

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

position or as a key employee within ten (10) days of the effective date of the change in employment status. A change of employment status includes termination, leave of absence, and promotion to a management position or key employee.

6.95.210 Confidential Information.

The confidentiality of records regarding medical marijuana establishments shall be in accordance with Federal and State law. The duty to disclose any particular record as a public record shall be in accordance with State law.

6.95.220 Disciplinary Actions, Suspension and Revocation of Licenses.

All licenses authorized and issued under the provisions of this Ordinance may be subject to immediate suspension by the Director, if the Director finds that:

- A. A licensee has violated, or permitted, allowed or caused a violation of any provision of this Ordinance, any regulation issued pursuant to this Ordinance, any condition of approval imposed upon the issuance of the permit or license, or any State law or regulation relating to the operation;
- B. If the State registration certificate has been surrendered, suspended or revoked;
- C. Based on ascertainable facts, the operation substantially aggravates the crime problems in the City, makes law enforcement unduly difficult, or is detrimental to the public health, safety or welfare of the City;
- D. A licensee has made any fraudulent statements as to a material fact on an application form, as to any other information presented as part of the application process, or in connection with any other information required to be submitted to the Director pursuant to this Ordinance;
- E. A licensee knowingly commits any act which would have constituted grounds for denial of an application for a license;
- F. Licensee has failed either to file the required reports or biennial review documentation or to furnish such information as may be reasonably required by the Director under the authority vested in the Director by the terms of the provisions relating to the specific license;
- G. Any fact or condition exists which, if it had existed or been known to exist at the time of the application for such compliance permit or license, would have warranted the Director to recommend denial of the permit or license;
- H. The licensee has failed to maintain the premises in compliance with the requirements of the building official or the fire chief or any environmental or health department.

Any act or omission committed by any employee, agent, or independent contractor that occurs in the course of his or her employment, agency, or contract with

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the licensee shall be imputed to the licensee for the purposing of imposing any civil penalty, suspension, or revocation on the licensee.

In lieu of any license suspension, the director may assess a civil penalty against the licensee per LVMC Chapter 6.02.

In the event of any condition that justifies suspension of a license, the Director shall have the discretion to recommend to the City Council that the license be revoked, or other penalty imposed.

In the event of the suspension of any license, the Director shall provide written notice by certified mail addressed to the licensee and the building owner at the addresses of record. Notice shall also be sent to the state regulating authority.

Failure to immediately suspend all business operations to the public or other medical marijuana establishments shall require the Director to post the property as closed by order of the Director, and shall be grounds for revocation of a license. Staff of a licensed cultivation facility is permitted to be onsite during the appeal process to maintain the needs of the plants for a cultivation facility.

A licensee may appeal any suspension, nonrenewal or other penalty to the City Council. Any suspension or other penalty shall be effective pending completion of any appeal. All appeals will be processed per LVMC Chapter 6.06.

6.95.230 Fees.

A. Annual License Fee:

1. Each annual fee is due in advance on July 1st of each year. Applicants who receive license approval on a date other than such due date shall have their license fees prorated on a monthly basis. License fees paid pursuant to the code are not refundable.
2. Any annual fee which is not received by the Department on or before the due date shall be assessed a late-payment penalty amount equal to ten percent of the amount of such annual fee.
3. If the annual fee and penalty is not received by the Department within fifteen days after the due date, an additional penalty in an amount equal to twenty-five percent of such annual fee shall be assessed.
4. If the annual fee and all penalties are not received by the Department within sixty days after the due date, the license shall be automatically revoked.

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5. Each licensee shall pay to the Department in advance, the annual fees set forth in the following schedule:

License Category	Annual License Fee (Dollars)
Medical Marijuana Cultivation Facility	\$20,000 for 1st 5,000 square feet of approved cultivation area and \$10,000 for each additional 5,000 square feet, or portion thereof, of approved cultivation area
Medical Marijuana Production Facility	\$25,000
Medical Marijuana Dispensary	\$75,000
Independent Testing Laboratory fees per LVMC 6.04	\$10,000

B. Semi-Annual Gross Revenue Fee for Medical Marijuana Dispensary:

1. Gross revenue fees shall be administered in accordance with LVMC 6.02.160 through 6.02.220, LVMC 6.02.240 through LVMC 6.02.260.
2. If the semi-annual fee and all penalties are not received by the Department within sixty days after the due date, the license shall be automatically revoked.
3. A semi-annual license fee based on the gross sales of the medical marijuana dispensary facility according to the following schedule:
 - a. All medical marijuana products received directly from the medical marijuana cultivation facility for sale shall be calculated on 5% of gross sales.
 - b. All medical marijuana products received directly from the medical marijuana production facility for sale shall be calculated at 7% of gross sales.
 - c. Sales other than medical marijuana shall be calculated pursuant to LVMC 6.04.005.

6.95.240 Cultivation Limit.

The Council may enter into agreements with other local governments to restrict cultivation to a regional location or a regional limit based on square feet of building space that may be licensed for the cultivation of medical marijuana to supply licensed dispensaries within the City.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

6.95.250 Construction

Except as otherwise specifically provided herein, this Ordinance incorporates the requirements and procedures set forth in NRS 453A and NAC 453A. In the event of any conflict between the provisions of this Ordinance and the provisions of NRS 453A and NAC 453A, or any other applicable State or local law, the more restrictive provision shall control.

SECTION 2: Title 6, Chapter 2, Section 250, of the Municipal Code of the City, Nevada, 1983 Edition, is hereby amended to read as follows:

6.02.250 Delinquency – Expiration – Reinstatement.

- (A) All license fees other than gaming, alcoholic beverage and medical marijuana license fees shall become delinquent if not received within fifteen days after the due date. If full payment is not made within fifteen days after the due date, fifteen percent of the entire license fee shall be assessed as a penalty, payable in addition to the license fee; provided, however, if the fifteenth day following the due date is a day that the principal offices of the City are not open to the public, the penalty must not be assessed if the license fee is received before midnight of the next day on which the principal offices of the City are open to the public.
- (B) Except as otherwise provided in Subsection (E) with respect to ice cream truck and medical marijuana establishment licenses, all licenses for which fees and assessed penalty charges have not been paid within sixty days after the license fee due date are deemed expired and shall not be reinstated until the license fees, assessed penalty charges and a reinstatement fee of fifty dollars have been paid. A license is eligible for reinstatement only within the four-month period following its expiration.
- (C) The Director may refer any delinquent license fees and assessed penalty charges to a collection agency for collection if they have not been paid within sixty days after the license fee due date. The Director may do likewise regarding any service charges and administrative fees that have been assessed pursuant to LVMC 6.02.020(B)(7) and have not been paid in a timely manner.
- (D) As a condition of reinstatement of a license deemed expired pursuant to Subsection (B) of this Section, the licensee shall, in addition to payment of any outstanding license fees, penalty charges, service charges, administrative fees, and reinstatement fees, reimburse the City for any expenses it has incurred as a result of referring the licensee's delinquent license fees and assessed penalty charges to a collection agency.
- (E) The renewal and expiration of ice cream truck licenses shall be in accordance with LVMC 6.47.030(B)(4). The renewal and expiration of medical marijuana licenses shall be in accordance with LVMC 6.95.170.

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA)
COUNTY OF CLARK) SS:

RECEIVED
CITY CLERK

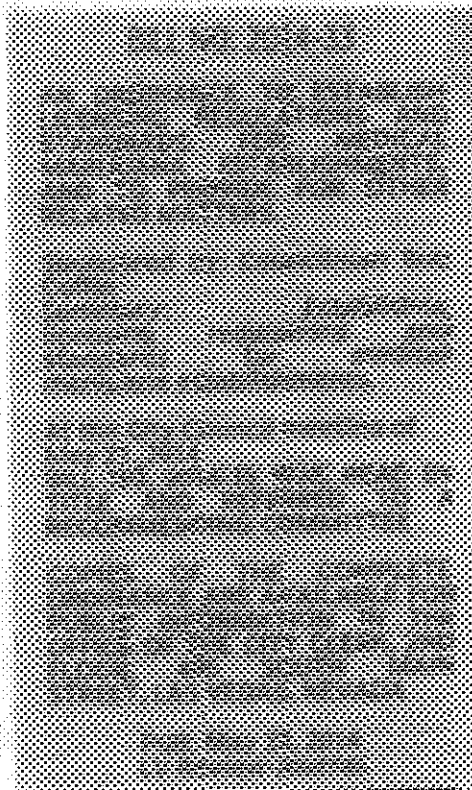
LV CITY CLERK
495 S MAIN ST
LAS VEGAS NV 89101


Account # 22515
Ad Number 0000197485

2014 JUN -2 A 11:53

Stacey M. Lewis, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 05/23/2014 to 05/23/2014, on the following days:

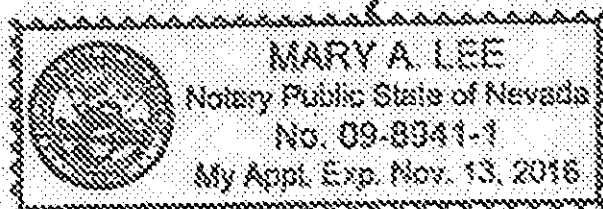
05/23/14




LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 23rd day of May, 2014

Notary 



AFFIDAVIT OF PUBLICATION

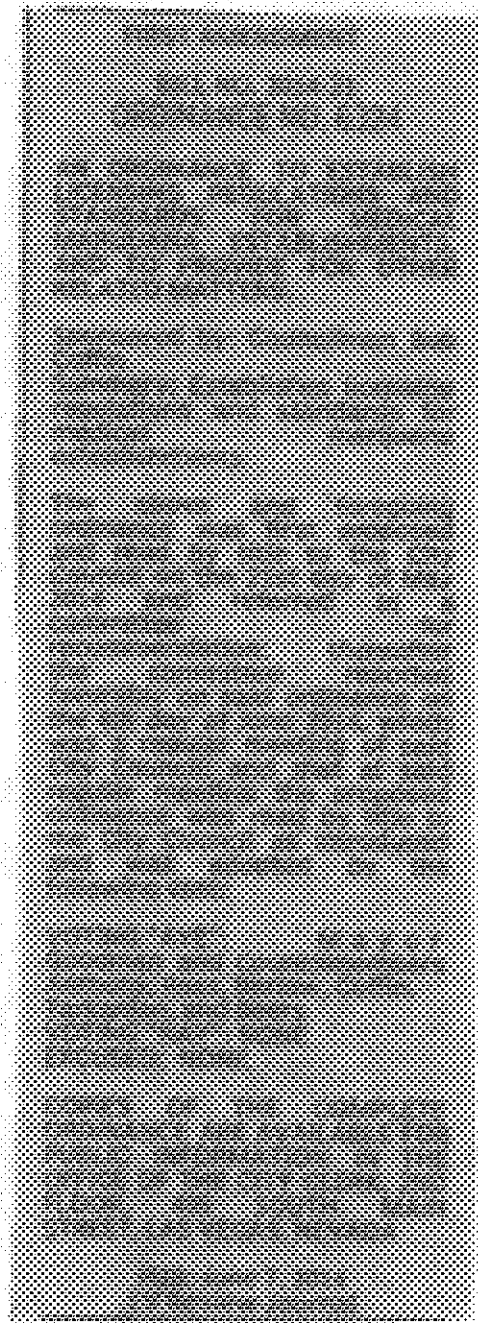
STATE OF NEVADA)
COUNTY OF CLARK) SS:


LV CITY CLERK
495 S MAIN ST
LAS VEGAS NV 89101

Account # 22515
Ad Number 0000212967


Stacey M. Lewis, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 06/07/2014 to 06/07/2014, on the following days:

06/07/14




LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 9th day of June, 2014

Notary 

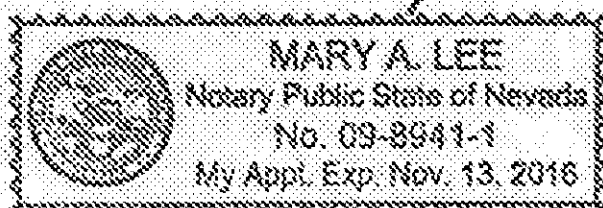


EXHIBIT 5

EXHIBIT 5

STATE OF NEVADA

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director



RICHARD WHITLEY, MS
Administrator

TRACEY D. GREEN, MD
Chief Medical Officer

DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

4150 Technology Way, Suite 300
Carson City, Nevada 89706
Telephone: (775) 684-4200 • Fax: (775) 684-4211

Medical Marijuana Establishment Registration Certificate

Request for Applications

Release Date: May 30, 2014

Accepting Applications Period: August 5 - 18, 2014

(Business Days M-F, 8:00 A.M. - 5:00 P.M.)

For additional information, please contact:

Medical Marijuana Establishment (MME) Program

Division of Public and Behavioral Health

4150 Technology Way, Suite 104

Carson City, NV 89706

Phone: 775-684-3487

Email address: medicalmarijuana@health.nv.gov

STATE OF NEVADA

BRIAN SANDOVAL
GovernorMICHAEL J. WILLEN
DirectorRICHARD WHITLEY, MS
AdministratorTRACEY D. GREEN, MD
Chief Medical OfficerDEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC AND BEHAVIORAL HEALTH4150 Technology Way, Suite 300
Carson City, Nevada 89706
Telephone: (775) 684-4200 · Fax: (775) 684-4211APPLICANT INFORMATION SHEET FOR MEDICAL MARIJUANA ESTABLISHMENT
APPLICATION

Applicant Must:

- A) Provide all requested information in the space provided next to each numbered question. The information provided in Sections 1 through 10 will be used for application questions and updates;
- B) Type or print responses; and
- C) Include this Applicant Information Sheet in Tab III of the Identified Criteria Response.

1	Company Name			
2	Street Address			
3	City, State, ZIP			
4	Telephone Number			
	Area Code	Number	Extension	
5	Facsimile Number			
	Area Code	Number	Extension	
6	Toll Free Number			
	Area Code	Number	Extension	
7	Contact Person for providing information, signing documents, or ensuring actions are taken as per Section 23 of LCB File No. R004-14A			
	Name:			
	Title:			
	Address:			
	Email Address:			
8	Telephone Number for Contact Person			
	Area Code:	Number:	Extension:	
9	Facsimile Number for Contact Person			
	Area Code:	Number:	Extension:	
10	Contact Person Signature			
	Signature:		Date:	

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1. TERMS AND DEFINITIONS

For the purposes of this Application, the following terms/definitions will be used:

TERMS	DEFINITIONS
<i>Applicant</i>	Organization/individual(s) submitting an application in response to this request for application.
<i>Division</i>	The Nevada Division of Public and Behavioral Health of the Department of Health and Human Services.
<i>Edible marijuana products</i>	As per NRS 453A.101, products that contain marijuana or an extract thereof and are intended for human consumption by oral ingestion and are presented in the form of foodstuffs, extracts, oils, tinctures and other similar products.
<i>Electronic funds transfer</i>	Electronic funds transfer (EFT) is the electronic exchange, transfer of money from one account to another, either within a single financial institution or across multiple institutions, through computer-based systems.
<i>Electronic verification system</i>	As per NRS 453A.102, an electronic database that keeps track of data in real time and is accessible by the Division and by registered medical marijuana establishments.
<i>Enclosed, locked facility</i>	As per NRS 453A.103, a closet, display case, room, greenhouse, or other enclosed area that meets the requirements of NRS 453A.362 and is equipped with locks or other security devices which allow access only by a medical marijuana establishment agent and the holder of a valid registry identification card.
<i>Excluded felony offense</i>	As per NRS 453A.104, a crime of violence or a violation of a state or federal law pertaining to controlled substances, if the law was punishable as a felony in the jurisdiction where the person was convicted. The term does not include a criminal offense for which the sentence, including any term of probation, incarceration or supervised release, was completed more than 10 years before or an offense involving conduct that would be immune from arrest, prosecution or penalty, except that the conduct occurred before April 1, 2014, or was prosecuted by an authority other than the State of Nevada.
<i>Facility for the production of edible marijuana products or marijuana infused products</i>	As per NRS 453A.105, a business that is registered with the Division pursuant to NRS 453A.322, and acquires, possesses, manufactures, delivers, transfers, transports, supplies, or sells edible marijuana products or marijuana-infused products to medical marijuana dispensaries.

<i>Identified Response</i>	A response to the application in which information is included, including any descriptive information, that identifies any and all Owners, Officers, Board Members or Employees and business details (proposed business name(s), D/B/A, current or previous business names or employers). This information includes all names, specific geographic details including street address, city, county, precinct, ZIP code, and their equivalent geocodes, telephone numbers, fax numbers, email addresses, social security numbers, financial account numbers, certificate/license numbers, vehicle identifiers and serial numbers, including license plate numbers, Web Universal Resource Locators (URLs), Internet Protocol (IP) addresses, biometric identifiers, including finger and voice prints, full-face photographs and any comparable images, previous or proposed company logos, images, or graphics and any other unique identifying information, images, logos, details, numbers, characteristics, or codes.
<i>Identifiers</i>	An assignment of letters, numbers, job title or generic business type to assure the identity of a person or business remains unidentifiable. Assignment of identifiers will be application specific and will be communicated in the application in the identifier legend.
<i>Independent testing laboratory</i>	As per NRS 453A.107, a business that is registered with the Division to test marijuana, edible marijuana products and marijuana- infused products. Such an independent testing laboratory must be able to determine accurately, with respect to marijuana, edible marijuana products and marijuana-infused products, the concentration therein of THC and cannabidiol, the presence and identification of molds and fungus, and the presence and concentration of fertilizers and other nutrients.
<i>Inventory control system</i>	As per NRS 453A.108, a process, device or other contrivance that may be used to monitor the chain of custody of marijuana used for medical purposes from the point of cultivation to the end consumer.
<i>Marijuana</i>	As per NRS 453.096, all parts of any plant of the genus Cannabis, whether growing or not, and the seeds thereof, the resin extracted from any part of the plant and every compound, manufacture, salt, derivative, mixture or preparation of the plant, its seeds or resin. Marijuana does not include the mature stems of the plant, fiber produced from the stems, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture or preparation of the mature stems (except the resin extracted there from), fiber, oil or cake, or the sterilized seed of the plant which is incapable of germination.

<i>Marijuana infused products</i>	As per NRS 453A.112, products that are infused with marijuana or an extract thereof and are intended for use or consumption by humans through means other than inhalation or oral ingestion. The term includes, without limitation, topical products, ointments, oils and tinctures.
<i>May</i>	Has the meaning ascribed to it in NRS 0.025.
<i>Medical marijuana dispensary</i>	As per NRS 453A.115, a business that is registered with the Division and acquires, possesses, delivers, transfers, transports, supplies, sells or dispenses marijuana or related supplies and educational materials to the holder of a valid registry identification card.
<i>Medical marijuana establishment</i>	As per NRS 453A.116, an independent testing laboratory, a cultivation facility, a facility for the production of edible marijuana products or marijuana-infused products, a medical marijuana dispensary, or a business that has registered with the Division and paid the requisite fees to act as more than one of the types of businesses.
<i>Medical marijuana establishment agent</i>	As per NRS 453A.117, an owner, officer, board member, employee or volunteer of a medical marijuana establishment. The term does not include a consultant who performs professional services for a medical marijuana establishment.
<i>Medical marijuana establishment agent registration card</i>	As per NRS 453A.118, a form of identification that is issued by the Division to authorize a person to volunteer or work at a medical marijuana establishment.
<i>Medical marijuana establishment registration certificate</i>	As per NRS 453A.119, a certificate that is issued by the Division, pursuant to NRS 453A.332, to authorize the operation of a medical marijuana establishment.
<i>Medical use of marijuana</i>	As per NRS 453A.120, the possession, delivery, production or use of marijuana; the possession, delivery or use of paraphernalia used to administer marijuana; as necessary for the exclusive benefit of a person to mitigate the symptoms or effects of his or her chronic or debilitating medical condition.
<i>Must</i>	Has the meaning ascribed to it in NRS 0.025.
<i>NAC</i>	Nevada Administrative Code -- All applicable NAC documentation may be reviewed via the Internet at: http://www.leg.state.nv.us/NAC/CHAPTERS.HTML .

<i>Non-Identified Response</i>	A response to the application in which no information is included or any descriptive information is included that would permit an evaluator to reasonably draw a conclusion as to the identity of any and all owners, officers, board members or employees and business details (proposed business name(s), D/B/A, current or previous business names or employers). Identifiers that must be removed from the application include all names, specific geographic details including street address, city, county, precinct, ZIP code, and their equivalent geocodes, telephone numbers, fax numbers, email addresses, social security numbers, financial account numbers, certificate/license numbers, vehicle identifiers and serial numbers, including license plate numbers, Web Universal Resource Locators (URLs), Internet Protocol (IP) addresses, biometric identifiers, including finger and voice prints, full-face photographs and any comparable images, previous or proposed company logos, images, or graphics and any other unique identifying information, images, logos, details, numbers, characteristics, or codes.
<i>NRS</i>	Nevada Revised Statutes -- All applicable NRS documentation may be reviewed via the Internet at: http://www.leg.state.nv.us/NRS/ .
<i>Shall</i>	Has the meaning ascribed to it in NRS 0.025.
<i>State</i>	The State of Nevada and any agency identified herein.

2. APPLICATION OVERVIEW

The 2013 Legislature passed Senate Bill 374 relating to medical marijuana, providing for the registration of medical marijuana establishments authorized to test marijuana in a laboratory, cultivate or dispense marijuana or manufacture edible marijuana products or marijuana-infused products for sale to persons authorized to engage in the medical use of marijuana. Senate Bill 374 also provides for the registration of agents who are employed by or volunteer at medical marijuana establishments, setting forth the manner in which such establishments must register and operate, and requiring the Division of Public and Behavioral Health (Division) to adopt regulations. Senate Bill 374 has now been included in the codified NRS 453A.

The regulations provide provisions for the establishment, licensing, operation and regulation of medical marijuana establishments in the State of Nevada. The regulations address this new industry as a privileged industry as outlined in NRS 453A.320.

The Division is seeking applications from qualified applicants in conjunction with this application process for medical marijuana establishment certificates. The resulting establishment certificates will be for an initial term of one (1) year, subject to Section 34 of LCB File No. R004-14A.

3. APPLICATION TIMELINE

The following represents the timeline for this project.

Task	Date/Time
Request for Application Date	5/30/2014
Deadline for Submitting Questions	6/20/2014 2:00 PM
Answers Posted to Website	On or before 7/7/2014
Opening of 10 Day Window for Receipt of Applications	8/5/2014 8:00 AM
Deadline for Submission of Applications	8/18/2014 5:00 PM
Evaluation Period	8/5/2014 - 11/2/2014
Provisional Certificates Issued	On or about 11/3/2014

4. APPLICATION INSTRUCTIONS

The State of Nevada, Division of Public and Behavioral Health, on behalf of the Department of Health and Human Services, is seeking applications from qualified applicants to receive provisional certificates to issue medical marijuana establishment certificates.

The Division anticipates issuing medical marijuana establishment certificates in conjunction with this application process and in compliance with Nevada statutes and regulations. Therefore, applicants are encouraged to be as specific as possible in their application about the services they will provide, geographic location, and submissions for each criteria category.

All questions relating to this application and the application process must be submitted in writing to medicalmarijuana@health.nv.gov no later than 2:00 P.M. on 6/20/2014. Calls should only be directed to the phone number provided in this application. No questions will be accepted after this date. Answers will be posted to the Medical Marijuana Program FAQ section of the Division's website no later than 7/7/2014 at <http://health.nv.gov/MedicalMarijuana.htm>.

5. APPLICATION REQUIREMENTS, FORMAT AND CONTENT

5.1. GENERAL SUBMISSION REQUIREMENTS

- 5.1.1. Applications must be packaged and submitted in counterparts; therefore, applicants must pay close attention to the submission requirements. Applications will have an Identified Criteria Response and a Non-Identified Criteria Response. Each must be submitted in individual 3-ring binders. Applicants must submit their application broken out into the two (2) sections required in a single box or packaged for shipping purposes.
- 5.1.2. The required CDs must contain information as specified in Section 5.4.
- 5.1.3. Detailed instructions on application submission and packaging follows, and applicants must submit their applications as identified in the following sections.
- 5.1.4. All information is to be completed as requested.
- 5.1.5. Each section within the Identified Criteria Response and the Non-Identified Criteria Response must be separated by clearly marked tabs with the appropriate section number and title as specified.
- 5.1.6. If discrepancies are found between two (2) or more copies of the application, the **MASTER COPY** shall provide the basis for resolving such discrepancies. If one (1) copy of the application is not clearly marked "**MASTER**," the Division may, at its sole discretion, select one (1) copy to be used as the master.
- 5.1.7. For ease of evaluation, the application must be presented in a format that corresponds to and references sections outlined within this submission requirements section and must be presented in the same order. Written responses must be typed and in bold/italics and placed immediately following the applicable criteria question, statement and/or section.
- 5.1.8. Applications are to be prepared in such a way as to provide a straightforward, concise delineation of information to satisfy the requirements of this application.
- 5.1.9. In a Non-Identified Criteria response, when a specific person or company is referenced, the identity must be submitted with an Identifier. Identifiers assigned to people or companies must be detailed in a legend (Attachment H), to be submitted in the Identified Criteria response section.
- 5.1.10. Expensive bindings, colored displays, promotional materials, etc., are not necessary or desired. Emphasis should be concentrated on conformance to the application instructions, responsiveness to the application requirements, and on completeness and clarity of content.
- 5.1.11. Applications must not be printed on company letterhead and/or with any identifying company watermarks. Applicants must submit response using plain white paper.
- 5.1.12. Materials not requested in the application process will not be reviewed or evaluated.

- 5.1.13. The State of Nevada, in its continuing efforts to reduce solid waste and to further recycling efforts, requests that applications, to the extent possible and practical:
- 5.1.13.1. Be submitted on recycled paper;
 - 5.1.13.2. Not include pages of unnecessary advertising;
 - 5.1.13.3. Be printed on both sides of each sheet of paper (except when a new section begins);
 - 5.1.13.4. Follow strict definition of Non-Identified response when directed; and
 - 5.1.13.5. Be contained in re-usable binders as opposed to spiral or glued bindings.
- 5.1.14. For purposes of addressing questions concerning this application, submit questions to medicalmarijuana@health.nv.gov no later than 2:00 P.M. on 6/20/2014. Calls must be directed to the phone number provided in this application. No questions will be addressed after this date. Upon issuance of this request for application, other employees and representatives of the agencies identified in the application will not answer questions or otherwise discuss the contents of this application with any other prospective applicants or their representatives.

5.2. **PART I – IDENTIFIED CRITERIA RESPONSE**

The IDENTIFIED CRITERIA RESPONSE must include:

One (1) original copy marked “MASTER”

Three (3) identical copies

The response must have the tabbed sections as described below:

5.2.1. **Tab I – Title Page**

The title page must include the following:

Part I – Identified Criteria Response	
Application Title:	A Medical Marijuana Establishment Registration Certificate
Application:	
Applicant Name:	
Address:	
Application Opening Date and Time:	August 5, 2014 8:00 AM
Application Closing Date and Time:	August 18, 2014 5:00 PM

5.2.2. **Tab II – Table of Contents**

An accurate table of contents must be provided in this tab.

5.2.3. **Tab III – Applicant Information Sheet**

The completed Applicant Information Sheet with an original signature by the contact person for providing information, signing documents, or ensuring actions are taken as per Section 23 of LCB File No. R004-14A must be included in this tab. (Page 2)

5.2.4. **Tab IV – Medical Marijuana Establishment Registration Certificate Application**

The completed Medical Marijuana Establishment Registration Certificate Application with original signatures must be included in this tab. (Attachment A)

5.2.5. **Tab V – Multi-Establishment Limitation form**

If applicable, a copy of the multi-establishment limitation form must be included in this tab. If not applicable, please insert a plain page with the words “**Not applicable.**” (Attachment G).

5.2.6. **Tab VI – Identifier Legend**

A copy of the Identifier legend must be included in this tab. If not applicable, please insert a plain page with the words “**Not Applicable**” (Attachment H).

5.2.7. **Tab VII – Confirmation that the applicant has registered with the Secretary of State**

Documentation that the applicant has registered as the appropriate type of business with the Secretary of State.

5.2.8. **Tab VIII – Confirmation of the ownership or authorized use of the property as a medical marijuana establishment**

5.2.8.1. A copy of property owner’s approval for use form (Attachment F).

5.2.8.2. If the applicant has executed a lease or owns the proposed property, a copy of the lease or documentation of ownership.

A copy of the property owner’s approval for use form and lease or documentation of ownership must be included in this tab.

5.2.9. **Tab IX – Documentation from a financial institution in this state, or in any other state or the District of Columbia, which demonstrates:**

5.2.9.1. That the applicant has at least \$250,000 in liquid assets which are unencumbered and can be converted within 30 days after a request to liquidate such assets; and

5.2.9.2. The source of those liquid assets.

Documentation demonstrating the liquid assets and the source of those liquid assets must be included in this tab.

Please note: If applying for more than one medical marijuana establishment registration certificate, available funds must be shown for each establishment application.

5.2.10. **Tab X – Evidence of the amount of taxes paid to, or other beneficial financial contributions made to, the State of Nevada or its political subdivisions within the last five years by the applicant or the persons who are proposed to be owners, officers or board members of the proposed establishment.**

Evidence of taxes paid and other beneficial financial contributions made must be included in this tab.

5.2.11. **Tab XI – The description of the proposed organizational structure of the proposed medical marijuana establishment and information concerning each Owner, Officer and Board Member of the proposed medical marijuana establishment.**

- 5.2.11.1. An organizational chart showing all owners, officers, and board members of the medical marijuana establishment, including percentage of ownership for each individual.
- 5.2.11.2. The owner, officer and board member information form must be completed for each individual named in this application (Attachment C).
- 5.2.11.3. An owner, officer and board member Attestation Form must be completed for each individual named in this application (Attachment B).
- 5.2.11.4. A Child Support Verification Form for each owner, officer and board member must be completed for each individual named in this application (Attachment D).
- 5.2.11.5. A narrative description, not to exceed 750 words, demonstrating the following:
 - 5.2.11.5.1. Past experience working with governmental agencies and highlighting past community involvement.
 - 5.2.11.5.2. Any previous experience at operating other businesses or nonprofit organizations.
 - 5.2.11.5.3. Any demonstrated knowledge or expertise with respect to the compassionate use of marijuana to treat medical conditions.
 - 5.2.11.5.4. A resume, including educational achievements, for each owner, officer and board member must be completed for each individual named in this application.
- 5.2.11.6. A Request and Consent to Release Application Form for Medical Marijuana Establishment Registration Certificate(s) for each owner, officer and board member may be completed for each individual named in this application (Attachment E).
- 5.2.11.7. Documentation that fingerprint cards have been submitted to the Central Repository for Nevada Records of Criminal History.

The organizational chart, owner, officer and board member information form(s), attestation form(s), resume(s), child support verification forms(s), narrative description(s), request and consent to release application form, as applicable, and fingerprint documentation must be included in this tab.

5.2.12. Tab XII – A financial plan which includes:

- 5.2.12.1. Financial statements showing the resources of the applicant(s), both liquid and illiquid.
- 5.2.12.2. If the applicant is relying on money from an owner, officer or board member, or any other source, evidence that the person has

unconditionally committed such money to the use of the applicant in the event the Division issues a medical marijuana establishment registration certificate to the applicant.

- 5.2.12.3. Proof that the applicant has adequate money to cover all expenses and costs of the first year of operation.

The financial plan must be included in this tab.

- 5.2.13. **Tab XIII** -- If a local government in which a proposed medical marijuana establishment will be located has not enacted zoning restrictions or the applicant is not required to secure approval that the applicant is in compliance with such restrictions:

- 5.2.13.1. A professionally prepared survey demonstrating that the applicant has satisfied all the requirements of NRS 453A.322(3)(a)(2)(II).

A professionally prepared survey must be included in this tab. If not applicable, please insert a plain page stating “**Not applicable.**”

- 5.2.14. Included with this packet - the \$5,000.00 application fee as per Section 26(1) of LCB File No. R004-14A

Please note: Cashier's checks and money orders (made out to the "Nevada Division of Public and Behavioral Health") will be accepted. All payments of money in an amount of \$10,000 or more must be made by any method of electronic funds transfer of money allowed. The electronic payment must be credited to the State of Nevada on or before the date such payment is due.

5.3. **PART II –NON-IDENTIFIED CRITERIA RESPONSE**

The NON-IDENTIFIED CRITERIA RESPONSE must include:

One (1) original copy marked “MASTER”

Three (3) original copies marked “Non-Identified Criteria Response”

*Please note: The content of this response must be in a **non-identified** format. The **Identifier Legend Form (Attachment H)** must be used to non-identify the content of the response.*

The response must have the tabbed sections as described below:

5.3.1. **Tab I – Title Page**

The title page must include the following:

Please note: Title page will be removed for evaluation and does not require non-identification.

Part II –Non-Identified Criteria Response	
Application Title:	A Medical Marijuana Establishment Registration Certificate
Application:	
Applicant Name:	
Address:	
Application Opening Date and Time:	August 5, 2014 8:00 AM
Application Closing Date and Time:	August 18, 2014 5:00 PM

5.3.2. **Tab II** – Table of Contents

An accurate table of contents must be provided in this tab.

5.3.3. **Tab III** – Documentation concerning the adequacy of the size of the proposed medical marijuana establishment to serve the needs of persons who are authorized to engage in the medical use of marijuana, including, without limitation:

*Please note: The content of this response must be in a **non-identified** format*

5.3.3.1. Building and Construction plans with supporting details.

Please note: The size or square footage of the proposed establishment must include the maximum size of the proposed operation per the lease and/or property ownership. The start-up plans and potential expansion must be clearly stated to prevent needless misunderstandings and surrendering of certification.

Non-identified Building and Construction plans with supporting details must be included in this tab.

5.3.4. **Tab IV** – Documentation concerning the integrated plan of the proposed medical marijuana establishment for the care, quality and safekeeping of medical marijuana from seed to sale, including, without limitation:

*Please note: The content of this response must be in a **non-identified** format*

5.3.4.1. A non-identified plan for testing and verifying medical marijuana.

5.3.4.2. A non-identified transportation plan.

5.3.4.3. Non-identified procedures to ensure adequate security including, without limitation, measures for building security.

5.3.4.4. Non-identified procedures to ensure adequate security including, without limitation, measures for product security.

Non-identified plans for testing medical marijuana, transportation, and building and product security must be included in this tab.

5.3.5. **Tab V** -- A plan which includes:

*Please note: The content of this response must be in a **non-identified** format*

5.3.5.1. A non-identified description of the operating procedures for the electronic verification system of the proposed medical marijuana establishment for verifying medical marijuana cardholders

5.3.5.2. A non-identified description of the inventory control system of the proposed medical marijuana establishment.

Please note: Applicants must demonstrate a system to include thorough tracking of product movement and sales. The system shall account for all inventory held by an establishment in any stage of cultivation, production, display or sale, as applicable for the type of establishment, and demonstrate an internal reporting system to provide the Division with comprehensive knowledge of an establishment's inventory.

The plan for the operating procedures for the electronic verification system and the inventory control system must be included in this tab and must be in a non-identifying format.

5.3.6. **Tab VI** -- Evidence that the applicant has a plan to staff, educate and manage the proposed medical marijuana establishment on a daily basis, which must include, without limitation:

*Please note: The content of this response must be in a **non-identified** format*

5.3.6.1. A non-identified detailed budget for the proposed medical marijuana establishment, including pre-opening, construction and first year operating expenses.

5.3.6.2. A non-identified operations manual that demonstrates compliance with applicable statutes and regulations.

5.3.6.3. A non-identified education plan which must include, without limitation, providing educational materials to the staff of the proposed establishment.

5.3.6.4. A non-identified plan to minimize the environmental impact of the proposed establishment.

The plan to staff, educate and manage the proposed medical marijuana establishment must be included in this tab and must be non-identified.

5.3.7. **Tab VII** – A proposal demonstrating the following:

*Please note: The content of this response must be in a **non-identified** format*

5.3.7.1. The likely impact of the proposed medical marijuana establishment in the community in which it is proposed to be located.

5.3.7.2. The manner in which the proposed medical marijuana establishment will meet the needs of the persons who are authorized to engage in the medical use of marijuana.

The likely impact and how the establishment will meet the needs of persons who are authorized to engage in the medical use of marijuana must be included in this tab and must be non-identified.

5.4. **Part III – CD Response**

The CD portion of the application must include:

5.4.1. Four (4) Identified Criteria Response CDs

5.4.2. Four (4) Non-Identified Criteria Response CDs

5.4.2.1. The electronic files must follow the format and content section for the Identified Criteria Response and Non-Identified Criteria Response

5.4.2.2. All electronic files must be saved in “PDF” format, with the following file names:

5.4.2.2.1. Part I – Identified Criteria Response

5.4.2.2.2. Part II – Non-Identified Criteria Response

5.4.2.3. The CDs must be packaged in a case and clearly labeled as follows:

CDs	
Application	A Medical Marijuana Establishment Registration Certificate
Applicant Name:	
Address:	
Contents:	Part I – Identified Criteria Response Part II – Non-Identified Criteria Response

5.5. APPLICATION PACKAGING

- 5.5.1. If the separately sealed Identified Criteria Response, Non-Identified Criteria Response and CDs marked as required, are enclosed in another container for mailing purposes, the outermost container must fully describe the contents of the package and be clearly marked as follows:

<i>Medical Marijuana Establishment (MME) Program</i> <i>Division of Public and Behavioral Health</i> <i>4150 Technology Way, Suite 104</i> <i>Carson City, NV 89706</i>	
Application:	
Application Opening Date and Time:	August 5, 2014 8:00 AM
Application Closing Date and Time:	August 18, 2014 5:00 PM
For:	A Medical Marijuana Establishment Registration Certificate
Applicant's Name:	

- 5.5.2. Applications must be filed or accepted at 4150 Technology Way, Suite 104. Applications shall be deemed filed or accepted on the date of the postmark dated by the post office on the package in which it was mailed in accordance with NRS 238.100.
- 5.5.3. The Division will not be held responsible for application envelopes mishandled as a result of the envelope not being properly prepared.
- 5.5.4. Email, facsimile, electronic or telephone Applications will **NOT** be considered.
- 5.5.5. The Identified Criteria Response shall be submitted to the Division in a sealed package and be clearly marked as follows:

<i>Medical Marijuana Establishment (MME) Program</i> <i>Division of Public and Behavioral Health</i> <i>4150 Technology Way, Suite 104</i> <i>Carson City, NV 89706</i>	
Application:	A Medical Marijuana Establishment Registration Certificate
Application Component:	PART I -- Identified Criteria Response
Application Opening Date and Time:	August 5, 2014 8:00 AM
Application Closing Date and Time:	August 18, 2014 5:00 PM
Applicant's Name:	

- 5.5.6. The Non-Identified Criteria Response shall be submitted to the Division in a sealed package and be clearly marked as follows:

<i>Medical Marijuana Establishment (MME) Program</i> <i>Division of Public and Behavioral Health</i> <i>4150 Technology Way, Suite 104</i> <i>Carson City, NV 89706</i>	
Application:	A Medical Marijuana Establishment Registration Certificate
Application Component:	PART II – Non-Identified Criteria Response
Application Opening Date and Time:	August 5, 2014 8:00 AM
Application Closing Date and Time:	August 18, 2014 5:00 PM
Applicant's Name:	

- 5.5.7. The CDs shall be submitted to the Division in a sealed package and be clearly marked as follows:

<i>Medical Marijuana Establishment (MME) Program</i> <i>Division of Public and Behavioral Health</i> <i>4150 Technology Way, Suite 104</i> <i>Carson City, NV 89706</i>	
Application:	A Medical Marijuana Establishment Registration Certificate
Application Component:	CDs
Application Opening Date and Time:	August 5, 2014 8:00 AM
Application Closing Date and Time:	August 18, 2014 5:00 PM
Applicant's Name:	

6. APPLICATION EVALUATION

6.1. Applications shall be consistently evaluated and scored in accordance with NRS 453A and LCB File No. R004-14A based upon the following criteria and point values:

	Merit Criteria	Descriptive Elements	Points
		<i>Listed below are certain elements that must be included in the response to the respective Merit Criteria. However, applicants should provide additional information that helps to demonstrate how the applicant uniquely meets the specified Merit Criteria in addition to the descriptive elements specified below.</i>	
I	NRS 453A.328(1) The total financial resources of the applicant, both liquid and illiquid	<p>A financial plan which includes:</p> <ul style="list-style-type: none"> Financial statements showing the resources of the applicant(s), both liquid and illiquid. If the applicant is relying on money from an owner, officer or board member, or any other source, evidence that the person has unconditionally committed such money to the use of the applicant in the event the Division issues a medical marijuana establishment registration certificate to the applicant and the applicant obtains the necessary local government approvals to operate the establishment. Proof that the applicant has adequate money to cover all expenses and costs of the first year of operation. <p>Evidence that the applicant has a plan to staff, educate and manage the proposed medical marijuana establishment on a daily basis, which must include:</p> <ul style="list-style-type: none"> A detailed budget for the proposed establishment, including pre-opening, construction and first-year operating expenses. 	40
II	<p>NRS 453A.328(2) The previous experience of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment at operating other businesses or nonprofit organizations</p> <p>453A.328(3) The educational achievements of the persons who are proposed to be owners, officers or board members of the</p>	<p>An organizational chart showing all Owners, Officers and Board Members of the medical marijuana establishment, including percentage of ownership for each individual and a short description of the proposed organizational structure.</p> <p>A narrative description, not to exceed 750 words, demonstrating the following:</p> <ul style="list-style-type: none"> Any previous experience at operating other businesses or nonprofit organizations. Any demonstrated knowledge or expertise with respect to the compassionate use of marijuana to treat medical conditions. 	50

	<p>proposed medical marijuana establishment</p> <p>453A.328(4) Any demonstrated knowledge or expertise on the part of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment with respect to the compassionate use of marijuana to treat medical conditions</p>	<ul style="list-style-type: none"> • A resume, including educational achievements, for each owner, officer and board member. 	
III	<p>453A.328(5) Whether the proposed location of the proposed medical marijuana establishment would be convenient to serve the needs of persons who are authorized to engage in the medical use of marijuana</p>	<p>Evidence that the applicant owns the property on which the proposed medical marijuana establishment will be located or has the written permission of the property owner to operate the proposed medical marijuana establishment on that property as required by NRS 453A.322(3)(a)(2)(IV), on a form prescribed by the Division.</p>	20
IV	<p>453A.328(6) The likely impact of the proposed medical marijuana establishment on the community in which it is proposed to be located</p>	<p>A proposal demonstrating:</p> <ul style="list-style-type: none"> • Past experience working with governmental agencies and highlighting past community involvement. • The likely impact of the proposed medical marijuana establishment in the community in which it is proposed to be located. • The manner in which the proposed medical marijuana establishment will meet the needs of the persons who are authorized to engage in the medical use of marijuana. 	20
V	<p>453A.328(7) The adequacy of the size of the proposed medical marijuana establishment to serve the needs of persons who are authorized to engage in the medical use of marijuana</p>	<p>Documentation concerning the adequacy of the size of the proposed medical marijuana establishment to serve the needs of persons who are authorized to engage in the medical use of marijuana, including, without limitation:</p> <ul style="list-style-type: none"> • Building and Construction Plans with supporting details. 	20
VI	<p>453A.328(8) Whether the applicant has an integrated plan for the care, quality and safekeeping of medical marijuana from seed to sale</p>	<p>Documentation concerning the integrated plan of the proposed medical marijuana establishment for the care, quality and safekeeping of medical marijuana from seed to sale, including, without limitation:</p> <ul style="list-style-type: none"> • A plan for testing and verifying medical marijuana. • A transportation plan. • Procedures to ensure adequate security measures including, without limitation, for building security. • Procedures to ensure adequate security including, without limitation, measures for product security. 	75

		<p>Evidence that the applicant has a plan to staff, educate and manage the proposed medical marijuana establishment on a daily basis, which must include, without limitation:</p> <ul style="list-style-type: none"> • An operations manual that demonstrates compliance with applicable statutes and regulations. • An education plan which must include, without limitation, providing educational materials to the staff of the proposed establishment. • A plan to minimize the environmental impact of the proposed establishment. <p>A plan which includes:</p> <ul style="list-style-type: none"> • A description of the operating procedures for the electronic verification system of the proposed medical marijuana establishment for verifying medical marijuana cardholders. • A description of the inventory control system of the proposed medical marijuana establishment to satisfy the requirements of sub-subparagraph (II) of subparagraph (3) of paragraph (a) of subsection 3 of NRS 453A.322. 	
VII	453A.328(9)The amount of taxes paid to, or other beneficial financial contributions made to, the State of Nevada or its political subdivisions by the applicant or the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment	Evidence of the amount of taxes paid to, or other beneficial financial contributions made to, the State of Nevada or its political subdivisions within the last five years by the applicant or the persons who are proposed to be owners, officers or board members of the proposed establishment.	25
Application Total			250
		Review results of background check(s), Applicant has until the end of the 90-day application period to resolve any background check information which would cause the application to be rejected.	Unweighted

- 6.2. Pursuant to subsection 1 of Section 28 of LCB File No. R004-14A, if, within 10 business days after the date on which the Division begins accepting applications in response to a request for applications issued pursuant to Section 25 of LCB File No. R004-14A, the Division receives more than one application and the Division determines that more than one of the applications is complete and in compliance with LCB File No. R004-14A and Chapter 453A of NRS, the Division will rank the applications, within each applicable local governmental jurisdiction for any applicants which are in a jurisdiction that limits the number of a type of medical marijuana establishment and statewide for each applicant which is in a jurisdiction that does not specify a

limit, in order from first to last based on compliance with the provisions of Chapter 453A of NRS and LCB File No. R004-14A and on the content of the applications as it relates to:

- 6.2.1. Evidence that the applicant owns the property on which the proposed medical marijuana establishment will be located or has the written permission of the property owner to operate the proposed medical marijuana establishment on that property as required by sub-subparagraph (IV) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 453A.322
- 6.2.2. Evidence that the applicant controls not less than \$250,000 in liquid assets to cover the initial expenses of opening the proposed medical marijuana establishment and complying with the provisions of NRS 453A.320 to 453A.370, inclusive as required by sub-subparagraph (III) of subparagraph (2) of paragraph (a) of subsection 3 of NRS 453A.322
- 6.2.3. Evidence of the amount of taxes paid to, or other beneficial financial contributions made to, the State of Nevada or its political subdivisions by the applicant or the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment as described in subsection 9 of NRS 453A.328 and pursuant to the provisions of subsection 4 of section 26 of LCB File No. R004-14A
- 6.2.4. The description of the proposed organizational structure of the proposed medical marijuana establishment, and information concerning each Owner, Officer and Board Member of the proposed medical marijuana establishment, including, without limitation, the information provided pursuant to subsections 5 and of Section 26 of LCB File No. R004-14A
- 6.3. Pursuant to subsection 2 of Section 28 of LCB File No. R004-14A, an application that has not demonstrated a sufficient response related to the criteria set forth in 6.2.1, 6.2.2, 6.2.3 and 6.2.4, will not be further evaluated, and the Division will not issue a medical marijuana establishment registration certificate to that applicant.
- 6.4. Pursuant to subsection 3 of Section 28 of LCB File No. R004-14A, if the Division receives any findings from a report concerning the criminal history of an applicant or person who is proposed to be an owner, officer or board member of a proposed medical marijuana establishment that disqualify that person from being qualified to serve in that capacity, the Division will provide notice to the applicant and give the applicant an opportunity to revise its application. If a person who is disqualified from serving as an owner, officer or board member remains on the application as a proposed owner, officer or board member 90 days after the date on which the Division initially received the application, the Division may disqualify the application.
- 6.5. The Division may contact anyone referenced in any information provided for the Owners, Officers and Board Members of the proposed establishment; contact any applicant to clarify any response; solicit information from any available source concerning any aspect of an application; and seek and review any other information deemed pertinent to the evaluation process.
- 6.6. The Division shall issue provisional medical marijuana establishment registration certificates in accordance with NRS 453A.326 (3) and Sections 29, 30 and 31 of LCB File No. R004-14A to the highest ranked applicants up to the designated number of registration certificates the Division

plans to issue.

- 6.7. Pursuant to subsection 2 of Section 29 of LCB File No. R004-14A, if two or more applicants have the same total number of points for the last application being awarded a provisional medical marijuana establishment registration certificate, the Division will select the applicant which has scored the highest number of points as it relates to the proposed organizational structure of the proposed medical marijuana establishment and the information concerning each owner, officer and board member of the proposed medical marijuana establishment, including, without limitation, the information provided pursuant to subsections 5 and 6 of Section 26 of LCB File No. R004-14A.
- 6.8. In accordance with Section 30 of LCB File No. R004-14A, if the Division receives only one response in a specific local governmental jurisdiction which limits the number of a type of establishment to one, or statewide, if the applicant is in a jurisdiction which does not limit the number of a type of medical marijuana establishment, and the Division determines that the application is complete and in compliance with LCB File No. R004-14A and Chapter 453A of the NRS, the Division will issue a provisional medical marijuana establishment registration certificate to that applicant to in accordance with subsection 3 of NRS 453.326.
- 6.9. Pursuant to subsection 1 of Section 31 of LCB File No. R004-14A, the issuance of a medical marijuana establishment registration certificate by the Division is provisional and not an approval to begin business operations, until such time as:
- 6.9.1. The medical marijuana establishment is in compliance with all applicable local governmental ordinances and rules; and
- 6.9.2. The local government has issued a business license, or otherwise approved the applicant, for the operation of the medical marijuana establishment.
- 6.10. Pursuant to subsection 2 of Section 31 of LCB File No. R004-14A, if the local government for a jurisdiction in which a medical marijuana establishment is located does not issue business licenses and does not approve or disapprove medical marijuana establishments in its jurisdiction, a medical marijuana establishment registration certificate becomes an approval to begin operations as a medical marijuana establishment when the medical marijuana establishment is in compliance with all applicable local governmental ordinances and rules.

7. MEDICAL MARIJUANA ESTABLISHMENT APPLICATION CHECKLIST

This checklist is provided for the applicant's convenience only and identifies documents that must be submitted with each package in order to be considered complete.

Part I - Identified Criteria Response:	Completed
Applicant Information Sheet	
Medical Marijuana Establishment Registration Certificate Application (Attachment A).	

Multi-Establishment Limitation Form; if applicable (Attachment G).	
Identifier Legend (Attachment H)	
Confirmation that the applicant has registered with the Secretary of State as the appropriate type of business.	
<p>Confirmation of the ownership or authorized use of the property as a medical marijuana establishment.</p> <ul style="list-style-type: none"> • A copy of Property Owner's Approval for Use Form (Attachment F). • If the applicant has executed a lease or owns the proposed property, a copy of the lease or documentation of ownership. 	
<p>Documentation from a financial institution in this state, or in any other state or the District of Columbia, which demonstrates:</p> <ul style="list-style-type: none"> • That the applicant has at least \$250,000 in liquid assets which are unencumbered and can be converted within 30 days after a request to liquidate such assets. • The source of those liquid assets. <p><i>Please note: If applying for more than one Medical Marijuana establishment certificate; available funds must be shown for each establishment application.</i></p>	
Evidence of the amount of taxes paid to, or other beneficial financial contributions made to, the State of Nevada or its political subdivisions within the last five years by the applicant or the persons who are proposed to be Owners, Officers or Board Members of the proposed establishment.	
<p>A financial plan which includes:</p> <ul style="list-style-type: none"> • Financial statements showing the resources of the applicant, both liquid and illiquid • If the applicant is relying on money from an Owner, Operator or Board Member, or any other source, evidence that such person has unconditionally committed such money to the use of the applicant in the event the Division issues a medical marijuana establishment registration certificate to the applicant. • Proof that the applicant has adequate money to cover all expenses and costs of the first year of operation. 	
<p>\$5,000.00 application fee as per Section 26(1) of LCB File No. R004-14A</p> <p><i>Please note: Cashier's checks and money orders (made out to the "Nevada Division of Public and Behavioral Health") will be accepted. All payments of money in an amount of \$10,000 or more must be made by any method of electronic funds transfer of money allowed. The electronic payment must be credited to the State of Nevada on or before the date such payment is due.</i></p>	
To be included for each Owner, Officer and Board Member of the proposed medical marijuana establishment:	
Owner, Officer, and Board Member Attestation Form (Attachment B).	
Owner, Officer, and Board Member Information Form (Attachment C).	
A narrative description, not to exceed 750 words, demonstrating:	

<ul style="list-style-type: none"> • Past experience working with governmental agencies and highlighting past community involvement. • Any previous experience at operating other businesses or non-profit organizations. • Any demonstrated knowledge or expertise with respect to the compassionate use of marijuana to treat medical conditions. • A resume, including educational achievements. 	
A Request and Consent to Release Form (Attachment E).	
Documentation that fingerprint cards have been submitted to Nevada's Criminal History Repository.	
Part II - Non-Identified Criteria Response: <i>Please note: All of the following must be submitted in a non-identified format.</i>	Completed
Documentation concerning the adequacy of the size of the proposed medical marijuana establishment to serve the needs of persons who are authorized to engage in the medical use of marijuana, including: <ul style="list-style-type: none"> • Building and construction plans with all supporting details 	
Documentation concerning the integrated plan of the proposed medical marijuana establishment for the care, quality and safekeeping of medical marijuana from seed to sale, including: <ul style="list-style-type: none"> • A plan for testing and verifying medical marijuana. • A transportation plan. • Procedures to ensure adequate security measures for building security. • Procedures to ensure adequate security measures for product security. 	
A plan which includes, <ul style="list-style-type: none"> • A description of the operating procedures for the electronic verification system of the proposed medical marijuana establishment for verifying medical marijuana card holders. • A description of the inventory control system of the proposed medical marijuana establishment 	
Evidence that the applicant has a plan to staff, educate and manage the proposed medical marijuana establishment on a daily basis, which must include: <ul style="list-style-type: none"> • A detailed budget for the proposed establishment, including pre-opening, construction and first year operating expenses. • An operations manual that demonstrates compliance with the applicable statutes and regulations. • An education plan which must include providing educational materials to the staff of the proposed establishment. • A plan to minimize the environmental impact of the proposed establishment. 	
An application demonstrating: <ul style="list-style-type: none"> • The likely impact of the proposed medical marijuana establishment in the community in which it is proposed to be located. • The manner in which the proposed medical marijuana establishment will meet the needs of the persons who are authorized to engage in the medical use of marijuana. 	

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



RICHARD WHITLEY, MS
Administrator

TRACEY D. GREEN, MD
Chief Medical Officer

DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

4150 Technology Way, Suite 300
Carson City, Nevada 89706
Telephone: (775) 684-4200 - Fax: (775) 684-4211

ATTACHMENT A - MEDICAL MARIJUANA ESTABLISHMENT APPLICATION

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



RICHARD WHITLEY, MS
Administrator

TRACEY D. GREEN, MD
Chief Medical Officer

DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

4150 Technology Way, Suite 300
Carson City, Nevada 89706
Telephone: (775) 684-4200 - Fax: (775) 684-4211

MEDICAL MARIJUANA ESTABLISHMENT APPLICATION - (Attachment A)

GENERAL INFORMATION

Type of Medical Marijuana Establishment: <input type="checkbox"/> Independent Testing Laboratory <input type="checkbox"/> Cultivation Facility <input type="checkbox"/> Medical Marijuana Dispensary <input type="checkbox"/> Marijuana Infused/Edible Production Facility			
Medical Marijuana Establishment's Name and Proposed Physical Address*: <small>*This must be a Nevada address and cannot be a P.O. Box.</small>			
City:	County:	State:	Zip Code:
Proposed Hours of Operation: Sunday Monday Tuesday Wednesday Thursday Friday Saturday			

APPLYING ENTITY INFORMATION

Applying Entity's Name:		
Business Organization: <input type="checkbox"/> Individual <input type="checkbox"/> Corp. <input type="checkbox"/> Partnership <input type="checkbox"/> LLC <input type="checkbox"/> Assoc./Coop. <input type="checkbox"/> Other specify:		
Telephone #:	E-Mail Address:	
State Business License #:	Expiration Date:	
Mailing Address:		
City:	State:	Zip Code:

DESIGNEE INFORMATION

List the name of the individual designated to submit establishment agent registry ID card applications on behalf of the medical marijuana establishment.

Last Name:	First Name:	MI:
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BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



RICHARD WHITLEY, MS
Administrator

TRACEY D. GREEN, MD
Chief Medical Officer

DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

4150 Technology Way, Suite 300
Carson City, Nevada 89706
Telephone: (775) 684-4200 - Fax: (775) 684-4211

MEDICAL MARIJUANA ESTABLISHMENT OWNER (OR), OFFICER (OF), AND BOARD MEMBER (BM) NAMES

For each Owner, Officer, and Board Member listed below, please fill out a corresponding Establishment Principal Officers and Board Members Information Form.

Last Name:	First Name:	MI:	OR	OF	BM
Last Name:	First Name:	MI:	OR	OF	BM
Last Name:	First Name:	MI:	OR	OF	BM
Last Name:	First Name:	MI:	OR	OF	BM
Last Name:	First Name:	MI:	OR	OF	BM
Last Name:	First Name:	MI:	OR	OF	BM
Last Name:	First Name:	MI:	OR	OF	BM
Last Name:	First Name:	MI:	OR	OF	BM
Last Name:	First Name:	MI:	OR	OF	BM
Last Name:	First Name:	MI:	OR	OF	BM

The acquisition, possession, cultivation, manufacturing, delivery, transfer, transportation, supplying, selling, distributing, or dispensing of "medical" marijuana under state law is lawful only if done in strict compliance with the requirements of the State Medical Marijuana Act, NRS 453A, NAC 453A and LCB File No. R004-14A. Any failure to comply with these requirements may result in revocation of the medical marijuana agent identification card or medical marijuana establishment registration certificate issued by the Division.

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



RICHARD WHITLEY, MS
Administrator

TRACEY D. GREEN, MD
Chief Medical Officer

DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

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Telephone: (775) 684-4200 - Fax: (775) 684-4211

The State of Nevada, including but not limited to the employees of the Division, is not facilitating or participating in any way with my acquisition, possession, cultivation, manufacturing, delivery, transfer, transportation, supplying, selling, distributing, or dispensing of medical marijuana.

If the applicant is issued a medical marijuana establishment provisional registration certificate, the applicant agrees to not operate the establishment until the establishment is inspected and the applicant obtains a medical marijuana establishment registration certificate authorizing operation of the establishment.

I attest that the information provided to the Division for this medical marijuana establishment registration certificate application is true and correct.

_____ Print Name	_____ Title
_____ Signature	_____ Date Signed
_____ Print Name	_____ Title
_____ Signature	_____ Date Signed

STATE OF NEVADA

BRIAN SANDOVAL
Governor

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Director



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**ATTACHMENT B – OWNER, OFFICER, AND BOARD MEMBER ATTESTATION
FORM**

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



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OWNER, OFFICER, AND BOARD MEMBER ATTESTATION FORM -- (Attachment B)

I, _____,

PRINT NAME

Attest that:

I have not been convicted of an excluded felony offense as defined in NRS Chapter 453A;
and,

I agree that the Division may investigate my background information by any means feasible
to the Division; and,

I will not divert marijuana to any individual or person who is not allowed to possess
marijuana pursuant NRS Chapter 453A; and,

All information provided is true and correct.

Signature of Owner, Officer, or Board Member

Date Signed

State of Nevada

County of _____

Signed and sworn to (or affirmed) before me on _____
(date)

By _____ (name(s) of person(s) making
statement)

Notary Stamp

Signature of Notarial Officer

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Governor

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Director

STATE OF NEVADA



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**ATTACHMENT C – OWNER, OFFICER, AND BOARD MEMBER INFORMATION
FORM**

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



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Administrator

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OWNER, OFFICER, AND BOARD MEMBER INFORMATION FORM - (Attachment C)

Provide the following information for each Owner, Officer, and Board Member listed on the Medical Marijuana Establishment application. Use as many sheets as needed.			
Last Name:	First Name:	MI:	<input type="checkbox"/> OR <input type="checkbox"/> OF <input type="checkbox"/> BM
Date of Birth:			
Residence Address:			
City:	County:	State:	Zip:
A short description of the role the individual will serve in for the organization and the responsibilities of the position of the individual:			
Has this individual served as a principal officer or board member for a medical marijuana establishment that has had their establishment registration certificate revoked? <input type="checkbox"/> YES <input type="checkbox"/> NO			
Is this individual a physician currently providing written certifications for qualifying patients? <input type="checkbox"/> YES <input type="checkbox"/> NO			
Is this individual employed by or a contractor of the Division? <input type="checkbox"/> YES <input type="checkbox"/> NO			
Has a copy of this individual's signed and dated Medical Marijuana Dispensary Principal Officer or Board Member Attestation Form been submitted with this application? <input type="checkbox"/> YES <input type="checkbox"/> NO			
If applicable, what is this individual's designated caregiver or dispensary agent registry identification number if issued within the previous six months?			
Has a copy of this individual's fingerprints on a fingerprint card been submitted with this application? <input type="checkbox"/> YES <input type="checkbox"/> NO <input type="checkbox"/> N/A			
Has a copy of the Request and Consent to Release Application Form been submitted with this application? <input type="checkbox"/> YES <input type="checkbox"/> NO			
Has a copy of this individual's signed and dated Child Support Verification Form been submitted with this application? <input type="checkbox"/> YES <input type="checkbox"/> NO			

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ATTACHMENT D – CHILD SUPPORT VERIFICATION FORM

BRIAN SANDOVAL
Governor

MICHAEL J. WILLEN
Director

STATE OF NEVADA



RICHARD WHITLEY, MS
Administrator

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Chief Medical Officer

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CHILD SUPPORT VERIFICATION FORM -- (Attachment D)

You are required to complete this Child Support Statement and return it with your application. Failure to submit a fully completed and signed current Child Support Statement will result in the application for a medical marijuana establishment certificate being denied.

- ☐ I am not subject to a court order for the support of a child.
- ☐ I am subject to a court order for the support of one or more children and am in compliance with the order or am in compliance with a plan approved by the District Attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
- ☐ I am subject to a court order for the support of one or more children and am not in compliance with the order of a plan approved by the District Attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.

Applicant's Name

Applicant's Social Security Number

Applicant's Signature

Date

State of Nevada	
County of _____	
Signed and sworn to (or affirmed) before me on _____ (date)	
By _____ (name(s) of person(s) making statement)	
Notary Stamp	
	Signature of Notarial Officer

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



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ATTACHMENT E – REQUEST AND CONSENT TO RELEASE APPLICATION FORM

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



RICHARD WHITLEY, MS
Administrator

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Chief Medical Officer

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Request and Consent to Release Application
Form for Medical Marijuana Establishment Registration Certificate(s) - (Attachment E)

I, _____, am the duly authorized designee of

_____ to represent and interact with the Division of Public and Behavioral Health (Division) on all matters and questions in relation to the application for a Nevada Medical Marijuana Establishment Registration Certificate(s). I understand that NRS 453A.700 makes all applications submitted to the Division confidential but that local government authorities including, but not limited to, the licensing or zoning departments of cities, towns or counties may need to review this application in order to authorize the operation of an establishment under local requirements. Therefore, I consent to the release of this application to any local governmental authority in the jurisdiction where the address listed on this application is located.

By signing this Request and Consent to Release Information I hereby acknowledge and agree that the State of Nevada, its subdivisions, including the Division of Public and Behavioral Health and its employees are not responsible for any consequences related to the release of the information identified in this consent. I further acknowledge and agree that the State and its subdivisions cannot make any guarantees or be held liable related to the confidentiality and safe keeping of this information once it is released.

Signature of Requestor/Applicant or Designee

Date: _____

State of Nevada	
County of _____	
Signed and sworn to (or affirmed) before me on _____ date)	
By _____ (name(s) of person(s) making statement)	
Notary Stamp	
	Signature of Notarial Officer

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



RICHARD WHITLEY, MS
Administrator

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Chief Medical Officer

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DIVISION OF PUBLIC AND BEHAVIORAL HEALTH**

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ATTACHMENT F – PROPERTY OWNER APPROVAL FOR USE FORM

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



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PROPERTY OWNER APPROVAL FOR USE FORM – (Attachment F)

TO BE COMPLETED BY THE OWNER OF THE PHYSICAL ADDRESS OF THE PROPOSED MEDICAL MARIJUANA ESTABLISHMENT.			
Name of Individual or Entity Applying for a Medical Marijuana Establishment Registration Certificate:			
Name of Owner of the Physical Address of the Proposed Medical Marijuana Establishment:			
Physical Address and Name of Proposed Medical Marijuana Establishment: <small>*This must be a Nevada address and cannot be a P.O. Box</small>			
City:	County:	State:	Zip Code:
Legal Description of the Property:			

☐ The individual or entity applying for a Medical Marijuana Establishment Registration Certificate is the owner of the physical address of the proposed Medical Marijuana Establishment.

OR

☐ The owner of the physical address of the proposed Medical Marijuana Establishment gives permission to the individual or entity applying for a Medical Marijuana Establishment Registration Certificate to operate a Medical Marijuana Establishment at the physical address.

PROPERTY OWNER SIGNATURE

DATE SIGNED

PROPERTY OWNER NAME

TITLE

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Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



RICHARD WHITLEY, MS
Administrator

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ATTACHMENT G -- MULTI-ESTABLISHMENT LIMITATIONS FORM

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



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MULTI-ESTABLISHMENT LIMITATIONS FORM -- (Attachment G)

NRS 453A.324 places a limitation on the total number of certificates that can be issued within each county, and NRS 453A.326 places limitations on the number of medical marijuana dispensaries located in any one governmental jurisdiction and a limitation on the number of certificates issued to any one person. Due to these limitations, please list below all applications submitted from this business organization and/or person as identified in the Medical Marijuana Establishment Owner, Officer, and Board Member names section of Attachment A.

If this business organization were to not receive approval on all applications submitted, would the applicant still want approval on the applications determined by the ranking below? ☐ Yes ☐ No

Please list in order of preference for approval (use as many sheets as needed).

Type of Medical Marijuana Establishment: <input type="checkbox"/> Independent Testing Laboratory <input type="checkbox"/> Cultivation Facility			
<input type="checkbox"/> Medical Marijuana Dispensary <input type="checkbox"/> Marijuana Infused/Edible Production Facility			
Medical Marijuana Establishment's Name and Proposed Physical Address*: *This must be a Nevada address and cannot be a P.O. Box.			
City:	County:	State:	Zip Code:

Type of Medical Marijuana Establishment: <input type="checkbox"/> Independent Testing Laboratory <input type="checkbox"/> Cultivation Facility			
<input type="checkbox"/> Medical Marijuana Dispensary <input type="checkbox"/> Marijuana Infused/Edible Production Facility			
Medical Marijuana Establishment's Name and Proposed Physical Address*: *This must be a Nevada address and cannot be a P.O. Box.			
City:	County:	State:	Zip Code:

Type of Medical Marijuana Establishment: <input type="checkbox"/> Independent Testing Laboratory <input type="checkbox"/> Cultivation Facility			
<input type="checkbox"/> Medical Marijuana Dispensary <input type="checkbox"/> Marijuana Infused/Edible Production Facility			
Medical Marijuana Establishment's Name and Proposed Physical Address*: *This must be a Nevada address and cannot be a P.O. Box.			
City:	County:	State:	Zip Code:

Type of Medical Marijuana Establishment: <input type="checkbox"/> Independent Testing Laboratory <input type="checkbox"/> Cultivation Facility			
<input type="checkbox"/> Medical Marijuana Dispensary <input type="checkbox"/> Marijuana Infused/Edible Production Facility			
Medical Marijuana Establishment's Name and Proposed Physical Address*: *This must be a Nevada address and cannot be a P.O. Box.			
City:	County:	State:	Zip Code:

BRIAN SANDOVAL
Governor

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STATE OF NEVADA



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ATTACHMENT H – IDENTIFIER LEGEND FORM

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

STATE OF NEVADA



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IDENTIFIER LEGEND FORM -- (Attachment H)

In a Non-Identified Criteria response, when a specific person or company is referenced, the identity must remain confidential. A person must be addressed through their position, discipline, job title or assigned an identifier. Identifiers assigned to people or companies must be detailed in a legend (Attachment H), to be submitted in the Identified Criteria response section (use as many sheets as needed).

Criteria Response Identifier	Actual Person or Company (for Division verification outside the evaluation process)
<i>Example: Owner A</i>	<i>John Smith</i>
<i>Example: Owner B</i>	<i>John Doe</i>
<i>Example: Construction Company A</i>	<i>Acme Construction</i>
<i>Example: Job A</i>	<i>State Senator</i>

EXHIBIT 6

EXHIBIT 6

registration card issued pursuant to NRS 453A.332 is a revocable privilege and the holder of such a certificate or card, as applicable, does not acquire thereby any vested right.

(Added to NRS by 2013, 3710, effective April 1, 2014)

NRS 453A.322 Registration of establishments: Requirements; expiration and renewal. [Effective April 1, 2014.]

1. Each medical marijuana establishment must register with the Division.
2. A person who wishes to operate a medical marijuana establishment must submit to the Division an application on a form prescribed by the Division.
3. Except as otherwise provided in NRS 453A.324, 453A.326, 453A.328 and 453A.340, not later than 90 days after receiving an application to operate a medical marijuana establishment, the Division shall register the medical marijuana establishment and issue a medical marijuana establishment registration certificate and a random 20-digit alphanumeric identification number if:
 - (a) The person who wishes to operate the proposed medical marijuana establishment has submitted to the Division all of the following:
 - (1) The application fee, as set forth in NRS 453A.344;
 - (2) An application, which must include:
 - (I) The legal name of the proposed medical marijuana establishment;
 - (II) The physical address where the proposed medical marijuana establishment will be located and the physical address of any co-owned additional or otherwise associated medical marijuana establishments, the locations of which may not be within 1,000 feet of a public or private school that provides formal education traditionally associated with preschool or kindergarten through grade 12 and that existed on the date on which the application for the proposed medical marijuana establishment was submitted to the Division, or within 300 feet of a community facility that existed on the date on which the application for the proposed medical marijuana establishment was submitted to the Division;
 - (III) Evidence that the applicant controls not less than \$250,000 in liquid assets to cover the initial expenses of opening the proposed medical marijuana establishment and complying with the provisions of NRS 453A.320 to 453A.370, inclusive;
 - (IV) Evidence that the applicant owns the property on which the proposed medical marijuana establishment will be located or has the written permission of the property owner to operate the proposed medical marijuana establishment on that property;
 - (V) For the applicant and each person who is proposed to be an owner, officer or board member of the proposed medical marijuana establishment, a complete set of the person's fingerprints and written permission of the person authorizing the Division to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report;
 - (VI) The name, address and date of birth of each person who is proposed to be an owner, officer or board member of the proposed medical marijuana establishment; and
 - (VII) The name, address and date of birth of each person who is proposed to be employed by or otherwise provide labor at the proposed medical marijuana establishment as a medical marijuana establishment agent;
 - (3) Operating procedures consistent with rules of the Division for oversight of the proposed medical marijuana establishment, including, without limitation:
 - (I) Procedures to ensure the use of adequate security measures; and
 - (II) The use of an electronic verification system and an inventory control system, pursuant to NRS 453A.354 and 453A.356;
 - (4) If the proposed medical marijuana establishment will sell or deliver edible marijuana products or marijuana-infused products, proposed operating procedures for handling such products which must be preapproved by the Division;
 - (5) If the city, town or county in which the proposed medical marijuana establishment will be located has enacted zoning restrictions, proof of licensure with the applicable local governmental authority or a letter from the applicable local governmental authority certifying that the proposed medical marijuana establishment is in compliance with those restrictions and satisfies all applicable building requirements; and
 - (6) Such other information as the Division may require by regulation;
 - (b) None of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment have been convicted of an excluded felony offense;
 - (c) None of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment have:
 - (1) Served as an owner, officer or board member for a medical marijuana establishment that has had its medical marijuana establishment registration certificate revoked; or
 - (2) Previously had a medical marijuana establishment agent registration card revoked; and
 - (d) None of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment are under 21 years of age.
4. For each person who submits an application pursuant to this section, and each person who is proposed to be an owner, officer or board member of a proposed medical marijuana establishment, the Division shall submit the fingerprints of the person to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation to determine the criminal history of that person.
5. Except as otherwise provided in subsection 6, if an application for registration as a medical marijuana establishment satisfies the requirements of this section and the establishment is not disqualified from being registered as a medical marijuana establishment pursuant to this section or other applicable law, the Division shall issue to the establishment a medical marijuana establishment registration certificate. A medical marijuana establishment registration certificate expires 1 year after the date of issuance and may be renewed upon:
 - (a) Resubmission of the information set forth in this section; and
 - (b) Payment of the renewal fee set forth in NRS 453A.344.
6. In determining whether to issue a medical marijuana establishment registration certificate pursuant to this section, the Division shall consider the criteria of merit set forth in NRS 453A.328.
7. As used in this section, "community facility" means:
 - (a) A facility that provides day care to children.
 - (b) A public park.

- (c) A playground.
 - (d) A public swimming pool.
 - (e) A center or facility, the primary purpose of which is to provide recreational opportunities or services to children or adolescents.
 - (f) A church, synagogue or other building, structure or place used for religious worship or other religious purpose.
- (Added to NRS by 2013, 3702, effective April 1, 2014)

NRS 453A.324 Registration of establishments: Limitation on total number of certificates that can be issued in each county; limitation on number of days Division may accept applications in calendar year. [Effective April 1, 2014.]

1. Except as otherwise provided in this section and NRS 453A.326, the Division shall issue medical marijuana establishment registration certificates for medical marijuana dispensaries in the following quantities for applicants who qualify pursuant to NRS 453A.322:

- (a) In a county whose population is 700,000 or more, 40 certificates;
- (b) In a county whose population is 100,000 or more but less than 700,000, ten certificates;
- (c) In a county whose population is 55,000 or more but less than 100,000, two certificates; and
- (d) In each other county, one certificate.

2. Notwithstanding the provisions of subsection 1, the Division shall not issue medical marijuana establishment registration certificates for medical marijuana dispensaries in such a quantity as to cause the existence within the applicable county of more than one medical marijuana dispensary for every ten pharmacies that have been licensed in the county pursuant to chapter 639 of NRS. The Division may issue medical marijuana establishment registration certificates for medical marijuana dispensaries in excess of the ratio otherwise allowed pursuant to this subsection if to do so is necessary to ensure that the Division issues at least one medical marijuana establishment registration certificate in each county of this State in which the Division has approved an application for such an establishment to operate.

3. With respect to medical marijuana establishments that are not medical marijuana dispensaries, the Division shall determine the appropriate number of such establishments as are necessary to serve and supply the medical marijuana dispensaries to which the Division has granted medical marijuana establishment registration certificates.

4. The Division shall not, for more than a total of ten business days in any one calendar year, accept applications to operate medical marijuana establishments.

(Added to NRS by 2013, 3705, effective April 1, 2014)

NRS 453A.326 Registration of establishments in larger counties: Limitation on number of medical marijuana dispensaries located in any one governmental jurisdiction within county; limitation on number of certificates issued to any one person; certificates deemed provisional pending compliance with local requirements and issuance of local business license. [Effective April 1, 2014.]

1. Except as otherwise provided in this subsection, in a county whose population is 100,000 or more, the Division shall ensure that not more than 25 percent of the total number of medical marijuana dispensaries that may be certified in the county, as set forth in NRS 453A.324, are located in any one local governmental jurisdiction within the county. The board of county commissioners of the county may increase the percentage described in this subsection if it determines that to do so is necessary to ensure that the more populous areas of the county have access to sufficient distribution of marijuana for medical use.

2. To prevent monopolistic practices, the Division shall ensure, in a county whose population is 100,000 or more, that it does not issue, to any one person, group of persons or entity, the greater of:

- (a) One medical marijuana establishment registration certificate; or
- (b) More than 10 percent of the medical marijuana establishment registration certificates otherwise allocable in the county.

3. In a local governmental jurisdiction that issues business licenses, the issuance by the Division of a medical marijuana establishment registration certificate shall be deemed to be provisional until such time as:

- (a) The establishment is in compliance with all applicable local governmental ordinances or rules; and
- (b) The local government has issued a business license for the operation of the establishment.

4. As used in this section, "local governmental jurisdiction" means a city, town, township or unincorporated area within a county.

(Added to NRS by 2013, 3705, effective April 1, 2014)

NRS 453A.328 Registration of establishments: Considerations in determining whether to issue registration certificate. [Effective April 1, 2014.] In determining whether to issue a medical marijuana establishment registration certificate pursuant to NRS 453A.322, the Division shall, in addition to the factors set forth in that section, consider the following criteria of merit:

1. The total financial resources of the applicant, both liquid and illiquid;
2. The previous experience of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment at operating other businesses or nonprofit organizations;
3. The educational achievements of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment;
4. Any demonstrated knowledge or expertise on the part of the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment with respect to the compassionate use of marijuana to treat medical conditions;
5. Whether the proposed location of the proposed medical marijuana establishment would be convenient to serve the needs of persons who are authorized to engage in the medical use of marijuana;
6. The likely impact of the proposed medical marijuana establishment on the community in which it is proposed to be located;
7. The adequacy of the size of the proposed medical marijuana establishment to serve the needs of persons who are authorized to engage in the medical use of marijuana;
8. Whether the applicant has an integrated plan for the care, quality and safekeeping of medical marijuana from seed to sale;
9. The amount of taxes paid to, or other beneficial financial contributions made to, the State of Nevada or its political subdivisions by the applicant or the persons who are proposed to be owners, officers or board members of the proposed medical marijuana establishment; and
10. Any other criteria of merit that the Division determines to be relevant.

EXHIBIT 7

EXHIBIT 7

MME Applications Received

By County, Local Jurisdiction, and Establishment Type
County include applications received through October 1, 2018

County	Local Jurisdiction	Establishment Type	Count	Total	Local Action Taken
Carson City	Carson City	Cultivator	8	2	Yes
		Dispensary	11		Yes
		Production	4		Yes
	Carson City Total		23		
Churchill	Fallon	Dispensary	1	1	No Local Action Taken
	Fallon Total		1		
Clark	Henderson	Cultivator	0	5	Yes
		Dispensary	27		Yes
		Production	6		Yes
	Henderson Total		33		
	Las Vegas	Cultivator	17	12	Yes
		Dispensary	55		Yes
		Lab	30		Yes
		Production	10		Yes
	Las Vegas Total		90		
	Mesquite	Cultivator	1	3	Yes
		Dispensary	1		Yes
		Production	1		Yes
	Mesquite Total		3		
	North Las Vegas	Cultivator	46	4	Yes
		Dispensary	23		Yes
		Lab	2		Yes
		Production	34		Yes
	North Las Vegas Total		105		
	Unincorporated Clark	Cultivator	54	15	Yes
		Dispensary	50		Yes
		Lab	0		Yes
		Production	30		Yes
	Unincorporated Clark Total		134		
Douglas	Douglas County		0	1	No
Elko	Elko County		0	1	No
Esmeralda	Esmeralda County		0	1	Yes
Eureka	Eureka County		0	1	No
Humboldt	Humboldt County		0	1	Yes
Lander	Lander County		0	1	Unknown
Lincoln	Lincoln County		0	1	Unknown
Lyon	Lyon County		1	2	No
Mineral	Mineral County		0	1	Unknown
Nye	Amargosa Valley	Cultivator	2	1	Yes
		Production	1		Yes
	Amargosa Valley Total		3		
	Pahrump	Cultivator	10		Yes
		Dispensary	3		Yes
		Production	5		Yes
	Pahrump Total		18		
	Tonopah	Cultivator	1		Yes
		Dispensary	1		Yes
		Production	1		Yes
	Tonopah Total		3		
Pershing	Pershing County		0	1	No
Storey	McCarren	Cultivator	1	3	Unknown
		Production	1		Unknown
	McCarren Total		2		
	Virginia City	Dispensary	1		Unknown
			1		
Washoe	Reno	Cultivator	12	3	Yes
		Dispensary	25		Yes
		Production	8		Yes
	Reno Total		45		
	Sparks	Cultivator	11	2	Yes
		Dispensary	9		Yes
		Lab	2		Yes
		Production	2		Yes
	Sparks Total		24		
	Unincorporated Washoe	Cultivator	11	5	Yes
		Dispensary	11		Yes
		Production	2		Yes
	Unincorporated Washoe Total		24		
White Pine	White Pine County		0	1	No

EXHIBIT 8

EXHIBIT 8

SPECIAL CITY COUNCIL MEETING AGENDA
COUNCIL CHAMBERS
495 S. MAIN STREET, LAS VEGAS NEVADA 89101 - Phone 229-6011
CITY OF LAS VEGAS INTERNET ADDRESS: www.lasvegasnevada.gov

October 29, 2014

9:00 AM

ITEMS LISTED ON THE AGENDA MAY BE TAKEN OUT OF THE ORDER PRESENTED; TWO OR MORE AGENDA ITEMS FOR CONSIDERATION MAY BE COMBINED; AND ANY ITEM ON THE AGENDA MAY BE REMOVED OR RELATED DISCUSSION MAY BE DELAYED AT ANY TIME. BACKUP MATERIAL FOR THIS AGENDA MAY BE OBTAINED FROM BEVERLY K. BRIDGES, CITY CLERK, AT THE CITY CLERK'S OFFICE AT 495 SOUTH MAIN STREET, 2ND FLOOR OR ON THE CITY'S WEBPAGE AT www.lasvegasnevada.gov.

NOTE: Cellular phones are to be turned off during the Special City Council meeting.

THESE PROCEEDINGS ARE BEING PRESENTED LIVE ON KCLV, CABLE CHANNEL 2, AND ARE CLOSED CAPTIONED FOR OUR HEARING IMPAIRED VIEWERS. PLEASE NOTE SOME CUSTOMERS OF COX COMMUNICATIONS WHO DO NOT HAVE A CABLE BOX CAN VIEW THIS MEETING ON DIGITAL CHANNEL 89.5. THIS SPECIAL COUNCIL MEETING, AS WELL AS ALL OTHER KCLV PROGRAMMING, CAN BE VIEWED ON THE INTERNET AT www.lasvegasnevada.gov. THE PROCEEDINGS WILL BE REBROADCAST SATURDAY AT 7:00 P.M. AND MONDAY AT 1:00 P.M.

1. CALL TO ORDER
2. ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW
3. PLEDGE OF ALLEGIANCE
4. PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS ON THE AGENDA FOR ACTION. IF YOU WISH TO BE HEARD, COME TO THE PODIUM AND GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED
5. SUP-55208 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: PRIMO DISPENSARY - OWNER: WORLD WELLNESS GROUP, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 1,500 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 3120 South Valley View Boulevard, Suite B (APN 162-08-401-012), M (Industrial) Zone, Ward 1 (Tarkanian). The Planning Commission (7-0 vote) and Staff recommend DENIAL.
6. VAR-55879 - VARIANCE - PUBLIC HEARING - APPLICANT: PRIMO DISPENSARY OWNER: WORLD WELLNESS GROUP, LLC - For possible action on a request for a Variance TO ALLOW 57 PARKING SPACES WHERE 69 PARKING SPACES ARE REQUIRED on 1.30 acres at 3110, 3120 South Valley View Boulevard (APN 162-08-401-012), M (Industrial) Zone, Ward 1 (Tarkanian). The Planning Commission (7-0 vote) and Staff recommend DENIAL.
7. DIR-56411 - PUBLIC HEARING - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Primo Dispensary dba Primo Dispensary at 3120 South Valley View Boulevard, Suite B, Ward 1 (Tarkanian)
8. SUP-55313 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: INFINITE WELLNESS INC. - OWNER: N.Y.P. CORPORATION - For possible action on a request for a Special Use Permit FOR A PROPOSED 7,070 SQUARE-FOOT MEDICAL MARIJUANA CULTIVATION FACILITY at 2750 Highland Drive, Suite E (APN 162-09-202-001), M (Industrial) Zone, Ward 1 (Tarkanian). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.

9. DIR-56412 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Cultivation) Infinite Wellness, Inc. dba Infinite Wellness, Inc. at 2750 Highland Drive, Suite E, Ward 1 (Tarkanian)
10. SUP-55284 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: BUFFALO CENTER MEDICAL ADVOCATES, LLC - OWNER: SSG PROPERTIES, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 1,630 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 1591 North Buffalo Drive, Suite #130 (APN 138-28-501-009), C-1 (Limited Commercial) Zone, Ward 2 (Beers). The Planning Commission (3-3-1 vote) has NO RECOMMENDATION. Staff recommends APPROVAL.
11. DIR-56413 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Buffalo Center Medical Advocates LLC dba Buffalo Center Medical Advocates LLC at 1591 North Buffalo Drive, Suite #130, Ward 2 (Beers)
12. SUP-55103 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: MEDIFARM, LLC - OWNER: DKM DEVELOPMENT, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 3,939 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 1921 Western Avenue (APN 162-04-703-009), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.
13. DIR-56414 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Medifarm, LLC dba Blum LV at 1921 Western Avenue, Ward 3 (Coffin)
14. SUP-55182 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: NATUREX II, LLC - OWNER: WAPP, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 2,800 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 1860 Western Avenue (APN 162-04-302-008), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.
15. DIR-56418 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Naturex II, LLC dba Naturex at 1860 Western Avenue, Ward 3 (Coffin)
16. SUP-55207 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: DESERT AIRE WELLNESS, LLC - OWNER: CECILE PROPERTIES, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 2,268 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 420 East Sahara Avenue (APN 162-03-416-022), C-1 (Limited Commercial) Zone, Ward 3 (Coffin). The Planning Commission (4-1-2 vote) recommends DENIAL. Staff recommends APPROVAL.
17. DIR-56241 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Desert Aire Wellness, LLC dba Desert Aire of Las Vegas at 420 East Sahara Avenue, Ward 3 (Coffin)
18. SUP-55218 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: BOULEVARD MEDICAL, LLC - OWNER: HERD PROPERTIES, LLC, S LAS VEGAS BOULEVARD SERIES - For possible action on a request for a Special Use Permit FOR A PROPOSED 3,272 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 1600 South Las Vegas Boulevard, Suite #150 (APN 162-03-210-058), C-2 (General Commercial) Zone, Ward 3 (Coffin). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.
19. DIR-56424 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Boulevard Medical, LLC dba Boulevard Medical, LLC at 1600 South Las Vegas Boulevard, Suite #150, Ward 3 (Coffin)
20. SUP-55233 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: INTEGRAL ASSOCIATES, LLC - OWNER: CHETAK DEVELOPMENT, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 2,500 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 2307 South Las Vegas Boulevard (APN 162-03-410-007), C-2 (General Commercial) Zone, Ward 3 (Coffin). The

Planning Commission (6-0-1 vote) and Staff recommend APPROVAL.

21. DIR-56416 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Integral Associates, LLC dba Great Basin Care at 2307 South Las Vegas Boulevard, Ward 3 (Coffin)
22. SUP-55234 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: BLOSSOM GROUP, LLC - OWNER: LEIGH LYNN & JAMES, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 962 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 810 South 4th Street (APN 139-34-410-124), C-2 (General Commercial) Zone, Ward 3 (Coffin). The Planning Commission (4-3 vote) and Staff recommend APPROVAL.
23. DIR-56420 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Blossum Group, LLC dba Blossum Group, LLC at 810 South 4th Street, Ward 3 (Coffin)
24. SUP-55248 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: QUALCAN OF LAS VEGAS - OWNER: PLAZA LAS AMERICAS HOLDINGS, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 2,760 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 546 North Eastern Avenue, Suite #155 and #160 (APN 139-36-110-040), C-1 (Limited-Commercial) Zone, Ward 3 (Coffin). The Planning Commission (6-1 vote) and Staff recommend APPROVAL.
25. DIR-56423 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Qualcan of Las Vegas, LLC dba Qualcan of Las Vegas at 546 North Eastern Avenue, Suites #155 and #160, Ward 3 (Coffin)
26. SUP-55253 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: GREENMART OF NEVADA, LLC - OWNER: 1510 COMPANY - For possible action on a request for a Special Use Permit FOR A PROPOSED 1,280 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 1512 South Main Street (APN 162-03-210-013), C-2 (General Commercial) Zone, Ward 3 (Coffin). The Planning Commission (6-0-1 vote) and Staff recommend APPROVAL.
27. DIR-56426 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Greenmart of Nevada, LLC dba Greenmart of Nevada, LLC at 1512 South Main Street, Ward 3 (Coffin)
28. SUP-55254 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: THC NEVADA, LLC - OWNER: TNT FAMILY TRUST - For possible action on a request for a Special Use Permit FOR A PROPOSED 3,240 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 1800 Western Avenue (APN 162-04-702-003), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (6-0 vote) and Staff recommend APPROVAL.
29. DIR-56429 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) THC Nevada, LLC dba Welleaf at 1800 Western Avenue, Ward 3 (Coffin).
30. SUP-55264 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: CLARK NMSD, LLC - OWNER: PROVIEW SERIES 11, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 2,800 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 1324 South 3rd Street (APN 162-03-110-137), C-2 (General Commercial) Zone, Ward 3 (Coffin). The Planning Commission (5-0-2 vote) and Staff recommend APPROVAL.
31. SDR-55265 - SITE DEVELOPMENT PLAN REVIEW RELATED TO SUP-55264 - PUBLIC HEARING - APPLICANT: CLARK NMSD, LLC - OWNER: PROVIEW SERIES 11, LLC - For possible action on a request for a Site Development Plan Review FOR A PROPOSED 2,800 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY AND A WAIVER OF THE DOWNTOWN CENTENNIAL PLAN DEVELOPMENT STANDARDS TO ALLOW A BUILDING TO HAVE A ZERO PERCENT ALIGNMENT ALONG THE FRONT PROPERTY LINE WHERE 70 PERCENT IS REQUIRED on 0.33 acres at 1324 South 3rd Street (APN 162-03-110-137), Ward 3 (Coffin). The Planning Commission (5-0-2 vote) and Staff recommend APPROVAL.

32. DIR-56430 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Clark NMSD, LLC dba NuVeda at 1324 South 3rd Street, Ward 3 (Coffin)
33. SUP-55272 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: COMMERCE PARK MEDICAL, LLC - OWNER: MW, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 9,750 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 1112 South Commerce Street (APN 162-04-506-007), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (6-0-1 vote) and Staff recommend APPROVAL.
34. DIR-56431 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Commerce Park Medical, LLC dba Commerce Park Medical at 1112 South Commerce Street, Ward 3 (Coffin)
35. SUP-55275 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: PARADISE WELLNESS CENTER, LLC - OWNER: CHETAK DEVELOPMENT CORPORATION, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 3,680 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 2242, 2244 and 2246 Paradise Road (APNs 162-03-411-009, 010, and 011), C-2 (General Commercial) Zone, Ward 3 (Coffin). The Planning Commission (6-0-1 vote) and Staff recommend APPROVAL.
36. DIR-56427 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Paradise Wellness Center, LLC dba Las Vegas Releaf at 2242, 2244 and 2246 Paradise Road, Ward 3 (Coffin).
37. SUP-55277 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: GB SCIENCES NEVADA, LLC - OWNER: WOLFSON MEDICAL CENTER DOWNTOWN, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 4,188 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 921 South Las Vegas Boulevard, Suite #100 (APNs 139-34-410-167, 168 and 169), C-2 (General Commercial) Zone, Ward 3 (Coffin). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.
38. DIR-56432 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) GB Sciences Nevada, LLC dba GB Sciences at 921 South Las Vegas Boulevard, Suite #100, Ward 3 (Coffin)
39. SUP-55278 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: NATURAL MEDICINE, LLC - OWNER: THE JEWELERS, INC. 401(K) PROFIT SHARING PLAN AND TRUST - For possible action on a request for a Special Use Permit FOR A PROPOSED 3,414 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 2411 Western Avenue Suites A, B and C (APN 162-04-406-011), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (4-0-1 vote) and Staff recommend APPROVAL.
40. DIR-56433 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Natural Medicine, LLC dba Natural Medicine, LLC at 2411 Western Avenue, Suites A, B and C, Ward 3 (Coffin).
41. SUP-55280 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: PHYSIS ONE, LLC - OWNER: LGC 231, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 1,868 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 231 West Charleston Boulevard, Suites #110 and #120 (APN 162-04-504-011), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.
42. DIR-56434 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Physis One, LLC dba Physis One at 231 West Charleston Boulevard, Suites #110 and #120, Ward 3 (Coffin).
43. SUP-55282 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: NEVADA WELLNESS PROJECT, LLC - OWNER: FIVE GUYS ON THIRD, LLC - For possible action on a request for a Special

Use Permit FOR A PROPOSED 1,960 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 823 South 3rd Street (APN 139-34-410-105), C-2 (General Commercial) Zone, Ward 3 (Coffin). The Planning Commission (6-1 vote) and Staff recommend DENIAL.

44. DIR-56435 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Nevada Wellness Project, LLC dba Nevada Wellness Project, LLC at 823 South 3rd Street, Ward 3 (Coffin).
45. SUP-55288 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: TOPPHARM, LLC - OWNER: JAMES L & JULIE M GUBLER TRUST - For possible action on a request for a Special Use Permit FOR A PROPOSED 1,212 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 1615 South Las Vegas Boulevard (APN 162-03-210-060), C-2 (General Commercial) Zone, Ward 3 (Coffin). The Planning Commission (5-0-1 vote) and Staff recommend APPROVAL.
46. DIR-56437 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Toppharm, LLC dba Toppharm, LLC at 1615 South Las Vegas Boulevard, Ward 3 (Coffin).
47. SUP-55300 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: SERENITY WELLNESS CENTER, LLC - OWNER: 1800 INDUSTRIAL, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 4,969 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 1800 Industrial Road, Suites #102, #160 and #180 (APN 162-04-704-003), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.
48. DIR-56438 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Serenity Wellness Center, LLC dba Serenity Wellness Center at 1800 Industrial Road, Suites #102, #160 and #180, Ward 3 (Coffin).
49. SUP-55316 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: GLOBAL GREEN ENTERPRISES, LLC - OWNER: E AND I, INC. - For possible action on a request for a Special Use Permit FOR A PROPOSED 4,250 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 827 South Las Vegas Boulevard, Suite A (APN 139-34-410-171), C-2 (General Commercial) Zone, Ward 3 (Coffin). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.
50. DIR-56439 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Global Green Enterprises, LLC dba 99 High Desert Healing at 827 South Las Vegas Boulevard, Suite A, Ward 3 (Coffin).
51. SUP-55187 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: ACRES MEDICAL, LLC - OWNER: 2320 WESTERN, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 5,182 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 2320 Western Avenue (APN 162-04-404-003), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (4-3 vote) recommends DENIAL. Staff recommends APPROVAL.
52. DIR-56428 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Acres Medical, LLC dba Acres Medical, LLC at 2320 Western Avenue, Ward 3 (Coffin).
53. SUP-55189 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: ACRES MEDICAL, LLC - OWNER: 2320 WESTERN, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 12,590 SQUARE-FOOT MEDICAL MARIJUANA CULTIVATION FACILITY at 2320 Western Avenue (APN 162-04-404-003), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.
54. DIR-56415 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Cultivation) Acres Medical, LLC dba Acres Medical, LLC at 2320 Western Avenue, Ward 3 (Coffin).
55. SUP-55190 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: ACRES MEDICAL, LLC - OWNER: 2320 WESTERN, LLC - For possible action on a request for a Special Use Permit FOR A

PROPOSED 449 SQUARE-FOOT MEDICAL MARIJUANA PRODUCTION FACILITY at 2320 Western Avenue (APN 162-04-404-003), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.

56. DIR-56417 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Production) Acres Medical, LLC dba Acres Medical, LLC at 2320 Western Avenue, Ward 3 (Coffin).
57. SUP-55104 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: RG HIGHLAND ENTERPRISES INC., LLC - OWNER: 1916 HIGHLAND PROPERTIES, LTD - For possible action on a request for a Special Use Permit FOR A PROPOSED 8,900 SQUARE-FOOT MEDICAL MARIJUANA CULTIVATION FACILITY at 1916 Highland Avenue (APN 162-04-301-005), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (7-0 vote) and Staff recommend APPROVAL.
58. DIR-56419 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Cultivation) RG Highland Enterprises, Inc. dba Highland Medical at 1916 Highland Avenue, Ward 3 (Coffin)
59. SUP-55287 - SPECIAL USE PERMIT - PUBLIC HEARING - APPLICANT: NULEAF CULTIVATION CLV, LLC - OWNER: POZEMKI, LLC - For possible action on a request for a Special Use Permit FOR A PROPOSED 21,307 SQUARE-FOOT MEDICAL MARIJUANA CULTIVATION FACILITY at 1018 South Commerce Street (APN 139-33-801-006), M (Industrial) Zone, Ward 3 (Coffin). The Planning Commission (5-0-2 vote) and Staff recommend APPROVAL.
60. DIR-56422 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Cultivation) NuLeaf CLV Cultivation, LLC dba NuLeaf CLV Cultivation, LLC at 1018 South Commerce Street, Ward 3 (Coffin).
61. SUP-55242 - SPECIAL USE PERMIT RELATED TO VAR-55258 - PUBLIC HEARING - APPLICANT: PREMIUM PRODUCE CITY, LLC - OWNER: WOODROW P. PORTER - For possible action on a request for a Special Use Permit FOR A PROPOSED 1,750 SQUARE-FOOT MEDICAL MARIJUANA DISPENSARY at 707 North Main Street (APN 139-27-704-001), M (Industrial) Zone, Ward 5 (Barlow). The Planning Commission (6-0-1 vote) and Staff recommend DENIAL.
62. VAR-55258 - VARIANCE - PUBLIC HEARING - APPLICANT: PREMIUM PRODUCE CITY, LLC - OWNER: WOODROW P. PORTER - For possible action on a request for a Variance TO ALLOW ZERO PARKING SPACES WHERE FOUR ADDITIONAL PARKING SPACES ARE REQUIRED at 707 THROUGH 711 North Main Street (APN 139-27-704-001), M (Industrial) Zone, Ward 5 (Barlow). The Planning Commission (6-0-1 vote) and Staff recommend DENIAL.
63. DIR-56425 - COMPLIANCE PERMIT - For possible action on a COMPLIANCE PERMIT for a Medical Marijuana Establishment (Dispensary) Premium Produce City, LLC dba Premium Produce City, LLC at 707 North Main Street, Ward 5 (Barlow).

NEW BILLS

THERE IS NO PUBLIC COMMENT ON THIS ITEM. NEW BILLS ARE READ INTO THE RECORD AND REFERRED TO COMMITTEE. ACTION WILL BE TAKEN BY THE COUNCIL AT A LATER MEETING.

64. Bill No. 2014-73 - Amends the Downtown Centennial Plan to authorize medical marijuana dispensary uses within the Arts District by means of special use permit. Sponsored by: Councilman Bob Coffin
65. CITIZENS PARTICIPATION: PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS WITHIN THE JURISDICTION OF THE CITY COUNCIL. NO SUBJECT MAY BE ACTED UPON BY THE CITY COUNCIL UNLESS THAT SUBJECT IS ON THE AGENDA AND IS SCHEDULED FOR ACTION. IF YOU WISH TO BE HEARD, COME TO THE PODIUM AND GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION ON ANY SINGLE SUBJECT, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED

66. ADJOURNMENT

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

City Hall, 495 South Main Street, 1st Floor
Clark County Government Center, 500 South Grand Central Parkway
Grant Sawyer Building, 555 East Washington Avenue
City of Las Vegas Development Services Center, 333 North Rancho Drive

EXHIBIT 9

EXHIBIT 9



LAS VEGAS
CITY COUNCIL

CAROLYN G. GOODMAN
MAYOR

STAVROS S. ANTHONY
MAYOR PRO TEM

LOIS TARKANIAN
STEVEN D. ROSS
RICKI Y. BARLOW
BOB COFFIN
BOB BEERS

ELIZABETH N. FRETWELL
CITY MANAGER

October 30, 2014

Chad Westom
Bureau Chief, Department of Health and Human Services
Division of Public & Behavioral Health
4150 Technology Way, Suite 200
Carson City, NV 89706

Dear Chad,

Las Vegas Municipal Code 6.95.080(D) -- Medical Marijuana Establishments, requires notification to the State regulating authority if an applicant for a medical marijuana establishment has been found in conformance with land use restrictions and if the application to the City is eligible to be considered for a medical marijuana establishment business license. On October 28 and 29, 2014, the Las Vegas City Council deliberated on applications presented to the City for dispensaries, cultivation and production facilities. The attached list for each type of establishment is the result of Council actions on each application.

Please note that any application that resulted in a denial has also been denied land use for the proposed location and their application was found not to be in accordance with City Code and is not eligible for a business license for the proposed establishment. Those applications that are noted as approved, received land use and could be considered for a business license at such future time as they might receive a provisional certificate from your agency and have complied with all regulations and requirements of a privileged business license application.

During proceedings, it was noted that current definitions in the land use code restrict production and cultivation facilities from being located within a structure which houses any other type of use. Therefore, you will note on the attached lists for production and cultivation that several applications were tabled by the Council until such time as the Council can deliberate on a change in our land use code to allow the co-location of such facilities. Please do not consider a "tabled" item as an approval or denial.

Please consider the attached three tables as the required notification under LVMC 6.95.080.

Sincerely,

Karen E Duddleston
Business Licensing Manager
Department of Planning

KD:me
Attc: a/s

CITY OF LAS VEGAS
DEPARTMENT OF PLANNING
BUSINESS LICENSING DIVISION
DEVELOPMENT SERVICES CENTER
333 NORTH RANCHO DRIVE
6TH FLOOR
LAS VEGAS, NEVADA 89108

VOICE 702.229.8281

FAX 702.382.6642

TTY 7-1-1

www.lasvegasnevada.gov

City of Las Vegas
Medical Marijuana Compliance Permits

CULTIVATION

Name & Address of Establishment	Type	Status
Acres Medical, LLC 2320 Western Ave.	Cultivation	TABLED
Boulevard Medical, LLC 2900 Highland Dr., Bldg. 20	Cultivation	APPROVED
Compassionate Team of Las Vegas, LLC 2601 Highland Dr.	Cultivation	TABLED
Cannabis Renaissance Group 2702 S. Highland Dr.	Cultivation	DENIED
Herbal Choice, Inc. 800 W. Mesquite Ave.	Cultivation	DENIED
Infinite Wellness Incorporated 2750 Highland Dr., Unit E	Cultivation	TABLED
The Medmen of Nevada 2, LLC d/b/a Medmen 2908 S. Highland Dr.	Cultivation	TABLED
Nuleaf CLV Cultivation 1018 S. Commerce St.	Cultivation	APPROVED
RG Highland Enterprises, Inc. d/b/a Highland Medical 1916 S. Highland Ave.	Cultivation	APPROVED

10/30/14

City of Las Vegas
Medical Marijuana Compliance Permits

PRODUCTION

Name & Address of Establishment	Type	Status
Acres Medical, LLC 2320 Western Ave.	Production	TABLED
Boulevard Medical, LLC 2900 Highland Dr., Bldg. 20	Production	TABLED
Cannabis Renaissance Group 2706 S. Highland Dr.	Production	DENIED

10/30/14

City of Las Vegas
Medical Marijuana Compliance Permits

DISPENSARY

THE FOLLOWING APPLICATIONS WERE APPROVED

Name & Address of Establishment	Type	Status
Acres Medical, LLC 2320 Western Ave.	Dispensary	APPROVED
Blossum Group, LLC 810 S. 4 th St.	Dispensary	APPROVED
Boulevard Medical, LLC 1600 S. Las Vegas Blvd. Stes. 150 & 160	Dispensary	APPROVED
Buffalo Center Medical Advocates 1591 N. Buffalo Dr. Ste. 130	Dispensary	APPROVED
Clark NMSD, LLC d/b/a NuVeda 1320 S. 3 rd St.	Dispensary	APPROVED
Commerce Park Medical 1112 S. Commerce St.	Dispensary	APPROVED
Compassionate Care of Las Vegas, LLC 2601 Highland Dr.	Dispensary	APPROVED
Diversified Modalities Retail Ltd. 5350 W. Charleston Blvd.	Dispensary	APPROVED
GB Sciences Nevada, LLC d/b/a GB Sciences 921 S. Las Vegas Blvd. Ste. 100	Dispensary	APPROVED
Golden Wellness, Inc. 2230 W. Bonanza Rd.	Dispensary	APPROVED
GreenMart of Nevada, LLC 1512 S. Main St.	Dispensary	APPROVED
Integral Associates, LLC d/b/a Great Basin Care 2307 S. Las Vegas Blvd.	Dispensary	APPROVED
MediFarm, LLC d/b/a Blum LV 1921 Western Ave.	Dispensary	APPROVED
Natural Apothecary, LLC 5801 W. Craig Rd. 120	Dispensary	APPROVED
Natural Medicine, LLC 2411 Western Ave.	Dispensary	APPROVED
Naturex II, LLC d/b/a Naturex 1860 Western Ave.	Dispensary	APPROVED
Nevada Wellness Center, LLC 3200 S. Valley View Blvd.	Dispensary	APPROVED
Nevada Wellness Project 823 S. 3 rd St.	Dispensary	APPROVED
Paradise Wellness Center, LLC d/b/a Las Vegas Releaf 2242-2246 Paradise Rd.	Dispensary	APPROVED

Physis One 231 W. Charleston Blvd. 110 & 120	Dispensary	APPROVED
Premium Produce City, LLC 707 N. Main St.	Dispensary	APPROVED
Qualcan of Las Vegas 546 N. Eastern Ave. 155-160	Dispensary	APPROVED
Red Rock Wellness, LLC 604 N. Main St.	Dispensary	APPROVED
Samantha, Inc. d/b/a Samantha's Remedies 3500 W. Sahara Ave.	Dispensary	APPROVED
Serenity Wellness Center 1800 S. Industrial Rd. 102, 160 & 180	Dispensary	APPROVED
Silver Sage Wellness 4626 W. Charleston Blvd.	Dispensary	APPROVED
THC Nevada, LLC d/b/a Welleaf 1800 Western Ave.	Dispensary	APPROVED

THE FOLLOWING APPLICATIONS WERE DENIED

Name & Address of Establishment	Type	Status
Cannabis Renaissance Group 2706 S. Highland Dr.	Dispensary	DENIED
Encanto Green Cross 5310 W. Sahara Ave. B	Dispensary	DENIED
Global Green Enterprises d/b/a 99 High Desert Healing 827 S. Las Vegas Blvd.	Dispensary	DENIED
Green Leaf Medical, LLC 3190 W. Sahara Ave.	Dispensary	DENIED
Herbal Choice, Inc. 800 W. Mesquite Ave.	Dispensary	DENIED
M'Life Wellness, LLC 2800 Highland Dr.	Dispensary	DENIED
The Medmen of Nevada 2, LLC d/b/a Medmen 2908 S. Highland Dr.	Dispensary	DENIED
Nuleaf CLV Dispensary 4500 W. Charleston Blvd.	Dispensary	DENIED
Primo Dispensary 3120 S. Valley View Blvd. A	Dispensary	DENIED
TopPharm, LLC 1615 S. Las Vegas Blvd.	Dispensary	DENIED

THE FOLLOWING APPLICATIONS WERE WITHDRAWN BY THE APPLICANT

Name & Address of Establishment	Type	Status
Desert Aire Wellness, LLC d/b/a Desert Aire of Las Vegas 420 E. Sahara Ave.	Dispensary	Withdrawn by Applicant
GreenMart of Nevada Charleston, LLC 1925 W. Charleston Blvd.	Dispensary	Withdrawn by Applicant
Herbal Choice, Inc. 5243 W. Charleston Blvd.	Dispensary	Withdrawn by Applicant
Over the Rainbow 2300 N. Rainbow Blvd. 118-122	Dispensary	Withdrawn by Applicant
Premium Produce City, LLC 215 N. 3 rd St.	Dispensary	Withdrawn by Applicant
TopPharm, LLC 7580 W. Sahara Ave.	Dispensary	Withdrawn by Applicant

EXHIBIT 10

EXHIBIT 10



LAS VEGAS
CITY COUNCIL

CAROLYN G. GOODMAN
MAYOR

STAVROS S. ANTHONY
MAYOR PRO TEM

LOIS TARKANIAN
STEVEN D. ROSS
RICKI Y. BARLOW
BOB COFFIN
BOB BEERS

ELIZABETH N. FRETWELL
CITY MANAGER

CITY OF LAS VEGAS
DEPARTMENT OF PLANNING
BUSINESS LICENSING DIVISION
DEVELOPMENT SERVICES CENTER
333 NORTH RANCHO DRIVE
6TH FLOOR
LAS VEGAS, NEVADA 89108

VOICE 702.229.6281

FAX 702.382.6042

TTY 7-1-1

www.lasvegasnevada.gov



City of Las Vegas

October 9, 2014

GB Sciences
James D. Hammer
Attn: JT Moran
630 S. 4th St.
Las Vegas, NV 89101

Email: JT3.moran@moranlawfirm.com
jim@hammerlv.com

Location: 921 S Las Vegas Blvd - Dispensary

Dear Applicant:

Your medical marijuana application has been reviewed by business license and the results of that review are included in the attached Director's Report and Recommendation which will be provided to City Council. This report is considered confidential and not available to the public. Your application has a recommendation of:

RECOMMENDED FOR CONSIDERATION

Additionally, the Special Use Permit #55277 has been recommended for APPROVAL SUBJECT TO CONDITIONS by the Planning Commission. The Special Planning Commission Action Letter is also attached.

In accordance with Las Vegas Municipal Code 6.95.050, the Director shall:

- D. Not allow the modification of any application once the deadline for complete applications has passed.

THAT MEANS, NO ADDITIONAL SUPPLEMENTAL MATERIALS WILL BE ACCEPTED OTHER THAN WHAT HAS ALREADY BEEN SUBMITTED.

Questions concerning this letter can be emailed to Blapp@LasVegasNevada.gov.

Thank you.

Mary McElhone
Business License Section Manager
Department of Planning

Attachments:

Director's Report and Recommendation
Special Planning Commission Action Letter

MM:nr

2014 WINNER OF THE U.S. CONFERENCE OF MAYORS CLIMATE PROTECTION AWARD

MSJ000145



DIRECTOR'S REPORT AND RECOMMENDATION

Director's Recommendation: **RECOMMENDED FOR CONSIDERATION**

Operating Entity: GB SCIENCES NEVADA, LLC
Doing Business As (DBA): GB Sciences
Address: 921 Las Vegas Boulevard South, Suite 100, Las Vegas, NV 89146
Property Owner: Wolfson Medical Center Downtown, LLC

SECTION 1 - OWNERSHIP Demonstrated Ability

GBS NEVADA PARTNERS, LLC - 45%

The Hammer Family Trust - u/a/d - 3/13/00 - Member, 27.59%

James Hammer, Trustee (Las Vegas, NV)

Joan Hammer, Trustee (Las Vegas, NV)

The Meservey Family Trust - u/a/d - 12/16/94 - Member, 27.59%

James Meservey, Trustee (Las Vegas, NV)

Rozanne Meservey, Trustee (Las Vegas, NV)

MMJ Investment Facility, LLC - Member, 17.23%

Michael Viellon, Manager (Las Vegas, NV)

Trans-Sterling, LLC - Member, 27.59%

John Beuchat, Manager (Las Vegas, NV)

Bruce Raben (Santa Monica, CA) - Manager, 0%

GROWBLOX SCIENCES, INC. (Publicly Traded Corporation) Joint Venture - 55%

Signature Exploration and Production Corp.

Craig Ellins (Las Vegas, NV) - Managing Member

Steve Weldon (Las Vegas, NV) - Managing Member

Andrea Small-Howard (Norwalk, CA) - Director (Consultant)

Personal History/Background Concerns and Notes:

- Personal History: No disqualifying issues noted in information provided by applicants
- No shareholder of Growblox Sciences, Inc. holds more than 1% ownership other than those listed above.

SECTION 2 OTHER PERMITS AND LICENSES

JURISDICTION	NAME OF BUSINESS	TYPE OF FACILITY	STATUS
Clark County, NV	GB Sciences	Dispensary	Land Use Approved
Clark County, NV	GB Sciences	Cultivation	Land Use Approved

SECTION 3 CAPITALIZATION AND SOURCE OF FUNDS Demonstrated Ability

SUMMARY:

Overall, the analysis of source of funding and capitalization shows confirmed availability of funding and the proposed budget appears sufficient for the business operation during the initial year of operation.

SECTION 4 CAPACITY TO PERFORM Demonstrated Ability

SUMMARY:

The resumes of owners demonstrate business experience and knowledge in the compassionate use of marijuana to treat medical conditions and the needed education to manage such a facility.

- * Accounting/Inventory/System for Verifying MM cardholders - MJ Freeway Accounting system with cash kiosk-- electronic cash accounting system and Electronic Tracking System
- * Site Inspection Notes: Security plans to use facial recognition and thumbprint technology. They will have a reverse ATM and electronic payments, no cash will change hands.

o Owners/Officers/Directors:

- * James Hammer: Local business (Evening Call Daquiri bars, MFunds Global Payments), Charitable organizations (Nevada Cancer Institute), local involvement (LVMPD Fiscal Affairs Chair)
- * James Miservey: Local business (Corporate Broker, Westar Properties, Storage One)
- * Michael Viellion: Lawyer/local business (Corporate Council - Diversified Realty, Principal/Manager - Lanco West, Evening Call)
- * Andrea Small-Howard PhD: International Cannabinoid Research Society member, Educational background discloses research in cancer studies (5 years), experience in drug testing for cancer patients, PhD in bio-chemistry and molecular biology.
- * Bruce Raben: Finance (Hudson Advisors -- technology investment banking, Poliwoog, Managing Director -- health care finance and investment)
- * Craig Ellins: Inventor of GrowBlox, climate-controlled agriculture chambers engineered for the cultivation of medical-grade cannabis
- * Steven Weldon: CPA (GrowBlox Sciences)

○ Business Partners

- * Malcolm Morrison: Cultivation expert operating medical marijuana operations in California for 15 years
- * Ulrich Reimann-Phillipp: Botanist

SECTION 5 OPERATIONAL PLANS Demonstrated Ability

SUMMARY:

The applicant substantially complies with the requirements of state and local codes in the presented operational plans.

ISSUES/CONCERNS: Corrections required, if licensed

- 24/7 video feed to Metro is required and not noted in proposed plan
- Plan notes a third party delivery service -- not allowed under State or Local regulations
- Environmental plan needs disposal guidelines

SECTION 6 ADEQUACY OF BUILDING AND LOCATION Demonstrated Ability

SUMMARY:

Documents presented provide conceptual understanding of the medical marijuana regulations and the applicable building and signage requirements.

ISSUES/CONCERNS: Corrections required, if licensed

- More details required on interior signage plan to conform to code requirements

SECTION 7 IMPACT ON SURROUNDING NEIGHBORHOOD Demonstrated Ability

Special Use Permit Recommendation:	Full report attached
SUP Staff Recommendation:	Approval
Design Review Committee Recommendation:	Approved subject to conditions
Planning Commission:	Approved subject to conditions

SECTION 8 OVERALL SUMMARY AND RECOMMENDATIONS

The application, as presented, shows substantial compliance to City code and State regulations. Some of the applicants have a background with cancer research and pharmaceutical drugs which demonstrates detailed knowledge to provide compassionate care of patients and dispensing of medical substances.

ISSUES/CONCERNS:

- Require updated security, signage, and delivery plan to conform to all code requirements prior to licensing

COMPLIANCE PERMIT: Recommended for Consideration

EXHIBIT 11

EXHIBIT 11

STATE OF NEVADA

BRIAN SANDOVAL
Governor

ROMAINE GILLILAND
Director



RICHARD WHITLEY, MS
Administrator

TRACEY D. GREEN, MD
Chief Medical Officer

DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF PUBLIC AND BEHAVIORAL HEALTH

November 3, 2014

John T. Moran III, Esq
GB Sciences Nevada LLC
630 S. 4th St.
Las Vegas, NV 89101

Application Identifier: D014
Ref. #: 39934893576117314697

Dear GB Sciences Nevada LLC,

The State of Nevada, Division of Public and Behavioral Health has completed the application evaluation process for medical marijuana establishment registration certificates. This letter is to inform GB Sciences Nevada LLC that the Division will not issue a provisional certification for your Dispensary establishment at 921 South Las Vegas Boulevard, Suite 100 in the LAS VEGAS local jurisdiction. This letter fulfills NAC 453A.318, to provide written notice to the applicant.

According to NRS 453A.324, there are limitations on the total number of certificates that can be issued in each local jurisdiction. This application was not issued a provisional certification because it did not achieve a score high enough to rank it in the top 12 within the LAS VEGAS jurisdiction.

Thank you for your interest in this application process. If you have questions regarding this evaluation process, you may contact the Division at medicalmarijuana@health.nv.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Whitley".

Richard Whitley MS, Administrator
Nevada Division of Public and Behavioral Health
Medical Marijuana Establishment Program

MSJ000151

D014

Dispensary Rank:

82

County Rank:

53

Local Jurisdiction Rank:

13

Establishment ID:	D014
Total Score:	166.86
Company Name:	GB Sciences Nevada LLC
Establishment Type:	DISPENSARY
County:	CLARK
City:	Las Vegas
Local Jurisdiction:	LAS VEGAS
Address:	921 South Las Vegas Boulevard, Suite 100
Ownership Contact Name:	John T. Moran III, Esq
Ownership Contact Title:	Partner
Ownership Contact Address:	630 S. 4th St. Las Vegas, NV 89101
Ownership Contact Phone Number:	702-384-8424
Ownership Contact Email:	jt3.moran@moranlawfirm.com

Ownership List on Next Page

Scoring Details

Scoring Category	Points Scored	Points Possible	Average Score
Financial Plan:	31.67	40	32.51
Organizational Structure:	39.2	50	34.31
Convenient to Serve the Needs:	16.66	20	7.93
Likely Impact on the Community:	7	20	8.56
Taxes Paid and Beneficial Contributions:	11	25	9.38
Adequacy of Building Site and Construction Plans:	10.33	20	10.35
Care, Quality, Safekeeping:	51	75	51.76
Total Identified Criteria Score:	105.53	155	92.69
Total Non-Identified Criteria Score:	61.33	95	62.10
Total Score:	166.86	250	154.79

MSJ000152

EXHIBIT 12

EXHIBIT 12

MEDICAL MARIJUANA DISPENSARIES

Scores and Rankings by Jurisdiction

*Revised 11/19/2014 3pm

*Results not shown below reflect the confidentiality of NRS 453A.700 and applicant did not provide a consent to release.

CARSON CITY			
Rank	Business Name	Score	Provisional License Yes / No
1	Nevada Organix LLC	209.83	Y
2	CONSENT TO RELEASE NOT PROVIDED		Y
3	NNV Service III, LLC	193.35	N
4	NNV Services II, LLC	193.01	N
5	SSeat Investments LLC	186.66	N
6	CapWell, LLC	178.3	N
7	BioNeva Innovations of Carson City, LLC	161.36	N
8	CONSENT TO RELEASE NOT PROVIDED		N
9	The MedMen of Nevada 2, LLC	150.99	N
10	CONSENT TO RELEASE NOT PROVIDED		N
11	Green Grasshaper	15.67	N

CHURCHILL COUNTY			
Rank	Business Name	Score	Provisional License Yes / No
1	CONSENT TO RELEASE NOT PROVIDED		Y

CLARK COUNTY- HENDERSON			
Rank	Business Name	Score	Provisional License Yes / No
1	livfree Wellness, LLC	208.3	Y
2	CONSENT TO RELEASE NOT PROVIDED		Y
3	Clear River, LLC	201.8	Y
4	CONSENT TO RELEASE NOT PROVIDED		Y
5	CONSENT TO RELEASE NOT PROVIDED		Y
6	Henderson Organic Remedies LLC	194	N
7	Nevada Wellness Center	193.62	N
8	NuLeaf Henderson Dispensary, LLC	192.37	N
9	CONSENT TO RELEASE NOT PROVIDED		N
10	Gravitas Henderson LLC	182.4	N
11	Sagebrush Wellness, LLC	172.66	N
12	Serenity Wellness Center, LLC	169.13	N
13	360 Global Sciences, Inc.	164.71	N
14	CONSENT TO RELEASE NOT PROVIDED		N
15	BioNeva Innovations of Henderson, LLC	163.03	N
16	CONSENT TO RELEASE NOT PROVIDED		N
17	The MedMen of Nevada 2, LLC	161	N
18	CONSENT TO RELEASE NOT PROVIDED		N
19	Twelve Twelve, LLC	147.76	N
20	Green Life Dispensary, Inc.	144.93	N
21	Agua Street LLC	142.27	N
22	CONSENT TO RELEASE NOT PROVIDED		N
23	CONSENT TO RELEASE NOT PROVIDED		N
24	Unifern	125.63	N
25	Unifern	124	N
26	Greenway Health Community, LLC	112.23	N
27	CONSENT TO RELEASE NOT PROVIDED		N

CLARK COUNTY- LAS VEGAS			
Rank	Business Name	Score	Provisional License Yes / No
1	Nevada Wellness Center	198.62	Y
2	Medifarm, LLC	197.72	Y
3	NuLeaf CLV Dispensary, LLC	189.71	Y
4	CONSENT TO RELEASE NOT PROVIDED		Y
5	Silver Sage Wellness, LLC	187.01	Y
6	CONSENT TO RELEASE NOT PROVIDED		Y
7	Clark NMSD, LLC DBA NuVeda	185.45	Y
8	CONSENT TO RELEASE NOT PROVIDED		Y
9	CONSENT TO RELEASE NOT PROVIDED		Y
10	Desert Aire Wellness	172.33	Y
11	Serenity Wellness Center, LLC	171.8	Y
12	Nevada Wellness Project, LLC	169	Y
13	CONSENT TO RELEASE NOT PROVIDED		N
14	Samantha's Remedies	163.26	N
15	Nevada Cares, LLC	161.56	N
16	CONSENT TO RELEASE NOT PROVIDED		N
17	CONSENT TO RELEASE NOT PROVIDED		N
18	CONSENT TO RELEASE NOT PROVIDED		N
19	THC Nevada LLC	154.67	N
20	CONSENT TO RELEASE NOT PROVIDED		N
21	Red Rock Wellness LLC	153.96	N
22	CONSENT TO RELEASE NOT PROVIDED		N
23	CONSENT TO RELEASE NOT PROVIDED		N
24	CONSENT TO RELEASE NOT PROVIDED		N
25	CONSENT TO RELEASE NOT PROVIDED		N
26	CONSENT TO RELEASE NOT PROVIDED		N
27	QualCan of Las Vegas, LLC	151.29	N
28	Cannabis Renaissance Group LLC	150.65	N
29	CONSENT TO RELEASE NOT PROVIDED		N
30	CONSENT TO RELEASE NOT PROVIDED		N

MEDICAL MARIJUANA DISPENSARIES

Scores and Rankings by Jurisdiction

*Revised 11/19/2014 3pm

31	The MedMen of Nevada 2, LLC	148.33	N
32	CONSENT TO RELEASE NOT PROVIDED		N
33	Physis One LLC	143.82	N
34	Buffalo Center Medical Advocates	142.5	N
35	Primo Dispensary	137.33	N
36	CONSENT TO RELEASE NOT PROVIDED		N
37	CONSENT TO RELEASE NOT PROVIDED		N
38	Diversified Modalities Retail Ltd.	124.66	N
39	Green Leaf Farms Holdings Inc	115.27	N
40	M'Life Wellness, LLC	113.67	N
41	CONSENT TO RELEASE NOT PROVIDED		N
42	Blossum Group, LLC	111.67	N
43	CONSENT TO RELEASE NOT PROVIDED		N
44	CONSENT TO RELEASE NOT PROVIDED		N
45	CONSENT TO RELEASE NOT PROVIDED		N
46	CONSENT TO RELEASE NOT PROVIDED		N
47	CONSENT TO RELEASE NOT PROVIDED		N
48	CONSENT TO RELEASE NOT PROVIDED		N
49	CONSENT TO RELEASE NOT PROVIDED		N

CLARK COUNTY- MESQUITE			
Rank	Business Name	Score	Provisional License Yes / No
1	CONSENT TO RELEASE NOT PROVIDED		Y

CLARK COUNTY- NORTH LAS VEGAS			
Rank	Business Name	Score	Provisional License Yes / No
1	CONSENT TO RELEASE NOT PROVIDED		Y
2	Tryke Companies SO NV, LLC	192.97	Y
3	Cheyenne Medical, LLC	191.07	Y
4	Clark NMSD, LLC DBA NuVeda	187.1	Y
5	Green Therapeutics LLC	178.33	N
6	NLV-1 LLC	164.2	N
7	360 Global Sciences, Inc	163.37	N
8	Mountainside Health Center NV LLC	160.98	N
9	NLV Health and Wellness LLC	154	N
10	CONSENT TO RELEASE NOT PROVIDED		N
11	CONSENT TO RELEASE NOT PROVIDED		N
12	CONSENT TO RELEASE NOT PROVIDED		N
13	NLVD, LLC	137.94	N
14	Lone Mountain Partners, LLC	133.82	N
15	CONSENT TO RELEASE NOT PROVIDED		N
16	CONSENT TO RELEASE NOT PROVIDED		N
17	CONSENT TO RELEASE NOT PROVIDED		N
18	Greenway Health Community North, LLC	110.23	N
19	CONSENT TO RELEASE NOT PROVIDED		N
20	CONSENT TO RELEASE NOT PROVIDED		N
21	Medical Cannabis Healing LLC	78.01	N

CLARK COUNTY- UNINCORPORATED CLARK COUNTY			
Rank	Business Name	Score	Provisional License Yes / No
1	Tryke Companies SO NV, LLC	212.97	Y
2	CONSENT TO RELEASE NOT PROVIDED		Y
3	CONSENT TO RELEASE NOT PROVIDED		Y
4	MM Development Company, LLC	203.58	Y
5	Livfree Wellness, LLC	201.64	Y
6	Medifarm, LLC	201.04	Y
7	Medifarm, LLC	200.71	Y
8	Clear River, LLC	197.46	Y
9	CONSENT TO RELEASE NOT PROVIDED		Y
10	CONSENT TO RELEASE NOT PROVIDED		Y
11	CONSENT TO RELEASE NOT PROVIDED		Y
12	NuLeaf Clark Dispensary, LLC	189.03	Y
13	CONSENT TO RELEASE NOT PROVIDED		Y
14	CONSENT TO RELEASE NOT PROVIDED		Y
15	CONSENT TO RELEASE NOT PROVIDED		Y
16	Euphoria Wellness LLC	176.32	Y
17	Gravitas Nevada LTD	176.03	Y
18	CONSENT TO RELEASE NOT PROVIDED		Y
19	Just Quality LLC	172.86	N
20	Just Quality LLC	171.19	N
21	CONSENT TO RELEASE NOT PROVIDED		N
22	CONSENT TO RELEASE NOT PROVIDED		N
23	CONSENT TO RELEASE NOT PROVIDED		N
24	CONSENT TO RELEASE NOT PROVIDED		N
25	CONSENT TO RELEASE NOT PROVIDED		N
26	CONSENT TO RELEASE NOT PROVIDED		N
27	The MedMen of Nevada	151.67	N
28	QualCar, LLC	150.95	N
29	CONSENT TO RELEASE NOT PROVIDED		N
30	CONSENT TO RELEASE NOT PROVIDED		N
31	Las Vegas Wellness Center, Inc.	143.56	N
32	CONSENT TO RELEASE NOT PROVIDED		N
33	Nevada Medical Marijuana Dispensary, Inc.	137.18	N
34	Carnelot NV LLC	132.32	N
35	CONSENT TO RELEASE NOT PROVIDED		N

MEDICAL MARIJUANA DISPENSARIES

Scores and Rankings by Jurisdiction

*Revised 11/19/2014 3pm

36	CONSENT TO RELEASE NOT PROVIDED		N
37	NXTGEN Wellness, LLC	117.01	N

NYE COUNTY			
Rank	Business Name	Score	Provisional License Yes / No
1	CONSENT TO RELEASE NOT PROVIDED		Y
2	MM Development Company, LLC	206.93	N
3	Nye Natural Medicinal Solutions, LLC	185.1	N
4	Options Medical Center Pahrump, LLC	166.96	N
5	NCMM, LLC	136.95	N
6	CONSENT TO RELEASE NOT PROVIDED		N

STOREY COUNTY			
Rank	Business Name	Score	Provisional License Yes / No
1	CONSENT TO RELEASE NOT PROVIDED		Y

WASHOE COUNTY- RENO			
Rank	Business Name	Score	Provisional License Yes / No
1	Livfree Wellness Reno, LLC	207	Y
2	CONSENT TO RELEASE NOT PROVIDED		Y
3	MediFarm 1, LLC	203.68	Y
4	CONSENT TO RELEASE NOT PROVIDED		N
5	CONSENT TO RELEASE NOT PROVIDED		N
6	The Cannavative Group, LLC	193.37	N
7	NNV Services IV, LLC	191.99	N
8	CONSENT TO RELEASE NOT PROVIDED		N
9	NuLeaf Reno Dispensary, LLC	189.37	N
10	CapWell, LLC	171.23	N
11	NeVWA, LLC	156.66	N
12	The MedMen of Nevada 2, LLC	154.99	N
13	The Canopy Reno, Inc.	153.41	N
14	Naturally Nevada LLC	150.73	N
15	CONSENT TO RELEASE NOT PROVIDED		N
16	A New Leaf Wellness Center, LLC	146.6	N
17	High Sierra Holistics	122.05	N
18	CONSENT TO RELEASE NOT PROVIDED		N
19	Wells and Taylor, LLC	88.99	N
20	Herbal Care, LLC	83.91	N
21	CONSENT TO RELEASE NOT PROVIDED		N
22	CONSENT TO RELEASE NOT PROVIDED		N
23	Green Tree Therapy, LLC	62.69	N
24	CONSENT TO RELEASE NOT PROVIDED		N
25	Green Grasshaper	21.67	N

WASHOE COUNTY- SPARKS			
Rank	Business Name	Score	Provisional License Yes / No
1	Silver State Relief, LLC	225.19	Y
2	Fryke Companies Reno, LLC	202.03	Y
3	Greenleaf Wellness, Inc.	194	N
4	NNV Services IV, LLC	191	N
5	The MedMen of Nevada 2, LLC	152.33	N
6	Common Sense Botanicals	143.97	N
7	CONSENT TO RELEASE NOT PROVIDED		N
8	CONSENT TO RELEASE NOT PROVIDED		N
9	CONSENT TO RELEASE NOT PROVIDED		N

WASHOE COUNTY- UNINCORPORATED WASHOE			
Rank	Business Name	Score	Provisional License Yes / No
1	Nevada Organix LLC	212.49	Y
2	Fryke Companies Reno, LLC	204.69	Y
3	NuLeaf Incline Dispensary, LLC	191.7	Y
4	CONSENT TO RELEASE NOT PROVIDED		Y
5	Seat Investments LLC	168.34	Y
6	Washoe Dispensary, LLC	173.67	N
7	BioNeva Innovations of Washoe County, LLC	163.04	N
8	CONSENT TO RELEASE NOT PROVIDED		N
9	CONSENT TO RELEASE NOT PROVIDED		N
10	CONSENT TO RELEASE NOT PROVIDED		N
11	CONSENT TO RELEASE NOT PROVIDED		N

EXHIBIT 13

EXHIBIT 13

ORIGINAL

Electronically Filed
07/22/2015 10:43:13 AM



CLERK OF THE COURT

1 **FFCL / ORDR**

James E. Shapiro, Esq.

2 Nevada Bar No. 7907

Sheldon A. Herbert, Esq.

3 Nevada Bar No. 5988

Aimee M. Cannon, Esq.

4 Nevada Bar No. 11780

SMITH & SHAPIRO, PLLC

5 2520 St. Rose Parkway, Suite 220

Henderson, NV 89074

6 (702) 318-5033

Attorneys for Plaintiff

DISTRICT COURT

CLARK COUNTY, NEVADA

9 **HENDERSON ORGANIC REMEDIES, LLC, a**
Nevada limited liability company,

10
11 Plaintiff,

12 vs.

13 **STATE OF NEVADA, DEPARTMENT OF**
HEALTH AND HUMAN SERVICES; CITY OF
14 **HENDERSON, a municipal corporation and political**
subdivision of the State of Nevada, and **WELLNESS**
15 **CONNECTION OF NEVADA, LLC, a Nevada**
limited liability company; **DOES 1-10, and ROE**
16 **ENTITIES 1-10, inclusive,**

17 Defendants.

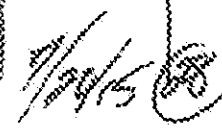
Case No. **A-14-710193-C**
Dept. No. **XXVIII**

Date: July 14, 2015
Time: 9:00 a.m.

18 **ORDER GRANTING MOTION FOR SUMMARY JUDGMENT AND IMPOSING**
19 **PERMANENT MANDATORY INJUNCTION**

20 THIS MATTER having come before the Court on HENDERSON ORGANIC REMEDIES,
21 LLC's ("Plaintiff") Motion for Summary Judgment (the "Motion"); Plaintiff, having appeared by and
22 through its attorneys of record, SMITH & SHAPIRO, PLLC; Defendant STATE OF NEVADA,
23 DEPARTMENT OF HEALTH AND HUMAN SERVICES (the "State" or "Division"), having
24 appeared by and through ADAM PAUL LAXALT, Attorney General through his Chief Deputy
25 Attorney General, LINDA C. ANDERSON; Defendant CITY OF HENDERSON ("City of
26 Henderson"), having appeared by and through JOSH M. REID, City Attorney through his Assistant
27 City Attorney BRANDON P. KEMBLE, the Court having reviewed the papers and pleadings on file
28 herein, having heard the arguments of counsel, the Court having stated its findings and conclusions

<input type="checkbox"/> Voluntary Dismissal	<input checked="" type="checkbox"/> Summary Judgment
<input type="checkbox"/> Involuntary Dismissal	<input type="checkbox"/> Stipulated Judgment
<input type="checkbox"/> Stipulated Dismissal	<input type="checkbox"/> Default Judgment
<input type="checkbox"/> Motion to Dismiss by Deft(s)	<input type="checkbox"/> Judgment of Arbitration

7/24/15 

JA210

SMITH & SHAPIRO, PLLC
2520 St. Rose Parkway, Suite 220
Henderson, Nevada 89074
(702) 318-5033

1 on the record, the Court being fully advised in the premises, and good cause appearing, NOW
2 THEREFORE:

3 UNDISPUTED FACTS

4 THE COURT FINDS:

5 A. BACKGROUND.

6 1. In 2013, Senate Bill 374 was passed which provided for the registration of medical
7 marijuana establishments authorized to cultivate or dispense marijuana or manufacture edible
8 marijuana products or marijuana-infused products for sale to persons authorized to engage in the
9 medical use of marijuana. Senate Bill 374 was codified into N.R.S. Chapter 453A.

10 2. Under N.R.S. § 453A.320 et seq., the Division was tasked with processing and ranking
11 applications for Medical Marijuana Establishments ("MMEs") for each local jurisdiction in Nevada.

12 3. There were five types of MME's, including Dispensaries, Cultivation Facilities, and
13 Production Facilities. The MME at issue in this lawsuit is a Dispensary.

14 4. The City of Henderson was allocated five Dispensary provisional certificates.

15 5. The Division, as well as the local jurisdiction, played a role in the ultimate licensing
16 of MMEs. Specifically, the local jurisdiction was tasked with considering issues such as site plans,
17 zoning and proximity to other business or facilities (the "Local Application Process") while the
18 Division focused on public health, public safety, and marijuana as a medicine (the "Division
19 Application Process").

20 6. In accordance with its responsibilities, the City of Henderson issued a Medical
21 Marijuana Business License Application Form (the "Henderson Application") which all applicants
22 who desired an MME in the City of Henderson were required to fill out and submit.

23 7. As part of the Henderson Application, the City of Henderson required a separation
24 analysis of the proposed MME location (the "Separation Analysis"). The Separation Analysis was
25 required specifically to comply with NRS § 453A.322(3)(A)(5). Thus, any applicant who wished to
26 open a Dispensary in the City of Henderson needed to provide the Division with a copy of the City
27 of Henderson's approval of the Separation Analysis.

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1 8. The Division issued its own application packet (the "Division Application"), which
2 provided a detailed explanation as to what was required to be contained within each application, and
3 which set the deadline for submitting all applications at August 18, 2014.

4 9. While the Division was allowed to accept all applications submitted, under N.R.S. §
5 453A.322, the Division could only issue a medical marijuana establishment registration certificate
6 (a "Provisional Certificate") if the applicant's application included six (6) specific items and if the
7 applicant otherwise met the requirements established by N.R.S. Chapter 453A.

8 10. One of the six (6) items required by law before the Division could issue a Provisional
9 Certificate is found in N.R.S. § 453A.322(3)(a)(5), which states:

10 If the city, town or county in which the proposed medical marijuana establishment will
11 be located has enacted zoning restrictions, **proof of licensure with the applicable**
12 **local governmental authority or a letter from the applicable local governmental**
13 **authority certifying that the proposed medical marijuana establishment is in**
14 **compliance with those restrictions and satisfies all applicable building**
15 **requirements. (NRS § 453A.322(3)(a)(5))**

16 11. According to N.R.S. § 453A.322(3)(a), this proof of licensure or letter must have been
17 submitted to the Division with the Division Application.

18 **B. THE APPLICATION PROCESS**

19 12. Wellness Connections of Nevada, LLC ("Wellness Connections") was one of the 27
20 applicants for one of the five Dispensary Licenses allocated to the City of Henderson.

21 13. Wellness Connections submitted its Henderson Application paperwork on July 17,
22 2014. On July 31, 2014, the City of Henderson notified Wellness Connections that its proposed site
23 "does not meet the minimum separation standards to protected uses and is determined to not be
24 suitable for a Medical Marijuana Establishment - Dispensary within the City." Both of Wellness
25 Connections appeals were denied.

26 14. Notwithstanding the fact that Wellness Connections did not meet the requirements of
27 N.R.S. § 453A.322(3)(a)(5), on or about November 3, 2014, the Division inappropriately¹ issued a
28

¹ The Court is not making any finding as to why the Division issued the Provisional Certificate to Wellness Connections. The point is that while the error in issuing the Provisional Certificate may have been inadvertent, it was an error nonetheless.

1 Provisional Certificate to Wellness Connections contrary to the requirements of N.R.S. §
2 453A.322(3)(a)(5).

3 15. Plaintiff was also one of the 27 applicants for one of the five Dispensary Licenses
4 allocated to the City of Henderson.

5 16. Plaintiff submitted its Henderson Application and Separation Analysis, and received
6 the approval from the City of Henderson required by N.R.S. § 453A.322(3)(a)(5).

7 17. Plaintiff also submitted its Division Application.

8 18. After receiving and reviewing all 27 applications, the Division ranked the applicants
9 in order from 1 to 27 and issued Provisional Certificates to the top 5 applicants.

10 19. Wellness Connections was ranked within the top 5 and was therefore issued a
11 Provisional Certificate.

12 20. The Division ranked the Plaintiff sixth, and therefore denied the Plaintiff's Division
13 Application because "it did not achieve a score high enough to rank it in the top 5 within the
14 HENDERSON jurisdiction."

15 21. If Wellness Connections had been properly disqualified due to its failure to comply
16 with N.R.S. § 453A.322(3)(a)(5), Plaintiff would have been ranked in the top 5 within the City of
17 Henderson, and therefore would have received the Provisional Certificate inappropriately issued to
18 Wellness Connections.

19 22. On April 13, 2015, Wellness Connections voluntarily surrendered its Provisional
20 Certificate to the Division, thereby freeing up one of the five available Provisional Certificates for
21 the City of Henderson.

22 23. The Court finds that there are no genuine issues of material fact.

23 24. If any of the forgoing findings of fact are properly conclusions of law, they shall be
24 treated as if appropriately identified and designated.

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CONCLUSIONS OF LAW

25. Summary judgment is appropriate where the pleadings, depositions, answers to interrogatories, admissions and affidavits on file, show that there exists no genuine issue as to any material fact, and that the moving party is entitled to judgment as a matter of law. Bird v. Casa Royale W., 97 Nev. 67, 624 P.2d 17 (1981).

26. The Nevada Supreme Court has noted that "Rule 56 should not be regarded as a 'disfavored procedural shortcut'" but instead as an integral part of the rules of procedure as a whole, which are designed "to secure the just, speedy and inexpensive determination of every action." Wood v. Safeway, Inc., 121 Nev. 724, 730, 121 P.3d 1026, 1030 (2005).

27. NRS § 30.040 grants this Court the ability to make certain declarations regarding the rights, status or other legal relations of parties to a lawsuit.

28. Further, this Court has the authority to issue mandatory injunctions "to restore the status quo, to undo wrongful conditions." Leonard v. Stoebling, 102 Nev. 543, 728 P.2d 1358 (1986); Memory Gardens of Las Vegas, Inc. v. Pet Ponderosa Memorial Gardens, Inc., 492 P.2d 123, 88 Nev. 1 (Nev., 1972).

29. One of the stated purposes of mandatory injunctions is "compelling the undoing of acts that had been illegally done." City of Reno v. Matley, 378 P.2d 256, 79 Nev. 49 (Nev., 1963).

30. The Division has acknowledged that "a complaint for declaratory and injunctive relief is appropriate for Henderson Organic to challenge the process of the Division in registering dispensaries in Henderson."

31. The issuance of the Provisional Certificate to Wellness Connections was in error and contrary to NRS § 453A.322(3).

32. Wellness Connections should have been disqualified due to their non-compliance with NRS § 453A.322(3)(a)(5).

33. If Wellness Connections had been properly disqualified, the Plaintiff, HENDERSON ORGANIC REMEDIES, LLC, would have been ranked fifth and would therefore have qualified for the Provisional Certificate inappropriately issued to Wellness Connections.

34. The Plaintiff has an inadequate remedy at law.

1 35. The Plaintiff properly and timely applied for a Distributor Provisional Certificate
2 within the applicable time periods.

3 36. The Division weighed and compared the Plaintiff against each of the other applicants
4 who applied, the Division ranked all 27 applicants, and determined that the Plaintiff was the sixth
5 most qualified.

6 37. However, because Wellness Connections failed to comply with NRS §
7 453A.322(3)(a)(5), Wellness Connections should have been disqualified, thereby moving the Plaintiff
8 to the coveted fifth spot.

9 38. To require the Plaintiff to simply apply again as part of a new application period is to
10 deny the Plaintiff all of its remedies, not only because it delays the Plaintiff's ability to proceed
11 forward with the initial applicants, but also because there is no guarantee that the Plaintiff would even
12 qualify for a Provisional License the second time around when comparing the Plaintiff to the second,
13 new set of applicants.

14 39. It would be inequitable and inappropriate to deprive the City of Henderson of one of
15 the five Provisional Certificates allocated to it due to an error by the Division.

16 40. Because the undisputed facts clearly demonstrate that the Division should have issued
17 the Provisional Certificate to the Plaintiff (as opposed to Wellness Connections), and because this
18 Court has the power to put the parties in the position that they should have been in if the law had been
19 followed, this Court is ordering that the Division immediately issue the now vacant Provisional
20 Certificate to Plaintiff, *nunc pro tunc*.

21 41. If any of the forgoing conclusions of law are properly findings of fact, they shall be
22 treated as if appropriately identified and designated.

23
24 **NOW THEREFORE:**

25 42. IT IS HEREBY ORDERED Plaintiff's Motion for Summary Judgment is GRANTED
26 in its entirety.

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1 43. IT IS FURTHER ORDERED that pursuant to NRS Chapter 30, this Court now
2 DECLARES AND DECREES that the Plaintiff, HENDERSON ORGANIC REMEDIES, LLC, a
3 Nevada limited liability company, is entitled to the Provisional Certificate previously surrendered by
4 Wellness Connections, *nunc pro tunc*, as if the same had been issued to the Plaintiff at the time it was
5 originally issued by the Division and all Defendants shall treat the Plaintiff as if the forgoing had
6 occurred.

7 44. IT IS FURTHER ORDERED that a PERMANENT MANDATORY INJUNCTION
8 is hereby ENTERED in favor of the Plaintiff and against the Division, requiring the Division to
9 immediately issue to the Plaintiff the Provisional Certificate previously surrendered by Wellness
10 Connections. The Division is further ordered to immediately undertake all actions and issue all
11 letters and/or certificates to the Plaintiff as previously undertaken and/or issued by the Division in
12 relation to the other recipients of the Provisional Certificates for the City of Henderson.

13 45. IT IS FURTHER ORDERED that JUDGMENT shall be entered in accordance with
14 this Order.

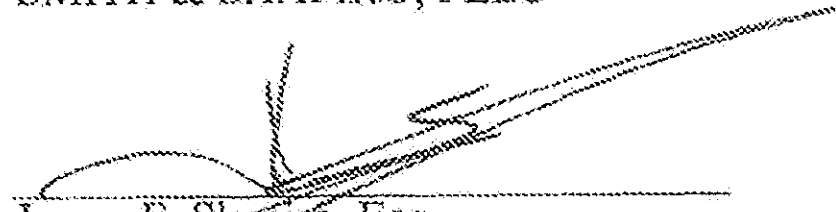
15 46. IT IS FURTHER ORDERED that as this Order resolves all outstanding issues in this
16 matter, this Order shall constitute a FINAL JUDGMENT in this matter. All pending hearings and/or
17 trial settings are hereby VACATED.

18 IT IS SO ORDERED this 20 day of July, 2015.

19
20 
21 DISTRICT COURT JUDGE

22 Respectfully Submitted by:


23 SMITH & SHAPIRO, PLLC

24
25 
26 James E. Shapiro, Esq.
27 Nevada Bar No. 7907
28 2520 Saint Rose Parkway, Suite 220
Henderson, Nevada 89074
Attorneys for Plaintiff
HENDERSON ORGANIC REMEDIES, LLC

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1 Approved as to form and content:

2 ADAM PAUL LAXALT
3 Attorney General

4 

5 Linda C. Anderson, Esq.
6 Chief Deputy Attorney General
7 Nevada Bar No. 4090
8 555 E. Washington Ave., #3900
9 Las Vegas, NV 89101
10 *Attorneys for STATE OF NEVADA,*
11 *DEPARTMENT OF HEALTH AND HUMAN*
12 *SERVICES*

Approved as to form and content:

CITY OF HENDERSON
JOSH M. REID, City Attorney

Signed in Counterpart

Brandon P. Kemble, Esq.
Nevada Bar No. 11175
240 Water St.
Henderson, NV 89015
Attorneys for Defendant
CITY OF HENDERSON

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1 Approved as to form and content:

2 ADAM PAUL LAXALT
3 Attorney General

4 Signed in Counterpart

5 Linda C. Anderson, Esq.
6 Chief Deputy Attorney General
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9 Las Vegas, NV 89101
10 *Attorneys for STATE OF NEVADA,*
11 *DEPARTMENT OF HEALTH AND HUMAN*
12 *SERVICES*

Approved as to form and content:

CITY OF HENDERSON
JOSH M. REID, City Attorney

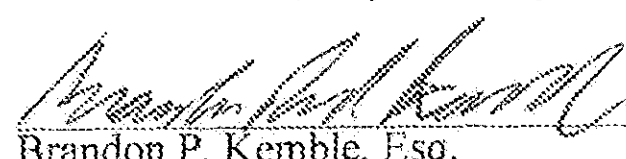

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240 Water St.
Henderson, NV 89015
Attorneys for Defendant
CITY OF HENDERSON

EXHIBIT 14

EXHIBIT 14

1 ORDR

2 EIGHTH JUDICIAL DISTRICT COURT

3 CLARK COUNTY, NEVADA

4 GB SCIENCES NEVADA, LLC, a Nevada
5 limited liability company,

6 Plaintiff,

7 vs.

8 STATE OF NEVADA, DIVISION OF PUBLIC
9 AND BEHAVIORAL HEALTH OF THE
10 DEPARTMENT OF HEALTH AND HUMAN
11 SERVICES; CITY OF LAS VEGAS, a
12 municipal corporation and political subdivision
13 of the State of Nevada; DESERT AIRE
14 WELLNESS, LLC, a Nevada limited liability
15 company; NULEAF CLV DISPENSARY,
16 LLC, a Nevada limited liability company;
17 DOES 1 through 100; and ROE ENTITIES 1
18 through 100,

19 Defendants.

20 ACRES MEDICAL, LLC,

21 Plaintiff in Intervention,

22 vs.

23 STATE OF NEVADA, DIVISION OF PUBLIC
24 AND BEHAVIORAL HEALTH OF THE
25 DEPARTMENT OF HEALTH AND HUMAN
26 SERVICES; CITY OF LAS VEGAS, a
27 municipal corporation and political subdivision
28 of the State of Nevada; NULEAF CLV
29 DISPENSARY, LLC, a Nevada limited liability
30 company; GB SCIENCES NEVADA, LLC, a
31 Nevada limited liability company,

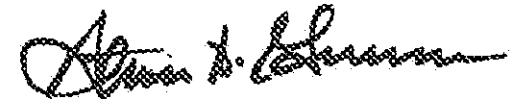
32 Defendants in Intervention.

Case No. A-14-710597-C

Dept. No. XX

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ORDER

THIS MATTER having come before the Court on GB SCIENCES NEVADA, LLC's ("Plaintiff") Motion for Summary Judgment (the "Motion") and on Defendant NULEAF CLV DISPENSARY, LLC ("NuLeaf") Countermotion for Summary Judgment ("Countermotion"); Plaintiff, having appeared by and through its attorneys of record, SMITH & SHAPIRO, PLLC; Defendant STATE OF NEVADA, DEPARTMENT OF HEALTH AND HUMAN SERVICES (the "State" or "Division"), having appeared by and through ADAM PAUL LAXALT, Attorney General, through his Chief Deputy Attorney General, LINDA C. ANDERSON; Defendant NuLeaf, having appeared by and through its attorneys of record, PISANELLI BICE, PLLC; Intervenor ACRES MEDICAL, LLC ("Acres"), having appeared by and through its attorneys of record, GREENBERG TRAURIG, LLP, the Court having reviewed the papers and pleadings on file herein, having heard the arguments of counsel, and good cause appearing, THE COURT FINDS AND CONCLUDES:

FINDINGS OF FACTS

1. In 2013, Senate Bill 374 was passed which provided for the registration of medical marijuana establishments authorized to cultivate or dispense marijuana or manufacture edible marijuana products or marijuana-infused products for sale to persons authorized to engage in the medical use of marijuana. Senate Bill 374 was codified into N.R.S. Chapter 453A.

2. Under N.R.S. § 453A.320 et seq., the Division was tasked with processing and ranking applications for Medical Marijuana Establishments ("MMEs") for each local jurisdiction in Nevada.

3. There were five types of MME's, including Dispensaries, Cultivation Facilities, and Production Facilities. The MME at issue in this lawsuit is a Dispensary.

4. The City of Las Vegas was allocated twelve Dispensary provisional certificates.

1 5. The Division, as well as the local jurisdiction, played a role in the ultimate licensing
2 of MMEs. Specifically, the local jurisdiction was tasked with considering issues such as site plans,
3 zoning and proximity to other business or facilities (the "Local Application Process") while the
4 Division focused on public health, public safety, and marijuana as a medicine (the "Division
5 Application Process").

6 6. In accordance with its responsibilities, the City of Las Vegas enacted Ordinance No.
7 6321 and 6324 to establish zoning regulations, licensing regulations, and standards for MME
8 locations.

9 7. The Division issued its application packet (the "Division Application").

10 8. While the Division was allowed to accept all applications submitted, under N.R.S. §
11 453A.322, the Division could only issue a medical marijuana establishment registration certificate (a
12 "Provisional Certificate") if the applicant's application included six (6) specific items and if the
13 applicant otherwise met the requirements established by N.R.S. Chapter 453A.

14 9. One of the six (6) items required by law before the Division could issue a Provisional
15 Certificate is found in N.R.S. § 453A.322(3)(a)(5), which states:

16 (5) If the city, town or county in which the proposed medical marijuana establishment
17 will be located has enacted zoning restrictions, proof of licensure with the applicable
18 local governmental authority or a letter from the applicable local governmental
19 authority certifying that the proposed medical marijuana establishment is in
20 compliance with those restrictions and satisfies all applicable building requirements.
21 (NRS § 453A.322(3)(a)(5)).

22 10. Plaintiff, Acres, and Nuleaf were three of the 49 applicants for a Dispensary License
23 in the City of Las Vegas.

24 11. On October 28-29, 2014, the Las Vegas City Council held a special meeting to
consider each applicant for a special use permit and compliance permit for an MME Dispensary.

1 12. The City of Las Vegas denied special use permits and compliance permits to ten (10)
2 applicants, including Nuleaf.

3 13. On October 30, 2014, the City of Las Vegas sent a letter to the Division notifying the
4 Division that Nuleaf's application for a special use permit and compliance permit from the City of
5 Las Vegas had been denied as not in compliance with land use restrictions and city code and
6 ineligible for a business license.

7 14. The City of Las Vegas letter was intended to comply, and did comply, with NRS
8 453A.322(3)(a)(5).

9 15. Specifically, pursuant to Las Vegas Municipal Code Section 6.95.080, the letter was
10 to give notice to the Division, as intended in subsection 3(a)(5), as to those medical marijuana
11 applicants which the City of Las Vegas had found to be or not to be in conformance with land use
12 and zoning restrictions, and eligible for consideration for a business license. This letter described the
13 applicable building requirements and zoning restrictions as outlined in the statute.

14 16. Notwithstanding, on or about November 3, 2014, the Division registered Nuleaf as a
15 medical marijuana establishment and issued a provisional registration certificate for an MME
16 Dispensary (the "Provisional License").

17 17. At the time the Department registered Nuleaf and issued a Provisional License,
18 Nuleaf did not meet the requirements of N.R.S. § 453A.322, which specifically permitted the
19 Division to register a medical marijuana establishment and issue a registration certificate if the
20 business seeking to register had completed all of the requirements of subsection 3(a), including
21 providing a letter from the applicable local authority certifying that the proposed medical marijuana
22 establishment is in "compliance with [zoning] restrictions and satisfies all applicable building
23 requirements."

24

1 18. The Nevada Department of Health and Human Services should have registered and
2 issued the registration certificate to the medical marijuana establishment to the top twelve ranked
3 applicants which met all the requirements of the statute.

4 19. Pursuant to the plain terms of the statute, the Division should not have registered
5 Nuleaf and issued it a registration certificate as Nuleaf had not met all the requirements of the
6 statute. The Court's reading of the statute is consistent with the apparent goal of the statute and the
7 legislature to quickly move the opening and operation of dispensaries in the state. This goal can best
8 be achieved through the Division registering certificates for the most qualified applicants who have
9 obtained preliminary approval that they are in "compliance with [zoning] restrictions and satisfies all
10 applicable building requirements" of the municipality. In view of the time limitations the statute sets
11 for when the Division may register certificates, the legislature clearly sought to avoid the situation
12 where the Division approved an applicant but the applicant then failed to obtain zoning or business
13 licensing from the municipality, resulting in a delay in the opening of the desired number of
14 dispensaries.

15 20. On November 9, 2015, the Court heard oral argument on intervenor Acres Medical,
16 LLC's ("Acres") Motion to Intervene as a Matter of Right Pursuant to NRCP 24 on Order
17 Shortening Time ("Motion to Intervene"). Acres' Motion to Intervene argued that Acres, not
18 Plaintiff GB Sciences, was next in line to receive a provisional registration certificate, should one
19 become available. Acres argued that pursuant to District Court order dated October 8, 2015, in *Acres*
20 *Medical, LLC v. Department of Health and Human Services, Division of Public and Behavioral*
21 *Health, et al.*, Case Number A-15-719637-W, Acres should have been the thirteenth ranked
22 applicant on November 3, 2014. The premise for Acres' intervention was that Acres was entitled to
23 the relief sought by GB Sciences in this action and Acres was adopting the arguments asserted by
24 GB Sciences. The Court granted Acres' Motion to Intervene at the November 9, 2015 hearing.

21. The Court may take judicial notice, whether requested or not, of facts capable of verification from a reliable source. See NRS 47.150(1). The Court takes judicial notice that pursuant to District Court order dated October 8, 2015, in *Acres Medical, LLC v. Department of Health and Human Services, Division of Public and Behavioral Health, et al.*, Case Number A-15-719637-W, Acres should have been the thirteenth ranked applicant on November 3, 2014. Accordingly, Acres, not Plaintiff GB Sciences, is the next applicant in line to receive a registration certificate should one become available.

22. If any of the forgoing findings of fact are properly conclusions of law, they shall be treated as if appropriately identified and designated.

CONCLUSIONS OF LAW

23. Summary judgment is appropriate where the pleadings, depositions, answers to interrogatories, admissions and affidavits on file, show that there exists no genuine issue as to any material fact, and that the moving party is entitled to judgment as a matter of law. Bird v. Casa Royale W., 97 Nev. 67, 624 P.2d 17 (1981).

24. The Nevada Supreme Court has noted that “Rule 56 should not be regarded as a ‘disfavored procedural shortcut’” but instead as an integral part of the rules of procedure as a whole, which are designed “to secure the just, speedy and inexpensive determination of every action.” Wood v. Safeway, Inc., 121 Nev. 724, 730, 121 P.3d 1026, 1030 (2005).

25. NRS § 30.040 gives this Court the ability to make certain declarations regarding the rights, status or other legal relations of parties to a lawsuit.

26. Further, this Court has the authority to issue mandatory injunctions "to restore the status quo, to undo wrongful conditions." Leonard v. Stoebling, 102 Nev. 543, 728 P.2d 1358 (1986); Memory Gardens of Las Vegas, Inc. v. Pet Ponderosa Memorial Gardens, Inc., 492 P.2d 123, 88 Nev. 1 (Nev., 1972).

1 27. One of the stated purposes of mandatory injunctions is "compelling the undoing of
2 acts that had been illegally done." City of Reno v. Matley, 378 P.2d 256, 79 Nev. 49 (Nev., 1963).

3 28. The Division has acknowledged that a complaint for declaratory and injunctive relief
4 is appropriate.

5 29. The issuance of the Provisional Certificate to Nuleaf was in error and contrary to
6 NRS § 453A.322(3).

7 30. Nuleaf should have been disqualified due to their non-compliance with NRS §
8 453A.322(3)(a)(5).

9 31. The Plaintiff and Acres have an inadequate remedy at law.

10 32. To require the Plaintiff or Acres to simply apply again as part of a new application
11 period is to deny the Plaintiff and Acres all of their remedies, not only because it delays their ability
12 to proceed forward with the initial applicants, but also because there is no guarantee that the Plaintiff
13 or Acres would even qualify for a Provisional License the second time around when comparing the
14 Plaintiff or Acres to the second, new set of applicants.

15 33. It would be inequitable and inappropriate to deprive the City of Las Vegas of one of
16 the twelve Provisional Certificates allocated to it due to an error by the Division.

17 34. At the hearing on the motions on November 9, 2015, counsel for the Division raised
18 the fact the City of Las Vegas sent its letter on October 30, 2014, four days before and only one
19 business day before the Division's planned issuance of registration certificates on November 3,
20 2014. The Division was not aware of the letter and those entities in conformance with City of Las
21 Vegas land use, zoning and building requirements at the time it issued registration certificates.
22 However, counsel stated the Division in issuing certificates looked at submitted applications without
23 considering the local approval requirement of the statute or whether any of the applicants in
24 municipalities throughout the state had received a letter of approval from the municipality where

1 they were located. Consequently, the Court finds the timing of the letter and whether the Division
2 should have been aware of it presents no excuse for the Division failing to comply with the
3 provisions of the statute. The Division was not looking for, inquiring, following up or even
4 considering whether applicants had complied with the statutory requirement of an approval letter
5 from the municipality where the applicant's business would be located.

6 35. The Court further finds no evidence presented suggests the City of Las Vegas sought
7 to use the zoning or land use process as a subterfuge for the City to determine the most qualified
8 applicants in place of the Division. The City made a determination as to applicants' compliance
9 with its zoning restrictions and satisfaction of applicable building requirements as it was specifically
10 expected to do pursuant to the statute before the registering of certificates.

11 36. If any of the forgoing conclusions of law are properly findings of fact, they shall be
12 treated as if appropriately identified and designated.

13 **NOW THEREFORE:**

14 37. **IT IS HEREBY ORDERED** Plaintiff's Motion for Summary Judgment is
15 **GRANTED** in part and **DENIED** in part.

16 38. **IT IS FURTHER ORDERED** that Plaintiff's Motion is **GRANTED** to the extent
17 Plaintiff is entitled to a declaration that Nuleaf should not have been registered or issued a
18 certification of registration as a medical marijuana establishment because it had not met all the
19 necessary requirements of 453A.322(3)(a).

20 39. **IT IS FURTHER ORDERED** that the Division shall rescind or withdraw the
21 registration of Nuleaf as a medical marijuana establishment.

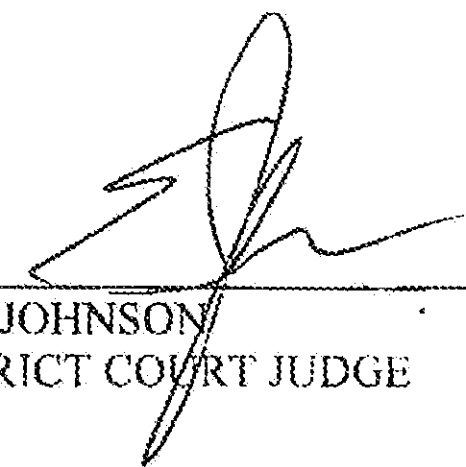
22 40. **IT IS FURTHER ORDERED** that Plaintiff's Motion is **DENIED** to the extent
23 Plaintiff seeks the re-issue of Nuleaf's registration to Plaintiff.
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41. IT IS FURTHER ORDERED that the Division register intervenor Acres and issue Acres a registration certificate.

42. IT IS FURTHER ORDERED Defendant Nuleaf's Countermotion for Summary Judgment is DENIED.

DATED this 11th day of December, 2015.



ERIC JOHNSON
DISTRICT COURT JUDGE

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Kelly Muranaka
Judicial Executive Assistant

1 **IN THE SUPREME COURT OF THE STATE OF NEVADA**

2 DESERT AIRE WELLNESS, LLC, a
3 Nevada Limited Liability Company,

4 Appellant/Cross-Respondent,
5 vs.

6 GB SCIENCES NEVADA, LLC, a
7 Nevada Limited Liability Company,

8 Respondent/Cross-Appellant,
9 and

10 THE STATE OF NEVADA,
11 DIVISION OF PUBLIC AND
12 BEHAVIORAL HEALTH,
13 DEPARTMENT OF HEALTH AND
14 HUMAN SERVICES,
15 Respondent.

Electronically Filed
Dec 13 2016 10:32 a.m.
Elizabeth A. Brown
Clerk of Supreme Court

CASE NO.: 70462

DISTRICT COURT CASE NO.:
A-15-728448-C

16 **JOINT APPENDIX VOLUME I**

17 Appeal from Eighth Judicial District Court, Clark County

18 The Honorable Kenneth C. Cory, District Judge

19 District Court Case No. A-15-728448-C

20 FENNEMORE CRAIG, P.C.
21 Richard H. Bryan (Bar No. 2029)
22 Patrick J. Sheehan (Bar No. 3812)
23 300 S. Fourth Street, Suite 1400
24 Las Vegas, Nevada 89101

25 and

26 MCLETCHIE SHELL LLC
27 Margaret A. McLetchie (Bar No. 10931)
28 Alina M. Shell (Bar No. 11711)
701 East Bridger Ave., Suite 520
Las Vegas, Nevada 89101
Counsel for Desert Aire Wellness, LLC

INDEX TO JOINT APPENDIX

<u>VOL.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>BATES NUMBERS</u>
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II	Affidavit of Service (Desert Aire Wellness, LLC)	02/09/16	JA303 – JA304
II	Affidavit of Service (State of Nevada, Division of Public and Behavioral Health, Department of Health and Human Services)	02/09/16	JA300 – JA302
I	Answer	12/24/15	JA024 – JA027
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I	City of Las Vegas' Answer to Complaint	01/19/16	JA028 – JA032
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<u>VOL.</u>	<u>DOCUMENT</u>	<u>DATE</u>	<u>BATES NUMBERS</u>
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II	Transcript re Plaintiff's Motion for Summary Judgment Against Desert Aire Wellness, LLC and Desert Aire Wellness, LLC's Opposition to Plaintiff's Motion for Summary Judgment Against Desert Aire Wellness, LLC and Countermotion for Summary Judgment Against GB Sciences Nevada, LLC	02/23/16	JA382 – JA417
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James E. Shapiro, Nevada Bar No. 7907
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Counsel for Respondent GB Sciences, LLC

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Counsel for Respondent State of Nevada

- 7 -


CLERK OF THE COURT

1 **ACOM**
James E. Shapiro, Esq.
2 Nevada Bar No. 7907
Sheldon A. Herbert, Esq.
3 Nevada Bar No. 5988
SMITH & SHAPIRO, PLLC
4 2520 St. Rose Parkway, Suite 220
Henderson, NV 89074
5 (702) 318-5033
Attorneys for Plaintiff

6 **DISTRICT COURT**

7 **CLARK COUNTY, NEVADA**

8 GB SCIENCES NEVADA, LLC, a Nevada limited
9 liability company,

10 Plaintiff,

11 vs.

Case No. A - 1 5 - 7 2 8 4 4 8 - C
Dept. No. I

12 STATE OF NEVADA, DIVISION OF PUBLIC
AND BEHAVIORAL HEALTH OF THE
13 DEPARTMENT OF HEALTH AND HUMAN
SERVICES; CITY OF LAS VEGAS, a municipal
14 corporation and political subdivision of the State of
Nevada; DESERT AIRE WELLNESS, LLC, a
15 Nevada limited liability company; DOES 1-10, and
ROE ENTITIES 1-100, inclusive,

16 Defendants.

17
18 **COMPLAINT**

19 COMES NOW Plaintiff GB SCIENCES NEVADA, LLC, a Nevada limited liability company,
20 by and through its attorneys of record, SMITH & SHAPIRO, PLLC, and for its Complaint, and, in
21 Addition, or in the Alternative, Petition for Judicial Review and Writ of Mandamus (the "Complaint").
22 alleges and avers as follows:

23 **PARTIES**

24 1. Plaintiff, GB SCIENCES NEVADA, LLC ("GB Sciences") is a Nevada limited liability
25 company located in Clark County, Nevada.

26 2. Defendant, STATE OF NEVADA, DIVISION OF PUBLIC AND BEHAVIORAL
27 HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (the "Division") is an
28 agency of the State of Nevada.

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3. Upon information and belief, Defendant DESERT AIRE WELLNESS, LLC ("*Desert Aire*") is a Nevada limited liability company doing business in Clark County, Nevada.

4. Upon information and belief, Defendant CITY OF LAS VEGAS (the "City") is a municipal corporation and political subdivision of the State of Nevada.

5. The true names and capacities whether individual, corporate, associate or otherwise of Defendants named herein as DOES 1 through 100, inclusive, and ROE ENTITIES 1 through 100, inclusive, and each of them, are unknown to Plaintiff who therefore sues those Defendants by such fictitious names. Plaintiff is informed, believes, and thereon alleges that each of the Defendants designated herein as a DOE or ROE ENTITY are one or more of the applicants improperly or unlawfully issued a provisional registration certificate for the operation of a medical marijuana establishment in the City of Las Vegas by the Division. In addition, or in the alternative, Plaintiff is informed, believes, and thereon alleges that each of the Defendants designated herein as a DOE or ROE ENTITY are one or more of the parties to the Division's proceeding challenged by Plaintiff as part of Plaintiffs Petition for Judicial Review asserted herein. The Division's anonymous application, scoring, and ranking process for the issuance of registration certificate for the operation of a medical marijuana establishment in the City of Las Vegas prevents Plaintiff from knowing the identities of DOE 1 through 100 or ROE ENTITIES 1 through 100 at this time. Plaintiff prays for leave to amend this Complaint to insert the true names or identities along with appropriate allegations when same become known.

6. Venue is proper in this Court pursuant to N.R.S. § 13.020(3) and N.R.S. § 233N.130(2)(b), in that this is the county where the cause, or some part thereof, arose and the aggrieved party resides.

GENERAL ALLEGATIONS

7. In 2013, the Nevada Legislature passed Senate Bill 374, which, in part, provided for the registration of medical marijuana establishments authorized to cultivate and dispense marijuana and marijuana infused products to those persons authorized to use medicinal marijuana.

8. The Nevada Legislature codified Senate Bill 374 in NRS Chapter 453A, *et seq.*

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1 9. As part of NRS Chapter 453A, the Nevada Legislature tasked the Division with
2 protecting the people of Nevada's general welfare, health, and safety through the registration of medical
3 marijuana establishments and medical marijuana establishment agents.

4 10. The Division, as well as the local jurisdiction, played a role in the ultimate licensing of
5 MMEs.

6 11. In order to achieve this purpose, the Division, in conjunction with various Nevada
7 counties, municipalities, interested parties, and Nevada citizens worked extensively to create a
8 regulatory framework for implementing and enforcing NRS Chapter 453A, et seq., in a fair and
9 balanced manner.

10 12. This effort resulted in the passage and implementation as of April 1, 2014, of NAC
11 453A.010, et seq., which provided the necessary regulations for the application, review, approval, and
12 ultimate registration of a medical marijuana establishment in accordance with the requirements of NRS
13 Chapter 453A.

14 13. Specifically, the local jurisdiction was tasked with considering issues such as site plans,
15 zoning and proximity to other business or facilities while the Division focused on public health, public
16 safety, and marijuana as a medicine.

17 **CITY OF LAS VEGAS' APPROVAL PROCESS**

18 14. The City of Las Vegas was allotted twelve (12) MME registration certificates (the
19 "**Registration Certificates**") by the Division.

20 15. In addition to the responsibilities of the Division, the City of Las Vegas, like several
21 other Nevada cities, towns, and counties, was tasked with the responsibility of considering and
22 approving "local" issues related to the registration of a Medical Marijuana Establishment such as "site
23 plans, project descriptions, zoning, and proximity to other business or facilities," as well as business
24 licensing.

25 16. In accordance with such responsibilities, the City Council of the City of Las Vegas
26 enacted Ordinance No. 6321 to establish zoning regulations and standards for medical marijuana
27 establishments.

28 \\

1 17. The City Council of the City of Las Vegas also enacted Ordinance No. 6324 to establish
2 licensing regulations and standards for medical marijuana establishments.

3 18. In addition, the City of Las Vegas prepared and issued a separate application packet for
4 any person wishing to obtain the required special use permit and business licensing for the operation
5 of a medical marijuana establishment in the City of Las Vegas (the "Las Vegas Application").

6 19. Accordingly, forty-three (43) applicants filed applications seeking the City of Las Vegas'
7 approval for zoning and licensing of a medical marijuana establishment to dispense medical marijuana.

8 20. Plaintiff and Defendant Desert Aire were two of the applicants.

9 21. On October 28, 2014, the City Council of the City of Las Vegas held a special meeting
10 to consider each applicant for a special use permit for a proposed medical marijuana dispensary.

11 22. The City of Las Vegas granted a special use permit to twenty-seven (27) applicants,
12 including Plaintiff.

13 23. The City of Las Vegas denied ten (10) applicants a Special Use Permit.

14 24. Six applicants, including Desert Aire withdrew their applications prior to the City
15 Council's October 28, 2014 special meeting.

16 25. The City of Las Vegas thereafter informed the Division of those applicants granted a
17 special use permit and those applicants denied a special use permit by the City of Las Vegas.

18 **THE DIVISION'S APPLICATION AND APPROVAL PROCESS**

19 26. NRS Chapter 453A.322(2) requires any person who wished to operate a medical
20 marijuana establishment in Nevada to submit to the Division an application on a form prescribed by the
21 Division.

22 27. While the Division was allowed to *accept* all applications submitted, under N.R.S. §
23 453A.322, the Division could only issue a Provisional Certificate if the applicant's application included
24 six (6) specific items and if the applicant otherwise met the requirements established by N.R.S. Chapter
25 453A.

26 28. NRS 453A.322(3)(a)(2) through (5) provided a list of items that every application for
27 a medical marijuana establishment must have submitted to the Division.

28 \\ \\

1 29. NRS 453A.322(3)(a)(5) expressly required that any application for a medical marijuana
2 establishment within a city, town, county that has enacted zoning restrictions, must include proof of the
3 applicable city, town, or county's prior licensure of the applicant or a letter from that city, town, or
4 county certifying that the applicant's proposed medical marijuana establishment was in compliance with
5 the city, town, or county's zoning restrictions and satisfies all applicable building requirements.

6 30. The Division was required to rank from first to last the completed applications within
7 a particular jurisdiction based on the content of each application as it relates to the criteria for evaluation
8 determined by the Division and provided by NRS Chapter 453A.

9 31. Supposedly in accordance with these and many other statutory and regulatory
10 requirements, the Division issued an application packet on May 30, 2014.

11 32. Thereafter, the Division set an August 18, 2014 deadline for submitting an application
12 to the Division for the registration of a medical marijuana establishment and began accepting
13 applications on August 5, 2014.

14 **THE DIVISION'S ISSUANCE OF PROVISIONAL CERTIFICATES**

15 33. NRS 453A.322(3) required the Division to register a medical marijuana establishment
16 applicant, issue a medical marijuana establishment registration certificate, and issue a random 20-digit
17 alphanumeric identification number not later than 90 days from the Division's receipt of an application
18 only if such an application for a medical marijuana establishment contained the specific items required
19 by NRS 453A.322(3)(a), which among other items, included the necessary prior zoning approvals from
20 the applicable local jurisdiction identified in NRS 453A.322(3)(a)(5).

21 34. However, the requirements of NRS 453A.322(3) and the Division's ability to issue a
22 medical marijuana registration certificate were subject expressly to the exceptions set forth in NRS
23 453A.326.

24 35. NRS 453A.326(3) required that any medical marijuana establishment registration
25 certificate issued by the Division be deemed provisional in any city, town, or county that issues business
26 licenses.

27 36. The City of Las Vegas is a Nevada city that enacted ordinances for the zoning and
28 business licensing of medical marijuana establishments.

1 37. As such, NRS 453A.326(3) required that the Division ensure compliance with NRS
2 453A.326(3)(5).

3 38. The Nevada Legislature enacted NRS 453A.322(3)(a)(5), which expressly required all
4 applicants for the operation of a medical marijuana establishment in the City of Las Vegas to submit
5 proof of the City of Las Vegas' zoning approval or a letter from the City of Las Vegas acknowledging
6 that the applicant's proposed medical marijuana establishment was in compliance with the City of Las
7 Vegas' restrictions and applicable building requirements.

8 **PLAINTIFF AND DEFENDANTS' APPLICATIONS**

9 39. On or before the Division's August 18, 2014 deadline, the Division received multiple
10 applications for the City of Las Vegas' twelve (12) allotted medical marijuana establishment registration
11 certificates for the operation of a medical marijuana dispensary in the City of Las Vegas.

12 40. Plaintiff and Desert Aire were among these applicants to the Division.

13 41. Prior to submitting an application to the Division, Plaintiff and Desert Aire each
14 submitted an application to the City of Las Vegas for a Special Use Permit and a Business License as
15 required by the City of Las Vegas' newly enacted ordinances.

16 42. However, Desert Aire subsequently withdrew its application before the City of Las
17 Vegas and never obtained the required the Special Use Permit or Business License from the City of Las
18 Vegas prior to November 3, 2014.

19 43. To the contrary, Plaintiff received a Special Use Permit for the operation of medical
20 marijuana dispensary from the City of Las Vegas and further, its application for Business License was
21 recommended for approval.

22 44. In addition, Plaintiff submitted as part of its application to the Division the City of Las
23 Vegas' certification that Plaintiff complied with the City of Las Vegas's ordinances and building
24 requirements concerning the operation of a medical marijuana establishment in the City of Las Vegas.

25 45. Upon information and belief, the City of Las Vegas informed the Division of those
26 applicants that it approved for a Special Use Permit, which included Plaintiff, and those applicants that
27 it denied a Special Use Permit or otherwise had withdrawn their applications, which included Desert
28 Aire.

1 46. Upon information and belief, the Division, upon receipt of the forty-nine (49)
2 applications for the operation of a medical marijuana dispensary in the City of Las Vegas, never made
3 the required initial determination that each application for the operation of a medical marijuana
4 dispensary was complete.

5 47. Also upon information and belief, the Division never determined whether each applicant
6 had submitted the required proof of licensure from the City of Las Vegas or a letter from the City of Las
7 Vegas certifying that each applicant's proposed medical marijuana dispensary complied with the City
8 of Las Vegas' restrictions and building requirements as prescribed by NRS 453A.322(3)(a)(5).

9 48. As a result, the Division improperly ranked the applications of Desert Aire against the
10 acceptable criteria.

11 49. On or about November 3, 2014, Plaintiff received notification from the Division that it
12 was not issued a provisional registration certificate due to the fact that its score was not high enough to
13 rank within the top 12 spots allotted for the City of Las Vegas.

14 50. At the same time, Plaintiff discovered that the Division ranked and issued provisional
15 registration certificate to Desert Aire (ranked #10).

16 51. Had the Division complied with the express requirements of NRS 453A.322(3), NAC
17 453A.310, NAC 453A.312, and NAC 453A.332, and the Division's previous public statements regarding
18 the correct application procedure, Desert Aire (ranked #10) should not have received a ranking let alone
19 a provisional registration certificate.

20 52. More importantly, Plaintiff's score (166.86) would have and should been high enough
21 to rank within the top 12 spots allotted for the City of Las Vegas and therefore, Plaintiff should have
22 received a provisional registration certificate from the Division within the 90-day evaluation period.

23 53. Consequently, Plaintiff, in actuality being ranked #11, would have received provisional
24 registration certificate from the Division in accordance with Nevada law and as approved by the City
25 of Las Vegas.

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FIRST CAUSE OF ACTION
(Declaratory Relief, Pursuant to N.R.S. § 30.010 *et seq.*)

54. Plaintiff repeats and realleges the allegations contained in Paragraphs 1 through 54 of the Second Amended Complaint, and incorporates the same by this reference as if more fully set forth herein.

55. There exists a justiciable controversy between Plaintiff, on the one hand, and the Division, City, and Desert Aire, on the other hand regarding the issuance of provisional certificates for MME dispensaries under NRS Chapter 453A.

56. The interests of Plaintiff are adverse to the interests of the Division, City, and Desert Aire, if any.

57. Plaintiff has a legally protectable interest in the controversy.

58. The issue involved in the controversy is ripe for judicial determination with respect to the construction, interpretation, and implementation of NRS Chapter 453A, NAC 453A, and other Nevada laws and regulations as to the Plaintiff.

59. Plaintiff is entitled to a declaration, pursuant to N.R.S. § 30.010 *et seq.*, that Desert Aire failed to comply with the express provisions of N.R.S. § 453A.322(3)(a)(5), that the Division improperly issued a provisional certificate to Desert Aire, that the Plaintiff did comply with the express provisions of N.R.S. § 453A.322(3)(a)(5), that the Division improperly denied Plaintiff a provisional certificates as the next applicant in line, that the provisional certificate issued to Desert Aire should be revoked, that a provisional certificates should be issued to Plaintiff, that Desert Aire should not be issued an actual provisional certificate, and that the deadlines and requirements of the City for issuance of licenses for MME Dispensaries should be tolled for the benefit of the Plaintiff until after the Plaintiff's claims are determined in this case so that Plaintiff will not suffer detriment due to the fact that it should have been issued a provisional certificates on November 3, 2014.

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1 60. Plaintiff is likewise entitled to a declaration that all applicable deadlines and time periods
2 should be tolled and/or extended due to the Division's error described herein.

3 61. Plaintiff has been required to retain the services of an attorney to prosecute this matter,
4 and Plaintiff is, therefore, entitled to its reasonable attorneys' fees and costs incurred in prosecuting this
5 matter.

6 **SECOND CAUSE OF ACTION**
7 **(Injunctive Relief)**

8 62. Plaintiff repeats and realleges the allegations contained in Paragraphs 1 through 61 of
9 the Second Amended Complaint, and incorporates the same by this reference as if more fully set forth
10 herein.

11 63. The Division's issuance of provisional certificate to Desert Aire has caused irreparable
12 harm to the Plaintiff because there are only 12 Provisional Certificates allocated to the City of Las
13 Vegas and Plaintiff was denied one of the 12 Provisional Certificates due to the improper issuance of
14 provisional certificate to Desert Aire.

15 64. The Division's refusal to revoke the provisional certificate issued to Desert Aire, or to
16 reissue a provisional certificates to the Plaintiff has caused Plaintiff to suffer irreparable harm and
17 Plaintiff continues to suffer irreparable harm.

18 65. Desert Aire failed to comply with the requirements of the City of Las Vegas or the
19 provisions of N.R.S. Chapter 453A for issuance of provisional certificates.

20 66. The Plaintiff complied with the requirements of the City of Las Vegas, and the
21 provisions of N.R.S. Chapter 453A, and should have been issued a provisional certificates as the next
22 eligible and qualified applicant in line.

23 67. The Plaintiff is likely to succeed on the merits of its case because the plain language of
24 the applicable provisions of N.R.S. Chapter 453A requires the Division to score applicants and issue
25 a provisional certificates in order of rank, Plaintiff satisfied all provisions of NRS Chapter 453A and
26 would have been ranked #10 for the 12 provisional certificates allocated to the City of Las Vegas, with
27 the elimination of Desert Aire which did not comply with the provisions of NRS Chapter 453A.

28 \\

1 68. Plaintiff has no adequate remedy at law and compensatory relief is inadequate.

2 69. Plaintiff is entitled to a permanent mandatory injunction against the Division, enjoining
3 the Division:

4 (a) from issuing actual Registration Certificates to Desert Aire;

5 (b) to revoke the provisional certificates issued to Desert Aire;

6 (c) to identify Plaintiff as the next highest ranking applicant for one of the Provisional
7 Certificates allocated to the City of Las Vegas; and

8 (d) to issue a provisional certificates to Plaintiff.

9 70. Plaintiff is entitled to a permanent mandatory injunction against the City, requiring the
10 City to toll all deadlines which would have been required of the Plaintiff until after the Court rules on
11 Plaintiffs claims in this case, by virtue of the fact that Plaintiff should have received a Provisional
12 Certificate on November 3, 2014.

13 71. Plaintiff has been required to retain the services of an attorney to prosecute this matter,
14 and Plaintiff is, therefore, entitled to its reasonable attorneys' fees and costs incurred in prosecuting this
15 matter.

16 In addition, or in the alternative to Plaintiff's allegations and Causes of Action asserted
17 above, Plaintiff also alleges the following and petitions this Court for Judicial Review in the
18 manner prescribed by *NRS 233B.010, et seq.*

19 **PETITION FOR JUDICIAL REVIEW**

20 72. Plaintiff repeats and realleges the allegations contained in Paragraphs 1 through 71 of
21 the Second Amended Complaint, and incorporates the same by this reference as if more fully set forth
22 herein.

23 73. Petitioner, GB Sciences Nevada, LLC, a Nevada limited liability company (hereinafter
24 "Petitioner") is an applicant to the Division for the Division's issuance of a Registration Certificate for
25 the operation of a Medical Marijuana Establishment (an "MME") Dispensary in the City of Las Vegas,
26 Nevada.

27 74. Through the Division's application process and the Division's review, scoring, and
28 ranking of Petitioner's application for an MME Registration Certificate, the Division has determined

1 the legal rights, duties, or privileges of Petitioner as to the issuance of a Registration Certificate for the
2 operation of an MME Dispensary in the City of Las Vegas, Nevada.

3 75. Accordingly, Petitioner is a party of record to proceedings at the Division in a contested
4 matter.

5 76. On or about November 3, 2014, the Division sent out a letter informing Petitioner that
6 the Division had not issued a provisional Registration Certificate (a "Provisional Certificate") to
7 Petitioner because Petitioner did not achieve a score high enough to rank it in the top 12 applicants
8 within the City of Las Vegas, Nevada.

9 77. On or about November 20, 2014, Petitioner sent correspondence to the Division
10 requesting a hearing regarding Petitioner's application to the Division for a Registration Certificate for
11 the operation of an MME Dispensary in the City of Las Vegas, Nevada.

12 78. On November 25, 2014, the Division sent out a letter informing Petitioner that
13 Petitioner's request for a hearing was denied since the Nevada Legislature allegedly did not provide
14 Petitioner hearing rights concerning its application for a Registration Certificate.

15 79. As such, the Division's November 3, 2014 notification to Petitioner refusing to issue
16 Petitioner a Provisional Certificate for the operation of an MME Dispensary in the City of Las Vegas,
17 Nevada is the Division's final decision on the matter.

18 80. As such, Petitioner has been aggrieved by the Division's "final" refusal to issue
19 Petitioner a Provisional Certificate for the operation of an MME Dispensary in the City of Las Vegas,
20 Nevada in accordance with NRS Chapter 453A and NAC 453A.

21 81. Pursuant to *NRS 233B.130*, Petitioner is entitled to Judicial Review of the Division's
22 "final decision" denying Petitioner's application and refusing to issue Petitioner a Provisional
23 Certificate for the operation of an MME Dispensary in the City of Las Vegas, Nevada in accordance
24 with NRS Chapter 453A and NAC 453A.

25 82. Petitioner, therefore, petitions this Court for Judicial Review of the proceeding at the
26 Division, including, but not limited to, Petitioner's submission, review, scoring, and ranking of its
27 application for registration certificate for the operation of an MME Dispensary in the City of Las Vegas,
28 Nevada.

1 83. Petitioner further demands that the entire record of the proceeding at the Division be
2 transmitted by the Division in the manner required by *NRS 233B.131*.

3 **PETITION FOR WRIT OF MANDAMUS**

4 84. Plaintiff repeats and realleges the allegations contained in Paragraphs 1 through 83 of
5 the Second Amended Complaint, and incorporates the same by this reference as if more fully set forth
6 herein.

7 85. The Division was required to solicit applications, review, score, rank, and issue
8 Provisional Certificates for the operation of an MME in the City of Las Vegas, Nevada in compliance
9 with NRS Chapter 453A, NAC 453A, and other Nevada laws and regulations.

10 86. The Division failed to comply with the requirements of NRS Chapter 453A, NAC 453A,
11 and other Nevada laws and regulations of an MME in the City of Las Vegas to Desert Aire.

12 87. The Division further failed to comply with the requirements of NRS Chapter 453A, NAC
13 453A, and other Nevada laws and regulations when it unlawfully denied Petitioner a Provisional
14 Certificate for the operation of an MME in the City of Las Vegas, Nevada.

15 88. Accordingly, the Division has failed to perform acts that Nevada law compelled the
16 Division to perform.

17 89. Petitioner has no plain, speedy, and adequate remedy in the ordinary course of law to
18 correct the Division's failure to perform as required by Nevada law or compel the Division to perform,
19 as it is required by Nevada law.

20 90. Petitioner, therefore, petitions this Court for a Writ of Mandamus as alleged and in a
21 formal Application for Writ of Mandamus to be filed separately, to compel the Division to issue
22 Petitioner the Provisional Certificate for the operation of an MME Dispensary in the City of Las Vegas,
23 Nevada that Petitioner was entitled to receive had the Division complied with the requirements of NRS
24 Chapter 453A, NAC 453A, and other Nevada laws and regulations.

25 91. Petitioner also petitions this Court for a Writ of Mandamus as alleged and in a formal
26 Application for Writ of Mandamus to be filed separately, to compel the City to toll all time periods
27 related to the issuance of licenses for the operation of an MME Dispensary in the City of Las Vegas due
28 to the Division's failure to issue a Provisional Certificate to Plaintiff on November 3, 2014.

1 WHEREFORE, Plaintiff prays for relief as follows:

2 1. For declaratory relief in the manner set forth in Plaintiff's First Cause of Action;

3 2. For injunctive relief, specifically a preliminary and permanent mandatory injunction,
4 enjoining the Division:

5 (a) from issuing actual Registration Certificates to Desert Aire;

6 (b) to revoke the Provisional Certificates issued to Desert Aire;

7 (c) to identify Plaintiff as the next highest ranking applicant for one of the Provisional
8 Certificates allocated to the City of Las Vegas; and

9 (d) to issue a Provisional Certificate to Plaintiff.

10 3. For injunctive relief, specifically a preliminary and permanent mandatory injunction,
11 requiring the City to toll all deadlines which would have been required of the Plaintiff until after the
12 Court rules on Plaintiffs claims in this case, by virtue of the fact that Plaintiff should have received a
13 Provisional Certificate on November 3, 2014.

14 4. For reasonable attorneys' fees and costs of suit; and

15 5. For such other and further relief as the Court deems appropriate in the premises.

16 6. In addition, or in the alternative, Plaintiff also petitions this Court for Judicial Review
17 of the Division's "final decision" denying Petitioner's application and refusing to issue Petitioner a
18 Provisional Certificate for the operation of an MME Dispensary in the City of Las Vegas, Nevada in
19 accordance with NRS Chapter 453A and NAC Chapter 453A.

20 7. In addition, or in the alternative, Petitioner also petitions this Court to issue a Writ of
21 Mandamus compelling the Division to comply with the requirements of NRS Chapter 453A, NAC
22 453A, and other Nevada laws and regulations and issue Petitioner a Provisional Certificate for the
23 operation of an MME Dispensary in the City of Las Vegas, Nevada, and compelling the City to toll all
24 time periods related to the issuance of licenses for the operation of an MME Dispensary in the City of
25 Las Vegas due to the Division's failure to issue a Provisional Certificate to Plaintiff on November 3,
26 2014.

27 \\\

28 \\\

SMITH & SHAPIRO, PLLC
2520 St. Rose Parkway, Suite 220
Henderson, Nevada 89074
(702) 318-5033

1 DATED this 2nd day of December, 2015.

2 SMITH & SHAPIRO, PLLC

3 /s/ James E. Shapiro

4 James E. Shapiro, Esq.

5 Nevada Bar No. 7907

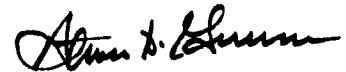
6 Sheldon A. Herbert, Esq.

7 Nevada Bar No. 5988

8 2520 St. Rose Parkway, Suite 220

9 Henderson, NV 89074

10 Attorneys for Plaintiff



CLERK OF THE COURT

1 AACC
2 MICHAEL H. SINGER, ESQ.
3 Nevada Bar No. 1589
4 MICHAEL H. SINGER, LTD.
5 4475 South Pecos Road
6 Las Vegas, Nevada 89121
7 Telephone: (702) 454-2111
8 Facsimile: (702) 454-3333
9 Email: msinger@mhsingerlaw.com
10 Attorney for Defendant/Counterclaimant

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DISTRICT COURT
CLARK COUNTY, NEVADA

GB SCIENCES NEVADA, LLC, a Nevada
limited liability company,

Plaintiff,

vs.

STATE OF NEVADA, DIVISION OF PUBLIC
AND BEHAVIORAL HEALTH OF THE
DEPARTMENT OF HEALTH AND HUMAN
SERVICES; CITY OF LAS VEGAS, a municipal
corporation and political subdivision of the State
of Nevada; DESERT AIRE WELLNESS, LLC, a
Nevada limited liability company; DOES 1-10,
and ROE ENTITIES 1-100, inclusive,

Defendant.

DESERT AIRE WELLNESS, LLC, a Nevada
limited liability company,

Counterclaimant,

vs.

GB SCIENCES NEVADA, LLC, a Nevada
limited liability company,

Counterdefendant.

Case No.: A-15-728448-C

Dept. No.: I

ANSWER AND COUNTERCLAIM

COMES NOW Defendant, Desert Aire Wellness LLC ("Defendant"), by and through its
attorney, MICHAEL H. SINGER, ESQ., of the law firm of MICHAEL H. SINGER, LTD., and for its
Answer to Plaintiff's Complaint, answers as follows:

1 **PARTIES**

2 1. Defendant admits the allegations contained in paragraphs 1 – 4, and 6 of Plaintiff's
3 Complaint.

4 2. Defendant Denies the allegations contained in paragraph 5 of Plaintiff's Complaint.

5 **GENERAL ALLEGATIONS**

6 3. Defendant admits the allegations contained in paragraphs 7 – 10, and 13 of Plaintiff's
7 Complaint.

8 4. Defendant is without sufficient information or belief to either admit or deny the
9 allegations contained in paragraphs 11 and 12 of Plaintiff's Complaint and therefore denies the same.

10 **CITY OF LAS VEGAS' APPROVAL PROCESS**

11 5. Defendant admits the allegations contained in paragraphs 14, 16 – 18, and 21 of
12 Plaintiff's Complaint.

13 6. Defendant admits that the City of Las Vegas was granted certain responsibilities in
14 connection with the issuance of a business license for the legal sale of medical marijuana, and denies the
15 remainder of the allegations contained in paragraph 15 of Plaintiff's Complaint.

16 7. Defendant is without sufficient information or belief to either admit or deny the
17 allegations contained in paragraphs 19, 23, and 25 of Plaintiff's Complaint and therefore denies the
18 same.

19 8. Defendant is without sufficient information or belief that Plaintiff was an applicant for a
20 medical marijuana license and denies the allegations contained in paragraph 20 of Plaintiff's Complaint.

21 9. Defendant admits Plaintiff was granted a special use permit, and denies the remainder of
22 the allegations contained in paragraph 22 of Plaintiff's Complaint.

23 10. Defendant denies it withdrew its application, and is without sufficient information to
24 either admit or deny the remainder of the allegations contained in paragraph 24 of Plaintiff's Complaint
25 and therefore denies the same.

26 **THE DIVISION'S APPLICATION AND APPROVAL PROCESS**

27 11. Defendant admits the allegations contained in paragraphs 26 and 36 of Plaintiff's
28 Complaint.

1 12. Defendant denies paragraphs 27 – 30 on the basis that they state a legal conclusion, not a
2 factual allegation.

3 13. Defendant is without sufficient information or belief to either admit or deny the
4 allegations contained in paragraphs 31 and 32 of Plaintiff's Complaint and therefore denies the same.

5 14. Defendant denies paragraphs 33 – 35, and 37 – 38 of Plaintiff's Complaint on the basis
6 that it calls for a legal conclusion and is not a factual assertion.

7 **PLAINTIFF AND DEFENDANTS' APPLICATIONS**

8 15. Defendant admits the allegations contained in paragraph 39 of Plaintiff's Complaint.

9 16. Defendant admits it was an applicant, and is without sufficient information to either
10 admit or deny the remainder of the allegations contained in paragraph 40 of Plaintiff's Complaint and
11 therefore denies the same.

12 17. Defendant admits it submitted an application to the City of Las Vegas, and is without
13 sufficient information to either admit or deny the remainder of the allegations contained in paragraph 41
14 of Plaintiff's Complaint and therefore denies the same.

15 18. Defendant denies the allegations contained in paragraphs 42, 51, 46 – 48 of Plaintiff's
16 Complaint.

17 19. Defendant is without sufficient information to either admit or deny the allegations
18 contained in paragraphs 43, 44, 49, 50, 52, and 53 of Plaintiff's Complaint and therefore denies the
19 same.

20 20. Defendant denies that the City of Las Vegas ever notified the Division that Defendant
21 had withdrawn its application and that, in fact, Defendant withdrew its application.

22 **FIRST CAUSE OF ACTION**

23 **(Declaratory Relief, Pursuant to N.R.S. § 30.010 *et seq.*)**

24 21. Defendant restates its responses to the paragraphs above as though fully stated herein.

25 22. Defendant denies the allegations contained in paragraphs 55, and 57 – 61 of Plaintiff's
26 Complaint.

27 23. Defendant admits the allegations contained in paragraph 56 of Plaintiff's Complaint.

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24. Defendant restates its responses to the paragraphs above as though fully stated herein.

25. Defendant denies the allegations contained in paragraphs 62 – 71 of Plaintiff's Complaint.

26. Defendant restates its responses to the paragraphs above as though fully stated herein.

27. Defendant is without sufficient information to either admit or deny the allegations contained in paragraphs 73 – 78 of Plaintiff's Complaint and therefore denies the same.

28. Defendant denies the allegations contained in paragraphs 79 – 83 of Plaintiff's Complaint.

29. Defendant restates its responses to the paragraphs above as though fully stated herein.

30. Defendant admits the allegations contained in paragraph 85 of Plaintiff's Complaint.

31. Defendant denies the allegations contained in paragraphs 86 – 91 of Plaintiff's Complaint.

I.

1. Plaintiff's Complaint fails to state a cause of action against Defendant Desert Aire Wellness LLC.

(Estoppel / Collateral Estoppel)

1. On November 3, 2014, Defendant Desert Aire Wellness LLC received notification from the Division that its location at “420 E. Sahara Ave #4632 in the LAS VEGAS local jurisdiction” had been approved as a suitable location for the operation of a medical marijuana dispensary.

///

2. Since November 3, 2014 to the present date, Defendant Desert Aire Wellness LLC has spent approximately Eight Hundred Thousand Dollars (\$800,000) in improvements and related expenses to meet the City of Las Vegas business license requirements, and will likely spend approximately One Hundred Fifty Thousand Dollars (\$150,000) to finalize the total reconstruction of its dispensary site, including all necessary equipment needed for an efficiently operated dispensary.

3. On or about December 2, 2014, Plaintiff filed an action in District Court (Case No.: A-14-710597-C) wherein it claimed it was improperly denied a provisional certificate by the Division.

4. Defendant Desert Aire Wellness LLC was a named defendant in that matter and it appeared as such and participated in all proceedings through April 1, 2015, when this Plaintiff voluntarily dismissed, without prejudice, Case No.: A-14-710597-C against Defendant Desert Aire Wellness LLC.

5. Defendant Desert Aire Wellness LLC expended in excess of Fifty Thousand Dollars (\$50,000) in defense of that proceeding which contained the same allegations as those contained herein.

6. By reason of the above, it would be unjust and inequitable to deprive Defendant Desert Aire Wellness LLC of its legal right to operate a MMS dispensary, and Plaintiff is estopped from doing so, and from enjoining the Division and City of Las Vegas from issuing their final licensing approvals to Defendant Desert Aire Wellness LLC.

7. As an alternative to the foregoing, Plaintiff is collaterally estopped from contesting Defendant Desert Aire Wellness LLC's legal authority to own and operate a MME dispensary.

III.

(Failure to Exhaust Administrative Remedy)

1. Plaintiff, has never brought a “contested matter” before the applicable licensing agency, the Division of Public Health and Behavioral Health, the State of Nevada Department of Health and Human Services.

2. By reason thereof, Plaintiff, pursuant to Chapter 233B of the Nevada Revised Statutes, has not exhausted its administrative remedy.

3. As a consequence, Plaintiff is not entitled to Judicial Review of the Division's refusal to grant it an MME registration certificate.

1 IV.

2 (No Injunctive Relief)

3 1. Defendant restates paragraphs 1 – 5 of its Second Affirmative Defense as though fully
4 stated herein.

5 2. The balance of hardships weighs heavily in favor of Defendant Desert Aire Wellness
6 LLC given the time, effort, and money it has expended to secure the MME registration certificate.

7 3. In accordance therewith, Plaintiff has no legal right or equitable claim to enjoin the
8 division, the City of Las Vegas, or Defendant Desert Aire Wellness LLC from securing its MME
9 registration certificate.

10 V.

11 (Laches)

12 1. Defendant restates paragraphs 1 – 5 of its Second Affirmative Defense as though fully
13 stated herein.

14 2. As a consequence of the foregoing, Plaintiff's claims against Defendant Desert Aire
15 Wellness LLC are barred by the doctrine of laches.

16 VI.

17 (Additional Affirmative Defenses)

18 1. Defendant reserves the right to assert any additional affirmative defenses as the evidence
19 later develops and reserves the right to seek leave of court to amend its Answer.

20 COUNTERCLAIM

21 FIRST CAUSE OF ACTION

22 (Attorneys Fees)

23 1. It has been necessary for Defendant/Counterclaimant Desert Aire Wellness LLC to
24 engage the services of Michael H. Singer, Ltd. to defend this action.

25 2. By reason thereof, Defendants/Counterclaimants are entitled to an award of attorneys
26 fees.

27 WHEREFORE, Defendant/Counterclaimant Desert Aire Wellness LLC prays for relief as
28 follows:

1. Judgment dismissing Plaintiff's Complaint against Desert Aire Wellness LLC, the Division, and the City insofar as it related to Desert Aire Wellness LLC;

2. Costs of suit;

3. For attorneys fees to be determined by the Court; and

4. For such other and further relief as the Court deems reasonable in the premises.

DATED this 12 day of December, 2015.

MICHAEL H. SINGER, LTD.

BY: Michael H. Singer
MICHAEL H. SINGER, ESQ.

Nevada Bar No. 1589

4475 S. Pecos Road

Las Vegas, NV 89121

Attorney for Defendant/Counterclaimant

CERTIFICATE OF SERVICE

Pursuant to Nev. R. Civ. P. 5(b), I hereby certify that service of the foregoing was made this 17th day of December, 2015, by electronic service through the Eighth Judicial District Court's Odyssey E-File and Serve System, to each of the following on the E-Service Master List:

Smith & Shapiro, PLLC

Contact

Ashley Houston

James E. Shapiro

Sheldon Herbert

Jill Berghammer

Email

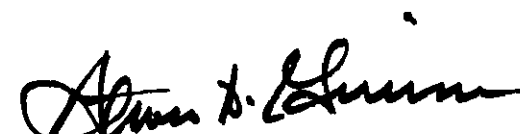
ahouston@smithshapiro.com

jshapiro@smithshapiro.com

sherbert@smithshapiro.com

jberghammer@smithshapiro.com

[Signature]
An employee of Michael H. Singer, Ltd.



CLERK OF THE COURT

1 AOS
James E. Shapiro, Esq.
2 Nevada Bar No. 7907
Sheldon A. Herbert, Esq.
3 Nevada Bar No. 5988
SMITH & SHAPIRO, PLLC
4 2520 St. Rose Parkway, Suite 220
Henderson, NV 89074
5 (702) 318-5033
Attorneys for Plaintiff

DISTRICT COURT

CLARK COUNTY, NEVADA

8 GB SCIENCES NEVADA, LLC, a Nevada limited
liability company,

Plaintiff,

10 vs.

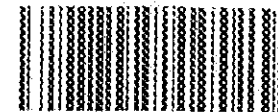
Case No.
Dept. No.

11 STATE OF NEVADA, DIVISION OF PUBLIC
12 AND BEHAVIORAL HEALTH OF THE
DEPARTMENT OF HEALTH AND HUMAN
13 SERVICES; CITY OF LAS VEGAS, a municipal
corporation and political subdivision of the State of
14 Nevada; DESERT AIRE WELLNESS, LLC, a
Nevada limited liability company; DOES 1-10, and
15 ROE ENTITIES 1-100, inclusive,

Defendants.

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19 **AFFIDAVIT OF SERVICE**
20
21 **(CITY OF LAS VEGAS)**
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27
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SMITH & SHAPIRO, PLLC
2520 St. Rose Parkway, Suite 220
Henderson, Nevada 89074
(702) 318-5033



AFFIDAVIT OF SERVICE

STATE OF NEVADA)
)
COUNTY OF CLARK)

Edward Kielty, being duly sworn deposes and says: that at all times herein affiant was and is a citizen of the United States, over 18 years of age, licensed to serve civil process in the state of Nevada under license #389, and not a party to or interested in the proceeding in which this affidavit is made. The affiant received on Thursday December 03 2015; 1 copy(ies) of the:

SUMMONS; COMPLAINT; CIVIL COVER SHEET


I served the same on Thursday December 03 2015 at 01:44PM by:

**Serving Defendant CITY OF LAS VEGAS, A MUNICIPAL CORPORATION AND POLITICAL
SUBDIVISION OF THE STATE OF NEVADA, BY SERVING THE CITY CLERK**

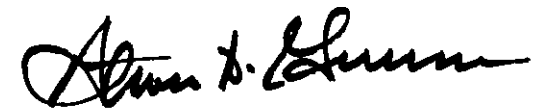
Substituted Service, by leaving the copies with or in the presence of: STACEY "DOE", DEPUTY CITY CLERK, WHITE FEMALE, 45 YEARS, DARK HAIR, DARK EYES, 5'8", 175 LBS Authorized Agent. at the Defendant's Business located at 495 S MAIN ST, Las Vegas, NV 89101.

Pursuant to NRS 53.045, I declare under the penalty of perjury under the law of the State of Nevada that the forgoing is true and correct.

Executed: Friday December 04 2015



Affiant: Edward Kielty #Licensee #389
LEGAL WINGS, INC. - NV LIC #389
1118 FREMONT STREET
Las Vegas, NV 89101
(702) 384-0305, FAX (702) 384-8638



CLERK OF THE COURT

ADAM PAUL LAXALT
Attorney General
Linda C. Anderson
Chief Deputy Attorney General
Nevada Bar No. 4090
555 E. Washington Ave., #3900
Las Vegas, NV 89101
P: (702) 486-3420
F: (702) 486-3871
E-mail: landerson@ag.nv.gov

DISTRICT COURT
CLARK COUNTY, NEVADA

GB SCIENCES NEVADA, LLC, a Nevada
limited liability company,

Plaintiff,

vs.

STATE OF NEVADA, DIVISION OF PUBLIC
AND BEHAVIORAL HEALTH; et. al.

Defendants.

Case No.: A-15-728448-C
Dept. No.: I

ANSWER

COMES NOW Defendant STATE OF NEVADA, DIVISION OF PUBLIC AND
BEHAVIORAL HEALTH OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES,
(hereinafter "STATE") through their counsel, ADAM PAUL LAXALT, Attorney General, through his
Chief Deputy, Linda C. Anderson, and hereby answers the Complaint filed December 2, 2015, in the
above-entitled action and admit, deny and aver as follows:

1. Answering paragraphs 1 through and including 6, upon information and belief, the STATE
admits the description of the parties to the extent the information remains accurate.

2. Answering paragraphs 7 through and including 13, the STATE admits allegations to the extent
they are accurate.

3. Answering paragraphs 14 through and including 25, the STATE is without sufficient
information to form a belief about the truth of the allegations about the City of Las Vegas' process and
therefore, denies the same.

1 4. Answering paragraphs 26 through and including 32, the STATE admits allegations to the extent
2 they are accurate.

3 5. Answering paragraphs 33 through and including 40, the STATE admits to the general
4 description to the extent they are accurate except does not agree with the characterization of some of the
5 allegations and also asserts the paragraphs contain opinion, argument or conclusions of law that the
6 STATE is not required to answer and therefore, denies the same.

7 6. Answering paragraphs 41 through and including 53, the STATE is without sufficient
8 information to form a belief about the truth of the allegations concerning the process of the City of Las
9 Vegas or does not agree with the characterization of some of the allegations and also asserts the paragraphs
10 contain opinion, argument or conclusions of law that the STATE is not required to answer and therefore,
11 denies the same.

12 7. Answering paragraphs 54 through and including 61, in the first claim for declaratory relief, the
13 STATE is without sufficient information to form a belief about the truth of the allegations or does not
14 agree with the characterization of some of the allegations and also asserts the paragraphs contain opinion,
15 argument or conclusions of law that the STATE is not required to answer and therefore, denies the same.

16 8. Answering paragraphs 62 through and including 71, in the second claim for injunctive relief,
17 the STATE is without sufficient information to form a belief about the truth of the allegations or does not
18 agree with the characterization of some of the allegations and also asserts the paragraphs contain opinion,
19 argument or conclusions of law that the STATE is not required to answer and therefore, denies the same.

20 9. The STATE is not required to answer the remaining paragraphs for the alternative Petition for
21 Judicial Review or Petition for Writ of Mandamus at this time. If the untimely Petition for Judicial
22 Review is not withdrawn, the State will proceed with a motion to dismiss.

23 10. As to any remaining allegations not specifically admitted or denied above, the STATE
24 hereby denies the same.

25 11. The STATE denies that Plaintiff is entitled to any relief prayed for in the Complaint.

26 **AFFIRMATIVE DEFENSES**

27 **FIRST AFFIRMATIVE DEFENSE**

28 The Complaint fails to state a claim upon which relief can be granted.

1 **SECOND AFFIRMATIVE DEFENSE**

2 Plaintiff lacks standing to assert these claims.

3 **THIRD AFFIRMATIVE DEFENSE**

4 Plaintiff's claims are barred as they ask the Court to decide political questions and invade the
5 province of legislative, judicial, and administrative bodies over which the Court may exercise authority.

6 **FOURTH AFFIRMATIVE DEFENSE**

7 The relief Plaintiff requests is contrary to public policy.

8 **FIFTH AFFIRMATIVE DEFENSE**

9 All possible affirmative defenses may not have been alleged herein insofar as sufficient facts are
10 not available after reasonable inquiry into Plaintiff's Complaint, and therefore, the STATE reserves the
11 right to amend their Answer to allege additional affirmative defenses, if subsequent investigation
12 warrants.

13 WHEREFORE, the STATE prays as follows:


- 14 (1) That Plaintiff takes nothing by virtue of the Complaint.
15 (2) That STATE has judgment for their costs and attorney fees as determined by law.
16 (3) For such other and further relief as the Court may deem just and proper.

17 **AFFIRMATION PURSUANT TO NRS 239B.030**

18 The undersigned does hereby affirm that the preceding document does not contain the social
19 security number of any person.

20 Dated: December 24, 2015

21 ADAM PAUL LAXALT
22 Attorney General

23 By: 
24 Linda C. Anderson
25 Chief Deputy Attorney General

CERTIFICATE OF SERVICE

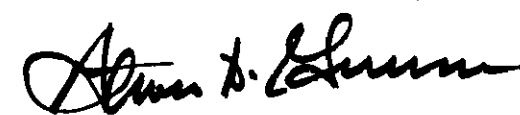
I hereby certify that I am an employee of the Office of the Attorney General and that on December 24, 2015, I electronically served the foregoing by using the electronic filing system to e-serve a copy on all parties registered and listed as Service Recipients in Wiznet, the Court's on-line filing website, pursuant to Administrative Order 14-2, entered by the Chief Judge, Jennifer Togliatti on May 9, 2014.



An Employee of the Office of the Attorney General

1 ANSC
2 BRADFORD R. JERBIC
3 City Attorney
4 Nevada Bar No. 1056
5 By: JOHN A. CURTAS
6 Deputy City Attorney
7 Nevada Bar No. 1841
8 495 South Main Street, Sixth Floor
9 Las Vegas, NV 89101
10 (702) 229-6629 (office)
11 (702) 386-1749 (fax)
12 Email: jacurtas@lasvegasnevada.gov
13 Attorneys for CITY OF LAS VEGAS

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CLERK OF THE COURT

DISTRICT COURT

CLARK COUNTY, NEVADA

10 GB SCIENCES NEVADA, LLC, a Nevada
11 limited liability company,

12 Plaintiff,

13 vs.

14 STATE OF NEVADA, DIVISION OF
15 PUBLIC AND BEHAVIORAL HEALTH
16 OF THE DEPARTMENT OF HEALTH
17 AND HUMAN SERVICES; CITY OF LAS
18 VEGAS, a municipal corporation and
19 political subdivision of the State of Nevada;
20 DESERT AIRE WELLNESS, LLC, a
21 Nevada limited liability company; DOES 1-
22 10, and ROE ENTITIES 1-100, inclusive,

23 Defendants.

CASE NO. A-15-728448-C
DEPT. NO. I

24 AND RELATED MATTER.

CITY OF LAS VEGAS' ANSWER TO COMPLAINT

25 Defendant CITY OF LAS VEGAS, through its attorneys, BRADFORD R. JERBIC, City
26 Attorney, by JOHN A. CURTAS, Deputy City Attorney, answers Plaintiff's Complaint on file
27 herein as follows:

28 1. Defendant CITY OF LAS VEGAS admits the allegations contained in Paragraphs
2, 4, 6, 7, 8, 9, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 33, and 36 of Plaintiff's
Complaint.

1 2. Defendant CITY OF LAS VEGAS is without sufficient knowledge and
2 information sufficient to form a belief as to the truth of the allegations contained in Paragraphs 1,
3 3, 5, 10, 11, 27, 28, 29, 30, 31, 32, 34, 35, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50,
4 51, 52, 53, 55, 56, 57, 58, 59, 60, 61, 63, 64, 65, 66, 67, 68, 69, 70, 71, 73, 74, 75, 76, 77, 78, 79,
5 80, 81, 82, 83, 85, 86, 87, 88, 89, 90, and 91 of Plaintiff's Complaint, and therefore denies them
6 in their entirety.

7 3. Answering Paragraphs 54, 62, 72, and 84 of Plaintiff's Complaint, Defendant
8 CITY OF LAS VEGAS hereby repeats and realleges all of the answers set forth in Paragraphs 1
9 through 91, inclusive, and incorporate the same herein by reference as though fully set forth.

10 4. As to any allegations not specifically answered above or inadvertently omitted,
11 Defendant CITY OF LAS VEGAS denies them in their entirety.

12 **AFFIRMATIVE DEFENSES**

13 **FIRST AFFIRMATIVE DEFENSE**

14 Plaintiff has failed to state a claim upon which relief may be granted.

15 **SECOND AFFIRMATIVE DEFENSE**

16 The City of Las Vegas is a political subdivision of the State of Nevada and no award can
17 be made against it as a political subdivision of the State of Nevada in excess of the applicable
18 statutory amount at the time of the alleged incidents.

19 **THIRD AFFIRMATIVE DEFENSE**

20 The City of Las Vegas claims all immunities, defenses, exemptions, and limitations on
21 liability given to political subdivisions of the State of Nevada, including without limitation, NRS
22 41.0305 to 41.039, inclusive.

23 **FOURTH AFFIRMATIVE DEFENSE**

24 Answering Defendant is not subject to suit upon the facts and conclusions as stated in
25 Plaintiff's Complaint by reason of the sovereign immunity of the City of Las Vegas as a political
26 subdivision of the State of Nevada.

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FIFTH AFFIRMATIVE DEFENSE

The damages, if any, suffered by Plaintiff were caused in whole or in part or were contributed to by reason of the acts and omissions of Plaintiff.

SIXTH AFFIRMATIVE DEFENSE

The damages sustained by Plaintiff, if any, were caused by the acts of third persons who are not agents, servants or employees of Answering Defendant, and who were not acting on behalf of the Answering Defendant in any manner or form, and as such, Answering Defendant is not liable in any manner to Plaintiff.

SEVENTH AFFIRMATIVE DEFENSE

Plaintiff has failed in whole or in part to mitigate damages alleged to have been caused and therefore Answering Defendant cannot be held liable.

EIGHTH AFFIRMATIVE DEFENSE

Plaintiff's Complaint and each cause of action therein is barred by the doctrine of laches.

NINTH AFFIRMATIVE DEFENSE

Plaintiff's Complaint and each cause of action therein is barred by the doctrine of waiver.

TENTH AFFIRMATIVE DEFENSE

Plaintiff's Complaint and each cause of action therein is barred by the doctrine of estoppel.

ELEVENTH AFFIRMATIVE DEFENSE

Answering Defendant is not legally responsible for any of the acts and/or omissions of those other defendants herein, whether named and/or named as DOE or ROE defendants in Plaintiff's Complaint or in any crossclaim to this action.

TWELFTH AFFIRMATIVE DEFENSE

Plaintiff was cognizant and aware of all facts, circumstances and conditions which existed at all relevant times mentioned in Plaintiff's Complaint and in accordance therewith consented to, permitted, acquiesced, actively encouraged and/or voluntarily assumed the risk therefrom and intended thereto.

1 THIRTEENTH AFFIRMATIVE DEFENSE

2 The Plaintiff is guilty of improper and inequitable conduct and thus has unclean hands in
3 seeking the relief sought.

4 FOURTEENTH AFFIRMATIVE DEFENSE

5 Plaintiff's claims are moot.

6 FIFTEENTH AFFIRMATIVE DEFENSE

7 Plaintiff has failed to exhaust its administrative remedies.

8 SIXTEENTH AFFIRMATIVE DEFENSE

9 Answering Defendant is entitled to qualified good faith immunity.

10 SEVENTEENTH AFFIRMATIVE DEFENSE

11 Plaintiff's claims are not ripe.

12 EIGHTEENTH AFFIRMATIVE DEFENSE

13 Pursuant to N.R.C.P. 11, all possible affirmative defenses may not have been alleged
14 herein insofar as sufficient facts were not available after reasonable inquiry upon the filing of
15 Defendant's Answer, therefore, this Answering Defendant reserves the right to amend its Answer
16 to allege additional affirmative defenses if subsequent investigation so warrants.

17 WHEREFORE, Defendant CITY OF LAS VEGAS requests that Plaintiff take nothing by
18 way of its Complaint and that it be awarded its costs and reasonable attorney's fees.

19 DATED this 19 day of January, 2016.

20 BRADFORD R. JERBIC
21 City Attorney

22 By:

23 JOHN A. CURTAS
24 Deputy City Attorney
25 Nevada Bar No. 1841
26 495 South Main Street, Sixth Floor
27 Las Vegas, NV 89101
28 Attorneys for CITY OF LAS VEGAS

CERTIFICATE OF SERVICE

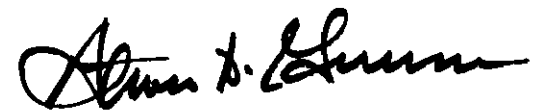
I hereby certify that on January 19, 2016, I served a true and correct copy of the foregoing CITY OF LAS VEGAS' ANSWER TO COMPLAINT through the electronic filing system of the Eighth Judicial District Court of the State of Nevada, pursuant to Nevada Electronic Filing and Conversion Rules, (or, if necessary, by United States Mail at Las Vegas, Nevada, postage fully prepaid) upon the following:

James E. Shapiro, Esq.
SMITH & SHAPIRO, PLLC
2520 St. Rose Parkway, #220
Henderson, NV 89074
Attorneys for Plaintiff

Kimberly Maxson-Rushton, Esq.
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SAMANTHA'S REMEDIES

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ATTORNEY GENERAL'S OFFICE
555 East Washington Avenue, #3900
Las Vegas, NV 89101
Attorneys for Defendant STATE, DIVISION OF
PUBLIC & BEHAVIORAL HEALTH


AN EMPLOYEE OF THE CITY OF LAS VEGAS



CLERK OF THE COURT

1 **MSJD**
James E. Shapiro, Esq.
2 Nevada Bar No. 7907
Sheldon A. Herbert, Esq.
3 Nevada Bar No. 5988
SMITH & SHAPIRO, PLLC
4 2520 St. Rose Parkway, Suite 220
Henderson, NV 89074
5 (702) 318-5033
Attorneys for Plaintiff/Counterdefendant

7 **DISTRICT COURT**
8 **CLARK COUNTY, NEVADA**

9 GB SCIENCES NEVADA, LLC, a Nevada limited
liability company,

11 Plaintiff,

12 vs.

13 STATE OF NEVADA, DIVISION OF PUBLIC
AND BEHAVIORAL HEALTH OF THE
14 DEPARTMENT OF HEALTH AND HUMAN
SERVICES; CITY OF LAS VEGAS, a municipal
15 corporation and political subdivision of the State of
Nevada; DESERT AIRE WELLNESS, LLC, a
16 Nevada limited liability company; DOES 1-10, and
ROE ENTITIES 1-100, inclusive,

17 Defendants.

18 DESERT AIRE WELLNESS, LLC, a Nevada
limited liability company,

19 Counterclaimant,

21 vs.

22 GB SCIENCES NEVADA, LLC, a Nevada limited
liability company,

23 Counterdefendant.

Case No. A-15-728448-C
Dept. No. I

Date: N/A
Time: N/A

25 **MOTION FOR SUMMARY JUDGMENT AGAINST DESERT AIRE WELLNESS, LLC**

26 COMES NOW Plaintiff/Counterdefendant GB SCIENCES NEVADA, LLC, a Nevada
27 limited liability company ("***GB Sciences***"), by and through its attorneys of record, SMITH &
28 SHAPIRO, PLLC, and files its Motion for Summary Judgment against Defendant/Counterclaimant
DESERT AIRE WELLNESS, LLC, a Nevada limited liability company ("***Desert Aire***").

SMITH & SHAPIRO, PLLC
2520 St. Rose Parkway, Suite 220
Henderson, Nevada 89074
(702) 318-5033

SMITH & SHAPIRO, PLLC
2520 St. Rose Parkway, Suite 220
Henderson, Nevada 89074
(702) 318-5033

1 This Motion is made and based upon the papers and pleadings on file herein, the Declaration
2 of Jim Meservey attached hereto as Exhibit "1", the attached Exhibits, the attached Memorandum
3 of Points and Authorities, and any oral argument the Court wishes to entertain in the premises.

4 DATED this 22nd day of January, 2016.

5 SMITH & SHAPIRO, PLLC

6
7 /s/ James E. Shapiro
James E. Shapiro, Esq.
Nevada Bar No. 7907
Sheldon A. Herbert, Esq.
Nevada Bar No. 5988
2520 St. Rose Parkway, Suite 220
Henderson, NV 89074
Attorneys for Plaintiff/Counterdefendant

12 **NOTICE OF MOTION**

13 TO: ALL PARTIES OF INTEREST:

14 PLEASE TAKE NOTICE that the undersigned will bring the above and foregoing
15 MOTION FOR SUMMARY JUDGMENT AGAINST DESERT AIRE WELLNESS, LLC
16 before Department I of the above-entitled Court on the 23 day of FEBRUARY, 2016, at
17 9:00A — .m. or as soon thereafter as counsel can be heard.

18 DATED this 22nd day of January, 2016.

19 SMITH & SHAPIRO, PLLC

20
21 /s/ James E. Shapiro
James E. Shapiro, Esq.
Nevada Bar No. 7907
Sheldon A. Herbert, Esq.
Nevada Bar No. 5988
2520 St. Rose Parkway, Suite 220
Henderson, NV 89074
Attorneys for Plaintiff/Counterdefendant

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I.**

3 **PREFATORY STATEMENT**

4 While motions for summary judgment are generally frowned upon this early in a case, as will
5 quickly become clear, the issues in this case relating to Desert Aire Wellness, LLC (“***Desert Aire***”)
6 are strictly legal issues and as such, there is simply no reason to wait.

7 The crux of the present motion is the fact that, as of November 3, 2014, Desert Aire did not
8 meet the statutory requirements of NRS § 453A.322. As such, it was clear error by the STATE OF
9 NEVADA, DEPARTMENT OF HEALTH AND HUMAN SERVICES (the “***Division***”) to issue a
10 Provisional Registration Certificate to Desert Aire. Further, as other District Court’s have already
11 determined, the appropriate remedy is for this Court to enter an Order directing the Division to
12 revoke the Provisional Registration Certificate previously issued to Desert Aire and to issue to
13 instead to GB Sciences.

14 Because there are no genuine issues of material fact relevant to the issue presented in this
15 Motion, and under the clear and unambiguous language of NRS § 453A.322(3), summary judgment
16 is appropriate and warranted and the parties be put in the position they should have been in on
17 November 3, 2014.

18 **II.**

19 **STATEMENT OF FACTS**

20 **A. GENERAL BACKGROUND.**

21 In 2013, Senate Bill 374 was passed which provided for the registration of medical marijuana
22 establishments authorized to cultivate or dispense marijuana or manufacture edible marijuana
23 products or marijuana-infused products for sale to persons authorized to engage in the medical use
24 of marijuana. Senate Bill 374 was codified into NRS Chapter 453A.

25 Under NRS § 453A.320 et seq., the Division was tasked with processing and ranking
26 applications for Medical Marijuana Establishments (“***MMEs***”) for each local jurisdiction in Nevada.
27 There were three types of MME’s, Dispensaries, Cultivation Facilities, and Production Facilities.
28 The MME at issue in this lawsuit is a Dispensary.

1 The Division, as well as the local jurisdiction, played a role in the ultimate licensing of
2 MMEs. Specifically, the local jurisdiction was tasked with considering issues such as site plans,
3 zoning and proximity to other business or facilities (the “Local Application Process”) while the
4 Division focused on public health, public safety, and marijuana as a medicine (the “Division
5 Application Process”).

6 Around the time that NRS § 453A.322 was enacted, Senator Tick Segerblom called a
7 meeting of the Advisory Commission on the Administration of Justice’s Subcommittee on the
8 Medical Use of Marijuana. The minutes of that meeting (the “Minutes”) are attached as Exhibit “2”
9 and incorporated herein by this reference. The following were present for that meeting:

10 Yvanna Cancela (Political Director, Culinary Workers Union Local 226)
11 Bob Coffin (Councilmember, City of Las Vegas)
12 Russ Cutolo (Sergeant, Las Vegas Metropolitan Police Department)
13 Chris Giunchigliani (Commissioner, Clark County)
14 Sandra Douglass Morgan (City Attorney, City of North Las Vegas)
15 Jennifer Solas (Advocate for Persons Who Use Medical Marijuana)
16 Chad Westom (Health Bureau Chief, Department of Health and Human Services,
17 Division of Public and Behavioral Health)
18 Assemblywoman Olivia Diaz (District No. 1) (via telephone)
19 Assemblywoman Michele Fiore (District No. 4)
20 Senator Tick Segerblom, Chair (District No. 3)

21 See Exhibit “2”. During that meeting, Chad Westom of the Division stated that the Division “will
22 receive all the applications of people who apply across the state. [The Division] would come up with
23 the highest . . . rankings in Clark County and issue provisional certificates.” Mr. Westom went on
24 to state that “. . . the State process was merit based and it followed the statutes and regulations.” Mr.
25 Westom addressed the City of Henderson specifically on Page 15 of the Minutes, stating, the
26 Division would “send the top ranked to the City of Henderson. **If an application was denied at the
27 local level, the State also denied it and would let them know who was the next ranked entity.**”
28 See Exhibit “2” (emphasis added).

Mr. Westom made it very clear that the State would issue a provisional registration certificate
 (“Provisional Certificate”) to the next highest ranked applicant. Specifically, Mr. Westom’s
 testimony was:

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1 Mr. Coffin said the bill was still in flux in order to meet things still needing solutions.
2 ... **He asked a question about the selection of the 18 people chosen by the county,**
3 **but the state chose the 19th person.** He wondered what that did to the one who was
4 number 18. **Mr. Weston said they will receive all the applications of people who**
5 **apply across the state. He said they would come up with the highest 18 rankings**
6 **in Clark County and issue provisional certificates.** He said *Clark County then*
7 *had the option of denying the businesses at a local level. If they are denied at the*
8 *local level, then the State will also deny them and the State would let Clark*
9 *County know who was the next ranked entity.*

10 * * *

11 Mr. Modafferi said the 18 people approved by the County will end up with the
12 licenses. He said there was going to be a push-back. He asked if that was correct.

13 Mr. Westom said the State process was merit based and it followed the statutes and
14 regulations. The applications outlined their requests and they would review, ranking
15 and scoring the applications regardless of what occurred at a local level.

16 Mr. Modafferi said after the ranking was accomplished, local government would
17 have carte blanche power to choose the applicants.

18 **Mr. Westom said they will notify the applicants that the State was planning on**
19 **issuing them provisional certificates and then they will notify the local**
20 **government of the highest rankings. It will then be up to Clark County to decide**
21 **what they want to do. If the county denies an applicant, then the State will also**
22 **deny them and then notify the county of the next ranked applicant.**

23 See Exhibit "2", pages 7-8 (emphasis added). Mr. Westom made it clear that the intent behind the
24 law was that if one of the highest ranked applicants was denied, the Division would issue a
25 Provisional Certificate to the next ranked applicant.

26 **B. THE CITY OF LAS VEGAS' APPLICATION PROCESS.**

27 In accordance with its responsibilities, Defendant CITY OF LAS VEGAS ("City of Las
28 Vegas") enacted Ordinance No. 6321 and 6324 to establish zoning regulations, licensing regulations,
and standards for MME locations. True and correct copies of the foregoing Ordinances are attached
hereto, respectively, as Exhibit "3" and "4" and incorporated by this reference herein. In addition,
the City of Las Vegas issued a Medical Marijuana Business License Application Form (the "Las
Vegas Application").

C. THE DIVISION'S APPLICATION PROCESS.

The Division issued its own application packet (the "Division Application"), which provided
a detailed explanation as to what was required to be contained within each application. A true and

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1 correct copy of Division Application is attached hereto as Exhibit “5” and incorporated herein by
2 this reference.

3 While the Division was allowed to *accept* all applications submitted, under NRS § 453A.322,
4 the Division could only issue a Provisional Certificate if the applicant’s application included six (6)
5 specific items and if the applicant otherwise met the requirements established by NRS Chapter
6 453A.

7 One of the six (6) items required by law before the Division could issue a Provisional
8 Certificate is found in NRS § 453A.322(3)(a)(5), which requires the applicant to obtain preliminary
9 zoning approval (“**Zoning Approval**”). Specifically, NRS § 453A.322(3)(a)(5) states:

10 If the city, town or county in which the proposed medical marijuana establishment
11 will be located has enacted zoning restrictions, **proof of licensure with the**
12 **applicable local governmental authority or a letter from the applicable local**
13 **governmental authority certifying that the proposed medical marijuana**
14 **establishment is in compliance with those restrictions and satisfies all applicable**
15 **building requirements.**

16 A true and correct copy of NRS § 453A.322 is attached hereto as Exhibit “6” and incorporated
17 herein by this reference.

18 **D. DESERT AIRE’S APPLICATION.**

19 Desert Aire was one of the 49 applicants for a Dispensary License in the City of Las Vegas.
20 The City of Las Vegas was allotted twelve (12) MME Registration Certificates. *See* the Division’s
21 List of MME Application’s Received attached hereto as Exhibit “7”.

22 Desert Aire submitted its Las Vegas Application. However, Desert Aire subsequently
23 withdrew its application, presumably because the Planning Commission had voted 4-1 to deny
24 Desert Aire’s application. A true and correct copy the City of Laws Vegas’ Agenda relating to
25 Desert Aire is attached hereto as Exhibit “8”¹ and incorporated herein by this reference. Thus, on
26 October 28-29, 2014, when the Las Vegas City Council held a special meeting to consider each
27 applicant for a special use permit and compliance permit for an MME Dispensary, Desert Aire’s

28 ¹ *See* Agenda Item No. 16. This Agenda can also be accessed and downloaded at the following website:
<http://www5.lasvegasnevada.gov/sirepub/mtgviewer.aspx?meetid=1698&doctype=AGENDA>.

1 application had already been withdrawn and therefore was not considered². Ultimately, the City of
2 Las Vegas approved twenty-seven (27) applications, denied ten (10) of the applications, and did not
3 make any decision on six (6) of the applications because they had been withdrawn prior to the City
4 Council's October 28, 2014 special meeting. See Exhibit "8".

5 The very next day, on October 30, 2014, the City of Las Vegas sent a letter to the Division
6 notifying the Division of their decision and specifically identifying the twenty-seven (27) applicants
7 that had been approved for a special use permit and compliance permit from the City of Las Vegas,
8 the ten (10) applicants who had been denied, and the six (6) applicants who had withdrawn their
9 application. See October 30, 2014 letter from City of Las Vegas to the Division, attached hereto as
10 Exhibit "9" and incorporated by this reference herein.

11 Notwithstanding the fact that the Division had been notified that Desert Aire did not meet
12 the requirements of NRS § 453A.322(3)(a), the Division inappropriately issued a Provisional
13 Certificate for an MME Dispensary to Desert Aire, in violation of its authority and in violation of
14 NRS § 453A.322(3)(a)(5).

15 **E. PLAINTIFF'S APPLICATION.**

16 Meanwhile, unlike Desert Aire, on October 9, 2014, the City of Las Vegas Planning
17 Commission had recommended approval of Plaintiff's request for a special use permit. See October
18 9, 2014 letter, attached hereto as Exhibit "10" and incorporated by this reference herein. Further,
19 unlike Desert Aire, GB Sciences was one of the twenty-seven (27) applicants approved by the City
20 of Las Vegas on October 28-29, 2014.²

21 On or about November 3, 2014, Plaintiff received notification from the Division that it was
22 not issued a Provisional Certificate because it was not ranked in the top 12 by the Division. A true
23 and correct copy of Division's letter to Plaintiff is attached hereto as Exhibit "11" and incorporated
24 herein. A true and correct copy of the Division's rankings is attached hereto as Exhibit "12" and
25 incorporated herein. The Plaintiff was ranked No. 13 by the Division. See Exhibit "10".

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28 ² See Agenda and Video of Planning Commission, October 28-29, 2014 available at
<http://www5.lasvegasnevada.gov/sirepub/mtgviewer.aspx?meetid=1699&doctype=AGENDA> and
<http://www5.lasvegasnevada.gov/sirepub/mtgviewer.aspx?meetid=1698&doctype=AGENDA>.

1 The Plaintiff fully complied with all requirements of the City of Las Vegas and the Division
2 for the establishment of a MME. *See* Exhibit “10”. If the Division had complied with NRS §
3 453A.322(3)(a) and disqualified Desert Aire due to Desert Aire’s failure to comply with NRS §
4 453A.322(3)(a)(5), the Plaintiff would have been ranked 12th in the Division’s ranking and would,
5 therefore, have received a Provisional Certificate from the Division. *See* Exhibits “11” & “12”.

6 For the following reasons, and consistent with decisions previously issued by the Honorable
7 Ronald J. Israel and the Honorable Eric Johnson on the same issue raised herein (as is set forth more
8 fully hereinafter), GB Sciences is entitled to summary judgment on its claims for declaratory relief
9 and a mandatory injunction. The Division should be directed to revoke the Provisional Certificate
10 issued to Desert Aire and reissue the same to GB Sciences. GB Sciences is also entitled to entry of
11 summary judgment on all of Desert Aire’s Counterclaims against it.

12 III.

13 STATEMENT OF UNDISPUTED MATERIAL FACTS

14 The Plaintiff’s present Motion is based upon the following undisputed material facts:

15 1. At a hearing called by Senator Tick Segerblom to discuss this very issue, the Division
16 testified that they would rank all applicants, then issue Provisional Certificates to the highest ranked
17 applicants. *See* Exhibit “2”, pages 7-8.

18 2. The Division further testified that: **“If an application was denied at the local level,**
19 **the State also denied it and would let them know who was the next ranked entity.”** *See* Exhibit
20 “2” (emphasis added).

21 3. The Division’s testimony made it clear that the intent behind the law was that if one
22 of the highest ranked applicants was denied, the Division would issue a Provisional Certificate to
23 the next highest ranked applicant. *See* Exhibit “2”.

24 4. The Plaintiff is the next ranked entity after the 12 applicants which were granted
25 Provisional Certificates. *See* Exhibits “11” and “12”.

26 5. On October 28-29, 2014, Desert Aire was not awarded a special use permit and
27 compliance permit for an MME dispensary by the City of Las Vegas because it had withdrawn its
28 applications for the permits. *See* Exhibit “8”.²

6. On October 30, 2014, the City of Las Vegas notified the Division of the withdrawal of Desert Aire's applications for a special use permit and compliance permit for an MME Dispensary. *See* Exhibit "9".

7. The Plaintiff received the letter required by NRS § 453A.322(3)(A)(5) and otherwise fully complied with all requirements needed to obtain a Provisional Registration Certificate. *See* Exhibit "10".

8. The City of Las Vegas was allocated twelve (12) Provisional Certificates for Dispensaries. *See* Exhibit "12".

9. The Division originally ranked Desert Aire 10th and the Plaintiff 13th. *See* Exhibit "11" and "12". However, if Desert Aire is properly disqualified for failure to comply with NRS § 453A.322(a)(3)(5), the Plaintiff is the next highest applicant, and, in accordance with the Division's prior testimony on this very issue, Plaintiff should be issued the Provisional Certificate originally issued to Desert Aire. *See* Exhibit "2".

IV.

STATEMENT OF AUTHORITIES

A. STANDARD FOR SUMMARY JUDGMENT.

Nevada Rule of Civil Procedure Rule 56(b) states:

A party against whom a claim, counterclaim, or cross-claim is asserted or a declaratory judgment is sought may, at any time, move with or without supporting affidavits for a summary judgment in his favor as to all or any part thereof.

Subsection (c) of N.R.C.P. Rule 56 states, in part:

The judgment sought shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law.

In Bird v. Casa Royale W., 97 Nev. 67, 624 P.2d 17 (1981), the Nevada Supreme Court held that summary judgment is appropriate where the pleadings, depositions, answers to interrogatories, admissions and affidavits on file, show that there exists no genuine issue as to any material fact, and that the moving party is entitled to judgment as a matter of law. *See also* Montgomery v. Ponderosa Construction, Inc., 101 Nev. 416, 705 P.2d 652 (1985).

1 In this case, no genuine issue of material fact exists and this Court should grant summary
2 judgment in favor of Plaintiff on its claims for declaratory relief and mandatory injunction, as well
3 as the Counterclaim.

4 **B. PLAINTIFF IS ENTITLED TO DECLARATORY RELIEF.**

5 According to Nevada Revised Statutes § 30.040:

6 1. **Any person** interested under a deed, written contract or other writings
7 **constituting a contract, or whose rights, status or other legal relations are affected**
8 **by a statute, municipal ordinance, contract or franchise, may have determined any**
9 **question of construction or validity arising under the instrument, statute,**
10 **ordinance, contract or franchise and obtain a declaration of rights, status or other**
11 **legal relations thereunder.**

12 NRS § 30.040(1)(emphasis added).

13 The statute at issue in this case, NRS § 453A.322(3)(a)(5), clearly states that before the
14 Division could issue a Provisional Certificate, the applicant must have received Zoning Approval.
15 However, as of the time that the Provisional Certificate was issued, the Division had been notified
16 that Desert Aire did not have Zoning Approval because it had withdrawn its applications for a
17 special use permit and a compliance permit.

18 Because Desert Aire did not have Zoning Approval, the Division lacked the authority to issue
19 the Provisional Certificate to Desert Aire. Further, it is undisputed that if Desert Aire had been
20 properly disqualified, the Plaintiff would have been ranked 12th and therefore would have been
21 issued a Provisional Certificate. Thus, the Plaintiff seeks declaration and mandatory injunction
22 requiring that the Provisional Certificate originally issued to Desert Aire should be revoked, and re-
23 issued to the Plaintiff.

24 1. **This Court Should Declare That Nuleaf's Provisional Certificate was Issued in**
25 **Violation of NRS § 453A.322(a)(3)(5) and Therefore Should be Revoked and**
26 **Reissued to the Plaintiff.**

27 In this instance, the Division has determined that, without Court direction, it cannot
28 revoke Desert Aire's Provisional Certificate, notwithstanding the fact that on November 3, 2014,
Desert Aire clearly did not qualify for the Provisional Certificate. However, there is no question that
the Division exceeded its authority by granting the Provisional Certificate to Desert Aire.

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1 Division “will receive all the applications of people who apply across the state. [The Division]
2 would come up with the highest... rankings in Clark County and issue provisional certificates.” Mr.
3 Westom went on to state that “...the State process was merit based and it followed the statutes and
4 regulations.” Mr. Westom addressed the City of Henderson specifically on Page 15 of the Minutes,
5 stating, the Division would “send the top ranked to the City of Henderson. **If an application was**
6 **denied at the local level, the State also denied it and would let them know who was the next**
7 **ranked entity.**” See Exhibit “2” (emphasis added). As the foregoing makes clear, the legislature
8 intended that if anyone was disqualified, that the Division would send down the next qualified
9 applicant, which in this case is the Plaintiff. Id.

10 It is undisputed that Desert Aire did not qualify and that the Plaintiff was and is the next
11 highest ranked applicant. Because these are undisputed facts, the Court should declare that Desert
12 Aire’s Provisional Certificate should have been issued to the Plaintiff as the next highest ranked
13 applicant.

14 C. **THIS COURT HAS THE AUTHORITY TO ISSUE A MANDATORY INJUNCTION**
15 **TO PUT THE PARTIES IN THE POSITION THEY WOULD AND SHOULD HAVE**
16 **BEEN IN IF THE LAW HAD BEEN FOLLOWED.**

17 The Nevada Supreme Court has specifically held that district courts have the authority to
18 issue mandatory injunctions “to restore the status quo, to undo wrongful conditions.” Leonard v.
19 Stoebling, 102 Nev. 543, 728 P.2d 1358 (1986) (upholding a mandatory injunction requiring a
20 landowner to modify an addition to his structure to restore the plaintiff’s view.); Memory Gardens
21 of Las Vegas, Inc. v. Pet Ponderosa Memorial Gardens, Inc., 492 P.2d 123, 88 Nev. 1 (1972)
22 (upholding a mandatory injunction requiring the defendant to allow the plaintiff the use of its water
23 supply.). In fact, one of the stated purposes of mandatory injunctions is to “compelling the undoing
24 of acts that had been illegally done.” City of Reno v. Matley, 378 P.2d 256, 79 Nev. 49 (1963).

25 Moreover, N.R.S. § 453A.320 clearly recognizes that:

26 [t]he purpose for registering medical marijuana establishments and medical
27 marijuana establishment agents is to protect the public health and safety and the
28 general welfare of the people of this State. Any medical marijuana establishment
registration certificate issued pursuant to NRS 453A.322 and any medical marijuana
establishment agent registration card issued pursuant to NRS 453A.332 **is a**
revocable privilege and the holder of such a certificate or card, as applicable, does
not acquire thereby any vested right.

1 NRS § 453A.320 (emphasis added).

2 Because the undisputed facts clearly demonstrate that the Division could and should have
3 issued the Provisional Certificate to the Plaintiff (as opposed to Desert Aire), and because this Court
4 has the power to put the parties in the position that they should have been in if the law had been
5 followed, this Court has the ability to order the Division to do what they should have done in
6 November, 2014, and revoke Desert Aire's Provisional Certificate and re-issue the same to the
7 Plaintiff.

8 **D. FORCING THE PLAINTIFF TO WAIT UNTIL THE NEXT ROUND IS TO DENY**
9 **THE PLAINTIFF ITS ONLY AVAILABLE REMEDY.**

10 The Division's refusal to revoke Desert Aire's Provisional Certificate, and re-issue it to
11 Plaintiff, forces the Plaintiff to wait until the next open application period to reapply, and is a denial
12 of all of Plaintiff's available remedies.

13 The Plaintiff properly and timely applied for an MME Dispensary Registration Certificate
14 during the first round, along with 48 other applicants. Weighing each of the applicants against all
15 others who applied, the Division ranked all 49 applicants, and determined that the Plaintiff was the
16 13th most qualified. *See* Exhibits "11" & "12". Further, because Desert Aire failed to comply with
17 NRS § 453A.322(3)(a)(5), Desert Aire should have been disqualified, thereby moving the Plaintiff
18 to the coveted 12th spot.

19 To require the Plaintiff to simply apply again during the next application period,
20 notwithstanding the fact that it should have received a Provisional Certificate when the Provisional
21 Certificates were originally issued, is to deny the Plaintiff all of its remedies, not only because it
22 delays the Plaintiff's ability to proceed forward with the initial applicants, but also (and more
23 importantly) because there is no guarantee that the Plaintiff would even qualify for a Provisional
24 Certificate the second time around.

25 The Division ranks all applicants based upon the relative strength and weaknesses of
26 applicant *vis-a-vis* the strengths and weaknesses of all other applicants. When comparing the
27 Plaintiff *vis-a-vis* the other 48 applicants in 2014, the Division determined that the Plaintiff was the
28 13th best qualified applicant. However, the next round will include a different set of applicants, and

1 therefore, there is no guarantee that the Plaintiff would even score high enough *vis-a-vis* the second
2 group of applicants to obtain a Provisional Certificate in the next round of applications.

3 As Judge Israel and Judge Johnson both previously concluded (as is more fully set forth
4 below), to deny a similarly situated Plaintiff the Provisional Certificate that it should have received
5 is to deny the Plaintiff any remedy at all and to require the Plaintiff to proceed forward as if the
6 Division's decision was correct. This is the very definition of 'no adequate remedy at law' and
7 justifies this Court utilizing its equitable powers to put the parties in the position that they would
8 have been in if the Division had correctly disqualified Wellness and Nuleaf, and Desert Aire (for that
9 matter). *See Secretary of State v. Nevada State Legislature*, 120 Nev. 456, 93 P.3d 746 (2004).

10 Therefore, the Division should be required to revoke Desert Aire's Provisional Certificate
11 and issue a Provisional Certificate to Plaintiff. Ordering the Division to revoke Desert Aire's
12 Provisional Certificate and issue a Provisional Certificate to the Plaintiff will ensure that this matter
13 is resolved, once and for all, without endless appeals, and will allow all parties to move forward with
14 more productive endeavors.

15 **E. GB SCIENCES REQUESTED RELIEF IS CONSISTENT WITH SIMILAR**
16 **LAWSUITS PREVIOUSLY DECIDED BY JUDGE ISRAEL AND JUDGE**
JOHNSON.

17 The relief sought by GB Sciences in this Motion is consistent with decisions issued in similar
18 lawsuits by the Honorable Ronald J. Israel and the Honorable Eric Johnson.

19 **1. The Henderson Organic Remedies Decision.**

20 In a related case, *Henderson Organic Remedies, LLC v. State of Nevada et al.*, Eighth
21 Judicial District Court Case No. A-14-710193-C (the "**HOR Case**"), The Honorable Ronald J. Israel,
22 when faced with a similar legal question, determined the following (in pertinent part):

23 1. In 2013, Senate Bill 374 was passed which provided for the
24 registration of medical marijuana establishments authorized to cultivate or dispense
25 marijuana or manufacture edible marijuana products or marijuana-infused products
for sale to persons authorized to engage in the medical use of marijuana. Senate Bill
374 was codified into NRS Chapter 453A.

26 2. Under NRS § 453A.320 et seq., the Division was tasked with
27 processing and ranking applications for Medical Marijuana Establishments
28 ("**MMEs**") for each local jurisdiction in Nevada.

\\ \

3. There were five types of MME's, including Dispensaries, Cultivation Facilities, and Production Facilities. The MME at issue in this lawsuit is a Dispensary.

...

5. The Division, as well as the local jurisdiction, played a role in the ultimate licensing of MMEs. Specifically, the local jurisdiction was tasked with considering issues such as site plans, zoning and proximity to other business or facilities (the "**Local Application Process**") while the Division focused on public health, public safety, and marijuana as a medicine (the "**Division Application Process**").

...

8. The Division issued its own application packet (the "**Division Application**"), which provided a detailed explanation as to what was required to be contained within each application, and which set the deadline for submitting all applications at August 18, 2014.

9. While the Division was allowed to accept all applications submitted, under NRS § 453A.322, the Division could only issue a medical marijuana establishment registration certificate (a "**Provisional Certificate**") if the applicant's application included six (6) specific items and if the applicant otherwise met the requirements established by NRS Chapter 453A.

10. One of the six (6) items required by law before the Division could issue a Provisional Certificate is found in NRS § 453A.322(3)(a)(5), which states:

If the city, town or county in which the proposed medical marijuana establishment will be located has enacted zoning restrictions, **proof of licensure with the applicable local governmental authority or a letter from the applicable local governmental authority certifying that the proposed medical marijuana establishment is in compliance with those restrictions and satisfies all applicable building requirements.** (NRS § 453A.322(3)(a)(5))

See Order from the HOR Case, attached hereto as Exhibit "13" and incorporated by this reference herein (emphasis added).

In the HOR case, MME applicant Wellness Connections of Nevada, LLC ("**Wellness Connections**"), had failed to satisfy NRS § 453A.322(3)(a), yet was issued a Provisional Certificate by the Division because it was among the "top-five" potential licensees allocated to the City of Henderson. Conversely, plaintiff and competing MME applicant, Henderson Organic Remedies, LLC, had satisfied NRS § 453A.322(3)(a), yet had been denied a Provisional Certificate because the Division had ranked it sixth.

\\

Judge Israel went on to rule that:

27. NRS § 30.040 grants this Court the ability to make certain declarations regarding the rights, status or other legal relations of parties to a lawsuit.

28. Further, this Court has the authority to issue mandatory injunctions “to restore the status quo, to undo wrongful conditions.” Leonard v. Stoebling, 102 Nev. 543, 728 P.2d 1358 (1986); Memory Gardens of Las Vegas, Inc. v. Pet Ponderosa Memorial Gardens, Inc., 492 P.2d 123, 88 Nev. 1 (Nev., 1972).

29. One of the stated purposes of mandatory injunctions is “compelling the undoing of acts that had been illegally done.” City of Reno v. Matley, 378 P.2d 256, 79 Nev. 49 (Nev., 1963).

30. The Division has acknowledged that “a complaint for declaratory and injunctive relief is appropriate for Henderson Organic to challenge the process of the Division in registering dispensaries in Henderson.”

31. The issuance of the Provisional Certificate to Wellness Connections was in error and contrary to NRS § 453A.322(3).

32. Wellness Connections should have been disqualified due to their non-compliance with NRS § 453A.322(3)(a)(5).

33. If Wellness Connections had been properly disqualified, the Plaintiff, HENDERSON ORGANIC REMEDIES, LLC, would have been ranked fifth and would therefore have qualified for the Provisional Certificate inappropriately issued to Wellness Connections.

34. The Plaintiff has an inadequate remedy at law.

35. The Plaintiff properly and timely applied for a Distributor Provisional Certificate within the applicable time periods.

36. The Division weighed and compared the Plaintiff against each of the other applicants who applied, the Division ranked all 27 applicants, and determined that the Plaintiff was the sixth most qualified.

37. However, because Wellness Connections failed to comply with NRS § 453A.322(3)(a)(5), Wellness Connections should have been disqualified, thereby moving the Plaintiff to the coveted fifth spot.

38. To require the Plaintiff to simply apply again as part of a new application period is to deny the Plaintiff all of its remedies, not only because it delays the Plaintiff’s ability to proceed forward with the initial applicants, but also because there is no guarantee that the Plaintiff would even qualify for a Provisional License the second time around when comparing the Plaintiff to the second, new set of applicants.

39. It would be inequitable and inappropriate to deprive the City of Henderson of one of the five Provisional Certificates allocated to it due to an error by the Division.

40. Because the undisputed facts clearly demonstrate that the Division should have issued the Provisional Certificate to the Plaintiff (as opposed to Wellness

Connections), and because this Court has the power to put the parties in the position that they should have been in if the law had been followed, this Court is ordering that the Division immediately issue the now vacant Provisional Certificate to Plaintiff, *nunc pro tunc*.

See Exhibit "13".

Judge Israel's well-reasoned analysis of NRS Chapter 453A should be persuasive authority to guide this Court in the instant case. The facts of the two cases are almost identical. In both cases, Henderson Organic Remedies, like the Plaintiff, met all of the requirements to receive a Provisional Certificate, but was initially ranked just one spot outside of the allotted number of Provisional Certificates available. In the HOR Case, Wellness Connections, just like Desert Aire, was inappropriately granted a Provisional Certificate by the Division notwithstanding the fact that it failed to obtain Zoning Approval. Under these facts, this Court should follow the well-reasoned decision by Judge Israel, and order the Division to issue the Provisional Certificate originally issued to Desert Aire to the Plaintiff.

2. The NuLeaf Decision.

Similarly, in another related case which involved the same plaintiff as in the present case, *GB Sciences Nevada, LLC v. State of Nevada et al.*, Eighth Judicial District Court Case No. A-14-710597-C (the "NuLeaf Case"), The Honorable Eric Johnson, was also faced with a similar legal question.

In the NuLeaf Case, MME applicant NuLeaf CLV Dispensary, LLC ("NuLeaf") had been ranked by the Division within the top-12 candidates for one of the 12 MME Dispensary Registration Certificates allocated to the City of Las Vegas, just like Desert Aire.³ Like Desert Aire, NuLeaf had failed to obtain Zoning Approval from the City of Las Vegas. Nonetheless, like Desert Aire, the Division had issued a Provisional Certificate to NuLeaf even though NuLeaf had failed to obtain the Zoning Approval. Consequently, hearing the same arguments as asserted in this case, the Court in the NuLeaf Case ordered the revocation of NuLeaf's Provisional Certificate.

\\

³ NuLeaf was ranked as high as Number 3.

Specifically, in the Nuleaf Case, Judge Johnson determined the following (in pertinent part):

8. While the Division was allowed to accept all applications submitted, under N.R.S. § 453A.322, the Division could only issue a medical marijuana establishment registration certificate (a “***Provisional Certificate***”) if the applicant’s application included six (6) specific items and if the applicant otherwise met the requirements established by N.R.S. Chapter 453A.

9. One of the six (6) items required by law before the Division could issue a Provisional Certificate is found in N.R.S. § 453A.322(3)(a)(5), which states:

(5) If the city, town or county in which the proposed medical marijuana establishment will be located has enacted zoning restrictions, proof of licensure with the applicable local governmental authority or a letter from the applicable local governmental authority certifying that the proposed medical marijuana establishment is in compliance with those restrictions and satisfies all applicable building requirements. (NRS § 453A.322(3)(a)(5)).

10. Plaintiff, Acres, and Nuleaf were three of the 49 applicants for a Dispensary License in the City of Las Vegas.

11. On October 28-29, 2014, the Las Vegas City Council held a special meeting to consider each applicant for a special use permit and compliance permit for an MME Dispensary.

12. The City of Las Vegas denied special use permits and compliance permits to ten (10) applicants, including Nuleaf.

13. On October 30, 2014, the City of Las Vegas sent a letter to the Division notifying the Division that Nuleaf’s application for a special use permit and compliance permit from the City of Las Vegas had been denied as not in compliance with land use restrictions and city code and ineligible for a business license.

14. The City of Las Vegas letter was intended to comply, and did comply, with NRS 453A.322(3)(a)(5).

15. Specifically, pursuant to Las Vegas Municipal Code Section 6.95.080, the letter was to give notice to the Division, as intended in subsection 3(a)(5), as to those medical marijuana applicants which the City of Las Vegas had found to be or not to be in conformance with land use and zoning restrictions, and eligible for consideration for a business license. This letter described the applicable building requirements and zoning restrictions as outlined in the statute.

16. Notwithstanding, on or about November 3, 2014, the Division registered Nuleaf as a medical marijuana establishment and issued a provisional registration certificate for an MME Dispensary (the “***Provisional License***”).

17. At the time the Department registered Nuleaf and issued a Provisional License, Nuleaf did not meet the requirements of N.R.S. § 453A.322, which specifically permitted the Division to register a medical marijuana establishment and issue a registration certificate if the business seeking to register had completed all of the requirements of subsection 3(a), including providing a letter from the applicable local authority certifying that the proposed medical marijuana establishment is in

1 compliance with [zoning] restrictions and satisfies all applicable building
2 requirements.

3 18. The Nevada Department of Health and Human Services should have
4 registered and issued the registration certificate to the medical marijuana
establishment to the top twelve ranked applicants which met all the requirements of
the statute.

5 19. Pursuant to the plain terms of the statute, the Division should not have
6 registered Nuleaf and issued it a registration certificate as Nuleaf had not met all the
7 requirements of the statute. The Court's reading of the statute is consistent with the
8 apparent goal of the statute and the legislature to quickly move the opening and
9 operation of dispensaries in the state. This goal can best be achieved through the
10 Division registering certificates for the most qualified applicants who have obtained
11 preliminary approval that they are in "compliance with [zoning] restrictions and
satisfies all applicable building requirements" of the municipality. In view of the
time limitations the statute sets for when the Division may register certificates, the
legislature clearly sought to avoid the situation where the Division approved an
applicant but the applicant then failed to obtain zoning or business licensing from the
municipality, resulting in a delay in the opening of the desired number of
dispensaries.

12 . . .

13 25. NRS § 30.040 gives this Court the ability to make certain declarations
14 regarding the rights, status or other legal relations of parties to a lawsuit.

15 26. Further, this Court has the authority to issue mandatory injunctions
16 "to restore the status quo, to undo wrongful conditions." Leonard v. Stoebling, 102
Nev. 543, 728 P.2d 1358 (1986); Memory Gardens of Las Vegas, Inc. v. Pet
Ponderosa Memorial Gardens, Inc., 492 P.2d 123, 88 Nev. 1 (Nev., 1972).

17 27. One of the stated purposes of mandatory injunctions is "compelling
18 the undoing of acts that had been illegally done." City of Reno v. Matley, 378 P.2d
256, 79 Nev. 49 (Nev., 1963).

19 28. The Division has acknowledged that a complaint for declaratory and
20 injunctive relief is appropriate.

21 29. The issuance of the Provisional Certificate to NuLeaf was in error and
contrary to NRS § 453A.322(3).

22 30. NuLeaf should have been disqualified due to their non-compliance
23 with NRS § 453A.322(3)(a)(5).

24 31. The Plaintiff and Acres have an inadequate remedy at law.

25 32. To require the Plaintiff or Acres to simply apply again as part of a new
26 application period is to deny the Plaintiff and Acres all of their remedies, not only
27 because it delays their ability to proceed forward with the initial applicants, but also
because there is no guarantee that the Plaintiff or Acres would even qualify for a
Provisional License the second time around when comparing the Plaintiff or Acres
to the second, new set of applicants.

28 \ \ \

33. It would be inequitable and inappropriate to deprive the City of Las Vegas of one of the twelve Provisional Certificates allocated to it due to an error by the Division.

...

37. **IT IS HEREBY ORDERED** Plaintiff's Motion for Summary Judgment is **GRANTED** in part and **DENIED** in part.

38. **IT IS FURTHER ORDERED** that Plaintiff's Motion is **GRANTED** to the extent Plaintiff is entitled to a declaration that Nuleaf should not have been registered or issued a certification of registration as a medical marijuana establishment because it had not met all the necessary requirements of 453A.322(3)(a).

39. **IT IS FURTHER ORDERED** that the Division shall rescind or withdraw the registration of Nuleaf as a medical marijuana establishment.

See Order on GB Science's Motion for Summary Judgment, attached hereto as Exhibit "14". Unfortunately for GB Sciences, through a twist of events not present here⁴, the revoked Provisional Certificate was awarded to intervenor Acres Medical, LLC ("Acres").

In the NuLeaf Case, the Division was ordered to revoke a Provisional Certificate that was clearly issued in violation of NRS § 453A.322(3), and in both the NuLeaf Case and the HOR Case, the Division was ordered to issue the Provisional Certificate to the party who should have received it⁵ if the Division had followed and complied with NRS § 453A.322(3). Because the present lawsuit is almost identical to the NuLeaf Case, as well as the HOR Case, the outcome should be the same.

F. GB SCIENCES IS ENTITLED TO SUMMARY JUDGMENT WITH RESPECT TO THE COUNTERCLAIM.

Defendant Desert Aire asserted a single cause of action by way of Counterclaim in its Answer to the Complaint: for attorneys fees and costs. However, there is no basis for a claim of attorneys fees and costs.

⁴ Acres claimed to have a higher score and higher ranking than GB Sciences, based upon an Order obtained in separate action initiated by Acres. Acres Medical, LLC v. Department of Health and Human Services, Division of Public and Behavioral Health, et al., Eighth Judicial District Court Case No. A-15-719637-W. Based upon that Order, Judge Johnson awarded the Provisional Certificate to Acres instead of GB Sciences.

⁵ GB Sciences is still disputing the portion of the NuLeaf Order which awarded the Provisional Certificate to Acres Medical via motion practice. However, unless and until the NuLeaf Order is modified or overturned, and for purposes of this Motion, we will assume that Acres was the appropriate party.

According to NRS § 18.010:

1. The compensation of an attorney and counselor for his or her services is governed by agreement, express or implied, which is not restrained by law.

2. In addition to the cases where an allowance is authorized by specific statute, the court may make an allowance of attorney's fees to a prevailing party:

(a) When the prevailing party has not recovered more than \$20,000; or

(b) Without regard to the recovery sought, when the court finds that the claim, counterclaim, cross-claim or third-party complaint or defense of the opposing party was brought or maintained without reasonable ground or to harass the prevailing party. The court shall liberally construe the provisions of this paragraph in favor of awarding attorney's fees in all appropriate situations. It is the intent of the Legislature that the court award attorney's fees pursuant to this paragraph and impose sanctions pursuant to Rule 11 of the Nevada Rules of Civil Procedure in all appropriate situations to punish for and deter frivolous or vexatious claims and defenses because such claims and defenses overburden limited judicial resources, hinder the timely resolution of meritorious claims and increase the costs of engaging in business and providing professional services to the public.

3. In awarding attorney's fees, the court may pronounce its decision on the fees at the conclusion of the trial or special proceeding without written motion and with or without presentation of additional evidence.

4. Subsections 2 and 3 do not apply to any action arising out of a written instrument or agreement which entitles the prevailing party to an award of reasonable attorney's fees.

NRS § 18.010. In this case, there is no basis for attorneys' fees and costs.

First, there is no contract or agreement between Plaintiff and Desert Aire that provides for an award of attorneys fees and costs to a prevailing party. *Second*, because, as explained above, Plaintiff is entitled to summary judgment on its claims, Desert Aire cannot be a "prevailing party" under NRS § 18.010(2)(a), nor are Plaintiff's claims "brought or maintained without reasonable ground or to harass the prevailing party" under NRS § 18.010(2)(b). *Third*, there is no basis for attorneys fees under N.R.C.P. 68 or NRS § 17.115 because Desert Aire has made no offers of judgment which have been rejected.

Moreover, the factual basis which Desert Aire asserts for making a Counterclaim for attorneys fees simply because "[i]t has become necessary for Defendant/Counterclaimant Desert Aire Wellness LLC to engage the services of Michael H. Singer to defend this action." However, as explained above, this action was made necessary because the Division improperly issued a Provisional Certificate to Desert Aire, when it should have issued the same certificate to the Plaintiff.

Desert Aire did not voluntarily relinquish the Provisional Certificate to the Plaintiff, thus Desert Aire must deal with the cost and consequences of litigation made necessary by the actions of the Division and Desert Aire. Certainly, the Plaintiff cannot be held liable for the expenses of litigation which Desert Aire, itself, created. Therefore, the Plaintiff is also entitled to summary judgment on the Counterclaim asserted by Desert Aire.

V.

CONCLUSION

For the foregoing reasons and as a matter of law, GB Sciences is entitled to a declaration and mandatory injunction requiring the Division to immediately revoke Desert Aire's Provisional Registration Certification and re-issue it to GB Sciences. GB Sciences is also entitled to summary judgment on the Counterclaim by Desert Aire for attorneys fees.

DATED this 22nd day of January, 2016.

SMITH & SHAPIRO, PLLC

/s/ James E. Shapiro
James E. Shapiro, Esq.
Nevada Bar No. 7907
Sheldon A. Herbert, Esq.
Nevada Bar No. 5988
2520 St. Rose Parkway, Suite 220
Henderson, NV 89074
Attorneys for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that I am an employee of SMITH & SHAPIRO, PLLC, and that on the 22nd day of January, 2016, I served a true and correct copy of the forgoing **MOTION FOR SUMMARY JUDGMENT AGAINST DESERT AIRE WELLNESS, LLC**, by e-serving a copy on all parties registered and listed as Service Recipients in Wiznet, the Court's on-line, electronic filing website, pursuant to Administrative Order 14-2, entered by the Chief Judge, Jennifer Togliatti, on May 9, 2014.

/s/ Jill M. Berghammer
An employee of SMITH & SHAPIRO, PLLC

EXHIBIT 1

EXHIBIT 1

SMITH & SHAPIRO, PLLC
2520 St. Rose Parkway, Suite 220
Henderson, Nevada 89074
(702) 318-5033

1 DECL

James E. Shapiro, Esq.

2 Nevada Bar No. 7907

Sheldon A. Herbert, Esq.

3 Nevada Bar No. 5988

SMITH & SHAPIRO, PLLC

4 2520 St. Rose Parkway, Suite 220

Henderson, NV 89074

5 (702) 318-5033

Attorneys for Plaintiff/Counterdefendant

7 **DISTRICT COURT**

8 **CLARK COUNTY, NEVADA**

9 GB SCIENCES NEVADA, LLC, a Nevada limited
liability company,

10 Plaintiff,

Case No. A-15-728448-C

Dept. No. I

11 vs.

12 STATE OF NEVADA, DIVISION OF PUBLIC
13 AND BEHAVIORAL HEALTH OF THE
14 DEPARTMENT OF HEALTH AND HUMAN
SERVICES; CITY OF LAS VEGAS, a municipal
15 corporation and political subdivision of the State of
Nevada; DESERT AIRE WELLNESS, LLC, a
16 Nevada limited liability company; DOES 1-10, and
ROE ENTITIES 1-100, inclusive,

17 Defendants.

18 DESERT AIRE WELLNESS, LLC, a Nevada
limited liability company,

19 Counterclaimant,

20 vs.

Date: N/A

Time: N/A

21 GB SCIENCES NEVADA, LLC, a Nevada limited
22 liability company,

23 Counterdefendant.

24
25 **DECLARATION OF JIM MESERVEY IN SUPPORT OF**
26 **MOTION FOR SUMMARY JUDGMENT**

27 I, JIM MESERVEY, due hereby declare under penalty of perjury in accordance with NRS

28 § 53.045 as follows:

- 1 1. I am presently a resident of the State of Nevada and have been for many years.
- 2 2. I am the Manager of GBS Nevada Partners, LLC ("GBS"). GBS is one of the
- 3 managers of GB SCIENCES NEVADA, LLC, a Nevada limited liability company ("Plaintiff").
- 4 3. On or about August 5, 2014, Plaintiff submitted an application for a registration
- 5 certificate from the State of Nevada, Department of Health and Human Services (the "Division") for
- 6 the operation of a Medical Marijuana Establishment ("MME") Dispensary in the City of Las Vegas.
- 7 4. On October 9, 2014, the City of Las Vegas Planning Commission approved Plaintiff's
- 8 application for a special use permit for an MME Dispensary.
- 9 5. On October 28-29, 2014, the Las Vegas City Council held a special meeting to
- 10 consider applicants for special use and compliance permits for MME Dispensaries (the "Special
- 11 Meeting").
- 12 6. Plaintiff's permit applications were approved at the Special Meeting.
- 13 7. At the Special Meeting, the City of Las Vegas denied special use permits and
- 14 compliance permits to ten (10) applicants and did not consider the applications of six (6) other
- 15 applicants who had previously withdrawn their applications, including DESERT AIRE WELLNESS,
- 16 LLC ("Desert Aire").
- 17 8. Notwithstanding the fact that Desert Aire did not meet the requirements of NRS §
- 18 453A.322(3)(a), I have learned that on or about November 3, 2014, Desert Aire obtained a
- 19 provisional registration certificate for an MME Dispensary (the "Provisional License") from the
- 20 State of Nevada, Department of Health and Human Services (the "Division").
- 21 9. On or about November 3, 2014, Plaintiff received notification from the Division that
- 22 it was not issued a Provisional License due to the fact that it was not ranked in the top 12 by the
- 23 Division. A true and correct copy of Division's letter is attached hereto as Exhibit "11".
- 24 10. The Plaintiff was ranked No. 13 by the Division. A true and correct copy of the
- 25 Division's rankings is attached hereto as Exhibit "12" and incorporated herein by this reference.
- 26 11. The Plaintiff fully complied with all requirements of the City of Las Vegas and the
- 27 Division for the establishment of an MME Dispensary.

28 \\ \

SMITH & SHAPIRO, PLLC
2520 St. Rose Parkway, Suite 220
Henderson, Nevada 89074
(702) 318-5033

1 12. Because Desert Aire did not qualify for a Provisional License, it should not have been
2 ranked by the Division or granted a Provisional License.

3 13. If Desert Aire had been disqualified, the Plaintiff would have received a Provisional
4 License.

5 I make this Declaration freely and of my own free will and choice and I declare under penalty
6 of perjury that the foregoing is true and correct.

7 DATED this 21st day of January, 2016.

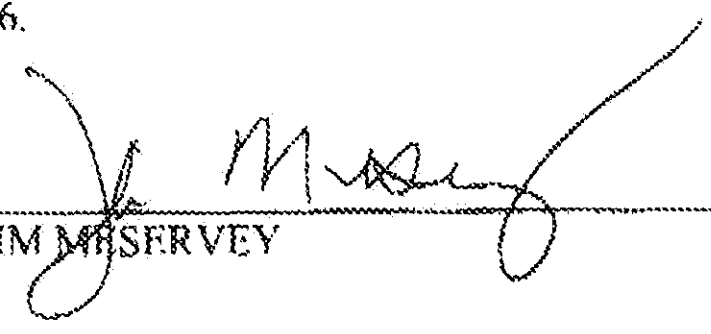
8
9
10 
11 JIM MESERVEY

EXHIBIT 2

EXHIBIT 2

**MINUTES OF THE
ADVISORY COMMISSION ON THE ADMINISTRATION OF JUSTICE'S
SUBCOMMITTEE ON THE MEDICAL USE OF MARIJUANA**

JULY 9, 2014

The meeting of the Advisory Commission on the Administration of Justice's Subcommittee on the Medical Use of Marijuana was called to order by Senator Tick Segerblom at 9:05 a.m. on July 9, 2014, at the Grant Sawyer State Office Building, Room 4401, 555 East Washington Avenue, Las Vegas, Nevada, and via videoconference at the Legislative Building, Room 3137, 401 South Carson Street, Carson City, Nevada. The Agenda is included as Exhibit A and the Attendance Roster is included as Exhibit B. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT (LAS VEGAS):

Yvanna Cancela, Political Director, Culinary Workers Union Local 226
Bob Coffin, Councilmember, City of Las Vegas
Russ Cutolo, Sergeant, Las Vegas Metropolitan Police Department
Chris Giunchigliani, Commissioner, Clark County
Gary Modafferi, Esq.
Sandra Douglass Morgan, City Attorney, City of North Las Vegas
Jennifer Solas, Advocate for Persons Who Use Medical Marijuana
John Watkins, Esq.
Chad Westom, Health Bureau Chief, Department of Health and Human Services, Division of Public and Behavioral Health
Kristina Wildeveld, Esq.
Assemblywoman Olivia Diaz, District No. 11 (via telephone)
Assemblywoman Michele Fiore, District No. 4
Senator Tick Segerblom, Chair, District No. 3

COMMITTEE MEMBERS PRESENT (CARSON CITY):

Christine Jones Brady, Deputy Public Defender, Washoe County
Keith Munro, Assistant Attorney General
Hillary Schieve, Councilmember, City of Reno (via telephone)
Eric Spratley, Lieutenant, Washoe County Sheriff's Office
Vanessa Spinazola, Legislative and Advocacy Director, ACLU of Nevada
Senator Mark Hutchison, District No. 6

COMMITTEE MEMBERS ABSENT:

Frank Adorno, Patient Who Holds a Valid Registry Identification Card

STAFF MEMBERS PRESENT:

Nicolas C. Anthony, Senior Principal Deputy Legislative Counsel
Angela Hartzler, Deputy Administrator, Legal Division, Legislative Counsel Bureau
Olivia Lodato, Interim Secretary, Legal Division, Legislative Counsel Bureau

OTHERS PRESENT:

John Sullivan, First Security Bank of Nevada
Cindy Brown
Julie Montero
David Kallas
Sal
Thomas Serato
Timothy
Vicki Hagans
Raymond Fletcher
Wes Henderson
Mike Cathcart
Nicole Garcia
Kevin Schiller
Assemblyman William Horne
Regina Harris
Sara Clourtiur
Nancy Wilden
Cary

Chair Segerblom opened the meeting at 9:05 a.m. He requested a roll call of members.

Mrs. Hartzler called the roll and a quorum was present.

Chair Segerblom stated that there was a full agenda today. He requested the members introduce themselves to the Committee.

Ms. Jones Brady said she worked for Washoe County Public Defender's Office. She represented clients with felony charges and the specialty courts. She worked with people with addictions or mental illness. She also had a background in anti-poverty work and in abuse and neglect cases regarding children. Her interest in the Committee was how the laws might impact people of lower income or with mental illness.

Ms. Cancela said she was the political director of the Culinary Workers Union Local 226. Her interest was in understanding how policy affected workers within the bargaining unit plus other positions on the Strip and downtown.

Mr. Coffin said he was a member of the Las Vegas City Council. He had been an advocate for medical marijuana for quite a while. He said he could bring a local government's perspective to the meetings. He hoped to get an owner-user of a co-op built out of the group's work. He intended to fully use medical marijuana when he can due to a spinal fracture.

Mr. Cutolo was with the Las Vegas Metropolitan Police Department and had been for the past 17 years. He said he had been in narcotics law enforcement for the past 10 years. He said the focus for Metro was to ensure that the laws made sense. He said they wanted to make the public aware of what the law really was so a legal patient followed the law.

Ms. Giunchigliani said she had served in the Legislature for 16 years and sponsored the original medical marijuana bill in 2001. She said there were issues raised, and she looked forward to working with the Committee.

Mr. Modafferri said he was a constitutional and criminal defense attorney. He was chief of the narcotics Division in Honolulu and now had clients who were prosecuted under the old laws. He hoped to get input in how to deal with people in a fair manner.

Chair Segerblom said the Committee would be looking at ways to go back and revisit people who had criminal convictions for marijuana and reduce or remove the convictions.

Ms. Douglass Morgan said she was the City Attorney for North Las Vegas. She was a voice for the local jurisdictions. She advised the Mayor and Council for North Las Vegas including developing the land use and business license regulations for the project. She also supervised the Criminal Division which prosecuted claims which included marijuana offenses. She also represented the Police Department.

Mr. Munro said he was with the Nevada Attorney General's Office. He said his role was helping the state agencies carry out their duties with respect to this law.

Ms. Schieve said she was a Reno City Council member at large. She said the issue was important to her due to a personal experience with her mother. The effects of medical marijuana could continue to give her a better life.

Ms. Solas said she was a Las Vegas resident and for five years has led a social group for medical marijuana. Her primary interest was patient advocacy and patient rights.

Mr. Spratley said he was with the Washoe County Sheriff's Office. He said Sheriff Haley supported good public policy and the will of the voters.

Ms. Spinazola was the ACLU Legislative and Advocacy Director. She was present to watch civil liberties as they came up in the process, particularly in regards to information sharing between agencies.

Mr. Watkins said he was a practicing lawyer, particularly defense work. He said his role was to point out the impropriety of the present law dealing with marijuana. He said there was a conflict with the medical marijuana and the criminal DUI laws. He said anybody who used marijuana lawfully was guilty of a DUI when they got in their car.

Mr. Westom was Bureau Chief for the State Division of Public and Behavioral Health. He said he had the obligation to implement S.B. 374 and the adopted regulations. He said his objective was to continue the program for card holders and get local governments up and running as soon as possible.

Ms. Wildeveld said she was a criminal defense attorney, lobbyist, and criminal litigator. She did death penalty defense and had never represented anyone who committed a murder while high on marijuana. She also did abuse and neglect cases concerning parents who lost children because of marijuana use. She also represented illegal and legal growers of marijuana.

Senator Hutchison was a co-founder of the medical marijuana bill. He said he looked forward to working with Chair Segerblom on this committee.

Assemblywoman Diaz was excited to be a member of the Committee. She was looking forward to gaining more knowledge in this subject area in order to have information for her constituents when they needed it.

Chair Segerblom said Assemblywoman Fiore had the courage to vote for the bill during the Session.

Assemblywoman Fiore said she was excited to be on the committee. She said it was important to take back the freedoms and responsibilities as adults and United States citizens. She said she was going to work on laws to release prisoners arrested.

Chair Segerblom said it was a committee with a lot of background and experience with the issues. He asked Mr. Westom to make a presentation.

Mr. Westom opened his presentation with an overview of the program. He said the Nevada Constitution was changed to allow for medical marijuana. The new bill, S.B. 374, introduced the dispensaries and the cultivation facilities, and production for edible marijuana products and laboratories. He said his department would start reviewing applications on August 5, 2014, Exhibit C. The medical marijuana dispensaries would only be open for those who were cardholders. He said the discussions had started in 2001, then revisions were made in 2003, 2009, and 2013.

Chair Segerblom asked Mr. Westom to explain how the application process would work. He said some entities plan to give a letter to the applicant to go with their application to the State. Another entity said they plan to recommend a specific 18 applicants only. He asked if the State looked at the applications by jurisdiction or ranked them.

Mr. Westom said they will receive applications for certificates from August 5 through August 18, 2014. He said they were following Chapter 453A of NRS and the regulations derived from the statutes and adopted. He said it was a merit based review, scoring and ranking by jurisdiction. They had specific criteria they had to review and they had developed a process to do so, Exhibit C. He said there was an overview of the scoring on their website at Health.NV.gov. The application was there for review and it gave all the different categories of subjects they were reviewing and a point value for each subject.

Chair Segerblom said Clark County picked 18 applicants as their favorites. He asked if it made a difference that Clark County picked those people and did it affect the state scoring system.

Mr. Westom said they would review all the applications they received. He said they would review more than the 18 recommended by an entity. The rankings may differ and there was no assurance they would choose the same 18 applicants.

Chair Segerblom asked if there was a way to give credit in the state's merit system that Clark County said they liked certain groups or locations.

Mr. Westom replied that it was part of the process for the applicants to provide evidence of local zoning and business licensing approval.

Ms. Douglass Morgan said her review of the regulations did not show any contemplation of local jurisdiction approval of a business license. She said the medical marijuana certificate issued by the State was provisional until it was approved by the local jurisdiction.

Mr. Westom said it did talk about local government approvals. He said in some jurisdictions there were no business licenses issued.

Ms. Douglass Morgan said whether or not a business had the proper zoning was contemplated and that could be determined with a zoning verification letter.

Mr. Westom said the provisional certificates were issued so the local jurisdictions could approve.

Ms. Giunchigliani said a number of people said they were going to give nonprofits some assistance. She said she could not find anything in statute directing that as part of the merit base. She asked if that was a voluntary effort.

Mr. Westom said there were categories that spoke to community impact and other criteria where their contributions to non-profits and other entities were a factor.

Ms. Giunchigliani said she would like to see the sections where those categories were referenced.

Senator Hutchison asked Mr. Westom how it was going to work. He said he assumed the State was starting with a base analysis of the statute. He referred to Section 11.7 of S.B. 374 where

the law required certain criteria be applied in evaluating the applications before the certifications were issued. He said it included contemplation of taxes paid to integrated plans from seed to sell. He said they went to a for-profit model as opposed to a nonprofit model for a specific reason from the law enforcement standpoint.

Mr. Westom said they were looking at the criteria mentioned.

Senator Hutchison said when looking at the 18 applications approved by Clark County, they would be evaluating independently of the County's analysis in terms of who the best ranked applicants were. He said if applicants satisfied more of Section 11.7 in the statute, but were not included as part of the 18, the State would look at the applicants.

Ms. Jones Brady said government transparency was important to her. She asked what things were in place to ensure that things were transparent and consistent. She said there needed to be discussion around how or why decisions vary significantly. The other thing she was concerned about was the for-profit mode. She said transparency was very important and people were in the business to make money and a profit as opposed to helping a community.

Mr. Westom said Clark County and some other jurisdictions reviewed criteria at the local level. At the state level, they reviewed the entire operation. He said much of the information they received was confidential and they released what information they could, but did not have full transparency because of the law. They will release the information about those who received provisional certificates along with their rankings, Exhibit C. He said they would not release information if the applicant did not sign a release form.

Assemblywoman Fiore commented about the nonprofit issue. She said the pharmaceutical companies and alcohol companies were for profit. The new medical marijuana businesses moving to Nevada will be giving a lot back to charity. She said it was a for-profit company.

Chair Segerblom said they made it for-profit because law enforcement suggested it and they wanted to bring the best and brightest from around the country to Nevada. He said they had received interest and applications from around the country of people with backgrounds from all varieties.

Ms. Giunchigliani said she thought the for-profit base made the most sense. She said nonprofits found a way around the rules and went underground. She wanted it as legal as possible. She said merit base would use Section 11.7, but the regulations added some additional information. They needed experts from out of state to assist. She was concerned about the staff available for the State. She asked what the turn-around time was for decisions and implementation back to local governments for final approval.

Mr. Westom said it was all factored in, including the vertical model proposal. He said each aspect would be reviewed separately. The time frame was 90 days to review all medical

marijuana applications in the state. He said they were staffed to meet the demand. They had a combination of state employees as well as contracted staff.

Ms. Giunchigliani asked if they did a disclosure so there were no conflicts or business interests.

Mr. Coffin said the bill was still in flux in order to meet things still needing solutions. He brought up an issue of an owner-grower co-op. He said he had not seen applications, but hoped for an incentive for owner-growers. He requested Mr. Westom keep the committee informed of all the things that arise concerning the issues. He asked a question about the selection of the 18 people chosen by the county, but the state chose the 19th person. He wondered what that did to the one who was number 18.

Mr. Westom said they will receive all the applications of people who apply across the state. He said they would come up with the highest 18 rankings in Clark County and issue provisional certificates. He said Clark County then had the option of denying the businesses at a local level. If they are denied at the local level, then the State will also deny them and the State would let Clark County know who was the next ranked entity.

Mr. Coffin said they would not know who was ranked because of confidential laws.

Mr. Westom said they would publish those rankings, but not in detail due to confidentiality clauses. They would be in conversation with the local government.

Chair Segerblom asked if Mr. Westom said they were going to publish the rankings of everyone who applied in the district or just the number the jurisdiction was eligible to receive.

Mr. Westom referred to Exhibit C. He said they were issuing a release form to applicants and if they chose to sign it, then their ranking and score would be released.

Ms. Wildeveld said the City was requiring a copy of the State application for the licensing process. The State was supposed to be ranking the applications blindly. She asked if there was information sharing or was the State portion of the City application confidential.

Mr. Westom said he would do his best to answer the question. He said he had no comment on what the local governments decided to do. He said the ranking and review had identified and unidentified criteria in the application.

Mr. Modafferi said the 18 people approved by the County will end up with the licenses. He said there was going to be a push-back. He asked if that was correct.

Mr. Westom said the State process was merit based and it followed the statutes and regulations. The applications outlined their requests and they would review, ranking and scoring the applications regardless of what occurred at a local level.

Mr. Modafferi said after the ranking was accomplished, local government would have carte blanche power to choose the applicants.

Mr. Westom said they will notify the applicants that the State was planning on issuing them provisional certificates and then they will notify the local government of the highest rankings. It will then be up to Clark County to decide what they want to do. If the county denies an applicant, then the State will also deny them and then notify the county of the next ranked applicant.

Ms. Giunchigliani said Clark County kept alive all the other applicants besides the 18 in case the State did not select the same people.

Mr. Westom gave a brief overview of the current process as outlined in Exhibit C. He said the security would be huge and there would be automatic notification to law enforcement if there was a security breach. He said it was important that the packaging had strict guidelines. The packaging was child resistant.

Ms. Jones Brady said she had seen cards and certificates from California. She asked if the medical marijuana cards and certificates have consistency and a professional appearance as well as being difficult to forge.

Mr. Westom said at least three documents were relevant to her concern. The existing marijuana patient cards were processed in a partnership between DMV, DPS and his office. He said there were a lot of security features. The Division issuing the medical marijuana agent cards or employees will have similar security features. The medical marijuana provisional certificates will be printed with security features like other licenses and certificates issued by the Division. He said they print a lot of certificates that are health related.

Mr. Watkins asked about child resistant packaging. He asked for a description of the packaging that would prevent children and other members from gaining access to the drug.

Mr. Westom said the regulations called out specifics on child resistant packaging. They review each applicants packaging and have a routine inspection at least once per year of the establishments. He said they had appropriate enforcement ability at the establishments to curtail packaging not in the best interest of children.

Mr. Watkins suggested that the packaging have a zip lock with an actual lock and the cardholder would have the key. He said they needed to make sure children and unauthorized adults do not get into the package.

Mr. Westom said they had 12 new positions and projected 15 contracted employees would be necessary to assist in reviewing the applications. He said the contractors had different specialties.

Chair Segerblom said Clark County did not limit the number of grows or edibles in the state law. He asked if there was some type of limited cultivation.

Mr. Westom referenced Exhibit C. He said they wanted to be sure the supply was sufficient. He said if the supply authorized was far greater than the demand, then illegal diversion was a risk. The adopted regulations said the Division may limit the cultivation in the State. It would have to happen through a public hearing. He said they know how much square footage was needed in a cultivation facility to grow medical marijuana. He said they also factored in the reciprocity factor from other states. They were projecting a range of 600,000 square feet of cultivation up to almost 1 million.

Chair Segerblom asked if the Division had projected the number of cards needed for next year.

Mr. Westom said currently there were over 6,000 medical marijuana cardholders and a number of caregivers in Nevada. He said the numbers were growing rapidly. They issued statewide numbers only and it was posted on the website.

Mr. Watkins said he understood that police will have, in their scopes, the individuals who have marijuana cards.

Mr. Westom said they already had a process for law enforcement purposes where they can look at the data base to see if someone was a cardholder.

Mr. Watkins said the police could look at the card and run the information.

Mr. Westom said he could not comment on that.

Mr. Cutolo said part of S.B. 374 required law enforcement to have access to cardholders information in order to verify the card. He said the access was limited and the list was updated daily. It did not give names or addresses of the cardholder.

Mr. Watkins said the police would then not have any access or knowledge that a person driving a car was a marijuana user.

Mr. Cutolo said the information was removed from DMV four or five years ago.

Mr. Westom referred to the process of receiving the card as outlined in Exhibit C.

Chair Segerblom said within the year the State could have 50,000 card holders. He asked if there was enough staff to process that number of cards next year.

Mr. Westom said if Chair Segerblom was correct and they had 50,000 cardholders rather than the 6,300 currently projected, they did not have enough staff. He said they had systems in place to request the resources to meet the demand.

Chair Segerblom asked if the money for the cards went to the Division.

Mr. Westom said the funding for the medical marijuana card holder program and the medical marijuana establishment program were held separately. He said the division was flexible and would ask for additional resources if necessary.

Mr. Westom said when they completed the application and turned it in, there was a letter that gave them 30 days as a cardholder until they received their card.

Ms. Solas asked if the statistical page looked different earlier. She said she remembered a separation of age and who had the card and their condition.

Mr. Westom said he did not have that information.

Ms. Solas said about two years ago the age of the person was released. She said it made it convenient to point out that it was not just young kids getting on the program. The majority of card holders were over 30.

Mr. Westom said she was correct, but it was not on their site due to confidentiality requirements.

Chair Segerblom said that might need to change to show who was participating and their age groups.

Ms. Solas said she would like to see the ages of the cardholders and the zip code so they could see where the population was located and who needed the medication.

Chair Segerblom reopened the meeting with a request for public comment.

J. Laub, President of the Las Vegas Medical Marijuana Association said they would continue to focus the industry to serve patients. He said it was to help the patient. He said the organization was working with doctors, researchers, and the University.

John Sullivan, President and CEO of First Security Bank of Nevada, said his bank was willing to provide banking services to medical marijuana establishments in the State. He said they did so out of compassion for individuals who required the medication. He said he had met many of the applicants in the past few months. It was still a grey area in the law, grey on the federal level. Any revenue derived from the sale of marijuana was still illegal. He said in February the Financial Crimes Enforcement Network, (FINCEN) released guidance to the banks. FINCEN said the services could receive banking services if they were in full compliance with the state and local laws and regulations. And secondly that the businesses do not violate the eight principles of the Cole Memorandum. He said they concluded it was possible to stay within the guidelines. He said FINCEN expected banks to implement robust monitoring systems in accordance with state law. The marijuana operations had to be complying with state and local laws. He said they also had to know who the customer was, how they operated and what revenue and currency deposits they were making. He said they had to track the customer. One area of guidance beneficial for

Mr. Spratley said it was a concern from the law enforcement point of view.

Wes Henderson, Director, Nevada League of Cities and Municipalities, said Ms. Garcia and Mr. Cathcart were also present. Mr. Henderson gave a brief overview of actions of the various cities and towns throughout the State, Exhibit D. He said there were a variety of responses concerning medical marijuana. He said two or three cities prohibited the establishment of facilities within their jurisdictions; however, one city was reconsidering its decision. Several cities had not taken any action, and some cities had enforced moratoriums from six months to two years. He said some cities had voiced concerns regarding the federal prohibition against marijuana. He said other cities had adopted regulations and were accepting applications.

Chair Segerblom said some rural counties had one or two incorporated cities but large geographical distances. He asked if they needed to increase the number of dispensaries for those counties.

Mr. Henderson said it had been expressed as a concern. He said there were no incorporated cities in Nye County, but there is the town of Pahrump.

Mr. Mike Cathcart, Business Operations Manager, City of Henderson, talked about their process. The council adopted ordinances on July 1, 2014, and opened the application process on July 7, 2014. He said they had received a lot of questions and calls but no applications to date. He said they had seven classes of different medical marijuana establishments. They were not selecting any number of applicants before the state process. He said when the list was returned from the State, the Council would look at doing the permits and issuing the business licenses. He said they were concerned they might not get their entire ranked list back.

Mr. Westom said they would send the top ranked to the City of Henderson. He said if an application was denied at the local level, the State also denied it and would let them know who was the next ranked entity.

Chair Segerblom thought he heard the whole ranking was public information. He asked if the city would not know who was ranked next after the first five entities.

Mr. Westom said it was two different processes. He said one was the discussion of what was released publically and the other was conversations with the local governments. He said it was subject to the applicants signing the release of information.

Mr. Cathcart was concerned about the open meeting law, and they also wished to have vertically integrated establishments. He said if a dispenser was ranked number 6 on the list but ranked as the number 1 cultivator, they wanted the flexibility to license them as a vertically integrated establishment.

Chair Segerblom asked Mr. Westom if the total rankings on the website would not necessarily be given directly to the city.

Mr. Westom said they did not have exact dates and when it would be posted to the website. They were still revising the process.

Ms. Douglass Morgan said they did not have the different classifications. She said they did not want to have to wait too long to receive the information and rankings.

Mr. Westom said their process was to issue the provisional certificates to the top ranked for the jurisdiction. He said they would look at the dispensaries being in the appropriate places for the patients. They were not authorized to approve someone who was not properly ranked. He said it was a merit based system.

Ms. Nicole Garcia, Henderson City Attorney's Office, reviewed the regulations the State presented as a rationale for withholding the entire list. She said they did not find anything in the regulations that prevented the State from giving them the entire list of qualified applicants. The legislature gave the cities the ability to regulate the zoning and the business licensing.

Ms. Giunchigliani said she did not want political bid shopping. She said it was not the whole list because it was merit based at the State level. She asked about a denial coming in at the State level.

Mr. Westom replied that once they got past the applicant issued provisional certificates, local approval of the businesses was required. He said at the point the local government denied the business, the State followed suit and denied the certificate.

Ms. Giunchigliani said they should not jump all over the list.

Ms. Garcia said they wanted the State to do the vetting of the applicants and the city gave a lot of weight to how the State ranked them. She said Henderson did not want clustered dispensaries.

Kevin Schiller, Assistant Manager Washoe County, gave a quick update concerning Washoe County. They passed regulatory and code changes in April. They provided provisional zoning letters and worked with the State around remaining issues. They were looking at locations including the other holders.

Chair Segerblom opened discussion on Agenda Item VIII, laws governing driving under the influence of marijuana.

Mr. Anthony said he had assembled a two-part handout; one on the National Conference of State Legislatures, Exhibit E, and the other a colored chart on DUI laws, Exhibit F. He said driving under the influence of a controlled substance was different than a traditional DUI. He said there was a .08 standard for driving under the influence. He said it was a per se standard meaning if the blood alcohol level was over .08, a person was considered impaired. Some states had effect

based laws where the officers had to prove you were impaired. There were also zero tolerance states where if you had any amount of a controlled substance in your system, you were presumed to be guilty. He said Nevada was a per se state that set out various requirements for controlled substances. He said in Nevada, urine level was 10 nanograms per milliliter for marijuana and 15 nanograms for marijuana metabolite. In terms of blood for marijuana, it was 2 nanograms and 5 metabolites. He said there had been earlier attempts to carve out exceptions for medical marijuana use. Mr. Anthony referenced Exhibit F, the highlighted map. He said 6 states had per se limits similar to Nevada; 11 states had zero tolerance; the remaining 33 states had effect based laws and it was up to the prosecution to prove.

Chair Segerblom asked about the California law. He said the officer determined whether or not there was impairment and then there was some type of test.

Mr. Anthony said yes, that was his understanding. In California you were given a field sobriety test and if you failed, then you received blood and urine tests and it would be admissible in court.

Mr. Coffin asked how much marijuana had to be consumed to reach the 5 nanogram amount. He asked if it was literally a trace of exposure.

Mr. Anthony said that was one of the issues debated. He said for example, how long does it stay in the body and how is it metabolized. He said it was an emerging area of law.

Mr. Coffin said he was familiar with how much alcohol was involved, but what about a contact high for a person who had been near someone who smoked marijuana.

Mr. Watkins said there was a distinction between alcohol and marijuana. Alcohol was a "polar substance" which meant it loved water, and marijuana is non-polar and loved fat. When smoking the THC level rises rapidly and within 20 to 30 minutes it goes down quickly. He said 2 weeks later the marijuana THC in the fat can travel into the blood. He said the studies dealing with marijuana and driving did not show impairment in the numerical levels. We were putting people in jail who were not impaired. He said the nanogram numbers were plucked out of the air. He said the impairment standard was a better way.

Ms. Jones Brady said it was prison, not just jail.

Assemblyman Horne said he represented clients seeking medical marijuana licenses. Last session he sponsored a bill calling for a carve-out for patients with medical marijuana cards who were detained by police. He said the bill was a fairness issue. Medical marijuana card users were detained by police. Medicinal cannabis was the only medicine with limits on it. He said law enforcement had all the tools for proving impairment through field sobriety tests. People said his bill would allow more drunk drivers on the streets. He said nothing in the bill prevented medical marijuana cardholders from being prosecuted for driving under the influence. He said the prosecution still had to prove their case. He recommended another BDR similar to the one last session.

Ms. Giunchigliani said she tried to deal with the drunken driving issue in A.B. 351 from the 2003 session. She said marijuana and cocaine were added to the Prohibited Substances Act in 1999. She said the research did not tell what a metabolite was for cocaine and marijuana. They could change the substance act. She said it needed to be actual blood testing, not urine testing. The two nanograms needed to be looked at, not the metabolite. The U.S. Department of Health and Human Services said they ranked 15 nanograms for the purpose of hiring, firing and screening people for federal employment. She said it was important to measure the right thing. The issue of impairment also had to be investigated.

Mr. Spratley said law enforcement was a willing partner in A.B. 351. He remembered holders of commercial driver's licenses were not affected by the bill. He said law enforcement wanted discussions regarding the law and to make sure they crafted laws that would affect drivers on the roadways. He said the Federal Motor Carrier Safety Administration had a ban on medical marijuana use for commercial license holders.

Chair Segerblom opened discussion on the Agenda Item IX, obtaining a medical marijuana identification card in Nevada and Arizona. He said they needed a way to simplify receiving a card.

Mr. Anthony referred to Exhibit G and Exhibit H. He said Exhibit G outlined the Nevada medical marijuana program and the other exhibit had information from Arizona, including a patient check list. He said in Nevada currently someone fills out a request for an application by mail, it cannot be done in person, and pays the required \$25 fee. The Division then sends a full application; the person fills it out and returns it with a \$75 fee. The Division checks it for completeness, and then within 30 days when there is a decision, the person can go get the card. He said in Nevada by statute and by regulation once the application is deemed complete the application can be treated like you were a cardholder.

Mr. Anthony said it appeared Arizona's process was much quicker. The application was done on-line, not in person. The on-line process returned the decision to the applicant within 10 business days. He did not find an exception grandfathering a person in once they applied for the card. He said they might have to wait the 10 full days before receiving the card. He said the other differences were very minor. Arizona had a slightly higher fee at \$150 and Nevada's was reduced this last year.

Chair Segerblom asked why they could not have an internet application as opposed to the current system.

Mr. Westom said they were looking at making the system more web based. The Division had a centralized licensing database system that was authorized and funded. He said they were looking at electronic systems but they took time to get.

Ms. Giunchigliani said they could remove the request for part of the application. The DMV card was for an official ID that would prove out. She said dispensaries were in place with reciprocity in place with minimal verification. She said they needed to speed up the process and offer an official government ID to protect the patient.

Ms. Solas said as soon as the patient received a doctor's approval, they could use medical marijuana before they received the card. She said if they removed the requirement for a mailed application and allowed on-line applications for the \$25 fee, it removed 5 to 7 days in mail time. The application would still require the doctor's signature to start the process.

Mr. Spratley said law enforcement was very much opposed to moving away from the DMV. He said it was a good card, they recognized it, and it was hard to forge. He said DMV did a fantastic job of producing medical marijuana cards in Nevada.

Ms. Solas said she had been stopped by law enforcement and they were unable to access her information until she handed them the card. She said the card made her feel safe.

Mr. Westom asked Mr. Anthony if Arizona gave any information about the background checks of the patients.

Mr. Anthony said he did not recall Arizona having as detailed a background check. He said they did fingerprints, but they had moved away from that.

Chair Segerblom added that felons were excluded from medical marijuana. He asked Ms. Regina Harris to come forward. She claims to have invented a new way to issue medical marijuana cards.

Regina Harris said she was with Get Legal 420. She said they provided residents with chronic and debilitating conditions support with the medical marijuana cards.

Sara Cloutier said the service was designed to accommodate patients in need of the card. She said they were a mobile service. They were looking forward to working with nonprofit organizations to help them mitigate fees for patients in need. She said they were developing a full service medical marijuana kiosk allowing patients to automatically upload their information to the State, be evaluated by an attending physician via telemedicine, and acquire their temporary ID all at once. She said the machine had the capability of providing diet programs and stress tests, as well as on-line health monitoring.

Ms. Harris said they wanted to schedule, at a later date, a time to demonstrate the prototype.

Ms. Solas was concerned about degrading the medical profession by not having a doctor physically examine the person.

Ms. Harris said there was a blood pressure cuff, a scale, and monitoring for temperature. She said it was everything you were able to do in a doctor's office basically through telemedicine.

Chair Segerblom asked if the doctor was not present but was watching the patient.

Ms. Harris said yes, it was similar to Skype, the doctor was on the other side of the monitor. It had face recognition and could do an evaluation right then and upload the information to the State.

Ms. Giunchigliani said she thought they were promoting a business rather than wellness. She asked what they charged a patient.

Ms. Harris asked if she meant for their service to help them register for the card. She said they charged \$299 which covered the state fee, the doctor's evaluation, the notary and all the paperwork. She said they were a mobile service and went directly to the patient. She said they took out the tedious process by doing it for them.

Ms. Giunchigliani said under state law the doctor had to have the primary responsibility for the care and treatment of the patient, not be a drive-by. She was concerned, and she did not want to put people at risk.

Chair Segerblom said this was marijuana, not cocaine or heroin. They could change the law.

Ms. Giunchigliani said it was very clear that the voters had voted to allow you to be recognized by the card.

Ms. Harris said if the patient already had an attending physician they offered to take the doctor's fees out of the proposal.

Chair Segerblom said he had a guy who was fired due to a work injury and he tested positive. He said he looked in the yellow pages, called them, met the doctor and they started delivering to the house.

Ms. Giunchigliani said you did not need to pay anybody \$100 bucks for the help.

Chair Segerblom said you do not need to pay, it was just the possibility out there. He said he was interested in the kiosk.

Senator Hutchison said the idea of electronic and web services needed to be investigated. He asked if they could schedule a time for the parties to present some of these topics; databased, web based, electronic based solutions to the challenges with the law.

Chair Segerblom referred to Exhibit 1, five things he was interested in hearing for potential topics on future agendas. He said they would have at least two more and maybe three more meetings. He mentioned transfer of ownership of establishment licenses, additional dispensaries, the

the committee was that FINCEN encouraged banks to establish lines of communication with state and local governments. He said the monitoring systems were a huge burden for the banks. The Cole Memo stated that they needed to remove the danger of an all cash business. He said huge sanctions can be imposed on financial systems that do not follow the regulations.

Chair Segerblom said Mr. Jones would meet with Mr. Sullivan about ways the committee could propose a bill to help the banking industry in Nevada. He added that Item VII of the Agenda, concerning credit unions, was pulled because they wanted more time before they made a presentation.

Cindy Brown said in Nevada the patients were required to be experts on marijuana. She wanted each dispensary to have at least one patient on their board.

Julie Montero said she was a registered nurse in Nevada. She said limiting the number of cultivation facilities seemed to limit patient access. She said the patients were having difficulty with the cards due to the length of the process.

Chair Segerblom requested she email her ideas to the committee.

David Kallas said he was a cardholder. He said he understood the need to protect children from access to the medication but it was important to remember it was medication and pharmacies were not required to put locks on the medicines they dispensed. He said the cost of locks would be passed on to the patient. He asked for a trial run on the application process to make sure an agricultural specialist did not evaluate everything they might not have knowledge about.

Mr. Watkins said child resistance packaging was not the case. He said he just wanted to show that child resistant packaging was not child resistant.

Ms. Solas said she went to Colorado and looked at their packaging and the packaging sold at the major conventions. She said the packaging sold in Colorado was harder to get into than aspirin or oxycodone.

Sal said the people on the board seemed open-minded and logical on this topic. He said he was a caregiver. He was concerned that the opportunities to get into this industry were limited to wealthy people. He said limiting the amount of growers reduced the quality of the medicine. He said from his personal experience small gardens produced the best medicine over bigger gardens.

Assemblywoman Fiore asked Sal to email his ideas to her.

Thomas Serato said he was a medical marijuana cardholder. He discussed concentrates made with a butane product. He said it took a natural product and applied gas to reduce it down. The butane was not totally removed from the product. He said he was able to offer a product that never put butane on the product. He said methane gas was completely natural. He added exploding hash labs were a serious problem.

Timothy said he had numerous concerns. He said S.B. 374 caused patients a lot of problems. He had to go to Colorado to be licensed. He said a patient only had a limited amount of funds. He said the system did not protect the patient and their medicine. He feared not being able to grow his own medicine. He said there was no scientific research concerning driving under the influence of cannabis.

Vicki Hagans said tax and political donations from the past as well as time should be considered. She said a swab test for the DUI and job issues are being developed at this time. She asked if there was a projected date after the applications were approved.

Chair Segerblom said it had to be by 90 days for the State.

Ms. Hagans said California had hundreds of different cards. She asked how to define too much medicine. Each dispensary needed 3 to 5 cultivation systems. The concentrates take a vast amount to make them. She said they needed to consider not putting limitations on cultivation. Patients needed to maintain their own gardens. She said agent cards were very expensive.

Chair Segerblom requested she email all of her suggestions to the committee.

Raymond Fletcher requested that they look at protection for patients as far as work. He lost his employment even though he was a medical marijuana patient. He said Voc-Rehab programs will throw them out if they use marijuana. He said they do not want to limit the ability for patients to grow their own.

Mr. Kallas requested they ask the state representatives from the Division of Public Health to post their presentation on their website.

Mr. Westom said it was on the legislative website and they would put it on the Division's website.

Mr. Westom said he had covered the majority of the presentation. He asked if there more questions.

Ms. Solas said the medical marijuana registry card took about 21 days to receive. She said she had not seen that level of turn around. She said they help people with the process.

Mr. Westom asked if the patient had sent in her card on the 21st of June.

Ms. Solas replied she sent it on the 21st of June and had not received anything in the mail. She said other patients turn-around time seemed more like about 6 weeks.

Ms. Westom said the calculations averaged 21 to 27 days for turnaround depending on when it was sent. He said the demand increased dramatically. They were adding additional resources to

be sure they were in compliance with the law, but did not have the resources to take the required 30 days and bring it down to 5 or 10 days. He said the background check required approximately 12 days.

Ms. Douglass Morgan said the estimated amount for grows was between 600,000 to 1 million square feet for the entire state. She said there was no public hearing scheduled to limit the number of cultivation growers.

Mr. Westom said she was correct. Public hearings required a 30 day notice. He said the estimates were given to meet the projected needs of Nevada patients as well as reciprocity with other states. He said that was not a limited, but rather a work load analysis.

Chair Segerblom asked if they gave a grow license did they have the ability to withdraw it or scale it back if there was too much product.

Mr. Westom said they did not have an exact process at this time. It would have to go to a public hearing.

Ms. Giunchigliani asked when the reapplication period would occur.

Mr. Westom said it was not scheduled at this time.

Ms. Giunchigliani asked if local business license departments needed to inspect the establishments.

Mr. Westom said it depended on decisions made at the local level. The state usually did not have a comment on local processes.

Ms. Giunchigliani said she appreciated Mr. Sullivan and the banks adding that there may be some flexibility there. She was curious about the no ex-felons rule working there. She said Nevada reinstated felon rights and she hoped they were not permanently barring people from working. She asked if someone changed their partners before the State opened their applications, what would happen.

Mr. Westom said they reviewed what was on the application when it was received. He said it would not be a factor if the ownership was different from the application for zoning or business licensing.

Ms. Giunchigliani said on the local level they might have voided themselves if they made changes. She said the original bill contained language about the attending physician. The attending physician was a physician licensed to practice medicine and had primary responsibility for the care and treatment of the patient with a debilitating medical condition. She wanted to make sure it was still a condition in the bill.

Mr. Westom said yes, those were things reviewed by staff for medical marijuana patient holders. Ms. Giunchigliani wanted to reinforce the idea of licensed physicians in the state.

Mr. Westom said there was a provision that they make themselves aware of recommendations from physicians for potential conflicts.

Mr. Coffin asked about sharing information on inspections. The City of Las Vegas wanted to know if someone failed or was in jeopardy of losing their special use permits. He asked how they received the information.

Mr. Westom said he hoped it would be the same as other programs and readily available. He said other programs special reports were posted on the websites. That was the quickest way to get the information out to the local governments.

Ms. Wildeveld commented that people concerned about receiving medical marijuana from a dispensary said some applications contemplated giving free medical marijuana to certain individuals. She asked if there was a standardized system for tracking and verifying state issued cards that the establishments were using. She said people would be coming from all over the country and wondered how they would know if a card is legitimate.

Mr. Westom said the law required the dispensaries verify that the cards are legitimate. He said in 2016 the State will have worked with other states to try and have verification of the cards through electronic systems. He said it was difficult because not all states had electronic systems.

Ms. Wildeveld asked about regulations changing the ownership of establishments once the license was granted.

Chair Segerblom said the law did not provide for the change of ownership. He said one of the purposes of the Committee was to design and process the transfer of ownership.

Mr. Spratley asked about the square footage needed for production facilities. He inquired about one applicant applying for the whole 1 million square feet of production, would it then be limited to one facility in the State or would they still allow other facilities.

Mr. Westom replied the production he mentioned of 600,000 to 1 million square feet of cultivation facility was for the growing. He said a super facility needed to rank in score high enough on their application to have that spot.

Chair Segerblom said he thought they were not going to rank the growers, but were going to approve all the growers until they had the public hearing.

Mr. Westom said they had to be sure that what was proposed was in compliance with the regulations and statutes. He said until they had the hearing, they could not limit production. He said he had not heard of any one proposing 1 million square feet.

estimated number of cardholders, the process for new ID cards and whether doctors who prescribe should be listed on a state website.

Ms. Giunchigliani said they cannot use the word prescribe, they need to look at application or something. She said they needed to look at the statute restricting public health labs from participating. They needed to look at Senator Rawson's language added to a bill in 2001 which allowed for research by the University System, but they had to apply to the Federal Government. She recommended removing that language. She wanted to discuss allowing green houses to grow. She was also concerned about the drunk driving laws and any criminal statutes woven into the bill. She said growing one's own medical marijuana needed further discussion. Horticulture programs at the public institutions should be established. She said they needed to look at "candy production" so the kids had access to it. She was concerned about price gouging for cost of applications. She was concerned about restrictions going across county lines.

Senator Hutchison said the committee needed to address and talk about the challenges the cash business had and possible electronic solutions. He was also concerned about reciprocity and a databased system they could review.

Mr. Watkins said they needed to discuss the usage of marijuana and driving. People need their medicine and also need to be able to go to work.

Mr. Kallas said he agreed with Ms. Giunchigliani. He said this should be about the patients and not profit sharing. He said as soon as possible eliminate the request from the cardholder to the State to receive an application. He said it was a waste of time to have to justify why you wanted the application. He said in regards to reciprocity it was important to require that each dispensary receive all other state's copies of what they issued to the cardholders.

Chair Segerblom said all they were doing was asking them to sign an affidavit; they were not going to grill people.

Assemblyman Horne said it would be beneficial to dovetail the state process with the local process. He suggested the State being responsible for the caliber of the applicants and the local government responsible for the zoning. He said that might eliminate a lot of the confusion. He said gaming license holders were not permitted to participate, however, the gaming licensees were the most vetted people in Nevada. He said originally they wanted the most above reproach caliber of people participating. He wanted to be sure high-caliber people were involved. He said the issue on transporting cannabis across county lines needed discussion. He said if the state said someone was an appropriate grower, then perhaps it was against public policy for other counties that permitted it to block it and only allow those growing in their jurisdiction.

Thomas Serato, long time user and advocate, said protecting the children was the first and last cry of prohibition. He said nobody ever died from using marijuana. He said he had smoked for 40 years and had driven an auto since he was 8 years old and never had an accident or been cited. He said he would take any test designed.

Nancy Wilden talked about clones. She said the cultivation sites are going to need 1,000 clones. Her brother was involved in cloning for almost 10 years. She had a group of gardeners who wanted to provide clones to the cultivation sites.

Chair Segerblom said they could sell 12 clones and give away 1,000.

Timothy said it was about wellness. He said he was forced out of the medical cannabis state registry in Nevada.

Chair Segerblom said he understood that what he wanted them to do was put free or really cheap marijuana into the law. He said they cannot do that until February.

Timothy said it was not about cheap cannabis. He said within the state's rehab medical system, he would like to use the opportunity to find jobs in the program.

Sal said the problem with verifying out-of-state people was that the dispensaries would be liable even if the customer signed an affidavit. He was in favor of telemedicine. He was concerned about a huge backlog in sending out cards.

Chair Segerblom said if they signed an affidavit, no one was liable.

Assemblywoman Fiore said if a dispensary in Nevada was not licensed or approved and not abiding by the laws, the officers will investigate and shut them down.

Julie Montero said she had patients who registered 300 nanograms. She recommended a clause where medical marijuana users were exempt from the 2 nanograms. She asked if there was a directory listing the doctors and dispensaries on a state website.

Mr. Westom said physicians were confidential, but dispensaries will become public.

Mr. Watkins said the law was 2 nanograms per milliliter.

Cary, secretary of the Board of Wellness Education Cannabis Advocates in Nevada, said he wanted to do away with plausible deniability for the police.

Chair Segerblom asked if there was any further public comment. He adjourned the meeting at 1:05 p.m.

Respectfully Submitted:

Olivia Lodato, Interim Secretary

Approved By:

Senator Tick Segerblom, Chair

Dated: _____

EXHIBITS

Committee Name: Advisory Commission on the Administration of Justice's
Subcommittee on the Medical Use of Marijuana

Date: July 9, 2014 Time of Meeting: 9:00 a.m.

	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Chad Westom	Medical Marijuana Program
	D	Wes Henderson	NLC&M Marijuana Update
	E	Nick Anthony	Drugged Driving Per Se Laws
	F	Nick Anthony	Zero Tolerance Per Se Laws
	G	Nick Anthony	State Medical Marijuana Program
	H	Nick Anthony	Medical Marijuana Patient Checklist
	I	Chair Segerblom	Potential Topics for Future Agendas

EXHIBIT 3

EXHIBIT 3

BILL NO. 2014-30

ORDINANCE NO. 6321

AN ORDINANCE TO ESTABLISH ZONING REGULATIONS AND STANDARDS FOR MEDICAL MARIJUANA ESTABLISHMENTS, AND TO PROVIDE FOR OTHER RELATED MATTERS.

Sponsored by: Councilman Bob Coffin

Summary: Establishes zoning regulations and standards for medical marijuana establishments.

THE CITY COUNCIL OF THE CITY OF LAS VEGAS DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1: Ordinance No. 6289 and the Unified Development Code adopted as Title 19 of the Municipal Code of the City of Las Vegas, Nevada, 1983 Edition, are hereby amended as set forth in Sections 2 to 5, inclusive, of this Ordinance. The amendments are deemed to be amendments to both Ordinance No. 6289 and the Unified Development Code adopted as Title 19.

SECTION 2: Table 2 of the Land Use Tables adopted in Title 19, Chapter 12, Section 10, is hereby amended by adding, at the appropriate locations, entries for the uses "Medical Marijuana Cultivation Facility" and "Medical Marijuana Production Facility," indicating by the letter "S" that each of those uses is allowed by means of Special Use Permit in the C-M and M Zoning Districts.

SECTION 3: Table 2 of the Land Use Tables adopted in Title 19, Chapter 12, Section 10, is hereby amended by adding, at the appropriate location, an entry for the use "Medical Marijuana Dispensary," indicating by the letter "S" that the use is allowed by means of Special Use Permit in the C-1, C-2, C-M and M Zoning Districts.

SECTION 4: Title 19, Chapter 12, Section 70, is hereby amended by adding thereto, at the appropriate locations, entries for the uses "Medical Marijuana Cultivation Facility," "Medical Marijuana Dispensary" and "Medical Marijuana Production Facility," reading respectively as follows:

Medical Marijuana Cultivation Facility

Description: A fully stand-alone detached enclosed structure which cultivates, delivers, transfers, transports,

1 supplies, or sells marijuana to medical marijuana dispensaries or medical marijuana production facilities. This
2 use includes a "cultivation facility," as defined in NRS 453A.056.

3 **Minimum Special Use Permit Requirements:**

4 *1. Pursuant to its general authority to regulate the cultivation, production, dispensing and sale of medical
5 marijuana, the City Council declares that the public health, safety and general welfare of the City are best promoted
6 and protected by generally requiring a minimum separation between medical marijuana cultivation facilities and
7 certain other uses that should be protected from the impacts associated with a medical marijuana cultivation
8 facility. Therefore, except as otherwise provided below, no medical marijuana cultivation facility may be located
9 within 1000 feet of any school; or within 300 feet of any individual care center licensed for more than 12 children,
10 community recreational facility (public), City park, or church/house of worship.

11 *2. The distance separation referred to in Requirement 1 shall be measured with reference to the shortest
12 distance between two property lines, one being the property line of the proposed medical marijuana cultivation
13 facility which is closest to the existing use to which the measurement pertains, and the other being the property line
14 of that existing use which is closest to the proposed medical marijuana cultivation facility. The distance shall be
15 measured in a straight line without regard to intervening obstacles.

16 *3. For the purpose of Requirement 2, and for that purpose only:

17 a. The "property line" of a protected use refers to the property line of a fee interest parcel that
18 has been created by an approved and recorded parcel map or subdivision map, and does not include the
19 property line of a leasehold parcel; and

20 b. The "property line" of a medical marijuana cultivation facility refers to:

21 i. The property line of a parcel that has been created by an approved and recorded
22 parcel map or commercial subdivision map; or

23 ii. The property line of a parcel that is located within an approved and recorded
24 commercial subdivision and that has been created by a record of survey or legal description, if:

25 A. Using the property line of that parcel for the purpose of measuring the
26 distance separation referred to in Requirement 1 would qualify the parcel under the distance separation

1 requirement;

2 B. The proposed medical marijuana cultivation facility will have direct access
3 (both ingress and egress) from a street having a minimum right-of-way width of 100 feet. The required access
4 may be shared with a larger development but must be located within the property lines of the parcel on which
5 the proposed medical marijuana cultivation facility will be located;

6 *4. The use shall conform to, and is subject to, the provisions of LVMC Title 6, as they presently exist and
7 may be hereafter amended.

8 *5. No outside storage shall be permitted, including the use of shipping containers for on-site storage.

9 *6. An air filtration system to be designed by a Nevada licensed engineer shall be provided prior to the
10 issuance of a certificate of occupancy.

11 *7. Signage for the establishment shall be limited to one wall sign per street frontage, the face of the sign not
12 to exceed thirty square feet in area and not to exceed two feet in height. Such a sign shall be internally illuminated,
13 with the use of neon prohibited.

14 *8. The Special Use Permit shall be void without further action if the uses ceases for a period exceeding 90
15 days.

16 *9. A medical marijuana cultivation facility shall obtain all required approvals from the State of Nevada to
17 operate such a facility prior to the Special Use Permit being exercised pursuant to LVMC 19.16.110.

18 **On-site Parking Requirement:** One space for each 1000 square feet of gross floor/yard area
19 identified for cultivation.

20 **Medical Marijuana Dispensary**

21 **Description:** An establishment which acquires, possesses, delivers, transfers, transports, supplies, sells or
22 dispenses marijuana or related supplies and educational materials to the holder of a valid registry identification
23 card. This use includes a "medical marijuana dispensary," as defined in NRS 453A.115.

24 **Minimum Special Use Permit Requirements:**

25 *1. Pursuant to its general authority to regulate the cultivation, production, dispensing and sale of medical
26 marijuana, the City Council declares that the public health, safety and general welfare of the City are best promoted

1 and protected by generally requiring a minimum separation between a medical marijuana dispensary and certain
2 other uses that should be protected from the impacts associated with a medical marijuana dispensary. Therefore,
3 except as otherwise provided below, no medical marijuana dispensary may be located within 1000 feet of any
4 school; or within 300 feet of any individual care center licensed for more than 12 children, community recreational
5 facility (public), City park, or church/house of worship.

6 *2. The distance separation referred to in Requirement 1 shall be measured with reference to the shortest
7 distance between two property lines, one being the property line of the proposed medical marijuana dispensary
8 which is closest to the existing use to which the measurement pertains, and the other being the property line of that
9 existing use which is closest to the proposed medical marijuana dispensary. The distance shall be measured in a
10 straight line without regard to intervening obstacles.

11 *3. For the purpose of Requirement 2, and for that purpose only:

12 a. The "property line" of a protected use refers to the property line of a fee interest parcel that
13 has been created by an approved and recorded parcel map or subdivision map, and does not include the
14 property line of a leasehold parcel; and

15 b. The "property line" of a medical marijuana dispensary refers to:

16 i. The property line of a parcel that has been created by an approved and recorded
17 parcel map or commercial subdivision map; or

18 ii. The property line of a parcel that is located within an approved and recorded
19 commercial subdivision and that has been created by a record of survey or legal description, if:

20 A. Using the property line of that parcel for the purpose of measuring the
21 distance separation referred to in Requirement 1 would qualify the parcel under the distance separation
22 requirement;

23 B. The proposed medical marijuana dispensary will have direct access (both
24 ingress and egress) from a street having a minimum right-of-way width of 100 feet. The required access may
25 be shared with a larger development but must be located within the property lines of the parcel on which the
26 proposed medical marijuana dispensary will be located;

1 C. All parking spaces required by this Section 19.12.070 for the medical
2 marijuana dispensary use will be located on the same parcel as the use; and

3 D. The owners of all parcels within the commercial subdivision, including the
4 owner of agreement, satisfactory to the City Attorney, that provides for perpetual, reciprocal cross-access,
5 ingress and egress throughout the commercial subdivision.

6 *4. The use shall conform to, and is subject to, the provisions of LVMC Title 6, as they presently exist and
7 may be hereafter amended.

8 *5. No outside storage shall be permitted, including the use of shipping containers for on-site storage.

9 *6. Subject to the requirements of applicable building and fire codes, public access to the building shall be
10 from one point of entry and exit, with no other access to the interior of the building permitted.

11 *7. No drive-through facilities shall be permitted in conjunction with a medical marijuana dispensary.

12 *8. Signage for the establishment shall be limited to one wall sign per street frontage, the sign not to exceed
13 thirty square feet in area and not to exceed two feet in height. Such a sign shall be internally illuminated, with the
14 use of neon prohibited.

15 *9. The Special Use Permit shall be void without further action if the uses ceases for a period exceeding 90
16 days.

17 *10. A medical marijuana dispensary shall obtain all required approvals from the State of Nevada to operate
18 such a facility prior to the Special Use Permit being exercised pursuant to LVMC 19.16.110.

19 *11. Elevations and signage must first be reviewed by the Downtown Design Review Committee established
20 pursuant to LVMC 19.10.100(D)(1) prior to any public hearing for a Special Use Permit. The review will be
21 performed in accordance with the procedures set forth in LVMC 19.10.100(D), as in the case of reviews normally
22 performed by that Committee, but measuring compliance instead with the substantive standards for elevations and
23 signage pertaining to dispensaries that are set forth in this Title or that have been established administratively by the
24 Director.

25 *12. No medical marijuana dispensary shall be located on any property which abuts Fremont Street west of 8th
26 Street.

1 *13. No accessory uses are permitted in association with a medical marijuana dispensary.

2 **On-site Parking Requirement:** One space for each 175 square feet of gross floor area.

3 **Medical Marijuana Production Facility**

4 **Description:** A fully stand-alone detached enclosed structure which acquires, possesses, manufactures,
5 delivers, transfers, transports, supplies or sells edible marijuana products or marijuana-infused products to
6 medical marijuana dispensaries. This use includes a "facility for the production of edible marijuana products or
7 marijuana-infused products," as defined in NRS 453A.105.

8 **Minimum Special Use Permit Requirements:**

9 *1. Pursuant to its general authority to regulate the cultivation, production, dispensing and sale of medical
10 marijuana, the City Council declares that the public health, safety and general welfare of the City are best promoted
11 and protected by generally requiring a minimum separation between a medical marijuana production facility and
12 certain other uses that should be protected from the impacts associated with a medical marijuana production
13 facility. Therefore, except as otherwise provided below, no medical marijuana production facility may be located
14 within 1000 feet of any school; or within 300 feet of any individual care center licensed for more than 12 children,
15 community recreational facility (public), City park, or church/house of worship.

16 *2. The distance separation referred to in Requirement 1 shall be measured with reference to the shortest
17 distance between two property lines, one being the property line of the proposed medical marijuana production
18 facility which is closest to the existing use to which the measurement pertains, and the other being the property line
19 of that existing use which is closest to the proposed medical marijuana production facility. The distance shall be
20 measured in a straight line without regard to intervening obstacles.

21 *3. For the purpose of Requirement 2, and for that purpose only:

22 a. The "property line" of a protected use refers to the property line of a fee interest parcel that
23 has been created by an approved and recorded parcel map or subdivision map, and does not include the
24 property line of a leasehold parcel; and

25 b. The "property line" of a medical marijuana production facility refers to:

26 i. The property line of a parcel that has been created by an approved and recorded

1 parcel map or commercial subdivision map; or

2 ii. The property line of a parcel that is located within an approved and recorded
3 commercial subdivision and that has been created by a record of survey or legal description, if:

4 A. Using the property line of that parcel for the purpose of measuring the
5 distance separation referred to in Requirement 1 would qualify the parcel under the distance separation
6 requirement;

7 B. The proposed medical marijuana production facility will have direct access
8 (both ingress and egress) from a street having a minimum right-of-way width of 100 feet. The required access
9 may be shared with a larger development but must be located within the property lines of the parcel on which
10 the proposed medical marijuana production facility will be located;

11 *4. The use shall conform to, and is subject to, the provisions of LVMC Title 6, as they presently exist and
12 may be hereafter amended.

13 *5. No outside storage shall be permitted, including the use of shipping containers for on-site storage.

14 *6. An air filtration system to be designed by a Nevada licensed engineer shall be provided prior to the
15 issuance of a certificate of occupancy.

16 *7. Distillation or extraction by combustible solvent is prohibited.

17 *8. Signage for the establishment shall be limited to one wall sign per street frontage, the face of the sign not
18 to exceed thirty square feet in area and not to exceed two feet in height. Such a sign shall be internally illuminated,
19 with the use of neon prohibited.

20 *9. The Special Use Permit shall be void without further action if the uses ceases for a period exceeding 90
21 days.

22 *10. A medical marijuana production facility shall obtain all required approvals from the State of Nevada to
23 operate such a facility prior to the Special Use Permit being exercised pursuant to LVMC 19.16.110.

24 **On-site Parking Requirement:** One space for each 500 square feet of gross floor area.

25 SECTION 5: Title 19, Chapter 18, Section 20, is hereby amended by adding thereto, at
26 the appropriate locations, the following terms and their corresponding definitions:

1 **Medical Marijuana Cultivation Facility.** A fully stand-alone detached enclosed structure which cultivates,
2 delivers, transfers, transports, supplies, or sells marijuana to medical marijuana dispensaries or medical
3 marijuana production facilities. The term includes a "cultivation facility," as defined in NRS 453A.056.

4 **Medical Marijuana Dispensary.** An establishment which acquires, possesses, delivers, transfers, transports,
5 supplies, sells or dispenses marijuana or related supplies and educational materials to the holder of a valid
6 registry identification card. The term includes a "medical marijuana dispensary," as defined in NRS 453A.115.

7 **Medical Marijuana Production Facility.** A fully stand-alone detached enclosed structure which acquires,
8 possesses, manufactures, delivers, transfers, transports, supplies or sells edible marijuana products or
9 marijuana-infused products to medical marijuana dispensaries. The term includes a "facility for the production
10 of edible marijuana products or marijuana-infused products," as defined in NRS 453A.105.

11 SECTION 6: For purposes of Section 2.100(3) of the City Charter, Sections 19.12.010,
12 19.12.070 and 19.18.020 are deemed to be subchapters rather than sections.

13 SECTION 7: If any section, subsection, subdivision, paragraph, sentence, clause or
14 phrase in this ordinance or any part thereof is for any reason held to be unconstitutional or invalid or
15 ineffective by any court of competent jurisdiction, such decision shall not affect the validity or
16 effectiveness of the remaining portions of this ordinance or any part thereof. The City Council of the City
17 of Las Vegas hereby declares that it would have passed each section, subsection, subdivision, paragraph,
18 sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections,
19 subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, invalid or ineffective.

20 SECTION 8: Whenever in this ordinance any act is prohibited or is made or declared to
21 be unlawful or an offense or a misdemeanor, or whenever in this ordinance the doing of any act is required
22 or the failure to do any act is made or declared to be unlawful or an offense or a misdemeanor, the doing of
23 such prohibited act or the failure to do any such required act shall constitute a misdemeanor and upon
24 conviction thereof, shall be punished by a fine of not more than \$1,000.00 or by imprisonment for a term of
25 not more than six months, or by any combination of such fine and imprisonment. Any day of any violation
26 of this ordinance shall constitute a separate offense.

1 SECTION 9: All ordinances or parts of ordinances or sections, subsections, phrases,
2 sentences, clauses or paragraphs contained in the Municipal Code of the City of Las Vegas, Nevada, 1983
3 Edition, in conflict herewith are hereby repealed.

4 PASSED, ADOPTED and APPROVED this 21st day of May, 2014.

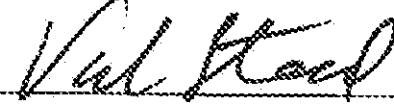
5 APPROVED:

6 By 
7 CAROLYN G. GOODMAN, Mayor

8 ATTEST:

9 
10 BEVERLY K. BRIDGES, MMC
City Clerk

11
12 APPROVED AS TO FORM:

13  5-22-14
14 Val Steed, Date
Deputy City Attorney

1 The above and foregoing ordinance was first proposed and read by title to the City Council
2 on the 7th day of May, 2014, and referred to a committee for recommendation; thereafter
3 the said committee reported favorably on said ordinance on the 21st day of May, 2014,
4 which was a regular meeting of said Council; that at said regular meeting, the proposed
5 ordinance was read by title to the City Council as amended and adopted by the following
6 vote:

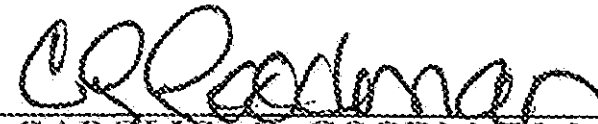
7 VOTING "AYE": Mayor Goodman and Councilmembers Anthony, Tarkanian, Ross,
Barlow, Coffin and Beers

8 VOTING "NAY": None

9 EXCUSED: None

10 ABSTAINED: None

11
12 APPROVED:

13 
14

CAROLYN G. GOODMAN, Mayor

15 ATTEST:

16 
17

BEVERLY K. BRIDGES, MMC City Clerk

AFFIDAVIT OF PUBLICATION

STATE OF NEVADA)
COUNTY OF CLARK) SS:

LV CITY CLERK
495 S MAIN ST
LAS VEGAS NV 89101

Account # 22515
Ad Number 0000198097

Stacey M. Lewis, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 05/24/2014 to 05/24/2014, on the following days:

05 / 24 / 14

FIRST AMENDMENT
BILL NO. 2014-30
ORDINANCE NO. 6321

AN ORDINANCE TO ESTABLISH ZONING REGULATIONS AND STANDARDS FOR MEDICAL MARIJUANA ESTABLISHMENTS, AND TO PROVIDE FOR OTHER RELATED MATTERS.

Sponsored by: Councilman Bob Coffin
Summary: Establishes zoning regulations and standards for medical marijuana establishments.

The above and foregoing ordinance was first proposed and read by title to the City Council on the 7th day of May 2014 and referred to a committee for recommendation; thereafter the committee reported favorably on said ordinance on the 21st day of May 2014, which was a regular meeting of said City Council; and that at said regular meeting the proposed ordinance was read by title to the City Council as introduced and was adopted by the following vote:

VOTING "AYE": Mayor Goodman and Councilmembers Anthony, Tarkanian, Ross, Barlow, Coffin, and Beers
VOTING "NAY": NONE
EXCUSED: NONE

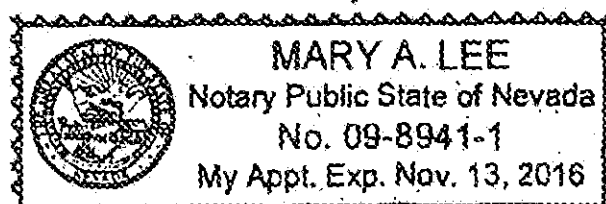
COPIES OF THE COMPLETE ORDINANCE ARE AVAILABLE FOR PUBLIC INFORMATION IN THE OFFICE OF THE CITY CLERK, 2ND FLOOR, 495 SOUTH MAIN STREET, LAS VEGAS, NEVADA
PUB: May 24, 2014
LV Review-Journal

Stacey M. Lewis
LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 27th day of May, 2014

Notary

Mary Lee



AFFIDAVIT OF PUBLICATION

STATE OF NEVADA)
COUNTY OF CLARK) SS:

LV CITY CLERK
495 S MAIN ST
LAS VEGAS NV 89101

Account # 22515
Ad Number 0000181059

Stacey M. Lewis, being 1st duly sworn, deposes and says: That she is the Legal Clerk for the Las Vegas Review-Journal and the Las Vegas Sun, daily newspapers regularly issued, published and circulated in the City of Las Vegas, County of Clark, State of Nevada, and that the advertisement, a true copy attached for, was continuously published in said Las Vegas Review-Journal and / or Las Vegas Sun in 1 edition(s) of said newspaper issued from 05/08/2014 to 05/08/2014, on the following days:

05 / 08 / 14

BILL NO. 2014-30

AN ORDINANCE TO ESTABLISH
ZONING REGULATIONS AND
STANDARDS FOR MEDICAL
MARIJUANA ESTABLISHMENTS,
AND TO PROVIDE FOR OTHER
RELATED MATTERS.


Sponsored by: Councilman Bob
Coffin
Summary: Establishes zoning
regulations and standards for
medical marijuana
establishments.

At the City Council meeting of
May 7, 2014
BILL NO. 2014-30 WAS READ BY
TITLE AND REFERRED TO A
RECOMMENDING COMMITTEE

COPIES OF THE COMPLETE
ORDINANCE ARE AVAILABLE FOR
PUBLIC INFORMATION IN THE
OFFICE OF THE CITY CLERK, 2ND
FLOOR, 495 SOUTH MAIN
STREET, LAS VEGAS, NEVADA
PUB: May 8, 2014
LV Review-Journal


LEGAL ADVERTISEMENT REPRESENTATIVE

Subscribed and sworn to before me on this 8th day of May, 2014

Notary 

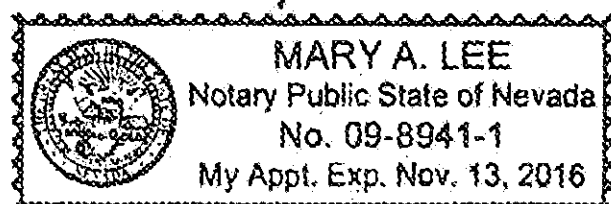


EXHIBIT 4

EXHIBIT 4

BILL NO. 2014-33

ORDINANCE NO. 6324

AN ORDINANCE TO ESTABLISH LICENSING REGULATIONS AND STANDARDS FOR MEDICAL MARIJUANA ESTABLISHMENTS, AND TO PROVIDE FOR OTHER RELATED MATTERS.

Sponsored by:

Summary: Establishes licensing regulations and standards for medical marijuana establishments.

THE CITY COUNCIL OF THE CITY OF LAS VEGAS DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1: The document that is attached to this Ordinance is hereby adopted and incorporated by reference. The provisions contained in the attached document:

(A) Contain section headings or catchlines, which are not to be considered part of the Ordinance and are intended for information and clarification purposes only.

(B) Are intended to be codified and integrated into the Las Vegas Municipal Code as a discrete chapter of Title 6. The attachment shows the provisions being adopted as a Chapter 95, with the chapter being broken into constituent sections. However the provisions may be codified in a different chapter and configuration. In connection with the codification, headings or catchlines will be supplied by the codifier, as well as chapter and section numbering, which may or may not be the same or similar to those set forth in the attached document.

(C) Before and after the codification referred to in Subsection (B), shall prevail over and govern any other provisions of LVMC Title 6 to the extent of any consistency or conflict, except where the City Manager or designee may determine the intent to be otherwise.

SECTION 2: If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this ordinance or any part thereof is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this ordinance or any part thereof. The City Council of the City

1 of Las Vegas hereby declares that it would have passed each section, subsection, subdivision, paragraph,
2 sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections,
3 subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional, invalid or ineffective.

4 SECTION 3: Whenever in this ordinance any act is prohibited or is made or declared to
5 be unlawful or an offense or a misdemeanor, or whenever in this ordinance the doing of any act is required
6 or the failure to do any act is made or declared to be unlawful or an offense or a misdemeanor, the doing of
7 such prohibited act or the failure to do any such required act shall constitute a misdemeanor and upon
8 conviction thereof, shall be punished by a fine of not more than \$1,000.00 or by imprisonment for a term of
9 not more than six months, or by any combination of such fine and imprisonment. Any day of any violation
10 of this ordinance shall constitute a separate offense.

11 SECTION 4: All ordinances or parts of ordinances or sections, subsections, phrases,
12 sentences, clauses or paragraphs contained in the Municipal Code of the City of Las Vegas, Nevada, 1983
13 Edition, in conflict herewith are hereby repealed.

14 PASSED, ADOPTED and APPROVED this 4TH day of June, 2014.

15 APPROVED:

16 By C. Goodman
17 CAROLYN G. GOODMAN, Mayor

18 ATTEST:

19 Beverly K. Bridges
20 BEVERLY K. BRIDGES, MMC
City Clerk

21 APPROVED FOR EXECUTION:

22 Val Steed 6-5-14
Val Steed, Date
Deputy City Attorney

1 The above and foregoing ordinance was first proposed and read by title to the City Council
2 on the 21st day of May, 2014, and referred to a committee for recommendation; thereafter
3 the said committee reported favorably on said ordinance on the 4th day of June, 2014,
4 which was a regular meeting of said Council; that at said regular meeting, the proposed
5 ordinance was read by title to the City Council as amended and adopted by the following
6 vote:

7 VOTING "AYE": Mayor Goodman and Councilmembers Anthony, Tarkanian, Ross,
Barlow, Coffin and Beers

8 VOTING "NAY": None

9 EXCUSED: None

10 ABSTAINED: None

11
12 APPROVED:

13
14 
CAROLYN G. GOODMAN, Mayor

15 ATTEST:

16 
17 BEVERLY K. BRIDGES, MMC City Clerk

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

SECTION 1: Title 6 of the Municipal Code of the City of Las Vegas, Nevada, 1983 Edition, is hereby amended by adding thereto a new chapter, designated as Chapter 95, consisting of Sections 10 to 250, inclusive, reading as follows:

CHAPTER 6.95 MEDICAL MARIJUANA ESTABLISHMENTS

6.95.010 Findings.

A. The Las Vegas City Council finds:

1. In 2013 the Nevada Legislature passed, and the Governor signed into law, Senate Bill 374, now codified in NRS 453A, which allows medical marijuana establishments within the state of Nevada; and requires such establishments to comply with all local business licensing requirements and local land use and code requirements;
2. Federal law and related regulations classify marijuana as a Schedule I controlled substance and prohibit its cultivation, possession, dispensing and use, among other things, for medical reasons or otherwise. This Ordinance is intended to implement NRS 453A and to establish criteria for the issuance of licenses that are a prerequisite for the exemption from state prosecution provided for in NRS 453A;
3. Nevada law also allows the City to enact regulations to protect and promote the public health, safety and general welfare and regulate the use of buildings, structures, land use and business and other purposes;
4. Law enforcement and residents of states that authorize the medical use of marijuana report, among other things, that dispensaries and the medical use of marijuana are correlated to myriad negative secondary effects such as an increase in violent armed robberies, burglaries, traffic, noise, drug and gang activity, organized crime and other issues related to the presence of large amounts of cash, such as money laundering and firearms violations and the underreporting of crimes committed at Medical Marijuana Establishments, the creation of opportunities for the diversion of marijuana for medical use into illegal use, increased poisonings, structural fires and mold growth, and decreased quality of life; and a disregard of environmental standards;
5. The strong odor of marijuana plants, which increases as the plants mature, is offensive to many individuals and creates an attractive nuisance, alerting people to the location of valuable marijuana plants and creating an increased risk of crime;
6. Marijuana and cannabis edible and infused products pose risks to children, elderly and non-user populations; and
7. The public health, safety and welfare require that medical marijuana facilities and their employees be regulated and licensed in order to protect the public.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

- B. The City Council declares that this Medical Marijuana Chapter is an exercise of the regulatory powers delegated to the City Council pursuant to the City Charter and NRS 268. The regulations contained in this Ordinance involve, to the highest degree, the economic, social, physical and moral well-being of the residents and taxpayers of the City. The cultivation, distribution, production and sale of medical marijuana is not a matter of right but of privilege, which would otherwise be unlawful if it were not conducted pursuant to NRS 453A, local land use regulations and a license under this Ordinance. This privilege may be denied, revoked, conditioned, suspended or subjected to any other disciplinary action by the City in the exercise of its police powers for the protection of the safety, welfare, health, peace and morals of the residents and taxpayers thereof. Businesses engaged in the sale or other disposition of medical marijuana must therefore comply with LVMC Chapter 6.06 and all requirements of this Ordinance. Every person licensed pursuant to this Ordinance shall cooperate with the Department and Metro personnel in the exercise of their duties under this Ordinance.
- C. Nothing in this Ordinance shall be construed to confer any legitimate claim of entitlement to any benefit which might otherwise devolve upon any licensee or any person approved for suitability.
- D. Nothing in this Ordinance is intended to authorize or make legal any act that federal or state law does not permit or sanction or assist any violation of any federal or state law. This Ordinance is intended to implement NRS 453A and to establish criteria for the issuance of licenses that are a prerequisite for the exemption from state prosecution provided for in NRS 453A.

6.95.020 Definitions.

Unless the context otherwise requires, the scope of all words in this Ordinance shall be liberally construed in order to effectuate the purpose of this Ordinance, and, in particular, the following words shall have the meaning ascribed to them as follows:

"Adequate supply" means the immediate availability, as determined by the Director, of a sufficient quantity and quality of medical marijuana, any specific strain of medical marijuana or any particular infused product to meet the immediate demand of registry identification card holders qualified under NRS 453A.362 within the City.

"Cannabis" or "marijuana" have the same meaning, and as may be amended, as defined by Nevada Revised Statutes Chapter 453A.

"Compliance permit" means a permit issued under LVMC 6.95.040.

"Cultivation facility" has the meaning ascribed to it in NRS 453A.056, and means a business that is registered under NRS 453A.322 and acquires, possesses, cultivates, delivers, transfers, transports, supplies or sells marijuana and related supplies to a medical marijuana dispensary, facility for the production of edible marijuana products or marijuana-infused products or other cultivation facilities.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

"Designated primary caregiver" has the meaning ascribed to it in NRS 453A.080.

"Edible marijuana products" has the meaning ascribed to it in NRS 453A.101 and means products that contain marijuana or an extract thereof and are intended for human consumption by oral ingestion; and are presented in the form of foodstuffs, extracts, oils, tinctures and other similar products.

"Independent testing laboratory" has the meaning ascribed to it in NRS 435A.107 and is a business certified under NRS 453A.368 which provides independent testing of marijuana, edible marijuana products and marijuana-infused products that are to be sold in the State.

"Medical marijuana" has the meaning ascribed to it in NRS 453A.096 and as used in accordance with NRS 453A.120.

"Marijuana infused products" has the meaning ascribed to it in NRS 453A.112 and means products that are infused with marijuana or an extract thereof; and are intended for use or consumption by humans through means other than inhalation or oral ingestion. The term includes, without limitation, topical products, ointments, oils and tinctures.

"Medical marijuana dispensary" has the meaning ascribed to it in NRS 453A.115, and means a business that is registered under NRS 453A.322 and which acquires, possesses, supplies, sells or dispenses marijuana or related supplies and educational materials to the holder of a valid registry identification card.

"Medical marijuana establishment" has the meaning ascribed to it in NRS 453A.116 and means any establishment licensed under this Ordinance and in possession of a valid registration certificate under NRS 453A and may include a medical marijuana dispensary, medical marijuana production facility, cultivation facility or independent testing laboratory.

"Medical marijuana production facility" has the meaning ascribed to a "facility for the production of edible marijuana products or marijuana-infused products" in NRS 453A.105 and means a business which acquires, possesses, manufactures, delivers, transfers, transports, supplies or sells at wholesale edible marijuana products or marijuana-infused products to medical marijuana dispensaries.

"Ownership interest" means any principal, person, beneficial owner as defined by 6.50.020, and individual persons holding any ownership or financial interest for each business entity including all businesses organized under or governed by Title 7 of the Nevada Revised Statutes including but not limited to private corporations, publicly-traded corporations, close corporations, foreign corporations, limited liability companies, partnerships, limited partnerships, and professional corporations ("Business Entities"). Ownership interest in the context of publicly traded corporations shall include all corporate officers and members of any board of directors, and also includes individuals with ten percent or more ownership or financial interest in the publicly traded corporation. To the extent that a Business Entity has an ownership interest in a medical marijuana establishment, the term "ownership interest" shall also include all individuals with an ownership interest in such Business Entity. It is the intent of this Ordinance that

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

all individuals with a direct or indirect ownership interest in a medical marijuana establishment be disclosed and be subject to the requirements of this Ordinance.

"Paraphernalia" has the meaning ascribed to it in NRS 453A.125.

"Registration certificate" means a certificate issued pursuant to NRS 453A.322 by the State regulating authority. In accordance with subsection 3 of NRS 453A.326, any registration certificate issued by the State regulating authority is provisional until such time as the establishment is in compliance with all applicable City ordinances and rules, and the City has issued a business license for the operation of the establishment.

"Registry identification card" has the meaning ascribed to it in NRS 453A.140.

"State regulating authority" means The Division of Public and Behavioral Health of the Department of Health and Human Services of the State of Nevada and/or any other agency assigned to administer NRS 453A.

6.95.030 Unlawful Acts.

- A. It shall be unlawful for any person to operate any marijuana establishment in the City without a valid registration certificate duly issued by the State regulating authority, and a license issued pursuant to this Ordinance and operating in compliance with any and all applicable state laws and the Las Vegas Municipal Code.
- B. It shall be unlawful for any person to provide marijuana, edible marijuana products or marijuana infused products to a medical marijuana establishment within the City without a registration certification duly issued by the State regulating authority and a license issued by the City.
- C. Except for sales pursuant to NRS 453A.352(5), it shall be unlawful for any licensed medical marijuana establishment located within the City to accept for sale any marijuana, edible marijuana products or any marijuana infused products from any person who has not obtained a registration certificate from the State regulating authority, or who is not duly licensed under this Ordinance for the provision of such products.
- D. It shall be unlawful for a person to engage in any form of business or commerce involving the cultivation, processing, manufacturing, storage, sale, distribution, transportation or consumption of marijuana other than those forms of businesses and commerce that are expressly contemplated by NRS 453A and any administrative rules duly adopted by the State regulating authority.
- E. It shall be unlawful for any person to sell medical marijuana at a licensed medical marijuana dispensary at any time other than between the hours of 6:00 a.m. and 10:00 p.m. daily.
- F. It shall be unlawful for any medical marijuana dispensary to sell medical marijuana without complying with State requirements concerning use of the electronic verification system maintained by the State regulating authority.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

including authenticating the validity of the medical marijuana registry identification card with the State electronic verification system.

6.95.040 Medical Marijuana Compliance Permit Required.

- A. A medical marijuana compliance permit issued by the City Council is required prior to the Director accepting a license application for a medical marijuana establishment.
- B. The City Council may consider proposals for a medical marijuana compliance permit from any business or individual applying to the State regulating authority for a registration certificate for a medical marijuana establishment located within the City.

6.95.050 Permit Application.

Upon determination to accept medical marijuana compliance permit applications for medical marijuana establishments, the Director shall issue a request for permit applications specifying the types of medical marijuana establishments for which medical marijuana compliance permit applications may be accepted, which request shall also establish the deadline to submit medical marijuana compliance permit applications. The Director shall:

- A. Post on the website of the Department at least 10 days prior to the acceptance period for such submittals the type of medical marijuana establishment permits that will be accepted.
- B. Provide a permit application period within which all applications must be submitted, which period shall be not more than 10 days, with a 3:00 p.m. Pacific Time deadline for all submitted applications on the final day.
- C. Return to the entity that submitted an application, any application received at a time other than the time set forth in this subsection, and consistent with the notice posted on the website.
- D. Not allow the modification of any application once the deadline for complete applications has passed.
- E. Reject and not process any applications that are incomplete.
- F. Reject and not process any application for which any person or entity with an ownership interest in the applicant has been previously issued a license pursuant to this Ordinance, or has had an ownership interest in another previous licensee, and such license has been revoked for non-payment of fees within the last five years.
- G. Reject and not process any application for which any person or entity with an ownership interest in the applicant has been previously issued a license pursuant to this Ordinance, or has had an ownership interest in another previous licensee,

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

and such license has been revoked for disciplinary action within the last ten years.

- H. Reject and not process any applications that are submitted by applicants where one or more individuals or entities with an ownership interest has been found unsuitable to hold a privilege license within the city or been subject to disciplinary action in any jurisdiction;

6.95.060 Permit Application Contents

A separate application must be submitted for each license for a medical marijuana establishment. The application for each medical marijuana compliance permit must include:

- A. A complete application per LVMC Chapter 6.06 for the applicant and each person with an ownership interest in the proposed medical marijuana establishment.
- B. A detailed personal and business financial history per LVMC 6.06.030(B) for each person with an ownership interest in the proposed medical marijuana establishment.
- C. A one-time, nonrefundable permit application fee of \$5,000.00.
- D. A complete Special Use Permit application, all applicable fees pursuant to LVMC Chapters 19.12 and 19.16, and all required accompanying documents.
- E. A medical marijuana compliance permit application on forms prescribed by the Director.
- F. A complete description of the products and services to be produced or sold by the medical marijuana establishment.
- G. A complete and accurate copy of the application and all accompanying documents to be filed pursuant to NRS 453A.322 including, but not limited to:
 - 1. All proposals for operations, business plans, attestations, financial documentation, and required tax reports;
 - 2. All documents detailing proposed organizational structure, all narratives, and resumes;
 - 3. All documentation required concerning the adequacy of the proposed building and construction plans with supporting details in the form specified by the City Building Official and the payment of all required review and inspection fees;
 - 4. All testing, transportation, policy and operations manuals, financial plan, and an environmental plan.

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

- H. A security plan, including a depiction of the location and configuration of security cameras, indicating how the applicant intends to comply with the requirements related to monitoring and securing the licensed premises as required by this Ordinance.
- I. An accounting plan that includes how sales and inventory will be tracked on a daily, weekly, and monthly basis, and how this information will be stored and safeguarded.
- J. A sign and advertising plan, including all proposed interior signage.
- K. A copy of all contracts, proposed contracts for consulting, management, renting or leasing the premises for the proposed medical marijuana establishment, including written documentation stating that the property owner of the proposed location for the establishment is fully aware of the property's intended use or a copy of the deed to such property showing ownership vested in the applicant;
- L. A written statement acknowledging that the applicant understands applicable federal laws, any guidance or directives issued by the U.S. Department of Justice, the laws of the State of Nevada and the laws and regulations of the City applicable thereto concerning the operation of a medical marijuana establishment. The written statement shall also acknowledge that any violation of any laws or regulations of the State of Nevada or of the City, or any activity in violation of any guidance or directives issued by the U.S. Department of Justice, in such place of business, or in connection therewith, or the commencement of any legal proceeding relating to such medical marijuana establishment by federal authorities, may render the permit and such license subject to immediate suspension or revocation.
- M. A written statement to the Director that the applicant will hold harmless, indemnify, and defend the City against all claims and litigation arising from the issuance of a permit and/or license, including any claims and litigation arising from the establishment, operation, or ownership of the medical marijuana establishment, and that a bond to secure such obligation in the amount of \$250,000 will be provided prior to the issuance of any license.
- N. An acknowledgement that the applicant is seeking a privilege under LVMC Chapter 6.06 and understands that each person with an ownership interest must be found suitable to hold such license by the City Council prior to the issuance of any license; that the applicant understands and acknowledges that the burden of proving qualifications to receive such a permit or license is at all times on the applicant; that the granting of a medical marijuana compliance permit and/or license is at the discretion of the City Council; and that the applicant agrees to abide by the decision.

6.95.070 Director Review.

- A. The Director shall complete a preliminary review of all submitted applications for a medical marijuana compliance permit to determine whether the application is complete. An application shall be deemed complete by the Director only when

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

an application filed prior to the close of the noticed application period contains each of the following:

1. Each application, narrative, plan, rendering, contract and other document required in this section;
 2. Proof of compliance with all submittal requirements of NRS 453A and any other regulation or requirement of the State regulating authority;
 3. Proof that the proposed location for the medical marijuana establishment is consistent with the requirements of LVMC Title 19;
 4. All fees have been paid;
 5. All waivers, acknowledgements, and statements are properly signed and acknowledged by the applicant and every principal and person with an ownership interest; and
 6. Each person with an ownership interest has filed complete applications per LVMC Chapter 6.06 and each individual has submitted to fingerprinting and photographing per LVMC Chapter 6.06.
- B. The Director shall reject and return to the applicant any application that is incomplete or otherwise fails to meet the criteria established in this Ordinance, in NRS 453A, or the regulations of the State regulating authority. Permit application fees are non-refundable, and shall not be refunded in the event of rejection of an application.
- C. The Director shall review all complete medical marijuana compliance permit applications that satisfy the applicable criteria, and may refer such applications in part, or in whole, to other City departments or Metro for investigation, review and comment, as the Director deems appropriate.
- D. The Director shall prepare a report on the merits of each complete medical marijuana compliance permit application, the potential suitability of any and all principals and the application's compliance with the provisions of this Ordinance and LVMC Title 19, and the application demonstrates the required financial, technical or educational ability or experience to perform the activity for which approval is sought. In recommending the granting or denying of such medical marijuana compliance permit, the Director shall give particular consideration to the identity, character, and background of the applicant, capacity, capitalization, past business practices of the applicant, operational plan, organizational structure, environmental sustainability and mitigation plans, interior floor plans of the buildings, odor control systems and suitability of the building for the use proposed, site plan as to parking, traffic movement and aesthetics; impact on the surrounding neighborhood; the type and degree of security personnel and facilities and any other factors that in his or her discretion deems necessary to the safety, peace, order and welfare of the public.
- E. The Director may inspect or cause to be inspected each proposed location for a medical marijuana establishment and may call for and conduct interviews. Prior

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

to approval of a medical marijuana compliance permit, the Director shall require an inspection by the Fire and Building Departments. Applicants shall pay all inspection fees that may be required in connection therewith.

- F. Following the Director's review, the Director shall forward a report on the merits of each complete application with recommendations to the City Council for consideration.

6.95.080 Council Action on Permits.

- A. The City Council will review all applications for medical marijuana compliance permits that have been deemed complete by the Director. Such review shall occur simultaneously with the review of the applicant's Special Use Permit application for the proposed medical marijuana establishment.
- B. The City Council may approve, deny or take such other action with respect to the Director's recommendations on applications for medical marijuana compliance permits as it considers appropriate. The burden of showing the qualifications, acceptability or fitness for such permit and the location is upon the applicant.
- C. The City Council shall deny any permit if the permit will not be in the best interest of the welfare, health, or safety of the City; or if the application or location is determined by the Council to not be suitable under this Ordinance or the requirements of LVMC Title 19. In considering whether to approve or deny a medical marijuana compliance permit, the City Council shall consider the identity, character, and background of the applicant, capacity, capitalization, past business practices of the applicant, operational plan, organizational structure, environmental sustainability and mitigation plans, interior floor plans of the buildings, odor control systems and suitability of the building for the use proposed, site plan as to parking, traffic movement and aesthetics; impact on the surrounding neighborhood; the type and degree of security personnel and facilities and any other factors that in his or her discretion deems necessary to the safety, peace, order and welfare of the public.
- D. Upon approval of a medical marijuana compliance permit, the Director shall prepare a notice to the State regulating authority pursuant to NRS 453A.322.3(a)(5), outlining that the proposed location has been found in conformance with land use and zoning restrictions and that the applicant is eligible to be considered for a medical marijuana establishment business license. Issuance of such a notice does not preclude the City from conducting further review of an applicant's proposed medical marijuana establishment for compliance with land use, zoning and building requirements, in the context of evaluation of an application for a medical marijuana establishment business license pursuant to LVMC Chapter 6.06 and this Ordinance.
- E. If the City Council denies a medical marijuana compliance permit application, or the State regulating authority fails to rank the application presented within limits of the number of medical marijuana establishments allowed within the City, as established by state law, the applicant may reapply for a medical marijuana

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

compliance permit no sooner than one year from the date of the application period in which the application was filed.

- F. Any medical marijuana compliance permit is considered surrendered by the applicant if a business license has not been granted within 12 months of the issuance of a registration certificate issued by the State regulating authority.

6.95.090 Medical Marijuana Establishment -- Licenses.

- A. Following action by the State regulating authority issuing a provisional medical marijuana establishment registration certificate, the City Council shall evaluate whether to grant any proposed medical marijuana establishment that received a medical marijuana compliance permit a medical marijuana business license.
- B. The City Council may issue licenses for the following types of medical marijuana establishments:
 - 1. Medical Marijuana Dispensary. A medical marijuana dispensary license allows the licensee to acquire, possess, supply and sell or dispense usable marijuana, edible marijuana products, marijuana infused products, and marijuana paraphernalia exclusively to State regulating authority-designated medical marijuana registry card holders.
 - 2. Cultivation Facility. A cultivation facility license allows the licensee to acquire, possess, cultivate, package, label, deliver, transfer, transport, supply and sell wholesale marijuana and related supplies to a medical marijuana dispensary, medical marijuana production facility, or to other cultivation facilities only.
 - 3. Independent Testing Laboratory. An independent testing laboratory license allows the licensee to independently test marijuana, edible marijuana products and marijuana-infused products that are to be sold at medical marijuana establishments operating in accordance with the requirements of NRS 453A.
 - 4. Medical Marijuana Production Facility. A medical marijuana production facility license allows the licensee to acquire, process, manufacture, deliver, transfer, transport, package, and label usable marijuana and marijuana-infused products for sale at wholesale to marijuana dispensaries only.
- C. A medical marijuana establishment license applicant may not exercise any of the privileges of a medical marijuana establishment license until the City Council approves the license and suitability of each person with an ownership interest in the medical marijuana establishment, and final pre-operational inspections have been conducted and all applicable inspection and license fees are paid.
- D. Prior to issuance of a license, the licensee must designate one principal, all key employees and all management personnel to demonstrate competence in local

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

regulations as evidenced by a written demonstration administered by the Director.

- E. Licenses shall expire two years from the date of issuance and a licensee must apply for biennial review pursuant to LVMC 6.95.170.
- F. A medical marijuana establishment licensee shall provide and maintain at all times and at its own expense a certificate of insurance at amounts and terms approved by the City Attorney prior to issuance or renewal of a license. Any failure to maintain insurance or provide proof of insurance is ground for the Director to suspend the license.
 - 1. The minimum amount which may be required by the City Attorney shall be \$1,000,000 per occurrence, \$2,000,000 general aggregate for bodily injury and property damage arising out of licensed activities and \$1,000,000 products and completed operations aggregate, Commercial Automobile Coverage in a minimum of \$1,000,000 and excess liability in a minimum of \$3,000,000.
 - 2. Additional insured: The City shall be named as an additional insured on all general liability, umbrella, and excess insurance policies as City, its elected officials, officers, agents, employees and volunteers are included as additional insured. All policies shall be primary over any other valid and collectible insurance.
- G. Prior to issuance or renewal of a license, medical marijuana establishment licensees shall provide a surety bond as set forth in this section. The bond must be at the licensee's own expense and remain in force throughout the term of the license. The bond must cover licensee's obligation, for itself and its agents, employees, subcontractors, and the agents and employees of any subcontractors, to indemnify, defend, and hold harmless the City, and any of its elected or appointed officers, agents, or employees, from any and all claims, demands, actions, damages, decrees, judgments, attorney fees, costs, and expenses which the City, or such elected or appointed officers or employees, may suffer, or which may be recovered from, or obtainable against the City, or such elected or appointed officers or employees, as a result of, by reason of, or arising out of the use of the license, or the exercise by the licensee of any or all of the rights, privileges, permission, and authority conferred herein, or as a result of any alleged act or omission on the part of the licensee in performing or failing to perform any of its obligations. Such surety bond shall be in the amount of \$250,000.
- H. Prior to the issuance or renewal of a license, medical marijuana establishment licensees shall file, and must maintain, a bond from a surety company qualified and authorized to do surety business in the State of Nevada in the penal sum of \$50,000. Such bond must be conditioned to be paid to the City for all license fees and penalties owing against such license.
- I. Upon approval by the City Council of a medical marijuana compliance permit and the issuance of a provisional medical marijuana registration certificate by the State regulating authority, the Director shall process a license application

Business Licensing Regulations for Medical Marijuana Establishments for the City of Las Vegas, Nevada

pursuant to LVMC Chapter 6.06: The Director shall not issue a temporary license for a medical marijuana establishment.

6.95.100 Facilities Not Located Within the City of Las Vegas.

A medical marijuana cultivation facility, an independent testing laboratory or a medical marijuana production facility which has obtained a business license in a jurisdiction within Nevada other than the City may apply to the Director for a license to provide testing, medical marijuana, edible marijuana products and/or marijuana infused products, if an adequate supply does not exist, to licensed medical marijuana establishments within the City. All applications for such licenses will be processed pursuant to LVMC Chapter 6.06 and shall be required to pay all license fees applicable to medical marijuana establishments located within the City. Medical marijuana establishments located outside of the City shall not be required to comply with the permit process set forth in LVMC 6.95.040.

6.95.110 Medical Marijuana Establishments -- General Requirements and Restrictions.

- A. Each medical marijuana establishment licensee shall operate only in compliance with all State regulations, all City regulations, and the plans, procedures and policies submitted with the permit and approved by the Director, and any restrictions imposed in connection with issuance of the license.
- B. At least one qualified person shall be on the premises of a medical marijuana dispensary at all times during the hours of operation. For purposes of the preceding sentence, a "qualified person" means a principal who has been approved for suitability pursuant to LVMC 6.06.06 or a key employee who has been approved for suitability pursuant to that Section.
- C. A medical marijuana establishment may not allow the use, smoking, ingestion or consumption of any marijuana, edible marijuana, or marijuana-infused product on the licensed premises.
- D. Any person or premises licensed as a medical marijuana establishment shall comply with all City ordinances regulating signs and advertising. All signs and advertisements must comply with all requirements of the State regulating authority.
- E. Material that is misleading, deceptive, or false, as evidenced either by the content of the advertising material or by the medium or the manner, in which the advertising is disseminated, is designed to appeal to minors or promote the use of marijuana is prohibited.
- F. With respect to issues regarding signs and advertising that are not governed by LVMC Title 19, each medical marijuana establishment shall conform to the approved sign and advertising plan as a condition of the license. The Director shall not recommend for approval any sign and advertising plan that:

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1. Has not been approved by the State regulating authority and does not comply with all the requirements of the State regulating authority;
 2. Promotes the use of marijuana, or is appealing to minors;
 3. Provides advertising visible to members of the public from any street, sidewalk, park or other public place, including advertising utilizing any of the following media:
 - a. A sign mounted on a vehicle;
 - b. Any hand-held, human signage or other portable sign; or
 - c. Any handbill, leaflet or flier directly handed to any person, deposited, fastened, thrown, scattered, cast, or placed in a public place, left upon a motor vehicle, or any handbill, leaflet or flier posted upon any public or private property without the consent of the property owner;
 4. Provides advertising by means of any video, print, online media, newspaper, magazine, other periodical of general circulation, radio or broadcast medium which is generally or specifically marketed to minors.
- G. The presence of minors on the premises of a medical marijuana establishment is prohibited unless the minor is a qualified patient on the premises of a dispensary and is accompanied by his or her parent or legal guardian. No licensee shall cause, permit or allow, either by act or by failure to act, the violation of this subsection.
- H. Medical marijuana, edible marijuana products and/or marijuana infused products may only be transported in accordance with the requirements of this Chapter, and only by a licensed medical marijuana establishment. No other person shall transport medical marijuana, edible marijuana products and/or marijuana infused products on behalf of a licensed medical marijuana establishment. Transportation must meet all requirements of the State regulating authority. Product must be placed in unmarked, non-transparent transportation containers.
1. All required transportation logs must be in the vehicle and made available to law enforcement at any time the log is inspected. Upon being stopped by a law enforcement officer within the City, each driver must identify to the officer that the product contained within the vehicle is medical marijuana, edible marijuana products or marijuana-infused products, as the case may be, from a licensed medical marijuana establishment and must present a state agent registration card, the route the vehicle was authorized to travel and the actual travel log for inspection.
- I. Each licensee is responsible to obtain a biennial building inspection from the Building Official prior to renewal of any license.

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- J. Any closure either temporary or permanent must be noticed in writing to the Director 15 days prior to such closure, unless an emergency requires the closure of such facility which must be reported to the Director within 24 hours of such closure.
- K. Each licensee must meet the accounting and auditing procedures established by the Department to track and record all sales for audit purposes. The Department must have access to such records as provided for under LVMC 6.02.020.
 - 1. If an annual audit is required by the State regulating authority, the licensee shall submit the audit report to the City within 90 days of the completion of the audit. All reports or evaluations submitted hereunder shall be confidential and shall not be available for public inspection, except as may be required under State or federal law.
 - 2. In compliance with all State and Federal privacy laws the licensee shall allow the Director or a designee unrestricted access to all financial documents, books, records, facilities, and all audio and video surveillance pertaining to the facilities. Any information obtained pursuant to this section or any statement filed by the licensee shall be deemed confidential in character and shall not be subject to public inspection or as determined by State and Federal privacy laws.

6.95.120 Security Requirements.

Each medical marijuana establishment must submit, maintain and follow a security plan approved by the Director. Any proposed modification to an approved security plan must be submitted to the Director for approval. Any security plan must meet all the criteria established by the State regulating authority and the following minimum requirements:

- A. Each licensed premises must have a security system which monitors all perimeter entry points, windows, and controlled areas by a centrally monitored alarm company properly licensed with the City, and whose agents are properly licensed and registered under applicable laws.
- B. A 24 hour surveillance system is required to monitor the interior and exterior of a medical marijuana establishment, a live feed of which must be accessible to authorized law enforcement at all times, and in real-time.
 - 1. All recorded images must clearly and accurately display the time and date. Time is to be measured in accordance with U.S. National Institute of Standards and Technology standards.
 - 2. The surveillance system's data storage device must be secured on-site in a lock box, cabinet, closet, or secured in another manner to protect from employee or third-party tampering or criminal theft.
 - 3. A sign must be posted in any customer areas that the customer is under video surveillance.

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- C. The establishment shall be responsible for ensuring compliance with all local and state regulations regarding the facility and must monitor parking areas and outdoor areas of the licensed premises for loitering, unlawful sale of medical marijuana by customers, and consumption of medical marijuana.
- D. Any theft of items containing marijuana or the observance of any unauthorized transactions of medical marijuana on the licensed premises must be reported to Metro and the Department in written communication within 24 hours of occurrence.
- E. A sign shall be posted at the entrance to the location containing the name and functioning telephone number of a 24-hour on-call member engaged in the management of a medical marijuana establishment who shall receive, log, and respond to complaints and other inquiries.
- F. In addition to complying with all requirements set by the State regulating authority, any licensed cultivation facility shall:
 - 1. Secure the cultivation facility with full video surveillance capable of clearly identifying any activities occurring within twenty (20) feet of the exterior of the building and any parking, fenced, or loading areas. A motion detection lighting system may be employed to illuminate the gate area in low light conditions.
 - 2. Must provide on-site security between the hours of 10:00 p.m. and 6:00 a.m.
- G. In addition to complying with all requirements set by the State regulating authority, any licensed medical marijuana production facility shall ensure all production, transport, delivery, shipping, labeling and packaging areas have fixed camera coverage capable of identifying activity occurring within a minimum of twenty feet.
- H. In addition to complying with all requirements set by the State regulating authority, any licensed medical marijuana dispensary shall contain the following areas, separated and segregated, and consistent with the following specific criteria:
 - 1. Waiting area containing only one entrance for the public, which is visible immediately from one fixed staffed security station. The entire waiting area must also be monitored by surveillance cameras.
 - 2. Consultation room where medical marijuana products are viewed for purchase, which must be:
 - a. Separated and segregated from any waiting area;
 - b. Any windows or viewing areas must be obscured from the public right of way or waiting area;

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- c. Any customer allowed to enter any room where medical marijuana, edible marijuana products, or marijuana infused products are viewed for purchase is required to be accompanied by an employee of the establishment;
 - d. Only sample products may be viewed for purchase in such a room; samples may be shown to customers outside of nontransparent packaging.
 - e. Customers may not remove any medical marijuana, edible marijuana products, or marijuana infused products from the consultation room.
- 3. All medical marijuana, edible marijuana products, or marijuana infused products, during non-business hours, must be stored in a separated and secured area.
 - a. The area must meet the Building Official's standards for odor control.
 - b. The area must be under surveillance by the camera system at all times.
 - c. One area may store both product and legal tender, however separate storage devices must be maintained and both must be under video surveillance.
- 4. All medical marijuana, edible marijuana products, or marijuana infused products must be placed in an opaque bag or cover that does not allow the product to be visible from outside of the bag or cover and closed by the attendant of the dispensary prior to transfer to a customer.

6.95.130 Cultivation Facility.

- A. A cultivation facility must meet all odor control regulations established by the building department. Within 24-hours of any complaints concerning odors, a cultivation facility shall respond to the complaints and file with the Director and the Building Official all action taken to address odor complaints. The Building Official, upon determination of the existence of detectable odor from any cultivation facility, may require additional measures by the facility to control such odor and a timeframe for the implementation of such measures at any cultivation facility. Failure to complete required improvements within the timeframe specified by the Building Official is grounds for suspension of the license by the Director.
- B. Any medical marijuana that is transported to a medical marijuana dispensary must be packaged for retail sale in tamper evident containers of not more than two and one-half ounces and placed in unmarked, non-transparent transportation containers.

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- C. Any medical marijuana that is transported to a medical marijuana production facility must meet all State regulating authority standards.
- D. Applicants must designate on their permit application the size of the area proposed to be under cultivation on the premises. The cultivation area will be limited to the square footage granted on the license. Other floor space of the facility may be used for walkways, ventilation, storage or any other purposes required by the State regulating authority or the licensee for operations of the business. Allocated square footage of cultivation area may be requested to be increased upon petition to the Director prior to the renewal of the license.
- E. The Council may reduce the square footage of any applicant or licensee if the Council determines the size of the proposed facility is not in the interest of the surrounding community;
- F. Prior to accepting any plant materials into the cultivation facility for the first time, the cultivation facility shall notify the Department to conduct a pre-operational inspection and shall pay all related inspection fees.

6.95.140 Independent Testing Laboratories.

In addition to any other requirement set forth herein, Independent Testing Laboratories must submit a registration certificate from the State regulating authority, must maintain all state laboratory licenses required to test substances such as medical marijuana, and provide a copy of such licenses and approvals at the time of licensing.

6.95.150 Medical Marijuana Production Facility.

- A. Inspections. The Department will conduct a pre-operational inspection at all medical marijuana production facilities to determine whether the facilities, methods, practices and controls used in the manufacture, processing, or holding of edible marijuana products or marijuana-infused products conform to or are operated or administered within the requirements of this Ordinance. The licensee is responsible for the costs of all inspections.
- B. Products and Labeling. Products sold at City-licensed medical marijuana dispensaries must meet the following:
 - 1. No infused products may contain alcoholic beverages as defined and regulated by LVMC Chapter 6.50;
 - 2. No product shall have the appearance or packaging of candies, characters, shapes or other like products which are commonly marketed to children;
 - 3. No infused water or beverages may be produced or bottled for drinking as a beverage;

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4. Packaging must be opaque. Products must not be visible from or depicted on the packaging;
5. Labels must be simple in appearance without pictures or depictions of objects, such as toys, characters, pictures of children, or cartoon characters or any other depiction which are commonly marketed to children;
6. Labels must not have the appearance of similar labels found in a grocery store;
7. The City may create a logo that must be placed on the packaging for all edible marijuana products and marijuana-infused products. If such a logo is created, it shall be applied to all such products;
8. Any edible marijuana products or marijuana infused products that are transported to a licensed medical marijuana dispensary must be packaged for retail sale in tamper evident containers and placed in unmarked, non-transparent transportation containers; and
9. The maximum number of servings in any one single unit of marijuana-infused product meant to be eaten or swallowed is ten servings of no more than ten milligrams of active THC per serving. THC is defined in NRS 453A.155. A single unit of marijuana-infused extract for inhalation cannot exceed one gram.

6.95.160 Medical Marijuana Dispensary – Requirements and Limitations.

Each licensed medical marijuana dispensary shall comply with the following requirements:

- A. Prices for all products shall be prominently posted in the waiting area in a location and manner readily visible to prospective and actual clients. Prices shall not be posted on the exterior of the licensed premises.
- B. All edible marijuana products and marijuana infused products offered for sale at licensed dispensaries shall meet the requirements, restrictions and labeling of edible marijuana products and marijuana infused products in accordance with LVMC 6.95.150(B). (see Medical Marijuana Production Facility)
- C. Any dispensary that sells edible marijuana products or marijuana infused products must display a placard that states the following:
 1. Edible Marijuana and Marijuana Infused Products: There may be health risks associated with consumption of edible marijuana products or marijuana infused products.
 2. Edible products and marijuana infused products contain marijuana or active compounds of marijuana.

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3. Should not be used by women who are pregnant or breast feeding.
4. When eaten or swallowed, the intoxicating effects of this product can be delayed two or more hours.
5. Follow all recommended dosage and serving guidelines and recommendations.
6. "KEEP OUT OF REACH OF CHILDREN"

The placard shall be no smaller than 8 inches tall by 12 inches wide, with font size letters no smaller than 48. The placard shall be clearly visible and readable by customers and shall be written in English.

- D. A medical marijuana dispensary is not allowed to sell gifts, novelties or participate in ancillary business sales activity within a medical marijuana dispensary with the exception of the following:
1. Paraphernalia as defined by NRS453A.125, the sale of which is limited to the consultation room and only to a display area of 10 square feet of gross retail space in the room.
 2. Ancillary services which are services approved in the educational plan by the State regulating authority, and which also must be approved for an ancillary license by the City.
- E. A dispensary may locate one automatic teller machine for access to patients only for the dispensing of money if the person operating the machine has been approved by the Director under LVMC 6.06.125 and the business is licensed to operate such by the City. Money and legal tender may not be stored onsite except as detailed in the approved security plan.
- F. The following activities to promote the use of marijuana are prohibited:
1. The giving of free samples or free product to any person, employee or customer;
 2. No employee shall be paid for services in the form of marijuana product;
 3. Reward programs, customer loyalty programs, promotional activities;
 4. No novelty merchandise may be produced or allowed to have any approved logo or business name to be used on such merchandise; and
 5. The display of any product in any manner visible to the general public from the right of way or outside of the facility.
- H. The following activities are prohibited for all licensed medical marijuana dispensaries:

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1. Off-site transportation or sale of medical marijuana, edible marijuana products or marijuana infused products, except to another licensed medical marijuana establishment or the location of the residence of a registry card holder and only to a residential address specified on the registration card. All sales and distribution of medical marijuana, edible marijuana products or marijuana infused products by a licensed medical marijuana dispensary shall occur only upon the licensed premise, and the licensee shall be strictly prohibited from transporting or selling medical marijuana to any person at any other location.
2. A drive-thru or walk-up window for transactions or product transfer.
3. Except as otherwise permitted by Paragraph (1) of this Subsection (H):
 - a. A dispensary shall not dispense or distribute, sell, transfer or in any other way provide marijuana, edible marijuana products or marijuana infused products other than by direct, face-to face, in-person transaction with the holder of a registry identification card or designated primary caregiver at the licensed facility; and
 - b. Marijuana shall not be provided by any other means of delivery including, without limitation:
 - i. Internet sales.
 - ii. The transport, mail or private delivery of product.
- I. Dispensaries must inform each customer either by signage, written receipt or on product labeling that it is illegal to re-sell medical marijuana, edible marijuana products or marijuana infused products to any person.
- J. The Dispensary shall provide the Director, Metro and all neighbors located within fifty (50) feet of the premises with the name, phone number, and facsimile number of an on-site community relations staff person to whom one can provide notice if there are operating problems associated with the Dispensary.
- K. No advertising, materials or postings within the waiting areas may advertise locations, devices or activities promoting the consumption of marijuana or other facilities selling or purporting to provide locations for the private or public consumption of marijuana.
- L. Medical marijuana, edible marijuana products and/or marijuana infused products shall be obtained from licensed medical marijuana establishments within Clark County if an adequate supply is available from licensed medical marijuana establishments located within Clark County.
- M. A medical marijuana dispensary must maintain an electronic verification system in accordance with the requirements of the State regulating authority, which must be used to record data required by the State regulating authority and to validate each registry identification card presented and the allowed amount of medical marijuana to be dispensed.

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- N. A medical marijuana dispensary's hours of operation shall be limited to between 6:00 a.m. and 10:00 p.m.

6.95.170 Biennial Review of License.

- A. Every two years from the date of issuance each licensee must submit to a review of the issued license.
- B. Documentation required for the biennial review must be submitted at least 60 days prior to the expiration of the license.
- C. Documentation for the biennial review must be provided on a form approved by the Director and accompanied by:
1. A new license application per LVMC Chapter 6.06;
 2. A nonrefundable application renewal fee of \$1,000.00;
 3. List of all ownership or affidavit testifying that no changes have occurred;
 4. Signed affidavits from each principal attesting to the fact that there have not been any arrests or convictions of a crime in any jurisdiction and they have not had disciplinary action taken against them or an associated business where a business license is held;
 5. If changes are requested, a detailed proposal for changes to any of the plans or documents approved with the initial license or previous renewal, including the sign plan, security plan, environmental plan, operational plan, or building plans;
 6. A copy of all current and proposed contracts for consulting, management, renting or leasing;
 7. A copy of all contracts with any other medical marijuana establishments; and
 8. A statement certifying and attesting that no changes have occurred in the ownership, operations or original application with the exception of those specifically noted in the renewal application.
- D. The Director may approve the review and approve a renewal of the license based on a determination that no material changes have been made to the original application or refer the review with noted requested changes to the Council for consideration. The City Council may approve, approve with conditions, deny or take such other action as it deems appropriate. All changes in ownership or location must be referred to the City Council as a new permit application during a posted request for medical marijuana compliance permits.

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- E. The Director may deny renewal of a license based on the failure or refusal of a licensee to carry out the policies and procedures or comply with the plans and statements provided to the Department with the application for the license.
- F. The Director may deny renewal of a license if the establishment is not in compliance with this Ordinance or has any unpaid fees.

6.95.180 Closure or Bankruptcy of a Medical Marijuana Establishment.

- A. Prior to the issuance of a license or the renewal of a license, each applicant must file with the Director a plan for the disposal, maintenance or transfer of all plant material, products and usable medical marijuana for implementation due to any of the following conditions:
 - 1. Closure of the medical marijuana establishment, revocation or nonrenewal of the registration certificate issued by the State regulating authority, or revocation or nonrenewal of a license granted pursuant to this Ordinance.
 - 2. The appointment of an administrator, receiver, trustee, or assignee in the event of the receivership, bankruptcy, or assignment for benefit of creditors of any licensee.
- B. The plan must include:
 - 1. The Director must be notified within ten (10) days of such appointment to act pursuant to Paragraph (2) of Subsection (A) above.
 - 2. That business must cease all sales of medical marijuana products including wholesale, edible or infused products and dispensary sales until such time as a new certificate has been issued by the State regulating authority and a license has been granted by the City.
 - 3. An inspection prior to the transfer of any materials to be disposed of or transferred to another licensed medical marijuana establishment.
 - 4. The plan must be executable within ten (10) days and approved by the Director.
- C. When the matter is resolved, the true party(ies) of interest may apply for a license once certified by the State regulating authority.

6.95.190 Disposal of Medical Marijuana.

Medical marijuana and any waste including wastewater must be stored, secured and managed in accordance with applicable state statutes and regulations and LVMC Title 14 and state approved disposal plan. A medical marijuana establishment must dispose of medical marijuana that is not usable marijuana within ten (10) calendar days

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of expiration of use. Medical marijuana waste must be made unusable prior to leaving a licensed medical marijuana facility.

- A. Wastes that must be rendered unusable prior to disposal include, but are not limited to:
 - 1. Marijuana plant waste, including roots, stalks, leaves, and stems that have not been processed with solvent.
 - 2. Solid marijuana sample plant waste possessed by third-party laboratories certified by the State regulating authority for quality assurance that must be disposed of.
- B. The allowable method to render marijuana plant waste unusable is by grinding and incorporating the marijuana plant waste with non-consumable solid waste or other ground materials so the resulting mixture is at least fifty percent non-marijuana waste by volume. Other methods to render marijuana waste unusable must be approved by the State regulating authority and the Director before implementing.
- C. Marijuana waste rendered unusable following an approved method in the facility disposal plan may be delivered to a franchised or licensed solid waste facility for final disposition.
- D. Disposal cannot include medical marijuana product including plant material entering the City wastewater collection system, storm drain system or any unsecure rubbish disposal system.
- E. A medical marijuana establishment shall not transfer, share, give, sell or deliver any unused medical marijuana in the establishment's possession to any other person, regardless of whether they are licensed as a medical marijuana establishment.
- F. A medical marijuana establishment shall not dispose of medical marijuana in any manner other than permitted under this Ordinance.

6.95.200 Work Card and Agent Registration Card Requirements.

Each employee, whether a full- or part-time employee, independent contractor, or volunteer who works in a medical marijuana establishment business or facility shall obtain prior to the commencement of work and keep in force during the term of employment, a work card issued pursuant to LVMC Chapter 6.86. A complete and accurate list of all employees and volunteers, each of whom must have a valid medical marijuana establishment agent registration card and work card issued pursuant to LVMC Chapter 6.86, must be kept onsite and available for inspection at all times. The list must contain the current employment status, position and title of each employee and volunteer, and work shift.

It shall be a condition of the license to inform the City of any change in the employment status of a registered employee or volunteer who serves in a management