

CITY OF PONTIAC MEDICAL MARIHUANA PROVISIONING CENTERS
SCORING CRITERIA GUIDE

Applicants seeking a license to operate a medical marihuana provisioning center within the City of Pontiac will be evaluated and scored according to several criteria set out in the City of Pontiac Medical Marihuana Facilities Ordinance.

Each applicant will be scored in each of the following eight categories:

| | Category | Maximum Possible Points | Applicable Ordinance Section |
|---|---|-------------------------|------------------------------|
| 1 | Content and Sufficiency <u>Subcategories</u> <ul style="list-style-type: none"> • <i>Background Information</i> (up to 5 points) • <i>Financial Background</i> (up to 10 points) • <i>Economic Benefits</i> (up to 10 points) • <i>Community Development</i> (up to 10 points) *scored using Community Benefits Scoring • <i>Planning (Facility)</i> (up to 10 points) • <i>Patient Education</i> (up to 5 points) | 50 | §9(f)(1) |
| 2 | Land Use | 20 | §9(f)(2) |
| 3 | Community Impact | 10 | §9(f)(3) |
| 4 | Managerial Resources | 10 | §9(f)(4) |
| 5 | Financial Resources | 10 | §9(f)(5) |
| 6 | Job Creation | 10 | §9(f)(6) |
| 7 | Philanthropic and Community Improvement *scored using Community Benefits Scoring | 10 | §9(f)(7) |
| 8 | Physical Improvements | 10 | §9(f)(8) |
| | TOTAL POSSIBLE SCORE | 130 | |

In a category in which an applicant can earn a maximum of five (5) points, applicants will receive:

- One (1) point if their submission is **Very Deficient**, or
- Five (5) points if their submission is **Satisfactory**.

In a category in which an applicant can earn a maximum of ten (10) points, applicants will receive:

- One (1) point if their submission is **Very Deficient**,
- Five (5) points if their submission is **Somewhat Deficient**, or
- Ten (10) points if their submission is **Satisfactory**.

In the category in which an applicant can earn a maximum of twenty (20) points, applicants will receive:

- One (1) point if their submission is **Very Deficient**,
- Ten (10) points if their submission is **Somewhat Deficient**, or
- Twenty (20) points if their submission is **Satisfactory**.

A submission will be deemed **Satisfactory** in a particular category if it satisfies the criteria set out for that category, as applicable.

A submission will be deemed **Somewhat Deficient** in a particular category if it partially satisfies the criteria set out for that category but fails to satisfy all criteria, as applicable.

A submission will be deemed **Very Deficient** in a particular category if it significantly fails to satisfy the criteria set out for that category, as applicable.

In order to receive the maximum amount of points for pre-qualification with the State of Michigan in the categories of Managerial Resources and Financial Resources, the applicant must have received its pre-qualification prior to submitting its Provisioning Center Application to the City of Pontiac.

Community Benefits Scoring

In the Community Development Subcategory of Content and Sufficiency (up to 10 points) and the Philanthropic and Community Improvement Category (up to 10 points), applicants will be scored based on the community benefits pledged in the City. Community benefits points will be awarded, as determined by the City Clerk, based on the commitment, quality, duration and community support of such pledged benefits.

If an applicant does not pledge community benefits, such applicant will receive a zero (0) score for such Community Development Subcategory and Philanthropic and Community Improvement Category.

In each Community Benefits Scoring category in which an applicant can earn a maximum of three (3) points, applicants will receive:

- One (1) point if their submission is ***Very Deficient***, or
- Three (3) points if their submission is ***Satisfactory***.

In each Community Benefits Scoring category in which an applicant can earn a maximum of four (4) points, applicants will receive:

- One (1) point if their submission is ***Very Deficient***, or
- Four (4) points if their submission is ***Satisfactory***.

The ***Total Possible Score*** for an application is **130 points**.

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MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA

| #1 | <u>CONTENT AND SUFFICIENCY OF THE INFORMATION</u> | Sub-Category Maximum Possible Points | Maximum Possible Points | Applicable Ordinance Section |
|----|--|---|--------------------------------|-------------------------------------|
| | CRITERIA | | 50 | |
| A | <i>Background Information Subcategory</i> | 5 | | |
| 1 | Full name, date of birth, physical address, email address, and telephone number of applicant and entity's stakeholders | | | §8(c)(1) |
| 2 | Articles of incorporation, operating agreement, and bylaws | | | §8(c)(2),(4) |
| 3 | Entity's employee identification number | | | §8(c)(3) |
| 4 | Proposed ownership structure | | | §8(c)(7) |
| 5 | Current organization chart | | | §8(c)(8) |
| 6 | Applicant's criminal history | | | §8(c)(14) |
| 7 | Description of security plan consistent with LARA requirements | | | §8(c)(17) |
| 8 | Affidavit that no applicant or stakeholder is in default to the city | | | §8(c)(23) |
| 9 | Proof of premises liability and casualty insurance | | | §8(c)(25) |
| 10 | Signed acknowledgment of understanding regarding federal law | | | §8(c)(26) |

MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA

| #1 | <u>CONTENT AND SUFFICIENCY OF THE INFORMATION</u> | Sub-Category Maximum Possible Points | Maximum Possible Points | Applicable Ordinance Section |
|----|--|---|--------------------------------|-------------------------------------|
| | CRITERIA | | 50 | |
| B | <i>Financial Background Subcategory</i> | 10 | | |
| 11 | Proposed business plan | | | §8(c)(6) |
| 12 | Marketing, advertising, and business promotion plan | | | §8(c)(9) |
| 13 | Description of planned tangible capital investment in the city | | | §8(c)(10) |
| 14 | Description of financial structure and financing of facility | | | §8(c)(12) |
| 15 | Source of financing of facility, including documentation of any loans or lines of credit | | | |
| 16 | Sources of capital contributions | | | |
| 17 | Solvency of investors | | | |
| 18 | Whether facility has established account with financial institution | | | |
| 19 | Description of financial recordkeeping and accounting system | | | |
| 20 | Controls in place to assure financial integrity of facility, including how cash is secured | | | |
| 21 | Pre-qualification with State of Michigan (maximum points awarded) | | | |
| 22 | Short-term business goals and objectives | | | §8(c)(13) |
| 23 | Long-term business goals and objectives | | | |
| 24 | Strategic plan for meeting business goals | | | |
| 25 | Identification and investment of resources necessary to achieve business goals | | | |
| 26 | Proposed inventory and recordkeeping plan | | | §8(c)(22) |
| 27 | Frequency of inventory audits and other inventory controls | | | |
| 28 | Method of inventory costing (FIFO, LIFO, etc.) | | | |
| 29 | Verification of minimum capitalization | | | §8(c)(24) |
| 30 | Documentation, including bank or financial statements of minimum capitalization | | | |

MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA

| #1 | <u>CONTENT AND SUFFICIENCY OF THE INFORMATION</u> | Sub-Category Maximum Possible Points | Maximum Possible Points | Applicable Ordinance Section |
|--|---|---|--------------------------------|-------------------------------------|
| | CRITERIA | | 50 | |
| C | <i>Economic Benefits Subcategory</i> | 10 | | |
| 31 | Job creation to be achieved | | | §8(c)(11) |
| 32 | Number and type of jobs to be created | | | |
| 33 | Compensation to be offered for each position | | | |
| 34 | Projected annual budget and revenue of facility | | | |
| 35 | Projected timeline for facility to break even | | | |
| D | <i>Community Development Subcategory</i> | 10 | | |
| <p>The City Clerk will consider those community benefits pledged in the City of Pontiac as part of the provisioning center application and award points based on the following criteria.</p> | | | | |
| <p>If an applicant does not pledge community benefits, such applicant will receive a zero (0) score for this subcategory.</p> | | | | |
| 36 | Commitment to providing community benefits and quality of pledged community benefits | 4 | | §8(c)(15), |
| | <ul style="list-style-type: none"> • <i>A description of the proposed community outreach and education strategies.</i> | | | |
| 37 | Duration of pledged community benefits | 3 | | |
| | <ul style="list-style-type: none"> • <i>A description of the amount of time or financial commitment to each program.</i> • <i>A description of the length (days, weeks, months) of each commitment and cumulative duration.</i> | | | |
| 38 | Community support for pledged community benefits | 3 | | |
| | <ul style="list-style-type: none"> • <i>Community outreach meetings that occur at a variety of places (community centers, churches, etc.).</i> • <i>A description of the planned frequency of community outreach meetings.</i> • <i>A description of the applicant's plans for responding to community concerns.</i> • <i>A description of the applicant's efforts to connect with community leaders.</i> • <i>A description of the involvement of key stakeholders in community development programs.</i> | | | |

MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA

| #1 | <u>CONTENT AND SUFFICIENCY OF THE INFORMATION</u> | Sub-Category Maximum Possible Points | Maximum Possible Points | Applicable Ordinance Section |
|----|---|---|--|---|
| | CRITERIA | | 50 | |
| E | <i>Planning (Facility) Subcategory</i> | 10 | | |
| 39 | Floor plan for facility | | | §8(c)(18) |
| 40 | Description of renovations needed to meet floor plan | | | |
| 41 | Time needed to complete renovation and setup | | | |
| 42 | Scale diagram illustrating property | | | §8(c)(19) |
| 43 | Any proposed text or graphic materials to be posted on exterior of building | | | §8(c)(20) |
| 44 | Size and nature of external graphics (signboard, electronic, etc.) | | | |
| 45 | Number of external graphics or signs | | | |
| 46 | Verification of compliance with state and local building and safety codes | | | §8(c)(21) |
| 47 | Certificate of occupancy | | | |
| 48 | Facility sanitation plan | | | |
| 49 | Plan for ensuring proper treatment and security of waste | | | |
| 50 | Contracts with service providers for waste disposal and treatment | | | |

MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA

| #1 | <u>CONTENT AND SUFFICIENCY OF THE INFORMATION</u> | Sub-Category Maximum Possible Points | Maximum Possible Points | Applicable Ordinance Section |
|----|--|---|--------------------------------|-------------------------------------|
| | CRITERIA | | 50 | |
| F | <i>Patient Education Subcategory</i> | 5 | | |
| 51 | Description of education and training to be provided to employees | | | §8(c)(5) |
| 52 | Patient education plan | | | |
| 53 | Training to be provided to employees on patient education | | | |
| 54 | Whether licensed professional provides employee training | | | |
| 55 | Resources available to employees in educating patients (written materials, online, etc.) | | | |
| 56 | Brochures and other resources available to patients | | | |
| 57 | Drug and alcohol awareness programs | | | |
| 58 | Training provided to employees for recognizing substance abuse | | | |
| 59 | Partnerships with community organizations for substance abuse awareness programs | | | |
| 60 | Materials provided to patients regarding drug and alcohol awareness | | | §8(c)(29) |
| | TOTAL – Content and Sufficiency of the Information | | | |

MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA

| #2 | <u>LAND USE</u> | Sub-Category Possible Points | Maximum Possible Points | Applicable Ordinance Section |
|----|---|------------------------------|-------------------------|------------------------------|
| | CRITERIA | | 20 | |
| A | <i>Resident Safety Subcategory</i> | 10 | | |
| 1 | Detriment to resident safety | | | §9(f)(2) |
| 2 | System for communicating potential safety threats to neighborhood residents | | | |
| 3 | Plan for securing facility including surveillance | | | |
| 4 | Agreements with law enforcement or private security company to ensure area safety | | | |
| B | <i>Neighborhood Land Use Subcategory</i> | 10 | | |
| 5 | Consistency with neighborhood land use | | | §9(f)(2) |
| 6 | Efforts to ensure character of neighborhood maintained | | | |
| 7 | Plan to ensure product and materials are kept away from minors | | | |
| 8 | Partnerships with community organizations to mitigate negative effects | | | |
| 9 | Partnerships with area businesses to mitigate issues | | | |
| 10 | Effect on traffic patterns | | | |
| 11 | Consultation with law enforcement regarding traffic flow | | | |
| 12 | Availability of adequate parking near facility | | | |
| 13 | Whether parking is exclusive to facility or share with other businesses | | | |
| | TOTAL – Land Use | | | |

| MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA | | | |
|--|---|--------------------------------|-------------------------------------|
| #3 | <u>COMMUNITY IMPACT</u> | Maximum Possible Points | Applicable Ordinance Section |
| | CRITERIA | 10 | |
| 1 | Planned community outreach initiatives | | §9(f)(3) |
| 2 | Meetings with community leaders and stakeholders | | |
| 3 | Availability of facility managers to address community concerns | | |
| 4 | Promptness in responding to community concerns | | |
| 5 | Physical improvements to building | | |
| 6 | Capital investment in building and time for completion | | |
| 7 | Impact on traffic | | |
| 8 | Plan for ensuring uninterrupted street access | | |
| 9 | Effect on noise level | | |
| 10 | Efforts to control facility area and eliminate loitering | | |
| 11 | Mitigation of odor effects | | |
| 12 | Technology in place to mitigate odors | | |
| | TOTAL – Community Impact | | |

| MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA | | | |
|--|---|--------------------------------|-------------------------------------|
| #4 | <u>MANAGERIAL RESOURCES</u> | Maximum Possible Points | Applicable Ordinance Section |
| | CRITERIA | 10 | |
| 1 | Record of acts detrimental to public health, security, safety, morals, good order, or general welfare | | §9(f)(4) |
| 2 | Description of each primary stakeholder's relevant business experience | | |
| 3 | History of operating similar medical marihuana facilities | | |
| 4 | Whether applicant currently operates other medical marihuana facilities | | |
| 5 | Whether facility managers are stakeholders of applicant | | |
| 6 | Whether facility manager has operated other medical marihuana facilities | | |
| 7 | Proof of regulatory compliance | | |
| 8 | Criminal background history by applicant and stakeholders | | |
| 9 | Pre-qualification with State of Michigan (maximum points awarded) | | |
| | TOTAL – Managerial Resources | | |

In order to receive the maximum amount of points for pre-qualification with the State, the applicant must have received its pre-qualification prior to submitting its Provisioning Center Application with the City.

| MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA | | | |
|--|--|--------------------------------|-------------------------------------|
| #5 | <u>FINANCIAL RESOURCES</u> | Maximum Possible Points | Applicable Ordinance Section |
| | CRITERIA | 10 | |
| 1 | Sufficient financial resources to fund business plan | | §9(f)(5) |
| 2 | Description of allocation of financial resources to each phase of business plan | | |
| 3 | Anticipated reinvestment of profits into business | | |
| 4 | Copies of financial statements of applicant and primary stakeholders for last twelve months* | | |
| 5 | Copies of tax returns of applicant and primary stakeholders for last three years* | | |
| 6 | Business experience to execute business plan | | |
| 7 | Managerial history of key stakeholders and managers including copies of resumes | | |
| 8 | CPA attestation of net worth or bank statements | | |
| 9 | Pre-qualification with State of Michigan (maximum points awarded) | | |
| | TOTAL – Financial Resources | | |

In order to receive the maximum amount of points for pre-qualification with the State, the applicant must have received its pre-qualification prior to submitting its Provisioning Center Application with the City.

***If the applicant has received and submits its pre-qualification letter from the State with its application, the applicant and its stakeholders need not submit copies of financial statements or tax returns.**

| MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA | | | |
|--|--|--------------------------------|-------------------------------------|
| #6 | <u>JOB CREATION</u> | Maximum Possible Points | Applicable Ordinance Section |
| | CRITERIA | 10 | |
| 1 | Anticipated job creation | | §9(f)(6) |
| 2 | Number of full-time and part-time positions expected to be created | | |
| 3 | Nature of each position | | |
| 4 | Hourly wages or salaries for each position | | |
| 5 | Qualifications required for each position (high school, college, certifications, etc.) | | |
| 6 | Healthcare and benefits to be provided | | |
| 7 | Plan and strategy to attract employees from City of Pontiac | | |
| 8 | Plans and initiatives for recruiting prospective employees | | |
| 9 | Marketing of jobs and recruiting efforts via a variety of media, including in-person meetings within community | | |
| | TOTAL – Job Creation | | |

MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA

| #7 | <u>PHILANTHROPIC AND COMMUNITY IMPROVEMENT</u> | Benefits Rating | Maximum Points Possible | Applicable Ordinance Section |
|-----------------|---|------------------------|--------------------------------|-------------------------------------|
| CRITERIA | | | 10 | |

The City Clerk will consider those community benefits pledged in the City of Pontiac as part of the provisioning center application and award points based on the following criteria.

If an applicant does not pledge community benefits, such applicant will receive a zero (0) score for this subcategory.

| | | | | |
|--|--|---|--|-----------------------|
| 1 | Commitment to providing community benefits and quality of pledged community benefits | 4 | | §9(f)(7) §8(c)(16) |
| | <ul style="list-style-type: none"> • <i>A description of proposed charitable plans, whether through financial donations or volunteer work.</i> • <i>A description of the community improvement programs aimed at the City of Pontiac.</i> | | | |
| 2 | Duration of pledged community benefits | 3 | | |
| | <ul style="list-style-type: none"> • <i>A description of the amount of time or financial commitment to each program.</i> • <i>A description of the length (days, weeks, months) of each commitment and cumulative duration.</i> | | | |
| 3 | Community support for pledged community benefits | 3 | | |
| | <ul style="list-style-type: none"> • <i>A description of the applicant's plans for responding to community concerns.</i> • <i>A description of the applicant's efforts to connect with community leaders.</i> • <i>A description of the involvement of key stakeholders in charitable programs.</i> | | | |
| TOTAL – Philanthropic and Community Improvement | | | | |

| MEDICAL MARIHUANA PROVISIONING CENTERS SCORING CRITERIA | | | |
|--|--|--------------------------------|-------------------------------------|
| #8 | <u>PHYSICAL IMPROVEMENTS</u> | Maximum Possible Points | Applicable Ordinance Section |
| | CRITERIA | 10 | |
| 1 | Proximity to other structures | | §9(f)(8) |
| 2 | More than 1,000 feet from operational public or private school | | |
| 3 | More than 500 feet from operational commercial childcare organization, public park with playground equipment, or religious institution | | |
| | TOTAL – Physical Improvements | | |

The application should certify that distances have been measured in accordance with the procedure set out in Ordinance Section 9(f)(8) and should either (1) specify the distance of the proposed facility from each such structure or (2) certify that no structures are located within the prescribed distances.