

VILLAGE OF EDWARDSBURG ORDINANCE NO. 2020-01

THE VILLAGE OF EDWARDSBURG ORDAINS

An ordinance to allow individuals to obtain licenses to operate Medical Marihuana facilities pursuant to the Medical Marihuana Facilities Licensing Act (MMFLA), MCL 333.27101, *et seq.*, as amended, and the Michigan Regulation and Taxation of Marihuana Act (MRTMA), MCL 333.27951, *et seq.*, as amended.

THE VILLAGE OF EDWARDSBURG ORDAINS:

Section 1. **PURPOSE**

- a) The purpose of this article is to regulate the sale of Marihuana in the Village in order to promote the public health, safety, morals, and welfare of the community, and establishing standards and procedures consistent with the MMFLA and the MRTMA in order to allow a limited number of Marihuana Establishments as defined in this Ordinance in the Village.
- b) Nothing contained within this Ordinance, or within any license issued by the Village, shall be construed to relieve a Person or any individual of the duties and obligations imposed under Federal or State law.

Section 2. **DEFINITIONS**

- a) "Marihuana" means that term as defined in the MRTMA or MMFLA.
- b) "Marihuana Accessories" or "Marihuana Paraphernalia" means that term as defined in the MRTMA or MMFLA.
- c) "Marihuana Establishments" means a Person licensed by the State of Michigan to operate as a Marihuana Grower, Marihuana Safety Compliance Facility, Marihuana Processor, Marihuana Microbusiness, Marihuana Retailer, Marihuana Provisioning Center, Marihuana Secure Transporter, or any other type of Marihuana-related business licensed under the MRTMA.
- d) "Marihuana Grower" means a Person licensed under the MRTMA or MMFLA to cultivate Marihuana and sell or otherwise transfer Marihuana to Marihuana establishments.
- e) "Marihuana Microbusiness" means a Person licensed under the MRTMA to cultivate not more than 150 Marihuana plants; process and package Marihuana; and sell or otherwise transfer Marihuana to individuals who are twenty-one (21) years of age or older or to a Marihuana Safety Compliance Facility, but not to other Marihuana Establishments.

- f) “Marihuana Processor” means a Person licensed under the MRTMA or MMFLA to obtain Marihuana from Marihuana Establishments; process and package Marihuana; and sell or otherwise transfer Marihuana to Marihuana Establishments.
- g) “Marihuana Retailer” means a Person licensed under the MRTMA to obtain Marihuana from Marihuana Establishments and to sell or otherwise transfer Marihuana to Marihuana Establishments and to individuals recreationally who are twenty one (21) years of age or older or individually holding a medical Marihuana Card accompanied by an individual at least 18 years of age.
- h) “Marihuana Secure Transporter” means a Person licensed under the MRTMA or MMFLA to obtain Marihuana from Marihuana Establishments in order to transport Marihuana to Marihuana Establishments.
- i) “Marihuana Safety Compliance Facility” means a Person licensed to test Marihuana, including certification for potency and the presence of contaminants under the MRTMA or MMFLA.
- j) “Medical Marihuana Facility” means any facility, entity, establishment or center that is required to be licensed under the MMFLA and this article, including a Medical Marihuana Grower, Medical Marihuana Processor, Medical Marihuana Provisioning Center, Medical Marihuana Safety Compliance Facility, and/or a Medical Marihuana Secure Transporter or any other type of Marihuana-related business licensed under the MMFLA.
- k) “Medical Marihuana Grower” means the term “grower” as defined in the MMFLA.
- l) “Medical Marihuana Processor” means the term “processor” as defined in the MMFLA.
- m) “Medical Marihuana Provisioning Center” means the term “provisioning center” as defined in the MMFLA.
- n) “Medical Marihuana Safety Compliance Facility” means the term “safety compliance facility” as defined in the MMFLA.
- o) “Medical Marihuana Secure Transporter” means the term “secure transporter” as defined in the MMFLA.
- p) “MMFLA” means the Medical Marihuana Facilities Licensing Act.
- q) “MRTMA” means the Michigan Regulation and Taxation of Marihuana Act.
- r) “Person” means those entities as defined under the MRTMA or MMFLA.
- s) “Rules” mean the administrative rules, interim or emergency rules, guidances, bulletins, and other regulatory documents issued by the Michigan Department of Licensing and Regulatory Affairs or State of Michigan.

- t) "School" means a public or private school offering education to students enrolled in pre- kindergarten, kindergarten, one or more grades of one through twelve, or post-secondary education.
- u) "Facility address" means the address at a physical location where a Medical Marihuana Facility or a Marihuana Establishment is proposed to be located on a license application. A physical location may have multiple addresses through separated units or suites that are officially recognized by the US postal service.

Section 3. ACTS PROHIBITED

- a) No Person or any individual shall operate a Medical Marihuana Facility or a Marihuana Establishment in the Village without first obtaining any relevant license required by State or Federal law and a license from the Village in accordance with the provisions of this Ordinance. A separate license is required for each Medical Marihuana Facility or Marihuana Establishment.
- b) No Person shall consume Marihuana in a public place within the boundaries of the Village.
- c) No Person shall display or sell Marihuana Accessories within a five hundred (500) foot radius of any parcel upon which is located a public or private School or other an educational institution, library, child care center, park or playground, or any other type of Marihuana Establishment.

Section 4. AUTHORIZATION OF MARIHUANA FACILITIES

- a) Pursuant to the Medical Marihuana Facilities Licensing Act (MMFLA), the Village enacts this Ordinance to set the number of state licensed medical marijuana facilities to be authorized and allowed to operate within its boundaries, as follows:
 - a.1.i Medical Marihuana safety compliance facility – 2
 - a.1.ii Medical Marihuana secure transporter – 2
 - a.1.iii Medical Marihuana provisioning center – 2
 - a.1.iv Medical marihuana processor – 2
 - a.1.v Class A Medical Marihuana grower [maximum 500 plants] – 2
 - a.1.vi Class B Medical marihuana grower [maximum 1,000 plants] – 2
 - a.1.vii Class C Medical marihuana grower [maximum 1,500 plants] – 2
- b) Pursuant to the Michigan Regulation and Taxation of Marijuana Act (MRTMA), the Village enacts this Ordinance to set the number of state licensed marihuana establishments to be authorized and allowed to operate within its boundaries, as follows:

- a.1.viii Marihuana safety compliance facility – 2
- a.1.ix Marihuana secure transporter – 2
- a.1.x Marihuana microbusiness [max. 150 plants with processing & retail sales] – 0
- a.1.xi Marihuana retailer – 2
- a.1.xii Marihuana processor -2
- a.1.xiii Class A Marihuana grower [maximum 100 plants] – 2
- a.1.xiv Class B Marihuana grower [maximum 500 plants] – 2
- a.1.xv Class C Marihuana grower [maximum 2,000 plants] – 2

Any combination under Section 4 (a.) and (b.) not more than two (2) facilities will be allowed.

- c) All Marihuana Establishments or Medical Marihuana Facilities will only be permitted to operate on M 62 or US Highway 12 East of M 62 within the Village limits. US 12 is defined as the United States Route 12 highway and its connecting commercial drives and driveways. M 62 is defined as the M-62 State of Michigan highway and its commercial drives and driveways.
- d) Nothing in this Ordinance shall be read to prohibit a Marihuana Establishment from operating at a location shared with another Marihuana Establishment. Nothing in this Ordinance shall be read to prohibit a Medical Marihuana Facility from operating at a location shared with another Medical Marihuana Facility or with a Marihuana Establishment.

Section 5A. **LICENSE APPLICATIONS**

Any Person seeking to operate a Marihuana Establishment or Medical Marihuana Facility shall file an application with the Clerk upon a form provided by the Village. The application shall include the following information in order for the application to be considered complete:

- 1) Must be prequalified by the State of Michigan.
- 2) The full name, date of birth, physical address, email address, and telephone number of the applicant in the case of an individual; or, in the case of an entity, all stakeholders thereof. A driver's license or State ID is also required.
- 3) If the applicant is an entity, the entity's articles of incorporation or organizational documents.
- 4) If the applicant is an entity, the entity's employee identification number.
- 5) If the applicant is an entity, the entity's operating agreement or bylaws.
- 6) An affidavit that neither the applicant nor any stakeholder of the applicant is in default to the Village.

- 7) The facility location and address for which the applicant is applying for a license. The same facility address may not be used to apply for the same license type by multiple applicants.
- 8) A location area map that identifies the relative locations of, and distances from the nearest school or other educational institution, library, childcare center, park or playground, residential zoned district, or any other type of Marihuana Establishment to the facility address.
- 9) The type of facility licenses the applicant is applying for.
- 10) Documentation of ownership, lease agreement, or other legal arrangement permitting the applicant to apply for a license for the facility address listed on the application
- 11) Except as provided by law, all materials submitted to the Village as part of an application shall be exempt from disclosure under the Freedom of Information Act.
- 12) All current and future employees must file a written consent with the Village undergo a background check at the discretion of the Chief of Police and the Village Council at the cost of the employer.

Section 5B. APPLICATION REQUIREMENTS AND LOCAL REVIEW

- a) Upon enactment of this Ordinance, the Village of Edwardsburg will only accept those applications for licenses from applicants with notification from the State of Michigan that they have received an Approved for Prequalification with the State of Michigan, Licensing and Regulatory Affairs for a Marihuana Establishment or Medical Marihuana Facility.
- b) A Person seeking a license pursuant to the ~~Act~~ MRTMA or MMFLA and the Rules promulgated by the State and the provisions of this Ordinance shall submit an application to the Village on forms provided by the Village. At the time of application, each applicant shall pay a nonrefundable application fee to defray the costs incurred by the Village for background investigations and inspection of the proposed premises, as well as any other costs associated with the processing of the application. In addition, the applicant shall present a suitable form of identification.
- c) The applicant shall also provide a complete copy of their application for State approval. Including, but not limited to: A copy of their submitted Marijuana Establishment Plans as required in the State law. This includes but is not limited to: Waste Plan, Air Quality, Safety Plan, Security Plan, Establishment Plan, etc.

- d) Consistent with the MRTMA or MMFLA or other regulated activity authorized by the Rules promulgated by the State, the information provided to the Village President, Planning commission representative and Village clerk pursuant to this Section, relative to licensure, is exempt from disclosure.
- e) If a deficiency is noted in an application, the applicant shall have five (5) business days to correct the deficiency after the date of receipt of notification from the Village Clerk or designee.
- f) Upon an applicant's completion of the Village's application and furnishing of all required information and documentation and fees, the Village Clerk or designee shall accept the application.
- g) Upon receipt of a completed application, the application will be distributed to all affected service areas and departments of the Village to determine whether the application is in full compliance with all applicable laws, rules and regulations.
- h) The Village President, the planning commission representative and the Village Clerk shall, consistent with the requirements of this Ordinance, evaluate and nominate for approval by the Village Council, those applicants which they determine should be awarded a license. In determining the licensees, they shall consider the following criteria:
 - 1) Compliance with application requirements;
 - 2) Compliance with the requirements of this Ordinance;
 - 3) Capitalization and means to operate the proposed Establishment;
 - 4) Business history and experience;
 - 5) Regulatory compliance/legal history;
 - 6) Strength of business plan;
 - 7) Integrity, moral character, and cooperation level with the Village;
 - 8) Financial benefit to the Village; and
 - 9) Availability of open license types;
 - 10) Any other consideration relevant to the public health, safety, or welfare, and;
 - 11) Approval for Prequalification with the State of Michigan to operate a Marihuana Establishment or Medical Marihuana Facility as defined in the Acts or other regulated activity authorized by the Rules promulgated by the State.
- i) Upon receipt of the License Nominees, the Village Council shall conduct a vote on each Nominee, and any Nominee approved by a simple majority of the Village Council shall be issued a Permit upon compliance with this Ordinance.

Section 5C. **LICENSE FORFEITURE**

In the event that a Marihuana Establishment, Medical Marihuana Facility or other regulated activity authorized by the Rules promulgated by the State does not commence operations within one (1) year of issuance of a Village operating license, the license shall be deemed forfeited; the business may not commence operations, unless extended by a majority vote of the full Village Council.

Section 5D. **TRANSFER, SALE OR PURCHASE OF LICENSE**

- a) In compliance with any/all rules issued by the State regarding the sale, transfer or purchase of existing licenses; any Person that holds a State issued license may transfer or sell their license to a another qualifying Person so long as that Person meets all local and State rules, laws or ordinances related to the sale or transfer of their license.
 - 1) Any Persons purchasing or receiving a transferred license must submit an application and all associated documentation and all fees.
 - 2) The Person receiving the transfer or purchasing the license must have submitted all new application, license and inspection fees and received all local and State approvals, including Approved for Prequalification with the State of Michigan on all applications and associated documentation as well as all inspections as required in this Ordinance, all other applicable Village ordinances and the MRTMA or MMFLA prior to beginning or taking over operations.
- b) A Marihuana Establishment, Medical Marihuana Facility or other regulated activity authorized by the Rules promulgated by the State license is valid only for the owner named thereon, the type of business disclosed on the application for the license, and the location for which the license is issued. The licensees of a Marihuana Establishment, Medical Marihuana Facility or other regulated activity authorized by the Rules promulgated by the State license are only those Persons disclosed in the application or subsequently disclosed to the Village in accordance with this Ordinance.
- c) Each operating license is exclusive to the licensee and a licensee or any other Person must submit an application for licensure with the Village Clerk or designee before a license is transferred, sold, or purchased.
- d) An establishment for each operating license must be operational before a license may be transferred or sold
- e) The attempted or actual violation of this Ordinance by means of transfer, sale, or other conveyance of an interest in a license without prior Board or Village approval is grounds for suspension or revocation of the license or for other sanction considered appropriate by the Village.

Section 6. **APPLICATION FEE**

A nonrefundable application fee shall be paid upon filing of each application to defray costs incurred by the Village to process the application. The initial application fee shall be in the amount of \$5,000.00 per license to be reviewed yearly by the village council and paid upon application for a municipal license as a Medical Marihuana Facility or a Marihuana Establishment.

Section 7. **APPLICATION REVIEW**

- a) The Clerk shall review each application to ensure that it is complete, that the information required in Sec. 6 of this ordinance has been submitted, and that the application fee has been paid. The Clerk may reject any application that is not complete and may deny an application for failure to pay the initial application fee. Any application fully in compliance with this Ordinance will be certified by the Clerk as compliant and forwarded to the individuals and public bodies indicated in Section 7, b).
- b) Upon receipt of a completed application as certified by the Clerk meeting the requirements of this Ordinance and the appropriate license application fee, the Clerk shall refer a copy of the application to each of the following for their approval: the State Licensed or approved Fire representative, the Village President, the Village Planning Commission, and the Village Treasurer.
- c) No application shall be approved unless:
 - 1) The State Licensed or approved Fire representative and the Village President have inspected the proposed location for compliance with all laws and applicable Village ordinances for which they are charged with enforcement and for compliance with the requirements of this Ordinance.
 - 2) The Planning Commission has confirmed that the proposed location complies with the Village of Edwardsburg Zoning Ordinance and this chapter.
 - 3) The Treasurer has confirmed that the applicant and each stakeholder of the applicant are not in default to the Village.
 - 4) There remain available openings pursuant to Section 4 of this Ordinance for the type of Marihuana Establishment or Medical Marihuana Facility for which an application is submitted.
- d) After enactment of this Ordinance, the Clerk shall begin accepting applications for Marihuana Establishments and Medical Marihuana Facilities within ten (10) calendar days.
- e) After thirty (30) days from the date that applications are made available, the Village Council shall review completed applications for licenses to operate Medical Marihuana Facilities and Marihuana Establishments. If the number of complete applications exceeds the number of licenses available, the Village shall award licenses from those completed applications by a random lottery process. Complete applications received after thirty (30) days following the date that applications are first made available shall be considered after licenses for completed applications received in the initial thirty-day period have been awarded. Subsequent to approval, applicants shall also have to comply with all applicable Village general ordinances, building codes, and zoning ordinances and

zoning/building application, review and approval processes before construction, preparation or operation of any Marihuana Establishment or Medical Marihuana Facility may commence.

- f) The Clerk may engage professional expert assistance in performing the Clerk's duties and responsibilities under this Ordinance.

Section 8. **LICENSE REQUIREMENTS**

A Medical Marihuana Facility and a Marihuana Establishment licensed under this article shall be subject to the following conditions:

- a) Compliance with the requirements of this Ordinance, the provisions of the International Property Maintenance Code as adopted by the Village other applicable Village ordinances and codes, and applicable state laws;
- b) For a Medical Marihuana Facility, compliance with the provisions of the MMFLA and any rules promulgated thereunder;
- c) For a Marihuana Establishment, compliance with the provisions of the MRTMA and any rules promulgated thereunder;
- d) Operating hours for Medical Marihuana Facilities and Marihuana Establishments shall not exceed the hours between 9:00 AM and 8:00 PM daily;
- e) Operation of a Medical Marihuana Facility or Marihuana Establishment shall not, either directly or indirectly, cause or create any noise, dust, vibration, glare, fumes, or odors constituting a nuisance and also detectable to human senses beyond the boundaries of the property on which the facility is operated.

Section 9. **SIGNS**

(a) All signage and advertising for a Marijuana Establishment or Medical Marihuana Facility shall comply with all applicable provisions of the Zoning Ordinance, Signs. In addition, it shall be unlawful for any licensee to:

1. Use any building exterior or interior signage containing the words "marijuana", "marijuana", "marihuana", "doobie", "joint", "hooch", "bud", "dank", "weed", "smoke", "ganja", "vape" or "cannabis" or any similar slang terms for marihuana or marihuana related products or devices;
2. Use signage with the symbol or image or a marijuana leaf, portion of a marihuana leaf or green cross; pipes or marihuana smoking devices of any type; or
3. Use neon or LED lights, flashing or strobe lights or any green lights on a building exterior or visible through a building window or door; or

(b) It shall be prohibited to place or maintain, or cause to be placed or maintained, an advertisement of marijuana in any form on any building, property or premises not licensed to operate as a Marijuana Establishment or Medical Marijuana Facility under this Ordinance.

Section 10. **LICENSES GENERALLY**

- a) A license that is issued under this Ordinance shall be posted at all times inside the licensed Medical Marijuana Facility or Marijuana Establishment in a conspicuous location near the entrance.
- b) The term of a license shall be for one calendar year subject to review by the Village Council upon continued compliance with this Ordinance.
- c) Licensees may transfer a license issued under this Ordinance to a different location upon receiving written approval from the Village Council and pursuant to rules of the MMFLA or MRTMA and rules promulgated by the Department. In order to request municipal approval to transfer a license location the licensee must make a written request to the Clerk, indicating the current location of the Medical Marijuana Facility or Marijuana Establishment and the proposed new location. Upon receiving the written request, the Clerk shall refer a copy of the written request to the State Licensed or approved Fire representative the Planning Commission and the Village Council. No license location transfer shall be approved unless each such department or entity gives written approval that the proposed new license location meets the standards identified in this Ordinance.

Section 11. **ANNUAL LICENSE RENEWAL**

- a) Application for a license renewal shall be made in writing to the Clerk at least thirty (30) days prior to the expiration of an existing license.
- b) An application for a license renewal required by this Ordinance shall be made under oath on forms provided by the Clerk.
- c) An application for a license renewal shall be accompanied by a renewal fee to help defray administrative and enforcement costs associated with the operation of the Medical Marijuana Facility or Marijuana Establishment, which shall be set by resolution of the Council, but shall not exceed the State recommended amount which currently is five thousand dollars (\$5,000.00).
- d) Upon receipt of a completed application for a license renewal meeting the requirements of this Ordinance and the permit renewal fee, the Village Council shall approve the application if the following conditions are met:

- 1) The State Licensed or approved Fire representative and the Village President or another relevant department have, within the past calendar year, inspected the location for compliance with all state and local building, electrical, fire, mechanical and plumbing requirements.
 - 2) The licensee possesses the necessary state licenses or approvals, including those issued pursuant to the MMFLA or MRTMA.
 - 3) The licensee has operated the Medical Marihuana Facility or Marihuana Establishment in accordance with the conditions and requirements of this Ordinance.
 - 4) The licensee is operating the Medical Marihuana Facility or Marihuana Establishment in accordance with MMFLA or MRTMA.
- e) A renewal shall be deemed approved if the Village has not issued formal notice of denial within 60 days of the filing date of the application.

Section 12. LICENSE REVOCATION OR SUSPENSION

Each Medical Marihuana Facility or Marihuana Facility within the Village for which a license is granted shall be operated and maintained in accordance with all applicable State and Village laws, rules, and regulations. Upon any violation of this section or any section of this Ordinance or State Law, the Ontwa Township Edwardsburg Police Department may temporarily suspend a license and bring it to the Village Council. The Village Council may, after a notice and hearing, revoke or suspend such license as hereinafter provided.

Section 13. NONRENEWAL, SUSPENSION OR REVOCATION OF LICENSE

The Clerk shall notify an Applicant or licensee of the reasons for denial of an application for a license or license renewal or for revocation of a license or any adverse decision under this Ordinance and provide the Applicant or licensee with the opportunity to be heard. Any Applicant or licensee aggrieved by the denial or revocation of a license or adverse decision under this Ordinance may appeal to the Village Council, who shall appoint a hearing officer to hear and evaluate the appeal and make a recommendation to the Village Council. Such appeal shall be taken by filing with the Clerk, within fourteen (14) days after notice of the action complained of has been mailed to the Applicant or licensee's last known address on the records of the Clerk, a written statement setting forth fully the grounds for the appeal. The Village Council shall review the report and recommendation of the hearing officer and make a decision on the matter. The review on appeal of a denial or revocation or adverse action shall be by the Council pursuant to this Ordinance. Any decision by the Council on an appeal shall be final for purposes of judicial review. The Village Council may engage professional experts to assist with the proceedings under this section.

Section 14. **CRITERIA FOR NONRENEWAL, SUSPENSION OR REVOCATION OF LICENSE**

In addition to any other reasons set forth in this Ordinance, the Village may refuse to issue a license or grant renewal of the license or suspend or revoke the license for any of the following reasons:

- a) A material violation of any provision of this Ordinance.
- b) Any conviction of a disqualifying felony by the licensee or any Stakeholder of the licensee.
- c) Failure of the licensee to obtain or maintain a license from the Department pursuant to the MMFLA or MRTMA within at least one year after the issuance of a municipal license
- d) Failure of required sampling or testing of marihuana by the State of Michigan.
- e) Failure of any of the State Laws.

Section 15. **PENALTY**

- a) A Person who violates any of the provisions of this Ordinance governed under the MMFLA shall be responsible for a municipal civil infraction punishable by a civil fine of One hundred (\$100.00) dollars per day, plus court costs of not more than \$500.00. Each day of a violation constitutes a separate violation.
- b) A person who violates any of the provisions of this Ordinance governed under the MRTMA shall be responsible for a municipal civil infraction punishable by the civil fine amounts set out in the MRTMA.
- c) Enforcement of the Ordinance shall be done by the Ontwa Township Edwardsburg Police Department.

Section 16. **REPEAL**

All other Ordinances inconsistent with the provisions of this Ordinance are, to the extent of such inconsistencies, hereby repealed.

Section 17. **SEVERABILITY**

The various parts, sections and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.

Section 18. **PUBLICATION**

The Village Clerk shall cause this Ordinance to be published in the manner required by law.

Section 19. **EFFECTIVE DATE**

This Ordinance shall become effective thirty (30) days after publication.

Motion made by Bidwell, seconded by Peak to approve the Ordinance. Upon roll call vote the following voted:

Ayes: Martin-yes, Peak-yes, Bidwell-yes, Penny-yes, Hughes-yes and VanHulle-yes.

Nays:

Village President Scott Mackling declared the motion carried on the 16th Day of March 2020, Effective April 20, 2020.

VILLAGE OF EDWARDSBURG

Paula S. Ralph, Clerk

26296 US Highway 12 Edwardsburg, Michigan 49112

CLERK'S CERTIFICATE

The undersigned, as the duly appointed and acting Clerk of the Village of Edwardsburg, herby certifies that Ordinance No. 2020-01 was duly adopted by the Edwardsburg Village Council at a Regular Village Council Meeting, at which a quorum was present, held on the 16th Day of March 2020, and this Ordinance shall take effect 30 days after publication following approval of the Edwardsburg Village Council Trustees.

Paula S. Ralph, Edwardsburg Village Clerk

March 16, 2020

Date