

# City of Plainwell



Rick Brooks, Mayor  
Lori Steele, Mayor Pro-Tem  
Brad Keeler, Council Member  
Roger Keeney, Council Member  
Todd Overhuel, Council Member

Department of Administration Services  
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## Agenda Planning Commission February 1, 2017 7:00 PM

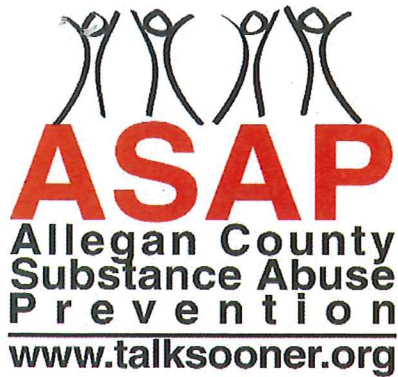
1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Approval of Minutes: 12/21/16 Planning Meeting**
5. **Chairman's Report**
6. **New Business:**
  - A. Otsego Township Master Plan – online at [otsegotownship.org](http://otsegotownship.org)
  - B. Review and discussion of the Medical Marijuana Law – Workshop on Thursday, March 9 re: Medical Marijuana
7. **Old Business:**
8. **Public Comment**
9. **Reports and Communications:**
  - A. 12/12/16, 12/27/16 and 1/9/17 Council minutes
10. **Staff Comments**
  - A. **City Update** – Urban Trail planning meetings
11. **Commissioners Comments**
12. **Adjournment**

*The City of Plainwell is an equal opportunity provider and employer*

**CITY OF PLAINWELL**  
**MINUTES**  
**Planning Commission**  
**December 21, 2016**

1. Call to Order at 7:00 p. m. by Chair Lubic
2. Pledge of Allegiance was given by all present.
3. Roll Call: Present: Chris Haas, Gary Sausaman, Jay Lawson, Lori Steele, Diana Lubic. Chris Slinkman Excused Absent: Jim Higgs
4. Approval of Minutes – 11/02/16:  
Sausaman moved to approve the minutes and it was supported by Haas.
5. Chairperson’s Report:  
None
6. New Business:  
A. Review and consensus on fencing for 900 E. Bridge St. Wright Fencing is asking to install a fence in front of the building upon purchasing the property. His request is for a 4’ – 6’ black coated chain link fence in the front of the building and wrapping around the sides and back of the property. Ordinance is 4’ fence in front. He will place fence 25-70’ back from M89. Project is 6-8 months away. The consensus was he can have a 4’ fence, as stated in the ordinance, in the front and a 6 ft. fence on the sides and back of property. Erik commented that this would not meet variance because it was self-induced and an option may be to change the ordinance if he wants 6ft. fence in the front.
7. Old Business:  
A. None
8. Public Comment:  
None
9. Reports and Communications:  
A. Accepted the 10/24/16; 11/14/16 & 11/28/16 Council Minutes.
10. Staff Comments:  
Denise announced the Michigan Passport Grant of \$45,000
11. Commissioner Comments:  
Jay – success of Shop with a Cop, 165 youth participated  
Chris H. & Gary talked about the success of the Christmas Project
12. Adjournment:  
**The meeting was adjourned at 7:41 p.m.**

Minutes submitted by Denise Siegel, Economic Development Manager



January 19, 2017

Re: Public Acts 281, 282, and 283 (Medical Marijuana)

To whom it may concern,

As you may be aware, the Governor has recently signed legislation that changes the way Michigan will regulate medical marijuana. The law became effective December 20, 2016. However, applications to become licensee cannot be made for 360 days after that date (December 15, 2017).

This new legislation gives considerable discretion to the local cities and townships on what they allow in their jurisdictions. These new laws create a regulation system and tax scheme that is complicated and understandably confusing. We have been following this legislation and getting regular updates on the pros and cons of its enactment.

We have scheduled an informational session with Ken Stecker; Attorney with the Prosecuting Attorneys Association of Michigan, Roberts Kengis; Allegan County Prosecuting Attorney and Michigan State Police D/F/Lt Andy Fias to offer you information as to what this new legislation will mean for your respective townships and cities. This event is only intended to be informational, as well as an opportunity for you to ask questions. This invitation is extended to all city managers, township supervisors, their elected councils and boards.

The attached flyer provides the details for the event. RSVP is required so we can ensure that we have enough space for everyone.

Thank you for the opportunity to discuss this issue with you.

Sincerely,

A handwritten signature in black ink that reads "Heidi Denton".

Heidi Denton, MSW  
Prevention Specialist  
Allegan County CMH

*PLEASE JOIN US!*

# **MEDICAL MARIJUANA**

## **LEARN AT LUNCH**

*FOR TOWNSHIP OFFICIALS AND  
ELECTED COUNCIL/TOWNSHIP MEMBERS*

**March 9, 2017**

12 pm to 1:30 pm

**Allegan County Jail**  
*(large Conference Room)*

**RSVP required for seating and lunch count**  
**[hdenton@accmhs.org](mailto:hdenton@accmhs.org) or (269) 673-6617 #2714**

This educational event is intended for Allegan County Township and City Officials, elected council members and any other employee of the respective cities that will have a vested interest in voting on allowing medical marijuana dispensaries and edibles.

The intent of this luncheon is to provide you with an overview of the regulation system and what it will mean for each city/township.



## **September 8, 2016 - Michigan Senate Passes Medical Marihuana Regulatory and Infused Products Bills**

Please see below a summary of House Bills 4209, 4827, and 4210.

### **HOUSE BILL 4209:**

#### **The Board:**

HB 4209 creates the Medical Marihuana Licensing Board (the "Board") within the Department of Licensing and Regulatory Affairs ("LARA"), and gives it authority to regulate the activity and operation of medical marihuana facilities within the State.

The Board will be comprised of five members appointed by the Governor. Members may not have a direct or indirect financial interest in a marihuana facility or applicant, must be of good moral character, and may not have been convicted of any felony or a misdemeanor involving a controlled substance, dishonesty, theft, or fraud. Additionally, no more than three of the members may come from the same political party.

Each Board member will serve for a term of four years. For initial appointments, however, one member will serve a term of two years, and two members will serve three-year terms in order to stagger future turnover.

The Board, in conjunction with LARA, may also hire staff as needed, including a full-time executive director.

#### **Duties of the Board:**

The primary duties of the Board are implementing and administering the Medical Marihuana Facilities Licensing Act, making licensing determinations, overseeing the activities of licensed medical marihuana facilities, and working with LARA to promulgate administrative rules relating to the operation, health, and safety of marihuana facilities.

It should be noted that the bill specifically provides that LARA, in consultation with the Board, cannot promulgate a rule capping the number of marihuana facilities in the State.

**Licenses:**

The bill will become effective 90 days after it is enacted into law.

Three-hundred and sixty (360) days later, individuals and businesses will be able to begin applying to the Board for licenses as growers, processors, provisioning centers, secure transporters, and safety compliance facilities.

When applying for any license, applicants must provide the Board with general identifying information, including information on every person who has an ownership interest in the applicant, as well as criminal, licensing, and financial background information.

As part of the application, the applicant must also notify the municipality in which it would operate that it is seeking a license.

Local control is key! Marihuana facilities may not operate unless the municipality in which they wish to locate has adopted an ordinance specifically authorizing the type of facility.

Municipalities also may limit both the number and type of marihuana facilities allowed within their borders. Those cities, villages, and townships may also pass their own regulations relating to marihuana facilities, including zoning ordinances, but may not contradict state regulation.

Once it receives notice from an applicant, a municipality has 90 days to submit the following information to the Board: (1) the ordinance authorizing the marihuana facility; (2) a copy of any applicable zoning regulations; and (3) a description of any marihuana-related ordinance violations committed by the applicant. Municipalities may also require an annual licensing fee of up to \$5,000.

Certain individuals are ineligible for a license under the legislation, including individuals convicted of or released from incarceration for a felony within the past 10 years, individuals convicted of a controlled substance-related felony within the past 10 years, and individuals convicted of a misdemeanor relating to a controlled substance violation, theft, dishonesty or fraud within the past five years.

Additionally, until June 30, 2018, individual applicants must have been a resident of the State for the immediately preceding two years in order to be eligible for a license. Also, before a license can be granted or renewed, an applicant or licensee must demonstrate that they can cover at least \$100,000 worth of liability for bodily injury to lawful users resulting from the manufacture, distribution, transportation, or sale of adulterated marihuana or marihuana-infused products.

In reviewing applications, the Board must conduct a thorough background investigation on all applicants.

Once issued, licenses are valid for one year and renewable annually, and may not be sold, transferred, or purchased without the approval of the Board.

The bill creates five new types of licenses:

**Grower:**

A grower is defined as an entity that cultivates, dries, trims, or cures and packages marihuana.

The bill creates three separate classes of grower licenses, each authorizing the facility to cultivate a defined number of plants:

- Class A: Up to 500 Plants
- Class B: Up to 1,000 Plants
- Class C: Up to 1,500 Plants

The bill defines the term “plant” to include “any living organism that produces its own food through photosynthesis and has observable root formation or is in growth material.”

Growers may only sell marihuana seeds or marihuana plants to other growers, and other forms of marihuana may only be sold to a processor or provisioning center.

Growers and their investors may not have an interest in a secure transporter or safety compliance facility.

Until December 31, 2021, each grower must employ an individual who has

at least two years' experience as a registered primary caregiver. However, no grower or employee of a grower may be a licensed caregiver at the time that he or she is licensed as, or employed by, a grower. Moreover, a grower may only operate in an area that is either not zoned or zoned for agricultural or industrial use.

**Processor:**

A processor is an entity that extracts resin from marihuana or creates and packages marihuana-infused products.

A processor license authorizes an entity to purchase marihuana from a grower and to sell processed marihuana or marihuana-infused products to provisioning centers.

Processors and their investors may not have any interest in a secure transporter or safety compliance facility.

Until December 31, 2021, each processor must employ someone who has at least two years' experience as a registered primary caregiver. However, no processor or employee of a processor may be a licensed caregiver at the time he or she is licensed as or employed by a processor.

**Secure Transporter:**

A secure transporter license authorizes the licensee to store and transport marihuana and money associated with the purchase and sale of marihuana between facilities.

All marihuana that is transported between facilities must be shipped by a secure transporter.

The secure transporter cannot transport marihuana for a sale to a patient or a primary caregiver.

In order to be eligible for a secure transporter license, an applicant and its investors cannot have an interest in any other medical marihuana facility, and may not be a registered patient or caregiver.

Secure transporters must comply with all of the following requirements:



- All drivers must have chauffeur's licenses issued by the State.
- No employee can have been convicted of or released from incarceration for a felony within the past five years, or have been convicted of a controlled substance-related misdemeanor within the same time period.
- Each vehicle used by the secure transporter must be operated by a two-person crew, with at least one individual remaining with the vehicle at all times when transporting marihuana.
- For every trip involving the transport of marihuana, a route plan and manifest must be entered into the statewide monitoring system, and a copy must be kept inside the vehicle at all times and made available to law enforcement upon request.
- All marihuana must be kept in one or more sealed containers that are not accessible during transit.
- All vehicles used to transport marihuana must not have any markings that would indicate that the vehicle is carrying marihuana.

### **Provisioning Center:**

A provisioning center is an entity that sells or provides marihuana to patients and caregivers.

A provisioning center may receive marihuana only from a grower or processor, and may only transfer marihuana to a qualifying patient, registered primary caregiver, or safety compliance facility.

Applicants and provisioning center investors may not have an interest in either a secure transporter or safety compliance facility.

Provisioning centers must comply with all of the following:

- Make sales to patients only after the marihuana has been tested and labeled.
- Enter all transactions, inventory, and other required information into the statewide monitoring system.
- Check that all patients sold to are listed as valid cardholders in the statewide monitoring system and will not exceed any daily purchasing limits set through rulemaking.
- Not sell alcohol or tobacco, or allow the consumption thereof on the

premises.

- Not allow a physician to conduct medical examinations on the premises for the purpose helping individuals to obtain a registry identification card.

### **Safety Compliance Facility:**

A safety compliance facility is a laboratory that tests marijuana for contaminants, as well as for THC and other cannabinoids.

For testing purposes, a safety compliance facility may receive marijuana from any marijuana facility or up to 2.5 ounces from a primary caregiver.

However, a safety compliance facility may only return marijuana to a marijuana facility, not to a primary caregiver.

Within one year of receiving a license, a safety compliance facility must be accredited by an entity approved by the Board, or have previously provided drug testing services to the State or the State's court system and be a vendor in good standing in regard to providing such services.

Additionally, safety compliance facility license applicants and investors may not have interests in any other medical marijuana facility. Safety compliance facilities must also have at least one employee with an advanced medical or laboratory science degree.

Safety compliance facilities must comply with all of the following:

- Perform tests to certify that marijuana is reasonably free from chemical residues.
- Use validated test methods to determine THC and other cannabinoid levels
- Perform tests to determine whether marijuana complies with microbial and mycotoxin content standards established by LARA.
- Perform other tests as prescribed by rulemaking.
- Hold a second laboratory space that is inaccessible to the general public.

Lastly, a "statewide monitoring system" will be put into place. An Internet-based, statewide database will be established, implemented, and maintained by LARA, that is available to licensees, law enforcement agencies, and authorized state department and agencies on a 24-hour basis for verifying

registry identification cards, tracking marihuana and transportation by licensees, including transferee, date, quantity and price, and verifying in commercially reasonable time that the patient or caregiver is authorized to receive under section 4 of the Michigan Medical Marihuana Act.

### **HOUSE BILL 4827:**

House Bill 4827 requires LARA to establish, maintain, and utilize (either directly or through contract) a “seed-to-sale” tracking system that will track all marihuana that is grown, processed, transferred, stored, or disposed of under the Medical Marihuana Facilities Licensing Act (marihuana grown by caregivers will not be within the seed-to-sale system.)

HB 4209 requires all licensees to use a third-party inventory control and tracking system that will allow them to interface with the statewide monitoring system in order to enter and access information.

### **Taxes, Fees, and Funds:**

The bill establishes a 3 percent tax on the gross retail receipts of all provisioning centers. This revenue will be deposited into the Medical Marihuana Excise Fund and distributed as follows:

- 25 percent to municipalities in which facilities are located, allocated in proportion to the number of facilities within the municipality.
- 30 percent to counties in which facilities are located, allocated in proportion to the number of facilities within the county.
- 5 percent to counties in which facilities are located, allocated in proportion to the number of facilities within the county, and earmarked specifically for the county sheriff.
- 30 percent to the State. Until September 30, 2018, this money will be deposited in the General Fund, and thereafter, the money will be deposited into the State’s First Responder Presumed Coverage Fund, which is used to provide funding for firefighters who develop certain types of cancer.
- 5 percent to the Michigan Commission on Law Enforcement Standards.
- 5 percent to the Michigan State Police.

The bill also creates a regulatory assessment to be imposed upon all licensees except safety compliance facilities.

The assessment will be calculated annually to cover the costs of medical marihuana-related services provided by various State departments, to provide funds for substance abuse-related programs, to cover expenses related to field sobriety tests, and to provide for the administrative costs of the Michigan Commission on Law Enforcement Standards.

Each applicable facility will then pay a proportionate amount of the assessment, which will go into the newly-created Marihuana Regulatory Fund.

## **HOUSE BILL 4210:**

### **Marihuana Infused Products:**

The bill amends the MMMA to allow for the possession, manufacture, and use of marihuana-infused products, such as foodstuffs, oils, lotions, etc.

Under the bill, a patient or his or her caregiver will be able to possess up to 2.5 ounces of combined usable marihuana and “usable marihuana equivalent,” which is the amount of usable marihuana in a marihuana-infused product.

HB 4210 sets the following as equivalent to one ounce of usable marihuana:

- 16 ounces of marihuana-infused product in a solid form
- 7 grams of marihuana-infused product in a gaseous form
- 36 fluid ounces of marihuana-infused product in a liquid form

The bill also establishes a rebuttable presumption that any weight listed on the packaging of a marihuana-infused product is accurate.

Also under the bill, a patient will be able to possess, for example, 16 ounces of marihuana-infused brownies or marihuana-infused water and an additional 1.5 ounces of usable marihuana.

HB 4210 provides protections for patients and caregivers who manufacture or possess marihuana-infused products consistent with the language in the bill.

Moreover, HB 4210 protects patients and caregivers from arrest, prosecution, or penalty for purchasing marijuana from a provisioning center, selling marijuana seeds or seedlings to a licensed grower, or transporting marijuana to and from a safety compliance facility for testing.

The bill also prohibits a patient or caregiver from transporting a marijuana-infused product in a motor vehicle, unless one of the following circumstances is met:

- A patient is transporting a marijuana-infused product in a package that is sealed and labeled with the weight of the product, name of the manufacturer and person from whom the product was received, and date of manufacture and receipt. The marijuana-infused product must also be transported in the trunk of the vehicle or, if the vehicle does not have a trunk, is not accessible from the interior of the vehicle.
- A caregiver is transporting a marijuana-infused product in a case that is accompanied by an accurate manifest that states the weight of the product, name and address of the manufacturer, date of manufacture, destination name and address, date and time of departure, estimated date and time of arrival, and, if applicable, name and address of the person from whom the product was received and the date of receipt. The marijuana-infused product must also be transported in the trunk of the vehicle or, if the vehicle does not have a trunk, is not accessible from the interior of the vehicle.
- A caregiver is transporting a marijuana-infused product for his or her child, spouse, or parent, and the marijuana-infused product is in a package that is sealed and labeled with the weight of the product, name of the manufacturer and person from whom the product was received, name of the qualifying patient, and date of manufacture and receipt. The marijuana-infused product must also be transported in the trunk of the vehicle or, if the vehicle does not have a trunk, is not accessible from the interior of the vehicle.

An individual who violates any of these transportation requirements is responsible for a civil fine of no more than \$250.

The bill also prohibits a medical marijuana patient from operating a snowmobile or ORV while under the influence of marijuana, just as the

MMMA already prohibits a patient from operating a motor vehicle, aircraft, or motorboat under the influence of marihuana.

Moreover, HB 4210 also prohibits the use of butane to extract marihuana resin in a public place, motor vehicle, or a residential structure or its curtilage.

A person who does either will not be able to assert a Section 8 affirmative defense against any criminal charges arising from operating a vehicle under the influence of marihuana or unlawfully conducting butane hash oil extraction.

Lastly, retroactive application of this bill does not create a cause of action against a law enforcement officer or any other state or local governmental officer, employee, department, or agency that enforced this act under a good-faith interpretation of its provisions at the time of enforcement.

## **Conclusion**

Within three months of the effective date of the Act, the Governor must appoint members of the Marihuana Advisory Panel, which consist a group of government officials, representatives of the cannabis industry, local law enforcement, and municipalities who will make recommendations to the Board regarding the promulgation of rules. That panel must first meet within one month of being appointed.

Additionally, rules must be promulgated as applicants can begin applying for licenses 12 months after the bill is signed. Language was included in an enacting section of HB 4209 to allow LARA to begin promulgating emergency rules.

Moreover, SB 1014 also passes on September 8, 2016, which will allow rules relating to the Medical Marihuana Facilities Licensing Act to sidestep the rulemaking process until January 1, 2017.



By Michael E. Fisher

New Act Clears the Smoke  
around Licensing Issues

# MEDICAL MARIJUANA

It's been nearly 2 1/2 years since Robert Young, the Chief Justice of the Michigan Supreme Court, pronounced himself "so sick of medical marijuana cases," yet the cases keep coming. So, for that matter, does the legislation. Is medical marijuana the bane or boon of Michigan communities? And what, if anything, should cities and villages do about it?

Part of the answer depends on how the community answers other questions about marijuana. Is cannabis an irrationally suppressed potential wonder drug, or is it a threat to the healthy mental development of America's youth? Is the marijuana industry a powerful economic stimulant, or is it a growing menace to society? There is no obvious right or wrong answer to these questions, and the newest legislation allows local communities to pretty much decide for themselves.

It is fairly clear, looking at both the Michigan Medical Marihuana Act ("MMMA" – yes, that's marijuana with an "h," the old-fashioned spelling) and cases interpreting the MMMA, that the 2008 voter initiative which birthed the MMMA opened the marijuana door only a crack. It did not provide for dispensaries or other retail sale models which have come into being in other states. It permitted only registered "caregivers," having no more than 72 plants (a total

only reached if the caregiver is himself a registered patient), to grow medical marijuana and supply it to others.

But the MMMA also paved the way for the growth of a semi-legitimate marijuana industry—prohibited by federal law, but partially immunized from prosecution and even arrest under state law. For example, the law grants immunity from professional discipline, as well as any other civil or criminal penalty, for doctors who certify a patient's medical need for marijuana. Though there are exceptions to immunity, this protection for doctors appears to have undermined the medical need restriction on access to cannabis. Consider, for example, the case in which a doctor who certified his patient's medical "need" admitted under cross-examination that he knew of no studies which supported marijuana's medical use, "but . . . would very much like to find out." It is perhaps no surprise that many card-carrying MMMA "patients" resemble recreational users.

And though it does not take effect for roughly a year, the new Medical Marijuana Facilities Licensing Act ("MMFLA") will likely open the door still further, if only because facilities for growing and selling marijuana will come out of the shadows. Going forward, medical marijuana will be a licensed and regulated commodity.

### Which Way Does Your Community Lean?

So each Michigan municipality has choices to make. Maybe your community is not troubled by wider use of marijuana because many of your constituents are themselves recreational users. Alternatively, your citizens may be motivated by compassion to the extent that they can tolerate sham patients as long as anyone with a genuine medical need has access to marijuana-based medicines. Or perhaps your community is anxious for the economic activity which a rising tide of industrial and retail marijuana enterprise seems to promise.

On the other hand, your community may view with horror the potential detriments to family values and public safety associated with heavier marijuana use. Notwithstanding the new licensing scheme, you may have serious concerns about shady operators and criminal exploitation of marijuana storage, transport, production, and sale. You may think medical marijuana is appropriate for some communities, but not yours.

The picture is completely different under the new MMFLA, however. Though the MMFLA offers legitimacy to heretofore illegal dispensaries (now called "provisioning centers") and large grow operations, no MMFLA facility can get an operating license unless the host community adopts an ordinance authorizing the particular type of facility in question. The community has control, as well, over the number and type(s) of facilities the community will host. Traditional zoning tools, such as separation requirements (from churches, schools, etc.) and districting (e.g., limiting dispensaries to certain zoning districts) are available, too. The only real limits on local authority under the MMFLA are non-interference with state licensure of operators and state regulation of the purity and price of marijuana products.

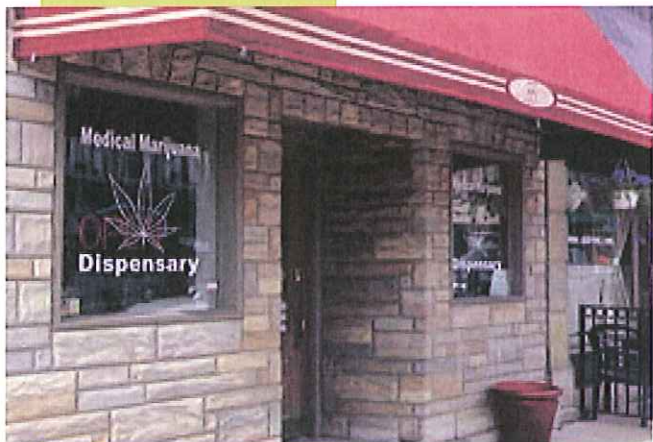
### Consequences of New Marijuana Licensing Act

It seems likely that licenses which legitimize large growers and provisioning centers will be both sought-after and profitable. One corollary is that any community in which the marijuana industry would like to locate (or remain and grow) can expect feverish lobbying until/unless it adopts an ordinance authorizing MMFLA facilities. Another likely consequence of the new law is that black marketeers will rise up to compete with licensed marijuana businesses. Licensed

*Is medical marijuana the bane or boon of Michigan communities?*

### What Control Mechanisms Are Available?

In either case, what can you do? One traditional municipal response to activities within a community is zoning. Under the MMMA, though, the Michigan Supreme Court says that in the event of a conflict between the MMMA and local zoning, the MMMA wins. The Court also broadened the immunity conferred by the MMMA to include immunity from injunctions against zoning violations. So fines, criminal penalties, and injunctions are all off the table if a community wishes to enforce a zoning ordinance against an MMMA-compliant caregiver. This would seem to render enforcement of zoning rules against MMMA-compliant operators impractical. What disincentive can the community impose on zoning violators who comply with the MMMA?





legitimate operators may become allies—along with federal, state, and county law enforcement agencies—in local efforts against illicit over-limit caregivers and other unlicensed growers and sellers.

At the same time, communities which have tolerated illegal dispensaries and grow operations in their midst will finally be able to treat them as ordinary businesses, subject to normal regulation. Host communities can also charge annual regulatory fees of up to \$5,000 per facility, and can share in dispensary tax revenues to help defray costs associated with hosting these entities.


The array of medical marijuana cases which have sickened the state Supreme Court stems from local efforts to deal with a world in which marijuana is illegal under federal, state, and local laws, but a segment of society is sometimes deemed immune from those laws. That segment is about to become larger, or at least more conspicuous, but communities are gaining new coping mechanisms as well. Michigan's cities and villages will try once more to find the right balance. 



Photo Credit: ChameleonsEye / Shutterstock.com

*Michael E. Fisher is the chief assistant city attorney for the City of Livonia. You may contact him at 734-466-2520 or MFisher@ci.livonia.mi.us.*

## The Law Firm For MUNICIPALITIES

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HOSPITALS & HOUSING	TAX INCREMENT FINANCING



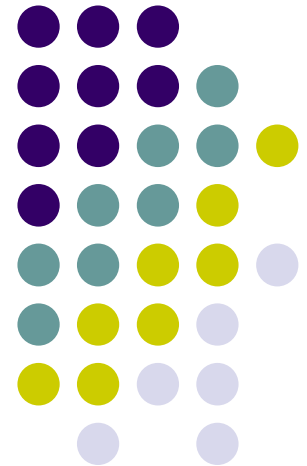
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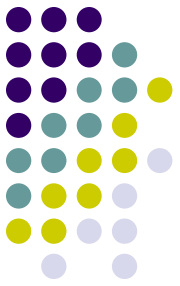
DETROIT ANN ARBOR TROY LANSING KALAMAZOO GRAND RAPIDS CHICAGO

# MEDICAL MARIHUANA REGULATIONS AND LICENSING

Ver. 3

Presented by





## What is the Michigan Medical Marihuana Act (MMMA)?

- Voter-initiative which allowed medical marihuana possession and use for state-registered qualified patients and state-registered primary caregiver.
- Universally viewed as lacking in regulations and rules for MMMA patients and caregivers.
- Patchwork of local ordinance with no clear rules from the state government.





## History of MMMA

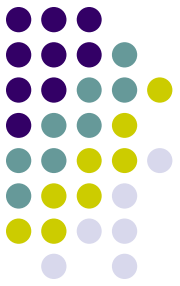
- Passed in 2008 by overwhelming voter support (63%).
  - Every single county in Michigan voted in favor of the MMMA.
  - CBS National Poll (2014) states 77% support medical marihuana legislation.
- Department of Justice clarifies federal medical marihuana policy (Oct. 19, 2009), saying the department would not prosecute patients and distributors who are in “clear and unambiguous compliance” with state laws. (“Cole Memo”)



## History of MMMA

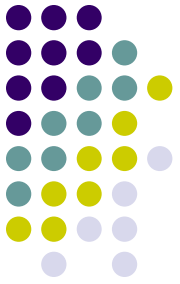
### Court cases and Michigan precedents

- State appeals court rules that dispensaries are a public nuisance and in violation to the public health code. The court rules that the sale of medical marihuana is not protected under the law.
- Lansing District Court Judge Hugh Clark, Jr. states that state's medical marihuana law "screams for legislative clarification in numerous areas".
- In People v. Bylsma (2012), Michigan Supreme Court rules that the MMMA does not allow primary caregivers and qualifying patients to share a common grow for their plants.
- Michigan Supreme Court determines under State of Michigan v. McQueen (2013) that patient-to-patient sales or transfers of medical marihuana is unconstitutional and not allowed under the MMMA.
- Michigan Appeals Court affirms a lower court decision saying, "the uncompensated transfer of marijuana between patients constitutes medical use of marijuana as permitted by the MMMA."
- Michigan Court of Appeals strikes down municipalities with medical marihuana ban, stating that local zoning ordinance effectively banning medical marihuana should be "void and unenforceable" because it directly conflicts with the MMMA. Beek v. City of Wyoming (2014)



## Black Market Marihuana Industry

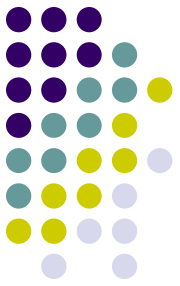
- Over the last 8 years, black market dispensaries in particular cities (e.g., Detroit) has gone unchecked and with the demand for a marihuana industry -- this has resulted in the birth of a large black market “basement grow” operations throughout the state.
- The black market “basement grow” operations allow for caregivers to fill up and feed the illegal supply chain.
- Revenue from the basement grow operations are lucrative and entice many caregivers into joining the black market marihuana industry.
- Many caregivers have used their state-issued card as a get-out-of-jail-free card by growing the legal quantity, but harvest in excess of the permitted amount.
  - The excess amount will then be sold to the black market dispensaries.
- Law enforcement has become frustrated as it is difficult to catch these caregivers in the act because up-to the point of harvest, caregivers grow under the veil of a compliant basement grow operation for their registered qualifying patients.



## A Fix for the MMMA

- Numerous bills has attempted to clarify and fix the MMMA.
- House Bills 4209, 4210, & 4827 introduced in the Michigan House of Representatives by House Rep. Mike Callton.
- On October 7<sup>th</sup>, 2015, the Michigan House of Representatives passed the bills by 90%.
- On September 8<sup>th</sup>, 2016, Michigan Senate with a Republican\* majority passes House Bills 4209, 4210, and 4827.
- Governor Rick Snyder signed the bills into law on September 22<sup>nd</sup>, 2016.
- 4209 – to be discussed
- 4210 – Marihuana-infused products
- 4827 – “Seed-to-sale” tracking





## What is House Bill 4209?

- **Public Act 281 (originally, House Bill 4209)** creates the Medical Marijuana Facilities Licensing Act to establish a licensing and regulation framework for medical marijuana growers, processors (marijuana-infused products), secure transporters, provisioning centers, and safety compliance facilities (laboratory testing).
- “**Growers**” means a licensee that cultivates, dries, trims, or cures and packages marijuana for sale to a processor or provisioning center. Three classes of licensee which allows the cultivation: up to 500, 1,000, and 1,500 marijuana plants.
- “**Processor**” means a licensee that purchases from a grower and that extracts resin from the marijuana or creates a marijuana-infused product.
- “**Provisioning Center**” means a licensee that purchases marijuana from a Grower or Processor and sells, supplies, or provides marijuana to registered qualifying patient, directly or through their registered primary caregivers.
- “**Secure transporter**” means a licensee that stores marijuana and transports it between marijuana facilities for a fee.
- “**Safety compliance facility**” means a licensee that receive marijuana from a marijuana facility or registered primary caregiver and tests the product for contaminants, purity, and THC levels.





## Ownership/Invested Interest Chart

<u>Applicant and/or investor of:</u>	<u>Cannot have interest in:</u>	<u>Can have interest in:</u>
Grower	Secure Transporter and Safety Compliance Testing	Processor and Provisioning Center
Processor	Secure Transporter and Safety Compliance Testing	Grower and Provisioning Center
Provisioning Center	Secure Transporter and Safety Compliance Testing	Grower and Processor
Secure Transporter	All other facilities	None
Safety Compliance Testing	All other facilities	None



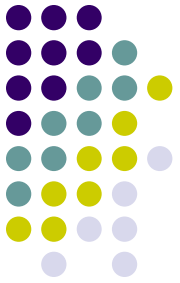
## Where does the money go?

- Require applicants for a license to pay an application fee and require licensees to pay an annual regulatory assessment, which will be deposited in a newly “Marihuana Regulatory Fund”.
  - Require money in the Marihuana Regulatory Fund will be used for implementing, administering, and enforcing the Act.
- Require provisioning centers to pay a tax on their retail gross income, and require the tax to be deposited in a new “Medical Marihuana Excise Fund.”
- Require money in the Medical Marihuana Excise Fund to be distributed to municipalities and counties where marihuana facilities are located.
- Require LARA to promulgate rules and emergency rules in consultation with the Board.



## Marihuana Excise Fund Allocation

- A tax will be imposed on each provisioning center at the rate of 3% of its gross retail receipts.
- The money in the Fund must be allocated, upon appropriation, as follows:
  - **25%** to municipalities in which a marihuana facility is located.
  - **30%** to counties in which a marihuana facility is located.
  - **5%** to counties in which a marihuana facility is located to be used exclusively to support the county sheriffs.
  - **30%** to the State for deposit in the State General Fund until Sept. 30, 2017, and for deposit in the First Responder Presumed Coverage Fund beginning on Oct. 1, 2017.
  - **5%** to the Michigan Commission on Law Enforcement Standards for training local law enforcement officers.
  - **5%** to the Department of State Police.
- Allocation of distribution to municipalities is based on proportion to the number of marihuana facilities within the municipality.



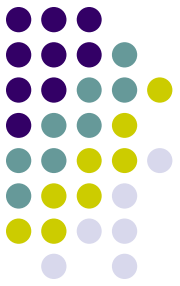
## Municipality Ordinances

- A municipality could enact an ordinance to authorize one or more type of marihuana facility, and limit the number of each type of facility, within its boundaries; charge an annual local licensing fee up to \$5,000; and enact other ordinances related to marihuana facilities such as zoning ordinances.
- A marihuana facility may not operate in a municipality unless the municipality has adopted an ordinance authorizing that type of facility.
- A municipality also may adopt other ordinances related to marihuana facilities within its jurisdiction, including zoning regulations, but may **not** impose regulations regarding the purity or pricing of marihuana or interfering or conflicting with statutory regulation for licensing marihuana facilities.
- A municipality must provide the following information to the Board within 90 days after the municipality receives notification from the applicant that he or she has applied for a license under the Act:
  - A copy of the local ordinance that authorizes the marihuana facility within the municipality.
  - A copy of any zoning regulations that apply to the proposed marihuana facility within the municipality.
  - A description of any violation of the local ordinance or zoning regulations committed by the applicant, but only if those violations relate to activities licensed under the Act or the MMMA.



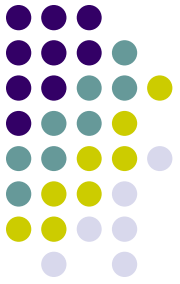
## Land Use Concepts

- Growers, processors, and safety compliance facilities are low-impact and low-traffic facilities that are encouraged to be located in a municipality's heaviest industrial zones.
- Growers must operate in industrial, agricultural, or unzoned district/area.
- Ordinance provisions for growers, processors, and safety compliance facilities, ideally-speaking should be clustered in a designated area where the enforcement of zoning regulations and law enforcement inspections can be done quickly and effectively.
  - Also, by providing a specified area within the city/township for growers, processors, and safety compliance facilities, these facilities can interact and rely on each other without being separated far and in-between.
- State regulations allows for a vertical integration.
- Provisioning centers are retail in nature and we feel it is natural to have these be located in a commercial or business district where registered qualifying patients and caregivers can feel the safety of a busy commercial environment without traveling to a remote industrial district for their medical marihuana needs.
  - Austin, TX's zoning designation for liquor stores.

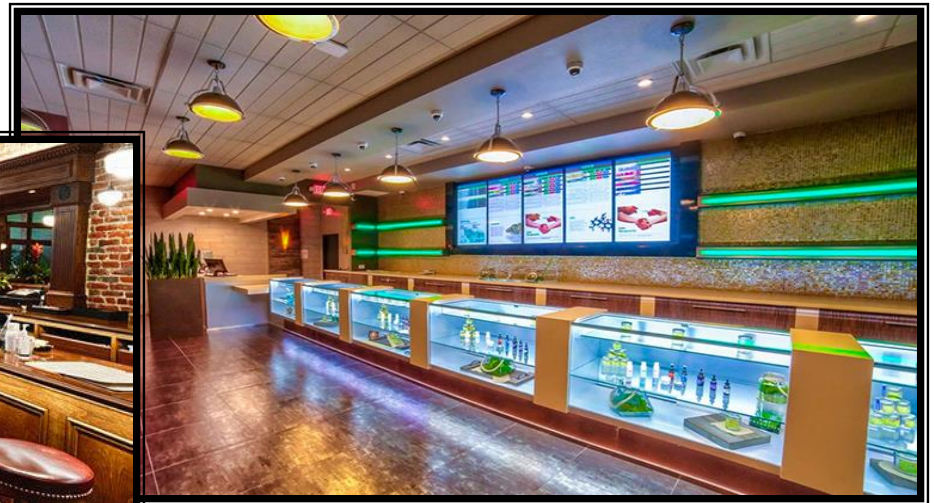


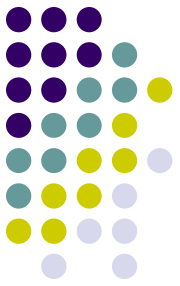
## Ordinance recommendations

- What we would recommend and like to see in municipality’s ordinance regarding MMMA facilities:
  - Heavy-vetted applicants.
    - Municipalities should require all of their applicants a minimum liquidity amount, sufficient and ample operational experience, and a long history which shows a lack of criminality for all its principals, investors, and/or ownership interests.
  - A great level of detail for supposed facility’s security and site plan requirements.
  - Full access of facility to law enforcement. (“Nothing to hide” approach)
  - No caps or limit of licenses on Growers, Processors, or Safety compliance facilities.
  - Cap or limit the licenses for Provisioning Centers.
  - Provisioning Center should be properly placed within the municipality.



It is our purpose and goal to provide exceptional services and products to our registered qualifying patients and registered primary caregivers.





## Who are we?

- Wild Bill's Tobacco is one of the top 5 tobacco retail corporations in the nation.
- Over 75+ locations in Michigan and continuously expanding.
- We understand the strict federal and state regulations for tobacco sales and have paid excise taxes for many years on our businesses.
- We will bring our experience and integral departments that have made Wild Bill's Tobacco, Mr. Vapor, and Churchill's Cigar successful businesses to Oasis Wellness Center.
- Our Leasing, Legal, HR, Security, Accounting and Marketing Divisions will bring the highest level of professionalism and integrity to this new industry.
- We currently have **NO** facilities in operation.
- It has always been our purpose to be a law-abiding corporate citizen of Michigan and have never indulged or done business with the illegal operations of dispensaries or basement grow facilities throughout the state.





## Our testing facility: Act Labs

ACT Labs is the No.1 testing laboratory in the State of Illinois. With over 75% of all marihuana products in the State of Illinois tested by ACT Labs, we are confident that our facilities will meet the highest-industry standards established by these new laws.





## In Conclusion

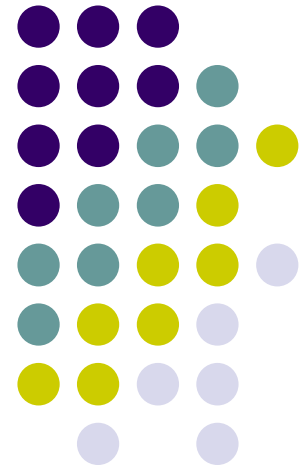
We will become the **new industry standard** and the **trusted** brand and business when its comes to the choice of medical marihuana facilities in your local community.



End

Sources:  
Act No. 281, Public Acts of 2016, Enrolled House Bill No. 4209  
Act No. 282, Public Acts of 2016, Enrolled House Bill No. 4827  
Act No. 283, Public Acts of 2016, Enrolled House Bill No. 4210  
Senate Fiscal Agency Bill Analysis for Public Act 281, 283, and 282 of 2016

Images from Google Images.



**MINUTES**  
**Plainwell City Council**  
**December 12, 2016**

1. Mayor Brooks called the regular meeting to order at 7:00 PM in City Hall Council Chambers.
2. Pledge of Allegiance was given by all present.
3. Roll Call: Present: Mayor Brooks, Mayor Pro-Tem Steele, Councilman Keeler, Councilman Overhuel and Councilman Keeney. Absent: None.
4. Approval of Minutes/Summary:  
**A motion by Steele, supported by Overhuel, to accept and place on file the Council Minutes and Summary of the 11/28/2016 regular meeting. On voice vote, all voted in favor. Motion passed.**
5. General Public / County Commissioner:  
County Commissioner Don Black noted that retiring Sheriff Blaine Koops challenged the County Commissioners to investigate a county-wide public safety millage in the near future. City Manager Wilson noted that he would be happy to be part of the discussions to make sure the city residents are not over-taxed for services provided principally to township residents and businesses.
6. Agenda Amendments: None.
7. Mayor's Report: None
8. Recommendations and Reports:
  - A. Community Development Manager Siegel briefed Council on the consortium of municipalities working on a non-motorized trail that could connect the Kalamazoo River Valley Trail with similar trails in Kent County. The city issued a Request for Proposal and has hired Wightman & Associates as the planner for the project. The consortium has been awarded a grant from the USDA and will act as fiduciary for the funds. The planner will issue invoices to the City, which will receive reimbursement from the consortium. The action before Council is to authorize the City Manager to execute all documents related to this approved action.  
**A motion by Keeler, supported by Keeney, to approve the updated timeline and proposal for planning for the Interurban Trail project, and to authorize the City Manager to execute all documents related to this action. On a voice vote, all in favor. Motion passed.**
  - B. Director Bomar noted selection of an administrative vehicle to replace one that was totaled in an October 2016 accident. The dealer, Midway Chevrolet, found a great deal on a suitable replacement and the majority of the purchase is funded by insurance proceeds.  
**A motion by Keeney, supported by Keeler to approve the purchase of a 2008 Chevy Impala from Midway Chevrolet. On a roll-call vote, all in favor. Motion passed.**
  - C. City Manager Wilson briefed Council on an engineering study recommending an increase in the sewer tap fee from \$1,000 to \$2,500. The current fee of \$1,000 has been in place for nearly 20 years. Staff is recommending a 3-year implementation of the increased fee to help citizens who need to connect the system with timing of when they choose to connect.  
**A motion by Keeler, supported by Overhuel, to approve Resolution 16-22, increasing sewer tap fees. On a voice vote, all in favor. Motion passed.**
  - D. Clerk/Treasurer Kelley noted that several board/commission member terms were scheduled to end on December 31. Each member was contacted in the fall and confirmed his/her desire to continue serving. The Mayor recommends reappointing each of the members as presented.  
**A motion by Keeler, supported by Steele, to confirm the Mayor's reappointment of Jay Lawson to a 3-year term on the Planning Commission, Sue Miller & Jerry Westergaard to**

**3-year terms on the Board of Review, EJ Hart & Zelda Schippers to 4-year terms on the DDA/BRA/TIFA Board and Sherry Pallett to a 5-year term on the Compensation Board. On a voice vote, all in favor. Motion passed.**

9. Communications:

**A motion by Steele, seconded by Overhuel to accept and place on file the October 2016 Public Safety Report, and the November 2016 Fund Balance and Investment Reports. On a voice vote, all in favor. Motion passed.**

10. Accounts Payable:

**A motion by Keeler, supported by Steele, that the bills be allowed and orders drawn in the amount of \$115,170.09 for payment of same. On a roll call vote, all in favor. Motion passed.**

11. Public Comments

None.

12. Staff Comments

Superintendent Updike noted that there has been snow.

Community Development Manager Siegel noted that the Christmas Festival was not well attended, but was a success in that everyone had a great time. The snowfall set a great Christmas scene and atmosphere. She noted that the Indoor Farmer's Market is wrapping up Saturday December 17 and that all vendors are pleased with the success this season and plan on returning. She also noted continued work on several projects.

Superintendent Pond reporting meeting with Otsego Township representatives about fees/rates.

Director Bomar reminded Council of the Shop With a Cop event on December 19 at Meijer. He also updated Council on the county-wide radio upgrade project and that new fire pagers would be rolling out in the next few months.

Clerk/Treasurer Kelley noted near-completion of the audit and preparing for Clerk functions coming up.

City Manager Wilson noted that several business members near Old City Hall had expressed concerns about traffic cutting through the parking lot and that there was an accident in that area recently. Manager Wilson presented some options for how to handle the situation and discussions led to **Council recommending removing the tree on the corner of the parking lot near the auto parts store, installing speed bumps on both sides of the cross-walk near Old City Hall, making sure the stop signs are properly displayed and installing "No Thru Traffic" signs on both sides of the parking lot, pending a Traffic Control Order from the Public Safety Department.** Council requested these actions take place as soon as possible.

13. Council Comments:

Mayor Pro-Tem Steele noted that she would be out of town for the next meeting.

14. Adjournment:

**A motion by Steele, supported by Keeler to adjourn the meeting at 7:33 PM. On voice vote, all voted in favor. Motion passed.**

Minutes respectfully  
Submitted by,  
Brian Kelley  
City Clerk/Treasurer

**MINUTES**  
**Plainwell City Council**  
**December 27, 2016**

1. Mayor Brooks called the regular meeting to order at 7:00 PM in City Hall Council Chambers.
2. Scott Smail of Lighthouse Baptist Church gave the invocation
3. Pledge of Allegiance was given by all present.
4. Roll Call: Present: Mayor Brooks, Councilman Keeler, Councilman Overhuel and Councilman Keeney.  
Absent: Mayor Pro-Tem Steele.
5. Approval of Minutes/Summary:  
**A motion by Overhuel, supported by Keeler, to accept and place on file the Council Minutes and Summary of the 12/12/2016 regular meeting. On voice vote, all voted in favor. Motion passed.**
6. General Public / County Commissioner:  
Director Bomar introduced four (4) new firefighters. Henry Peak comes to us from Hopkins and is already certified. Kevin Callahan works for Calhoun County and brings his expertise to Plainwell. Bob Stenzel and John Tremblay are both Plainwell residents entering the firefighter academy in January 2017. Both Stenzel and Tremblay were sworn in by Clerk/Treasurer Kelley.
7. Agenda Amendments: None.
8. Mayor's Report: None
9. Recommendations and Reports:
  - A. City Manager Wilson briefed Council on the installation of waste gas flare at the Water Renewal Plant as budgeted in the current year.  
**A motion by Keeler, supported by Keeney, to approve the purchase of installation services from Allied Mechanical Services for \$28,200. On a roll-call vote, all in favor. Motion passed.**
  - B. Superintendent Updike briefed Council on an emergency repair to the John Deere Loader which is a key part of snow removal city wide. The machine was analyzed and parts ordered and is back in service ready for more snow.  
**A motion by Keeler, supported by Overhuel, to confirm the emergency purchase from AIS Construction for \$9,619.44 plus shipping to repair the John Deere Loader. On a roll-call vote, all in favor. Motion passed.**
  - C. Mayor Brooks reappointed Bunny LaDuke to a 2-year term on the Parks & Trees Board.  
**A motion by Keeler, supported by Keeney, to confirm the Mayor's appointment of Bunny LaDuke to the Parks & Trees Board. On a voice vote, all in favor. Motion passed.**
  - D. Clerk/Treasurer Kelley outlined five (5) annual resolutions for 2017 – the first lists the Ordinance Enforcement Officers of the city; the second lists the Council meeting dates for 2017; the third lists the employee holiday dates (when City offices are closed); the fourth is a listing of the dates on which the flags are flown on city streets, and; the fifth is a resolution authorizing the Director of Public Safety to liaison with the State of Michigan for temporary closures of M-89.  
**A motion by Keeler, supported by Keeney, to adopt Resolutions 17-01 through 17-05 for Ordinance Enforcement Officers, 2017 Council Meeting Dates, 2017 Employee Holiday Dates, 2017 Street Flag Dates and 2017 Street Closures. On a voice vote, all in favor. Motion passed.**

10. Communications:

**A motion by Overhuel, seconded by Keeler to accept and place on file the November 2016 Public Safety and Water Renewal Reports, and the 12/15/2016 DRAFT Parks & Trees minutes. On a voice vote, all in favor. Motion passed.**

11. Accounts Payable:

**A motion by Keeler, supported by Keeney, that the bills be allowed and orders drawn in the amount of \$282,026.64 for payment of same. On a roll call vote, all in favor. Motion passed.**

12. Public Comments

None.

13. Staff Comments

Personnel Manager Lamorandier reported working on year-end payroll reports.

Superintendent Updike noted the speed bumps and signage had been installed behind Old City Hall. He reported that the skating rink has been installed and is open.

Director Bomar reported on the successful Shop With a Cop event on December 19 that served approximately 130 shoppers with 44 law enforcement officers. He also briefed Council about a brochure being promoted by the Michigan Association of Chiefs of Police concerning "What To Do When Stopped by the Police."

Clerk/Treasurer Kelley noted completion of the audit, to be presented January 23, preparation of year-end reports and planning for the upcoming budget.

City Manager Wilson asked for direction from the Council about uses for the former Harding's Building. The Mayor and Council noted that the city should keep all options open regarding the use and sale of the building.

14. Council Comments:

Councilman Overhuel welcomed the new firefighters and thanked them for their service.

15. Adjournment:

**A motion by Keeney, supported by Keeler to adjourn the meeting at 7:17 PM. On voice vote, all voted in favor. Motion passed.**

Minutes respectfully

Submitted by,

Brian Kelley

City Clerk/Treasurer

**MINUTES**  
**Plainwell City Council**  
**January 9, 2017**

1. Mayor Brooks called the regular meeting to order at 7:01 PM in City Hall Council Chambers.
2. Don Mejeur of Lighthouse Baptist Church gave the invocation
3. Pledge of Allegiance was given by all present.
4. Roll Call: Present: Mayor Brooks, Mayor Pro-Tem Steele, Councilman Overhuel and Councilman Keeney.  
Absent: Councilman Keeler.
5. Approval of Minutes/Summary:  
**A motion by Steele, supported by Overhuel, to accept and place on file the Council Minutes and Summary of the 12/27/2016 regular meeting. On voice vote, all voted in favor. Motion passed.**
6. General Public / County Commissioner:  
None
7. Agenda Amendments: None.
8. Mayor's Report: None
9. Recommendations and Reports:
  - A. Clerk/Treasurer Kelley briefed Council about a misstatement in previous resolutions regarding employee holiday and council meeting dates specific to Christmas Eve and New Year's Eve 2017. Council was presented new Resolutions amending those dates for approval.  
**A motion by Keeney, supported by Steele, to adopt Resolutions 17-06 and 17-07 for 2017 Council Meeting Dates and 2017 Employee Holiday Dates. On a voice vote, all in favor. Motion passed.**
  - B. Superintendent Pond briefed Council about new technology to control levels in the very deep Peach Court Lift Station. The controller is radar technology instead of mechanical.  
**A motion by Steele, supported by Overhuel, to approve the purchase of new level controller from Perceptive Controls for \$3,500. On a roll-call vote, all in favor. Motion passed.**
  - C. Superintendent Updike briefed Council on a bid soliciting cleaning and televising services for portions of the sanitary sewer system. This is a regular service and will include Woodhams, Bridge, Gilkey, Warrant and other larger mains. Council inquired about one of the bidders being much higher than the others.  
**A motion by Keeney, supported by Steele, to award a contract for sanitary sewer cleaning and televising services to Clean Earth Environmental for \$7,001.46. On a roll-call vote, all in favor. Motion passed.**
10. Communications:  
**A motion by Steele, seconded by Overhuel to accept and place on file the December 2016 Investment and Fund Balance Reports, the 12/13/2016 DDA/BRA/TIFA Minutes and the 12/21/2016 Planning Minutes. On a voice vote, all in favor. Motion passed.**
11. Accounts Payable:  
**A motion by Keeney, supported by Steele, that the bills be allowed and orders drawn in the amount of \$691,212.88 for payment of same. On a roll call vote, all in favor. Motion passed.**



12. Public Comments

None.

13. Staff Comments

Personnel Manager Lamorandier reported W2s will be issued to employees on January 11, 2017.

Superintendent Updike reminded everyone that the skating rink is open.

Community Development Manager Siegel reported upcoming meetings regarding the Interurban Trail and the dog park projects, as well as the RRC Grant application. She also reported the city has received grant funding for Sherwood Park restrooms in the amount of \$45,000.

Director Bomar reported that the department is conducting a self-audit of the Law Enforcement Information Network (LEIN) process and is about 80% through the 163 steps of the audit. He also reported staff successfully recovered stolen property from a Plainwell business.

Clerk/Treasurer Kelley noted continued learning of clerk duties and preparation for the budget process.

City Manager Wilson reported finalization of the sale of the Community Center building to the Plainwell Community School.

14. Council Comments:

Mayor Pro-Tem Steele inquired about how to resolve a drone issue.

15. Adjournment:

**A motion by Steele, supported by Overhuel to adjourn the meeting at 7:20 PM. On voice vote, all voted in favor. Motion passed.**

Minutes respectfully

Submitted by,

Brian Kelley

City Clerk/Treasurer