

CASE STUDY: CITY OF LANSING, MI

# Marijuana Licensing a Million-Dollar Win With Laserfiche

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Medical and recreational marijuana are big business in Michigan and so are the filings required to obtain a license. The application process is complex, and may involve more than 60 documents and dozens of forms. The City of Lansing leveraged Laserfiche Forms to manage and streamline processing and enable fee collection amounting to about \$1.2M in the first two years of operation.

## City Braces for Application Onslaught

The passage of the Michigan Regulation and Taxation of Marijuana Act triggered a veritable gold rush as growers, processors, transporters, provisioning centers and safety and compliance centers applied for licensing. City Deputy Clerk Brian Jackson geared up accordingly. “The ordinance and the review processes are complex,” he says. “The zoning, treasury, police, fire, building safety, and public service departments are all involved. At the outset, we hired two full-time people in anticipation of the workload. By way of contrast, a single person handles most passport applications and the multitude of other business licenses issued by the City.”

## Laserfiche Scan Repositories to the Rescue

The City was entering its second year with Laserfiche and already the system was being utilized for meeting agenda development, court documents, change control and a retirement portal. “Our pilot—a contract approvals process—was up and running,” recalls Jackson. He tapped the IT Department for immediate help with marijuana licensing by providing repository space. “When the first application window opened, applicants printed and completed our posted PDFs and attached supporting documents. Applicants dropped off big binders – three book cabinets’ worth. We hired contract employees to scan the contents into a Laserfiche repository.”

Just eliminating paper and organizing content into as many as 24 electronic folders per application was a big plus for managing applications. “In fact,” comments Jackson, “when a few binders became wet due to a roof leak issue it didn’t matter, because the true electronic documents were in Laserfiche.”

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*- Lead Clerk for Marijuana Licensing*

Jackson’s office ranked and scored as many as 50 applications for five available provisioning spots, denying 45 in this high-stakes competition, which includes appeals and hearing processes. “We’ve been sued 16 times and won all 16 suits because we had clear documentation of why we did what we did,” Jackson reports happily.

## An “Ah-ha” Moment Opens Up an Automation Opportunity

Programmer/Analyst John Foltz initially set up the marijuana repository for the Clerk’s Office. “I stopped in to check on how things were going. They were spending 30 minutes to scan each application and another four hours to a full day creating folders and storing images. It was a lot of work and they were still dealing with paper.” Foltz knew they could do better.

“I told them ‘You know, Laserfiche could put your stuff in the folders for

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you.” More conversation followed. “After that, things snowballed into a full-blown Laserfiche Forms process that’s paperless from submission through approvals.”

## Electronic Content Management Streamlines the Flow

Creating electronic documents and checklists that could be completed online was a big step forward. “I took the PDF download pages that were up on the Web and converted them to fillable Laserfiche Forms.” Electronic submission became a reality. No more binders.

Foltz is a big fan of Laserfiche Forms, referring to “. . . the ease of creating a solution with Laserfiche. You put a bunch of modules together to get something that looks like a Visio diagram – and it works! Forms is a really easy-to-use tool for developing processes like the marijuana licensing system.”

Foltz also credits General Code, the City’s Laserfiche solution provider, as a resource. “A lot of what I did was new to me, and the Technical staff at General Code helped with a few early questions on how to do things in Forms. They also helped me with the workflow part, which removed the in-process files after the final records were saved.”

## Gearing Up for the Real-World, Gigabyte Challenge

“Before the go-live 30-day application window opened, Brian Jackson asked us to stress test the system,” says Foltz. “We uploaded a batch of five applications, each filled with 30MB attachments – and submitted all of them within five minutes of each other. We made some server adjustments based on the stress test, but ultimately found that the test far exceeded the real-world workload.”

Jackson’s office later tracked actual submissions. “Fifty-two came in the last four days – 31 of those on the final day. Laserfiche handled the load.” And it can be quite the load: a quick check of the list posted on Lansing’s Marijuana Operations Web page shows about 300 active applications for a current window.

## Front-End Processing Time Drops by 90 Percent

Jennifer Smith-Zande is the lead clerk on marijuana licensing. She saw an immediate impact when they switched to Laserfiche processing. “We have to check for completeness before accepting the \$5,000 online payment,”

she explains. “It used to take at least a half hour of staff time. Now it’s two minutes. And we simply attach the online payment receipt to the application and it’s saved in Laserfiche.” The system automatically emails a time/date stamped confirmation to the applicant.

“Not to mention that everything is tagged and divided up in folders the way we need it,” continues Smith-Zande. “That’s another several hours per application saved. And we’re saving lots and lots of time during the review process. No more making copies and pushing paper through departments.”

Jackson points to the automatic routing as a “Big Plus. Once an application clears zoning approval, it enters a concurrent workflow for the five other departments involved. They receive an email link to the documents they need to review. They approve or deny and note ‘why’ and submit. This becomes a time/date stamped addition to the application file, which is important for a timely appeals process.” Before Laserfiche, the fastest approval time was 12 weeks. Now two to four weeks is considered standard.

## Cost Reduction, Optimized Workflows and Easier Access to Information

With lots of internal and public-facing projects in the pipeline, Laserfiche appears to be a long-term solution for Lansing. Certainly, Jackson thinks it’s a good fit based on his marijuana licensing experience. “State laws keep changing. Laserfiche is nimble enough to adjust without the evolving regulations creating a problem with processing,” observes Jackson. “When our ordinance changes, we can just change the text on the Laserfiche forms as necessary.”

Foltz sees many more possibilities for Laserfiche. “In the long term, ‘Project Clean Desk’ is the Mayor’s vision for a paperless city. While the marijuana licensing system is a big victory, we are also accumulating a lot of small victories that will keep us moving forward.” Jackson agrees, saying “I hope to get all of our licensing types into Laserfiche, including some new additions, like food trucks.”

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