

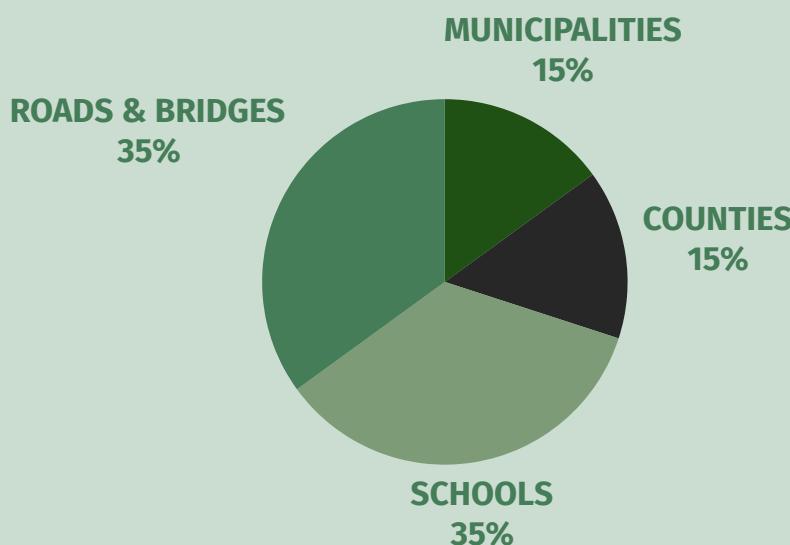


2024 CANNABIS ANNUAL UPDATE



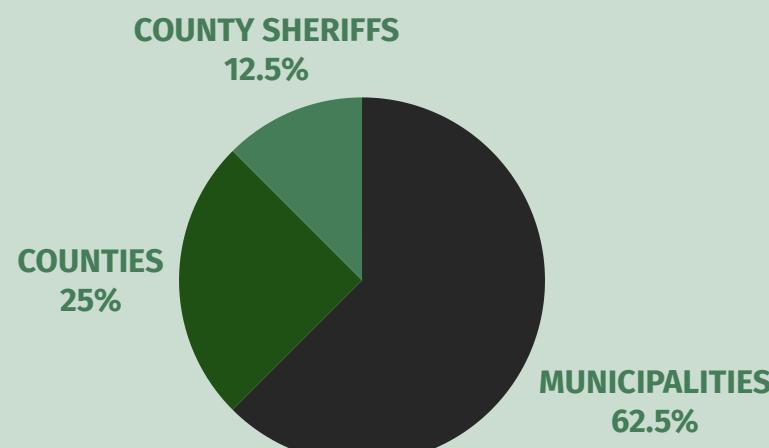
A 10% sales tax (excise tax) on all marihuana gross sales made at Michigan adult use retailers and microbusinesses, fund the Michigan Marihuana Regulation Fund. This tax is in addition to the standard 6% sales tax.

Allocation of the Marihuana Regulation Fund is as follows:



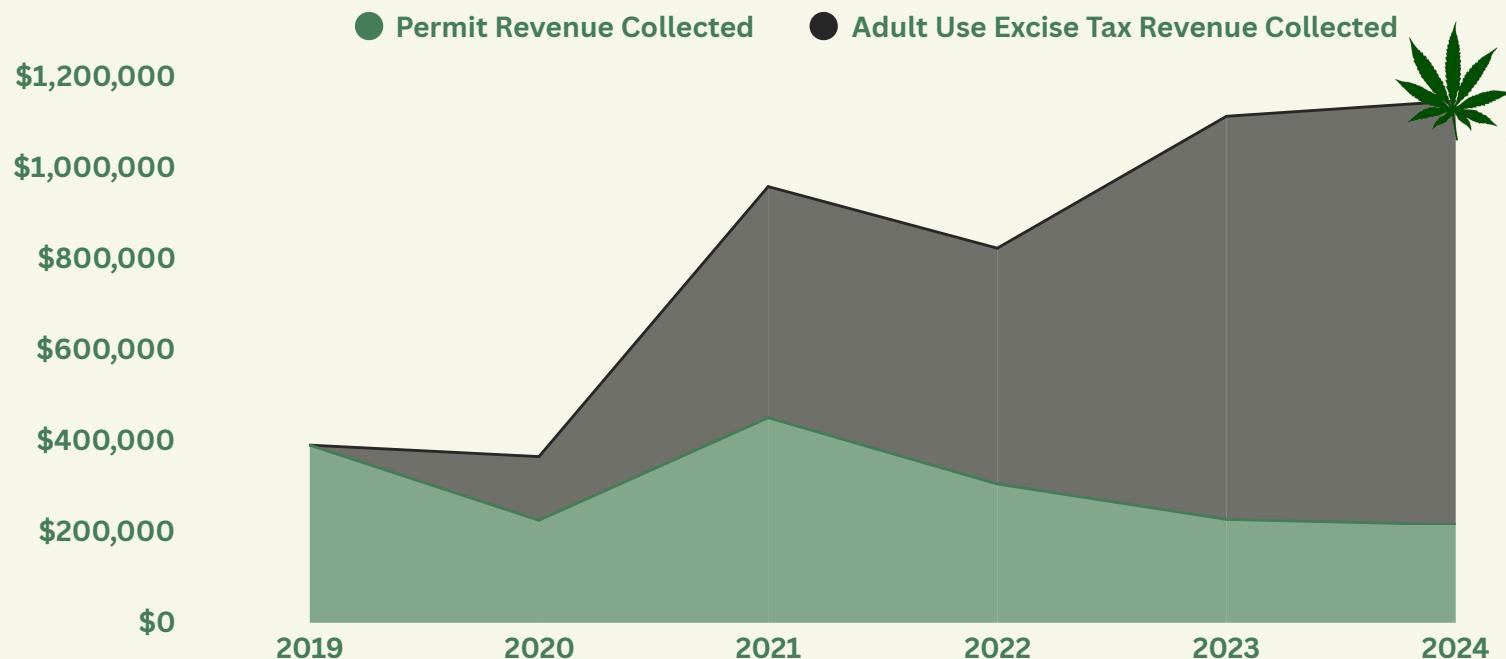
Additionally, a 3% sales tax (excise tax) on all gross sales made at Michigan medical provisioning centers fund the Medical Marihuana Excise Fund.

Allocation of the fund is as follows:



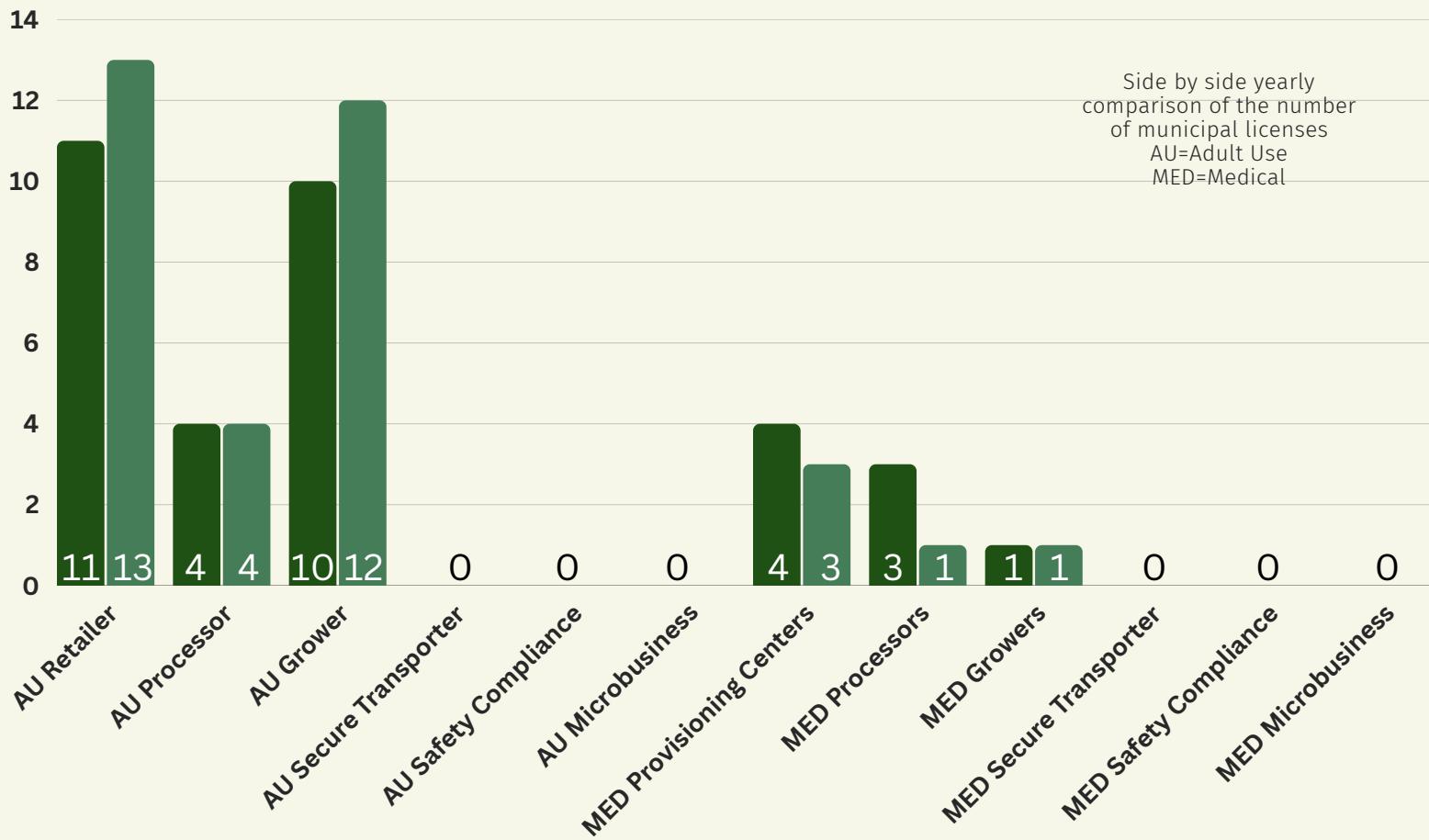
City marihuana license revenue for 2024 was \$215,000 generated from permits and approximately \$931,658 from the marihuana tax regulation fund. Licensing revenue was down compared to previous years, but the receipt of excise tax continues to grow.

The City of Battle Creek generates \$5,000 in revenue for each initial application that is submitted and \$5,000 in revenue for each annual renewal license.



2023

2024



INVESTMENTS - YTD

Building Investments - \$8,261,873
 Landscape Investments - \$239,895
 Misc. Permit Revenue - \$124,513
 (building, mechanical, electrical, zoning, and site plan permits)

2024

CRIME

There were 7 crime related incidents involving 6 marihuana facilities.

ENFORCEMENTS

There were no property maintenance violations involving marihuana facilities in 2024.



LOOKING AHEAD:

- Continue to identify ways to streamline the cannabis permitting process
- Explore electronic submission of applications and payments
- Clarify processes and procedures through ordinance updates
- Participate in regional and state regulatory discussions
- Explore adding community investment to compliance requirements

Adult Use Retail Establishments ranked by number of businesses.

1	Detroit 54
2	Ann Arbor 26
3	Grand Rapids 25
4	Kalamazoo 19
5	Monroe 18
6	Battle Creek 16