



AGENDA
CHARTER TOWNSHIP OF MERIDIAN
TOWNSHIP BOARD – STUDY SESSION
February 28, 2023 6:00 pm

1. CALL MEETING TO ORDER
2. PLEDGE OF ALLEGIANCE/INTRODUCTIONS
3. ROLL CALL
4. CITIZENS ADDRESS AGENDA ITEMS AND NON-AGENDA ITEMS
5. APPROVAL OF AGENDA
6. BOARD DISCUSSION ITEMS
 - A. Recreational Marihuana

7. COMMENTS FROM THE PUBLIC
8. OTHER MATTERS AND BOARD MEMBER COMMENTS
9. ADJOURNMENT

All comments limited to 3 minutes, unless prior approval for additional time for good cause is obtained from the Supervisor.
Appointment of Supervisor Pro Tem and/ or Temporary Clerk if necessary.

Individuals with disabilities requiring auxiliary aids or services should contact the Meridian Township Board by contacting:
Township Manager Frank L. Walsh, 5151 Marsh Road, Okemos, MI 48864 or 517.853.4258 - Ten Day Notice is Required.
Meeting Location: 5151 Marsh Road, Okemos, MI 48864 Township Hall



To: Township Board

From: Timothy R. Schmitt, *AICP*
Director of Community Planning and Development

Date: February 23, 2023

Re: Recreational Marijuana Text Amendments

The Township Board has discussed recreational marijuana ordinances at several recent meetings and is now prepared to devote a work session to the topic. The Planning Commission previously reviewed and recommended changes to the zoning ordinance to allow recreational marijuana sales and had a desire to see a potential grow operation on Hagadorn Road, in one of the existing overlay districts. The licensing ordinance was developed separately and presented to the Township Board from the Township Attorney's office.

There has been robust discussion from the Board Members on this matter. The following questions were raised at the most recent Township Board meeting:

- Is there unbiased information available on the public health effects of increased availability of marijuana? – The Centers for Disease Control and the National Institutes of Health are important repositories for research into public health issues. Unfortunately, their information on this topic is relatively limited, due to limitations on funding for research on federally illicit substances. All the available information from the CDC can be found here: <https://www.cdc.gov/marijuana/index.htm>. The NIH information can be found here: <https://nida.nih.gov/research-topics/marijuana/nida-research-cannabis-cannabinoids>
- Has the Township's Prosecutor, Harkness Law, reviewed the proposed ordinances? – Given that these are not criminal statutes, Mr. Harkness' firm has not been involved in the review. This matter is under the purview of Fahey, Schultz, Burzych, Rhodes. Should the Township move forward with any ordinance changes that would change criminal law, the Harkness firm would take the lead on that ordinance change.
- Is there data available for expected gross annual sales from these businesses? – The data provided from the state is done on an aggregate basis, so it does not take into account market area, size of facility, location, etc. By no way would Staff suggest this would be the expectation for a facility in our community, but the aggregate data for 2022 shows the following:
 - o Medical: 391 provisioning centers, average sales of \$654,775
 - o Recreational: 623 retailers and microbusinesses, average sales of \$3,270,957.81
 - o For recreational sales, roughly 50% of sales are traditional marijuana flower, 20% are vape cartridges, 11% are edibles, and the remaining sales are a variety of other items, many on the wholesale side.
 - o In 2021, local municipalities received \$56,000 per licensed recreational retail sales location. That number is expected to rise in 2022 as sales have increased when compared to 2021 sales numbers.
- How many stores are permitted based on population in other states? – This is a moving target, as they are often adjusted based on the market, but Staff's research indicates the

Recreational Marijuana Text Amendments
February 28, 2023 Township Board Work Session
Page 2

current distribution. **Please note:** This data does not include any medical retail establishments, if the State has a separate process of that license. In most cases, the number of retail outlets would increase by 50% if medical was included.

- California – As of July 2022, 1 retail license per 22,222 persons
 - Washington – As of October 2022, 1 retail license per 14,384 persons
 - Colorado – As of February 2023, 1 retail license per 8,675 persons
 - Illinois – Increasing rapidly, but current data shows 1 retail license per 42,949 persons
 - Missouri – Currently in process of converting medical to recreational, as of February 2023, 1 retail license per 28,958 persons
 - Nevada – As of February, 2023, 1 retail license per 33,095
 - Oregon – As of November 2022, 1 retail license per 5,134 persons
 - Massachusetts – As of February 2023, 1 retail license per 23,678 persons
 - Michigan – As of January 2023, 1 retail license per 15,827 persons.
- What additional work/staffing needs will be required for marijuana uses? – At this time, there shouldn't be any additional staffing needs as a result of allowing recreational marijuana in the Township, as the use is functionally no different than medical marijuana, and no additional staff was needed to implement that ordinance.
 - What is the status of the previously approved Medical Marijuana licensees? – At this time, there are five applicants that have submitted a complete application. One of them has previously received SUP approval, building permits, and has started construction, so their resubmittal of the application information allowed them to continue construction. The remaining four applicants now need to seek a new Special Use Permit, prior to moving forward with building permit applications.

To finalize the ordinance for introduction at either the March 7th meeting or March 21st meeting, Staff needs direction/confirmation on the following items:

- **Number of facilities per overlay:** At this point, the direction that we've received is that there is a desire to have no more than one ***licensed premise*** per overlay. This would mean that someone could colocate a medical and recreational license in the same building, but there could not be two active licenses within the same overlay in separate locations. We would like to confirm this is the accurate direction from the Board, so we can finalize a process for how this will work.
- **Transferring licenses:** Current medical licenses are generally prohibited from transferring for 30 months after opening ***if*** the applicant is not a local entity/person. Local licenses can transfer, but there is no process in place for that. Staff needs direction on if the Board is willing to consider transfers and when they are willing to consider transfers (After a limited lock up period? At any time? Other?) With that direction, Staff can finalize this section. Staff will be prepared to discuss possible regulations based on the current laws related to liquor license transfers.
- **Grow Operations:** The Planning Commission recommend including the potential for one grow operation on Hagadorn Road. The current ordinance drafts do not include grow operations, based on previous board discussions. Staff would like to confirm this is still the Board's desire, so we can finalize this language.
- **Curbside Pickup:** Whether or not to allow curbside pickup has been discussed at both the Planning Commission and Township Board level. At this point, the ordinance would not

Recreational Marijuana Text Amendments
February 28, 2023 Township Board Work Session
Page 3

allow any operations outside of the building at any retailer. Functionally, this is treating marijuana the same as alcohol. Additionally, it should be pointed out that on the recreational side, 47% of the licensed retail establishments are licensed for delivery and on the medical side 87% of the licensed retail establishments are licensed for delivery.

- **Commencement of Operations Timing:** The Board has some questions about the timing for commencement or operations for the new facilities. The current ordinance for medical marijuana requires operations to commence within one year of the special use permit. The proposed recreational ordinance would require commencement of operations 18 months after the board approves the marijuana permit, with one six-month extension permitted.

Lastly, Staff would like to lay out the path forward for the Township Board to further discuss.

1. The ordinance will need to be introduced, then adopted, and then published to be official. This will take between 3-6 weeks to finish.
2. The next step will be to establish the scoring criteria for the potential recreational marijuana applicants. This process will be largely driven by the Board's timelines, but Staff believes that this will take between 2-4 months.
3. At that point, under the ordinance, the Township Board will determine a day and time to accept initial applications. Realistically, the Board would need to allow some time before opening up the application window, in order to give the applicants time to put together the necessary documentation. Staff would recommend leaving a 2-month period here, before the application window is opened.
4. Applications will be reviewed and approved or denied within 4 months, per the proposed ordinance.
5. Applicants will need to then apply for and receive a Special Use Permit through the Zoning Ordinance, a process that takes 2-3 months.
6. After the Township Board approves the recreational marijuana permit under Step 4, the applicant has 18 months to open. This can be extended by the board for six additional months if good cause is shown.

Under this process, the absolute earliest recreational sales in the Township could begin would likely be around March of 2024 for an applicant in an existing building with minimum construction needs. More likely, we will not see recreational sales in Meridian Township until late 2024 or early 2025.

Staff looks forward to discussing this matter with the Township Board at the work session and moving forward with the process in the best way possible for the Township.

Attachments

1. Ordinance 2022-19 – Marijuana Zoning Ordinance Changes with Proposed Overlay Map revisions
2. Ordinance 2023-02 – Recreational Marijuana Licensing
3. Ordinance 2023-03 – Medical Marijuana Licensing Updates

**ORDINANCE AMENDING THE CODE OF THE CHARTER TOWNSHIP OF
MERIDIAN, INGHAM COUNTY TO RENAME CHAPTER 40, REPEAL ARTICLE III
OF CHAPTER 40, AND ADDING ARTICLE IV TO CHAPTER 40 WHICH
AUTHORIZES AND PERMITS RECREATIONAL MARIHUANA ESTABLISHMENTS**

ORDINANCE NO. _____

At a regular meeting of the Township Board of the Charter Township of Meridian, Ingham County, Michigan, held at the Meridian Municipal Building on _____, 2023, at 6:00 p.m., Township Board Member _____ moved to introduce the following Ordinance for a first reading prior to posting, publication, and subsequent final adoption, which motion was seconded by Township Board Member _____:

An Ordinance to implement the provisions of the Michigan Regulation and Taxation of Marihuana Act, Initiated Law 1 of 2018, which authorizes the licensing and regulation of Marihuana Establishments and affords the Township the option whether or not to allow Marihuana Establishments; to regulate Marihuana Establishments by requiring a Permit and compliance with requirements as provided in this Ordinance, and make other amendments consistent with the authorization of Marihuana Establishments in order to maintain the public health, safety, and welfare of the residents and visitors to the Township.

THE CHARTER TOWNSHIP OF MERIDIAN ORDAINS:

SECTION 1. AMENDMENT TO RETITLE CHAPTER 40. Chapter 40 of the Charter Township of Meridian Code of Ordinances is hereby amended to read and be entitled “Marihuana Regulations.”

SECTION 2. AMENDMENT TO ARTICLE I, TO ADD SECTION 40-2 DEFINITIONS. Chapter 40 of the Charter Township of Meridian Code of Ordinances is hereby amended to add Section 40-2 entitled Definitions to read as follows:

Section 40-2. Definitions. The following words and phrases shall have the following definitions when used in this Chapter:

1. “*Application*” means an Application for a Permit under this Chapter and includes all supplemental documentation attached or required to be attached thereto; the Person filing the Application shall be the proposed Permit Holder, who may also be referred to as the Applicant.
2. “*Commercial Medical Marihuana Facility*” or “*Facility*” means
 - a. *Provisioning center*, as that term is defined in the Medical Marihuana Facilities Licensing Act, Public Act 281 of 2016 (“MMFLA”);
 - b. *Processor*, as that term is defined in the MMFLA;
 - c. *Secure transporter*, as that term is defined in the MMFLA;

- d. *Grower*, including Class A, Class B and Class C, as those terms are defined in the MMFLA;
 - e. *Safety compliance facility*, as that term is defined in the MMFLA.
3. “*Cultivate*” means as that term is defined in Initiated Act 1 of 2018, MCL 333.27951, *et seq*, Michigan Regulation and Taxation of Marihuana Act (“MRTMA”).
 4. “*Department*” means the Michigan State Department of Licensing and Regulatory Affairs or any authorized designated Michigan agency authorized to regulate, issue or administer a Michigan License for an Marihuana Establishment under MRTMA or a Commercial Medical Marihuana Facility under the MMFLA.
 5. “*Director of Community Planning and Development*” means the Charter Township of Meridian Director of Community Planning and Development or his/her designee
 6. “*License*” means a current and valid License for an Establishment or Facility issued by the Department. Prequalification, provisional licenses, or temporary licenses are not Licenses under this Chapter.
 7. “*Licensee*” means a Person holding a current and valid Michigan License for an Establishment or Facility.
 8. “*Marihuana*” means that term as defined in the MRTMA.
 9. “*Marihuana Establishment*” or “*Establishment*” means a marihuana grower, marihuana safety compliance facility, marihuana processor, marihuana microbusiness, marihuana retailer, marihuana secure transporter, designated consumption establishment, excess marihuana grower, marihuana event organizer, temporary marihuana event license, or any other type of marihuana-related business Licensed by the department.
 - a. “*Marihuana grower*,” as that term is defined in the MRTMA; and
 - b. “*Marihuana microbusiness*,” as that term is defined in the MRTMA; and
 - c. “*Marihuana processor*,” as that term is defined in the MRTMA; and
 - d. “*Marihuana retailer*,” as that term is defined in the MRTMA; and
 - e. “*Marihuana secure transporter*,” as that term is defined in the MRTMA; and
 - f. “*Marihuana safety compliance facility*,” as that term is defined in the MRTMA; and
 - g. “*Class A marihuana microbusiness license*,” as that term is defined by the Department or as may be defined in the MRTMA; and
 - h. “*Designated consumption establishment*,” as that term is defined by the Department or as may be defined in the MRTMA; and

- i. “*Excess marihuana grower*,” as that term is defined by the Department or as may be defined in the MRTMA; and
 - j. “*Marihuana event organizer*,” as that term is defined by the Department or as may be defined in the MRTMA; and
 - k. “*Temporary marihuana event*” as that term is defined by the Department or as may be defined in the MRTMA.
10. “*Paraphernalia*” means as that term is defined in the MMFLA.
 11. “*Patient*” A "registered qualifying patient" or a "visiting qualifying patient" as those terms are defined by the MMFLA.
 12. “*Permit*” in Article II means a current and valid Permit for a Commercial Medical Marihuana Facility issued under that Article and in Article IV means a current and valid Permit for a Marihuana Establishment issued under that Article, which each shall be granted to a Permit Holder only for and limited to a specific Permitted Premises and a specific Permitted Property. Both Permits in this Chapter shall be in addition to the special use permit required to be obtained under the Township Zoning Ordinance.
 13. “*Permit Holder*” means the Person that holds a current and valid Permit issued under this Chapter.
 14. “*Permitted Premises*” means the particular building, area within a building, or buildings within which the Permit Holder will be authorized to conduct the Facility’s or Establishment’s activities pursuant to the Permit.
 15. “*Permitted Property*” means the real property comprised of a lot, parcel or other designated unit of real property upon which the Permitted Premises is situated.
 16. “*Person*” means a natural person, company, partnership, profit or non-profit corporation, limited liability company, or any joint venture for a common purpose.
 17. “*Process*” or “*Processing*” means to separate or otherwise prepare parts of the marihuana plant and to compound, blend, extract, infuse, or otherwise make or prepare marihuana concentrate or marihuana-infused products.
 18. “*Public Place*” means any area in which the public is invited or generally permitted in the usual course of business.
 19. “*Registry Identification Card*” means a “registered qualifying patient” or a “visiting qualifying patient” as those terms are defined in the MMFLA.

20. “*Township*” means the Charter Township of Meridian, a charter township located in Ingham County, Michigan.

21. Other words or phrases in this Chapter shall have the meanings ascribed to them in the MMFLA or MRTMA, except where context clearly indicates a different meaning.

SECTION 3. ADDITION OF ARTICLE IV, RECREATIONAL MARIHUANA ESTABLISHMENTS. Chapter 40 of the Charter Township of Meridian Code of Ordinances is hereby amended to add Article IV entitled Recreational Marihuana Establishments to read as follows:

Section 40-66. Title. This Article shall be known and cited as the “Recreational Marihuana Establishments Ordinance of the Charter Township of Meridian.”

Section 40-68. Permit Required; Number of Permits Available; Eligibility; General Provisions.

1. The Township hereby authorizes the operation of the following types of Marihuana Establishments, subject to the number of available Permits issued in this Section:

a. Marihuana Retailer

~~b. Marihuana Grower~~

2. The number of Marihuana Establishment Permits in effect at any time shall not exceed the following maximums within the Township:

a. Marihuana Retailer Permits: _____

~~b. Marihuana Grower: _____~~

3. It shall be unlawful for any person to engage in, or be issued a Permit for, the operation of the following Marihuana Establishments which shall have zero available Permits:

a. Marihuana Processor Permits

b. Marihuana Safety Compliance Facility Permits

c. Marihuana Secure Transporter Permits

d. Marihuana Microbusiness

e. Marihuana Microbusiness, Class A

~~e.f.~~ Marihuana Grower, Classes A, B, and C

~~f.g.~~ Excess Marihuana Grower Permits

~~g.~~h. Designated Consumption Establishment

~~h.~~i. Marihuana Event Organizer

~~i.~~j. Temporary Marihuana Event

4. No Person shall operate a Marihuana Establishment at any time and at any location within the Township unless an effective Permit for a Marihuana Establishment for that Person at that location has been issued under this Article.

5. Marihuana Establishments shall operate only as expressly allowed under this Article.

~~5.~~6. Marihuana Establishments shall only operate in the designated zoning overlay areas. No more than one (1) Marihuana Establishment Permit shall be approved or issued in any single overlay area.

~~6.~~7. The requirements set forth in this Article shall be in addition to, and not in lieu of, any other licensing or permitting requirements imposed by applicable federal, state or local laws, regulations, codes or ordinances. All permit approvals under this Article are contingent upon the issuance of a Special Use Permit under the township zoning ordinance.

~~7.~~8. At the time of Application, each Applicant shall pay applicable fees, including Application fees, annual fees, renewal fees, and inspection fees for Permits to the Township to defray the costs incurred by the Township for inspection, administration, review, oversight, and enforcement of the local regulations regarding Marihuana Establishments. The application fee shall be \$5,000.00. The Township Board shall by resolution set all remaining fees in an amount not to exceed any limitations imposed by Michigan law.

~~8.~~9. A Permit or Renewal Permit shall not confer any vested rights, entitlements, or reasonable expectation of subsequent renewal on the Applicant or Permit Holder, and shall remain valid only until December 31 immediately following its approval.

~~9.~~10. Each year, any pending Applications for renewal or amendment of existing Permits shall be reviewed and granted or denied before Applications for new Permits are considered.

~~10.~~11. It is always the exclusive responsibility of each Permit Holder, Applicant, owner, partner, director, officer, or manager at all times during the Application period and during its operation to immediately provide the Township with all material changes in any information submitted on an Application and any other changes that may materially affect any state License or Township Permit. They shall provide all formal complaints, final determinations, orders or consent orders from or with any State agency, including, but not limited to, the Cannabis Regulatory Agency (CRA), the Bureau of Fire Services (BFS), and the Department of Licensing and Regulatory Affairs (LARA).

~~11.~~12. No Permit issued under this Article may be assigned or transferred to any Person. No change in control of a business organization or any attempted transfer, sale, or other

conveyance of an interest of more than 1% in a Permit, whether through a single transaction or the combined sum of multiple transactions is permitted.

~~12.13.~~ No Permit issued under this Article is transferrable to any other location.

~~13.14.~~ The Permit issued under this Article shall at all times be prominently displayed at the Permitted Premises in a location where it can be easily viewed by the public, law enforcement and administrative authorities.

~~14.15.~~ Acceptance by the Permit Holder of a Permit constitutes consent by the Permit Holder and its owners, officers, managers, agents and, employees, for any state, federal or local fire, emergency, or law enforcement agency to perform background investigations and conduct random and unannounced examinations of the Establishment and all records, materials, and property in that Establishment at any time to ensure compliance with this Article, state law, any other local regulations, and the Permit.

~~15.16.~~ A Permit Holder may not engage in any other Marihuana Establishment in the Permitted Premises or on the Permitted Property, or in its name at any other location within the Township, without first obtaining a separate Permit.

Section 40-69. Other Laws and Ordinances. In addition to the terms of this Article, any Marihuana Establishment shall comply with all state and local laws, regulations, and Ordinances, including without limitation the Township Zoning Ordinance and the MRTMA to the extent such ordinances do not create obligations in conflict with this Article.

Section 40-70. Application for Permits.

1. Application Process.

- a. Applications shall be submitted to the Director of Community Planning and Development.
- b. No Applications shall be accepted unless the Township Board has issued procedures and standards for the receipt and review of Applications as set forth in this Article.
- c. The dates and times to accept Applications shall be determined by the Township Board, which shall be posted on the Township's website, if any. The Director shall only accept initial Applications as designated by the Township Board.
- d. If the Director of Community Planning and Development identifies or is informed of a deficiency in an Application, the Applicant shall correct the deficiency after notification by the Director of Community Planning and Development as provided in the procedures and standards.

2. Application Contents. An Application must be submitted for each and every single Permit or Establishment type which may be operated within the Township. An Applicant shall submit physical, paper copies of the Application in the number requested by the Township Board and

shall include a complete electronic copy of the Application. An Application shall contain the following information:

- a. The name, address, phone number and e-mail address of the Applicant or Permit Holder and the proposed Marihuana Establishment;
- b. The names, home addresses and personal phone numbers for all owners, partners, directors, officers and managers of the Permit Holder and the Marihuana Establishment;
- c. One (1) copy of all the following:
 - i. Non-refundable Application fee.
 - ii. All documentation showing the Applicant's valid tenancy, ownership or other legal interest in the proposed Permitted Property and Permitted Premises. If the Applicant is not the owner of the proposed Permitted Property and Permitted Premises, a notarized statement from the owner of such property authorizing the use of the property for a Marihuana Establishment.
 - iii. If the Applicant is a corporation, non-profit organization, limited liability company or any other entity other than a natural person, it shall indicate its legal status, attach a copy of all company formation documents (including bylaws and amendments), identify all owners and their percentage of ownership in the entity accounting for 100% of the ownership interest in the Applicant, proof of registration with the State of Michigan, and a certificate of good standing.
 - iv. A valid, unexpired driver's license or state issued ID for all owners, directors, officers and managers of the proposed Establishment.
 - v. Evidence of a valid sales tax license for the Applicant if such a license is required by state law or local regulations.
 - vi. Business and Operations Plan, showing in detail the Marihuana Establishment's proposed plan of operation, including without limitation, the following:
 - a) A description of the type of Establishment(s) proposed and the anticipated or actual number of employees.
 - b) A security plan meeting the requirements of this Chapter, which shall include a general description of the security systems(s), a centrally alarmed and monitored security system for the proposed Permitted Premises, and confirmation that those systems will meet State requirements and be approved by the State prior to commencing operations.
 - c) A description by category of all products proposed to be sold.

- d) All Material Safety Data Sheets for any nutrients, pesticides, and other chemicals proposed for use in the Marihuana Establishment.
- e) A description and plan of all equipment and methods that will be employed to stop any impact to adjacent uses, including enforceable assurances that no nuisance odor will be detectable beyond the Permitted Premises or at the property line of the Permitted Property.
- f) A plan for the disposal of Marihuana and related byproducts that will be used at the Establishment.
- vii. Site plan and interior floor plan of the Permitted Premises and the Permitted Property lawfully signed and sealed by a Michigan registered architect, surveyor or professional engineer.
- viii. Identify any business that is directly or indirectly involved in the growing, processing, testing, transporting or sale of Marihuana for the Establishment.
- ix. Whether any Applicant, owner, partner, director, officer, or manager of the Applicant or any entity owned or controlled by any owner, partner, director, officer, or manager of the Applicant has ever been denied, restricted, suspended, revoked, or not renewed any commercial license, permit, or certificate issued by a licensing authority in Michigan or any other jurisdiction, and a statement describing the facts and circumstances concerning the denial, restriction, suspension, revocation, or nonrenewal, including the licensing authority, the date each action was taken, and the reason for each action.
- x. A complete list of and operational history regarding any and all other Marihuana Establishments, Commercial Medical Marihuana Facilities, similar Permits or Licenses, or any other marihuana business or venture that the Applicant, or any owner, partner, director, officer, or manager of the Applicant or any entity owned or controlled in whole or part by any owner, partner, director, officer, or manager of the Applicant in any other jurisdiction within the State, or another State, and their involvement in each.
- d. Any other information reasonably requested by the Township to be relevant to the processing or consideration of the Application. A determination of a complete Application shall not prohibit the Township from requiring supplemental information.
- e. Information obtained from the Applicant or Permit Holder is exempt from public disclosure under state law.
- f. Applicant and all related persons acknowledge and consent to a background check and investigation by the Township as a condition of the Township processing and reviewing the application for approval or denial of a permit, including providing their Social Security numbers or other personal identifying information to the Township or their agents for a

background check or any other purpose permitted under this Article. Such information is confidential and shall not be disclosed except as permitted or required under this Article.

- g. By submitting an Application pursuant to this Article, Applicant and all related Persons agree that the Applicant and all related Persons have had the opportunity to review the Article and the competitive process utilized by the Township and agree that it conforms to the requirements of MRTMA and all other statutes. The Applicant and all related Persons covenant not to bring any legal claim to any federal or state court alleging that this Article and the competitive process set forth by the Township violate MRTMA, any other statute, or are otherwise illegal.
- h. A co-located Permit Application may expressly incorporate by reference information or documentation contained in the original Permit Application.

3. Timeframe for Application Evaluation.

- a. All inspections, review, competitive review, and processing of the Application shall be completed within ninety (90) days of receipt of a complete Application and all required fees. The Township Board shall approve or deny the Permit within one hundred twenty (120) days of receipt of the completed Application and fees. If the Application is approved, then the Permit shall be issued to the Applicant as the Permit Holder.
- b. The processing time may be extended upon written notice by the Township for good cause, and any failure to meet the required processing time shall not result in the automatic grant of the Permit.
- c. The Township has no obligation to process or approve any incomplete Application, and any times provided under this Article shall not begin to run until the Township receives a complete Application.

Section 40-71. Approval and Competitive Review of Applications; Appeal.

1. Approval, Issuance, and Denial

- a. Permit Approval. The Township Board shall make a determination based upon satisfactory compliance with this Article, Application requirements, and all other permits, certificates, rules or regulations and do one of the following:
 - i. Grant final approval to the Application and issue the Permit, with or without conditions. If the Application is approved, then the Permit shall be issued to the Applicant as the Permit Holder for a specific Permitted Premises.
 - ii. Deny the Application stating the reasons for such denial.
- b. Denial. A decision of the Township Board to issue or deny a Permit pursuant to this Article, are subject to this Article's appeal process. After the appeal process has been exhausted, a

Township Board decision may be appealed to a court of competent jurisdiction, provided that: (1) with respect to a denial of an initial Permit, an appeal shall not grant any rights to an Applicant, subject to an order of the court; and (2) with respect to denial of a Renewal Application, if the Applicant has paid all required fees (and any additional fees due during the pendency of the appeal), the pre-existing Permit shall be extended during the pendency of the appeal, unless otherwise ordered by a court.

- c. Commence Operation. The Applicant shall commence operation within 18 months of the Permit approval or the Permit approval shall be revoked. The Board may extend this timeframe for additional six month periods where the Applicant has commenced construction of the building and on other good cause shown to the Board.
- d. Special Use Permit Required. All permit approvals under this Article are contingent upon the issuance of a Special Use Permit under the township zoning ordinance.

2. Evaluation of Multiple Applications

- a. Competitive Review. If more Applications for new Establishments are received than there are available Permits (more than zero) under this Article, and the available Permit limits in this Article would prevent the Department from issuing a state license to all Applicants who meet the requirements of MCL 333.27959(3), then the Township will decide among the competing initial Applications with a competitive process established by the Township Board intended to select the Applicants who are best suited to operate in compliance with the Act, this Article, and within the Township.
- b. Procedures and Standards. The Township Board is authorized to issue procedures and standards establishing the application and competitive process under this Article. The Township Board may establish or appoint a committee to assist review of applications. The Township Board shall consider, review, and evaluate each initial Application according to the procedures and standards. The review will evaluate the contents of the Application(s), other materials submitted by the Applicant, legal opinions or other reports drafted to help facilitate board review, and any other material deemed relevant by the Township Board to select the Applicant, if any, that will provide the best outcome for the community as determined by the Township.
- c. Review at Public Hearing. After the Application window is closed, the Township shall hold a public hearing to review the Application(s) under the standards provided within this Article. To determine whether the Application(s) will be approved, the Township will apply the procedures and standards determined by the Township Board.
- d. Appeal and Automatic Stay. In the event an initial Applicant that was subject to competitive review appeals the Township's decision, then the Township shall automatically stay all approvals issued to other Applicant(s) who participated in the same competitive review as the Applicant(s) appealing. When an approval is stayed, the

Applicant(s) granted approval may apply for zoning approval of a Marihuana Establishment. This stay shall be lifted when the appealing Applicant(s) abandon or exhaust the appeal process.

- e. Available Permits. Permits subject to appeal or renewal shall not be considered available for the purposes of this subsection.

3. Appeal

- a. Right to Counsel. The Township and Applicant(s) have the right to be represented by legal counsel during an appeal under this Article.
- b. Timeline for Appeal. Within ten (10) calendar days of a decision of the Township Board, any Applicant under this Article may file a written appeal to the Township stating the grounds upon which the Township Board's decision was not authorized under the Ordinance, law, or not based on competent, material, and substantial evidence before the Township Board.
- c. Hearing Officer. After receipt of an appeal, the Township shall schedule the matter for a hearing before a hearing officer. The Township will appoint a hearing officer for each matter.
- d. Review by Hearing Officer. The hearing officer shall review and determine the merit of the grounds raised by the Applicant in their written appeal.
- e. Recommendation of Hearing Officer. Following the appeal hearing, the hearing officer shall prepare written recommended findings of fact and conclusions of law for transmittal to the Township Board based upon the evidence presented to the Township Board to make the decision being appealed. The hearing officer will recommend whether the Township Board should affirm, affirm with modification, or reverse the Township Board's decision.
- f. Decision by Township Board. The Township Board, in its final order, may adopt, modify, or reject, in whole or in part, the hearing officer's written recommendation. If the Township Board modifies or rejects the hearing officer's written recommendation, the reasons for that action shall be stated in the Township Board's final order.

Section 40-72. Renewal Applications

1. Renewal Application.

- a. Annual Renewal Required. A completed Renewal Application must be received by the Township no later than November 1st of each year in order to grant or renew the Permit effective on January 1 of that year.
- b. Initial Requirements. Renewal Applications must include the same contents as those of initial Applications under this Article.

- c. Incorporate Prior Application by Reference. A Renewal Application may expressly incorporate by reference information or documentation contained in the original Permit Application or prior Permit Renewal Application, making it clear where such information or documentation can be found, provided that the information or documentation has not changed.
- d. Supplemental Information. All material changes in any information submitted on an Application or Renewal Application shall be included with the Renewal Application.
- e. Additional Information. Any final reports, inspections, investigations, or summaries from the Department, the Cannabis Regulatory Agency (“CRA”), the Bureau of Fire Services (“BFS”), or the Department of Licensing and Regulatory Affairs (“LARA”) arising from or in connection with the Permit shall be submitted with Renewal Application.

2. **Renewal Procedure.**

- a. No Competitive Review. Renewal Applications are not subject to competitive review and Applicants may submit Applications as required or allowed in this Article whether or not the Township is accepting Applications.
- b. Past Conduct. The Township Board shall consider a Renewal Applicant’s past history of compliance with this Article and other laws in deciding whether to issue renewal approval. A Renewal Applicant’s failure to comply with this Article or other laws may result in a Renewal Application being denied.
- c. Renewal Prior to Operation. A Renewal Application is required from any Applicant even if the Establishment does not have a Permit or is not open to the public.
- d. Non-Renewal. The Township has no obligation to notify Applicants or Permit Holders of the renewal period. A Permit Holder whose Permit expires and for which a Renewal Application has not been received by the expiration date shall be presumed to have determined not to seek renewal.
- e. Issuance of Renewal Permit. Renewal Applications shall be received and processed by the Director of Community Planning and Development.
 - i. The Director shall make a determination as to whether a Renewal Application includes a major or minor amendment to the most recent initial or Renewal Application.
 - a) A major amendment shall be evidenced as having a significant impact on the Permit and the conditions of its approval, including but not limited to those factors identified in the procedures and standards.
 - b) All amendments or supplemental information not defined as major amendments shall be considered minor amendments.

- ii. The Director may grant final approval to the Renewal Applications with minor amendments and issue the Permit, with or without conditions.
- iii. The Director may make recommendations to the Township Board regarding approval or denial of a Renewal Application with major amendments. The Township Board shall make the final decision on whether to approve or deny a Renewal Application with major amendments.

~~iv.~~ Alternatively, the Director may recommend denial of the Renewal Application, stating the reasons for such denial. The final decision to deny a Renewal Application on a recommendation for denial shall be made by the Township Board, as provided for in the procedures and standards.

~~v.~~iv.

~~vi.~~v. An application denied renewal shall have the right to appeal such a determination as provided for initial Applications in this Article.

3. **No Transfer Application.** Any unauthorized transfer or attempted transfer of a Permit or ownership interest in a Permit Holder constitutes a violation of this Ordinance.

4. **Duty to Supplement.**

- a. If, at any time before or after a Permit is issued pursuant to this Article, any information required in the Permit Application, the MRTMA, or any rule or regulation promulgated thereunder, changes in any way from what is stated in the Application, the Applicant or Permit Holder shall supplement such information in writing within ten (10) days from the date upon which such change occurs.
- b. An Applicant or Permit Holder has a duty to notify the Township in writing of formal complaints, stipulations, or any enforcement actions from the Department.
- c. An Applicant or Permit Holder has a duty to notify the Township in writing of any pending criminal charge or indictment, and any criminal conviction of a felony or other offense involving a crime of moral turpitude by the Applicant, the Permit Holder, or any owner, officer, partner, director, manager, or employee within ten (10) days of the date when the Applicant, Permit Holder, owner, officer, partner, director, or manager has notice of the event.
- d. An Applicant or Permit Holder has a duty to notify the Township in writing of any pending criminal charge or indictment, and any criminal conviction, whether a felony, misdemeanor, or any violation of a local law or ordinance related to the cultivation, processing, manufacture, storage, sale, distribution, testing or consumption of any form of marihuana, the Michigan Medical Marihuana Act, the MMFLA, the MRTMA, any building, fire, health, or zoning statute, code or ordinance related to the cultivation, processing, manufacture, storage, sale, distribution, testing, or consumption of any form of marihuana by the Applicant, Permit Holder, any owner, officer, partner, director, manager,

or employee within (10) ten days of the date when the Applicant, Permit Holder, any owner, principal officer, director, or manager has notice of the event.

Section 70-73. Operational Requirements–Marihuana Establishment. A Marihuana Establishment issued a Permit under this Chapter and operating in the Township shall at all times comply with the following operational requirements.

1. *Scope of Operation.* Marihuana Establishments shall comply with all respective applicable codes of the local zoning, building, fire, and health departments. The Establishment must hold a valid unexpired Permit and License for the type of Marihuana Establishment intended to be carried out within the Permitted Premises on the Permitted Property. The Establishment operator, owner, Permit Holder, or Licensee must have documentation available that local and State sales tax requirements, including holding any licenses, if applicable, are satisfied.
2. *Required Documentation.* Each Marihuana Establishment shall be operated from the Permitted Premises on the Permitted Property. No Adult-Use Marihuana Establishment shall be permitted to operate from a moveable, mobile or transitory location, except for a Permitted and Licensed Secure Transporter when engaged in the lawful transport of Marihuana. No Person under the age of twenty-one (21) shall be allowed to enter into the Permitted Premises without a parent or legal guardian.
3. *Security.* Permit Holders shall at all times maintain a security system that meets state law requirements, and shall also include the following:
 - a. Security surveillance cameras installed to monitor all entrances, along with the interior and exterior of the Permitted Premises.
 - b. Robbery and burglary alarm systems which are professionally monitored and operated 24 hours a day, 7 days a week.
 - c. A locking safe permanently affixed to the Permitted Premises that shall store all Marihuana and cash remaining in the Establishment overnight.
 - d. All Marihuana in whatever form stored at the Permitted Premises shall be kept in a secure manner and shall not be visible from outside the Permitted Premises, nor shall it be grown, processed, exchanged, displayed or dispensed outside the Permitted Premises.
 - e. All security recordings and documentation shall be preserved for at least 30 days by the Permit Holder and made available to any law enforcement upon request for inspection.
4. *Operating Hours.* No Retailer shall operate between the hours of 8:00 p.m. and 8:00 a.m.
5. *Required Spacing.* No Marihuana Establishment shall be located within one-thousand (1,000) feet from any public or private K-12 school, five hundred (500) feet from any church, place of worship or other religious facility, and five hundred (500) feet from any library, preschool, or nearest child care center, with the minimum distance between uses measured horizontally between the nearest property lines.

6. *Amount of Marihuana.* The amount of Marihuana on the Permitted Property and under the control of the Permit Holder, owner or operator of the Establishment shall not exceed that amount permitted by the state License or the Township's Permit.
7. *Sale of Marihuana.* The Marihuana offered for sale and distribution must be packaged and labeled in accordance with state law. The Establishment is prohibited from selling, soliciting or receiving orders for Marihuana or Marihuana Products over the internet.
8. *Sign Restrictions.* No pictures, photographs, drawings or other depictions of Marihuana or Marihuana Paraphernalia shall appear on the outside of any Permitted Premises nor be visible outside of the Permitted Premises on the Permitted Property. The words "Marihuana," "cannabis" and any other words used or intended to convey the presence or availability of Marihuana shall not appear on the outside of the Permitted Premises nor be visible outside of the Permitted Premises on the Permitted Property.
9. *Use of Marihuana.* The sale, consumption or use of alcohol or tobacco products on the Permitted Premises is prohibited. Smoking or consumption of controlled substances, including Marihuana, on the Permitted Premises is prohibited.
10. *Indoor Operation; No Drive Through.* All activities of a Marihuana Establishment, including without limitation, distribution, growth, cultivation, or the sale of Marihuana, and all other related activity permitted under the Permit Holder's License or Permit must occur indoors. The Establishment's operation and design shall minimize any impact to adjacent uses, including the control of any odor by maintaining and operating an air filtration system so that no odor is detectable outside the Permitted Premises. Additionally, a Marihuana Establishment shall not sell marihuana for delivery, shall not engage in any contactless or limited contact transactions, and shall not have any curbside service or drive through window service.
11. *Unpermitted Growing.* A Patient may not grow his or her own Marihuana at an Adult-Use Marihuana Establishment.
12. *Distribution.* No person operating a Establishment shall provide or otherwise make available Marihuana to any person who is not legally authorized to receive Marihuana under state law.
13. *Permits.* All necessary building, electrical, plumbing, and mechanical permits must be obtained for any part of the Permitted Premises as determined by the relevant code official, with a special emphasis on those areas in which electrical, wiring, lighting or watering devices that support the cultivation, growing, harvesting or testing of Marihuana are located.
14. *Waste Disposal.* The Permit Holder, owner and operator of the Establishment shall use lawful methods in controlling waste or by-products from any activities allowed under the License or Permit.
15. *Transportation.* Marihuana may be transported by a Secure Transporter within the Township under this Chapter, and to effectuate its purpose, only:

- a. By Persons who are otherwise authorized by state law to possess Marihuana;
 - b. In a manner consistent with all applicable state laws and rules, as amended;
 - c. In a secure manner designed to prevent the loss of the Marihuana;
 - d. No vehicle used for the transportation or delivery of Marihuana under this Chapter shall have for markings the words “Marihuana,” “cannabis” or any similar words; pictures or other renderings of the Marihuana plant; advertisements for Marihuana or for its sale, transfer, cultivation, delivery, transportation or manufacture, or any other word, phrase or symbol indicating or tending to indicate that the vehicle is transporting Marihuana.
 - e. No vehicle may be used for the ongoing or continuous storage of Marihuana, but may only be used incidental to, and in furtherance of, the transportation of Marihuana.
16. Additional Conditions. The Director of Community Planning and Development may impose such reasonable terms and conditions on a Marihuana Establishment as may be necessary to protect the public health, safety and welfare, and to obtain compliance with the requirements of this Chapter and applicable law.

Section 70-74. Penalties and Consequences for Violation. In addition to any other penalties or legal consequences provided under applicable federal, state and local law, regulations, codes and ordinances:

1. **Civil Infraction.** Violations of the provisions of this Article or failure to comply with any of the requirements of this Article shall be subject to and found responsible for a municipal civil infraction. The fine for any municipal civil infraction shall be five hundred dollars (\$500.00) plus court costs, attorney fees and abatement costs of each violation, together with all other remedies pursuant to MCL 600.8701, *et seq.* Each day a violation continues shall be deemed a separate municipal civil infraction.
2. **Denial, Restriction, or Revocation.** A Permit issued under this Article may be denied, limited, revoked, or restricted by the Township Board under any of the following conditions:
 - a. Any fraudulent, false, misleading, or material misrepresentation contained in the Application.
 - b. Repeat violations of any requirements of this Chapter or other applicable law, rule, or regulation. As used in this subsection, the term “repeat offense” means a second (or any subsequent) misdemeanor violation or civil infraction of the same requirement or provision committed within any six-month period and upon conviction or responsibility thereof.
 - c. A valid License is not maintained as required by this Article.
 - d. The Permit Holder, its officer, agent, manager, or employee failed to timely submit any

document or failed to timely make any material disclosure as required by this Article.

- e. The Applicant failed to commence operation within 18 months of the Permit approval or other such time as provided by the Township Board.
- 3. **Notice.** If a Permit is revoked or limited under this Article, the Township or its designee shall issue a notice stating the revocation, limitation, or restriction including the reason for the action and providing a date and time for an evidentiary hearing before the Township Board.
- 4. **Liability of Participating Persons.** The owner of record or tenant of any building, structure or premises, or part thereof, and any architect, builder, contractor, agent or person who commits, participates in, assists in or maintains such violation may each be found guilty or responsible of a separate offense and suffer the penalties and forfeitures provided in this section, except as excluded from responsibility by state law.
- 5. **Other Remedies.** In addition to any other remedies, the Township may institute proceedings for injunction, mandamus, abatement or other appropriate remedies to prevent, enjoin, abate or remove any violations of this Article. The rights and remedies provided herein are both civil and criminal in nature. The imposition of any fine, jail sentence or forfeiture shall not exempt the violator from compliance with the provisions of this Article.

SECTION 4. SEVERABILITY. The provisions of this Ordinance are hereby declared severable. If any part of this Ordinance is declared invalid for any reason by a court of competent jurisdiction, that declaration does not affect or impair the validity of all other provisions that are not subject to that declaration.

SECTION 5. SAVINGS CLAUSE. This Ordinance does not affect rights and duties matured, penalties that were incurred, and proceedings that were begun, before its effective date.

SECTION 6. REPEAL. Article III of Chapter 40 of the Charter Township of Meridian Code of Ordinances entitled Recreational Marihuana Establishments is hereby repealed.

SECTION 7. EFFECTIVE DATE. This Ordinance shall become effective immediately upon its publication after final adoption.

YEAS: _____

NAYS: _____

ABSENT: _____

ORDINANCE DECLARED ADOPTED.

Township Supervisor

Township Clerk

ORDINANCE NO. 2023-XX

AN ORDINANCE TO AMEND THE CODE OF ORDINANCES OF THE CHARTER TOWNSHIP OF MERIDIAN TO MODIFY THE LICENSING PROCEDURES FOR COMMERCIAL MEDICAL MARIJUANA FACILITIES

THE CHARTER TOWNSHIP OF MERIDIAN ORDAINS:

Section 1. Section 40-28, Permit required; Number of permits available; Eligibility; General provisions, is hereby amended to read as follows:

(a) The Township hereby authorizes the operation of the following types of commercial medical marihuana facilities, subject to the number of available permits issued in this section:

(1) Provisioning centers.

(b) The number of commercial medical marihuana facility permits in effect at any time shall not exceed the following maximums within the Township:

(1) Provisioning center permits: five.

(2) No more than one provisioning center shall be located in any single overlay area. If any overlay area has zero provisioning centers granted or under renewal and zero conditionally approved at the time set for the lottery, then a second provisioning center may be added to another overlay area. No overlay area shall have more than two provisioning centers.

(c) [UNCHANGED]

(d) [UNCHANGED]

(e) [UNCHANGED]

(f) [UNCHANGED]

(g) [UNCHANGED]

(h) [UNCHANGED]

(i) [UNCHANGED]

(j) [UNCHANGED]

(k) [UNCHANGED]

(l) [UNCHANGED]

(m) A permit holder may not engage in any other commercial medical marihuana facility or marijuana establishment, as defined under this Chapter, in the permitted premises or on the permitted property, or in its name at any other location within the Township, without first obtaining a separate permit under the applicable regulations.

Section 2. Section 40-30, Application for and renewal of permits, is hereby amended to read as follows:

(a) Application.

(1) An application for a permit for a facility shall be submitted to the Director of Community Planning and Development per permitted premises and shall contain the following information:

a. [UNCHANGED]

b. [UNCHANGED]

c. One copy of the following:

1. [UNCHANGED]

2. [UNCHANGED]

3. [UNCHANGED]

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- 4. [UNCHANGED]
- 5. [UNCHANGED]
- 6. ~~An application for sign permit, if any sign is proposed.~~
- 7. [UNCHANGED]
- 8. [UNCHANGED]
- 9. [UNCHANGED]
- 10. [UNCHANGED]
- 11. [UNCHANGED]
- 12. [UNCHANGED]
- 13. [UNCHANGED]

- d. [UNCHANGED]
 - (2) [UNCHANGED]
 - (3) [UNCHANGED]
- (b) [UNCHANGED]
- (c) [UNCHANGED]
- (d) Issuance of Conditional Approval
 - (1) [UNCHANGED]
 - (2) [UNCHANGED]
 - (3) [UNCHANGED]
 - (4) [UNCHANGED]
 - (5) [UNCHANGED]
- (6) The Director of Community Planning and Development shall refuse to issue a conditional approval if the applicant, or any owner, partner, director, or officer of the applicant, or any entity owned or controlled in whole or part by the applicant or any owner, partner, director, or officer of the applicant, previously submitted an application and failed to commence either operation or construction within one year from the time the Township grants the special use permit for the same permitted property.
- (7) [UNCHANGED]
- (e) [UNCHANGED]
- (f) [UNCHANGED]
- (g) [UNCHANGED]
- (h) [UNCHANGED]
- (i) [UNCHANGED]
- (j) [UNCHANGED]

Section 3. Section 40-31, Operational requirements for commercial medical marijuana facilities, is hereby amended to read as follows:

A commercial medical marihuana facility issued a permit under this chapter and operating in the Township shall at all times comply with the operational requirements found in Section 40-73, which the Township Board may review and amend from time to time as it determines reasonable.

Section 4. Validity and Severability. The provisions of this Ordinance are severable and the invalidity of any phrase, clause or part of this Ordinance shall not affect the validity or effectiveness of the remainder of the Ordinance.

1 **Section 5.** Repealer Clause. All ordinances or parts of ordinances in conflict therewith are
2 hereby repealed only to the extent necessary to give this Ordinance full force and
3 effect.
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5 **Section 6.** Savings Clause. This Ordinance does not affect rights and duties matured, penalties
6 that were incurred, and proceedings that were begun, before its effective date.
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8 **Section 7.** Effective Date. This Ordinance shall be effective seven (7) days after its publication
9 or upon such later date as may be required under Section 402 of the Michigan Zoning
10 Enabling Act (MCL 125.3402) after filing of a notice of intent to file a petition for a
11 referendum.
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13 ADOPTED by the Charter Township of Meridian Board at its regular meeting this **XX**th day of
14 **XXXXXXX**, 2023.
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18 Patricia Herring Jackson, Township Supervisor

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22 Deborah Guthrie, Township Clerk
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