

LEONI TOWNSHIP ORDINANCE NO. 2019-7

AMENDED DECEMBER 10, 2019

“ADULT USE MARIHUANA FACILITES LICENSING AND REGULATIONS”

AN ORDINANCE OF LEONI TOWNSHIP, JACKSON COUNTY, MICHIGAN, TO ESTABLISH LAND USE AND ZONING REQUIREMENTS; TO PROTECT THE PUBLIC HEALTH, SAFETY, AND WELFARE OF LEONI TOWNSHIP; TO SET LICENSING FEES FOR THE PRUPOSE OF DEFRAYING THE COSTS ASSOCIATED WITH THE IMPLEMENTATION AND ENFORCEMENT OF THE PROVISIONS OF THE CHAPTER AND TO PROVIDE PENATIES FOR VIOLATIONS OF THE CHAPTER.

LEONI TOWNSHIP ORDAINS:

(The purpose of the Chapter is to exercise the police regulatory and land use powers of Leoni Township by licensing and regulating Provisioning Centers, Grower Facilities, Safety Compliance Facilities, Processor Facilities, Micro businesses 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 Regulation and Taxation of Marihuana Act, Initiated Law 1 of 2018, MCL 333.27953)

41.01 DEFINITIONS

A. Words and phrases used herein shall have the definitions as provided for in Initiated Law 1 of 2018, MCL 333.27953 (hereafter, the “Act”) as the same may be amended from time to time, which words and phrases are incorporated herein by reference.

B. “Township Board of Trustees” shall mean the Leoni Township Board of Trustees.

C. “Township Clerk” shall mean the Leoni Township Clerk or his/her designee.

D. “LARA” shall mean the Michigan Department of Licensing and Regulatory Affairs.

E. “Person” shall mean an individual, corporation, limited liability company, partnership of any type, trust or other legal entity.

F. “Stakeholder” shall mean and shareholder of a corporation, partner in a partnership, member of a limited liability company or individual of a sole proprietorship.

G. “Zoning Ordinance” shall mean the Leoni Township Zoning Ordinance.

H. “Marihuana Retailer” shall have the same meaning as “Marihuana Provisioning Facility” and vice-versa.

I. Township Marihuana Compliance Unit shall mean Compliance Officer(s).

41.02. AUTHORIZATION OF MARIHUANA ESTABLISHMENTS AND FEE

A. The Township hereby authorizes, subject to the issuance of a municipal license by the Township Clerk, the following marihuana establishments within the boundaries of the Township, as are authorized pursuant to section 6.1 of the Act. The establishments authorized pursuant to this Chapter are relating to the Act and are not Marihuana Facilities that may be authorized pursuant to the Medical Marihuana Facilities Licensing Act, MCL 333.27101 et seq.

B. The authorized marihuana establishments pursuant to this Ordinance are:

Type of Establishment

1. Marihuana Grower, only in Light Industrial and Heavy Industrial zones
2. Marihuana Processor, only in Light Industrial and Heavy Industrial zones
3. Marihuana Microbusiness, only in Light Industrial and Heavy Industrial Zones
4. Marihuana Retailer, only in Light Industrial and Heavy Industrial Zones and Business (B4 and B5) zones
5. Marihuana Safety Compliance Establishment, only in Light Industrial and Heavy Industrial Zones and Business (B4 and B5) zones
6. Marihuana Secure Transporter, only in Light Industrial and Heavy Industrial Zones and Business (B4 and B5) zones
7. Designated Consumption Establishments are not permitted in the Township. If a court of competent jurisdiction holds that this prohibition is contrary to law, then Designated Consumption Establishments shall only be allowed in Heavy Industrial Zones and no Designated Consumption Establishment shall be within 5,280 feet of any other Designated Consumption Establishment.
8. The Township shall not issue a local license for Microbusinesses until June 1, 2020. Commencing on June 1, 2020 or at any time if a court of competent jurisdiction holds that this prohibition is contrary to law, Microbusinesses shall only be allowed in Light Industrial and Heavy Industrial Zones and no Microbusiness shall be within 1,000 feet of any other Microbusiness or within 528 feet of any Marihuana Retailer.

C. Notwithstanding any other provision of the ordinances of this Township, a lawful use of land that exists under this Chapter in an AG district that is no longer permissible under the provisions of this chapter or the Township Zoning Ordinance may be continued or expanded, so long as it remains otherwise lawful. For the purposes of this paragraph, a lawful use shall include any marihuana use that is licensed by the Township at the time of the enactment of this ordinance whether or not operations have commenced. Furthermore, any expansion of the use in an AG zone under this paragraph may only occur on real property parcels where the person(s) or entities licensed under this ordinance by the Township have fee simple ownership at the time of the

enactment of this ordinance. The continuation or expansion of the use in AG is transferable upon a lawful sale of the licensed operation to another person(s) or entity, upon application and approval by the Township, provided that all other provisions of law are adhered to.

D. Marihuana event licenses are not permitted in the Township.

E. A nonrefundable municipal license application fee shall be paid by each marihuana establishment applying to be licensed under this ordinance in the amount of five thousand (\$5,000.00) dollars. The municipal license fee is in addition to any other fees required, including, but not limited to, zoning fees.

F. Should the Township grant a marihuana establishment a municipal license, the municipal license shall be valid for a period of one (1) year from the date of issue. Prior to the expiration of the license each year, and as provided in this Ordinance, the licensee may apply for an extension/renewal of the municipal license for an additional one (1) year period at a nonrefundable fee of not more than five thousand (\$5,000.00) dollars, as set by resolution of the Township Board of Trustees to defray the administrative and enforcement costs of the Township associated with the operation of the licensed marihuana establishment.

41.03 REQUIREMENTS AND PROCEDURE FOR ISSUING MUNICIPAL LICENSE

A. No person shall operate a marihuana establishment in the Township without a valid municipal license issued by the Township pursuant to the provisions of this ordinance.

B. No person who is employed by the Township, an elected or appointed Township official, acts as a consultant for the Township or acts as an advisor to the Township, and is involved in the implementation, administration or enforcement of this Ordinance shall have an interest, directly or indirectly, in a Marihuana Establishment. Additionally, no person who is employed by the Township, an elected or appointed Township official, acts as a consultant for the Township or acts as an advisor to the Township may operate a marihuana establishment in the Township.

C. Every applicant for a municipal license to operate a marihuana establishment shall file an application with the Township Clerk, Marihuana Compliance Unit, or other designee. The application and related materials shall be completed on forms provided by the Township. Multiple affidavits may not be combined into a single document. The application shall include:

1. The appropriate nonrefundable municipal license application fee in the amount of five thousand (\$5,000.00) dollars;

2. If the applicant is an individual, the applicant's name; date of birth; Social Security number; physical address, including residential and any business address; copy of government-issued photo identification; email address; one or more phone numbers, including emergency contact information;

3. If the applicant is not an individual, the names; dates of birth; physical addresses, including residential and any business address; copy of government-issued photo identifications; email address; and one or more phone numbers of each Stakeholder of the applicant, including

designation of the highest ranking representative as an emergency contact person; contact information for the emergency contact person; articles of incorporation or organization; assumed name registration; Internal Revenue Service EIN confirmation letter; copy of the operating agreement of the applicant, if a limited liability company; copy of the partnership agreement, if a partnership; names and addresses of the beneficiaries, if a trust, or a copy of the bylaws or shareholder agreement, if a corporation;

4. The name and address of the proposed marihuana establishment;

5. A location area map of the marihuana establishment and surrounding area that identifies the relative locations and the distances to the closest real property comprising a public or private elementary, vocational or secondary school, licensed day care, assessed tax exempt place of worship or assessed tax exempt church. 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;

6. A signed acknowledgment that the applicant is aware and understands that all matters related to marihuana growing, cultivation, possession, testing, safety compliance and transporting, 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 there with; and further, the applicant waives and forever releases any claim, demand, action, legal redress, or recourse against the Township, its elected and appointed officials, and its employees and agents for any claims, damages, liabilities, causes of action, damages, or attorney fees that the applicant may incur as a result of the violation by the applicant, its Stakeholders and agents of those laws, rules, and regulations;

7. If applicant does not own the land the facility is to be located on then a copy of the lease showing that the applicant has permission for the use during the term of the annual license; and

8. For the applicant, for each partner/shareholder/member 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 felony or misdemeanor criminal offense under the laws of any jurisdiction, 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;

9. An affirmation under oath as to whether the applicant has ever applied for, or has been granted, any commercial license or certificate issued by a licensing authority in Michigan, or any other jurisdiction, that has been denied, restricted, suspended, revoked, or not renewed, and a

statement describing the facts and circumstances concerning the application, denial, restriction, suspension, revocation, or nonrenewal, including the licensing authority, the date each action was taken, and the reason for each action;

10. Proof of an adequate premise liability and casualty insurance policy in an amount not less than \$100,000.00, covering the Marihuana Establishment and naming Leoni 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. Proof of said insurance shall be provided not later than sixty (60) days after a state operating license is issued or renewed;

11. A copy of an ICHAT (Internet Criminal History Access Tool) criminal history report for the applicant, each partner/shareholder/member of the applicant, and employee of the applicant meeting the criteria set forth in this article;

- a. Said report may not be dated more than fourteen (14) days prior to the date of the application submission;
- b. If an applicant, stakeholder, managerial employee, or employee of the applicant is aware that they may have a felony criminal history in a jurisdiction outside of the State of Michigan, documentation reflecting that criminal history must be submitted as part of the application. Documentation shall be presented in the form of a criminal history report issued by a governmental agency or a copy of judgment of sentence or conviction from a court.

12. An affidavit that neither the applicant nor any partner/shareholder/member of the applicant is currently in default to the Township. Additionally, that the applicant or stakeholder of the applicant has not failed to timely pay any taxes, special assessments, fines, fees, or other financial obligations to the Township;

13. Whether the applicant or any partner/shareholder/member of the applicant has filed, or had filed against it, a proceeding for bankruptcy in the past seven (7) years;

14. A staffing plan for the marihuana establishment;

15. A business plan for the marihuana establishment;

16. A copy of any existing or proposed text or graphical materials to be shown on the exterior of the marihuana establishment.

17. Additional Application Requirements for a Marihuana Grower Establishment:

- a. 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;

- b. A production testing plan that includes at a minimum a description of how and when samples for laboratory testing by a state approved facility will be selected, what type of testing will be required, and how the test results will be used;
- c. An affidavit that all operation will be conducted in conformance with Initiated Law 1 of 2018, Michigan Regulation and Taxation of Marihuana Act, MCL 333.27951, et seq, and any applicable administrative rules adopted by the State of Michigan and that the total marihuana plants on the premises at any one time shall not be more than the permitted number of marihuana plants per the establishment's license;
- d. A chemical and pesticide storage plan that states the names of pesticides to be used and where and how the pesticides and chemicals will be stored at the establishment, along with a plan for the disposal of unused pesticides.
- e. All marihuana grower establishment operations must be performed within an indoor enclosed and locked facility.

D. Upon an applicant's completion of the above-described form and furnishing of all required information and documentation, the Township Clerk shall file the same and assign it a sequential application number by establishment type based on the date and time of acceptance. If, upon review, any portion of the application is incomplete or missing the information and documentation required by section (C) above, the Township shall send written correspondence to the applicant via certified United States mail, detailing the deficiencies. The applicant shall have ten (10) business days to correct the application deficiencies. In the event the applicant fails to correct the deficiencies, the application shall be deemed abandoned. A complete application shall be subject to review by the following Township Departments:

- 1. Blackman-Leoni Department of Public Safety;
- 2. Township Treasurer;
- 3. Township Building Department; and
- 4. Township Attorney if requested by a Township Department.

Upon approval by the aforementioned departments of the Township, the application shall be presented to the Township Board for review and approval or denial. The Township Board of Trustees shall act to approve or deny an application not later than ninety (90) days from the date the completed application is filed. The Township Board of Trustees may extend this period by an additional forty-five (45) days. **If the Township Board of Trustees approves a municipal license, but the applicant has not yet obtained state approval to operate, the license issued by the Township shall be provision pending approval of the applicant's state license.** If the application is denied, the Township Clerk shall issue a written notice of denial to the Applicant and mail the same by first-class mail to the address for the Applicant provided in the application.

E. Maintaining a valid license issued by the state is a condition for the maintenance of a license under this ordinance and continued operation of a marihuana establishment. If the Township Board

of Trustees determines that the applicant is not actively pursuing a state license or has had its state license revoked, then it may revoke any provisional or regular township license previously issued.

F. An adult use municipal license issued under this Chapter may only be transferred upon approval by the Township Board. A request for the transfer of an adult use license issued under this Chapter shall be made in writing and the potential transferee shall be treated as an applicant for a new license and shall be required meet all of the requirements and prerequisites for the issuance of an adult use license under this Chapter.

41.04 MINIMUM OPERATIONAL STANDARDS FOR ALL MARIHUANA ESTABLISHMENTS WITHIN LEONI TOWNSHIP

The following minimum standards shall apply to all Marihuana Establishments within the Township:

- B. Marihuana Establishments shall comply at all times and in all circumstances with the Act, and applicable Michigan law, and the applicable rules of the Department of Licensing and Regulatory Affairs, as they may be amended from time to time. It is the responsibility of the owner to be aware of changes in the Act. The Township bears no responsibility for failure of the owner to be aware of changes in the Act;
- B. Consumption and/or use of marihuana shall be prohibited at the establishment; this does not apply to an approved designated consumption facility.
- C. To the extent permitted by law, the establishment shall be open, during regular business hours, to any representative of LARA, a state police officer, or Blackman-Leoni Township Public Safety Officer, and said individual(s) may enter the premises, offices, establishments, or other places of business of a Licensee, for the following purposes:
 - 1. To inspect and examine all premises of Marihuana Establishments;
 - 2. To inspect, examine, and audit relevant records of the Licensee and, if the Licensee or any employee fails to cooperate with an investigation, impound, seize, assume physical control of, or summarily remove from the premises all books, ledgers, documents, writings, photocopies, correspondence, records, and videotapes, including electronically stored records, money receptacles, or equipment in which the records are stored; and
 - 3. To investigate alleged violations of the Act, this ordinance and applicable Michigan law.
- D. The marihuana establishment shall be continuously monitored with a surveillance system that includes security cameras. The video recordings shall be maintained in a secure, offsite location for a period of thirty (30) days and be immediately available upon request of a Blackman-Leoni Township Public Safety Officer or the Township Supervisor. The storage establishment shall not be used for any other commercial purpose.
- E. The marihuana establishment shall secure every entrance to the establishment and only permit those individuals described in this Ordinance or the Act access to the premises.

F. The marihuana establishment shall be maintained and operated so as to comply with all state and local rules, regulations and ordinances. All Marihuana Establishments shall comply with applicable requirements of the Zoning Ordinance.

G. All marihuana shall be contained within an enclosed, secure area.

H. 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.

B. All persons working in direct contact with marihuana shall conform to reasonable hygienic practices while on duty, including, but not limited to:

B. Maintaining adequate personal cleanliness;

2. Washing hands thoroughly in adequate hand-washing areas before starting work and at any other time when their hands may have become soiled or contaminated; and

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.

J. Litter and waste shall be properly removed and the operating systems for waste disposal shall be maintained in an adequate manner so that they do not constitute a source of contamination.

K. Floors, walls and ceilings shall be constructed in such a manner that they may be adequately cleaned and kept clean and in good repair.

L. 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 place for pests.

M. All building fixtures and other Establishments shall be maintained in a sanitary condition.

O. All adult use marihuana facilities shall maintain a logbook or a database readily accessible that contains, at minimum, the following information:

1. Name of visitor
2. Date of visit
3. Time in and time out of visit
4. Reason for visit
5. Telephone number, address and email address of visitor.

P. Unless otherwise permitted by law, no marihuana establishment shall discharge any wastewater containing cannabinoids or any wastewater containing fertilizers, pesticides, or other

hazardous chemicals, used in the operation of the marihuana establishment, to the Leoni Township wastewater system. Each marihuana establishment shall be required to provide written documentation to the Township that the marihuana establishment is utilizing alternate means to dispose of said wastewater.

41.05 MINIMUM OPERATIONAL STANDARDS FOR MARIHUANA GROWER ESTABLISHMENTS

In addition to the requirements of Section 41.04, the following minimum standards for Grower Establishments shall apply:

- A. The establishment shall be subject to inspection by the Leoni Township Department of Public Safety or other Township official authorized by the Township Supervisor or Township Clerk to ensure compliance with all applicable statutes, codes and ordinances;
- B. Multiple Grower Establishment Licenses in a single location shall be permitted, subject to approval of the same by the Township Board of Trustees;
- C. 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.
- D. Any Grower Establishment shall maintain a log book and/or database indicating the number of Marihuana Plants.
- E. All Marihuana shall be contained within an Indoor Enclosed Locked Facility.
- 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 Establishment shall be prohibited.
- H. Each Grower Establishment shall provide its occupants with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair.
- I. Marihuana that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms.
- J. The Grower Establishment shall be free from infestation by insects, rodents, birds, or vermin of any kind.

41.06 MINIMUM OPERATIONAL STANDARDS FOR SAFETY COMPLIANCE ESTABLISHMENTS

In addition to the requirements of Section 41.04, the following minimum standards for Safety Compliance Establishments shall apply:

- A. There shall be no other accessory uses permitted within the same establishment other than those associated with testing marihuana.
- B. A Stakeholder in a Safety Compliance Establishment shall not hold an ownership interest, directly or indirectly, in a Grower, Processor, Retailer or Microbusiness Establishment.
- C. The establishment shall be subject to inspection by the Blackman-Leoni Department of Public Safety or other Township official authorized by the Township Supervisor to ensure compliance with all applicable statutes, codes and ordinances.
- D. Any Safety Compliance Establishment shall maintain a log book and/or database reflecting transfers of marihuana product.
- E. All buildings, fixtures and other facilities shall be maintained in a sanitary condition.

41.07 MINIMUM OPERATIONAL STANDARDS OF MARIHUANA PROCESSOR ESTABLISHMENTS

In addition to the requirements of Section 41.04, the following minimum standards for Processor Establishments shall apply:

- A. All Activity, authorized by Initiated Law 1 of 2018, related to the Processor Establishment shall occur indoors.
- B. All marihuana shall be tagged as required by the Act or applicable state laws.
- C. That structure shall be subject to inspection at any time by the Leoni Township Department of Public Safety or other Township official authorized by the Township Supervisor to ensure compliance with all applicable statutes, codes and ordinances.
- D. Processor Establishments shall produce no products other than useable marihuana intended for human consumption.
- E. Any Processor Facility shall maintain a log book and/or database reflecting transfers of marihuana product.

- F. 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.
- G. The dispensing of Marihuana at the Processor Establishment shall be prohibited.
- H. Any buildings, fixtures and other facilities shall be maintained in a sanitary condition.
- I. Each Processor Establishment shall provide its occupants with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair.
- J. Marihuana that can support the rapid growth of undesirable microorganisms shall be held in a manner that prevents the growth of these microorganisms.
- K. The Processor Establishment shall be free from infestation by insects, rodents, birds, or vermin of any kind.

41.08 MINIMUM OPERATIONAL STANDARDS FOR SECURE TRANSPORTER ESTABLISHMENTS

In addition to the requirements of Section 41.04, the following minimum standards for Secure Transporter Establishments shall apply:

- A. Secure Transporters and each Secure Transporter Stakeholder shall not hold an ownership interest, directly or indirectly, in a Grower, Processor, Retailer or Microbusiness Establishment.
- B. A Secure Transporter shall track all transactions, current inventory, and destruction of unused inventory.
- C. A Secure Transporter structure shall be subject to inspection at any time by the Blackman-Leoni Township Department of Public Safety or other Township official authorized by the Township Supervisor to ensure compliance with all applicable statutes, codes and ordinances.
- D. 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.
- E. The dispensing of Marihuana at the Secure Transporter Establishment shall be prohibited.
- F.

- G. Each Secure Transporter Establishment shall provide its occupants with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair.

The Secure Transporter Establishment shall be free from infestation by insects, rodents, birds, or vermin of any kind.

41.09 MINIMUM OPERATIONAL STANDARDS FOR MARIHUANA MICROBUSINESS ESTABLISHMENTS

In addition to the requirements of Section 41.04, the following minimum standards for Marihuana Microbusiness Establishments shall apply:

- A. A Stakeholder in a Microbusiness Establishment shall not hold an ownership interest, directly or indirectly, in a Grower, Processor, Retailer, Safety Compliance, or Secure Transporter Establishment.
- B. A Stakeholder in a Microbusiness Establishment shall not hold an ownership interest, directly or indirectly, in another Microbusiness Establishment.
- C. The establishment shall be subject to inspection by the Leoni Township Department of Public Safety or other Township official authorized by the Township Supervisor to ensure compliance with all applicable statutes, codes and ordinances.
- D. All Activity related to the Microbusiness shall occur indoors.
- E. All marihuana shall be tagged so that its source may be identified.
- F. Microbusinesses shall produce no products other than useable marihuana intended for human consumption.
- G. Microbusinesses shall not sell edible marihuana-infused candy in shapes or packages that are attractive to children or that are easily confused with commercially sold candy that does not contain marihuana. Packaging containing edible marihuana-infused candy shall be plainly marked as not to be confused.
- H. Microbusinesses shall not sell or otherwise transfer marihuana that is not contained in an opaque, resealable, child-resistant package designed to be significantly difficult for children under 5 years of age to open and not difficult for normal adults to use property as defined by 16 C.F.R. 1700.20 (1995), unless the marihuana is transferred for consumption on the premises where sold.
- I. Microbusinesses and their agents shall ensure that all purchasers of marihuana are over 21 years of age.

- J. A Microbusiness' retail operation shall not open to the public prior to 7 A.M. or remain open to the public after 11 P.M.

- 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. Any buildings, fixtures and other facilities shall be maintained in a sanitary condition.

- J. Each Microbusiness shall provide its occupants with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair.

- K. Microbusiness shall be free from infestation by insects, rodents, birds, or vermin of any kind.

41.10 MINIMUM OPERATIONAL STANDARDS FOR MARIHUANA RETAILERS

In addition to the requirements of Section 41.04, the following minimum standards for Marihuana Retailers shall apply:

- A. Marihuana Retailers shall not sell edible marihuana-infused candy in shapes or packages that are attractive to children or that are easily confused with commercially sold candy that does not contain marihuana.

- B. Marihuana Retailers shall not sell or otherwise transfer marihuana that is not contained in an opaque, resealable, child-resistant package designed to be significantly difficult for children under 5 years of age to open and not difficult for normal adults to use properly as defined by 16 C.F.R. 1700.20 (1995), unless the marihuana is transferred for consumption on the premises where sold.

- C. Marihuana Retailers and their agents shall ensure that all purchasers of marihuana are over 21 years of age.

- D. Marihuana Retailers shall not open to the public prior to 7 A.M. or remain open to the public after 11 P.M.

- E. A marihuana retail structure shall be subject to inspection at any time by the Blackman-Leoni Township Department of Public Safety or other Township official authorized by the Township Supervisor to ensure compliance with all applicable statutes, codes and ordinances.

F. Contactless and limited contact transactions may be permitted at a Marihuana Retailer subject to the following additional regulations:

1. The designated area for contactless or limited contact transactions must be identified in the business plan provided as part of the establishment's license application;
2. A marihuana retail establishment shall have a written standard operating procedure for contactless or limited contract transactions which shall be made available to the Blackman-Leoni Department of Public Safety;
3. Contactless or limited contact transactions must be completed during normal business hours for the Marihuana Retail Establishment;
4. A Marihuana Retail Establishment using a designated area for contactless or limited contact transactions must have in place an anti-theft policy, procedure, or automatic capability;
5. The designated area for contactless or limited contract transactions must comply with Administrative Rule R 420.209.
6. The contactless and limited contact transaction must comply with Administrative Rules R 420.505 and R 420.506.
7. Marihuana being transferred during a contactless or limited contact transaction must be in an opaque bag and the contents must not be visible to the general public upon pickup.

41.11 LOCATION OF ADULT USE MARIHUANA ESTABLISHMENTS

A. All adult use marihuana establishments shall only operate and be located within the permitted areas as provided for in this Ordinance and the Zoning Ordinance.

B. Multiple Establishment Licenses at a single location shall be permitted subject to the review and approval by the Township Board of Trustees and subject to the requirements of the state of Michigan.

C. All adult use marihuana retail establishments shall be located on a parcel of land no further than five hundred twenty-eight (528) feet from a parcel of land that contains a medical marihuana retail establishment.

D. Except for adult use marihuana retail establishments and marihuana microbusinesses, no adult use marihuana establishment shall be located closer than one thousand (1,000) feet from a public or private elementary, intermediate, secondary, or vocational school. No adult use marihuana retail establishment or marihuana microbusiness shall be located closer than two thousand six hundred forty (2,640) feet from a public or private elementary, intermediate, secondary, or vocational school. No adult use marihuana establishment shall be located closer than one thousand (1,000) feet from a licensed child care facility or an tax-exempt place of worship.

E. 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.

41.12 ODOR CONTROL

A. 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.

B. All licensed adult use marihuana facilities shall submit to the Township with its license application a plan for ventilation of the marihuana facility that describes the ventilation systems that will be used to prevent any odor of marihuana off the premises of the business. For marihuana facilities that grow 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 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.

C. A 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 marihuana business or at any adjoining use or property.

D. 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 licensee shall be jointly and severally liable for such conditions and shall be responsible for immediate, full clean-up and correction of such condition. The licensee 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.

41.13 DENIAL AND REVOCATION

A. A License issued under this Ordinance may be revoked after an administrative hearing at which the Township Board of Trustees determines that grounds for revocation under this Ordinance exist. Notice of the time and place of the hearing and the grounds for revocation must be given to the holder of a License at least five (5) days prior to the date of the hearing, by first-class mail to the address given on the license application; a licensee whose license is the subject of such hearing may present evidence and/or call witnesses at the hearing.

B. A License applied for or issued under this Ordinance may be denied or revoked on any of the following bases:

1. Any violation of this Ordinance;
2. Any conviction of a stakeholder or of the licensee for criminal offenses including, but not limited to:
 - a. A felony violation of the Michigan Controlled Substances Act;
 - b. A felony violation of the federal Controlled Substances Act;
 - c. A misdemeanor involving the delivery of a controlled substance to a minor;
 - d. Tax evasion;
 - e. Fraud;
 - f. Possession or use of any weapon in connection with any crime under any unit of government;
 - g. Any offense involving any assault of any kind;
3. A finding of fraud, 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 Ordinance requires a License or in connection with the Application for a License or request to renew a License;
- 4.
5. The License holder or any of its Stakeholders is in default to the Township personally or in connection with any business in which they hold an ownership interest, for failure to pay property taxes, special assessments, fines, fees or other financial obligation;
6. The marihuana establishment is determined by the Township to have become a public nuisance such that it obstructs or causes inconvenience or damage to the public in the exercise of rights common to the general public;
7. LARA has denied, revoked or suspended the applicant's state operating license.
8. The Township board determines that the business poses a potential threat to the health, safety, and welfare of the public.

41.14 LICENSE RENEWAL

- A. A License shall be valid for one year from the date of issuance, unless revoked as provided by law, including this Ordinance.
- B. A valid License may be renewed on an annual basis by submitting a renewal application and payment of the annual license fee. Applications to renew a License shall be filed with the Township Clerk at least thirty (30) days prior to the date of its expiration. As long as no changes to the Licensee or its stakeholders have occurred and there is no pending request to revoke or suspend a

License, and the Licensee has paid the License Renewal Fee, and the Licensee has been and continues to be in compliance with all other applicable law, the Township Marihuana Compliance Unit may renew the License.

41.15 UNLAWFUL ACTIVITIES

In addition to any other act prohibited under this ordinance, it shall be unlawful to consume marihuana in a public place in Leoni Township.

41.16 APPLICABILITY

The provisions of this Ordinance shall be applicable to all persons and establishments described herein, including if the operations or activities associated with a marihuana establishment were established without authorization before the effective date of this ordinance.

41.17 PENALTIES AND ENFORCEMENT

A. Any person who violates any of the provisions of this Ordinance shall be responsible for a municipal civil infraction and subject to the payment of a civil fine of five hundred (\$500.00) dollars, plus costs, except that a violation of Section 41.14 by consuming marihuana in a public place is a civil infraction and subject to the payment of a civil fine of up to one hundred (\$100.00) dollars. Each day a violation of this Ordinance continues to exist constitutes a separate violation. A violator of this Ordinance shall also be subject to such additional sanctions, remedies and judicial orders as are authorized under Michigan law.

B. A violation of this Ordinance is deemed to be a nuisance per se. In addition to any other remedy available at law, the Township may bring an action for an injunction or other process against a Licensee to restrain, prevent, or abate any violation of this Ordinance.

C. This Ordinance may be enforced and administered by the Township Clerk, any Blackman-Leoni Township Public Safety Officer, the Township Supervisor or their designee.

41.18 SEVERABILITY

In the event that any one or more sections, provisions, phrases or words of this Ordinance shall be found to be invalid by a court of competent jurisdiction, such holding shall not affect the validity or the enforceability of the remaining sections, provisions, phrases or words of this Ordinance.

41.19 APPLICABILITY

If this ordinance conflicts in any way with other ordinances of the Township, this ordinance shall govern.

This Ordinance shall be effective on September __, 2023 after publication.

