

LEONI TOWNSHIP ORDINANCE NO. 2020- 4

“MEDICAL MARIHUANA FACILITIES PERMITTING AND REGULATIONS”

AN ORDINANCE OF LEONI TOWNSHIP, JACKSON COUNTY, MICHIGAN, TO AMEND ORDINANCE 2017-3, TO ESTABLISH LAND USE AND ZONING REQUIREMENTS; TO PROTECT THE PUBLIC HEALTH, SAFETY, AND WELFARE OF LEONI TOWNSHIP; TO SET PERMITTING 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.

LEONI TOWNSHIP ORDAINS:

SECTION ONE:

- Section 1 Legislative Intent.
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- Section 6 Permits Generally.
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SECTION 1. LEGISLATIVE INTENT.

The purpose of this Chapter is to exercise the police regulatory and land use powers of Leoni Township by permitting and regulating Provisioning Centers, Grower Facilities, Safety Compliance Facilities, Processor Facilities and Secure Transporter 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 Leoni Township; and as such, this Chapter constitutes a public purpose.

The Township 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, policing, 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 the Medical Marihuana Facilities Licensing Act.

SECTION 2. DEFINITIONS, INTERPRETATION AND CONFLICTS.

For the purposes of this Chapter:

- (A) Any term defined by the Michigan Medical Marihuana Act, 2008 IL 1, MCL 333.26421 et seq., as amended (“MMMA”) or the Medical Marihuana Facilities Licensing Act, 2016 PA 281, shall have the definition given in the MMMA, as amended, or the Medical Marihuana Facilities Licensing Act, as amended. If the definition of a word or phrase set forth in this Chapter conflicts with the definition in the MMMA or the Medical Marihuana Facilities Licensing Act, or if a term is not defined but is defined in the MMMA or the Medical Marihuana Facilities Licensing Act, then the definition in the MMMA or the Medical Marihuana Facilities Licensing Act 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 or the Medical Marihuana Facilities Licensing Act. The MMMA and the Medical Marihuana Facilities Licensing Act supersede this Ordinance where there is a conflict between them.
- (D) All activities related to Marihuana, including those related to a Provisioning Center, a Grower Facility, Secure Transporter, Processor Facility or a Safety Compliance Facility, shall be in compliance with the rules and regulations of Leoni Township.
- (E) Any use which purports to have engaged in the cultivation or processing of Marihuana into a usable form, or the distribution of Marihuana, or the testing of

Marihuana either prior to or after enactment of this Chapter but without obtaining the required permit set forth in this Chapter, shall be deemed to not be a legally established use and therefore not entitled to legal nonconforming status under the provisions of this Chapter.

(F) The following terms shall have the definitions given:

“Chapter” means this Chapter.

“Township” means Leoni Township, Michigan.

“Board” or “Board of Trustees” means the Board of Trustees of Leoni Township, Michigan.

“Compliance Unit” means any Blackman-Leoni Public Safety Officer assigned to enforce this Ordinance or their designee.

“Enclosed Locked Facility” means a closet, room, or other comparable, stationary, and fully enclosure, equipped with secured locks or other functioning security devices. Marihuana Plants grown outdoors are considered to be in an Enclosed Locked Facility if they are not visible to the unaided eye from an adjacent property when viewed by an individual at ground level or from a permanent structure and are grown within a stationary structure that is enclosed on all sides, except for the base, by chain-link fencing, wooden slats, or similar material that prevents access by the general public and that is anchored, attached, or affixed to the ground and as defined in the MMMA.

“Grower” or “Grower Facility” means a commercial entity that cultivated, dries, trims or cures and packages Marihuana for sale to a Processor or Provisioning Center.

“Permit Application” refers to the requirements and procedures set forth in Sections 4 and 5.

“Marihuana Plant(s)” means any plant of the species Cannabis Sativa L.

“Marihuana” means that term as defined in section 7106 of the Public Health Code, 1978 PA 368, MCL 333.7106.

“Medical Marihuana Facility(ies)” means any facility, establishment and/or center that is required to obtain a permit under this Chapter, including a Provisioning Center, Grower, Processor, Safety Compliance Facility, and Secure Transporter.

“Ordinance” means the Ordinance adopting this Chapter.

“Person” means an individual, corporation, limited liability Company, partnership, limited partnership, limited liability partnership, limited liability limited partnership, trust, or other legal entity.

“Processor” or “Processor Facility” means a commercial entity that purchases Marihuana from a Grower and that extracts resin from the Marihuana or creates a Marihuana-infused product for sale and transfer in packaged form to a Provisioning Center.

“Provisioning Center” means a commercial entity that purchases Marihuana from a Grower or Processor and sells, supplies, or provides Marihuana to registered qualifying patients, directly or through the patients’ registered primary caregivers. Provisioning Center includes any commercial property where Marihuana is sold at retail to registered qualifying patients or registered primary caregivers. A noncommercial location used by a primary caregiver to assist a qualifying patient connected to the caregiver through the department’s Marihuana registration process in accordance with the MMMA is not a Provisioning Center for the purposes of this Ordinance.

“Restricted/Limited Access Area” means a building, room or other area under the control of the permittee with access governed by the MMMA or other applicable state law.

“Safety Compliance Facility” means a commercial entity that receives Marihuana from a Medical Marihuana Facility or registered primary caregiver, tests it for contaminants and for tetrahydrocannabinol and other cannabinoids, returns the test results, and may return the Marihuana to the Medical Marihuana Facility.

“Secure Transporter” means a commercial entity that stores Marihuana and transports Marihuana between Medical Marihuana Facilities for a fee.

“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.

“State” means the State of Michigan.

- (G) Any term defined by the MMMA or the Medical Marihuana Facilities Licensing Act and not defined in this Chapter shall have the definition given in the MMMA or the Medical Marihuana Facilities Licensing Act.

SECTION 3. PERMIT ALLOCATION AND ANNUAL FEES.

- (A) No Person shall operate a Provisioning Center, Grower Facility, Processor Facility or Safety Compliance Facility in Leoni Township without first obtaining a permit to do so from the Township Compliance Unit and a license from the State of Michigan. The Township Compliance Unit, after approval from the Board of Trustees. The number of Provisioning Centers shall be limited to no more than six (6) permits. This Provisioning Center cap shall include authorization to operate previously issued via license and authorization to operate under a permit. Any Provisioning Center previously authorized to operate by the Township in excess of the six (6) provisioning center cap shall remain valid and any reduction of previously issued licenses (now permits) shall be by attrition. There shall be no cap or Limit on permits for a Medical Marihuana Facility excluding the permits for Provisioning Centers. The term of each permit shall be one (1) year.
- (B) The non-refundable application fee for a Medical Marihuana Facility permit shall be established by the Township Board of Trustees by resolution.
- (C) Authorization to operate in Leoni Township granted in the form of a township issued license, prior to this amendatory ordinance, shall remain in effect until the expiration of the license. Subsequent to expiration of the licenses referenced in this subsection, authorization to operate in Leoni Township shall only be via township issued and approved permits.

SECTION 4. PERMIT APPLICATIONS SUBMISSION.

- (A) Application for each Medical Marihuana Facility permit required by this Chapter shall be made in writing to the Township Compliance Unit, and must be approved by the Board of Trustees, and approved by the State of Michigan, prior to commencing operation. Upon the expiration of an existing permit, a permit will be renewed by Leoni Township for one (1) year if: (1) there are no uncured administrative violations in the prior year; (2) the applicant has paid the annual licensing fee for the renewal period; (3) all Stakeholders are identical to those on the existing permit. Should any stakeholder changes have occurred since the issuance of the permit or since the last renewal, whichever is later, they must be fully disclosed to Leoni Township and permit renewal shall be subject to the same level of review and approval by Leoni Township as if the permit renewal were a new application; and (4) the applicant has paid and received the renewal of its state license.
- (B) An application for a Medical Marihuana Facility permit required by this Chapter shall contain the following:

1. The appropriate non-refundable application fee and the refundable permit fee in the amount per Section 3. (B);
2. If the applicant is an individual, the applicant's name, date of birth, physical address, copy of government issued photo identification, email address, and one or more phone numbers, including emergency contact information;
3. If the applicant is not an individual, the names, dates of birth, physical addresses, copy of government issued photo identification, email addresses, and one or more phone numbers of each Stakeholder/shareholder/member of the applicant, including designation of the highest ranking Stakeholder/shareholder/member as an emergency contact person and contact information for the emergency contact person, articles of incorporation, assumed name registration documents, Internal Revenue Service SS-4 EIN confirmation letter, and a copy of the operating agreement of the applicant, if a limited liability company, a copy of the partnership agreement, if a partnership, or a copy of the by-laws or shareholder agreement, if a corporation or;
4. The name and address of the proposed Medical Marihuana Facility and any additional contact information deemed necessary by the Township Compliance Unit;
5. For the applicant, for each Stakeholder of the applicant, an affirmation under oath as to whether they are at least eighteen (18) years of age and have never been indicted for, charged with, arrested for, or convicted of, pled guilty or nolo contendere to, forfeited bail concerning, or had expunged any criminal offense under the laws of any jurisdiction, either felony or controlled substance related misdemeanor not including traffic violations, regardless of whether the offense has been expunged, pardoned, reversed on appeal or otherwise, including the date, name and location of the court, arresting agency, and prosecuting agency, the case caption, the docket number, the offense, the disposition, and the location and length of incarceration;
6. Before hiring a prospective agent or employee of the applicant, the holder of a permit shall conduct a background check of the prospective employee. If the background check indicated a pending charge or conviction within the past ten (10) years for a controlled substance related felony, the applicant shall not hire the prospective employee or agent without written permission from the Township Compliance Unit. The applicant shall be responsible for conducting periodic background checks of its employees and reporting convictions to the Township Compliance Unit;

7. A signed release authorizing the Blackman-Leoni Township Public Safety Department or its designee to perform a criminal background check to ascertain whether the applicant, each Stakeholder of the applicant, each managerial employee and employee of the applicant meet the criteria set forth in this Ordinance;
8. The name, date of birth, physical address, copy of photo identification, and email address for any managerial employee or employee of the Medical Marihuana Facility, if other than applicant;
9. An affirmation under oath as to whether the applicant has ever applied for or has been granted any commercial license and/or permit 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;
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 permitting under this Chapter along with a copy of the lease for the premises;
11. Proof of an adequate premise liability and casualty insurance policy in the amount not less than one hundred thousand (\$100,000.00) dollars, covering the Medical Marihuana Facility and naming the Township as an additional insured party, available for the payment of any damages arising out of an act or omission of the applicant or its stakeholders, agents, employees or subcontractors;
12. 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;
13. 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;

14. An affidavit that neither the applicant nor any Stakeholder of the applicant is in default to the Township. 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 Township;
15. An affidavit that the transfer of Marihuana to and from Medical Marihuana Facilities shall be in compliance with the MMMA and the Medical Marihuana Facilities Licensing Act or other applicable state laws:
16. A staffing plan;
17. Any proposed text or graphical materials to be shown on the exterior of the proposed Medical Marihuana Facility;
18. A patient education plan;
19. A business plan;
20. A location area map of the Medical Marihuana Facility and surrounding area that identifies the relative locations and the distances.
 - a. Separation Distance Measurement as required in Sections 11 and 12
 1. Measurements will be conducted from the designated main/public entrance door perpendicular to the road that the facility is addressed on. From this perpendicular point along the centerline of the road(s) a distance will be measured to the perpendicular point of the facility. The centerline measurement will be conducted utilizing the shortest centerline route to the facility. From the facility perpendicular point, a measurement will be obtained from the road that the facility is addressed on to the designated main/public entrance. All distances will be added together to determine the required door to door separation distance.
 2. In the event the designated main/public entrance of the facility does not front the facilities addressed road, that entrance will be subjected to the perpendicular point requirement/parallel distance alongside of a facility to obtain the shortest perpendicular measurement to the facilities addressed road.
 3. Emergency egress doors are not subject to the measurement requirements and must meet all local and State requirements for emergency egress.

21. 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;

22. (1) An applicant shall disclose the sources and total amount of capitalization to operate and maintain a proposed marihuana facility.

(2) The total amounts of capitalization based on the type of marihuana facility are as follows:

(a) Grower: Class A - \$150,000.00.

(b) Grower: Class B - \$300,000.00.

(c) Grower: Class C - \$500,000.00.

(d) Processor: \$300,000.00.

(e) Provisioning Center: \$300,000.00.

(f) Secure Transporter: \$200,000.00.

(g) Safety Compliance Facility: \$200,000.00.

(3) An applicant shall provide proof to the Township Compliance Unit of the capitalization amounts in sub-rule (2) of this rule from sources as follows:

(a) Not less than 25% is in liquid assets to cover the initial expenses of operating and maintaining the proposed marihuana facility as specified in the application. For purposes of this subdivision liquid assets include assets easily convertible to cash, including, but not limited to, cash, CDs, 401(k), stocks and bonds, and marihuana inventory that meet the all the following conditions:

(i) The marihuana inventory is possessed by an applicant who is a registered qualifying patient or registered primary caregiver or by an applicant who applies for a state operating license and possesses marihuana inventory in compliance with the Michigan medical marihuana act.

(ii) No more than 15 ounces of usable marihuana or 72 marihuana plants may be utilized as marihuana inventory in this subdivision or utilized towards the capitalization requirement under this sub-rule.

(b) Proof of the remaining capitalization to cover the initial expenses of operating and maintaining the proposed marihuana facility may include but is not limited to additional liquid assets as described in subdivision (a) of this sub-rule or equity in real property, supplies, equipment, fixtures or any other nonliquid asset.

(4) The applicant shall provide proof that there is no lien or encumbrance on the asset provided as a source of capitalization.

(5) The capitalization amounts and sources must be validated by CPA-attested financial statements. The applicant shall disclose any of the capitalization sources that are foreign and a foreign CPA or its equivalent shall attest to the validation and a domestic CPA shall attest that foreign validation.

23. As it related to a Grower Facility, the following additional items shall be requested:

- i. A Grower Plan that includes at a minimum a description of the Grower methods to be used, including plans for the growing mediums, treatments and/or additives;
 - ii. A production testing plan that includes at a minimum a description of how and when samples for laboratory testing by a state approved Safety Compliance Facility will be selected, what type of testing will be required, and how the test results will be used;
 - iii. An affidavit that all operations will be conducted in conformance with the MMMA, the Medical Marihuana Facilities Licensing Act or other applicable state laws and total Marihuana plants on the premises at any one time shall not be more than the permitted number of Marihuana Plants per the Michigan Medical Marihuana Act, as amended, and the Medical Marihuana Facilities Licensing Act;
 - iv. A chemical and pesticide storage plan that states the names of pesticides to be used in Growers and where and how pesticides and chemicals will be stored in the facility, along with a plan for the disposal of unused pesticides;
 - v. All Grow operations must be performed within an Indoor Enclosed Locked Facility which must be indoors or in an enclosed, secured greenhouse.
- (C) Upon receipt of a completed Medical Marihuana Facility application meeting the requirements of this Chapter and confirmation that the number of existing licenses does not exceed the maximum number established by resolution pursuant to Section 3. (A), the Township MM Administrative/Compliance Officer shall refer a copy of the application to each of the following for their review and approval: the Township Attorney or his designee, the Blackman/Leoni Public Safety Department or their designee, the Building Safety Office or similar Township department, the Zoning Administrator or similar Township official, and the Township Treasurer or their designee. Once applications are verified by each

department to be sufficiently complete and comprehensive, and no sooner, the Township MM Administrative/Compliance Officer shall forward the applications to the Board of Trustees.

(D) No application shall be approved unless:

1. The Fire Department or designee and the Building Safety Office or similar Township department, have inspected the plans of the proposed location for compliance with all laws for which they are charged with enforcement;
2. The applicant, each Stakeholder of the applicant, and the managerial employees, have passed a criminal background check conducted by the Blackman/Leoni Public Safety Department or its designee. Employees of the applicant must have also passed a background check conducted by the applicant, with applicant providing copies of said background check to the Township as part of its application;
3. The Zoning Administrator, or similar Township official, has confirmed that the proposed location complies with the Zoning Code;
4. The Township Treasurer or their designee has confirmed that the applicant and each Stakeholder of the applicant are not in default to the Township;
5. The Township Attorney or his designee has completed a detailed review of the Medical Marihuana Facility application for compliance with the applicable state laws and Township Ordinances.

(E) If written approval is given by each individual or department identified in Subsection (a)-(e), the Township MM Administrative/Compliance Officer shall submit the application to the Board of Trustees for the issuing of a permit to the applicant. All permits issued by the Township are contingent upon the State of Michigan issuing a license for the operation of the facility under state law.

(F) Permittees shall report any other change in the information required by Subsection (b) to the Township MM Administrative/Compliance Officer within ten (10) days of the change. Fees shall be set by Board Resolution for any Stakeholder added after the original Application is filed.

SECTION 5. PERMIT APPLICATIONS EVALUATION.

(A) The Township Compliance Unit shall review all applications.

- (B) Prior to approval of any permits, following the recommendation(s) of the Township Compliance Unit, the Board of Trustees shall assess each application in each of the following categories:
1. The applicant's experience in operating other similarly licensed and/or permitted businesses.
 2. The applicant's general business management experience.
 3. The applicant's general business reputation.
 4. The financial ability of the applicant to purchase and maintain adequate liability and casualty insurance.
 5. The sources and total amount of the applicant's capitalization to operate and maintain the proposed Medical Marihuana Facility.
 6. Whether the applicant has been indicted for, charged with, arrested for, or convicted of, pled guilty or nolo contendere to, forfeited bail concerning, or had expunged any relevant criminal offense under the laws of any jurisdiction, either felony or misdemeanor, not including traffic violation, regardless of whether the offense has been expunged, pardoned, or reversed as appealed or otherwise.
 7. Past convictions of the applicant involving any of the following, but limited to:
 - i. gambling;
 - ii. prostitution;
 - iii. weapons;
 - iv. violence;
 - v. tax evasion;
 - vi. fraudulent activity; and
 - vii. serious moral turpitude.
 - viii. Felony Drug Convictions
 8. A felony or misdemeanor of such a nature that it may impair the ability of the applicant to operate a facility under this ordinance in a safe and competent manner;
 9. Whether the applicant has filed, or had filed against it, a proceeding for bankruptcy within the past seven (7) years;

10. Whether the applicant has been served with a complaint or other notice filed with any public body regarding payment of any tax required under federal, state or local law that has been delinquent for one (1) or more years;
 11. Whether the applicant has a history of noncompliance with any regulatory requirements in this State or any other jurisdiction;
 12. As it related to operation of a Provisioning Center, the applicant's type of service and product that will be offered and the overall theme and atmosphere of the proposed Provisioning Center.
- (C) The Board of Trustees shall assess each application with aforementioned categories Section 5. (B)(1) through (13) and issue a permit to the applicant most qualified and meets the most categories in this section.
- (1) On and after November 1, 2017, the Township shall accept applications for authorization to operate a medical marihuana facility within the Township. Application shall be made on a Township form and must be submitted to the Township Compliance Unit and/or other designee of the Township Board (hereinafter referred to as "Compliance Unit"). Once the Compliance Unit receives a complete application including the initial annual medical marihuana facility fee, the application shall be time and date stamped. Complete applications shall be considered for authorization in consecutive time and date stamped order. Upon consideration, if the facility type authorization is available within the number specified above, then the applicant shall receive conditional authorization to operate such medical marihuana facility within the Township. Once the limit on the number of an authorized facility is conditionally reached, then any additional complete applications shall be held in consecutive time and date stamped order for future conditional authorization. Any applicant waiting for future conditional authorization may withdraw their submission by written notice to the MM Administrative/Compliance Officer at any time.
 - (2) Within thirty days from conditional authorization from the Township or from December 15, 2017, whichever is later, the conditionally authorized applicant must submit proof to the Township Compliance Unit that the applicant has applied for prequalification from the state for a state operating license or has submitted full application for such license. If the applicant fails to submit such proof, then such conditional authorization shall be canceled by the Township Compliance Unit and the conditional authorization shall be available to the next applicant in consecutive time and date stamped order as provided for in Section III (1) herein.

- (3) If a conditionally authorized applicant is denied prequalification for a state operating license or is denied on full application for a state operating license, then such conditional authorization will be canceled by the Township Compliance Unit and the conditional authorization shall be available to the next applicant in consecutive time and date stamped order as provided for in Section III (1) herein.
- (4) A conditionally authorized applicant shall receive full authorization from the Township to operate the medical marihuana facility within the Township upon the applicant providing to the Township Compliance Unit proof that the applicant has received a state operating license for the medical marihuana facility in the Township and the applicant has met all other requirements of this ordinance for operation including but not limited to any zoning approval for the location of the facility within the Township.
- (5) If a conditionally authorized applicant fails to obtain full authorization from the Township within one year from the date of conditional authorization, then such conditional authorization shall be canceled by the Township Compliance Unit and the conditional authorization shall be available to the next applicant in consecutive time and date stamped order as provided for in Section III (1) herein. The Township Board shall have authority to extend the deadline to obtain full authorization for up to an additional six months on written request of the applicant, within thirty days prior to cancellation, upon the reasonable discretion of the Township Board finding good cause for the extension.

SECTION 6. PERMITS GENERALLY.

- (A) To the extent permissible, all information submitted in conjunction with an application for a permit or permit 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. Furthermore, no personal information concerning the applicant shall be submitted to the Board of Trustees.
- (B) Licensees may transfer a permit issued under this Chapter to a different location upon receiving written approval from the Township Compliance Unit. In order to request approval to transfer a permit location, the permittee must make a written request to the Township Compliance Unit indicating the current permit location and the proposed permit location. Upon receiving the written request, the Township Compliance Unit shall refer a copy of the written request to each of the following for approval: the Public Safety Department or their designee, the Building Safety Office or similar Township department, Zoning Administrator, Township Supervisor, Township Treasurer or its designee, and the Board of Trustees. No permit transfer shall be approved unless each such individual or

department gives written approval that the permittee and the proposed permit location meet the standards identified in this Ordinance.

- (C) Permittees may transfer a permit issued under this Chapter to a different individual or entity upon receiving written approval by the Township Compliance Unit. In order to request approval to transfer a permit to a different individual or entity the permittee must make a written request to the Township Compliance Unit, indicating the current permittee and the proposed permittee. Upon receiving the written request, the Township Compliance Unit shall consider the request as a new application for a permit and the procedures set forth in this Ordinance shall be followed.
- (D) Permittees shall report any other change in the information required by this Chapter to the Township Compliance Unity within ten (10) business days of the change. Failure to do so may result in suspension or revocation of the permit.

SECTION 7. MINIMUM OPERATIONAL STANDARDS OF PROVISIONING CENTERS.

The following minimum standards for a Provisioning Center shall apply.

- (A) No Provisioning Center shall be open between the hours of 11:00 p.m. and 7:00 a.m.
- (B) Consumption of Marihuana shall be prohibited on the premises of a Provisioning Center and a sign shall be posted on the premises of each Provisioning Center indicating that consumption is prohibited on the premises.
- (C) Provisioning Centers shall continuously monitor the entire premises on which they are operated with surveillance systems that include security cameras. The video recordings shall be maintained in a secure, off-site location for a period of thirty (30) days.
- (D) Unless otherwise permitted by the MMMA and Medical Marihuana Facilities Licensing Act or applicable state law, public or common areas of the Provisioning Center must be separated from restricted or non-public areas of the provisioning center by a permanent barrier. Unless permitted by the MMMA and Medical Marihuana Facilities Licensing Act or applicable state law, no Marihuana is permitted to be stored, displayed or transferred in an area accessible to the general public.
- (E) All Marihuana storage areas within Provisioning Centers must be separated from any customer/patient areas by a permanent barrier. Unless permitted by the MMMA and Medical Marihuana Facilities Licensing Act or applicable state law, no

Marihuana is permitted to be stored in an area accessible by the general public or registered customers/patients. Marihuana may be displayed in a sales area only if permitted by the MMMA or the Medical Marihuana Facilities Licensing Act.

- (F) Any usable Marihuana remaining on the premises of a Provisioning Center while the Provisioning Center is not in operation shall be secured in a safe permanently affixed to the premises.
- (G) A drive-through window on the premises of a Provisioning Center shall not be permitted.
- (H) The Provisioning Center shall not allow the sale, consumption, or use of alcohol or tobacco products on the premises.
- (I) No Provisioning Center shall be operated in a manner creating noise, dust, vibration, glare, fumes or odors detectable to normal senses beyond the boundaries of the property on which the Provisioning Center is operated.
- (J) The permit required by this Chapter shall be prominently displayed on the premises of a Provision Center.
- (K) Disposal of Marihuana shall be accomplished in a manner that prevents its acquisition by any person who may not lawfully possess it.
- (L) All registered patients who enter a Provisioning Center for purposes of conducting business allowed under the MMFLA must present both their Michigan Medical Marihuana patient/caregiver identification card and government issued photo identification prior to entering restricted/limited areas or non-public areas of the Provisioning Center, and if no restricted/limited area is required, then promptly upon entering the Provisioning Center.
- (M) The premises shall be open at all times to any Blackman-Leoni Public Safety Department Officer or their designee without a warrant and without notice to the holder of the license, to enter the premises, offices, facilities, or other places of business of a licensee, if evidence of noncompliance with this Ordinance is likely to be found and consistent with constitutional limitations for the following purposes:
 - 1. To inspect and examine all premises of the Medical Marihuana Facility;
 - 2. To inspect, examine and audit relevant records of the permittee;

3. To inspect the person, and inspect or examine personal effects present in a Medical Marihuana Facility, of any holder of a permit issued under this Ordinance while that person is present in a Medical Marihuana Facility;
 4. To investigate alleged violations of this Ordinance.
- (N) It shall be prohibited to display any signs that are inconsistent with Township Ordinance.
- (O) It shall be prohibited to use advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors.
- (P) The Township discourages the use of the symbol or image of a Marihuana leaf or the word(s) marijuana/marihuana in any exterior building signage.
- (Q) No licensed Provisioning Center shall place or maintain, or cause to be placed or maintained, an advertisement of Marihuana in any form or through any medium within two thousand six hundred forty (2640) feet of the real property
- a. Separation Distance Measurement as required in Sections 11 and 12
 1. Measurements will be conducted from the designated main/public entrance door perpendicular to the road that the facility is addressed on. From this perpendicular point along the centerline of the road(s) a distance will be measured to the perpendicular point of the facility. The centerline measurement will be conducted utilizing the shortest centerline route to the facility. From the facility perpendicular point, a measurement will be obtained from the road that the facility is addressed on to the designated main/public entrance. All distances will be added together to determine the required door to door separation distance.
 2. In the event the designated main/public entrance of the facility does not front the facilities addressed road, that entrance will be subjected to the perpendicular point requirement/parallel distance alongside of a facility to obtain the shortest perpendicular measurement to the facilities addressed road.
 3. Emergency egress doors are not subject to the measurement requirements and must meet all local and State requirements for emergency egress.
- (R) Unless otherwise permitted by law, no Medical Marihuana Provisioning Center shall discharge any wastewater containing cannabinoids or any wastewater containing fertilizers, pesticides, or other hazardous chemicals, used in the operation of the Medical Marihuana Provisioning Center, to the Leoni Township

wastewater system. Each provisioning center shall be required to provide written documentation to the Township that the provisioning center is utilizing alternate means to dispose of said wastewater.

SECTION 8. MINIMUM OPERATIONAL STANDARDS OF GROWER FACILITY.

The following minimum standards for a Grower Facility shall apply:

- (A) The Grower Facility shall comply at all times and in all circumstances with Leoni Township Ordinances as they may be amended from time to time.
- (B) The premises shall be open for inspection upon probable cause that a violation of this Chapter has occurred during the stated hours of operation and at such other times as anyone is present on the premises.
- (C) Any Grower Facility shall maintain a log book and/or database indicating the number of Marihuana Plants.
- (D) All Marihuana shall be contained within an Indoor Enclosed Locked Facility.
- (E) All necessary building, electrical, plumbing and mechanical permits shall be obtained for any portion of the structure in which electrical wiring, lighting and/or watering devices that support the Grower, growing or harvesting of Marihuana are located.
- (F) That portion of the structure where the storage of any chemicals such as herbicides, pesticides, and fertilizers shall be subject to inspection and approval by the Blackman/Leoni Public Safety Department to ensure compliance with the Michigan Fire Protection Code.
- (G) The dispensing of Marihuana at the Grower Facility shall be prohibited.
- (H) All persons working in direct contact with Marihuana shall conform to hygienic practices while on duty, including but not limited to:
 - 1. Maintaining adequate personal cleanliness;
 - 2. 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;
 - 3. Refraining from having direct contact with Marihuana if the person has or may have an illness, open lesion, including boils, sores or infected wounds, or any

other abnormal source of microbial contamination, until the condition is corrected.

- (I) Litter and waste shall be properly removed and the operating systems for waste disposal are maintained in an adequate manner so that they do not constitute a source of contamination in areas where Marihuana is exposed.
- (J) Floors, walls and ceilings shall be constructed in such a manner that they may be adequately cleaned and kept clean and in good repair.
- (K) There shall be adequate screening or other protection against the entry of pests. Rubbish shall be disposed of so as to minimize the development of odor and minimize the potential for the waste development of odor and minimize the potential for waste becoming an attractant, harborage or breeding places for pests.
- (L) Any buildings, fixtures and other facilities shall be maintained in a sanitary condition.
- (M) Each Grower Facility shall provide its occupants with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair.
- (N) Marihuana that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms.
- (O) The Grower Facility shall be free from infestation by insects, rodents, birds, or vermin of any kind.
- (P) Exterior signage or advertising identifying the facility as a Grower Facility shall be prohibited.
- (Q) Odor Control - No person, tenant, occupant, or property owner shall permit the emission of marihuana odor from any source to result in detectable odors that leave the premises upon which they originated and interfere with the reasonable and comfortable use and enjoyment of another's property. Whether or not a marihuana odor emission interferes with the reasonable and comfortable use and enjoyment of a property shall be measured against the objective standards of a reasonable person of normal sensitivity. A grower or processor shall install and maintain in operable condition a system which precludes the emission of marihuana odor from the premises.

- a. A plan for ventilation of the medical marihuana facility that describes the ventilation systems that will be used to prevent any odor of medical marihuana off the premises of the business. For medical marihuana facilities that grow medical marihuana plants, such plan shall also include all ventilation systems used to control the environment for the plants and describe how such systems operate with the systems preventing any odor leaving the premises. For medical marihuana-infused products, such plan shall also include all ventilation systems used to mitigate noxious gases or other fumes used or created as part of the production process.
- b. Cultivated, produced, or distributed by a medical marihuana business. A medical marihuana business shall be ventilated so that the odor of marihuana cannot be detected by a person with a normal sense of smell at the exterior of the medical marihuana business or at any adjoining use or property.
- c. Sufficient measures and means of preventing smoke, odor, debris, dust, fluids and other substances from exiting a marihuana commercial entity must be provided at all times. In the event that any odors, debris, dust, fluids or other substances exit a marihuana commercial entity, the owner of the subject premises and the permittee shall be jointly and severally liable for such conditions and shall be responsible for immediate, full clean-up and correction of such condition. The permittee shall properly dispose of all such materials, items and other substances in a safe, sanitary and secure manner and in accordance with all applicable federal, state and local laws and regulations.

(R) Unless otherwise permitted by law, no Medical Marihuana Grower facility shall discharge any wastewater containing cannabinoids or any wastewater containing fertilizers, pesticides, or other hazardous chemicals, used in the operation of the Medical Marihuana Grower facility, to the Leoni Township wastewater system. Each provisioning center shall be required to provide written documentation to the Township that the grower facility is utilizing alternate means to dispose of said wastewater.

SECTION 9. MINIMUM OPERATIONAL STANDARDS OF SAFETY COMPLIANCE FACILITY.

The following minimum standards for the Safety Compliance Facility shall apply:

- (A) The Safety Compliance Facility shall comply at all times and in all circumstances with the Leoni Township Ordinances as they may be amended from time to time.
- (B) Consumption and/or use of Marihuana shall be prohibited at the facility.
- (C) The premises shall be open at all times to any Blackman-Leoni Public Safety Department Officer or their designee without a warrant and without notice to

the holder of the license, to enter the premises, offices, facilities, or other places of business of a licensee, if evidence of noncompliance with this Ordinance is likely to be found and consistent with constitutional limitations for the following purposes:

1. To inspect and examine all premises of the Medical Marihuana Facility;
 2. To inspect, examine and audit relevant records of the permittee;
 3. To inspect the person, and inspect or examine personal effects present in a Medical Marihuana Facility, of any holder of a permit issued under this Ordinance while that person is present in a Medical Marihuana Facility;
 4. To investigate alleged violations of this Ordinance.
- (D) Any Safety Compliance Facility shall maintain a log book and/or database reflecting transfers of marihuana product.
- (E) All Marihuana shall be contained within the building in an Enclosed Locked Facility.
- (F) There shall be no other accessory uses permitted within the same facility other than those associated with testing Marihuana.
- (G) All persons working in direct contact with Marihuana shall conform to hygienic practices while on duty.
- (H) Litter and waste shall be properly removed and the operating systems for waste disposal are maintained in an adequate manner so that they do not constitute a source of contamination in areas where Marihuana is exposed.
- (I) Floors, walls and ceilings shall be constructed in such a manner that they may be adequately cleaned and kept clean and in good repair.
- (J) Any buildings, fixtures and other facilities shall be maintained in a sanitary condition.
- (K) Marihuana that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms.
- (L) Exterior signage or advertising identifying the facility as a Safety Compliance Facility shall be prohibited.

- (M) Unless otherwise permitted by law, no Medical Marihuana Safety Compliance facility shall discharge any wastewater containing cannabinoids or any wastewater containing fertilizers, pesticides, or other hazardous chemicals, used in the operation of the Medical Marihuana Safety Compliance facility, to the Leoni Township wastewater system. Each safety compliance facility shall be required to provide written documentation to the Township that the provisioning center is utilizing alternate means to dispose of said wastewater.

SECTION 10. MINIMUM OPERATIONAL STANDARDS OF PROCESSOR FACILITY.

The following minimum standards for the Processor Facility shall apply:

- (A) The Processor Facility shall comply at all times and in all circumstances with the Leoni Township Ordinances, as they may be amended from time to time.
- (B) Consumption and/or use of Marihuana shall be prohibited at the Processor Facility.
- (C) All activity related to the Processor Facility shall be done indoors.
- (D) The premises shall be open at all times to any Blackman-Leoni Public Safety Department Officer or their designee without a warrant and without notice to the holder of the license, to enter the premises, offices, facilities, or other places of business of a licensee, if evidence of noncompliance with this Ordinance is likely to be found and consistent with constitutional limitations for the following purposes:
 - 1. To inspect and examine all premises of the Medical Marihuana Facility;
 - 2. To inspect, examine and audit relevant records of the permittee;
 - 3. To inspect the person, and inspect or examine personal effects present in a Medical Marihuana Facility, of any holder of a permit issued under this Ordinance while that person is present in a Medical Marihuana Facility;
 - 4. To investigate alleged violations of this Ordinance.
- (E) Any Processor Facility shall maintain a log book and/or database reflecting transfers of marihuana product.
- (F) All Marihuana shall be contained within an Enclosed Locked Facility.

- (G) 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 of Marihuana are located.
- (H) That portion of the structure where the storage of any chemicals shall be subject to inspection and approval by the Blackman/Leoni Public Safety Department or its designee to ensure compliance with the Michigan Fire Protection Code.
- (I) The dispensing of medical Marihuana at the Processor Facility shall be prohibited.
- (J) All persons working in direct contact with Marihuana shall conform to hygienic practices while on duty, including but not limited to:
 1. Maintaining adequate personal cleanliness;
 2. 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;
 3. Refraining from having direct contact with Marihuana if the person has or may have an illness, open lesion, including boils, sores or infected wounds, or any other abnormal source of microbial contamination, until the condition is corrected.
- (K) Litter and waste shall be properly removed and the operating systems for waste disposal are maintained in an adequate manner so that they do not constitute a source of contamination in areas where Marihuana is exposed.
- (L) Floors, walls and ceilings shall be constructed in such a manner that they may be adequately cleaned and kept clean and in good repair.
- (M) There shall be adequate screening or other protection against the entry of pests. Rubbish shall be disposed of so as to minimize the development of odor and minimize the potential for the waste development of odor and minimize the potential for waste becoming an attractant, harborage or breeding places for pests.
- (N) Any buildings, fixtures and other facilities shall be maintained in a sanitary condition.
- (O) Each Processor Facility shall provide its occupants with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair.

- (P) Marihuana that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms.
 - (Q) The Processor Facility shall be free from infestation by insects, rodents, birds, or vermin of any kind.
 - (R) The Processor Facility shall produce no products other than usable Marihuana intended for human consumption.
 - (S) Exterior signage or advertising identifying the facility as a Processor Facility shall be prohibited.
- (T) Odor Control - No person, tenant, occupant, or property owner shall permit the emission of marihuana odor from any source to result in detectable odors that leave the premises upon which they originated and interfere with the reasonable and comfortable use and enjoyment of another's property. Whether or not a marihuana odor emission interferes with the reasonable and comfortable use and enjoyment of a property shall be measured against the objective standards of a reasonable person of normal sensitivity. A grower or processor shall install and maintain in operable condition a system which precludes the emission of marihuana odor from the premises.
- a. A plan for ventilation of the medical marihuana facility that describes the ventilation systems that will be used to prevent any odor of medical marihuana off the premises of the business. For medical marihuana facilities that grow medical marihuana plants, such plan shall also include all ventilation systems used to control the environment for the plants and describe how such systems operate with the systems preventing any odor leaving the premises. For medical marihuana-infused products, such plan shall also include all ventilation systems used to mitigate noxious gases or other fumes used or created as part of the production process.
 - b. Cultivated, produced, or distributed by a medical marihuana business. A medical marihuana business shall be ventilated so that the odor of marihuana cannot be detected by a person with a normal sense of smell at the exterior of the medical marihuana business or at any adjoining use or property.
 - c. Sufficient measures and means of preventing smoke, odor, debris, dust, fluids and other substances from exiting a marihuana commercial entity must be provided at all times. In the event that any odors, debris, dust, fluids or other substances exit a marihuana commercial entity, the owner

of the subject premises and the permittee shall be jointly and severally liable for such conditions and shall be responsible for immediate, full clean-up and correction of such condition. The permittee shall properly dispose of all such materials, items and other substances in a safe, sanitary and secure manner and in accordance with all applicable federal, state and local laws and regulations.

- (U) Unless otherwise permitted by law, no Medical Marijuana Processor facility shall discharge any wastewater containing cannabinoids or any wastewater containing fertilizers, pesticides, or other hazardous chemicals, used in the operation of the Medical Marijuana Processor Facility, to the Leoni Township wastewater system. Each provisioning center shall be required to provide written documentation to the Township that the processor facility is utilizing alternate means to dispose of said wastewater.

SECTION 11. LOCATION OF GROWER FACILITY, SAFETY COMPLIANCE FACILITY, PROCESSOR FACILITY AND SECURE TRANSPORTER.

- (A) No Grower Facility, Safety Compliance Facility, Processor Facility or Secure Transporter shall be located within one thousand (1000) feet of real property comprising a Church or Religious Institution, public or private elementary, licensed child care facility, vocational or secondary school.
- (B) All Grower Facility shall be limited to the Industrial Zoning District, Safety Compliance Facility shall be limited to the Industrial, Business 4, and Business 5 Districts, Secure Transporter shall be limited to the Industrial, Business 4, and Business 5, and Processor Facility shall be subject to Section 11(A) and shall be limited to the Industrial Zoning Districts as identified in the Township Zoning Ordinance.
- (C) Separation Distance Measurement
 - i. Measurements will be conducted from the designated main/public entrance door perpendicular to the road that the facility is addressed on. From this perpendicular point along the centerline of the road(s) a distance will be measured to the perpendicular point of the facility. The centerline measurement will be conducted utilizing the shortest centerline route to the facility. From the facility perpendicular point, a measurement will be obtained from the road that the facility is addressed on to the designated main/public entrance. All distances will be added together to determine the required door to door separation distance.

- ii. In the event the designated main/public entrance of the facility does not front the facilities addressed road, that entrance will be subjected to the perpendicular point requirement/parallel distance alongside of a facility to obtain the shortest perpendicular measurement to the facilities addressed road.
- iii. Emergency egress doors are not subject to the measurement requirements and must meet all local and State requirements for emergency egress.

SECTION 12. LOCATION OF PROVISIONING CENTERS.

(A) No Provisioning Center shall be located within:

1. Two thousand six hundred and forty (2640) feet of real property comprising a public or private elementary, vocational or secondary school; or
2. One thousand (1000) feet of a church or religious institution defined as exempt by the Township Assessor or County Assessor's office or a licensed child care facility.

(B) Separation Distance Measurement

1. Measurements will be conducted from the designated main/public entrance door perpendicular to the road that the facility is addressed on. From this perpendicular point along the centerline of the road(s) a distance will be measured to the perpendicular point of the facility. The centerline measurement will be conducted utilizing the shortest centerline route to the facility. From the facility perpendicular point, a measurement will be obtained from the road that the facility is addressed on to the designated main/public entrance. All distances will be added together to determine the required door to door separation distance.
2. In the event the designated main/public entrance of the facility does not front the facilities addressed road, that entrance will be subjected to the perpendicular point requirement/parallel distance alongside of a facility to obtain the shortest perpendicular measurement to the facilities addressed road.
3. Emergency egress doors are not subject to the measurement requirements and must meet all local and State requirements for emergency egress.

- (C) All Provisioning Centers shall be subject to Section 12(A) and shall be limited to the Industrial, B-4 and B-5 Zoning District as identified in the Township Zoning Ordinance.

SECTION 13. DENIAL AND REVOCATION.

- (A) A permit issued under this Chapter may be revoked after an administrative hearing at which the Township Compliance Unit determines that any grounds for revocation under Subsection (2) exists. Notice of the time and place of the hearing and the grounds for revocation must be given to the holder of the permit at least five (5) days prior to the hearing, by first class mail to the address given on the Permit Application or any address provided pursuant to this Ordinance.
- (B) A permit applied for or issued under this Chapter may be denied or revoked on any of the following basis:
 - 1. Violation of this Chapter;
 - 2. Any conviction of or release from incarceration for a felony under the laws of this State, or any other State, or the United States, within the past five (5) years by the applicant or any Stakeholder of the applicant as measured from the date of the application or the date of becoming a Stakeholder, whichever occurs later, or having obtained a permit under this Chapter; or any conviction of a substance-related felony by the applicant or any Stakeholder of the applicant whenever or while issued a permit under this Chapter;
 - 3. Commission of fraud or misrepresentation or the making of a false statement by the applicant or any Stakeholder of the applicant while engaging in any activity for which this Chapter requires a permit;
 - 4. The Medical Marihuana Facility is determined by Leoni Township to have become a public nuisance;
 - 5. The Michigan Medical Marihuana Licensing Board has denied, revoked or suspended the applicant’s State License.

SECTION 14. PENALTIES AND DISCIPLINE.

- (A) Leoni Township may require an applicant or holder of a Medical Marihuana Facility permit 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, permit revocation, or other discipline.
- (B) Any Person in violation of any provision of this Chapter or any provision of a permit issued under this Chapter, is responsible for a municipal civil infraction, punishable by a fine of up to \$1,000.00 plus cost of prosecution, for each violation. This section is not intended to prevent enforcement of any provision of the state law by the Blackman/Leoni Public Safety Department or its designee.
- (C) All fines imposed under this Chapter shall be paid within forty-five (45) days after the effective date of the order imposing the fine or as otherwise specified in the order;
- (D) The Township Compliance Unit may temporarily suspend the Medical Marihuana Facility permit without a hearing, after consulting with the Township Attorney, if the Township Compliance Unit and Township Attorney find that public safety or welfare requires emergency action. The Township Compliance Unit may cause the temporary suspension, after consulting with the Township Attorney, of a permit issued under this Ordinance by issuing a Suspension Notice in connection with institution of proceedings for a hearing.
- (E) If the Township Compliance Unit temporarily suspends a permit without a hearing, the holder of the permit is entitled to a hearing before the Township board within thirty (30) days after the Suspension Notice was been issued, unless the Township and permittee have agreed in writing to hold the hearing at a later date. The hearing shall be limited to the issues cited in the Suspension Notice. In the event the permittee corrects the issues cited in the Suspension Notice, and the corrections are verified by the Township Compliance Unit or its designee, the hearing shall be cancelled.
- (F) If the Township Compliance Unit does not hold a hearing within ten (10) business days after the date of suspension was issued, then the suspended permit shall be automatically reinstated and the suspension vacated, unless the Township and permittee have agreed in writing to hold the hearing at a later date.

SECTION 15. MISCELLANEOUS PROVISIONS.

- (A) Should any part of this ordinance be determined to be unenforceable, the remainder of the ordinance shall remain in full force and effect.