

CITY OF LESLIE

ORDINANCE AMENDMENT NO. 222

To amend and add certain provisions of Chapter 19 of the Code of Ordinances, City of Leslie, Ingham County, Michigan, to allow Recreational Marihuana Grower Establishments, Recreational Marihuana Processors, and to prohibit all other Recreational Marihuana Establishments in the City of Leslie pursuant to certain provisions authorized by the Michigan Regulation and Taxation of Marihuana Act, being Act 1 of the Initiated Laws of 2018 (the “Act”) and the Agency Regulations thereto.

PREAMBLE

AN ORDINANCE TO AMEND AND ADD SECTIONS TO THE CODE OF ORDINANCES, CITY OF LESLIE, MICHIGAN, BY CHANGING THE NAME OF CHAPTER 19 TO “MEDICAL AND RECREATIONAL MARIHUANA”; AMENDING THE NAME OF ARTICLES II AND ARTICLE III OF CHAPTER 19; AMENDING SECTION 19.1, 19.2 AND 19.41 OF CHAPTER 19; ADDING SECTIONS 19.42-19.45 TO ARTICLE IV OF CHAPTER 19; ADDING AN ARTICLE V TO CHAPTER 19, AND ADDING SECTIONS 19.46-19.51 TO ARTICLE V OF CHAPTER 19; TO REPEAL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT OR INCONSISTENT WITH THIS ORDINANCE; TO PROVIDE A SAVINGS CLAUSE SHOULD ANY SECTION BE LATER VOIDED; AND TO PROVIDE AN EFFECTIVE DATE FOR THIS ORDINANCE.

THE CITY OF LESLIE ORDAINS:

SECTION ONE. Amending the Title and Table of Contents. Amending the Title of Chapter 19 from “Medical Marihuana” to “Medical and Recreational Marihuana”

That Chapter 19 and the Table of Contents thereto of the Code of Ordinances, City of Leslie, Michigan, is hereby amended to read as follows:

CHAPTER 19: MEDICAL AND RECREATIONAL MARIHUANA

Cross reference—Zoning, ch. 98.

Article I. In General

Section

19.1 Legislative Intent.

19.2 Definitions, Interpretation and Conflicts.

19.3 Reserved. 19.4- 19.10.

Article II. Medical Marihuana Facilities

Section

19.11 Operation Without License Prohibited.

- 19.12 License Application Submission.
- 19.13 License Application Evaluation.
- 19.14 License Renewal Application.
- 19.15 Licenses Generally.
- 19.16 Revocation; Bases for Revocation; Appeal of License Denial.
- 19.17 Penalties.
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Article III. Standards & Regulations, Medical Marihuana
Section

- 19.26 Minimum Operational Standards of a Medical Marihuana Provisioning Center.
- 19.27 Minimum Operational Standards of a Medical Marihuana Grower Facility.
- 19.28 Minimum Operational Standards of a Medical Marihuana Safety Compliance Facility.
- 19.29 Minimum Operational Standards of a Medical Marihuana Processor Facility, a Medical Marihuana Safety Compliance Facility, and Medical Marihuana Secure Transporter.
- 19.30 Location of Medical Marihuana Provisioning Centers.
- 19.31 Location of Medical Marihuana Safety Compliance Facilities, Medical Marihuana Processor Facilities, Medical Marihuana Grower Facilities, and Medical Marihuana Secure Transporters.
- 19.32 Zoning Board of Appeals.
- 19.33 Reserved. 19.34- 19.40.

Article IV. Recreational Marihuana Establishments

- 19.41 Operation Without a License Prohibited.
- 19.42 License. Application and Approval.
- 19.43 License. Application Evaluation and Renewal.
- 19.44 Licenses Generally
- 19.45 License. Revocation, Appeal, Suspension, and Other Penalties.

Article V. Standards & Regulations, Recreational Marihuana

- 19.46 Minimum Operational Standards for Marihuana Grower Establishment
- 19.47-19.49 Reserved.
- 19.50 Location of Marihuana Safety Compliance Establishment, Marihuana Processor Establishment, Marihuana Grower Establishment, Marihuana Secured Transporters
- 19.51 Conflict, Repeal, and Savings Clause
- 19.52 Reserved.

SECTION TWO. Amending Article Names. Amending the names of Article II and Article III of Chapter 19. Amending Article II “Administration” to “Medical Marihuana” and Amending Article III “Standards and Regulations, Generally” to “Standards and Regulations, Medical Marihuana”

This section, Article II of Chapter 19 of the Code of Ordinances, City of Leslie, Michigan, is hereby amended to read as follows:

Article II. Medical Marihuana Facilities

This section, Article III of Chapter 19 of the Code of Ordinances, City of Leslie, Michigan, is hereby amended to read as follows:

Article III. Standards and Regulations, Medical Marihuana

SECTION THREE. Amending Sections. Amending sections 19.1, 19.2 and 19.41 of Chapter 19.

This section, 19.1 of the Code of Ordinances, City of Leslie, Michigan, is hereby amended to read as follows:

SECTION 19.1 AUTHORITY, LEGISLATIVE INTENT & PURPOSE

Pursuant to the Michigan Zoning Enabling Act, MCL 125.3101 et. seq., as amended (“MZEA”) the City has the authority to establish reasonable regulations to control the sale, dispensation, manufacture, and storage of Medical Marihuana in order to protect the public health, safety and welfare and in a manner consistent with the Michigan Medical Marihuana Act and other applicable Michigan law.

The Michigan Medical Marihuana Facilities Licensing Act (“MMFLA”) MCL333.27101 et seq. provides that a Municipal Ordinance is a prerequisite for State approval of any license issued under the MMFLA.

Pursuant to the Michigan Regulation and Taxation of Marihuana Act, Initiated Law 1 of 2018 (“MRTMA”) MCL 333.27951 et seq., which authorizes the licensing and regulation of Adult Use Marihuana Establishments and affords the City the option to regulate the time, place, and manner by which Adult Use Marihuana Establishments may operate in the City; to regulate Adult Use Marihuana Establishments by requiring a Permit and compliance with requirements of this Ordinance, and any Agency Regulations, in order to maintain the public health safety and general welfare of the community; to retain the character of the neighborhoods; and mitigate potential impacts on surrounding properties and persons.

Nothing in this ordinance is intended to grant immunity from criminal or civil prosecution, penalty, or sanction for the cultivation, manufacture, possession, use, sale or distribution of marihuana, in any form, that is not in compliance with the Michigan Regulation and Taxation of Marihuana Act MCL 333.27951 et seq., the Medical Marihuana Facilities Licensing Act, MCL 333.27101 et seq.; the Michigan Medical Marihuana Act, MCL 333.26421 et seq.; the Marihuana Tracking Act, MCL 333.27901 et seq.; and all other applicable rules promulgated by the State of Michigan or their designated agencies.

The purpose of this chapter is to exercise the police, regulatory, and land use powers of the City of Leslie by licensing and regulating: Medical Marihuana Grower Facility(s), Medical Marihuana Processor(s), Medical Marihuana Secure Transporter(s), Medical Marihuana Provisioning Center(s), Medical Marihuana Safety Compliance Facility(s), Recreational Marihuana Grower(s), Recreational Marihuana Processor(s), Recreational Marihuana Retailer(s), Recreational Marihuana Secure Transporter(s), Recreational Marihuana Compliance Facility(s), Designated Recreational Marihuana Consumption Establishment(s), Recreational Marihuana Microbusiness(s), or Temporary Recreational Marihuana Event(s) to the extent permissible under State of Michigan and federal laws and regulations and to protect the public health, safety, and welfare of the residents of the City of Leslie; and as such this chapter constitutes a public purpose.

The City finds that the activities described in this chapter are significantly connected to the public health, safety, security and welfare of its citizens and it is therefore necessary to regulate and enforce safety, security, fire, police, health and sanitation practices related to such activities, and also to provide a method to defray administrative costs incurred by such regulation and enforcement.

It is not the intent of this chapter to diminish, abrogate, or restrict the protections for medical use of marihuana found in the Michigan Medical Marihuana Act, or Michigan Medical Marihuana Facilities Licensing Act or any similar act. Further, nothing in this chapter shall be construed to undermine or provide immunity from federal law as it may be enforced by the federal or state government relative to the cultivation, distribution, possession, or use of marihuana. Thus, the authorization of activity, and/or the approval of a license, under this ordinance shall not have the effect of superseding or nullifying federal law applicable to the cultivation, distribution, possession, and use of marihuana.

This section, 19.2 of the Code of Ordinances, City of Leslie, Michigan, is hereby amended to read as follows:

SECTION 19.2 DEFINITIONS, INTERPRETATIONS AND CONFLICTS

For the purposes of this chapter:

- (A) Any term defined by the Michigan Medical Marihuana Act, MCL 333.26421 et seq., as amended (“MMMA”), the Medical Marihuana Facilities Licensing Act, MCL 333.2701, et seq. (“MMFLA”) the Marihuana Tracking Act (“MTA”), MCL 333.27901, et seq, and/ or the Michigan Regulation and Taxation of Marihuana Act, MCL 333.27951 et seq., or any such act which shall then be in effect, shall have the definition given in those acts, as amended. If the definition of a word or phrase set forth in this chapter conflicts with the definition in the MMMA, MMFLA, MTA, or MRTMA, or if a term is not defined but is defined in the MMMA, MMFLA, MTA, or MRTMA then the definition in the MMMA, MMFLA, MTA, or MRTMA shall apply.
- (B) Any term defined by 21 USC 860(e) referenced in this chapter shall have the definition given by 21 USC 860(e).
- (C) This ordinance shall not limit an individual’s or entity’s rights under the MMMA. The MMMA, MTA, MRTMA, and the MMFLA supersede this ordinance where there is a conflict between them.

- (D) All activities related to Medical Marihuana, including those related to a Medical Marihuana Grower Facility, a Medical Marihuana Processor, a Medical Marihuana Secure Transporter, a Medical Marihuana Provisioning Center or a Medical Marihuana Safety Compliance Facility shall be in compliance with the rules of the Medical Marihuana Licensing Board, the Michigan Department of Licensing and Regulatory Affairs, or any successor agency, the rules and regulations of the City of Leslie, the MMMA, and the MMFLA, or any successor Acts.
- (E) All activities related to Adult-Use Recreational Marihuana, including those related to a Recreational Marihuana Grower Establishment, a Recreational Marihuana Processor, a Recreational Marihuana Secure Transporter, a Recreational Marihuana Retailer Establishment, a Recreational Marihuana Safety Compliance Establishment, a Recreational Marihuana Designated Consumption Establishment, a Recreational Marihuana Microbusiness, Recreational Excess Marihuana Grower Establishment, or a Recreational Marihuana Temporary Event shall be in compliance with the rules of the Marihuana Regulatory Agency, or any successor agency, the rules and regulations of the City of Leslie and the MRTMA, or any successor Act(s).
- (F) Any use which purports to have engaged in the cultivation or processing of Marihuana into a usable form, or the distribution of Marihuana, or the testing of Marihuana either prior to or after enactment of this chapter without obtaining the required licensing set forth in this chapter shall be deemed not a legally established use and therefore not entitled to legal nonconforming status under the provisions of this chapter, the Leslie codified ordinances and/or State law. The City finds and determines that it has previously authorized or licensed Medical Marihuana Grower Facility(s), as defined herein, in the City, but has not previously authorized or licensed any Recreational Marihuana Establishment(s), as defined herein, in the City.
- (G) The following terms shall have the definitions given:
1. "Adult Use" or "Adult Use Marihuana" means marihuana intended for Recreational use by a person 21 years or older and meets all requirements of the MRTMA.
 2. "Agency" or "Marijuana Regulatory Agency" means a Type I agency within the Department of Licensing and Regulatory Affairs (the "Department") with the powers as set out in MCL 333.27001, including but not limited to, all of the authorities, powers, duties, functions, and responsibilities of the Department, including its Bureau of Marihuana Regulation, under the MRTMA, 2018 Initiated Law 1, MCL 333.27951 to 333.27967.
 3. "Application" means an application for a license pursuant to the terms and conditions set forth in sections 19.12, 19.13, 19.42 and/or 19.43.
 4. "Application for a license renewal" means an application for a license renewal pursuant to the terms and conditions of section 19.14 and/or 19.43.

5. “Building” means a combination of materials forming a structure affording a facility, establishment or shelter for use or occupancy by individuals or property and constructed in accordance with applicable codes and/or ordinances. Building includes a part or parts of the building and all equipment in the building. A building shall not be construed to mean a building incidental to the use for agricultural purposes of the land on which the building is located.
6. “Chapter” means this Chapter 19.
7. “Church” means an entire building set apart primarily for purposes of public worship, and which is tax exempt under the laws of this State, and in which religious services are held, and the entire building structure of which is kept for that use and not put to any other use inconsistent with that use.
8. “City” means the City of Leslie, Michigan.
9. “Council or City Council,” means the City Council of Leslie, Michigan.
10. “Cultivation” or “cultivate” as used in this chapter means: all phases of growth of Marihuana from seed to harvest.
11. “Designated Consumption Establishment” or “Recreational Designated Consumption Establishment” shall mean a commercial space that is licensed by the State and authorized to permit adults 21 years of age and older to consume marihuana products at the location indicated in the license.
12. “Disqualifying Felony” means a felony that makes an individual ineligible to serve as a registered primary caregiver under the MMMA or MMFLA, or a felony under Michigan law, the laws of any other State, or the laws of the United States or any other jurisdiction.
13. “Disqualifying Misdemeanor” means a misdemeanor that makes an individual ineligible to serve as a registered primary caregiver under the MMMA or MMFLA, or a misdemeanor involving controlled substances, dishonesty, theft, or fraud or violation of a local ordinance in any State involving controlled substances, dishonesty, theft, or fraud that substantially corresponds to a misdemeanor in that State.
14. “Employee” means any individual who is employed by an employer in return for the payment of direct or indirect monetary wages or profit, under contract, and any individual who volunteers his or her services to an employer for no monetary compensation, or any individual who performs work or renders services, for any period of time, at the direction of an owner, lessee, of other person in charge of a place.
15. “Excess Marihuana Grower” or “Recreational Excess Marihuana Grower” shall mean a State license issued to a person holding 5 Class C marihuana grower

licenses and licensed to cultivate marihuana and sell or otherwise transfer marihuana to marihuana establishments.

16. "License" means a license issued for the operation of a Marihuana Facility or Marihuana Establishment pursuant to the terms and conditions of this chapter and includes a license which has been renewed.
17. "License Application" means an application submitted for a license pursuant to the requirements and procedures set forth in sections 19.12, 19.13, 19.42 and 19.43.
18. "Licensee" means a person issued a license for a Facility pursuant to this chapter.
19. "Marihuana Establishment" or "Recreational Marihuana Establishment" means a Marihuana Grower, Marihuana Safety Compliance Establishment, Marihuana Processor, Marihuana Microbusiness, Marihuana Retailer, Marihuana Secure Transporter, Marihuana Temporary Event, Marijuana Designated Consumption Establishment or any other type of Marihuana related business licensed to operate by the Marihuana Regulatory Agency as authorized by the MRTMA.
20. "Marihuana Facility" or "Medical Marihuana Facility" means a location at which a licensee is licensed to operate and includes a Medical Marihuana Grower Facility, Medical Marihuana Processor, Medical Marihuana Provisioning Center, and Medical Marihuana Safety Compliance Facility.
21. "Marihuana Grower" or "Recreational Marihuana Grower" means a person or entity licensed by the State to cultivate marihuana and sell or otherwise transfer marihuana to marihuana establishments pursuant to MRTMA; is licensed by the City pursuant to this chapter and that cultivates, dries, trims or cures and packages Marihuana in accordance with State law.
22. "Marihuana Microbusiness" or "Recreational Marihuana Microbusiness" means a person licensed to cultivate not more than 150 marihuana plants; process and package marihuana; and sell or otherwise transfer marihuana to individuals who are twenty-one years of age or older or to a marihuana safety compliance establishment, but not to any other marihuana establishments.
23. "Marihuana Processor" or "Recreational Marihuana Processor" means a person licensed to obtain marihuana from marihuana establishments; process and package marihuana; and sell or otherwise transfer marihuana to marihuana establishments.
24. "Marihuana Retailer" or "Recreational Marihuana Retailer Establishment" means a person licensed to obtain marihuana from marihuana establishments and to sell or otherwise transfer marihuana to marihuana establishment and to individuals who are twenty-one years of age or older.

25. “Marihuana Secure Transporter” means a person licensed to obtain marihuana from marihuana establishments and/or marihuana facilities in order to transfer marihuana to marihuana establishments or marihuana facilities.
26. “Marihuana Safety Compliance Establishment” or “Recreational Marihuana Safety Compliance Establishment” means a person licensed to test marihuana, including certification for potency and the presence of contaminants.
27. “Marihuana-Infused Product” means a topical formulation, tincture, beverage, edible substance, or similar product containing any usable marihuana that is intended for human consumption in a manner other than smoke inhalation, as defined in the MMMA, MRTMA, and the MMFLA. Marihuana-infused product shall not be considered a food for purposes of the food law, 2000 PA 92, MCL 289.1101 to 289.8111.
28. “Medical Marihuana” means any Marihuana intended for medical use that meets all requirements for Medical Marihuana contained in the MMMA and the MMFLA.
29. “Medical Marihuana License” means a license issued for the operation of a Medical Marihuana Facility pursuant to the terms and conditions of this chapter and includes a license which has been renewed pursuant to section 19.14 or 19.43.
30. “Medical Marihuana Facilities Licensing Act” or “MMFLA” means Public Act 281 of 2016, MCL 333.27101, et. seq.
31. “Medical Marihuana Grower Facility,” means a commercial entity located in the City that is licensed to operate by the State pursuant to the MMFLA and is licensed by the City pursuant to this chapter that cultivates, dries, trims or cures and packages Medical Marihuana in accordance with State law.
32. “Medical Marihuana Licensing Board” means that certain board established by the MMFLA.
33. “Medical Marihuana Processor Facility” means a commercial entity located in this City that is licensed to operate by the State pursuant to the MMFLA and is licensed by the City pursuant to this chapter that extracts resin from the Marihuana or creates a Marihuana-infused product, to the extent permitted by State law.”
34. “Medical Marihuana Provisioning Center,” means a commercial entity located in the City that is licensed to operate by the State pursuant to the MMFLA and is licensed by the City pursuant to this chapter that sells, supplies, or provides Marihuana to registered qualifying patients only as permitted by State law. Medical Marihuana Provisioning Center, as defined in the MMFLA, includes any commercial property where Marihuana is sold in conformance with State law and regulation. A noncommercial location used by a primary caregiver to assist a

qualifying patient, as defined in the MMMA, and connected to the caregiver through the department’s Marihuana registration process in accordance with the MMMA, is NOT a Medical Marihuana Provisioning Center.

35. “Medical Marihuana Safety Compliance Facility” means a commercial entity that is licensed to operate by the State pursuant to the MMFLA and is licensed by the City pursuant to this chapter, that receives Marihuana from a Medical Marihuana Facility or a registered qualifying patient or a registered primary caregiver, tests it for contaminants and for tetrahydrocannabinol and other cannabinoids in accordance with State law.
36. “Medical Marihuana Secure Transporter” means a commercial entity that is licensed to operate by the State pursuant to the MMFLA and is licensed to operate by the City pursuant to this chapter that is a commercial entity located in this City that stores Marihuana and transports Marihuana between Medical Marihuana facilities for a fee and in accordance with State law.
37. “Michigan Regulation and Taxation of Marihuana Act” or “MRTMA” means Initiated Law 1 of 2018, MCL 333.27951 et seq.
38. “MMMA” means the Michigan Medical Marihuana Act, as amended, at MCL 333.26421.
39. “Marihuana Tracking Act” or “MTA” means Public Act 282 of 2016.
40. “Ordinance” means the ordinance adopting this chapter 19, unless otherwise specified.
41. “Park” means an area of land designated by the City as a park on its master plan or on a Council-approved list of City parks.
42. “Person” means an individual, partnership, firm, company, corporation, association, sole proprietorship, Limited Liability Company, joint venture, estate, trust, or other legal entity.
43. “Recreational Marihuana License” or “Adult-Use License” means a license issued for the operation of a Recreational/Adult-Use Marihuana Establishment pursuant to the terms and conditions of this chapter and includes a license which has been renewed pursuant to section 19.43.
44. “School” means and includes buildings used for school purposes to provide instruction to children and youth in grades pre-22 kindergarten through 12, and head start, when that instruction is provided by a public, private, denominational, or parochial school.
45. “Stakeholder” means, with respect to a trust, the beneficiaries, with respect to a limited liability company, the managers or members, with respect to a

corporation, whether profit or non-profit, the officers, directors, or shareholders, and with respect to a partnership or limited liability partnership, the partners, both general and limited.

46. "State" means the State of Michigan.

- (H) Any term defined by the MMMA, the MMFLA, the MRTMA, or the MTA and not defined in this chapter shall have the definition provided in those acts.

This section, 19.41 of the Code of Ordinances, City of Leslie, Michigan, is hereby amended to read as follows:

SEC. 19.41 OPERATION WITHOUT LICENSE PROHIBITED.

- (A) Pursuant to the provisions of Section 6.1 of the Michigan Regulation and Taxation of Marihuana Act, being Act 1 of the Initiated Laws of 2018, (the "Act"), marihuana establishments, as defined by the Act, are prohibited within the boundaries of the City of Leslie, except as provided herein.
- (B) It is unlawful for any person to engage in the operation of a marihuana establishment in the City unless such person has obtained a license from the City under this chapter to do so for each location and additionally has a license to operate from the state pursuant to MRTMA. Every marihuana establishment in the City of Leslie shall be licensed pursuant to the terms and provisions set forth in this chapter. No person shall operate a marihuana establishment in the City without first obtaining a license. A marihuana establishment operating without a license under the provisions of this chapter is deemed a public nuisance.
- (C) The City Clerk shall issue a license for a marihuana establishment only after the City Clerk determines that the application and proposed establishment are in compliance with the terms, conditions, and provisions of this chapter. The term of each license shall be one year. A license issued under this chapter may be conditioned on the approval of the applicant and/or operator by the state at the location under the MRTMA.

SECTION FOUR. Adding Sections. Adding sections 19.42, 19.43, 19.44, 19.45, and 19.46 to Article IV of Chapter 19.

That the Code of Ordinances, City of Leslie, Michigan, is hereby amended by adding section, 19.42, which said section shall read as follows:

SEC. 19.42 LICENSE. APPLICATION AND APPROVAL.

- (A) Each marihuana establishment must be licensed by the City. Applications for a license shall be made in writing to the City Clerk. All applications submitted to the City Clerk in accordance with the provisions of this chapter shall be considered for the issuance of a license.

- (B) All applications shall be accompanied by a license application fee in an amount of \$5,000.00, which may be amended from time to time by City Council resolution. Should the applicant not receive a license, one-half of the application fee shall be returned. If an application is approved and a license issued, the first annual fee shall be \$5,000.00, which may be amended from time to time by City Council resolution. The application fee and the annual fee are established to defray the costs of administration of this chapter.
- (C) Upon receipt of a completed application meeting the requirements of this section and appropriate nonrefundable license application fee, the City clerk shall refer a copy of the application to each of the following for their approval: the fire department, the building inspector, the police department, the zoning administrator, and the City Treasurer.
- (D) If written approval is given by each individual or department identified in subsection (c), the City Clerk shall accept a copy of the application for consideration. No application shall be accepted by the City Clerk unless:
- (1) The fire department and the building inspector have inspected the proposed location for compliance with all laws for which they are charged with enforcement and for compliance with the requirements of this chapter;
 - (2) The zoning administrator has confirmed that the proposed location complies with the zoning code;
 - (3) The City Treasurer has confirmed that the applicant and each stakeholder of the applicant are not in default to the City;
 - (4) The police department has determined that the applicant has met the requirements of this chapter with respect to the background check;
 - (5) The application is complete and all required documents are attached.
- (E) The number of licenses issued and renewed in any year shall be capped as follows, but subject to change by resolution of the City Council:
- | | |
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| (1) Marihuana Grower Establishment: | UNLIMITED |
| i. Class A (up to 100 Plants): | UNLIMITED |
| ii. Class B (up to 500 Plants): | UNLIMITED |
| iii. Class C (up to 2,000 Plants): | UNLIMITED |
| (2) Marihuana processor: | UNLIMITED |
| (3) Marihuana safety compliance: | UNLIMITED |
| (4) Marihuana retail establishment: | ZERO (0) |
| (5) Marihuana Microbusinesses: | ZERO (0) |
| (6) Excess Marihuana grower: | UNLIMITED |
| (7) Marihuana Consumption establishment: | ZERO (0) |
| (8) Marihuana Temporary Events: | ZERO (0) |
- (F) An authorized marihuana establishment shall consent to inspection of the establishment by City officials and/or by the City Police and/or Fire Department, upon reasonable notice, to verify compliance with this ordinance.

- (G) It is hereby expressly declared that nothing in this ordinance be held or construed to give or grant to any licensed marihuana establishment a vested right, license, privilege, or permit to continued authorization from the City for operations within the City.

That the Code of Ordinances, City of Leslie, Michigan, is hereby amended by adding section, 19.43, which said section shall read as follows:

SEC. 19-43 LICENSE. APPLICATION EVALUATION AND RENEWAL.

- (A) Except as provided in section 19-44(a), the City Clerk will assess all applications pursuant to the provisions, requirements, and criteria set forth in this chapter and may consult with the police department, the fire department, the building inspector, the zoning administrator, City Attorney, and the finance department. The City Clerk may also consult with outside professionals in the business, legal and finance disciplines.
- (B) If the City Clerk issues a certificate of approval to an applicant, the City Clerk shall issue an initial license to that applicant within ten (10) business days.
- (C) Nothing in this section is intended to confer a property or other right, duty, privilege or interest entitling an applicant to an administrative hearing upon denial of their application for a license.
- (D) If the limitation of licenses available under this chapter prevents the State from issuing a state license to all applicants who otherwise meet the requirements for the issuance of a state license, the City shall decide among the competing applications as follows:
 - (1) Each application shall be reviewed and assessed with regard to each of the following categories:
 - i. The applicant's experience in operating other similarly-licensed businesses.
 - ii. The applicant's general business management experience.
 - iii. The applicant or Stakeholders' financial ability, experience, and responsibility or means to operate or maintain a marihuana establishment.
 - iv. The sources and total amount of the applicant's capitalization to operate, insure, and maintain the proposed marihuana establishment.
 - v. Whether the applicant has a history of noncompliance with any regulatory requirements in this State or any other jurisdiction;
 - (2) The City Council shall asses each application with regard to the above criteria and other criteria provided in this chapter 19, only when a decision shall be made among competing applications as premised in this section 19-43(D), and shall issue the license to the applicant which it believes is properly qualified pursuant to the criteria set forth herein.
- (E) In the event that applications are received for a type of establishment that exceeds the total number of licenses available under this chapter or under applicable state law or regulations for that type of establishment, the City Council when assessing each application as provided for above, shall approve the issuance of a license to the applicant(s) that it deems to be the most qualified among the competing applicants pursuant to the criteria set forth in this ordinance;

however, renewal applicants without any violations in the previous year, shall be and will be given priority over any new applicant(s), given all other factors are equal.

- (F) If an applicant for a new or renewal license becomes aware of a material change in any information provided in an initial application, or renewal form, the applicant shall report the change in the information to the Clerk within ten (10) days of becoming aware of the change.
- (G) Application for a license renewal required by this chapter shall be made in writing to the City clerk at least thirty (30) days prior to the expiration of an existing license.
- (H) An application for renewal shall be accompanied by a renewal fee in the amount of \$5,000.00, which may be amended from time to time by City Council resolution, of which half will be returned should the license not be renewed. The renewal fee is established to defray the costs of the administration of this chapter.
- (I) Upon receipt of a completed renewal application meeting the requirements of this chapter and the payment of the license renewal fee, the City Clerk shall refer a copy of the application to each of the following for their approval: the fire department, the building inspector, the police department, the zoning administrator, and the City Treasurer, in compliance with the requirements stated in sec. 19-42(d)

That the Code of Ordinances, City of Leslie, Michigan, is hereby amended by adding section, 19.44, which said section shall read as follows:

SEC. 19-44 LICENSES GENERALLY.

- (A) To the extent permissible under law, all information submitted in conjunction with an application for a license or license renewal required by this chapter is confidential and exempt from disclosure under the Michigan Freedom of Information Act, 1976 PA 442, MCL 15.231 et seq.
- (B) Licensees shall report any other change in the information required by this chapter to the City Clerk within ten (10) business days of the change. Failure to do so may result in suspension or revocation of the license.
- (C) All licenses are subject to suspension, revocation, and appeal as provided by this chapter.

That the Code of Ordinances, City of Leslie, Michigan, is hereby amended by adding section, 19.45, which said section shall read as follows:

SEC. 19-45 LICENSE. REVOCATIONS, APPEALS, SUSPENSIONS AND OTHER PENALTIES.

- (A) A license issued under this chapter may be revoked after an administrative hearing and a determination that any grounds for revocation under subsection 19-45 exist. Notice of the

time and place of the hearing and the grounds for revocation must be given to the licensee at least five (5) days prior to the date of the hearing, by first class mail to the address given on the license application or any address provided pursuant this chapter.

- (B) A license issued under this chapter may be denied or revoked on any of the following bases:
- (1) A material violation of any provision of this chapter;
 - (2) Any conviction of a disqualifying felony or disqualifying misdemeanor by the licensee, stakeholder, or any person holding an ownership interest in the license;
 - (3) Commission of fraud or misrepresentation or the making of a false statement by the applicant, licensee, or any stakeholder of the applicant or licensee while engaging in any activity for which this chapter requires a license;
 - (4) Failure to obtain and maintain a certificate of approval from the City Clerk;
 - (5) Operation of a Marihuana Establishment in excess of or contrary to the authority granted to the licensee under this chapter.
 - (6) The Marihuana Establishment is determined by the City to have become a public nuisance.
- (C) Appeal of denial of application or revocation of license. Any denial of application or revocation of a license by the City must be in writing and must state the reason(s) for denial. Any final denial of a license may be appealed to a court of competent jurisdiction; provided that, the pendency of an appeal shall not stay or extend the expiration of any license. The City has no obligation to process or approve any incomplete application, and any times provided under the ordinance shall not begin to run until the City receives a complete application, as determined by the City Clerk. A determination of a complete application shall not prohibit the City from requiring supplemental information.
- (D) The City of Leslie may require an applicant or licensee of a marihuana establishment to produce documents, records, or any other material pertinent to the investigation of an application or alleged violation of this chapter. Failure to provide the required material may be grounds for application denial or license revocation.
- (E) Any person in violation of any provision of this chapter shall be subject to a civil fine and costs. Increased civil fines may be imposed for a repeat violation. As used in this section "repeat violation" shall mean a second or any subsequent infraction of the same requirement or provision committed by a person or establishment within any 12-month period. Unless otherwise specifically provided in this chapter or any other chapter for a municipal civil infraction, the penalty schedule is as follows:
- (1) \$500.00, plus costs, for the first violation;
 - (2) \$750.00, plus costs, for a repeat violation;
 - (3) \$750.00, plus costs, per day, plus costs, for any violation that continues for more than one day.
- (F) All fines imposed under this section shall be paid within 45 days after the effective date of the order imposing the fine or as otherwise specified in the order.
- (G) The City may temporarily suspend a marihuana establishment's license without a prior hearing if the City finds that public safety or welfare requires emergency action affecting the public health, safety, or welfare. The City shall cause the temporary suspension by issuing a suspension notice in connection with institution of proceedings for notice and a hearing.

- (H) If the City temporarily suspends a license without a prior hearing, the licensee is entitled to a hearing within thirty (30) days after the suspension notice has been served on the licensee or posted on the licensed premises. In the case of a license issued for a recreational marihuana grower establishment, the hearing shall be held within seven days after the notice has been served on the licensee or posted on the premises of the licensed establishment. The hearing shall be limited to the issues cited in the suspension notice.
- (I) If the City does not hold a hearing within thirty (30) days after the date the suspension was served on the licensee or posted on the licensed premises, or in the case of a grower establishment seven days, then the suspended license shall be automatically reinstated and the suspension vacated.
- (J) The penalty provisions of this chapter are not intended to foreclose any other remedy or sanction that might be available to, or imposed by the City, including but not limited to criminal prosecution.

SECTION FIVE. Adding an Article. Adding Article V to Chapter 19, following section 19.46 but before section 19.47.

That the Code of Ordinances, City of Leslie, Michigan is hereby amended by adding, Article V to Chapter 19, which shall read as follows:

ARTICLE V. STANDARDS AND REGULATIONS, RECREATIONAL MARIHUANA

SECTION SIX. Adding Sections. By adding sections 19.46, 19.50 and 19.51 to Article V of Chapter 19, and reserving sections 19.47, 19.48 and 19.49.

That the Code of Ordinances, City of Leslie, Michigan, is hereby amended by adding section, 19.46, to Article V of Chapter 19, which said section shall read as follows:

SEC. 19-46 MINIMUM OPERATIONAL STANDARDS OF A MARIHUANA GROWER ESTABLISHMENT.

- (A) The following minimum standards for recreational marihuana grower establishments shall apply:
 - (1) The marihuana grower establishment shall comply at all times and in all circumstances with the MMMA, the MMFLA, the MRTMA, the MTA, and the general rules and regulations of the agency, the licensing board and the department of licensing and regulatory affairs, or their successors, as the foregoing laws and regulations may be amended from time to time;
 - (2) Except as provided by state law and Leslie City Charter, consumption and/or adult use of marihuana or medical marihuana shall be prohibited at the grower establishment;
 - (3) All grower activity related to the grower establishment shall be performed in a building;
 - (4) The premises shall be open for inspection during the stated hours of operation and at such other times as anyone is present on the premises;

- (5) All marihuana shall be contained within the building in a locked container as required and in accordance with the MMMA, the MMFLA, the MRTMA, MTA, and the rules and regulations of the Agency, as amended;
- (6) All necessary building, electrical plumbing and mechanical permits shall be obtained from the City of Leslie or other applicable government authority for any portion of the structure in which electrical wiring, lighting and/or watering devices that support the cultivation, growing or harvesting of marihuana are located;
- (7) That portion of the structure where any chemicals such as herbicides, pesticides, and fertilizers are stored shall be subject to inspection and approval by the Leslie Fire Department to insure compliance with the Michigan fire codes;
- (8) No retail sales shall be permitted on the premises;
- (9) There shall be no other accessory uses permitted within the same establishment other than those associated with cultivating or processing marihuana;
- (10) Litter and waste shall be properly removed and the operating systems for waste disposal are maintained in an adequate manner so that they do not constitute a source of contamination in areas where marihuana is exposed;
- (11) There shall be adequate screening or other protection against the entry of pests. Rubbish shall be disposed of so as to avoid the development of odor and minimize the potential for waste development and minimize the potential for waste becoming an attractant, harborage or breeding place for pests;
- (12) Any buildings, fixtures and other facilities shall be maintained in a sanitary condition;
- (13) Marihuana grower establishments shall be free from infestation by insects, rodents, birds, or vermin or any kind;
- (14) Marihuana grower establishment shall produce no products other than useable marihuana intended for human consumption and in compliance with the license(s) issued by the City of Leslie.

SEC. 19-47-19-49 RESERVED.

That the Code of Ordinances, City of Leslie, Michigan, is hereby amended by adding section, 19.50 to Article V of Chapter 19, which said section shall read as follows:

SEC. 19-50 LOCATION OF MARIHUANA SAFETY COMPLIANCE ESTABLISHMENTS,
MARIHUANA PROCESSOR ESTABLISHMENTS, MARIHUANA GROWER ESTABLISHMENTS,
AND MARIHUANA SECURE TRANSPORTERS.

- (A) A marihuana safety compliance establishment, marihuana processor establishment, marihuana grower establishment, or marihuana secure transporter shall not be located within:
 - (1) One thousand feet, measured from the property line of the marihuana establishment to the property line of a pre-existing public or private school providing education in kindergarten or any of grades 1 through 12 or a commercial child care organization (non-home occupation) that is required to be licensed or registered with the Michigan Department of Health and Human Services, or its successor agency, under the Child Care Organizations Act, 1973 PA 116, MCL 722.11 et seq.
- (B) All marihuana safety compliance establishments, marihuana processor establishments, marihuana grower establishments and marihuana secure transporter shall be subject to subsection 19-50(a) and shall hereby be permitted in the M-1 Industrial Districts as provided by

the zoning provisions of the Leslie Codified Ordinances, Chapter 98- Zoning, Article V. District Requirements, Division 7, M-1 Industrial Districts.

- (C) All marihuana safety compliance establishments, marihuana processor establishments, marihuana grower establishments and marihuana secure transporters shall be subject to the established covenants of the Leslie business or industrial park if located in the park.
- (D) This ordinance does not restrict the transportation of marihuana through the City of Leslie.

That the Code of Ordinances, City of Leslie, Michigan is hereby amended by adding section, 19.51, to Article V of Chapter 19, which said section shall read as follows:

SEC. 19-51 CONFLICTS, REPEAL, AND SAVINGS CLAUSE.

- (A) All ordinances or parts of ordinances in conflict with this ordinance are repealed.
- (B) Nothing in this chapter shall be construed in such a manner as to conflict with MMMA, MMFLA, MRTMA, MTA or agency regulations.
- (C) If Section 19.42(e) of this chapter is found to be invalid, preempted, or unconstitutional, and by such finding limits the City of Leslie's ability to regulate the type of Marihuana Establishments within its boundaries; upon such findings, section 19.41(b) through this section 19.50 of Chapter 19, shall be void as though the City of Leslie had completely opted-out of MRTMA. Any licenses that are then, currently valid within the City at the time of such determination, will be allowed to operate through their expiration and no licenses will be renewed or new licenses issued thereafter.

SECTION SEVEN. Effective Date. Once adopted, this Ordinance shall take effect seven 7 days after its publication as provided by law.

SECTION EIGHT. Availability. This ordinance may be purchased or inspected in the City Clerk's office, Monday through Friday between the hours of 8:30 a.m. and 4:30 p.m.

Certified to be a true and accurate copy of an Ordinance duly adopted by the Leslie City Council at its regular meeting held on the 18th day of May, 2021.


Clerk Chelsea Cox