

**AMENDMENT TO PERMIT MARIHUANA ESTABLISHMENTS PURSUANT TO
THE MICHIGAN REGULATION AND TAXATION OF MARIHUANA ACT**

ORDINANCE # 22-02

THE CITY OF PINCONNING, COUNTY OF BAY, HEREBY ORDAINS:

PURPOSE:

An amendment to opt- in on implementing a system for regulation of Adult Use Marihuana Establishments that sell and manufacture Adult Use Marihuana as permitted by the Michigan Regulation and Taxation of Marihuana Act. The City of Pinconning wants to adopt reasonable restrictions to protect public health, safety and general welfare of the community at large; to retain the character of the neighborhoods; and to mitigate potential impacts on surrounding properties and persons.

SECTION 1. PERMITTED ESTABLISHMENTS:

1. The following number and types of marihuana establishments may be authorized to operate within the City of Pinconning by the holder of a state operating license, subject to compliance with the Michigan Regulation and Taxation of Marihuana Act, as may be amended, the Rules promulgated thereunder, and this ordinance:

A. Not more than a total of two (2) marihuana retailers may be authorized in the City.

B. Not more than two (2) marihuana safety compliance facilities shall be authorized in the City.

C. Not more than one (1) marihuana secure transporter shall be authorized in the City.

2. All properties must be in a commercial or industrial zone only.

3. From time to time after the adoption of this ordinance, the City Council shall review the maximum number of each type of marihuana establishments allowed and determine whether this maximum number should be changed. The review and its findings shall be recorded in the minutes of the relevant meeting of the Council. By signing this application, council may change rules and regulations at any time based upon new regulations and policies.

SECTION 2. APPLICATION REQUIREMENTS:

1. Applications for a Marihuana Establishment Permit under this ordinance shall be subject to the following:

A. The name, address, phone number and e-mail address of the proposed permit holder.

B. Names, home addresses and personal phone numbers for all owners, directors, officers and managers of the permit holder and the facility.

C. A licensee shall always maintain full force and effect for duration of the license, worker's compensation insurance as required by state law, general liability insurance with minimum limits of \$1,000,000 per occurrence and a \$2,000,000 aggregate limit issued from a company licensed to do business in Michigan. A licensee shall provide evidence to the City Clerk of the ability to obtain a certificate of insurance for a valid and effective policy which discloses the limits of each policy, the name of the proposed insurer, the effective date and expiration date of each policy, the policy number and the names of the additional insured.

D. At the time of the application, each applicant shall pay non-refundable permit fees of \$5,000 and a yearly inspection fee of \$4,000. The renewal permit fees are \$5,000. These costs help defray administrative and enforcement costs associated therewith.

E. Application and fees for a sign permit based upon zoning ordinance.

F. No permit issued under this ordinance may be assigned or transferred to any other person and is non-transferable to any other location except for the permitted premises.

G. A completed renewal permit application must be received to the City Clerk no later than March 31 of each year in order to renew the permit effective on June 1 of that year.

H. All documents showing proposed permit holder's valid tenancy, ownership or other legal interest in the permitted premises

I. The requirements set forth in this Ordinance shall be in addition to and not lieu of any other licensing requirements imposed by applicable federal, state or local laws, regulations, codes or ordinances.

J. A signed release authorizing the City of Pinconning Police Department to perform a criminal background check on the applicant and each employee.

2. A Marihuana Establishment Permit application must be made on the form provided by the City of Pinconning in order to determine whether the applicant meets the requirements of this and other ordinances. Prior to the application from the City, the applicant must first obtain approval from the State. Permits shall be valid for one (1) year following the date of issuance.

3. On and after June 1, 2022, the City shall accept applications for permits to operate a marihuana establishment within the City. Applications shall be made on a City form and must be submitted to the City Clerk and/or another designee of the City. For this application to be eligible for review under this ordinance, the applicant must submit with the application proof that the applicant has from the state a state operating license. Once the Clerk receives a complete application including the initial annual marihuana establishment fee and inspection fee, proof of a state operating license, the application shall be time and date stamped. If at the time of application, a permit is available for the type of marihuana established referenced in the application, then the completed application shall be considered for authorization as provided in this ordinance. Upon the consideration and approval of the application by the City Council as provided in this ordinance, the applicant shall receive a permit to operate such which makes it lawful to distribute or dispense marihuana. Nothing in this ordinance is intended to grant immunity from any criminal prosecution under federal law.

4. Every licensed marihuana establishment shall allow municipal officials and Police Officers to enter the premises at reasonable times for the purpose of checking compliance with all applicable State laws and this Ordinance.

5. By accepting a permit issued pursuant to this Ordinance, the licensee agrees to indemnify, defend and hold harmless the City of Pinconning, its officers, elected officials, employees, attorneys, agents, and insurers against all liability, claims, and demands on account of any injury, loss or damage, including without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever arising out of or in any manner connected with the operation of the licensed marihuana establishment.

SECTION 3. ESTABLISHMENT REQUIREMENTS:

1. No person shall operate a marihuana establishment in the City of Pinconning without a valid marihuana permit issued by the City pursuant to the provisions of this ordinance.

2. No marihuana facility shall be located within one thousand (1,000) feet from any educational institution or school, church, house of worship, public or private park with the minimum distance between uses measured horizontally between the nearest property lines.

3. No pictures, photographs, drawings or other depictions of marihuana or marihuana paraphernalia shall appear on the outside of the any permitted premises nor be visible outside of the permitted premises. The words marihuana, cannabis or any other words used or intended to convey the presence or availability of marihuana shall not appear on the outside or be visible from the outside of the permitted premises.

4. All marihuana in whatever form stored at the permitted premises shall be kept in a secure manner and shall not be visible from the outside of the permitted premises, nor shall it be processed, exchanged, displayed or dispensed outside of the permitted premises.

5. All necessary building, electrical, plumbing, sign and mechanical permits must be obtained for the permitted premises.

6. The owner/operator shall use lawful methods in controlling waste or by products from any activities allowed under the permit and as required by State statute.

7. The facility's design shall minimize any impact to adjacent uses, including the control of any odor by maintaining and operating an air filtration system so that no odor is detectable outside the permitted premises. If this procedure is not followed possible termination of the city's license may result.

8. Prior to opening an authorized marihuana establishment within the City pursuant to a state operating license, the establishment must comply with all city zoning ordinance regulations.

9. An authorized marihuana establishment shall only be operated within the city by the holder of a state operating license issued pursuant to the Michigan Regulation and Taxation of Marihuana Act, as may be amended, and the rules promulgated thereunder. The facility shall only be operated if the state operating license is in effect.

10. The original 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.

11. There shall be posted in a conspicuous location inside each adult use and medical marihuana establishment at least one legible sign containing the following information; "Adult use of or on-site consumption of marihuana is illegal; The use of marihuana or marihuana products may impair a person's ability to drive a car or operate machinery; No one under the age of twenty-one (21) is allowed and loitering is prohibited.

12. Vending machines may not be used for sales.

SECTION 4. OPERATIONAL REQUIREMENTS:

1. Operation hours can be from 8:00am-8:00pm.

2. The marihuana offered for sale and distribution must be packaged and labeled in accordance with state law. The facility is prohibited from selling, soliciting or receiving orders over the internet.

3. The sale, consumption or use of alcohol or tobacco products on the permitted premises is prohibited. Smoking or consumption of controlled substances, including marihuana, on the permitted premises are prohibited.

4. Security Measures must be followed per state law requirements which are:

A. Security surveillance cameras installed and operated and professionally monitored twenty-four (24) hours a day, seven (7) days a week with ten (10) day video storage to monitor all entrances, along with the interior and exterior premises, to discourage and facilitate the reporting of criminal acts and nuisance activities occurring at the premises. Additionally, a copy of security measures is needed for review by City Council and the Pinconning Police Department.

B. Deadbolt locks on all exterior doors and any other exterior access point except windows which shall have locks. Window combination video and motion detector intrusion system with audible alarm is also acceptable.

C. A locking safe for all cash, cash equivalents, and marihuana stored in the facility overnight.

D. Currently, the city does not have 24-hour police coverage so in an emergency after hours, immediately call 911 if necessary.

SECTION 5. ENFORCEMENTS:

1. In addition to any other penalties or legal consequences provided under applicable federal, state and local laws, regulations violations of the provision 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 no more than \$500.00 or imprisoned for not more than 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. In addition to the civil penalty, the City of Pinconning is entitled to injunctive relief and if successful in prosecution, the City of Pinconning shall be rewarded its reasonable attorney fees.

3. Actions for violations of this Ordinance may be initiated by the Police Department and or City Manager.

4. If at any time a licensed marihuana establishment violates this Ordinance, City Council may request the State revoke or refrain from renewing the establishment's state operating license. Once this license is revoked or fails to be renewed, the Clerk shall cancel the city license.

This Ordinance adopted May 16, 2022, repeals any previous ordinances and will become effective upon publication.