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STATE OF MICHIGAN
IN THE SUPREME COURT
APPEAL FROM THE COURT OF APPEALS
OAKLAND COUNTY CIRCUIT COURT JUDGE MARY ELLEN BRENNAN

EXCLUSIVE CAPITAL PARTNERS LLC,
a Michigan Limited Liability Company,

Plaintiff-Appellee,

v

CITY OF ROYAL OAK,
a Michigan Municipal Corporation,

Defendant-Appellant,

AND

QUALITY ROOTS, INC.,
a Michigan Corporation,

Plaintiff-Appellee,

v

CITY OF ROYAL OAK,
a Michigan Municipal Corporation,

Defendant-Appellant,

PGSH HOLDINGS, LLC,
a Michigan Limited Liability Company,

Intervening Defendant.

MSC No. 168243

COA No. 366247
(Consol. With Case No. 366257)

Circuit Court No. 2022-192383-CZ
HON. MARY ELLEN BRENNAN
Consolidated Trial Court Cases:
Case No. 2022-192288-CZ
Case No. 2022-192830-CZ
Case No. 2022-193015-CZ
Case No. 2022-294223-CZ
Case No. 2022-194753-CZ

MSC No. 168243

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PLAINTIFF-APPELLEE QUALITY ROOTS, INC'S APPENDIX IN SUPPORT OF SUPPLEMENTAL BRIEF

Exhibit A:	Excerpts from Transcript of June 8, 2022 Deposition of Paul Brake, Volume I	Pgs 3-35
Exhibit B:	Excerpts from Transcript of June 10, 2022 Deposition of Todd Fenton, Volume I	Pgs 36-48
Exhibit C:	Defendant-Appellee's Marihuana Application Review Schedule	Pgs 49-51
Exhibit D:	August 20, 2021 Email from Todd Fenton to Susan Barkman Regarding Disqualification of Certain Applicants and Todd Fenton's Top 5 Rankings	Pgs 52-53
Exhibit E:	June 8, 2022 Letter from Quality Roots' Counsel to City of Royal Oak Appealing May 18, 2022 Denial of Applications for Marihuana Retail Establishment Licensure	Pgs 54-62
Exhibit F:	July 21, 2022 Letter from Paul Brake Stating that the City of Royal Oak "will not be scheduling a hearing on the appeal"	Pgs 63-64
Exhibit G:	October 29, 2025 Order of the Michigan Supreme Court denying Quality Roots' Application for Leave to Appeal	Pgs 65-66
Exhibit H:	October 29, 2025 Order Scheduling Oral Argument on the City's Application for Leave to Appeal	Pgs 67-69

Respectfully submitted,

WILLIAMS, WILLIAMS, RATTNER, & PLUNKETT, P.C.

Dated: December 31, 2025

By: ***/s/ William C. DiSessa***
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EXHIBIT A

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STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

QUALITY ROOTS, INC.,
a Michigan Corporation,

Plaintiff,

vs

Case No. 2022-192383-CZ
Hon. Rae Lee Chabot

CITY OR ROYAL OAK, a Michigan
Municipal Corporation,

Defendant,
and

PGSH HOLDINGS, LLC, a Michigan
Limited Liability Company,

Intervening Defendant.

CONSOLIDATED WITH:

ATTITUDE WELLNESS, LLC, a Michigan
Municipal Corporation,

Plaintiff,

vs

Case No. 2022-192288-CZ
Hon. Rae Lee Chabot

CITY OF ROYAL OAK, a Michigan
Municipal Corporation,

Defendant,
and

PGSH HOLDINGS, LLC, a Michigan
Limited Liability Company,

Intervening Defendant.

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STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

QUALITY ROOTS, INC.,
a Michigan Corporation,

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Case No. 2022-192383-CZ
Hon. Rae Lee Chabot

CITY OR ROYAL OAK, a Michigan
Municipal Corporation,

Defendant,
and

PGSH HOLDINGS, LLC, a Michigan
Limited Liability Company,

Intervening Defendant.

CONSOLIDATED WITH:

ATTITUDE WELLNESS, LLC, a Michigan
Municipal Corporation,

Plaintiff,

vs

Case No. 2022-192288-CZ
Hon. Rae Lee Chabot

CITY OF ROYAL OAK, a Michigan
Municipal Corporation,

Defendant,
and

PGSH HOLDINGS, LLC, a Michigan
Limited Liability Company,

Intervening Defendant.

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BDE WARREN, LLC, a Michigan Limited Liability Company,

Plaintiff,

vs

Case No. 2022-192830-CZ
Hon. Rae Lee Chabot

CITY OF ROYAL OAK, a Michigan Municipal Corporation,

Defendant,

and

EXCLUSIVE CAPITAL PARTNERS, LLC., a Michigan Limited Liability Company,

Plaintiff,

vs

Case No. 2022-193015-CZ
Hon. Rae Lee Chabot

CITY OF ROYAL OAK, a Michigan Municipal Corporation,

Defendant.

~~~~~~

VOLUME I

DEPOSITION OF PAUL BRAKE,

taken on Wednesday, June 8, 2022, at 203 South Troy Street, Royal Oak, Michigan, at 9:45 a.m., pursuant to Notice.

Reported by DEBORAH LINEHAN, CER 7251
~~~~~~

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W I T N E S S I N D E X

Witness Page

PAUL BRAKE

Examination by Mr. Etzel 8

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E X H I B I T I N D E X

(Exhibits attached)

Exhibit	Description	Page
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Exhibit 27	Email	173
Exhibit 28	Email	176
Exhibit 29	Email	186

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Royal Oak, Michigan
Wednesday, June 8, 2022
Approximately 10:21 a.m.

** ** **

PAUL BRAKE

was thereupon called as a witness herein, and after having been first duly sworn to tell the truth, the whole truth, and nothing but the truth, was examined and testified as follows:

MR. ETZEL: Good morning, sir. Could you state your full name for the record, please?

THE WITNESS: My name is Paul, middle initial J, Brake, B as in Bravo, R-A-K-E.

MR. ETZEL: Mr. Brake, have you ever had your deposition taken before?

THE WITNESS: Probably not in civil litigations, but in labor relations I have.

MR. ETZEL: In labor relations?

THE WITNESS: Yes.

MR. ETZEL: So in that context you've testified under oath?

THE WITNESS: Correct.

MR. ETZEL: Okay. So I'm Brian Etzel. I represent Quality Roots, one of the applicants that

had to do with the affidavit. So they weren't getting into, well, your site plan doesn't show parking. No, it wasn't that level of detail. Again, it had to do with the affidavit, and the fee that they paid.

Q Okay. So the only opportunity to supplement or amend, so to speak, the application would have been with respect to the affidavit that was submitted with the application or the application fee for that matter?

A Yes.

Q Okay. And what type of things would prompt the city clerk to say, hey, here's a deficiency in your affidavit? What type of things are we talking about here?

A Probably the obvious one is that it has to be notarized, and so if you didn't have a notary. The other thing is the individual submitting. Like I said that many times these were, you know, small partnerships and you could have a number of people, and so the primary, the principal owner, may not be the one that's submitting that, but I'm just, you know, speaking from memory. It could vary from, you know, what held up certain applications.

Q The notary requirement, a notarized affidavit, is that an expressed requirement in the city ordinance?

A It was in the application. So whether or not -- I'd

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have to read the entire ordinance to say that that's required.

Q Are you aware of anything in the ordinance that says if an applicant doesn't submit a notarized affidavit that they get -- that they get a chance to correct the application or was that just something that you instituted as you went along?

A The staff would be doing that on my behalf because it's ultimately that I'm responsible for that. So whether or not that was indicated -- because there were instructions that we gave to applicants that was noted on the webpage and said, you know, here, you need to fill this form out and submit this information. And for that matter how you submit the information as separate documents, and most people followed it.

Q So going further on Exhibit No. 5, if you look at the next calendar invite, there's a meeting on August 2nd with a subject Review Applications, and the organizer is Susan Barkman. It's unclear as to whether this was -- who was invited to this, if anyone. Do you know what this pertains to since she's your assistant?

A What -- it was more of an organizational structure where the applications were on our information system. We have a -- where we can note -- what's called a private drive. It's kind of like an intranet, and so

Susan created a folder and made subfolders by each of the RMEs. And it took a fair amount of time, but she had to organize that in such a way and only certain individuals within our information system even had permission. So, you know, when you use Microsoft products, you know, when you log in, and that's based on your sign-in and what permissions that you have. And so my recollection is that Susan -- I think it was more of a deadline that she imposed on herself that said that everything had to be finalized. All these voluminous number of documents had to be organized in such a fashion that even made this manageable to review. So, you know, applications, all the materials were lumped together.

Q Okay.

A And the SeamlessDocs, I'll do the best to explain. I didn't look at it, but it was, you know, a considerable amount of information that came in. I don't know how it's kind of been listed on our system, and it would take some time to organize this in such a way that it's meaningful.

Q All right. So if you look at the second to the last page of this exhibit you'll see the marihuana application review schedule, and if you look at the corresponding meeting invite on Bates number in the

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lower right-hand corner 103. Do you see that?
A Okay. 103, yes.
Q So the first time the working group met in terms of the -- including all the individuals you identified in your affidavit, or at least most of them, was that on August 4th?
A Based on this information you're presenting to me, yes, it appears to be.
Q And is it fair to state that the working group reviewed and discussed the applications that are redacted there on the marihuana application review schedule that is Bates numbered 107 at the bottom right-hand corner?
A That is correct.
Q Okay. So the first meeting you -- can you give me an estimate? I mean, I guess I could count, but it looks like about a dozen applications were reviewed; is that generally accurate? I'm not going to hold you to a specific number but...
MS. MCLAUGHLIN: Just for the record, the unredacted copy of Exhibit 5, all the documents contained in this were produced. All these documents were produced unredacted.
MR. ETZEL: That's okay.
MS. MCLAUGHLIN: Just for the record so you're not guessing as to how many are contained there

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And specifically, again, the last couple of pages of this exhibit that has the review schedule. In fact, you know, just so we're not dealing with an unredacted version let's go to Exhibit 6, previously marked Exhibit 6, which is Bates number 000110 in the bottom right-hand corner.

A Okay.

Q And this is the unredacted version of Exhibit 5. It has the marihuana application review schedule, and as we were discussing before the break you described this -- these meetings as sort of a process of elimination whereby -- with input from members of this review group you were able to essentially eliminate certain applications from contention for the final municipal license slots. Is there a way to determine which applicants were eliminated at each of these meetings?

A Based on this list that you're presenting to me?

Q Yes.

A No.

Q Is there any way -- in terms of your personal documents or any documents that you're aware of, can you determine, you know, which applicants were eliminated at a particular application review meeting that's depicted in Exhibit 6?

A I would have to take a look at what I have available. So whether or not I can produce that I can't tell you that right now because I don't remember. I know it was discussed at the time.
Q Right. Were there votes taken at any of these review meetings?
A No, that's not how this works.
Q I didn't ask if that's how it -- I just asked if there were votes so you can just say yes or no.
A No.
Q And, again, no formal notes were taken, correct, or minutes?
A Correct.
Q And were these meetings that are -- again, specifically the meetings depicted in Exhibit 6 that took place on August 4th, August 11th, August 18th, and August 25th of 2021, were these meetings open and accessible to the public?
A These are internal meetings. I conduct other internal meetings so, no, they were not.
Q Okay.
A But we are not a public body.

MR. ETZEL: You know, sir, I understand you want to get your talking points out -- okay? -- but you just -- we'll get through this a lot quicker if you

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just answer the questions that are on the table. Now the other counsel may want to ask questions that you thought I was going to ask --

THE WITNESS: Uh-huh.

MR. ETZEL: -- and they can do that.

THE WITNESS: Okay.

MR. SCHLACKMAN: Just for the record, he can answer however he sees fit. It's a deposition.

MR. ETZEL: Are you his attorney?

MR. SCHLACKMAN: No, I'm just trying --

MR. ETZEL: You're not representing him on the dep so you're out of line by even --

MR. SCHLACKMAN: -- no, I'm not.

MR. ETZEL: -- but you're not --

MR. SCHLACKMAN: You're right, I'm not --

MR. ETZEL: -- the dep.

MR. SCHLACKMAN: -- I'm just trying to keep your record clear if he --

MR. ETZEL: No. He's got capable counsel that can keep the record clear, and if she doesn't feel the need --

MR. SCHLACKMAN: I think everybody here has a right to interject if they think that the record is being mucked up.

MR. ETZEL: No. They get the right to ask

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and I answered yes.
Q Okay, that's not my recollection. I think you testified that you didn't know if you've read it before --
MS. MCLAUGHLIN: Objection.
BY MR. ETZEL:
Q -- but now you're going to change your testimony?
MS. MCLAUGHLIN: Objection. Argumentative. Asked and answered.
MR. ETZEL: It's not argumentative. I mean --
MS. MCLAUGHLIN: -- the record speaks for itself.
BY MR. ETZEL:
Q So going down to the competitive criteria, I want to ask you about a few of them here. And, again, I'm asking this because you are -- you didn't designate this -- this ranking of responsibility to anyone in the City. You personally were responsible for the ranking and you, in fact, did the ranking all by yourself; is that -- is that a fair statement?
A No, it's not.
Q Okay. So you didn't do the ranking all by yourself; you designated someone to help you?
MS. MCLAUGHLIN: Objection to the form of the

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question and foundation.

Sorry, go ahead.

THE WITNESS: That's okay. So you've asked these questions before. Other individuals gave input. So, no, I didn't do this by myself.

BY MR. ETZEL:

Q But the ultimate ranking was your determination and yours alone, correct?

A It was a collective decision in that regard.

Q Okay. I want you to turn to Subsection I, one of the competitive criteria.

It says, one of the criteria is whether the applicant has taken steps to include equity, diversity, and inclusion in their operations that would tend to yield greater profitability, innovation, and more effective teamwork.

What's your understanding of what the term "equity" means in this context in terms of your review of applications and this is one of the criteria you're looking at, what -- what does this mean to you as you're sifting through all these applications?

MS. MCLAUGHLIN: On the basis it calls for a legal conclusion I'll place an objection.

MR. ETZEL: Your objection is noted.

BY MR. ETZEL:

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Q Go ahead.
A And so equity is known as being accepting of individuals of -- regardless of race, sexual orientation, sexual identity, any other protections that are afforded to individuals and so I did -- in the context that I put this in is that my background is that I've done quite a bit of work in human resources, and so that -- here, we're asking the applicants to talk about their operations, and commonly what individuals provided was how they would -- inclusive workforce.
Q Well, how was equity different than inclusiveness? Because the word inclusion is in this particular criteria as well. So in terms of how you just defined equity, how is that different from inclusion --
MS. MCLAUGHLIN: Objection --
BY MR. ETZEL:
Q -- if it's not -- I mean, maybe it's not. Maybe it's duplicative, but is there a difference in your mind as you went through the applications and tried to make sense of the criteria?
A Counselor, I don't think I delved into that deep of an analysis.
Q So it says, whether the applicant has taken steps to include equity, diversity, and inclusion in their

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operations that would tend to yield greater profitability, innovation, and more effective teamwork.

Can you explain to me how equity would tend to yield greater profitability for a particular applicant? Can you explain the connection?

MS. MCLAUGHLIN: Okay. I'm going to place an objection because you're talking about legislative intent here.

THE WITNESS: Yeah, I wasn't around. You've asked me before when this was contemplated. I didn't -- I did not have the ability to give input. I was not employed here.

BY MR. ETZEL:

Q Again, I'm not asking you about the purpose of the legislative intent. Okay? Because I know you're -- you were not the drafter of this ordinance, but you were the one that exclusively came up with the ranking, right? Of all the 31 applicants, right? That was your job and yours alone, correct?

A So through collaboration, as I stated before, this is a component of how the applicant has demonstrated, articulated how that is important in that regard.

Q Explain to me, though, how -- in your reviewing of a particular application, how did you make a determination whether the equity component of an

application would relate to that applicant's profitability or lack thereof? Can you explain to me?

MS. MCLAUGHLIN: I'm going to place the same objection.

BY MR. ETZEL:

Q And I mean, if you can't, you can't. I mean, that's fine then we'll move on.

A Yeah, it's kind of speculative. That if someone -- I know a better plan when I read it, period.

Q So is it fair to say this particular criteria is speculative, right?

MS. MCLAUGHLIN: Objection to the form.

BY MR. ETZEL:

Q It doesn't really have any meaning other -- in terms of as you were trying to apply it to the applications, correct?

MS. MCLAUGHLIN: Objection to the form. Foundation. Asked and answered.

THE WITNESS: We're talking about two different things here, and so you're asking about if this will determine a better outcome. I can't guarantee that. All I know is that when someone has a thought-out plan, is thoughtful, and not just giving this lip service, that's what I determined. Someone who's sincere about that, that's inclusive, and that

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can promote diversity. I can read a statement that someone that gave a lot of thought to that. That's what matters to me. For me to speculate, you know, how well someone's going to do out of that, is that -- you know, in this respect that goes kind of beyond -- that goes beyond the realm of my analysis, but did you put together a good plan, period.

BY MR. ETZEL:

Q But the criteria doesn't say that, does it? It doesn't say did you put together a good plan, period, does it?

A But the law gives me the latitude to determine that.

MR. ETZEL: Can you read back the last answer? Sorry.

(Indicated answer played back.)

BY MR. ETZEL:

Q Okay. So, Mr. Brake, in reviewing the written applications -- because that's really all you had to go on, correct? You didn't have interviews with the applicants, right?

A No interviews.

Q So how could you tell, based on the written application, whether an application was just paying lip service to equity, diversity, inclusion as compared to those that were genuine?

A Part of that could be demonstrated by the team that

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they've assembled, and individuals that would be in charge of that, their professional experiences. That would be one example of that. Because success predicts success, and so that -- that is one illustration.

Q So can you explain to me how equity, diversity, and inclusion would predict or indicate an applicant's ability or even likelihood to comply with MRTMA in the City of Royal Oak?

A Okay. I feel like you're asking the same questions over and over and over again.

Q I don't think I did but --

A Okay.

Q -- I asked previously about how equity -- I think about how equity would tend to yield greater profitability, but I don't think I've asked about whether --

A So my understanding of the law is that we do have the ability through local criteria, and whether or not that specifically relates back to MRTMA. I couldn't necessarily tell you that. Have not done that sort of legislative analysis, but I can tell you this is important to the city commission.

Q Right. Well, I mean, what -- what ordinance -- you would agree that there's nothing in the ordinance itself that -- well, strike that. Strike that.

You didn't research MRTMA to see if MRTMA says

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anything about equity, diversity, or inclusion in its language?

A In that context, no.

Q And you'd agree one of the goals of the competitive process is to evaluate applications and applicants for their ability to comply with MRTMA, correct?

MS. MCLAUGHLIN: Objection to the form. Asked and answered.

THE WITNESS: To comply with the ordinance. If we're going to be so concerned with MRTMA then why have an ordinance.

BY MR. ETZEL:

Q But the ordinance -- the act specifically refers to MRTMA, doesn't it?

A I think I already testified that but, yes.

Q Okay. And you didn't do -- you mentioned legislative research or whatnot, but you didn't -- you didn't research MRTMA at all to see if any of these criteria enumerated in Section 4(c) are even mentioned in MRTMA, did you?

MS. MCLAUGHLIN: Objection to the form of the question. Foundation.

THE WITNESS: But there are other individuals who did compile this ordinance that did that research.

BY MR. ETZEL:

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Q Okay. Are you saying -- I don't know what other people did because they're not testifying. I'm simply asking you, you personally, because you're the one testifying. We can't -- we can't go out and get answers from other folks right at this moment, but in terms of your applying this criteria, the competitive criteria to determine those applicants best suited to comply with MRTMA in the City, you never did any kind of analysis of MRTMA to see whether any of these criteria may exist in the statute, that being MRTMA, correct?

A No.

Q Is that correct?

A That is correct.

Q The next criteria listed there under page 14, that's (j), is whether the proposed plan incorporates sustainable infrastructure and energy efficient elements and fixtures.

See that?

A Uh-huh. Yes, I do.

Q Are any of these features set forth in MRTMA anywhere in the act?

A I do not have knowledge.

Q Okay. As you sit here, you don't know how -- whether a proposed plan incorporates sustainable infrastructure and energy efficient elements would make that

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particular applicant or application more or less likely to be able to comply with MRTMA; is that a fair statement, since you haven't read MRTMA?

MS. MCLAUGHLIN: Objection to the form of the question. First of all, it's a compound question. You just asked two questions. The second part of the question is asked and answered.

Go ahead and answer if you can.

THE WITNESS: So it complies with the ordinance. It probably -- I don't know if it complies with MRTMA.

BY MR. ETZEL:

Q Are there any ordinances in Royal Oak that require buildings to use sustainable infrastructure that you're aware of?

MS. MCLAUGHLIN: You mean other than this one?

MR. ETZEL: No. Well, this doesn't -- let me -- that's a good point.

BY MR. ETZEL:

Q Does this dissection -- but I want to get back to my question.

MS. MCLAUGHLIN: You know what, I'll withdraw the objection.

Go ahead.

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MR. ETZEL: Go ahead and answer.

THE WITNESS: We -- the commission has recently adopted a sustainability plan, but as far as the implementation of that, that has not occurred.

BY MR. ETZEL:

Q It's not compulsory anywhere in any ordinance, correct?

A At this given day, correct.

Q Including this ordinance? It's not -- I mean, is it your understanding that this Exhibit J -- I'm sorry, Subsection sub sub (j) that an applicant must incorporate sustainable infrastructure and energy efficient elements and fixtures, that that's a compulsory requirement?

A The way it stated it says whether the proposed plan -- so there's not the phrase must that's -- that's in there. But a competitive plan is that it -- for those that voluntarily say that they will comply with this. Again, this is a competitive process.

Q I understand that, but it's -- you don't -- you don't interpret this criteria as being compulsory, do you, or do you?

A I haven't looked at it that way. You know, it's just a -- no, but it's just a -- part of my background is in economic development, and there's a thing called the carrot and a stick, and this is a carrot.

Q Again, we talked to Mr. Thwing about this -- about these criteria, and it's my understanding that there was no specific scoring rubric that was ever implemented in terms of how to weigh the criteria listed here in Subsection 4(c)?
A That is correct.
Q Okay. And so were these criteria in Subsection 4(c), (a) through (j), were those given equal weight in your mind or did some count more than others?
A It's a qualitative analysis. So did some get additional weight over others, it's -- I would say on the surface that they were all equally important --
Q Okay.
A -- but in the final analysis we had three different categories: Recommend, standby, and rejected.
Q Yeah, but I'm not talking about that right now. I'm just talking about the criteria in your mind. I think, you know, again, you're the one that's coming up with -- alone with the ranking, right?
A Again, as I stated before, this is a collaborative process that I --
Q Go ahead. Finish your answer.
A -- yeah -- from my colleagues.
MR. ETZEL: Okay. We'll take a two second break here.

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(Break in proceeding taken from 2:05 p.m. to 2:43 p.m.)

BY MR. ETZEL:

Q Okay, back on the record.

Mr. Brake, I'm still on the competitive criteria here.

A Okay.

Q And just if you go to Subsection (b), I want to go through a few of these in terms of how you applied these different criteria, and Subsection (b) --

A This is 4(b)?

Q -- yeah, I'm sorry. That's Section C(4)(b) states, whether the applicant is currently in default/arrears on any taxes or fees outside -- I'm sorry -- fees otherwise due to the City, has a history of noncompliance or violations with City ordinances or applicable laws, or has been served with any complaint or notice filed by or with any public body regarding the delinquency and the payment of any tax required under federal, state, or local law.

Is this a binary factor in terms of either it's satisfied or it's not? It's a check-the-box scenario?

A So it is, but not to make this a little bit more complicated. A lot of times the applicant necessarily was not the building owner. So you could have a

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equal weight?
A All equal weight.
Q Okay.
A I know when coming out of that, the information that I had that was readily available is that I emailed our attorney and said, hey, we've narrowed it down. You know, I'd like your input on these applications. So that's my notations that were --
Q All right. So are you saying at the last meeting that the review group verbally ranked the top five applicants?
A No --
MS. MCLAUGHLIN: Object to the form.
Go ahead.
THE WITNESS: -- no, no. It wasn't a -- you're kind of treating this like a job interview, and we have applicants that come in the door. The information was not gathered that way.
BY MR. ETZEL:
Q All right. I'm -- look, I'm just saying if that August 20th meeting, or any meeting for that matter, did you go around and as a group did you say, yeah, this is the consensus top five? Did that happen? And then you went to the city counsel and say, hey, we've narrowed it down, here we are, we need some more help;

is that a fair statement in terms of how it evolved?
A No, you're making a couple of incorrect statements. So number one, I answered that before. Did I go around and say, what's your top five, what's your top five? No, that did not occur. It's a matter of who are our top -- the ones that we should recommend, and we've reached consensus on Gatsby and Royal Treatment for the retail licenses. Then I need to correct a statement that you made that's saying that I stated to the city counsel meaning the planning commission, and I don't think that's what you intended --
Q I meant the city attorney. I'm sorry.
A -- okay. All right. Yeah. So I went to the city attorney and said, here are what -- what I couldn't verify at that time is that the bankruptcy records are not easily obtained, and would there be another way that we could verify that. That had not occurred.
Q Okay. But when you went to the city attorney and said, hey, we've narrowed down the group --
A Yeah.
Q -- the narrowing down -- I take it when you say narrowed it down, you've narrowed it down to a top five or a top two?
A Top two.
Q And that was -- that was a byproduct of the last

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meeting; is that a fair statement?
A It is.
Q Okay. Okay. So then you were -- your concern was that, hey, we haven't been able to verify the -- you know, this criteria that deals with has an applicant filed for bankruptcy, and you simply wanted to know is there a way to expedite getting that information?
A Correct.
Q Okay, that's all.
A Yeah. And I know you didn't ask this but --
Q Then don't testify. If there's not a question on the table, you do not just, you know, just offer stuff on the record. Those are the rules and I tried to explain that. Maybe I did a bad job of explaining at the beginning.

So what time is it?

A There's a clock on the wall right there.

MR. ETZEL: Okay. Can we go off the record?

(Break in proceeding taken from 4:53 p.m. to 4:56 p.m.)

MR. BLAIR: We talked about this off the record. I just want to make sure it's on the record so there's no confusion or anything, especially if things wind up we don't reconvene for a while. This is not at all criticism of how the time is spent today. I'm just

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saying we've talked about at the beginning we either -- I can't remember whether we decided that we would have one set amount of time to be split or whether we would each get an amount of time, but obviously we would like to take deposition testimony of this witness, and we want to be able to do that before the SD hearing preferably before we get -- our brief is due. And I also want to make a note for the record that we have also noticed a representative's deposition of the City, which I believe Mr. Brake was identified as the sole designee. One of the topics is the application process, and there was a number of times today where Mr. Brake testified that he doesn't remember what was going on or what happened to notes or who was in the top ranking, and I just want to note for the record that I think when we do the corporate designee part of the deposition that's one of the topics, and we expect him to be prepared to answer those questions, not just answering in his individual capacity saying I don't remember.

MS. MCLAUGHLIN: I don't understand. Are you asking him to remember something he doesn't remember?

MR. ETZEL: No. No.

MR. BLAIR: Be prepared to answer this question.

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EXHIBIT B

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STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

QUALITY ROOTS, INC.,
a Michigan Corporation,

Plaintiff,

vs

Case No. 2022-192383-CZ
Hon. Rae Lee Chabot

CITY OR ROYAL OAK, a Michigan
Municipal Corporation,

Defendant,
and

PGSH HOLDINGS, LLC, a Michigan
Limited Liability Company,

Intervening Defendant.

CONSOLIDATED WITH:

ATTITUDE WELLNESS, LLC, a Michigan
Municipal Corporation,

Plaintiff,

vs

Case No. 2022-192288-CZ
Hon. Rae Lee Chabot

CITY OF ROYAL OAK, a Michigan
Municipal Corporation,

Defendant,
and

PGSH HOLDINGS, LLC, a Michigan
Limited Liability Company,

Intervening Defendant.

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STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF OAKLAND

QUALITY ROOTS, INC.,
a Michigan Corporation,

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Case No. 2022-192383-CZ
Hon. Rae Lee Chabot

CITY OR ROYAL OAK, a Michigan
Municipal Corporation,

Defendant,
and

PGSH HOLDINGS, LLC, a Michigan
Limited Liability Company,

Intervening Defendant.

CONSOLIDATED WITH:

ATTITUDE WELLNESS, LLC, a Michigan
Municipal Corporation,

Plaintiff,

vs

Case No. 2022-192288-CZ
Hon. Rae Lee Chabot

CITY OF ROYAL OAK, a Michigan
Municipal Corporation,

Defendant,
and

PGSH HOLDINGS, LLC, a Michigan
Limited Liability Company,

Intervening Defendant.

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BDE WARREN, LLC, a Michigan Limited Liability Company,

Plaintiff,

vs

Case No. 2022-192830-CZ
Hon. Rae Lee Chabot

CITY OF ROYAL OAK, a Michigan Municipal Corporation,

Defendant,

and

EXCLUSIVE CAPITAL PARTNERS, LLC., a Michigan Limited Liability Company,

Plaintiff,

vs

Case No. 2022-193015-CZ
Hon. Rae Lee Chabot

CITY OF ROYAL OAK, a Michigan Municipal Corporation,

Defendant.

~~~~~~

VOLUME 1

DEPOSITION OF TODD FENTON,

taken on Friday, June 10, 2022, at 203 South Troy Street, Royal Oak, Michigan, at 11:00 a.m., pursuant to Notice.

Reported by DEBORAH LINEHAN, CER 7251
~~~~~~

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W I T N E S S I N D E X

Witness Page

TODD FENTON

Examination by Mr. Etzel 7

Examination by Mr. Bologna 66

Examination by Mr. Blair 97

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E X H I B I T I N D E X

(Exhibit Retained)

Exhibit	Description	Page
Exhibit 30	Marihuana Application Review Notes	49

Royal Oak, Michigan

Friday, June 10, 2022

Approximately 11:19 a.m.

** ** **

TODD FENTON

was thereupon called as a witness herein, and after having been first duly sworn to tell the truth, the whole truth, and nothing but the truth, was examined and testified as follows:

** ** ** ** **

E X A M I N A T I O N

BY MR. ETZEL:

Q Can you just start by giving your full name on the record?

A Yes, Todd Fenton.

Q And your date of birth?

A [redacted].

Q And your current address?

A 903 Edgewood Drive in Royal Oak, Michigan.

Q Mr. Fenton, have you ever had your deposition taken before?

A Yes.

Q Okay. And when was the last time you were deposed?

A I don't recall specifically. It was I believe early 2015 on an employer-employee labor relations issue.

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that they're going to see on the actual agenda.
Q Was this particular general update only relating to the marihuana application selection process or were there other topics?
A I don't recall specifically. I believe there were other topics.
Q Okay. And you recall what it said about his selection of two municipal license slots?
A I don't recall specifically. The reason I mentioned that update was because that is when I personally remember who he was recommending. It was the first time I had seen it.
Q Okay. So was that --
MS. MCLAUGHLIN: Can I interject something?
MR. ETZEL: -- sure.
MS. MCLAUGHLIN: The document has been provided previously, right, in our response to discovery request that I can't at the moment locate what identification number it would be.
MR. ETZEL: Okay. And I wasn't suggesting the --
MS. MCLAUGHLIN: No. No. I'm just saying if you want me to show it to him --
MR. ETZEL: But it was produced in the -- back in, what?

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MS. MCLAUGHLIN: May.

MR. ETZEL: -- May. Okay.

MS. MCLAUGHLIN: If I find it, I'll let you know.

BY MR. ETZEL:

Q Do you know any -- I mean, the general nature of the -- of how Mr. Brake notified the recipients of that email as to his selection? Did he just say these are the two applications I've chosen for the municipal license slots, or was there any further commentary or explanation?

A As I recall, it was that cut and dry that these are the applications or the applicants that I'm recommending for these slots, and there wasn't any discussion other than that.

Q Okay. And I'm going to just ask questions general to these four meetings where -- well, the three meetings you attended August 4, 2021; August 11th; and August 18, 2021, were there any -- anyone taking notes at those meetings?

A Not that I recall. Each individual person that had a role to fill in the review process had their own notes related to that. Those were eventually turned over to Ms. Barkman to compile them into one document.

Q Were there any votes, whether they be informal/formal

votes about an application or any topics at those meetings?
A There were never any votes.
Q How long were the meetings generally?
A Anywhere from an hour to possibly two hours at the max.
Q And there were no formal minutes kept at those meetings?
A No.
Q Were they open to the public?
A No.
Q Why weren't they open to the public?
A These were meetings that were not -- that did not need to be open to the public as I understand from counsel.
Q Okay. Weren't there other sometimes working session meetings involving city officials that are open to the public --
MS. MCLAUGHLIN: Objection to the form of the question.
BY MR. ETZEL:
Q -- that you're aware of?
MS. MCLAUGHLIN: Sorry.
THE WITNESS: There are -- there are work sessions with the public on many different issues that invite public engagement, public comment.
BY MR. ETZEL:

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Q How is this -- these particular series of meetings different than those work sessions that you just described that would -- where --
A Those workstations also would not necessarily be all within the purview of the Open Meetings Act. They're sessions that the staff would set up to purposely solicit public comment on things, roads or parks or --
Q Why wasn't the -- with respect to the marihuana selection process, why wasn't this working group open to soliciting input from the public?
A I do recall speaking to our city attorney on this issue. Without getting into specifics, I recall that there were so many parts of the application that were privileged that this meeting could not be public.
Q Did anyone make an audio recording of any of the meetings you attended, the three meetings you attended?
A Not that I'm aware of.
Q Did anyone at these three meetings -- any of these three meetings discuss having been contacted by any elected officials whether it be city commission members or the mayor about a particular applicant or application?
A I do not recall any such conversation taking place.
Q Can you turn to Exhibit 3? Do you recognize any of the -- these are review notes from August 4th. Do you

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EXHIBIT C

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Marihuana Application Review Schedule

August 4, 2021

RME-0000004
RME-0000005
RME-0000006
RME-0000007- grower C
RME-0000031- Grower C
RME-0000008
RME-0000009
RME-0000010
RME-0000035- Co-located facility
RME-0000011
RME-0000026 – Grower A

August 11, 2021

RME-0000037 – Microbusiness
RME-0000024 - Microbusiness
RME-0000012
RME-0000013
RME-0000014
RME-0000015
RME-0000016
RME-0000017
RME-0000018
RME-0000019

August 18, 2021

RME-0000020
RME-0000021
RME-0000022
RME-0000023
RME-0000025
RME-0000028
RME 27
RME 29

August 25, 2021

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RME-0000030
RME-0000032
RME-0000033
RME-0000034
RME-0000036
RME-0000038
RME-0000039
RME-0000040

September 1, 2021

September 9, 2021

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EXHIBIT D

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From: Fenton, Todd
To: Barkman, Susan
Subject: Marihuana Review
Date: Friday, August 20, 2021 1:31:09 PM
Attachments: image001.png

Susan,

I won't be in the office on Wednesday, but I filled out the sheet for the last batch. I disqualified applications 33, 36, and 39 on the basis that the applicants were not operating a RO business within the last two years.

In terms of my top 5, I would rank as follows:

1. Application 016
2. Apps 007, 009, 010
3. App 027 (Woodward motel redevelopment)
4. App 005 (Woodward motel redevelopment)
5. App 040

Thanks - Todd

Todd Fenton, CEcD, EDFP
Deputy City Manager

248.246.3208 (o)
toddf@romi.gov
203 S. Troy St. / Royal Oak, MI 48067
romi.gov/business

For a list of available sites in Royal Oak, please click here

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EXHIBIT E

W | W | R | P

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June 8, 2022

Via email and hand delivery

City of Royal Oak
ATTN: Paul J. Brake, City Manager
203 S. Troy St.
Royal Oak, MI 48067
paulb@romi.gov

Rosati, Schultz, Joppich & Amtsbuechler, PC
ATTN: Anne McLaughlin
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Re: ***Quality Roots, Inc.'s Appeal Submission Regarding May 18, 2022 Denial of Adult-Use Marihuana Retail Establishment License Applications RME 0000004 and RME 0000005***

Dear Mr. Brake and Ms. McLaughlin,

Please accept the following as Quality Roots, Inc.'s ("Quality Roots") written appeal to the City of Royal Oak's (the "City") Letter dated May 18, 2022, which notified Quality Roots that both of its applications for municipal marihuana retail licensure (the "Applications"; RME 0000004 and RME 0000005) were denied. This document is drafted pursuant to Royal Oak Ordinance No. 2020-06 (the "Licensing Ordinance"), § 435-4(D)(10), which states, in part: "Denial of an Application or non-renewal of a Municipal License may be appealed to the City Manager, who will set a date and time within ten (10) business days to conduct a hearing where the Applicant can be heard." Quality Roots respectfully submits that the denial of its Applications was determined in error, and thus, the City must: (1) reverse the City's decision to deny Quality Roots' Applications for marihuana retail establishment licensure; (2) reverse the approval of the applications for marihuana retail establishment licensure put forward by PGSH Holdings, LLC and Royal Oak Treatment, LLC; and (3) award Quality Roots with the two marihuana retail establishment licenses available in the City.

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THE CITY'S REASONS FOR DENYING QUALITY ROOTS' APPLICATIONS

The City's May 18, 2022 Letter offers the following reasons for the denial of Quality Roots' Application RME 0000004, which related to a proposed marihuana retail establishment at 3115 West 13 Mile Road, Royal Oak, MI 48073:

- Licenses were limited in availability.
- Site plan did not include all parcel and right-of-way boundaries making it hard to understand how adjacent properties might be impacted.
- Insufficient information on security plans.
- Traffic volume information was limited in submittal.
- Letters of support from the community are not from residents or businesses that are adjacent to the site.

Similarly, the City's May 18, 2022 Letter offers the following reasons for the denial of Quality Roots' Application RME 0000005, which related to a proposed marihuana retail establishment at 28300 Woodward Avenue, Royal Oak, MI 48067:

- Licenses were limited in availability.
- Vehicular access from the alley is proposed.
- Variance would be required for driveway width with proposed design.
- Site plan did not include all parcel and right-of-way boundaries making it hard to understand how adjacent properties might be impacted.
- Insufficient information on security plans.
- Letters of support from the community are not from residents or businesses that are adjacent to the site.
- Traffic volume information was limited in submittal.

Quality Roots will address each of the City's stated reasons in turn, beginning with those reasons cited in the denial of both RME 0000004 and RME 0000005.

A. Licenses for Marihuana Retail Establishment are Only Limited as a Function of the City's Own Legislation; Nothing Prevents the City from Expanding the Number of Available Licenses for Any Type of Adult-Use Marihuana Establishment

To begin, it is true that marihuana retail establishment licenses are currently limited in availability. At present, only two such licenses are permitted under Section 435-2(B)(5) of the Licensing Ordinance. However, Quality Roots would like to take this opportunity to note that this limitation is entirely a function of the City's own legislation. The number of available

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marihuana establishment licenses—whether related to retail licenses or licenses of any type—is set exclusively by the terms adopted by the Royal Oak City Council. No provision of the Michigan Regulation and Taxation of Marihuana Act ("MRTMA") or any binding state law or regulation limits the number of marihuana retail establishment licenses that may be issued within a particular municipality. Thus, where Quality Roots submitted two Applications for marihuana retail establishment licenses that aptly demonstrated that it is among those applicants best suited to operate in compliance with MRTMA within the City, Quality Roots respectfully requests that the City reexamine the two-license limit on potential marihuana retail establishments going forward. In any event, the City's self-imposed limitation on available marihuana retail establishment licenses does not render Quality Roots' Applications deficient in any respect.

B. Quality Roots' Applications Included Demarcations for Parcel and Right-of-Way Boundary Lines, and the City Acknowledged the Inclusion of this Information in Topographical Surveys Included with Quality Roots' Application Materials

Both of Quality Roots' Applications were marked down for alleged failure to include parcel and right-of-way boundaries within their attached Site Plans. To begin, this is inaccurate. Architectural Site Plan documents submitted with both of Quality Roots' Applications included clearly defined boundary information for the parcels upon which Quality Roots' proposed marihuana retail establishments would sit, and for the adjacent rights-of-way. **Exhibit A: Site Plan Attached to RME 0000004**; **Exhibit B: Site Plan Attached to RME 0000005**. To the extent that the City discounted Quality Roots' Applications on this basis, the City simply erred.

Moreover, it is worth noting that in the City's internal Marihuana Application Review Notes compiled for RME 0000004, City staff expressly acknowledged that parcel and right-of-way boundaries *were* in fact included in the topographical survey submitted with that Application. **Exhibit C: RME 0000004 Marihuana Application Review Notes**. The same is true of the topographical survey submitted with RME 0000005 (although the City did not acknowledge this in their Application Review Notes). Thus, to the extent that the proposed Site Plans submitted with each Application were deficient—in a manner that the City has not specifically identified in its May 18, 2022 Letter or in its Marihuana Application Review Notes, **Ex. C**; **Exhibit D: RME 0000005 Marihuana Application Review Notes**—Quality Roots' error is entirely harmless, as the City possessed all of the information regardless of its indication in the aforementioned Site Plans.

Indeed, even if Quality Roots' Applications were deficient in this regard, the proper remedy was not to simply discount Quality Roots' Application. Rather, the City's Licensing Ordinance, § 435-4(D)(5), states that if deficiencies are found in the submitted Site Plan materials, the relevant applicant must be "notified in writing of the areas of deficiency and given thirty (30) days to correct those deficiencies." Quality Roots was never notified of any such

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deficiencies impacting either of its Applications; and so it operated under the assumption that no deficiencies were found.[1] If the City remains adamant that Quality Roots' proposed Site Plans did not include necessary information (which Quality Roots strongly disputes), Quality Roots should have been given additional time to correct such deficiencies. Again, however, where the City was apprised of the relevant boundary information, Quality Roots' Applications cannot be discounted on this basis.

C. The Attachment 1-5 Submission that Accompanied Quality Roots' Application Materials Clearly Outlines—in Great Detail—the Security Measures that Would be Implemented in Quality Roots' Marihuana Retail Establishments, Including Information Related to the Number, Type, and Location of Security-Related Devices

The next common mark against Quality Roots' Applications merely states that each contained "[i]nsufficient information on security plans." The City's May 18, 2022 Letter offers no further explanation for this demerit; however, the Marihuana Application Review Notes submitted for each Application provide slightly more detail, stating that Quality Roots "[l]isted the security related items in the implementation timetable but did not include specific information on [the] number of devices, types, or locations." **Ex. C**; **Ex. D**. Again, this is factually inaccurate.

Pages 25 through 56 of the Attachment 1-5 submission that accompanied each Application outlined, in immense detail, the number, type, and precise location of security devices within the interior (and lining portions of the exterior) of the proposed establishments. **Exhibit E: Attachment 1-5 to RME 0000004, pp 25-56**; **Exhibit F: Attachment 1-5 to RME 0000005, pp 25-56**. The Attachments advised the City that Quality Roots was prepared to install numerous security devices, including, without limitation: 5-megapixel 360-degree fisheye cameras; 12-megapixel 360-degree fisheye cameras; 2-megapixel double-lens fixed cameras; 4-megapixel indoor fixed cameras; 5-megapixel outdoor fixed cameras; glass-break sensors and alarms; panic buttons; doors that may only be accessed via buzzer, key fob, or keypad input; and network video recording system servers. **Ex. E, pp 29-30**; **Ex. F, pp 30-31**. The number and location of each of these devices was readily ascertainable from the Applications in plain text and with clearly illustrated diagrams, as was Quality Roots' heavy investment in other,

[1] In response to a preliminary question submitted by Edward Doyle, AIA of JGA, Inc., Royal Oak Economic Development Manager Todd Fenton stated that an architectural site plan had to be submitted in an applicant's initial application materials; but if the applicant was awarded a license slot, an additional *engineered* site plan would need to be submitted sometime thereafter. **Exhibit G: January 21, 2021 Email from Todd Fenton**. Mr. Fenton's response therefore confirms that site plan materials could be supplemented as necessary even after the ranking process contemplated under the City's Licensing Ordinance had concluded.

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redundant security measures in compliance with the City's Licensing Ordinance and other applicable law. **Ex. E, pp 29-30**; **Ex. F, pp 30-31**. The City was wrong to demerit Quality Roots on this basis.

D. No Traffic Study was Required Under the City's Licensing Ordinance, Zoning Ordinance, Site Plan Review Checklist, or Application Forms; and the City Plainly Acknowledged This in Its Marihuana Application Review Notes Pertaining to Successful Applicant Royal Oak Treatment, LLC

Another mark against both Applications under the May 18, 2022 Letter was that, for each Application, "[t]raffic volume information was limited in submittal." Again, the City did not expound on this point, and so it becomes necessary to refer to the Marihuana Application Review Notes relating to Quality Roots' Applications. The only related note in either of these documents states that a "[t]raffic study will be needed." **Ex. C**; **Ex. D**. A traffic study could be easily completed, if desired, within a reasonable window provided by the City. However, Quality Roots must note that absolutely *no provision* of the City's Licensing Ordinance, Zoning Ordinance (see Zoning Ordinance, § 770-12(B), titled, "Site plan review"), Site Plan Review Checklist (attached as **Exhibit H**), or the City's own application forms (attached as **Exhibit I**) requires any applicant to conduct a traffic study in order to obtain—or even to receive favorable consideration in pursuit of—marihuana retail establishment licensure.

If a traffic study was required in order to obtain licensure, the City was obligated to put prospective applicants on notice that one would be required *prior to* the submission of application materials. Clearly, however, there was no such requirement, as the City's Marihuana Application Review Notes pertaining to Royal Oak Treatment, LLC's (ultimately successful) application explicitly stated that a traffic study was unnecessary because the relevant proposed establishment was not situated on a "major road." **Exhibit J: RME 0000016 Marihuana Application Review Notes**. The term "major road" is not defined anywhere in the City's legislation or application materials; but that aside, this statement makes clear that a traffic study was not a necessary requirement of all applications. Thus, the City erred by faulting Quality Roots for a traffic study where none was required under the City's own licensing process.[2]

[2] Additionally, where Royal Oak Treatment, LLC's proposed marihuana retail establishment was to be located on E. Harrison Avenue—which directly intersects the ever-bustling Main Street and is lined with multiple commercial businesses—Quality Roots questions the City's determination that Royal Oak Treatment, LLC's proposed marihuana retail establishment was not to be situated on a "major road."

And relatedly, while perhaps Quality Roots' Application RME 0000005 concerned a property situated on a "major road" (Woodward Avenue), can the same be said of Quality Roots' Application RME 0000004? The City has provided no guidance as to what constitutes a "major

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E. Letters of Support from Adjacent Property Owners were Not Required Under the City's Licensing Ordinance, Zoning Ordinance, Site Plan Review Checklist, or Application Forms; and This Item Cannot Count Against Quality Roots Where PGSH Holdings, LLC's and Royal Oak Treatment, LLC's Successful Applications were Expressly Opposed by Adjacent Property Owners

The final demerit attributed to both Applications under the May 18, 2022 Letter states that, "[l]etters of support from the community are not from residents or businesses that are adjacent to the site." As a preliminary matter, this is another instance of the City faulting Quality Roots for an item that was not required under the City's Licensing Ordinance, Zoning Ordinance, Site Plan Review Checklist, or application materials. While the City evidently considered letters of support from the community—and although Quality Roots did, in fact, include letters of support in both of its Applications under review, **Exhibit K: Submitted Letters of Support**[3]—such letters were not expressly listed as a required consideration of the City's licensing process. It therefore defies reason to fault Quality Roots for failure to obtain letters of support from *particular* neighbors, where it is clear that others would readily welcome marihuana retail establishments operated by Quality Roots to the community.

Moreover, it cannot be ignored that the marihuana establishment proposed by PGSH Holdings, LLC (one of the *successful* applicants) was *actively opposed* by the Oakland Schools Intermediate School District ("Oakland Schools") during and after the application process because it would be situated a mere *88 feet* from the directly neighboring[4] Oakland Schools Technical Campus ("OSTC-SE"; a preexisting public school offering K-12 education in the City). And further still, the City was aware of Oakland Schools' fervent opposition while ranking applicants, as demonstrated by the Marihuana Application Review Notes pertaining to PGSH Holdings, LLC's applications. **Exhibit L: RME 0000007, RME 0000009, and RME 0000010 Marihuana Application Review Notes**.

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road" and why, regardless of such designation, only Applications pertaining to proposed properties on "major roads" were required to conduct traffic studies prior to submitting applications.

[3] Quality Roots' submitted letters of support included favorable letters and recommendations from influential businessowners and City officials, including Yad Ezra, the Royal Oak Public Library, the Charter Township of West Bloomfield's Office of the Supervisor, the Mayor of the City of Rochester Hills, Berkley Schools, the Detroit Friendship House, the Royal Oak Optimist Club, and *Michael C. Fournier, Mayor of the City of Royal Oak*. **Ex. K**.

[4] OSTC-SE is located *directly across the street* from PGSH Holdings, LLC's proposed marihuana retail establishment.

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Beyond that, several members of the community—including, on information and belief, people and businesses with property adjacent to the marihuana establishment locations proposed by PGSH Holdings, LLC and Royal Oak Treatment, LLC—attended the February 8, 2022 meeting of the Planning Commission and April 25, 2022 meeting of the City Commission to vocally oppose the PGSH Holdings, LLC's and Royal Oak Treatment, LLC's site plan approval and special land use permit requests. Thus, where both successful applicants proposed marihuana establishments that were opposed outright by their directly adjacent neighbors, it does not logically follow that Quality Roots' Applications would be denied simply because some next-door entities did not voice support or opposition for Quality Roots' proposed marihuana retail establishments one way or another.

F. Quality Roots Has Identified No Width Requirements from Which a Variance would be Required Prior to Site Plan Approval of Its Application RME 0000005; and Likewise, No Provision of Law or Guidance from the City States that Proposed Alley Access would be Discounted in the Ranking Process

The remaining two demerits relevant to this Appeal are related to Quality Roots' RME 0000005 Application, only. The first states that "[v]ehicular access from the alley is proposed"; and the second states that a "[v]ariance would be required for driveway width with proposed design." Quality Roots' retained counsel has scoured the City's Code of Ordinances and found no width requirements from which the establishment proposed in RME 0000005 would require a variance; nor is the proposed access to the establishment via adjacent alley prohibited (or even materially discussed) in any of the City's licensing guidelines. Indeed, the marihuana retail establishment proposed in RME 0000005 would not only allow ingress and egress via the adjacent alley, but it would also allow for access via a street-facing driveway abutting Woodward Avenue. There is simply no reason that the City should have looked unfavorably upon Application RME 0000005 on the bases of the aforementioned alley or any of the relevant proposed driveways.

CONCLUSION

With all respect to the City of Royal Oak, the City erred in several material respects when it denied Quality Roots' Applications for marihuana retail establishment licensure. Accounting for the corrections detailed above, it becomes clear that Quality Roots submitted applications demonstrating that it was—and is—the applicant best suited to operate in compliance with MRTMA within the City. Accordingly, Quality Roots requests that the City: (1) reverse the City's decision to deny Quality Roots' Applications for marihuana retail establishment licensure; (2) reverse the approval of the applications for marihuana retail establishment licensure put forward by PGSH Holdings, LLC and Royal Oak Treatment, LLC; and (3) award Quality Roots with the two marihuana retail establishment licenses available in the City.

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We look forward to further correspondence and appreciate your attention in this matter. Please contact us if you have any questions.

Very truly yours,

WILLIAMS, WILLIAMS, RATTNER & PLUNKETT, P.C.

/S/ Brian E. Etzel

BEE/wcd

Brian E. Etzel

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EXHIBIT F

Royal Oak

Office of the City Manager
203 S Troy Street
Royal Oak, MI 48067

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July 21, 2022

Via US Postal Service & Electronic Mail

Brian E. Etzel
Williams, Williams, Rattner & Plunkett, P.C.
380 North Old Woodward Avenue, Suite 300
Birmingham, MI 48009
BEEtzel@wwrplaw.com

RE: Response to Notice of Appeal

Dear Mr. Etzel:

I have received your appeal of the denial of the application for a recreational marijuana establishment (RME) retailer license on behalf of your client, Quality Roots, Inc. At this time, all available RME retailer licenses authorized by City of Royal Oak ordinance have been issued to the successful applicants. The ordinance does not authorize me to award additional licenses even upon a successful appeal, so a hearing on the appeal would be futile. Therefore, I will not be scheduling a hearing on the appeal.

I want to thank you for your client's interest in starting a business in Royal Oak and the time spent on the application process. Your patience through this process is greatly appreciated.

Sincerely,

Paul J. Brake, ICMA-CM, CEcD
City Manager

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EXHIBIT G

Order

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Michigan Supreme Court
Lansing, Michigan

October 29, 2025

Megan K. Cavanagh,
Chief Justice

Brian K. Zahra
Richard H. Bernstein
Elizabeth M. Welch
Kyra H. Bolden
Kimberly A. Thomas
Noah P. Hood,
Justices

168023

QUALITY ROOTS, INC.,
Plaintiff-Appellant,

v

SC: 168023
COA: 366257
Oakland CC: 2022-192383-CZ

CITY OF ROYAL OAK,
Defendant-Appellee,

and

PGSH HOLDINGS, LLC,
Intervening Defendant-Appellee.

_____/

On order of the Court, the application for leave to appeal the December 4, 2024 judgment of the Court of Appeals is considered, and it is DENIED, because we are not persuaded that the questions presented should be reviewed by this Court.

HOOD, J., did not participate because he was on the Court of Appeals panel.

I, Elizabeth Kingston-Miller, Clerk of the Michigan Supreme Court, certify that the foregoing is a true and complete copy of the order entered at the direction of the Court.

October 29, 2025

Clerk

b1022

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EXHIBIT H

Order

Michigan Supreme Court
Lansing, Michigan

October 29, 2025

Megan K. Cavanagh,
Chief Justice

Brian K. Zahra
Richard H. Bernstein
Elizabeth M. Welch
Kyra H. Bolden
Kimberly A. Thomas
Noah P. Hood,
Justices

168243-4

EXCLUSIVE CAPITAL PARTNERS, LLC,
Plaintiff-Appellee,

v

SC: 168243
COA: 366247
Oakland CC: 2022-193015-CZ

CITY OF ROYAL OAK,
Defendant-Appellant.

_____/

QUALITY ROOTS, INC.,
Plaintiff-Appellee,

v

SC: 168244
COA: 366257
Oakland CC: 2022-192383-CZ

CITY OF ROYAL OAK,
Defendant-Appellant,

and

PGSH HOLDINGS, LLC,
Intervening Defendant-Appellee.

_____/

On order of the Court, the application for leave to appeal the December 4, 2024 judgment of the Court of Appeals is considered. We direct the Clerk to schedule oral argument on the application. MCR 7.305(I)(1). The parties shall file supplemental briefs in accordance with MCR 7.312(E), addressing whether the City of Royal Oak's city manager was a "public body" as defined by MCL 15.262(a), subject to the Open Meetings Act, MCL 15.261 *et seq*. The total time allowed for oral argument shall be 40 minutes: 20 minutes for the appellant and 20 minutes for the appellees, to be divided at their discretion. MCR 7.314(B)(2).

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Amici who appeared at the application stage are invited to file supplemental briefs amicus curiae. Other persons or groups interested in the determination of the issue presented in this case who are not exempt from the motion requirement under MCR 7.312(H) may move the Court for permission to file briefs amicus curiae.

HOOD, J., not participating because he was on the Court of Appeals panel.

I, Elizabeth Kingston-Miller, Clerk of the Michigan Supreme Court, certify that the foregoing is a true and complete copy of the order entered at the direction of the Court.

October 29, 2025

Clerk

b1022