

**LAKE TOWNSHIP
ROSCOMMON COUNTY, MICHIGAN**

**LAKE TOWNSHIP MICHIGAN
MARIHUANA LICENSING ORDINANCE**

Ordinance No. 56A

At a meeting of the Township Board of Lake Township, Roscommon County, Michigan, held at the Lake Township Hall on June 8, 2021, at 7:00 p.m., Township Board Member Trier moved to introduce the following Ordinance, which motion was seconded by Township Board Member Stiles:

An Ordinance to implement the provisions of the Michigan Marihuana Facilities Licensing Act, Public Act 281 of 2016, and the Michigan Regulation and Taxation of Marihuana Act, Initiated Law 1 of 2018, which authorize the licensing and regulation of Commercial Medical Marihuana Facilities and Marihuana Establishments; and to regulate the same by requiring a Permit and compliance with requirements as provided in this Ordinance, in order to maintain the public health, safety and welfare of the residents and visitors to the Township.

THE TOWNSHIP OF LAKE, ROSCOMMON COUNTY, STATE OF MICHIGAN, ORDAINS:

SECTION 1: TITLE. This Ordinance shall be known as and may be cited as the Lake Township Marihuana Licensing Ordinance.

SECTION 2: DEFINITIONS. The following words and phrases shall have the following definitions when used in this Ordinance:

1. “*Act*” or “*Medical Marijuana Facilities Licensing Act*” mean PA 281 of 2016, the Medical Marihuana Facilities Licensing Act.
2. “*Application*” means an Application for a Permit under this Ordinance and includes all supplemental documentation attached or required to be attached thereto; the Person filing the Application shall be known as the “*Applicant*.”
3. “*Commercial Medical Marihuana Facility*” or “*Facility*” means a location at which a “marihuana facility,” as that term is defined in the Medical Marihuana Facilities Licensing Act, Public Act 281 of 2016, as amended (“*MMFLA*”) is approved or is seeking approval to operate under this Ordinance.
4. “*Department*” means the State of Michigan Department of Licensing and Regulatory Affairs or any authorized designated Michigan agency authorized to regulate, issue or administer a Michigan License for a Commercial Medical Marihuana Facility.

5. “*License*” means a current and valid License for a Commercial Medical Marihuana Facility issued by the State of Michigan.
6. “*Licensee*” means a Person holding a current and valid Michigan License for a Commercial Medical Marihuana Facility.
7. “*Marihuana*” means that term as defined in Section 7106 of the Michigan Public Health Code, 1978 PA 368, MCL 333.7106.
8. “*Marihuana Establishment*” or “*Establishment*” means a location at which a “marihuana establishment,” as that term is defined in the Michigan Regulation and Taxation of Marihuana Act, MCL 333.27951 *et seq.* (“MRTMA”), is approved or is seeking approval to operate under this Ordinance.
9. “*Marihuana Operation*” or “*Operation*” means any of the following marihuana-related businesses licensed under the MMFLA or MRTMA:
 - a. “*Provisioning Center*,” meaning both a “provisioning center” as defined in the MMFLA and a “marihuana retailer” as that term is defined in the MRTMA;
 - b. “*Processor*,” meaning both a “processor” as defined in the MMFLA and a “marihuana processor” as defined in the MRTMA;
 - c. “*Secure Transporter*,” meaning both a “secure transporter” as defined in the MMFLA and a “marihuana secure transporter” as defined in the MRTMA;
 - d. “*Grower*,” meaning both a “grower” as defined in the MMFLA and a “marihuana grower” as defined in the MRTMA;
 - e. “*Safety Compliance Facility*,” meaning both a “safety compliance facility” as defined in the MMFLA and a “marihuana safety compliance facility” as defined in the MRTMA;
 - f. *Marihuana Microbusiness*,” as that term is defined in the MRTMA;
 - g. “*Designated Consumption Establishment*,” as that term is defined by the Department of Licensing and Regulatory Affairs or as may be defined in the MRTMA;
 - h. “*Excess Marihuana Grower*,” as that term is defined by the Department of Licensing and Regulatory Affairs or as may be defined in the MRTMA;
 - i. “*Marihuana Event Organizer*,” as that term is defined by the Department of Licensing and Regulatory Affairs or as may be defined in the MRTMA; and

- j. “*Temporary Marihuana Event*” as that term is defined by the Department of Licensing and Regulatory Affairs or as may be defined in the MRTMA.
10. “*Medical Marihuana*” means that term as defined in MCL 333.26423.
11. “*Paraphernalia*” means drug Paraphernalia as defined in Section 7451 of the Michigan Public Health Code, 1978 PA 368, MCL 333.7451, that is or may be used in association with Medical Marihuana.
12. “*Patient*” means a “Registered Qualifying Patient” or a “Visiting Qualifying Patient” as those terms are defined by MCL 333.26421, et seq.
13. “*Permit*” means a current and valid Permit for a Commercial Medical Marihuana Facility or Marihuana Establishment issued under this Ordinance, which shall be granted to a Permit Holder only for and limited to a specific Permitted Premises and a specific Permitted Property.
14. “*Permit Holder*” means the Person that holds a current and valid Permit issued under this Ordinance.
15. “*Permitted Premises*” means the particular building or buildings within which the Permit Holder will be authorized to conduct the Marihuana Operation’s activities pursuant to the Permit.
16. “*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.
17. “*Person*” means a natural person, company, partnership, profit or non-profit corporation, limited liability company, or any joint venture for a common purpose.
18. “*Primary Caregiver*” means a Person who is at least 21 years old and who has agreed to assist with a Patient’s medical use of Marihuana and who has not been convicted of any felony within the past 10 years and has never been convicted of a felony involving illegal drugs of a felony that is an assaultive crime as defined in Section 9a of Chapter X of the Code of Criminal Procedure, 1927 PA 175, MCL 770.96a.
19. “*Public Place*” means any area in which the public is invited or generally permitted in the usual course of business.
20. “*Township*” means the Township of Lake, a township located in Roscommon County, Michigan.

SECTION 3: PERMIT REQUIRED; NUMBER OF PERMITS AVAILABLE; ELIGIBILITY; GENERAL PROVISIONS.

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

- a. Growers, Class A
 - b. Growers, Class B
 - c. Growers, Class C
 - d. Processors
 - e. Provisioning Centers
 - f. Safety Compliance Facilities
 - g. Secure Transporters
2. The number of Marihuana Operation Permits in effect at any time shall not exceed the following maximums within the Township:
- a. Grower Permits, Class A: 0
 - b. Grower Permits, Class B: 0
 - c. Grower Permits, Class C: 0
 - d. Processor Permits: 0
 - e. Provisioning Center Permits: 2
 - f. Safety Compliance Facility Permits: 0
 - g. Secure Transporter Permits: 0

The Township Board may review and amend these numbers by resolution annually or as it determines to be advisable. Such revisions shall not be the basis for termination or non-renewal of a Permit previously issued.

3. An additional bonus Provisioning Center Permit may be applied for and granted to an Applicant applying for a Provisioning Center Permit where a Medical Facility Provisioning Center will be co-located with a Marihuana Retailer Establishment on the same Permitted Premises.
4. No Person shall operate a Marihuana Operation at any time and at any location within the Township unless an effective Permit for that Person at that location has been issued under this Ordinance.
5. Marihuana Operations shall operate only as allowed under this Ordinance.
6. The requirements set forth in this Ordinance 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.
7. Applicants shall pay all applicable fees for Permits to the Township to defray the costs incurred by the Township for inspection, administration and enforcement of the local regulations regarding Marihuana Operations. The Township Board shall by resolution set the fees in an amount not to exceed any limitations imposed by Michigan law.
8. A Permit or Renewal Permit shall remain valid only for one year following its approval.

9. A Permit and a Renewal Permit shall not confer any vested rights or reasonable expectation of subsequent renewal on the Applicant or Permit Holder.
10. Each year, any pending Applications for renewal, amendment, or transfer of existing Permits shall be reviewed and granted or denied before Applications for new Permits are considered.
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.
12. No Permit issued under this Ordinance may be transferred to any Person unless the Transferee has submitted an Application, all required fees under this Ordinance, and has been granted a Permit by the Township Board under this Ordinance.
13. 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 unless the transferee has submitted an appropriate Application and all required fees under this Ordinance.
14. The Permit issued under this Ordinance shall be prominently displayed at the Permitted Premises in a location where it can be easily viewed by the public, law enforcement and administrative authorities.
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 law enforcement, to conduct random and unannounced examinations of the Marihuana Operation and all articles of property in that Marihuana Operation at any time to ensure compliance with this Ordinance, any other local regulations, and with the Permit.
16. A Permit Holder may not engage in any other Marihuana Operation 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.
17. If at any time a Permit Holder or an authorized Marihuana Operation violates this Ordinance, the Township Board may request that the state revoke or refrain from renewing the Marihuana Operation's state License. If such state License is revoked or fails to be renewed, the Township shall revoke the Township Permit pursuant to Section 7 of this Ordinance.
18. The Lake Township Board expressly reserves the right to amend or repeal this Ordinance in any way.

SECTION 4: OTHER LAWS AND ORDINANCES.

1. *Compliance with Township Ordinances.* In addition to the terms of this Ordinance, any Marihuana Operation shall comply with all Township Ordinances, including without limitation the Township Zoning Ordinance, to the extent such Ordinances do not create obligations in conflict with this Ordinance. Marihuana Operations require a Special Use Permit under the Township Zoning Ordinance and must adhere to all conditions of a Special Use Permit.
2. *Relation to Other Laws.* Nothing in this Ordinance is intended to grant immunity from criminal or civil prosecution, penalty or sanction for the cultivation, manufacture, possession, use, sale, distribution or transport of Marihuana in any form, that is not in strict compliance with the Medical Marihuana Facilities Licensing Act, the Marihuana Tracking Act, and all applicable rules promulgated by the state of Michigan regarding Medical Marihuana. Strict compliance with any applicable state law or regulation shall be deemed a requirement for the issuance or renewal of any Permit issued under this Ordinance, and noncompliance with any applicable state law or regulation shall be grounds for revocation or nonrenewal of any Permit issued under the terms of this Ordinance.

SECTION 5: APPLICATION FOR, RENEWAL OF, AND TRANSFER OF PERMITS.

1. **Application.** An Application must be submitted for each and every single Permit or Marihuana Operation type which may be operated within the Township. An Application for a Permit for a Marihuana Operation shall be submitted to the Township, and 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 Operation sought by the Applicant. For Permits for Provisioning Centers, Processors, Secure Transporters, Growers or Safety Compliance Facilities, the Application must specify whether the Applicant is seeking to operate pursuant to the MMFLA or the MRTMA;
 - b. The names, home addresses and Personal phone numbers for all owners, partners, directors, officers, and managers of the Permit Holder and the Marihuana Operation;
 - c. One (1) copy of all the following:
 - 1) 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 Commercial Medical Marihuana Facility, Marihuana Establishment or both, whichever may apply.
 - 2) 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 amendments), a statement of all owners and their percentage of ownership in the company or corporation accounting for 100% of the ownership interest in the Applicant, proof of registration with the state of Michigan, and a certificate of good standing.

- 3) A valid, unexpired driver's license or state issued ID for all owners, directors, officers and managers of the proposed Marihuana Operation.
- 4) Evidence of a valid sales tax license for the business if such a license is required by state law or local regulations.
- 5) Application for Sign Permit, if any sign is proposed.
- 6) Non-refundable Application fee for each Marihuana Operation, whether under the MMFLA or MRTMA.
- 7) Business and Operations Plan, showing in detail the Marihuana Operation's proposed plan of operation, including without limitation, the following:
 - i. A description of the type of Facility or Establishment proposed, the anticipated or actual number of employees, and the anticipated month and year of operations.
 - ii. A security plan meeting the requirements of this Ordinance, which shall include a general description of the security systems(s), current centrally alarmed and monitored security system service agreement for the proposed Permitted Premises, and confirmation that those systems will meet State requirements and be approved by the State prior to commencing operations.
 - iii. A description by category of all products to be sold.
 - iv. All Material Safety Data Sheets for any nutrients, pesticides, and other chemicals proposed for use in the Marihuana Operation.
 - v. 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 odor will be detectable beyond/outside the Permitted Premises.
 - vi. A plan for the disposal of Marihuana and related byproducts that will be used at the Marihuana Operation.
- 8) Signed and sealed (by a Michigan registered architect, surveyor or professional engineer) site plan, and interior floor plan of the Permitted Premises and the Permitted Property.

- 9) An identification of any business that is directly or indirectly involved in the growing, processing, testing, transporting or sale of Marihuana for the Marihuana Operation.
 - 10) 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 applied for or has been granted any license or certificate issued by a licensing authority in Michigan or any other jurisdiction that has been denied, restricted, suspended, revoked, or not renewed and a statement describing the facts and circumstances concerning the application, denial, restriction, suspension, revocation, or nonrenewal, including the licensing authority, the date each action was taken, and the reason for each action.
 - 11) A complete list of all Marihuana Permits and Licenses held by 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 whether Commercial Medical Marihuana Facilities or Marihuana Establishments, including complete copies of the issued Permits and Licenses.
 - 12) Information regarding any other Marihuana Establishment, Commercial Medical Marihuana Facility, similar Permit or License, 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 is authorized to operate 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.
 - e. Information obtained from the Applicant or Permit Holder is exempt from public disclosure under state law.
 - f. The Township may, in its discretion, require Applicant to submit to a background check. 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 personally identifying information to the Township or their agents for a background check or any other purpose permitted under this Ordinance. Such information is confidential to the extent permitted by the Michigan Freedom of Information Act and shall not be disclosed except as permitted or required under this Ordinance.
 - g. A Renewal Application or co-location 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.

2. **Renewal Application.** The same requirements that apply to all new Applications for a Permit, except for special use permit and selection priority requirements, apply to all Renewal Applications. Renewal Applications shall be submitted to and received by the Township not less than ninety (90) days prior to the expiration of the annual Permit, except that an Application requesting a change in the location of the Permitted Premises shall be submitted and received not less than one hundred twenty (120) days prior to the expiration of the Permit. A Permit Holder whose Permit expires and for which a complete Renewal Application has not been received by the expiration date shall be deemed to have forfeited the Permit under this Ordinance. The Township will not accept Renewal Applications after the expiration date of the Permit.
3. **Transfer Application.** Any unauthorized transfer or attempted transfer of a Permit or ownership interest in a Permit Holder constitutes a violation of this Ordinance.
 - a. The same requirements that apply to all new Applications for a Permit apply to all Applications to transfer, sell, or otherwise convey an existing Permit to a new legal entity or individual(s), as well as a certified copy of the meeting minutes of the Board of directors or members authorizing the transfer, sale, or conveyance of the Permit or, if the Permit Holder is a natural Person, a notarized statement or other proof satisfactory to the Township authorizing the transfer. Only after the transferee has applied for and obtained approval for the transfer, including without limitation the payment of the same fees for the transferred Permit as applies for a new Permit, may the Permit be transferred. No transfer of Permit will be allowed within one hundred and eighty (180) days from date of original Application approval.
 - b. No Permit Holder shall transfer, sell, or otherwise convey more than 1% of the ownership interest in the entity holding the Permit, whether in a single transaction or the sum of multiple transactions, without the express approval of the Township Board after submitting a transfer Application under this Ordinance. The transferee Applicant and Permit Holder must submit a change in control transfer Application to the Township prior to any sale or transfer of stock or membership interest. The Application shall include all of the following:
 - 1) The names, home addresses and personal phone numbers for all owners, directors, officers and managers of the Permit Holder, the Marihuana Operation, and Applicant;
 - 2) If the Permit Holder is a corporation, non-profit organization, limited liability company or any other entity other than a natural Person, attach a copy of all company formation documents, bylaws, and any amendments, purchase agreement for stock or membership interest, and a certified copy of the meeting minutes of the board of directors or members authorizing the sale of stock or membership interest.

- 3) 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.
 - 4) A valid, unexpired driver's license or State issued ID for all owners, directors, officers and managers of the Applicant.
 - 5) Whether any Applicant or any 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 applied for or has been granted any commercial license or certificate issued by a licensing authority in Michigan or any other jurisdiction that has been denied, restricted, suspended, revoked, or not renewed and a statement describing the facts and circumstances concerning the Application, denial, restriction, suspension, revocation, or nonrenewal, including the licensing authority, the date each action was taken, and the reason for each action.
 - 6) Information regarding any other Marihuana Establishment, Commercial Medical Marihuana Facility, similar Permit or License, or any other Marihuana business or venture that the 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 is authorized to operate in any other jurisdiction within the state, or another state, and their involvement in each.
 - 7) A non-refundable Application fee, as set by resolution by the Board.
 - 8) Any documents required to reflect that the Marihuana Operation will be operated and managed consistent with the current filings provided to the Township.
 - 9) Any other information reasonably requested by the Township to be relevant to the processing or consideration of the Application.
- c. If, prior to the approval of an Application, an individual Applicant wishes to substitute a different Person as Applicant; or an Applicant that is a corporation, non-profit organization, limited liability company or any other entity other than a natural Person, seeks to undergo a change in ownership greater than 1%, the current Applicant may submit a written request to the Township to amend the Application. Upon approval by the Township, the current Applicant may amend the Application to reflect such a change in identity or ownership, provided that the substituted Applicant(s) submits any documents required for a new Permit under this Ordinance. The Township Board may set a fee by resolution for such a change.

- d. The following actions constitute transfer of ownership and require a Transfer Application, Application fee, and Township Board approval:
 - 1) *Persons*. Any transfer of more than 1% of an ownership interest in an Applicant or Permit Holder between Persons constitutes a transfer of ownership.
 - 2) *Corporations*. Any transfer of more than 1% of stock or any change in principal officers or directors of any corporation holding a Permit constitutes a transfer of ownership.
 - 3) *Limited Liability Companies*. Any transfer of more than 1% of membership interest or any change in managing members or change in the interest held by any managing members(s) of any limited liability company holding a Permit constitutes a transfer of ownership.
 - 4) *Partnerships*. Any transfer of more than 1% of a partnership interest or any change in general or managing partners of any partnership holding a Permit constitutes a transfer of ownership.
 - 5) *Assets*. Any transfer of more than 1% of the assets held by an Applicant or Permit Holder within the Township constitutes a transfer of ownership.
4. **Approval, Issuance, Denial and Appeal.** The Township shall process applications, to the extent practicable, as follows:
 - a. *Processing Applications*. All inspections, review and processing of Applications, including transfer Applications, 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, or within one hundred fifty (150) days if the location of the Permitted Premises is proposed to be amended. 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.
 - b. *Incomplete Applications*. The Township has no obligation to process or approve any incomplete Application, and any times provided under this Ordinance shall not begin to run until the Township receives a complete Application, as determined by the Township Board. A determination of a complete Application shall not prohibit the Township from requiring supplemental information.
 - c. *Denial*. If the Township Board identifies or is informed of a deficiency in an Application, the Township Board shall deny the Application and shall provide written notice to the Applicant stating the reason for denial. Except for Applications that are denied for false or misleading information, any Applicant may resubmit a corrected Application to the Township Board after an Application is denied.

- d. *Approval.* The Township Board shall make a determination based upon satisfactory compliance with this Ordinance, Application requirements, and all other permits, certificates, rules or regulations and do one of the following:
- 1) Grant final approval to the Application and issue the Permit. If the Application is approved, then the Permit shall be issued to the Applicant as the Permit Holder for a specific Permitted Premises; or
 - 2) Reject the Application stating the reasons for such rejection.

Approved Permits shall be issued for a term of one (1) year.

- e. *Conditions of Approval.* Maintaining a valid License is a condition for the issuance and maintenance of the Permit issued under this Ordinance and the continued operation of any Marihuana Operation. Any Permit Holder must also obtain a special land use permit from the Township.
- f. *Competitive Review.* If at any time there are a greater number of Applications for Permits than there are available Permits for Marihuana Operations within the Township, the Township shall decide among competing Applications by a competitive process intended to select the Applicants who are the best suited to operate within the Township.
- g. *Appeal.* Any final denial of a Permit may be appealed to a court of competent jurisdiction; provided that: (1) with respect to a denial of a new Permit, the pendency of an appeal shall not have the effect of granting rights to an Applicant, subject to an order of the court; and (2) with respect to a Renewal Application, provided that the Applicant has paid all required fees (and any additional fees required 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.
- h. *Operation.* Permit Holders shall commence business operations consistent with the Application and without unreasonable delay.
5. **No Building Currently Existing.** Any Applicant for a Marihuana Operation Permit whose building is not yet in existence at the time of the Township's approval of the Permit shall have one (1) year immediately following the date of the Township's initial approval to commence construction of the building, in accordance with applicable zoning ordinances, building codes, and any other applicable State or local laws, rules or regulations, and to thereafter complete construction and commence business operations without unreasonable delay.
6. **Effect of Transfer.** Immediately following the approval of a transfer by the Township Board, transferee(s) will obtain all the interests, rights, obligations, and responsibilities of the previous Permit Holder. Once a Permit Holder has transferred his or her ownership interest, any privileges enjoyed by that Permit Holder under this Ordinance are terminated.

For transfers where no building is yet in existence, the deadline for construction shall be extended to one year immediately following the date the transfer is effectuated, but construction must commence within three (3) years after the Township's initial approval of the Permit, regardless of any subsequent transfers.

7. Duty to Supplement.

- a. If, at any time before or after a Permit is issued pursuant to this Ordinance, any information required in the Permit Application, the MMFLA, the MRTMA, or any rule or regulation promulgated thereunder, changes in any way from that which is stated in the Application, the Applicant or Licensee shall supplement such information in writing addressed to the Township Board within thirty (30) days from the date upon which such change occurs.
- b. An Applicant or Permit Holder has a duty to notify the Township Board in writing of any pending criminal charge, and any criminal conviction of a felony or other offense involving a crime of moral turpitude by the Applicant, any owner, principal officer, director, manager, or employee within ten (10) days of the date when the Applicant, any owner, officer, director, or manager has notice of the event.
- c. An Applicant or Permit Holder has a duty to notify the Township Board in writing of any pending criminal charge, and any criminal conviction, whether a felony, misdemeanor, or any violation of a local law related to the cultivation, processing, manufacture, storage, sale, distribution, testing or consumption of any form of Marihuana, the Michigan Medical Marihuana Act, Initiated Law 1 of 2008, the Medical Marihuana Facilities Licensing Act, the Michigan Regulation and Taxation of Marihuana Act, Initiated Law 1 of 2018, 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, any owner, officer, director, manager, or employee within (10) ten days of the date when the Applicant, any owner, principal officer, director, or manager has notice of the event.

SECTION 6: OPERATIONAL REQUIREMENTS – MARIHUANA OPERATIONS.

Marihuana Operations issued a Permit under this Ordinance and operating in the Township shall at all times comply with the following operational requirements, which the Township Board may review and amend from time to time as it determines reasonable.

1. *Scope of Operation.* Marihuana Operations shall comply with all respective applicable codes of the local zoning, building, and health departments, except to the extent and manner that they are inconsistent with the MMFLA, the MRTMA, or this Ordinance. Commercial Medical Marihuana Facilities must hold a valid Township Permit and State Commercial Medical Marihuana Facility License for the type of Commercial Medical Marihuana Facility intended to be carried out on the Permitted Property. Marihuana Establishments must hold a valid local Permit and Michigan Marihuana Establishment License for the type of Marihuana Establishment intended to be carried out on the Permitted Property. The Facility or Establishment operator, owner 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 Commercial Medical Marihuana Facility or Marihuana Establishment shall be operated from the Permitted Premises on the Permitted Property. No Commercial Medical Marihuana Facility or 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 eighteen (18) 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 twenty-four (24) hours a day, seven (7) days a week.
 - c. A locking vault permanently affixed to the Permitted Premises that shall store all cash remaining in the Facility or Establishment overnight.
 - d. All Marihuana in whatever form stored at a Permitted Premises shall be kept in a secure manner and shall not be visible from outside the Permitted Property, 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 thirty (30) days by the Permit Holder and made available to any law enforcement upon request for inspection.
4. *Operating Hours.* No Provisioning Center shall operate between the hours of 8:00 p.m. and 8:00 a.m.
5. *Required Spacing.* No Marihuana Operation shall be located within one-thousand (1,000) feet from any school teaching grades K-12, or within five hundred (500) feet from any church, house of worship or other religious facility or public or private park if such uses are in existence at the time the Marihuana Operation is established, with the minimum distance between uses measured horizontally between the nearest property lines.
6. *Co-location.* Marihuana Operations may be located at the same Permitted Premises as other Marihuana Operations, provided that a Permit is issued for each individual Facility or Establishment and they are operated consistent with any other rule, regulation, or state law, including the MMFLA, the MRTMA, and any rules promulgated thereunder.
7. *Stacked license.* An Applicant for a Grower may apply to stack another grower permit at the Facility/Establishment or Permitted Premises. The applicant shall be subject to the same requirements as a renewal permit application, including payment of a separate application fee

for each stacked permit. Permits or Licenses may only be stacked consistent with state law and the rules and regulations promulgated by the Department.

8. *Amount of Marihuana.* The amount of Marihuana on the Permitted Property and under the control of the Permit Holder, owner or operator of the Marihuana Operation shall not exceed that amount permitted by the State License.
9. *Sale of Marihuana.*
 - a. The Marihuana offered for sale and distribution must be packaged and labeled in accordance with State law.
 - b. Provisioning Centers are prohibited from selling, soliciting or receiving orders for Marihuana or Marihuana Products over the internet, except as provided in subsection (c).
 - c. A Provisioning Center operating pursuant to the MMFLA may accept online orders for Marihuana and Marihuana products only for delivery to the physical home address of a Registered Qualifying Patient, and in a manner consistent with all applicable State laws and rules, as amended. A Provisioning Center operating pursuant to the MMRTMA may accept online orders for Marihuana and Marihuana products only for delivery to the physical home address of a person over twenty-one (21) years of age, and in a manner consistent with all applicable state laws and rules, as amended. The individual making the home delivery shall be an employee of the Provisioning Center. Any Provisioning Center that performs home deliveries shall submit its home delivery procedure to the Township and shall provide the Township with proof the Department has authorized the Provisioning Center's home delivery procedure. All order and delivery methods, including procedures, records, tracking records, logs, and other documents, are subject to inspection and examination by the State and the Township. The Provisioning Center shall notify the Township of any theft or loss of Marihuana product in connection with a home delivery.
10. *Sign Restrictions.* All signs shall comply with all applicable local, State, or federal law or rule governing Facilities or Establishments. A Permitted Premises or Permitted Property may not contain flashing or animated signs. 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. Licensees and Permit Holders shall not advertise a Marihuana product where the advertisement is visible to members of the public from any street, sidewalk, park, or other public place.
11. *Use of Marihuana.* The sale, consumption, or use of alcohol or tobacco products on the Permitted Premises and/or Permitted Property is prohibited. Smoking or consumption of

controlled substances, including Marihuana, on the Permitted Premises and/or Permitted Property is prohibited.

12. *Indoor Operation.* All activities of Marihuana Operations, 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 Marihuana Operation's design and operation 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 beyond/outside the Permitted Premises.
13. *Unpermitted Growing.* A Patient may not grow his or her own Marihuana at a Commercial Medical Marihuana Facility.
14. *Distribution.* No Person operating a Marihuana Operation shall provide or otherwise make available Marihuana to any Person who is not legally authorized to receive Marihuana under state law.
15. *Permits.* All necessary building, electrical, plumbing, and mechanical Permits must be obtained for any part of the Permitted Premises in which electrical, wiring, lighting or watering devices that support the cultivation, growing, harvesting or testing of Marihuana are located.
16. *Waste Disposal.* Permit Holders and owners and operators of Marihuana Operations shall use lawful methods to dispose of waste or by-products from any activities allowed under the License or Permit according to all applicable local, state, and federal laws and regulations. Permit Holders and owners and operators of Marihuana Operations must dispose of waste from Marihuana products in secure waste receptacles and shall render Marihuana product waste into an unusable and recognizable form by incorporating the Marihuana product waste with other non-consumable solid waste. Permit Holders and owners and operators of Marihuana Operations shall manage all hazardous waste subject to Part 111 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.11101 *et seq.*
17. *Transportation.* Marihuana may be transported for home delivery as authorized by this Ordinance or by a Secure Transporter within the Township under this Ordinance, 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 Ordinance 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.

18. *Additional Conditions.* The Township Board may impose such reasonable terms and conditions on a Marihuana Operation as may be necessary to protect the public health, safety and welfare, and to obtain compliance with the requirements of this Ordinance and applicable law.

SECTION 7: 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. Violations of the provisions of this Ordinance or failure to comply with any of the requirements of this Ordinance shall constitute a misdemeanor. Any Person who violates this Ordinance or fails to comply with any of the requirements of this Ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof, shall be fined not more than five hundred dollars (\$500.00), or imprisoned for not more than ninety (90) days, or both, and, in addition, shall pay all costs and expenses involved. Each day such violation continues shall be considered a separate offense.
2. Violations of the provisions of this Ordinance or failure to comply with any of the requirements of this Ordinance shall be subject to and found responsible for a municipal civil infraction. The forfeiture 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.
3. *Revocation.* A Permit issued under this Ordinance may be denied, limited, revoked, or restricted 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 Ordinance 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 Ordinance.
 - d. The Permit Holder, its agent, manager, or employee failed to timely submit any document or failed to timely make any material disclosure as required by this Ordinance.

If a Permit is revoked or limited under this Ordinance, 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. 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 subsections (1) and (2) of this section, except as excluded from responsibility by State law.
5. 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 Ordinance. 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 Ordinance.

SECTION 8: TOWNSHIP LIABILITY AND INDEMNIFICATION.

1. By accepting a Permit issued pursuant to this Ordinance, the Permit Holder waives and releases the Township, its officers, elected officials, and employees from any liability for injuries, damages or liabilities of any kind that result from any arrest or prosecution of Marihuana Facility owners, operators, employees, clients or customers for a violation of State or federal laws, rules or regulations.
2. By accepting a Permit issued pursuant to this Ordinance, all Permit Holders agree to indemnify, defend and hold harmless the Township, its officers, elected officials, employees, and insurers, against all liability, claims or demands arising on account of bodily injury, sickness, disease, death, property loss or damage or any other loss of any kind, including, but not limited to, any claim of diminution of property value by a property owner whose property is located in proximity to a Permitted Premises, arising out of, claimed to have arisen out of, or in any manner connected with the operation of a Marihuana Facility or use of a product cultivated, processed, distributed or sold that is subject to the License, or any claim based on an alleged injury to business or property by reason of a claimed violation of the federal Racketeer Influenced and Corrupt Organizations Act (“RICO”), 18 U.S.C. §1964(c).
3. By accepting a Permit issued pursuant to the Ordinance, a Permit Holder agrees to indemnify, defend and hold harmless the Township, its officers, elected officials, employees, and insurers, against all liability, claims, penalties, or demands arising on account any alleged violation of the federal Controlled Substances Act, 21 U.S.C. §801 *et seq.* or Article 7 of the Michigan Public Health Code, MCL 333.7101 *et seq.*

SECTION 9: 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 10: 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 11: EFFECTIVE DATE. This Ordinance shall take effect thirty (30) days following publication or posting after adoption by the Township Board.

SECTION 12: REPEAL. All Ordinance or parts of Ordinances in conflict herewith, specifically including Lake Township Ordinance No. 56, the Lake Township Prohibition of Recreational Marihuana Ordinance, are hereby repealed.

YEAS: 3 – Stiles, Surprenant, Trier

NAYS: 2 – Farhat, Russo Jr

ABSENT/ABSTAIN: None

ORDINANCE DECLARED ADOPTED:

Signature on file

Keith Stiles, Lake Township Supervisor