



CITY OF PONTIAC
MEDICAL MARIHUANA FACILITY
PERMIT APPLICATION INSTRUCTIONS
FOR GROWER, PROCESSER, SECURE TRANSPORTER AND SAFETY
COMPLIANCE FACILITY APPLICATIONS

The City of Pontiac medical marihuana facility permit application process is authorized under Pontiac City Ordinance #2357B (“City of Pontiac Medical Marihuana Facilities Ordinance”) (“Ordinance”) and is pursuant to the Medical Marihuana Licensing Facilities Act, Act No. 281 of Public Acts of 2016.

Application Process

Persons may apply for a medical marihuana facility permit in the following categories:

- **Grower:**
 - Class A: up to 500 plants
 - Class B: up to 1,000 plants
 - Class C: up to 1,500 plants
- **Processor:** a commercial entity that purchases marihuana from a Grower and that extracts resin from the marihuana or creates marihuana-infused product for sale and transfer in packaged form to a Provisioning Center
- **Secured Transporter:** a commercial entity located in the State of Michigan that stores marihuana and transports marihuana between medical marihuana facilities for a fee
- **Safety Compliance Facility:** a commercial entity that receives marihuana from a medical marihuana facility or registered primary caregiver, tests it for contaminants and for tetrahydrocannabinol and other cannabinoids, returns the test results, and may return the marihuana to the medical marihuana facility

Applicants must submit one (1) original and four (4) copies of the completed typed application directly to the Office of the City Clerk (Monday-Friday 9:00 a.m.-4:00 p.m.) at the following address:

Pontiac City Clerk’s Office
47450 Woodward Avenue
Pontiac, Michigan 48432

NO APPLICATION WILL BE APPROVED FOR A PERMIT UNLESS IT IS COMPLETE AND UNLESS: (I) THE FIRE DEPARTMENT AND THE DEPARTMENTS OF BUILDING AND SAFETY AND PLANNING OR ANOTHER RELEVANT DEPARTMENT HAVE CONFIRMED THAT THE PROPOSED LOCATION IS IN COMPLIANCE WITH ALL STATE AND LOCAL BUILDING, ELECTRICAL, FIRE, MECHANICAL AND PLUMBING REQUIREMENTS; (II) THE DEPARTMENTS OF BUILDING AND SAFETY AND PLANNING OR ANOTHER RELEVANT DEPARTMENT HAS CONFIRMED THAT THE PROPOSED LOCATION COMPLIES WITH THE ZONING ORDINANCE; (III) THE PROPOSED MEDICAL MARIHUANA FACILITY HAS BEEN ISSUED A CERTIFICATE OF OCCUPANCY AND, IF NECESSARY, A BUILDING PERMIT; AND (IV) THE APPLICANT IS PREQUALIFIED (STEP-ONE APPROVAL) FOR A STATE OF MICHIGAN MEDICAL MARIHUANA FACILITIES LICENSE BY THE MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS.

Pontiac City Clerk’s Office
47450 Woodward Avenue, Pontiac, MI 48342
PHONE: (248) 758-3200 FAX: (248) 758-3160

General Instructions

All applications must be typed. Any incomplete or inaccurate information on an application may result in the application being delayed or denied.

HOWEVER, WHERE SIGNATURES ARE REQUIRED, ALL SIGNATURES MUST BE HANDWRITTEN; AN ELECTRONIC SIGNATURE IS NOT SUFFICIENT.

If an attachment to the application is required, clearly identify the ordinance section applicable to such attachment at the top of the attachment. *For example*, in the financial background section, the applicant must submit verification that it has a minimum capitalization consistent with the requirements of LARA Rule 12. This requirement is met by submitting CPA attested financial statements. On the top of the CPA attested financial statements, the applicant shall type “Sec. 8(c)(24)”, because such CPA attested financial statements are applicable to Section 8(c)(24) of the Ordinance.

References

“LARA” means the Michigan Department of Licensing and Regulatory Affairs.

References in these instructions to a specific LARA Rule means such rule in the Administrative Rules for the Medical Marihuana Facilities Licensing Act, available at https://www.michigan.gov/documents/lara/2017-042_LR_-_Final_-_Medical_Marihuana_640679_7.pdf.

The City of Pontiac Zoning Ordinance is available at <https://www.codepublishing.com/MI/Pontiac/>, and Ordinance No. 2363 (recent amendments to the City of Pontiac Zoning Ordinance regarding medical marijuana facilities) is available on the City Clerk’s webpage (<http://www.pontiac.mi.us/departments/clerk/>).

Application Fee

The application fee of \$5,000.00 for each application is a non-refundable fee paid to the City of Pontiac at the time of filing the application to help defray administrative costs associated with the application. Such amount must be paid by certified check payable to the “City of Pontiac”.

Application Checklist

The first page of the application provides a checklist of required components of the medical marihuana facility permit application that must be submitted to the City Clerk. Before you submit an application, confirm that each item on such checklist has been completed.

APPLICANT INFORMATION

The permit application begins by filling out the applicant information.

Application Page 2

Establishment Information

This part requires the applicant to provide information about the name, location and phone number of the proposed medical marijuana facility. The applicant is also required to indicate whether such facility location is owned or leased and provide a copy of the executed deed or lease.

Applicant Type

In this part the applicant must check a box to identify whether it is an individual, corporation, limited liability company, limited liability partnership, or other entity type. If “Other” is checked, the entity type of the applicant must be specified in the blank space provided.

Applicant Information

This part requires the applicant to provide the following general demographic information in accordance with Sections 8(c)(1) and 8(c)(3) of the Ordinance:

- **Name**
 - If the applicant is an individual, provide the full name as it appears on a state issued driver’s license or passport.
 - If the applicant is an entity, provide the entity name as it appears on official government documents (e.g., Articles of Incorporation, Articles of Organization, Certificate of Formation, etc.).
- **Date of Birth** (if individual) (month/day/year) (e.g., 06/20/1990) / **Employer Identification Number** (if entity)
- **Phone Number**: Provide a phone number for the applicant.
- **Address**: Provide a mailing address for the applicant.
- **Email address**: Provide an active email address that is regularly checked by the applicant.

Application Page 3

Page 3 is only applicable to non-individual applicants. Pursuant to Section 8(c)(1) of the Ordinance, the applicant must provide the following information for all stakeholders of the applicant (officers, directors, and managerial employees of the applicant and any persons who hold any direct or indirect ownership interest in the applicant):

- **Name**
- **Date of birth** (month/day/year) (e.g., 06/20/1990)
- **Telephone number**
- **Address**
- **Email address**

The same requirements stated in the part above apply to this part of the application as well. If the applicant has more than 3 stakeholders, make additional copies of the “Stakeholder Information” page.

The first stakeholder listed on this page will be the Designated Contact for the applicant. All communications by the Pontiac City Clerk to the applicant will be to such Designated Contact on behalf of the applicant and the Pontiac City Clerk will only communicate with such Designated Contact regarding the applicant and the application. If the applicant is an individual, the Designated Contact will be the applicant.

Application Page 4

The last page of the Applicant Information section is a request for documents/attachments. **All attachments must be clearly labelled with the applicable Ordinance section.**

Organization Documentation

- *Official Business Formation Document* (Sec. 8(c)(2)). The applicant must provide a copy of its formation document filed with the applicable jurisdiction (e.g., Michigan or another state). For a Michigan limited liability company this would be the applicant's Articles of Organization, and for a Michigan corporation this would be the applicant's Articles of Incorporation.
- *Copy of Governing Documents* (Sec. 8(c)(4)). The applicant must provide a copy of its current governing documents. For a Michigan limited liability company this would typically be an Operating Agreement and for a Michigan corporation this would typically be Bylaws.

Ownership Structure (Sec. 8(c)(7))

The applicant must submit evidence of the proposed ownership structure of the applicant, including ownership percentages held by each stakeholder. Such attachment must include all direct and indirect owners of the applicant. Graphical images with an entity chart are acceptable.

Organization Chart (Sec. 8(c)(8))

The applicant must submit a current organization chart that includes position descriptions and the names of each person holding such position. Graphical images with an organization chart are acceptable.

FINANCIAL BACKGROUND

The second section of the application applies to the applicant's business and financial information. **All attachments must be clearly labelled with the applicable Ordinance section.**

Application Page 5

Proposed Business Plan (Sec. 8(c)(6))

The applicant must submit a proposed business plan. A complete business plan should include a description of the following for the applicant:

- Business and Objectives;
- Location, Facilities and Equipment;
- Market and Competitive Analysis;
- Management and Organization;
- Products and Services;
- Marketing Plan and Sales Strategy;

- Funding; and
- Financial Projections.

The applicant may include cross references to other sections of the application to reference the applicant's (a) short and long term business objectives; (b) the proposed marketing, advertising and business promotion plan for the facility; (c) planned capital investment in the City of Pontiac; (d) expected job creation; (e) community education plans; and (f) charitable plans and strategies. These items may be considered as part of the applicant's business plan.

Application Page 6

Financial Structure and Financing (Sec. 8(c)(12))

The applicant must describe the financial structure and the financing of the proposed medical marihuana facility. Graphical images are acceptable, so long as the entities or individuals referenced on the graph have been identified in the application.

The financial structure should include the structure of the applicant's sources of financing, including owners' equity, short and long-term debt and liabilities, and accounts payable. The financial structure should show the applicant's debt-equity ratio and all debt or equity investors in the proposed medical marihuana facility. Failure to include a detailed explanation of how and by whom the facility will be financed may result in the application being delayed or rejected.

Application Page 7

Business Goals (Sec. 8(c)(13))

The applicant must describe its short-term and long-term business goals and objectives for the proposed medical marihuana facility.

The applicant's business goals and objectives should be specific and measurable. Goals are statements of the applicant's desired achievements, while objectives are specific steps or actions the applicant can/will take to reach a particular goal. The applicant's goals and objectives should be separately identified, and the goals should support the applicant's proposed business plan. Goals can be in areas such as sales, profitability, product range, community outreach, efficiency and customer service/approval, with a range of objectives to meet such goals.

Application Page 8

Marketing Plan (Sec. 8(c)(9))

The applicant must submit a proposed marketing, advertising, and business promotion plan for the proposed medical marihuana facility. The proposed plan should describe all the means and methods of promoting the proposed medical marihuana facility, including which marketing strategies the applicant will implement, such as:

- e-mail marketing;
- attending industry related events and conferences;
- become a member of business and industry associations (local, state and/or national);
- online advertising;

- direct communication with other licensed medical marihuana facilities;
- development of a website or social media accounts; and
- sponsorship or establishment of community programs.

The plan should acknowledge that all advertising, marketing, signs and materials will comply with state laws and any Pontiac City ordinances.

The attached marketing, advertising, and business promotion plan should be clearly labelled “Sec. 8(c)(9)”.

Minimum Capitalization Requirement (Sec. 8(c)(24))

The applicant must verify that it has met the minimum capitalization consistent with the requirements of LARA Rule 12. To satisfy this requirement, the applicant must submit Certified Public Accountant (CPA) attested financial statements consistent with the requirements of LARA Rule 12 validating the capitalization amounts and sources.

The attached CPA attested financial statements should be clearly labelled “Sec. 8(c)(24)”.

<u>COMMUNITY INVESTMENT</u>

Application Page 9

Capital Investment (Sec. 8(c)(10))

The applicant must describe the planned tangible capital investment in the City of Pontiac, including (i) detail related to the number and nature of proposed medical marihuana facilities (including if the applicant is applying for a stacked license or if the applicant plans to apply for future licenses) and (ii) whether the locations of such facilities will be owned or leased. In describing the planned capital investment in the City, the applicant should also describe its investment in the location (e.g., purchase price of the location or monthly/annual rent and proposed investment in improvements at the location).

Application Page 10

Economic Benefit (Sec. 8(c)(11))

The applicant must provide an explanation of the economic benefits to the City of Pontiac and the job creation to be achieved by the proposed medical marihuana facility, including: (i) the number and types of jobs the medical marihuana facility is expected to create; (ii) the amount and type of compensation expected to be paid for such jobs; and (iii) the projected annual budget and revenue of the medical marihuana facility.

Application Page 11

Community Outreach and Education (Sec. 8(c)(15))

The applicant must describe its proposed community outreach and education strategies. This should include specific steps that the applicant intends to take with regard to community outreach and education.

Community outreach and education initiatives can include, but are not limited to, the following:

- patient education classes with experts in the marihuana or cannabis industry to help Pontiac residents understand the uses, regulations and concerns surrounding marihuana;
- reaching out to local homeowner associations, businesses and/or property owners within a reasonable proximity of the proposed facility to request a meeting with representatives and provide information about the facility; applicants who contact homeowner's associations, businesses and/or property owners should include the name of the association/business/owner and contact person if meetings have been scheduled;
- patient support groups conducted by medical professionals or peer led groups; and
- partnering with local charities or sponsoring events for local organizations (if this is part of your efforts, please describe in detail which organizations you intend to partner with or have committed partnerships or sponsorships and how that will further your community outreach).

Application Page 12

Charitable Plans (Sec. 8(c)(16))

The applicant must describe its proposed charitable plans, whether through financial donations or volunteer work. The applicant should list which charitable organizations it plans to volunteer or work with and/or donate to, and the details of such proposed relationship.

<u>FACILITY LOCATION REQUIREMENTS</u>
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Application Page 13

The applicant must make several submissions related to the physical location of the proposed medical marihuana facility. **All attachments must be clearly labelled with the applicable Ordinance section.**

Floor Plan (Sec. 8(c)(18))

The applicant must submit a floor plan of the proposed medical marihuana facility consistent with the requirements of the City of Pontiac Zoning Ordinance, Section 6.208.

Scale Diagram (Sec. 8(c)(19))

The applicant must submit a scale diagram illustrating the property upon which the proposed medical marihuana facility is to be operated, including all available parking spaces and specifying which parking spaces are handicapped-accessible.

Such scale diagram must be in the form of a property survey prepared by a licensed professional surveyor.

Signage (Sec. 8(c)(20))

The applicant must submit a depiction of any proposed text or graphic materials that will be shown on the exterior of the proposed medical marihuana facility.

Location Map (Sec. 8(c)(27))

The applicant must submit a location map that identifies the relative locations of, and distances from, the nearest school, childcare center, public park containing playground equipment, or religious institution. The measurement must be taken along the centerline of the street or streets of address between two fixed points on the centerline determined by projecting straight lines, at right angles to the centerline, from the primary point of ingress to the school, childcare center or religious institution, or, for a public park, from the playground equipment nearest the contemplated location, and from the primary point of ingress to the contemplated location.

Such location map must be in the form of a survey map prepared by a licensed professional surveyor.

Note to Applicant: (Sec. 9(b)(1)-(3); Sec. 17(3))

No application will be approved for a permit unless the proposed medical marijuana facility: (i) is in compliance with all state and local building, electrical, fire, mechanical and plumbing requirements; (ii) complies with the City of Pontiac zoning ordinance; and (iii) has been issued a certificate of occupancy and if necessary, a building permit.

The Waterford Regional Fire Department and Pontiac Building and Safety and Planning Divisions are tasked with reviewing the applicant's compliance with such requirements.

Also, no application will be approved for a permit unless the applicant is prequalified (step-one approval) for a State of Michigan medical marijuana facilities license by the Michigan Department of Licensing and Regulatory Affairs. While an applicant may submit its application to the Office of the City Clerk prior to receiving such prequalification, such applicant could not receive a permit unless it receives prequalification.

Application Page 14

This page of the application does not include any requirements of the applicant, but rather is for informational purposes only. This page provides the applicant with the relevant submission and review standards for the submissions required on page 13 of the application, such as the floor plan and signage requirements.

Below are applicable standards (PLEASE NOTE THAT THE BELOW IS NOT A COMPLETE LIST OF APPLICABLE STANDARDS):

- All Medical Marijuana Facilities must meet the following applicable Building Codes: (i) Michigan Building Code 2015; (ii) Michigan Mechanical 2015; (iii) Michigan Plumbing Code 2015; and (iv) National Electrical Code 2017
- Applicants shall be required to obtain permits for build out of medical marijuana facilities – such permits may include: (i) Building; (ii) Electrical; (iii) Mechanical; (iv) Plumbing; (v) Fire Alarm (Security System); and (vi) Fire Suppression
- Applicable Medical Marijuana Facilities must meet applicable requirements of the International Fire Code 2015 edition and National Fire Protection Association (NFPA) standards (including NFPA 1 2018)
- Applicants are subject to Property Maintenance Code 2015, Section 107.5

- Review of Medical Marihuana Applications by the City of Pontiac Planning Division; without limitation, review of permits is subject to the following provisions of the Pontiac Zoning Ordinance:
 - Uses Permitted by District: Articles 2, Chapter 2
 - Dimensional and Development Standards for Zoning District: Article 2, Chapter 3
 - Frontage Design Standards: Article 2, Chapter 4
 - Dimension & Development Standards for Specific Uses: Article 2, Chapter 5
 - Special Purpose Zoning Districts: Article 3, Chapter 11
 - General Provision: Article 4
 - Accessory Structures and Fences: Chapter 1
 - General Standards: Chapter 2
 - Parking: Chapter 3
 - Landscaping & Buffering: Chapter 4
 - Exterior Lighting: Chapter 5
 - Performance Standards: Chapter 7
 - Signs: Article 5
 - Site Plan Review: Article 6, Chapter 3
 - Special Exception Permit Review: Article 6, Chapter 3
 - Variances & Appeals: Article 6, Chapter 4
 - Permits, Fees, Violations and Penalties: Article 6, Chapter 7
 - Zoning Text & Map Amendments: Article 6, Chapter 8
 - Public Hearing Procedures: Article 6, Chapter 9
 - Definitions: Article 7, Chapter 1, 2 & 3

<u>FACILITY OPERATIONS</u>

In this section the applicant must provide specific information regarding the operation of its proposed medical marihuana facility.

Application Page 15

Staff Training and Education (Sec. 8(c)(5))

The applicant must describe the training and education that the applicant will provide to all of its employees.

Training and education should include courses about the regulations of marihuana and employee manuals and other materials that include, but are not limited to, employee safety procedures, employee guidelines, security protocol, and educational training, including, but not limited to, marihuana product information, dosage and daily limits. Employee training and education is not and should not be limited to marihuana related matters. Applicants are encouraged to describe other training and educational opportunities they may offer their employees.

Application Page 16

All attachments must be clearly labelled with the applicable Ordinance section.

Security Plan (Sec. 8(c)(17))

The applicant must submit a security plan for the proposed medical marijuana facility that is consistent with the requirements of LARA Rule 35. LARA Rule 35 has 13 subparts, which imposes twelve requirements on the part of the applicant. The applicant must be able to attest that it has requisite systems in place and that it will be able to follow the procedures put in place by LARA.

Facility Sanitation Plan (Sec. 8(c)(21))

The applicant must submit a facility sanitation plan that describes how waste will be stored and disposed and how marijuana will be rendered unusable upon disposal at the proposed medical marijuana facility. Such facility sanitation plan must comply with all laws, including any guidelines published by LARA.

Inventory and Recordkeeping Plan (Sec. 8(c)(22))

The City of Pontiac has a vested interest in ensuring each applicant has a proper plan to track marijuana. The State of Michigan requires that any facility must be identified and tracked in the statewide monitoring system, METRIC.

The applicant must submit a proposed inventory and recordkeeping plan consistent with the requirements of LARA. The plan should identify the following:

- How the applicant will keep records;
- What specific information will be reported on the METRIC system (e.g., the applicant should report lot and batch information throughout the entire chain of custody);
- How the applicant will identify inventory discrepancies;
- How the applicant will tag, batch, label and log information into the METRIC system; and
- How marijuana will be stored at the facility.

Insurance (Sec. 8(c)(25))

The applicant must provide proof of premises liability and casualty insurance consistent with the requirements of LARA.

LARA Rule 11 sets forth the following minimum limits of insurance:

- bodily injury (casualty insurance) – not less than \$100,000.00; and
- commercial general liability covering premises liability – not less than \$100,000.00.

Cultivation Plan [GROWERS ONLY] (Sec. 8(c)(30))

If the applicant is applying for a permit to operate as a grower, it must submit a cultivation plan that includes a description of the cultivation methods to be used, including whether the grower plans to grow outdoors consistent with the requirements of LARA. If the cultivation will occur outdoors, the applicant must detail how LARA Rule 33(b) will be satisfied.

The cultivation plan should also describe what gases will be used in the cultivation process and the applicant must attest that such gas usages are consistent with LARA Rule 34.

The applicant must also describe how wastewater generated during the cultivation process will be disposed of. Any disposal of wastewater must be in a manner that complies with applicable state and Pontiac laws and regulations, including LARA Rule 37.

Finally, the Cultivation Plan must include a description of how it will comply with the testing procedures required by LARA Rule 45.

Chemical and Pesticide Storage Plan [GROWERS ONLY] (Sec. 8(c)(31))

If the applicant is applying for a permit to operate as a grower, it must submit a chemical and pesticide storage plan consistent with the requirements of LARA.

The chemical and pesticide storage plan should include the following information:

- a list of all the names of the chemicals and pesticides proposed for use in the cultivation of medical marihuana;
- where and how the chemicals and pesticides will be stored; and
- a plan for the disposal of unused pesticides.

<u>CRIMINAL BACKGROUND</u>

Application Page 17

Criminal Background (Sec. 8(c)(14))

The applicant must provide a criminal background report of the applicant's and each of the applicant's stakeholders' criminal history.

Such report(s) shall be obtained by the applicant through Internet Criminal History Access Tool (ICHAT) for applicants residing in Michigan and/or through another state sponsored or authorized criminal history access source for applicants who reside in other states or who have resided in other states within 5 years prior to the date of the application. The applicant is responsible for all charges incurred in requesting and receiving the criminal history report(s) and the report(s) must be dated within thirty (30) days of the date of the application.

Such report(s) must be obtained by the applicant, attached to the application and clearly labelled "Sec. 8(c)(14)".

<u>PONTIAC TREASURY INFORMATION REQUEST</u>
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Application Page 18

The applicant must complete the Pontiac Treasury Information Request for the applicant and each stakeholder.

The following information is required:

- General Information:
 - Name
 - Address

- Phone Number
- Social Security Number
- Driver License Number
- Date of Birth (month/day/year) (e.g., 06/20/1990)
- Employer/Business Information
 - Corporate Name
 - Doing Business As
 - Address
 - Phone Number
 - FEIN
- Do you owe the City of Pontiac Money for any reason: Yes or No, if yes, provide a reason
- Name of any Pontiac area business in which your ownership participation exceeds 25%

<u>AFFIDAVIT AND SIGNATURE</u>

Application Page 19

The applicant is asked to check each box for the attestations on this page indicating that: (i) neither the applicant nor any stakeholder of the applicant is in default to the City of Pontiac (Sec. 8(c)(23)); (ii) the applicant agrees to indemnify the City of Pontiac and the applicant acknowledges that marihuana is currently subject to federal laws (Sec. 8(c)(26)); (iii) the applicant has read the application and discussed it with counsel; and (iv) the applicant consents to inspections required by reason of the application.

The applicant must then sign and date the application on this page.

Failure to check every box on this page or sign and date the application may result in the application being delayed or denied.

<u>APPEAL RIGHTS</u>

Application Pages 19 and 20

Any applicant aggrieved by the denial of a permit may appeal to the Pontiac City Clerk, who shall appoint a hearing officer to hear and evaluate the appeal and make a recommendation to the Pontiac City Clerk. Such appeal shall be taken by filing with the Pontiac City Clerk, **within fourteen (14) days** after notice of the action complained of has been mailed to the applicant's last known address on the records of the Pontiac City Clerk, a written statement setting forth fully the grounds for the appeal. The Pontiac City Clerk shall review the report and recommendation of the hearing officer and make a decision on the matter. The Pontiac City Clerk's decision may be further appealed to the medical marihuana commission if applied for in writing to the medical marihuana commission **no later than thirty (30) days** after the Pontiac City Clerk's decision.

IN THE ALTERNATIVE, an applicant may choose to **WAIVE** its opportunity to be heard before a hearing officer and to instead submit its appeal **directly** to the medical marihuana commission. To do so, an applicant must submit to the medical marihuana commission through the Pontiac City Clerk's Office, **within thirty (30) days** after notice of the action complained of has been mailed to the applicant's last known address on the records of the Pontiac City Clerk, a writing requesting an appeal directly to the medical marihuana commission. **(By appealing directly to the medical marihuana commission, the applicant WAIVES its opportunity for a hearing and further**

WAIVES its opportunity to present additional clarifying information or evidence that the applicant believes should be considered in assessing its application.)

Any decision by the medical marihuana commission on an appeal shall be final for purposes of judicial review. The medical marihuana commission shall review and decide all appeals that are forwarded to it by the Pontiac City Clerk under the Ordinance, and the medical marihuana commission shall review all appeals de novo. The medical marihuana commission shall only overturn a decision or finding of the Pontiac City Clerk if it finds such decision or finding to be arbitrary or capricious and not supported by material, substantial, and competent facts on the whole record considered by the Pontiac City Clerk in arriving at such decision or finding. A decision or finding is arbitrary if it is fixed or arrived at through an exercise of will or by caprice, without consideration or adjustment with reference to principles, circumstances or significance. *Mich Farm Bureau v Dept of Env'tl Quality*, 292 Mich App 106, 141; 807 NW2d 686 (2011). A decision or finding is capricious if it is apt to change suddenly, freakish or whimsical. *Id.* Substantial evidence is that which a reasonable mind would accept as adequate to support a decision or finding, being more than a mere scintilla, but less than a preponderance of the evidence. *Shirvell v Dept of Atty Gen*, 308 Mich App 702, 731; 866 NW2d 478 (2015).

