

**CITY OF LESLIE  
ORDINANCE 2018-01**

*To add certain provisions of the Code of Ordinances, City of Leslie, Ingham County, Michigan, pertaining to Medical Marihuana Facilities to comply with 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”) as amended, and the Marihuana Tracking Act (“MTA”), MCL 333.27901, et seq., as amended.*

**PREAMBLE**

**AN ORDINANCE TO ADD CHAPTER 19 OF THE CITY OF LESLIE CODIFIED ORDINANCES; TO PROVIDE FOR THE REGULATION AND LICENSING OF MEDICAL MARIHUANA FACILITIES; TO PROTECT THE PUBLIC HEALTH, SAFETY, AND WELFARE OF THE CITY OF LESLIE; TO SET LICENSING FEES FOR THE PURPOSE OF DEFRAYING THE COSTS ASSOCIATED WITH THE IMPLEMENTATION AND ENFORCEMENT OF THE PROVISIONS OF THE CHAPTER; AND TO PROVIDE PENALTIES FOR VIOLATIONS OF THE CHAPTER.**

**THE CITY OF LESLIE ORDAINS:**

**SECTION ONE:** Chapter 19 of the Leslie Code of Ordinances is hereby added to read as follows:

**CHAPTER 19: MEDICAL 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. Administration**

- 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.
  - 19.18 No Vested Rights.
  - 19.19 Reserved. 19.20- 19.25.

**Article III. Standards & Regulations, Generally**

**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.

**19.1 Authority, Legislative Intent & Purpose of this Ordinance**

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.

Based on recent and pending cases in the Michigan courts, the continued legality of the possession, distribution, and sale of Medical Marihuana is in doubt, notwithstanding the enactment of the Michigan Medical Marihuana Act and other applicable Michigan law.

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

The purpose of this chapter is to exercise the police, regulatory, and land use powers of the City of Leslie by licensing and regulating 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 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 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, 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 and use of marihuana.

## **19.2 Definitions, Interpretation 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”) and/ or the Marihuana Tracking Act (“MTA”), MCL 333.27901, 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 or MMFLA, or if a term is not defined but is defined in the MMMA or MMFLA, then the definition in the MMMA, MMFLA, or MTA 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, 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) Any use which purports to have engaged in the cultivation or processing of Medical Marihuana into a usable form, or the distribution of Medical Marihuana, or the testing of Medical 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 not previously authorized or licensed the existence of any Medical Marihuana Facility, as defined herein, in the City.
- (F) The following terms shall have the definitions given:
  - 1. “Application” means an application for a license pursuant to the terms and conditions set forth in sections 19.12 and 19.13.
  - 2. “Application for a license renewal” means an application for a license renewal pursuant to the terms and conditions of section 19.14.

3. “Building” means a combination of materials forming a structure affording a facility 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.
4. “Chapter” means this Chapter 19.
5. “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.
6. “City” means the City of Leslie, Michigan.
7. “Council or City council,” means the City Council of Leslie, Michigan.
8. “Cultivation” or “cultivate” as used in this chapter means: all phases of growth of Marihuana from seed to harvest.
9. “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.
10. “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.
11. “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.
12. “License” or “Medical Marihuana Business 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.
13. “License Application” means an application submitted for a license pursuant to the requirements and procedures set forth in sections 19.12 and 19.13.

14. “Licensee” means a person issued a license for a Facility pursuant to this chapter.
15. “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 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.
16. “Marihuana Tracking Act” or “MTA” means Public Act 282 of 2016.
17. “Medical Marihuana” means any Marihuana intended for medical use that meets all requirements for Medical Marihuana contained in the MMMA and the MMFLA.
18. “Medical Marihuana Establishment(s), or, “Facility,” means any facility, establishment and/or center that is required to be licensed under this chapter, including: a Medical Marihuana Grower Facility, a Medical Marihuana Processor, a Medical Marihuana Secure Transporter, a Medical Marihuana Provisioning Center, and a Medical Marihuana Safety Compliance Facility.
19. “Marihuana Facility” means a location at which a licensee is licensed to operate.
20. “Medical Marihuana Facilities Licensing Act” or “MMFLA” means Public Act 281 of 2016, MCL 333.27101, et. Seq.
21. “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 Marihuana in accordance with State law.
22. “Medical Marihuana Licensing Board” means that certain board established by the MMFLA.
23. “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.

24. “MMMA” means the Michigan Medical Marihuana Act, as amended, at MCL 333.26421.
  25. “Ordinance” means the ordinance adopting this chapter 19, unless otherwise specified.
  26. “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.
  27. “Person” means an individual, partnership, firm, company, corporation, association, sole proprietorship, Limited Liability Company, joint venture, estate, trust, or other legal entity.
  28. “Processor” or “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.”
  29. “Safety Compliance Facility” or “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.
  30. “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.
  31. “Secure Transporter” or “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.
  32. “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.
  33. “State” means the State of Michigan.
- (G) Any term defined by the MMMA, the MMFLA, or the MTA and not defined in this chapter shall have the definition provided in those acts.

### **19.3 Reserved 4-10**

#### **19.11 Operation without License Prohibited**

- (A) It is unlawful for any person to engage in the operation of a Medical Marihuana Facility 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 MMFLA. Every Medical Marihuana Facility in the City of Leslie shall be licensed pursuant to the terms and provisions set forth in this chapter. No person shall operate a Medical Marihuana Facility in the City without first obtaining a license. A Medical Marihuana Facility operating without a license under the provisions of this chapter is deemed a public nuisance.
- (B) The City Clerk shall issue a license for a Medical Marihuana Facility only after the City Clerk determines that the Application and proposed facility 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 MMFLA.

#### **19.12 License Application Submission**

- (A) Each Medical Marihuana Facility 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. Each Application shall contain a signed acknowledgement that the applicant is aware and understands that all matters related to Marihuana growing, cultivation, possession, dispensing, testing, safety compliance, transporting, distribution, and use are currently subject to State and federal laws, rules, and regulations, and that the approval or granting of a license hereunder does not exonerate or exculpate the applicant from abiding by the provisions and requirements and penalties associated with those laws, rules, and regulations or exposure to any penalties associated therewith; and further the applicant waives and forever releases any claim, demand, action, legal redress, or recourse against the City of Leslie, its elected and appointed officials and its employees and agents for any claims, damages, liabilities, causes of action, damages, and attorney fees the applicant may incur as a result of the violation by applicant, its officials, members, partners, shareholders, employees and agents of those laws, rules, and regulations and hereby waives, and assumes the risk of, any such claims and damages, and lack of recourse against the City of Leslie, its elected and appointed officials, employees, attorneys, and agents.
- (B) A complete Application for a license required by this chapter shall be made under notarized oath on forms provided by the City, and shall contain all of the following:
  - 1. If the applicant is an individual, the applicant's name, date of birth, physical address, email address, one or more phone numbers, including emergency contact information, a copy of a government issued photo identification card

of the applicant, and a copy of the applicant's caregiver registry identification card issued pursuant to the MMMA;

2. If the applicant is not an individual, the names, dates of birth, physical addresses, email addresses, and one or more phone numbers of each stakeholder of the applicant, including designation of a stakeholder as an emergency contact person and contact information for the emergency contact person, articles of incorporation, internal revenue service SS-4 EIN confirmation letter, and the operating agreement of the applicant, if a limited liability company, and a copy of at least one Stakeholder's caregiver registry identification card issued pursuant to the MMMA;
3. The name and address of the proposed Medical Marihuana Facility and any additional contact information deemed necessary by the City Clerk;
4. With respect to Medical Marihuana Provisioning Centers, the City intentionally makes no provision relating to applicants, but reserves the right to do so in the future. With respect to all other Medical Marihuana Facilities, for the applicant and for each stakeholder of the applicant, an affirmation that each and every agent or employee is at least 18 years of age and has not been convicted of or pled guilty or no contest to a Disqualifying Felony or Disqualifying Misdemeanor;
5. A signed release authorizing the City of Leslie Police Department to perform a criminal background check to ascertain whether the applicant, each stakeholder of the applicant, each operator and employee of the applicant meet the criteria set forth in this chapter;
6. An affirmation under notarized oath as to whether the applicant or operator has had a business license revoked or suspended, and if revoked or suspended, then the reason therefore;
7. For the applicant or for each stakeholder of the applicant, a resume that includes whether the individual has any relevant experience with Medical Marihuana or a related industry;
8. A written description of the training and education that the applicant will provide to all employees;
9. A copy of the proposed business plan for the Facility, including, but not limited to, the following:
  - (a) The proposed ownership structure of the Facility, including percentage ownership of each person or entity; and
  - (b) A current organization chart that includes position descriptions and the names of each person holding each position.
10. One of the following:

- (a) Proof of ownership of the entire premises wherein the Medical Marihuana Facility is to be operated; or
  - (b) Written consent from the property owner for use of the premises in a manner requiring licensure under this chapter along with a copy of the lease for the premises.
11. A description of the security plan for the Medical Marihuana Facility, including, but not limited to, any lighting alarms, barriers, recording/monitoring devices, and/or security guard arrangements proposed for the Facility and premises. The security plan must contain the specification details of each piece of security equipment. Each Medical Marihuana Facility must have a security guard present during business hours;
  12. A floor plan of the Medical Marihuana Facility, as well as a scale diagram illustrating the property upon which the Medical Marihuana Facility is to be operated, including all available parking spaces, and specifying which parking spaces, if any, are handicapped-accessible;
  13. Any proposed text or graphical materials to be shown on the exterior of the proposed Medical Marihuana Facility;
  14. A location area map of the Medical Marihuana Facility and surrounding area that identifies the relative locations and the distances (closest property line to the subject Facility's property line) from the subject Medical Marihuana Facility to the closest real property of an operational public or private elementary or secondary school, church, park, a facility at which substance abuse prevention services or substance abuse treatment and rehabilitation services, as those terms are defined in part 61 of PA 368 of 1978, MCL 44 333.6101 et seq., another licensed Medical Marihuana Facility 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;
  15. A facility sanitation plan to protect against any Marihuana being ingested by any person or animal, indicating how the waste will be stored and disposed of, and how any Marihuana will be rendered unusable upon disposal. Disposal by on-site burning or introduction in the sewerage system is prohibited;
  16. A description of procedures for testing of contaminants, including mold and pesticides;
  17. An affidavit that neither the applicant nor any stakeholder of the applicant is in default to the City; specifically, that the applicant or stakeholder of the applicant has not failed to pay any property taxes, special assessments, fines, fee or other financial obligations to the City;

18. Verification, with copies of actual bank Statements, showing that the applicant has tangible financial capital in the applicant's name in the amount sufficient to complete the Medical Marihuana Facility and to fund the business plan and other plans required by this section 19.12;
  19. An estimate of the number and type of jobs that the Medical Marihuana Facility is expected to create, the amount and type of compensation expected to be paid for such jobs, and the projected annual budget and revenue of the Medical Marihuana Facility; and
  20. As it relates to a Medical Marihuana grower facility, the following additional items shall be required:
    - (a) A cultivation plan that includes at a minimum a description of the cultivation methods to be used, including plans for the growing mediums, treatments, and/or additives;
    - (b) A production testing plan that includes at a minimum a description of how and when samples for laboratory testing by an international organization for standardization accredited testing facility will be selected, what type of testing will be requested, and how the test results will be used;
    - (c) An affidavit that all operations will be conducted in conformance with the MMMA, the MMFLA, and other applicable State law;
    - (d) A chemical and pesticide storage plan that States the names of the pesticides to be used in cultivation and where and how pesticides and chemicals will be stored in the Facility, along with a plan for the disposal of unused pesticides;
    - (e) All cultivation must be performed in a building.
  21. Proof of an insurance policy covering the Facility and naming the City, its elected and appointed officials, employees, and agents, as additional insured parties, available for the payment of any damages arising out of an act or omission of the applicant or its stakeholders, agents, employees, or subcontractors, in the amount of (a) at least one million dollars for property damage; (b) at least one million dollars for injury to one person; and (c) at least two million dollars for injury to two or more person resulting from the same occurrence. The insurance policy underwriter must have a minimum A.M. Best company insurance ranking of b+, consistent with State law;
  22. Any other information deemed necessary by the City.
- (C) All Applications shall be accompanied by a license application fee in an amount established by City Council resolution. If an Application is approved and a license issued, the annual license renewal fee shall be in an amount established by City

Council resolution. The application fee and the annual renewal fee are established to defray the costs of administration of this chapter.

- (D) 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.
- (E) If written approval is given by each individual or department identified in this subsection (E), 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 and security plan.

but (F) The number of licenses issued and renewed in any year shall be capped as follows, subject to change by resolution of the City Council:

- 1. Medical Marihuana Grower Facilities:
  - a. Class A (up to 500 Plants): TWO (2)
  - b. Class B (up to 1,000 Plants): TWO (2)
  - c. Class C (up to 1,500 Plants\*): UNLIMITED
- 2. Medical Marihuana Processor: THREE (3)
- 3. Medical Marihuana Secure Transporter: UNLIMITED
- 4. Medical Marihuana Safety Compliance Facility: THREE (3)
- 5. Medical Marihuana Provisioning Center: ZERO (0)

\* Medical Marihuana Grower Facilities with a “Class C” License may apply for multiple Class C licenses.

### **19.13 License Application Evaluation**

- (A) Except as provided in 19.15(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, and the finance department. The City Clerk may also consult with outside professionals in the business and finance disciplines.

- (B) In its Application deliberations, the City Clerk shall assess each Application in each of the following categories:
  1. Whether the reports issued by the Fire, Police, Building, Zoning and Treasury Departments indicate that the applicant or its stakeholders or employees have satisfied the requirements of 19.12 (e) (1-4) and sufficiently addressed the considerations of 19.12 (b) (1-25);
  2. Whether the proposed Facility will negatively impact the character and aesthetics of the surrounding neighborhood and community, including whether the applicant or its stakeholders have engaged in positive community outreach on behalf of the proposed Facility, and whether the applicant or its stakeholders have made significant improvements to the building or neighborhood where the proposed Facility is to be located;
  3. Whether the applicant and its stakeholders are persons of good character, honesty, and integrity who do not discredit or tend to discredit public confidence and trust in the Medical Marijuana industry, or pose a threat to the public health, security, safety, morals, good order, or general welfare.
- (C) 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.
- (D) 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 an Application or with regard to any scoring decision.

#### **19.14 License Renewal Application**

- (A) 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.
- (B) An Application for a license renewal required by this chapter shall be made under notarized oath on forms provided by the City, and shall contain all of the information required by 19.12(B).
- (C) An Application shall be accompanied by a renewal fee in an amount established 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.
- (D) Upon receipt of a completed Application meeting the requirements of this chapter and the license renewal fee, the City Clerk shall refer a copy of the renewal Application to each of the following for their approval: the Fire Department, the Building Inspector, the Leslie Police Department, the zoning administrator, and the City Treasurer.

- (E) No renewal Application shall be approved 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 within the past calendar year;
  2. The Zoning Administrator has confirmed that the proposed location currently complies with the zoning code and this chapter;
  3. The City Treasurer has confirmed that the applicant and each stakeholder of the applicant and the proposed location of the facility are not currently in default to the City;
  4. The Police Department has reviewed the Application and determined that the applicant has satisfied the requirements of this chapter with respect to the background check and security plan;
  5. The City Clerk has reviewed the Application for compliance with 19.13(B)(1-3).
- (F) If written approval is given by each individual or department identified in subsection (E), the City Clerk shall issue a license renewal to the applicant. If no renewal license is issued, half of the renewal fee shall be returned. The renewal shall be deemed approved if the City has not issued formal notice of approval or denial within 60 days of the Application being filed.

### **19.15 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 may transfer a license issued under this chapter to a different location upon receiving written approval from the City Clerk. In order to request approval to transfer a license location, the licensee must make a written request to the City Clerk, indicating the current license location and the proposed license location. Upon receiving the written request, the City Clerk shall refer a copy of the written request to each of the following for their approval: the Fire Department, the Building Inspector, the Police Department, the Zoning Administrator, and the City Treasurer. No license transfer shall be approved unless each such individual or department gives written approval that the licensee and the proposed license location meet the standards identified in 19.12(E) and the City Clerk has determined that the proposed location meets the requirements of 19.13 (B)(2).
- (C) Licensees may transfer a license issued under this chapter to a different individual or entity upon receiving written approval by the City Clerk. In order to request approval to transfer a license to a different individual or entity, the licensee must make a written request to the City Clerk, indicating the current licensee and the proposed

licensee. Upon receiving the written request, the City Clerk shall consider the request as a new Application for a license and the procedures set forth in 19.12 and 19.13 shall be followed.

- (D) 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.

### **19.16 License Revocation; Bases for Revocation; Appeal of License Denial**

- (A) A license issued under this chapter may be revoked after an administrative hearing and a determination that any grounds for revocation under subsection (B) exist. Notice of the time and place of the hearing and the grounds for revocation must be given to the licensee at least five 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 to 19.11(A)(1) or (2).
- (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. The Medical Marihuana Facility is determined by the City to have become a public nuisance.
- (C) Appeal of Denial of Application or Revocation of License: the City Clerk shall notify an applicant of the reason(s) for denial of an Application or revocation of a license and provide the applicant with the opportunity to be heard.

Any applicant aggrieved by the denial or revocation of a license under this chapter may appeal to the City Clerk, who shall appoint a hearing officer. Such appeal shall be taken by filing with the City Clerk, within 14 days after notice of the action complained of has been mailed to the applicant's last known address on the records of the City Clerk, a written statement setting forth fully the grounds for the appeal.

The review on appeal of a denial or revocation shall be limited to whether there has been an abuse of discretion in the decision or that the decision is not supported by material and competent evidence. The final and conclusive decision on appeal shall be the City Council who shall receive a report and recommendation from the hearing

officer. The City Manager, a City Employee or a private person may be appointed by the City Clerk as hearing officer, subject to his or her acceptance.

### **19.17 Penalties; Temporary Suspension of a License**

- (A) The City of Leslie may require an applicant or licensee of a Medical Marijuana Facility 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.
- (B) 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 Facility 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, plus costs, for the first violation;
  - 2. \$750, plus costs, for a repeat violation;
  - 3. \$750, plus costs, per day, plus costs, for any violation that continues for more than one day.
- (C) All fines imposed under this chapter shall be paid within 45 days after the effective date of the order imposing the fine or as otherwise specified in the order.
- (D) The City may temporarily suspend a Medical Marijuana Facility 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.
- (E) 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 Medical Marijuana Grower Facility, the hearing shall be held within seven (7) days after the notice has been served on the licensee or posted on the premises of the licensed facility. The hearing shall be limited to the issues cited in the suspension notice.
- (F) 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 Facility seven (7) days, then the suspended license shall be automatically reinstated and the suspension vacated.
- (G) 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.

### **19.18 No Vested Rights**

A property owner shall not have vested rights or nonconforming use rights that would serve as a basis for failing to comply with this chapter or any amendment of this chapter.

### **19.19 Reserved 20-25**

### **19.26 Minimum Operational Standards Of A Medical Marihuana Provisioning Center**

RESERVED. The City of Leslie intentionally makes no provisions for Medical Marihuana Provisioning Centers at this time.

### **19.27 Minimum Operational Standards of a Medical Marihuana Grower Facility**

- (A) The following minimum standards for Medical Marihuana Grower Facilities shall apply:
1. The Medical Marihuana Grower Facility shall comply at all times and in all circumstances with the MMMA, the MMFLA, the MTA, and the general rules of the Medical Marihuana 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 use of Medical Marihuana shall be prohibited at the Grower Facility;
  3. All grower activity related to the Grower Facility shall be performed in a building which shall be equipped with an effective method of odor control to destroy and eliminate odor and prevent odor from escaping outside of the facility;
  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. Any Medical Marihuana Grower Facility shall comply with the MTA and shall maintain a log book and/or database identifying by date the amount of Medical Marihuana and the number of Medical Marihuana plants on the premises which shall not exceed the amount permitted under the grower license issued by the State of Michigan. This log shall be available to law enforcement personnel to confirm that the Medical Marihuana grower does not have more Medical Marihuana than authorized at the location and shall not be used to disclose more information than is reasonably necessary to verify the lawful amount of Medical Marihuana at the facility;
  6. All Medical Marihuana shall be contained within the building in a locked facility in accordance with the MMMA, the MMFLA, MTA, and the rules and regulations of the Medical Marihuana licensing board, as amended;

7. 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;
8. 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;
9. The dispensing of Medical Marihuana at the Medical Marihuana Grower Facility shall be prohibited;
10. There shall be no other accessory uses permitted within the same facility other than those associated with cultivating, processing, or testing Medical Marihuana. Multi-tenant commercial buildings may permit accessory uses in suites segregated from Medical Marihuana Grower Facility;
11. All persons working in direct contact with Medical Marihuana shall conform to hygienic practices while on duty, including but not limited to:
  - (a) Maintaining adequate personal cleanliness;
  - (b) Washing hands thoroughly in adequate hand-washing areas before starting work and at any other time when the hands may have become soiled or contaminated;
  - (c) Refraining from having direct contact with Medical Marihuana if the person has or may have an illness, open lesion, including but not limited to boils, sores or infected wounds, or any other abnormal source of microbial contamination, until the condition is corrected.
12. 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 Medical Marihuana is exposed;
13. Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately cleaned and kept clean and in good repair;
14. 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;
15. Any buildings, fixtures and other facilities shall be maintained in a sanitary condition;

16. Each cultivation center shall provide its occupants with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair;
  17. Medical Marihuana that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms;
  18. Medical Marihuana Grower Facilities shall be free from infestation by insects, rodents, birds, or vermin or any kind;
  19. Medical Marihuana Grower Facilities shall produce no products other than useable Medical Marihuana intended for human consumption.
- (B) Exterior signage or advertising identifying the facility as a Medical Marihuana grower facility shall be prohibited.

#### **19.28 Minimum Operational Standards of a Medical Marihuana Safety Compliance Facility**

- (A) The following minimum standards for Safety Compliance Facilities shall apply:
1. The Safety Compliance Facility shall comply at all times and in all circumstances with the MMMA, the MMFLA, the MTA, and the general rules of the Medical Marihuana 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 section 19 of the Leslie City Charter consumption and/or use of Medical Marihuana shall be prohibited at the facility;
  3. The premises shall be open for inspection during the stated hours of operation and as such other times as anyone is present on the premises;
  4. Any Safety Compliance Facility shall maintain a log book and/or database identifying by date the amount of Medical Marihuana on the premises and from which particular source. The facility shall maintain the confidentiality of qualifying patients in compliance with the MMMA, MMFLA, and MTA, as amended;
  5. All Medical Marihuana shall be contained within the building in an enclosed, locked facility in accordance with the MMMA, the MMFLA, the MTA, and the rules and regulations of the Medical Marihuana licensing board, as amended. The building shall be equipped with an effective method of odor control to destroy and eliminate odor and prevent odor from escaping outside of the facility;
  6. There shall be no other accessory uses permitted within the same facility

other than those associated with testing Medical Marihuana;

7. All persons working in direct contact with Medical Marihuana shall conform to hygienic practices while on duty;
8. 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 Medical Marihuana is exposed;
9. Floors, walls and ceilings shall be constructed in such a manner that they may be adequately cleaned and kept clean and in good repair;
10. Any buildings, fixtures and other facilities shall be maintained in a sanitary condition;
11. Medical Marihuana that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms.

- (B) Exterior signage or advertising identifying the facility as a Medical Marihuana Safety Compliance Facility shall be prohibited.

**19.29 Minimum Operational Standards of a Medical Marihuana Processor Facility and a Medical Marihuana Secure Transporter**

(A) The following minimum standards for processor and a secure transporter shall apply:

1. The processor and secure transporter shall comply at all times and in all circumstances with the MMMA, the MMFLA, MTA and the general rules of the Medical Marihuana 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 section 19 of the Leslie City Charter, consumption and/or use of Medical Marihuana shall be prohibited at the Processor or Secure Transporter Facility;
3. All activity related to the Processor Facility shall be performed indoors in an enclosed building which shall be equipped with an effective method of odor control to destroy and eliminate odor and prevent odor from escaping outside of the facility;
4. The premises shall be open for inspection during the stated hours of operation and as such other times as anyone is present on the premises;
5. Any Processor and/or Secure Transporter Facility shall maintain a log book and/or database in accordance with the MMFLA, the MTA and the rules and

regulations of the Medical Marihuana Licensing Board identifying by date the amount of Medical Marihuana on the premises which shall not exceed the amount permitted under the processor license issued by the State of Michigan, to the extent a State permit process exists. This log shall be available to law enforcement personnel to confirm that the processor does not have more Medical Marihuana than authorized at the location and shall not be used to disclose more information than is reasonably necessary to verify the lawful amount of Medical Marihuana at the facility;

6. All Medical Marihuana will be tagged with unique identification;
7. All Medical Marihuana shall be contained within the building in a locked facility in accordance with the MMMA, the MMFLA, MTA and the rules and regulations of the Medical Marihuana Licensing Board, as amended;
8. All necessary building, electrical plumbing and mechanical permits shall be obtained for any portion of the structure in which electrical wiring for devices that support the processing or secure transporting of Medical Marihuana are located;
9. That portion of the structure where the storage of any chemicals exist shall be subject to inspection and approval by the Leslie Fire Department to insure compliance with the Michigan fire protection code;
10. The dispensing of Medical Marihuana at the Medical Marihuana Processor or Secure Transporter Facility shall be prohibited except as authorized by Leslie City Charter and State law;
11. There shall be no other accessory uses permitted within the same facility other than those associated with the processing or secure transporting of Medical Marihuana. Multi-tenant commercial buildings may permit accessory uses in suites segregated from the Processor Facility;
12. All persons working in direct contact with Medical Marihuana shall conform to hygienic practices while on duty, including but not limited to:
  - (a) Maintaining adequate personal cleanliness;
  - (b) Washing hands thoroughly in adequate hand-washing areas before starting work and at any other time when the hands may have become soiled or contaminated;
  - (c) Refraining from having direct contact with Medical Marihuana if the person has or may have an illness, open lesion, including but not limited to boils, sores or infected wounds, or any other abnormal source of microbial contamination, until the condition is corrected.
13. 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 Medical Marijuana is exposed;

14. Floors, walls, and ceilings shall be constructed in such a manner that they may be adequately cleaned and kept clean and in good repair;
  15. 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 becoming and attractant, harborage or breeding places for pests;
  16. Any buildings, fixtures and other facilities shall be maintained in a sanitary condition;
  17. Each Medical Marijuana Processor Facility shall provide its occupants with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair;
  18. Medical Marijuana that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms;
  19. Processor Facilities shall be free from infestation by insects, rodents, birds, or vermin or any kind;
  20. Processor Facilities shall produce no products other than useable Medical Marijuana intended for human consumption.
- (B) Exterior signage or advertising identifying the facility as a Processor Facility shall be prohibited.

### **19.30 Location of Medical Marijuana Provisioning Centers**

RESERVED. The City of Leslie intentionally makes no provisions for Medical Marijuana Provisioning Centers at this time.

### **19.31 Location of Medical Marijuana Safety Compliance Facilities, Medical Marijuana Processor Facilities, Medical Marijuana Grower Facilities, and Medical Marijuana Secure Transporters**

- (A) No Medical Marijuana Safety Compliance Facility, Medical Marijuana Processor Facility, Medical Marijuana Grower Facility, or Medical Marijuana Secure Transporter shall be located within:
1. One thousand two hundred (1,200) feet, measured from the property line of the Medical Marijuana Facility to the property line of an operational school; 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.; parks; or

2. Five hundred (500) feet, measured from the property line of the Medical Marihuana Facility to the property line of a facility at which substance abuse prevention services or substance abuse treatment and rehabilitation services, as those terms are defined in part 61 of PA 368 of 1978, MCL 333.6101 et seq., are offered; or a church or other structure in which religious services are conducted; or another Medical Marihuana Facility.

- (B) All Medical Marihuana Safety Compliance Facilities, Medical Marihuana Processor Facilities, Medical Marihuana Grower Facilities and Medical Marihuana Secure Transporter Facilities shall be subject to subsection (A) and shall be limited shall be limited 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.

### 19.32 Zoning Board of Appeals

The distance requirements under this chapter shall be reviewable by the Board of Zoning Appeals following the criteria provided in section 98-83.

**SECTION TWO: SEVERABILITY.** If a Court of competent jurisdiction declares any provision of this Ordinance, or statutory provision referred to or adopted by reference herein to be unenforceable in whole or in part, such declaration shall only effect the provision held to be unenforceable and should not affect any other part or provision.

**SECTION THREE: REPEAL.** All ordinances or parts of ordinances in conflict or inconsistent with the provisions of this Ordinance are hereby repealed.

**SECTION FOUR: EFFECTIVE DATE.** This Ordinance shall take effect upon its adoption and publication as provided by law.

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 \_\_\_\_ day of \_\_\_\_\_, 2018.

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Chelsea Cox  
City Clerk

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Jennifer Shuster  
City Mayor