

**Application for Medical Marijuana Cultivation Facility
Merit Criteria**

**APPLICATION FOR MEDICAL MARIJUANA CULTIVATION FACILITY
MERIT CRITERIA**

Schedule 1 – Qualifications of Applicant

**Section 9(b)(i)
(90 points)**

An applicant must demonstrate the requisite education, knowledge, and experience to operate a cultivation facility. Applicants should describe, in detail, any experience with the following:

- Regulated Industries (10 points)
- Agriculture or horticulture (10 points)
- Commercial manufacturing (10 points)
- Creating and implementing a business plan (10 points)
- Creating and implementing a financial plan (10 points)
- Experience with secure inventory tracking and control (10 points)
- Experience with the cultivation and production of marijuana (10 points)
- Experience as an owner or manager of a business that requires twenty-four hour security and monitoring (10 points)
- Any other experience the applicant may consider relevant to demonstrate qualification required to operate a medical marijuana cultivation facility. (10 points)

**Schedule 2 – Ability to Operate a Cultivation Facility in Compliance with
Applicable Laws, Rules, and Regulations**

**Section 9(b)(iii)
(90 points)**

Schedule 2a. (10 points) Applicants must have the ability to manufacture approved medical marijuana products, each with a consistent cannabinoid profile and each able to pass the required quality control testing standards established by the Arkansas Department of Health. Applicants should describe in detail a plan for testing for the following:

- Potency of marijuana (measurements for THC, THCA, CBD, and CBDA)
- Microbiological contaminants
- Pesticides
- Solvents

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- Water activity and moisture content
- Metals

Applicants should describe any other testing measures they intend to implement with regard to the cultivation of medical marijuana.

Applicants should describe cultivation procedures to be implemented in the facility. Applicants should demonstrate a working knowledge of cultivation processes and describe which processes will be used in the facility. Descriptions should include grow mediums, use of pesticides or other chemicals to aid in the cultivation of plants, and the types of areas used in the cultivation of plants at various stages of growth.

Applicants should also describe plans for disposal of waste products and unusable marijuana. If an outside contractor will be hired for disposal, identify the contractor and include an address and telephone number.

Schedule 2b. (10 points) Applicants must have the ability to produce sufficient quantities of approved medical marijuana products as necessary to meet the needs of individuals with qualifying medical conditions. Applicants should describe in detail a plan for the following:

- The production of plants from seed to sale. The plan should include a description of areas within the facility to be used for cultivation for the life of the plant, and an estimate of the number of plants in each area at any given time. The plan should also include time estimates for each stage of growth in each identified area.
- Prevention of cross contamination of plants.
- Disaster recovery plan.

Schedule 2c. (10 points) Applicants must comply with the cultivation security requirements established by the Arkansas Alcoholic Beverage Control. Applicants should submit the following:

- A blueprint or drawing of the cultivation facility. Identify each point of ingress and egress to the facility. Identify all restricted or limited access areas within the facility. Label all areas of the facility to be used for cultivation. Identify storage areas and any other defined areas within the facility.
- A plot plan of the cultivation facility drawn to a reasonable scale. The plot plan must show all of the following: All public roads accessible by the facility, all private roads within the facility, and all uses of adjacent property.

- Identify the type of alarm system to be used within the facility and around the perimeter of the facility.
- Identify the type of video surveillance system to be used in the facility and around the perimeter of the facility. Identify the placement of cameras throughout and outside of the facility. If the surveillance system will be monitored on site, identify the surveillance area on the blueprint or drawing. If the system will be monitored off site by a contractor, provide the name, address, and phone number of the contractor.
- Identify any other means of security or surveillance. If an outside contractor will be used for security, please provide the name, address, and phone number of the contractor.
- Provide a retention plan for security and surveillance system records. If the records will be secured on site, identify the secure storage area on the blueprint or drawing. If the records will be kept off site, provide the name, address, and phone number for the off-site storage.
- Describe any additional plans or methods of security.

Schedule 2d. (10 points) Applicants must comply with the inventory and tracking system of medical marijuana plants established by the Arkansas Alcoholic Beverage Control Division. Applicants should describe all methods to be used for the tracking of medical marijuana within the facility. Applicants should describe how these methods will interface with the requirements established by the ABCD.

Schedule 2e. (10 points) Applicants must comply with the record keeping requirements of the Alcoholic Beverage Control Division. Applicants should describe methods for record keeping and retention. Include any plans for offsite back up, storage, or retention.

Schedule 2f. (10 points) Applicants must have the ability to maintain effective control against diversion of marijuana and marijuana products. Applicants should provide a detailed plan for preventing diversion of marijuana and marijuana products from the facility.

Schedule 2g. (10 points) Applicants must comply with the requirements for packaging, labeling, and chain of custody.

- Describe the types of packaging to be used for the products produced by the cultivation facility. Provide any photos or diagrams that may be useful in understanding the packaging. Packaging should not only include the product-level packaging; but also, packaging and containers that will be used for transporting medical marijuana to dispensaries.
- Describe the methods of labeling to be used by the cultivation facility. Provide any photos or samples that may be useful in describing the labels. Labeling should not only include product-level labeling, but also, labeling of containers and packaging to be used in transporting medical marijuana to dispensaries.
- Describe the process for weighing, packaging, and preparing medical marijuana for transport to marijuana to dispensaries. Procedures should interface with the required inventory tracking system established by the Alcoholic Beverage Control Division.

Schedule 2h. (10 points) Applicants must comply with the requirements for transporting medical marijuana.

- Describe the process for transporting medical marijuana to dispensaries. Procedures should interface with the required inventory tracking system established by the Alcoholic

Beverage Control Division.

- Describe methods for security during transport.
- If an outside contractor will be hired for transport, identify the contractor and include an address and telephone number.

Schedule 2i. (10 points) Applicants must comply with the requirement of being located at least three thousand (3,000) feet from a public or private school, church, or daycare existing before the date of the cultivation facility application. The distance specified shall be measured by nearest property line point of the cultivation facility to the nearest property line point of the school, church, or daycare facility.

Applicants should provide the following to show compliance with this provision:

- A location map of the area surrounding the facility. The map must identify the area within a two (2) mile radius of the proposed location. Identify the relative locations of the following on the map, or by notations, the distance and direction to the property line:
 - Churches
 - Public or private schools
 - Daycare centers

Schedule 3 – Operations Plan

Section 9(b)(v) (50 points)

An applicant must be ready, willing, and able to properly carry out the activities of a medical marijuana cultivation facility. In order to demonstrate compliance with this requirement, provide the following:

- Business plan for operating a cultivation facility on a long term basis. The plan should include, but not be limited to the following:
 - Detailed description of the estimated amount of capital and debt commitment for the proposed cultivation center. Estimates should include a breakdown of amounts needed for start-up, as well as, long term stability. (*Note: A financial plan will be required in another portion of the application.*) (10 points)
 - Proposed staffing requirements, hiring criteria for staff, daily operations schedules. (10 points)
 - An overview of the types and methods of cultivation to be implemented at the facility. (10 points)
 - Include plans and provisions for insuring safety and sanitation within the facility. (10 points)
- Estimated timeline for opening the cultivation facility and beginning production. (10 points)

Schedule 4 – Financial Disclosure

Section 9(b)(vi)

(20 points)

Applicants must prove financial stability and access to financial resources. Applicants shall provide the following items to prove financial stability: (10 points)

- Disclosure of bankruptcy filings by the applicant or entities owned or operated by the applicants.
- Credit histories for the applicant and owners of the entity.
- Summary of financial statements for businesses previously or currently owned or operated by the applicant owners of the entity.
- Any other information that may be necessary to prove financial stability.

Applicants shall provide a financial plan for operating a marijuana cultivation facility. In addition to providing a plan for the long term operation and stability of the cultivation facility, the plan shall also describe and provide proof of the following: (10 points)

- Legal sources of finances immediately available to begin operating a cultivation facility.
- Possession of, or the right to use, sufficient real property, and equipment to properly carry on the activity described the proposed business plan submitted by the applicant.

Schedule 5 – Affiliation with Medical Personnel

Section 9(b)(ii)

(10 points)

Applicants should identify any affiliation with medical personnel. List any affiliations with a Medical Doctor, Doctor of Osteopathy, or Doctor of Pharmacy. For all individuals listed, provide an address, phone number, and identify the capacity in which the individual is affiliated with the proposed facility. Applicants may also include written statements from the identified medical personnel.

Schedule 6 – Economic Impact and Diversity

Section 9(b)(iv)

(10 points)

Applicants should provide any information or proof regarding the proposed cultivation facility's potential for positive impact on the economy and diversity of the area in which the facility is to be located.