

Served by hand  
accepted by Jan Escat  
on 10/16/12 @ 11:05 AM

Ken Frakes, #021776  
Maxwell Mahoney, #028837  
**ROSE LAW GROUP, PC**  
6613 N. Scottsdale Road, Suite 200  
Scottsdale, Arizona 85250  
(480) 505-3931  
(480) 951-6993  
kfrakes@roselawgroup.com  
Attorneys for Plaintiff

**IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**  
**IN AND FOR THE COUNTY OF MARICOPA**

JOHANNA DISPENSARIES, INC., an  
Arizona non-profit corporation;  
Plaintiff,

vs.

ARIZONA DEPARTMENT OF HEALTH  
SERVICES, an agency of the State of  
Arizona; WILL HUMBLE, Director of the  
Arizona Department of Health Services, in  
his Official Capacity; and DOES I-X, an  
Arizona non-profit corporation; et al.  
Defendants.

Case No. LC2012-000544-001DT

**SUMMONS**

If you would like legal advice from a lawyer,  
contact the Lawyer Referral Service at  
602-257-4434  
or  
[www.maricopalawyers.org](http://www.maricopalawyers.org)  
Sponsored by the  
Maricopa County Bar Association

**TO THE ABOVE NAMED DEFENDANT(S):**

**YOU ARE HEREBY SUMMONED** and required to appear and defend, in the  
above entitled action within TWENTY (20) DAYS, after the service of the  
Summons and Complaint upon you, exclusive of the day of served. If served outside  
the State of Arizona, you shall appear and defend within THIRTY (30) days,  
exclusive the day of service.

In order to appear and defend, you must file a proper response or answer in  
writing with the Clerk of this Court, accompanied by the required filing fee. Failure  
to so appear and defend will result in a judgment by default being rendered against  
you for the relief requested in the Complaint.

1 A copy of the complaint may be obtained from the Maricopa County Superior  
2 Court, 18380 N. 40<sup>th</sup> Street, Phoenix, Arizona 85032.

3 Requests for reasonable accommodations for persons with disabilities must  
4 be made to the Division assigned to the case by parties at least three (3) judicial days in  
5 advance of a scheduled court processing.

6 You are required by law to serve a copy of your response or answer upon the  
7 Plaintiff(s) addressed as follows:

8 Rose Law Group, PC  
9 c/o Ken Frakes  
10 6613 N. Scottsdale Road, Suite 200  
11 Scottsdale, Arizona 85250

12 SIGNED AND SEALED, this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

13 MICHAEL K. JEANES  
14 Clerk of the Superior Court

15 **COPY**

16 By \_\_\_\_\_  
17 Deputy Clerk



18 OCT 09 2012

19 MICHAEL K. JEANES, CLERK  
20 S. LASPALUTO  
21 DEPUTY CLERK  
22  
23  
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25  
26

**COPY**

OCT 09 2012



MICHAEL K. JEANES, CLERK  
S. LaSPALUTO  
DEPUTY CLERK

1 Ken Frakes, #021776  
2 Maxwell Mahoney, #028837  
3 **ROSE LAW GROUP, PC**  
4 6613 N. Scottsdale Road, Suite 200  
5 Scottsdale, Arizona 85250  
6 (480) 505-3931  
7 (480) 951-6993  
8 [kfrakes@roselawgroup.com](mailto:kfrakes@roselawgroup.com)  
9 Attorneys for Plaintiff

10 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**  
11 **IN AND FOR THE COUNTY OF MARICOPA**

12 **JOHANNA DISPENSARIES, INC.**, an  
13 Arizona non-profit corporation;  
14 Plaintiff,

15 vs.

16 **ARIZONA DEPARTMENT OF HEALTH**  
17 **SERVICES**, an agency of the State of  
18 Arizona; **WILL HUMBLE**, Director of the  
19 Arizona Department of Health Services, in  
20 his Official Capacity; and **DOES I-X**, an  
21 Arizona non-profit corporation; et al.  
22 Defendants.

Case No. LC 2012-000544-00 IDT

**CERTIFICATE OF COMPULSORY**  
**ARBITRATION**

23 The undersigned certifies that he knows the dollar limits and any other limitations  
24 set forth by the local rules of practice for the applicable superior court, and further  
25 certifies that this case is not subject to compulsory arbitration, as provided by Rules 72  
26 through 76 of the Arizona Rules of Civil Procedure.

Dated this 9<sup>th</sup> day of October, 2012.

**ROSE LAW GROUP, PC**

By \_\_\_\_\_

Ken Frakes

Maxwell Mahoney  
6613 N. Scottsdale Road, Suite 200  
Scottsdale, Arizona 85250  
*Attorneys for Plaintiff*

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**COPY**

OCT 09 2012



MICHAEL K. JEANES, CLERK  
B. LASPALUTO  
DEPUTY CLERK

1 Ken Frakes, #021776  
2 Maxwell Mahoney, #028837  
3 **ROSE LAW GROUP, PC**  
4 6613 N. Scottsdale Road, Suite 200  
5 Scottsdale, Arizona 85250  
6 (480) 505-3931  
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8 [kfrakes@roselawgroup.com](mailto:kfrakes@roselawgroup.com)  
9 Attorneys for Plaintiff

10 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**  
11 **IN AND FOR THE COUNTY OF MARICOPA**

12 JOHANNA DISPENSARIES, INC., an  
13 Arizona non-profit corporation;  
14 Plaintiff,

15 vs.

16 ARIZONA DEPARTMENT OF HEALTH  
17 SERVICES, an agency of the State of  
18 Arizona; WILL HUMBLE, Director of the  
19 Arizona Department of Health Services, in  
20 his Official Capacity; and DOES I-X, an  
21 Arizona non-profit corporation; et al.  
22 Defendants.

Case No. LC 2012-000544-001 DT

**COMPLAINT** *special action*

(~~Special Action and Regular Action for~~  
~~Mandamus, Declaratory Judgment,~~  
~~Injunctive Relief and Other Relief)~~

23 Plaintiff, by and through its attorney, undersigned, and for its Complaint against  
24 Defendants herein, alleges as follows:

25 1. Plaintiff Johanna Dispensaries, Inc. is an Arizona non-profit corporation,  
26 licensed to transact business and transacting business in Maricopa County, Arizona.

2. Plaintiff desires to own and to operate a non-profit medical marijuana  
dispensary site, as defined in the Arizona Medical Marijuana Act, at 1302 W. Industrial  
Drive, Building 7, located in Coolidge, Arizona 85224, which is located within the

1 Coolidge CHAA #98 (as herein after defined). The Glendale Central CHAA # 54 is  
2 located entirely within incorporated Coolidge, Arizona.

3 3. Defendant Will Humble is the Director of the Arizona Department of  
4 Health Services (“DHS”), a political subdivision of the State of Arizona. Defendant  
5 Humble is responsible for the DHS employees who are implementing and overseeing the  
6 Arizona Medical Marijuana Act, A.R.S. §§36-2801, *et seq.* This includes, but is not  
7 limited to, the review, approval and denial of applications for medical marijuana  
8 Dispensary Registration Certificates and approvals to operate medical marijuana  
9 dispensaries and cultivation sites, after a Dispensary Registration Certificate is obtained.  
10

11 4. Defendants DOES 1-X are fictitious names, used to denote other persons or  
12 entities whose acts and/or omissions caused or contributed to Plaintiff’s injuries. Plaintiff  
13 hereby requests leave of this Court to amend its Complaint to reflect the true names and  
14 statuses of Defendants DOES 1-X, when the same have been ascertained.  
15

16 5. This action is brought for declaratory judgment, injunctive relief, and a  
17 special action pursuant to the Rules of Procedure for Special Actions, including, but not  
18 limited to, Rule 2. The acts and events complained of herein occurred in Maricopa  
19 County, Arizona. Jurisdiction and venue are appropriate in this court.  
20

21 **ARIZONA MEDICAL MARIJUANA ACT**

22 6. On or about November 2, 2010, the citizens of the State of Arizona passed  
23 and adopted Proposition 203, a voter initiative, known as the Arizona Medical Marijuana  
24 Act (the “AMMA”), A.R.S. §§ 36-2801 through 36-2819. Governor Jan Brewer signed  
25 the AMMA into law on December 14, 2010. The AMMA states, in pertinent part, that the  
26

1 People of State of Arizona find and declare that modern medical research has confirmed  
2 beneficial uses for marijuana in treating or alleviating pain, nausea and other symptoms  
3 associated with a variety of debilitating medical conditions, as found by the National  
4 Academy of Sciences' Institute of Medicine. These benefits include relief from  
5 neuropathic pain caused by a variety of illnesses that often fail to respond to conventional  
6 treatments and relief from nausea, vomiting and other side effects of drugs used to treat  
7 various illnesses. Marijuana's medical utility has been recognized by a wide range of  
8 medical and public health organizations. Arizona voters have declared that "the health  
9 and welfare of its citizens" would be enhanced by the adoption of the AMMA. The  
10 purpose of the AMMA is stated, at least in part, to protect medical marijuana patients  
11 with debilitating conditions from arrest and prosecution, criminal and other penalties, if  
12 such patients engage in such use of the medical use of marijuana.  
13  
14

15         7. The AMMA provides for a limited number of highly regulated dispensary  
16 and cultivation sites. Stringent dispensary license regulations include, but are not limited  
17 to full vetting of the applicant, verification of substantial financial resources, possible  
18 reasonable zoning restrictions that limit the locale of the dispensaries, comprehensive  
19 background checks, audited inventory controls which regulate the origin, distribution,  
20 transfer and sale of the cannabis, and a \$5,000.00 application fee.  
21  
22

23         8. Pursuant to A.R.S. § 36-136 (F), and/or the AMMA the Arizona of  
24 Department of Health Services was granted rulemaking authority with regard to the  
25 AMMA. The current rules (the "Rules") adopted by the Arizona Department of Health  
26

1 Services aid in the implementation of the AMMA and are contained within R9-17-101  
2 through R9-17-323. The effective date of the current Rules is on or about April 12, 2012.

3 9. DHS-adopted Rules, among other things, incorporated the use of  
4 Community Health Analysis Areas or "CHAAs" which divide the State of Arizona into  
5 126 separate geographical areas where only one medical marijuana dispensary  
6 registration certificate or license may be allocated. One such geographical area is known  
7 as the Coolidge CHAA (CHAA #98).

8  
9 10. One of the relevant Rules, R9-17-304, provides, in pertinent part, that an  
10 entity that desires to operate a medical marijuana dispensary or cultivation site must first  
11 file an application for a Dispensary Registration Certificate ("Certificate") with DHS.

12  
13 The Rules further prescribe that in those CHAAs where more than one complete  
14 application is received by DHS a lottery will be held to determine the recipient of the  
15 allocation.

16  
17 11. Pursuant to A.R.S. § 36-2806.01, cities, towns and counties may enact  
18 reasonable zoning regulations that limit the use of land for registered non-profit medical  
19 marijuana dispensaries to specific areas.

20  
21 12. In order to obtain a Certificate and in order to operate a dispensary or  
22 cultivation site, A.R.S. §36-2804 (B)(1)(d) and Rules, Rule R9-17-304(C)(6), state that  
23 an applicant must submit to DHS as part of their application a zoning clearance letter.

24 The form for this letter was created by DHS and must be signed off by the local  
25 jurisdiction where the dispensary's proposed location is located, in this case the City of  
26 Coolidge, stating that either there are no zoning restrictions for the dispensary's proposed

1 location or that the dispensary's location and/or cultivation site is in compliance with any  
2 local zoning restrictions.

3 13. In accordance with Rule R9-17-304(A)(1), an applicant may not submit  
4 more than one dispensary registration certificate application in a single CHAA.

5 **CITY OF COOLIDGE MEDICAL MARIJUANA ZONING**

6  
7 14. In response to the provisions of the AMMA allowing cities to adopt zoning  
8 regulations to reasonably restrict the location of medical marijuana related business, the  
9 City of Coolidge adopted a zoning ordinance requiring medical marijuana dispensaries to  
10 obtain a conditional use permit. Before issuing a zoning clearance letter to potential  
11 dispensary operators the City of Coolidge required they obtain approval for the  
12 conditional use permit.  
13

14 15. Upon information and belief, the City of Coolidge issued six conditional  
15 use permits to a total of four or five distinct potential dispensary operators.

16 16. The City of Coolidge issued six zoning clearance letters to a total of four or  
17 five distinct potential dispensary operators.  
18

19 **ALLEGATIONS**

20 17. Plaintiff, being one of the potential dispensary operators that obtained two  
21 conditional use permits and two zoning clearance letters from the City of Coolidge, filed  
22 a timely application for a Certificate with DHS on or before May 25, 2012.  
23

24 18. The City of Coolidge informed Plaintiff that Plaintiff's proposed dispensary  
25 site for which it submitted an application to DHS, located at 1302 W. Industrial Drive,  
26 was the one of six sites belonging to only four or five applicants within the Coolidge

1 CHAA #98 that was in compliance with all local zoning restrictions and that had been  
2 issued a zoning compliance verification letter.

3 19. On or about July 5, 2012, DHS issued a Notice of Substantive  
4 Completeness to Plaintiff, attached as Exhibit A.

5 20. Exhibit A was issued to Plaintiff because, in part, Plaintiff had obtained a  
6 signed zoning compliance verification letter on the DHS prescribed form from the City of  
7 Coolidge.  
8

9 21. Plaintiff filed a public records request with the City of Coolidge requesting  
10 a copy of all applications for conditional use permits that an applicant may use to obtain a  
11 Certificate. Coolidge responded with six applications for only five entities approved for a  
12 conditional use permit. Attached as Exhibit B is a true and correct copy of the public  
13 records request and records produced by Coolidge.  
14

15 22. Despite the fact that Plaintiff was one of only four or five entities approved  
16 for a conditional use permit and holding a zoning clearance letter issued by the City of  
17 Coolidge necessary to apply for a Certificate, DHS received and processed a total of ten  
18 applications in Coolidge CHAA #98. Attached as Exhibit C is a true and correct copy of  
19 a printout from the DHS website<sup>1</sup> setting forth the number of applications in each CHAA.  
20

21 23. Plaintiff notified Defendant DHS that they had wrongfully processed at  
22 least six applications for dispensary registry certificates in the Coolidge CHAA #98  
23 despite their lack of bona fide zoning clearance from the local jurisdiction as required.  
24

25  
26 <sup>1</sup> <http://www.azdhs.gov/medicalmarijuana/documents/dispensaries/eligible-dispensary-apps-per-chaa.pdf>

1 Attached as Exhibit D is a true and correct copy of that letter. (Upon information and  
2 belief, DHS may have wrongfully processed five applications but because of the  
3 confidential nature, Plaintiff cannot confirm )

4 24. On or about August 7, 2012 DHS to determine who the dispensary  
5 registration certificate allocation in the Coolidge CHAA #98 would go held the lottery  
6 wrongfully considering all ten applicants.

7  
8 25. Because a lottery was used to determine who the recipient of the dispensary  
9 registration would be, the odds of securing an allocation for the four or five legitimate  
10 applicants were drastically reduced from twenty percent (20%)—or maybe twenty-five  
11 percent (25%)—chance of securing a dispensary registry certificate to ten percent (10%)  
12 chance.

13  
14 26. Defendant DHS has willfully, wrongfully, arbitrarily, capriciously and/or  
15 without cause, failed and refused and still fail and refuse to deny applications for  
16 Certificates in Coolidge CHAA #98 which they knew or should have known did not  
17 comply with the Rules and the AMMA.

18  
19 27. The refusal of Defendant DHS to deny acceptance of dispensary applications  
20 in CHAA #98 from those who did not receive zoning verification letters from the City of  
21 Coolidge is wrong, arbitrary, capricious and/or an abuse of discretion and has resulted in  
22 harm to the Plaintiff.

23  
24 //

25 //

26 //

1  
2 **PLAINTIFF'S STATUS AND DAMAGES**

3 28. A maximum of four or five applications for a Certificate to operate a  
4 dispensary in the Coolidge CHAA #98 should have been accepted by DHS as complete  
5 and been admitted to the lottery.  
6

7 29. Plaintiff submitted one of the applications that were legitimately complete  
8 for a medical marijuana dispensary Certificate in CHAA #98. Absent Defendant DHS'  
9 abuse of discretion Plaintiff would have had a 20%-25% chance of being awarded a  
10 Certificate, which is an authorization to commence construction of a dispensary and  
11 cultivation site and a license to open not-for-profit businesses, after inspection by DHS.  
12

13 **FIRST CLAIM FOR RELIEF**  
14 **(Declaratory Judgment)**

15 30. Plaintiff hereby realleges paragraphs 1 through 29 of its Common  
16 Allegations, as though the same were fully set forth herein.

17 31. Plaintiff is entitled to a judgment declaring that the applications in CHAA  
18 #98 submitted without bona fide zoning clearance letters from Coolidge are not complete  
19 due to lack of compliance with local zoning restrictions and therefore should *not* have  
20 been included in the lottery drawing conducted by DHS to award the Certificate on  
21 August 7, 2012.  
22

23 **SECOND CLAIM FOR RELIEF**  
24 **(Injunctive Relief)**

25 32. Plaintiff hereby realleges paragraphs 1 through 31 of its Common  
26 Allegations and First Claim for Relief, as though the same were fully set forth herein



1           1.     For the issuance of a declaratory judgment ruling that at least six of the  
2 applications accepted by DHS were wrongfully admitted into the lottery for CHAA #98  
3 were .

4           2.     For the issuance of an injunction enjoining Defendants and their agents  
5 from proceeding with approving the operation of a dispensary by the applicant awarded  
6 the Certificate in CHAA #98.

7           3.     For the issuance of a Writ of Mandamus, requiring Defendant Arizona  
8 Department of Health Services to void the results of the lottery allocating a Certificate in  
9 CHAA #98, and to hold a new lottery after expelling those applicants that were  
10 wrongfully accepted and considered without legitimate zoning verification letters.  
11

12           4.     For the issuance of an Order to Show Cause directing the Defendants to  
13 appear before this court and show cause, if any they have, why the relief requested should  
14 not be granted.  
15

16           5.     For damages, in an amount in excess of the minimum jurisdictional  
17 requirements of this Court, the exact amount of which will be determined and proved at  
18 the time of trial;  
19

20           6.     For Plaintiff's reasonable attorney fees, in an amount to be determined by  
21 the court before or after the time of trial;  
22

23           7.     For Plaintiff's accrued court costs;

24           8.     For interest on all sums due and owing to Plaintiff, at the highest rate  
25 authorized by law, from the date of judgment, until paid in full; and  
26

          9.     For such other and further relief as is just and proper.

Dated this 9<sup>th</sup> day of October, 2012.

**ROSE LAW GROUP, PC**

By \_\_\_\_\_

Ken Frakes  
Maxwell Mahoney  
6613 N. Scottsdale Road, Suite 200  
Scottsdale, Arizona 85250  
*Attorneys for Plaintiff*

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Dated this 9<sup>th</sup> day of October, 2012.

**ROSE LAW GROUP, PC**

By  \_\_\_\_\_

Ken Frakes

Maxwell Mahoney

6613 N. Scottsdale Road, Suite 200

Scottsdale, Arizona 85250

*Attorneys for Plaintiff*

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# **EXHIBIT A**

## Chris Clonts

---

**From:** Josh Levine <locopatron@hotmail.com>  
**Sent:** Thursday, July 05, 2012 6:02 PM  
**To:** Chris Clonts  
**Subject:** Fwd: Medical Marijuana Notice of Substantive Completeness

Sent from my iPhone pardon any typos

Begin forwarded message:

**From:** [AZDispensaryRegistry@azdhs.gov](mailto:AZDispensaryRegistry@azdhs.gov)  
**Date:** July 5, 2012 5:31:08 PM PDT  
**To:** [LOCOPATRON@HOTMAIL.COM](mailto:LOCOPATRON@HOTMAIL.COM)  
**Subject:** **Medical Marijuana Notice of Substantive Completeness**

Your application has been reviewed and it was determined to be substantively complete.

The application is now awaiting the dispensary registration allocation process (“Allocation Process”). **Please be advised the Allocation Process is not complete for the issuance of a dispensary registration certificate** until the applicant, after having received notification of allocation of a dispensary registration certificate, submits all applicable dispensary agent applications.

Please do not respond to this email. It was automatically generated by the processing system.

If you have further questions please contact Arizona Department of Health Services at 602-364-0857 or email [m2dispensaries@azdhs.gov](mailto:m2dispensaries@azdhs.gov) in regards to:

**Application ID: AZDS000000228**  
**Dispensary: JOHANNA DISPENSARIES INC**  
**CHAA: 98 - Coolidge**

Thank You,  
Arizona Department of Health Services  
Arizona Medical Marijuana Program

# **EXHIBIT B**



# City of Coolidge

130 W. Central Avenue  
Coolidge, Arizona 85128  
(520) 723-5361

TDD: (520) 723-4653 / Fax: (520) 723-7910

---

## PUBLIC RECORDS REQUEST

I, hereby request a photocopy of the following public record(s):

- Identify and list records desired:  
All applications for medical marijuana dispensary use permits.
- Identify purpose for which the public records will be used:  
personal research

I hereby certify that the public records obtained pursuant to this request will \_\_\_\_\_/will not XX be used for a commercial purpose. I understand that pursuant to the provisions of A.R.S. §39-121 et seq., I may be denied copies of any public records which are intended for use for a commercial purpose if such use is determined to be a misuse or abuse, and that if such commercial use is permitted, I may be charged an additional fee. I understand further that I may not use such public records for a commercial purpose without first notifying the City of Coolidge.

I agree to hold the City of Coolidge, its agents and employees harmless from any claim, causes of action or other liability that may arise as a result of furnishing these documents to me or as a result of my use or misuse of these documents.

Name: Chris Clonts

Address: 6613 N. Scottsdale Raod. #200

Telephone: 480-240-5583 Fax: 480-505-3925

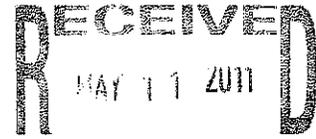
Agent or Representative for: Johanna Dispensaries, Inc.

Date: 8-28-2012

Signature: 

---

Police Department 911 S Arizona Blvd (520) 723-5311	City Court 110 W. Central (520) 723-6031	Library 160 W. Central (520) 723-6030	Public Works 411 W. S. 1 <sup>st</sup> . (520) 723-4882	Parks & Recreation 660 S. Main (520) 723-4551	Growth Management 131 W. Pinkley (520) 723-6075	Fire Department 103 W. Pinkley (520) 723-5361
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CITY OF COOLIDGE

BY: \_\_\_\_\_

OFFICIAL APPLICATION FOR CONDITIONAL USE PERMIT

W Conditional Use Permit

PERMIT NO 11-05-5 CU.

Date Filed: 5/11/11

Filing Fee: \$1,000.00

Check # W Cash: \_\_\_\_\_  
640252002

Received by: Carol

Approved/Denied: \_\_\_\_\_

\*\*\*\*\*OFFICE USE ONLY\*\*\*\*\*

LOCATION OF PROPERTY

Address: 232 W. Coolidge Ave

Parcel number: 205-05-102-A

Lot(s): 13

Block: 8

Sub-division: \_\_\_\_\_

James town LLC  
Petitioner

Property Owner (If other than petitioner)

2760 E Cedar Pl. Chandler  
Current Address A2 85229

Owner's Address (If other)

708-945-7704  
Phone Number, Home and Work

Owner's Phone (If other)

Venny Wong Wojdala  
Contact Person other than above

708-945-7704  
Contact Person's Phone Number

Present Zoning: I-2

Street Right-of-way: Coolidge Ave & Main Street  
Front wall (80 ft wide) to front wall building across the street.

**CITY OF COOLIDGE**

**OFFICIAL APPLICATION FOR CONDITIONAL USE PERMIT**

W Conditional Use Permit

PERMIT NO. 1105-701

Date Filed: 5/12/11

Filing Fee: \$1,000.00

Check # 13202 Cash: \_\_\_\_\_

Received by: Carol

Approved/Denied: \_\_\_\_\_

\*\*\*\*\*OFFICE USE ONLY\*\*\*\*\*

**LOCATION OF PROPERTY**

Address: 1425 N Arizona Blvd. Coolidge, AZ 85128 Parcel number: 203-13-004D

Lot(s): \_\_\_\_\_ Block: \_\_\_\_\_ Sub-division: \_\_\_\_\_

Bryan Hill

Kaplan Coolidge LLC / ASABA Coolidge LLC / Allen Coolidge LLC

Petitioner

Property Owner (If other than petitioner)

Box 35087, Tucson AZ, 85704

1200 WESTLAKE NORTH #509, Seattle WA, 98109

Current Address

Owner's Address (If other)

520-275-1071

ATTN Mark Lilloa (520) 510-6282

Phone Number, Home and Work

Owner's Phone (If other)

Carol Maple

Contact Person other than above

520-344-2525

Street Right-of-way: \_\_\_\_\_

Contact Person's Phone Number

Present Zoning: C-2

CITY OF COOLIDGE *May 4, 2011 Pz meeting*

OFFICIAL APPLICATION FOR CONDITIONAL USE PERMIT

✓ Conditional Use Permit

PERMIT NO 11-04-1-cu

Date Filed: 4/12/11

Filing Fee: \$1,000.00

Check #: 5030 Cash: \_\_\_\_\_

Received by: Cavel.

Approved/Denied: \_\_\_\_\_

\*\*\*\*\*OFFICE USE ONLY\*\*\*\*\*

LOCATION OF PROPERTY

Address: 1431 N. Arizona Blvd, Ste B Parcel number: (see legal description attached)

Lot(s): \_\_\_\_\_ Block: \_\_\_\_\_ Sub-division: \_\_\_\_\_

Alternative Wellness, Inc

San Angelo Realty

Petitioner

Property Owner (If other than petitioner)

601 E. Bell Rd, Ste 2-179, Phoenix, AZ 85022

5725 N Scottsdale Road, C-195, Scottsdale, AZ 85255

Current Address  
O- 602-254-2000, F-602-254-0052

Owner's Address (If other)  
480-949-9011

Phone Number, Home and Work

Owner's Phone (If other)

Mark Spomer

Contact Person other than above

602-254-2000

Street Right-of-way: \_\_\_\_\_

Contact Person's Phone Number

Present Zoning: R2 C-2



RECEIVED  
APR 14 2011  
BY: \_\_\_\_\_

OFFICIAL APPLICATION FOR CONDITIONAL USE PERMIT

PERMIT NO. 11-04-2-CU  
Date Filed: 4/14/11

Filing Fee: \_\_\_\_\_ \$545.00 (Residential)  
 \_\_\_\_\_ \$1,000.00 (Commercial)

Check #: \_\_\_\_\_ Cash:

Received by: Carol

Approved/Denied: \_\_\_\_\_

\*\*\*\*\*OFFICE USE ONLY\*\*\*\*\*

LOCATION OF PROPERTY

Address: 1349 W. Industrial Dr Parcel number: 209-25-015

Legal Description: Medical Marijuana Cultivation site

Lot(s): 9 Block: \_\_\_\_\_ Sub-division: Coolidge Industrial

GreenLife Caregivers of Arizona  
Petitioner

Larry A Cassaday  
Property Owner (If other than petitioner)

2040 S. Amg School Rd # 1-429 Chandler  
Current Address AZ 85286

1111 S. Sunrise Mesa AZ 85210  
Owner's Address (If other)

310 704-0008, 480 636-8892  
Phone Number, Home and Work

480 834-9331  
Owner's Phone (If other)

Oliver Ross, Billie Ross  
Contact Person other than above

323-363-3021, 310 704 0008  
Contact Person's Phone Number

Street Right-of-way: Kenworthy & Industrial Dr

Present Zoning: IA General Industrial

CITY OF COOLIDGE

MAR 02 2012

OFFICIAL APPLICATION FOR CONDITIONAL USE PERMIT

✓ Conditional Use Permit

PERMIT NO 1203-2 CU

Date Filed: 3/2/12

Filing Fee: \$1,000.00

Check # 45209 Cash: \_\_\_\_\_

Received by: Carp

Approved/Denied: \_\_\_\_\_

\*\*\*\*\*OFFICE USE ONLY\*\*\*\*\*

LOCATION OF PROPERTY

Address: 1302 W Industrial Drive Building 7 Parcel number: 209-25-007

Lot(s): \_\_\_\_\_ Block: \_\_\_\_\_ Sub-division: \_\_\_\_\_

Johanna Dispensaries, Inc.

Commercial Property Rentals, LLC

Petitioner

Property Owner (If other than petitioner)

1815 W Alamo Drive, Chandler 85224

PO Box 1297 Gilbert AZ 85295

Current Address

Owner's Address (If other)

602-363-6507

602-390-4930

Phone Number, Home and Work

Owner's Phone (If other)

Chris Clonts (Agent) cclonts@roselawgroup.com

Contact Person other than above

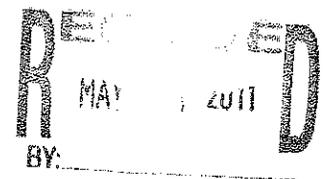
480-273-3232

Street Right-of-way: West Industrial Drive

Contact Person's Phone Number

Present Zoning: I-1

CITY OF COOLIDGE



OFFICIAL APPLICATION FOR CONDITIONAL USE PERMIT

W Conditional Use Permit

PERMIT NO. 11-05-4 CU

Date Filed: 5/10/11

Filing Fee: 1000.00

Check #: 15118 Cash: \_\_\_\_\_

Received by: Cmel

Approved/Denied: \_\_\_\_\_

\*\*\*\*\*OFFICE USE ONLY\*\*\*\*\*

LOCATION OF PROPERTY

Address: 1425 N. Arizona Boulevard Parcel number: 203-13-004D

Lot(s): \_\_\_\_\_ Block: \_\_\_\_\_ Sub-division: \_\_\_\_\_

Johanna Medical, LLC  
Petitioner

Allen Coolidge, LLC  
Property Owner (If other than petitioner)

1815 W. Alamo Drive, Chandler AZ  
Current Address  
(602) 363-6507

108 N. Arizona Boulevard Coolidge, AZ  
Owner's Address (If other)  
(502) 723-1363

Phone Number, Home and Work

Owner's Phone (If other)

Chris Clonts (Agent)

Contact Person other than above

(480) 273-3232

Street Right-of-way: \_\_\_\_\_

Contact Person's Phone Number

Present Zoning: C-3

# **EXHIBIT C**

## Eligible Dispensary Registration Certificate Applications per CHAA

CHAA_ID	CHAA_NAME	ELIGIBLE APP TOTAL
1	Littlefield	1
2	Kaibab Paiute	0
3	Dolan Springs	3
4	Hualapai	0
5	Kingman	5
6	Bullhead City	7
7	Fort Mohave	1
8	Lake Havasu City	7
9	Page/Fredonia	2
10	Navajo Nation	0
11	Hopi Nation	0
12	Williams	5
13	Havasupai	0
14	Flagstaff-Rural	6
15	Flagstaff W	10
16	Flagstaff E	12
17	Sedona	8
18	Winslow	2
19	Holbrook	3
20	Heber-Overgaard/Snowflake	2
21	Show Low	9
22	White Mountain Apache	0
23	St. Johns	1
24	Round Valley	2
25	Chino Valley/Ash Fork	8
26	Yavapai Co. NE	14
27	Yavapai Co. S/Bagdad	7
28	Prescott	8
29	Prescott Valley	6
30	Yavapai-Prescott Indian Tribe	0
31	Cordes Junction	5
32	Payson	9
33	Globe/Hayden	1
34	San Carlos Apache	0
35	Parker	4
36	Quartzsite/Salome	3
37	Colorado River Indian Tribes	0
38	Maricopa Co. N	1
39	Wickenburg	6
40	Scottsdale N	12

## Eligible Dispensary Registration Certificate Applications per CHAA

41	Peoria	5
42	Desert View/North Gateway	1
43	Yavapai-FT McDowell	0
44	Deer Valley	10
45	Glendale N	1
46	Paradise Valley Village	9
47	Surprise	6
48	Sun City West	1
49	Sun City	N/A
50	Fountain Hills	7
51	Maricopa Co. W	0
52	North Mountain	6
53	Glendale W	6
54	Glendale Central	N/A
55	Paradise Valley	0
56	Camelback East	2
57	Salt River	0
58	Scottsdale S	1
59	Alhambra	6
60	Maryvale	10
61	Goodyear	2
62	Avondale	1
63	Encanto	6
64	Mesa N	9
65	Mesa E	6
66	Estrella	13
67	Central City	6
68	Tempe N	10
69	Mesa W	9
70	Mesa Central	1
71	South Mountain	5
72	Laveen	1
73	Mesa S	6
74	Tempe S	3
75	Gila River	0
76	Gilbert W	3
77	Gilbert E	2
78	Ahwatukee Foothills	1
79	Chandler NW	0
80	Chandler SE	1
81	Queen Creek	1

## Eligible Dispensary Registration Certificate Applications per CHAA

82	Tohono O'Odham Nation	0
83	Duncan/Morenci	1
84	Graham Co. S	1
85	Wellton/Dateland	2
86	Yuma E	1
87	Yuma NW	0
88	Yuma S	1
89	Cocopah	0
90	Somerton	0
91	San Luis	0
92	Apache Junction	8
93	Superior/Kearny	3
94	San Manuel	1
95	Florence	1
96	Maricopa	3
97	Ak-Chin	0
98	Coolidge	10
99	Casa Grande	4
100	Eloy	3
101	Ajo	1
102	Marana	1
103	Tucson NW	1
104	Catalina	10
105	Tucson NE	4
106	Tanque Verde	4
107	Tucson W	0
108	Tucson N Central	4
109	Tucson E Central	6
110	Tucson SW	6
111	Tucson Central	7
112	Tucson E	3
113	Tucson SE	5
114	Continental	1
115	San Xavier District	0
116	Pascua Yaqui	0
117	Arivaca	1
118	Green Valley	0
119	Benson	4
120	Willcox/Bowie	1
121	Tombstone/Elfrida	0
122	Sierra Vista	3

## Eligible Dispensary Registration Certificate Applications per CHAA

123	Bisbee	1
124	Douglas	1
125	Tubac/Patagonia	3
126	Nogales	0

Total Eligible Applications =

433

# **EXHIBIT D**

May 30, 2012

**SENT VIA ELECTRONIC MAIL**

*Original sent by regular U.S. mail*

Arizona Department of Health Services (“DHS”)  
Attn: Director Will Humble; Thomas Salow  
150 N. 18th Avenue  
Phoenix, Arizona 85007

**Re: CHAA # 98 (Coolidge) Medical Marijuana Dispensary Applications**

Dear Mr. Humble and Mr. Salow:

As you may already know, Rose Law Group represents Johanna Dispensaries, Inc. (“JDI”) in relation to their application to DHS for a Registered Medical Marijuana Dispensary Certificate. Specifically this letter is in regards to JDI’s application in the Coolidge CHAA (#98).

Upon review of DHS’s Dispensary Application Report it appears that there have been a total of ten applications submitted for the Coolidge CHAA. JDI is concerned that the vast majority of these applications have either not obtained the proper zoning clearance from the City of Coolidge (or Pinal County) or do not have actual and current authorization from the property owner to submit with their applications. We believe this to be the case based on our experience securing property and zoning for the JDI application in Coolidge as detailed below.

In May of 2011 JDI obtained a use permit from the City of Coolidge for a property located at 1425 block of N. Arizona Boulevard. The owner of the property at that time (Allen Coolidge, LLC) was willing to allow a medical marijuana dispensary in the building and, at the time of JDI’s use permit approval, three other use permit applications had been approved for the same property. However, after the nearly year-long delay in the MMJ program, we were notified that the property had been purchased (according to the Pinal County Assessor’s records the property was purchased by San Angelo Realty, LLC in August 2011), and that the new owner would not approve of a dispensary and would not enter into any leases or sign any authorization forms for that use. As such we believe that at least three of the applications submitted in the Coolidge CHAA do not have the proper and current property owner authorization required to submit a complete application.

Furthermore, on May 9th we attended the City of Coolidge Planning and Zoning Commission public hearing to obtain approval of a new use permit on a different property for JDI’s application. At that hearing the Planning Director, Alton Bruce, stated to the Commission

that a total of six use permits (including the one being applied for that night) had been approved in the City and that it was his understanding that four of the use permits (One of the four being JDI's prior approval on the old property) were for a property where the new owner did not approve of the use and would not consent to the applications. Thus, because only six use permits were approved and four of those six are approved at a property where the owner will not allow the use we question the validity of at least eight of the applications in the Coolidge CHAA.

For this reason we ask that a diligent investigation be performed on all of the Coolidge CHAA application submittals. We believe that all but two applications are likely invalid due to a lack of zoning approval or an outdated owner's authorization form. We believe that some of the applications for the 1400 block of N. Arizona Boulevard may have submitted using the owner authorization form signed by the previous property owner.

Finally we would ask that as DHS performs both administrative and substantive reviews on applications that you update the number of applicants per CHAA on your website going forward. Thank you for your incredibly hard work and diligence on this program and the matters discussed above.

Sincerely,



M. Ryan Hurley