Ensure all training and workshops rely on active learning methods rather than lecture-based presentations
 - Develop and offer training and professional development to be inclusive to all staff, faculty, and administrative employee groups at PORTAGE ACQUISITIONS
 - Develop all training and professional development in collaboration with the MRA
- **Embed intercultural competency in all employee evaluations.**
- **Transform presentation materials in all programs to identify and analyze dynamics and implications of power, privilege, and inequity.**

Objective: Institutionalize hiring and retention practices that challenge systems of power, privilege, and inequity.

- **Develop and implement a multifaceted, multicultural media recruitment campaign.**
- **Improve all components of the internal hiring process and procedures utilizing the following guidelines:**
 - Develop and implement tools to assist hiring managers in identifying and supporting equity and inclusion in the recruitment and hiring process.
 - Train for screening committees
- **Outreach with professional associations and other networking groups to effectively source, attract, and engage diverse talent utilizing the following guidelines:**
 - Strengthen relationships with community, professional associations, and networking groups
 - Develop and implement targeted marketing communications
 - Be present at job fairs attended by systemically non-dominant populations
 - Create a new, PORTAGE ACQUISITIONS diversity hiring event
- **Generate a pipeline of highly qualified diverse candidates utilizing the following guidelines:**
 - Partner with regional graduate schools and universities' offices of diversity to connect their students and graduates with internships and open positions with PORTAGE ACQUISITIONS
 - Invite visiting marihuana industry professionals from systemically non-dominant populations in the areas where PORTAGE ACQUISITIONS anticipates vacancies
 - Increase PORTAGE ACQUISITIONS presence at regional and national professional conferences and training for faculty and staff from systemically non-dominant populations
- **Intentionally retain systemically non-dominant employees by developing and**

implementing strategies utilizing the following guidelines:

- Develop multiple communication conduits, relationships, and trust with members and groups in the community which represent systemically non-dominant employees
 - Develop, implement, and sustain a mentoring program for employees to create relationships, build community and foster interpersonal self- efficacy in order to navigate dominant systems
 - Develop and sustain an ongoing reporting system regarding issues around power, privilege, and inequity in the college community
 - Create career pathways to prepare and encourage advancement for employees
 - Offer opportunities for employees to build connections within the marijuana industry and outside communities through encouragement and support of their supervisor
- **Advocate for the retention, persistence, and completion of systemically non-dominant employees utilizing the following guidelines:**
 - Create a welcoming physical space to reflect our value in social justice and universal design
 - Sustain peer mentoring programs for employees to develop skills in self-advocacy and build a sense of belonging at PORTAGE ACQUISITIONS
 - Create advocate positions for systemically non-dominant groups to work with employees
 - Offer training that reflects the identities and history of systemically non-dominant groups
 - Develop and sustain an ongoing reporting system regarding issues around power, privilege, and inequity in the college community.

Responsibility and Compliance

In addition to the goals and strategies of this plan, compliance remains a necessity from the standpoint of PORTAGE ACQUISITIONS's policy and state and federal laws and regulations.

The responsibility for and the protection of this commitment extends to patients, customers, employees, managerial staff, and those who visit PORTAGE ACQUISITIONS. PORTAGE ACQUISITIONS affirms a commitment to freedom from discrimination and harassment for all members of the marijuana industry community. PORTAGE ACQUISITIONS expressly prohibits discrimination on the basis of race, color, national origin, age, perceived or actual physical or mental disability, pregnancy, genetic information, sex, sexual orientation, gender identity, marital status, creed, religion, honorably discharged veteran or military status, or use of a trained guide dog or service animal. In addition, PORTAGE ACQUISITIONS is committed to freedom from all forms of harassment including sexual harassment, gender violence, and harassment in the workplace.

“Not everything that is faced can be changed. But nothing can be changed until it is faced.”
— James Baldwin

References

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- Burgstahler, S. (2013). Introduction to universal design in higher education. In S. Burgstahler (Ed.). *Universal design in higher education: Promising practices*. Seattle: DO-IT, University of Washington. Retrieved from <https://www.washington.edu/doit/universal-design-processprinciples-and-applications>
- Jenkins, D. R. (2015). *Women of Color Experiences and Intercultural Developmental Strategies Constructing Community College Leadership: A Case Study*. Dissertation in progress. Phoenix, AZ: University of Phoenix.
- Landy & Conte (2007). *Work in the 21st Century: An Introduction to Industrial and Organizational Psychology*. Malden, MA: Blackwell Publishing.

First Name	Last Name	Address 1	Address 2	City	State	Zip Code	Neighborhood
Alexis				Kalamazoo	MI	49048	Eastwood
Nate				Kalamazoo	MI	49048	Eastwood
Becky				Kalamazoo	MI	49048	Eastwood
Shawn				Kalamazoo	MI	49048	Eastwood
Darren				Kalamazoo	MI	49048	Eastwood
Kevin				Kalamazoo	MI	49001	Edison
Kyle				Kalamazoo	MI	49001	Edison
Daniel				Kalamazoo	MI	49001	Edison
Scotti				Kalamazoo	MI	49001	Edison
Bryn				Kalamazoo	MI	49001	Edison
James				Kalamazoo	MI	49001	Edison
Tavin				Kalamazoo	MI	49004	Northside
Shawn				Kalamazoo	MI	49004	Northside
Andre				Kalamazoo	MI	49007	Northside
Drew				Kalamazoo	MI	49007	Northside
Charley				Kalamazoo	MI	49007	Northside
Mia				Kalamazoo	MI	49004	Northside
Donald				Kalamazoo	MI	49007	Northside
Josh				Kalamazoo	MI	49004	Northside
Christopher				Kalamazoo	MI	49007	Northside
Jenn				Kalamazoo	MI	49008	Oakwood
Jake				Kalamazoo	MI	49008	Oakwood
Matt				Kalamazoo	MI	49008	Oakwood
Adam				Kalamazoo	MI	49008	Oakwood
Max				kalamazoo	MI	49008	Oakwood
Kymahri				kalamazoo	MI	49009	Township
Ali				Kalamazoo	MI	49009	Township
Alex				Kalamazoo	MI	49009	Township
Malachi				Kalamazoo	MI	49009	Township
Jasmine				Kalamazoo	MI	49009	Township
Josh				Kalamazoo	MI	49009	Township
George				Kalamazoo	MI	49009	Township
Larry				Kalamazoo	MI	49009	Township
Kaylah				Kalamazoo	MI	49009	Township
Colby				Kalamazoo	MI	49009	Township
Jevin				Kalamazoo	MI	49009	Township
Max				Kalamazoo	MI	49009	Township
Branden				Kalamazoo	MI	49009	Township
Dailon				Kalamazoo	MI	49006	West Main
Ashley				Kalamazoo	MI	49006	West Main

Neighborhood	EE Count
Eastwood	5
Edison	6
Northside	9
Other	19



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

February 27, 2023

Lake Effect Group, LLC
3635 E Kilgore Rd
Kalamazoo, MI 49001

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-000260
- AU-R-000261
- AU-R-000712
- AU-R-000841
- AU-R-000856
- AU-P-000163

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

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
Entry level jobs with living wages and full benefits	Paying retail employees and entry level employees living wage	750K
Local Contractors	using Local Companies for Supplies - Air bag, Ladder, Hitech, Allegre	200K

JOB CREATION FOR LOCAL RESIDENTS		
Initiative/Description	Date(s)	Outcomes
Hiring for 2-3 shifts		we run 2 shifts at processor and 3 at stores allows for more hiring
Attending local Job fairs		
Collaborating with KULC		Training Programs

COMMUNITY OUTREACH		
Initiative/Description	Date(s)	Outcomes
Portage Community Center	12/23	sponsored 4 families for xmas supplies
put front K200 Sponsorship	6/23	sponsored out front K200 festival
Rotary Club	6/23 - current	Volunteer at blood drive - donate money
Swim First	1/23 - 1/24	using local organization to educate grand

Cumulative

WORKER TRAINING PROGRAMS		
Initiative/Description	Date(s)	Outcomes
KUCC Training Green flower media	Current	Tuition reimbursed for Cannabis Courses
Work App	Current	Training in various DEI Courses

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
Social equity all star Program	Current	
Hiring Local	Current	
Collaborating w/ social equity Chamber and K200	Current	

EMPLOYEE DEMOGRAPHIC INFORMATION

Total Number of Employees:		
Employees in Managerial Positions	Total Employees	10
	Number of Women	3
	Number of Minorities	3
Employees in Operational Positions:	Total Employees	80
	Number of Women	30
	Number of Minorities	25

How many City Residents do you currently employ?	Total Employees	39
How many residents do you currently employ from these Census Tracts?	Census Tract 1 (Eastside Neighborhood)	1
	Census Tracts 9 and/or 10 (Edison Neighborhood)	6
	Census Tracts 2.02, and/or 3 (Northside Neighborhood)	9

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

Our hiring manager and Human Resources make a concerted effort to interview

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 7

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

We offer flexible positions to give all employees an opportunity to be promoted

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.



EDC Board of Directors Staff Report

City of Kalamazoo

TO: The Economic Development Corporation Board of Directors

FROM: Antonio Mitchell, Director of Community Planning and Economic Development
Prepared by: Jared Chambers

DATE: February 20, 2025

SUBJECT: Motion to establish a nominating committee to recommend candidates for 2025 board vacancies.

SUMMARY:

BACKGROUND:

The EDC Board is anticipating at least 3 vacancies this year due to resignations and term limits. Director Hess and Director Bolton are terming off and Director Greeley.

RECOMMENDATION:

It is recommended the EDC establish a nominating committee to recommend candidates for 2025 board vacancies.



EDC Board of Directors Staff Report

City of Kalamazoo

TO: The Economic Development Corporation Board of Directors

FROM: Antonio Mitchell, Director of Community Planning and Economic Development
Prepared by: Jared Chambers

DATE: February 20, 2025

SUBJECT: Approval of a Contract Renewal with Dickinson-Wright to provide legal services to the Brownfield Redevelopment Authority from April-December 2025.

SUMMARY:

BACKGROUND:

The current contract with Dickinson Wright will expire on March 31, 2025. Purchasing Division obtained updated cost quote and hourly billing will remain the same in 2025 at \$240/hour rate. Staff is recommending a 9-month contract extension from April - December 2025 to align the contract with the budget year.

The adjusted not-to-exceed amounts for the 9-month contract extension are:
EDC funds of \$22,500 from 244-728-00.000-801.000
BRA funds of \$90,000 from 243-735-00.000-801.000

RECOMMENDATION:

It is recommended to approve a Contract Renewal with Dickinson-Wright to provide legal services to the Brownfield Redevelopment Authority from April-December 2025.

BID FORM FOR CONTRACT EXTENSION AWARD

The undersigned agrees to provide *Legal Consulting Services for BRA and EDC* for the City of Kalamazoo in conjunction with a contract extension to the original contract. The term of the contract extension shall begin on or about **April 1, 2025**, and expire on or about **December 31, 2026**, depending on date of approval. The contract provides for changes in requirements and price adjustments based on the City's needs and changes in cost for the contactor. All other terms, requirements, and conditions of the original contract, including any addendums, are hereby continued in force and effect during the term of this contract extension.

The undersigned having become thoroughly familiar with the original contract documents and any modifications incorporated herein agrees to provide *Legal Consulting Services for BRA and EDC* to the City of Kalamazoo for the following unit prices as stated below:

LEGAL CONSULTING SERVICES FOR BRA AND EDC:

BILLING RATES

APRIL 1, 2025 – December 31, 2026

Member/Partner Attorney \$ 240 /hr

Associate Attorney \$ 240 /hr

CITY OF KALAMAZOO- INTENT TO RENEW
Legal Consulting Services for BRA and EDC

Page 2
Reference No. 91874-001.2

I hereby state that all the information I have provided is true, accurate and complete. I hereby state that I have the authority to submit this bid which will become a binding contract if accepted by the City of Kalamazoo. I hereby state that I have not communicated with nor otherwise colluded with any other bidder, nor have I made any agreement with nor offered/accepted anything of value to/from an official or employee of the City of Kalamazoo that would tend to destroy or hinder free competition.

The firm's identification information provided will be used by the City for purchase orders, payment and other contractual purposes. If the contractual relationship is with, or the payment made to, another firm please provide a complete explanation on your letterhead and attach to your bid. Please provide for accounts payable purposes:

Tax Identification Number (Federal ID): 38-136433

Remittance Address: 200 Ottawa Ave., Suite 900, Grand Rapids, MI 49503

Financial Contact Name: Jessica Wood Financial Contact Phone Number: 616-336-1054

Financial Contact Email Address: jwood@dickinson-wright.com

I hereby state that I have read, understand, and agree to be bound by all terms of the original contract and this bid for contract extension.

SIGNED:  NAME: Jessica Wood
(Type or Print)

TITLE: Member DATE: February 3, 2025

FIRM NAME: Dickinson Wright PLLC

ADDRESS: (If any) 200 Ottawa Ave., Suite 900, Grand Rapids, MI 49503
(Street address) (City) (State) (Zip)

PHONE: 616-336-1054 FAX: 844-670-6009

EMAIL ADDRESS: jwood@dickinson-wright.com

AWARD (FOR CITY USE ONLY)