

TOWNSHIP OF CRYSTAL FALLS ORDINANCE NO. 105

AN ORDINANCE TO AUTHORIZE AND REGULATE THE ESTABLISHMENT OF MEDICAL MARIHUANA FACILITIES.

THE TOWNSHIP OF CRYSTAL FALLS, COUNTY OF IRON AND STATE OF MICHIGAN
ORDAINS:

Section 1 - PURPOSE

This Ordinance shall be known as and may be cited as the Township of Crystal Falls Medical Marihuana Facilities Ordinance.

It is the intent of this Ordinance to authorize the establishment of certain types of medical marihuana facilities in the Township of Crystal Falls, and provide for the adoption of reasonable restrictions to protect the public health, safety and general welfare of the community at large; retain the character of neighborhoods; and mitigate potential impacts on surrounding properties and persons by limiting land uses related to marihuana to reasonable additional regulations within districts that are compatible with such uses. It is the intent of this Ordinance to help defray administrative and enforcement costs associated with the operation of a *medical marihuana facility* in the Township of Crystal Falls.

Nothing in this Ordinance is intended to grant immunity from criminal or civil prosecution, penalty or sanction for the cultivation, manufacture, possession, use, sale or distribution of marihuana in any form that is not in compliance with the Michigan Medical Marihuana Act, Initiated LAW 1 OF 2008, MCL 333.26421, *et seq*; the Marihuana Tracking, Act MCL 333.27901, *et seq*; and all other applicable rules promulgated by the State of Michigan and the Township of Crystal Falls. Authority for the enactment of these provisions are set forth in the Medical Marihuana Facility Licensing Act, MCL 333.27101, *et seq*.

As of the effective date of this Ordinance, marihuana remains classified as a Schedule 1 controlled substance under the Federal Controlled Substances Act, 21 U.S.C. Sec. 801, *et seq*, which makes it unlawful to manufacture, distribute or dispense marihuana with intent to manufacture, distribute or dispense marihuana. Nothing in this Ordinance is intended to grant immunity from any criminal prosecution under federal laws.

Section 2 - DEFINITIONS

- A. "Application" means an Application for a new Permit or a renewal permit under this Ordinance and includes all supplemental documentation attached or required to be attached thereto; the person filing the Application shall be known as the "Applicant".

- B. "Medical Marihuana Facility" means an enterprise located in Crystal Falls Township to operate under the Medical Marihuana Facilities Licensing Act, MCL 333.27101, *et seq.*, including a marihuana grower, marihuana processor, marihuana safety compliance center or marihuana secure transporter. The term does not include or apply to a "primary caregiver" or "caregiver" as that term is defined in the Michigan Medical Marihuana Act, MCL 333.26421, *et seq.*
- C. "Grower" means a licensee that is a commercial entity located in this state that cultivates, dries, trims or cures and packages marihuana for sale to a processor provisioning center.
- D. "Licensee" means a person holding a state operating license issued under the Medical Marihuana Facilities Licensing Act, MCL 333.27101, *et seq.*
- E. "Marijuana" or "marihuana" means that term as defined in Section 7106 of the Public Health Code, 1978 PA 368, MCL 333.7106; the Michigan Medical Marihuana Act, MCL 333.26421, *et seq.*; including a *marijuana* processor, *marijuana* provisioning center, *marijuana* secure transporter or *marijuana* safety compliance facility. The term does not include or apply to a "primary caregiver" or a "caregiver", as that term is defined in the Michigan Medical Marihuana Act, MCL 333.26421, *et seq.*
- F. "Person" means an individual, corporation, limited liability company partnership, limited partnership, limited liability partnership, limited liability limited partnership, trust or other legal entity.
- G. "Processor" means a licensee that is a commercial entity located in Michigan that purchases *marihuana* from a grower and that extracts resin from the *marihuana* or creates a *marihuana*-infused product for sale and transfer in packaged form to a provisioning center.
- H. "Provisioning center" means a licensee that is a commercial entity located in Michigan that purchases *marihuana* from a grower or processor and sells, supplies or provides *marihuana* to registered qualifying patients, directly or through the patients' registered primary caregivers. Provisioning center includes any commercial property where *marihuana* is sold at retail to registered qualifying patients or registered primary caregivers. A noncommercial location used by a primary caregiver to assist a qualifying patient connected to the caregiver in accordance with the Michigan Medical Marihuana Act, MCL 333.26421, *et seq.*, is not a provisioning center for purposes of this article.

- I. "Safety compliance facility" means a licensee that is a commercial entity that receives marihuana from a marihuana facility or registered primary caregiver, tests it for contaminants and for tetrahydrocannabinol and other cannabinoids, returns the test results and may return the marihuana to the marihuana facility.
- J. "Secure transporter" means a licensee that is a commercial entity located in this state that stores marihuana and transports marihuana between marihuana facilities for a fee.
- K. "Stacked license" means more than 1 state operating license issued to a single licensee to operate as a grower of Class C - 1,500 marihuana plants as specified in each license at a marihuana facility.
- L. "Tag" means the unique identification number or Radio Frequency Identification (RFID) issued to a licensee by the department for tracking, identifying and verifying marihuana products, and packages in the statewide monitoring system.
- M. Any term defined in the Michigan Medical Marihuana Act, MCL 333.26421, et seq, Medical Marihuana Facilities Licensing Act, MCL 333.27101, et seq, or the Marihuana Tracking Act, MCL 333.27901, et seq, shall have the definition given in that Act.

Section 3 - AUTHORIZED MEDICAL MARIHUANA FACILITIES

- A. The maximum number of each type of medical marihuana facility allowed in the Township of Crystal Falls shall be as follows:

<u>Facility</u>	<u>Number</u>
Permit Class A - 500 Plants	# 0
Permit Class B - 1,000 Plants	# 0
Permit Class C - 1,500 Plants	# 3
(Not to exceed 4,500 Plants and shall all be located in one physical facility)	
Processor	# 1
Safety Compliance Facility	# 1
Secure Transporter	# 1

- B. The Township of Crystal Falls shall not issue any marihuana, provisioning permits.
- C. No medical marihuana grower or processor shall be located within one thousand (1,000) feet of a parcel on which a public school, day care or church is located.
- D. A permit and a renewal permit shall not confer any vested rights or reasonable expectation of subsequent renewal on

the *applicant* or permit holder and may be denied by the Township for any reason.

- E. Each year, any pending *Applications* for renewal or amendment of existing permits shall be reviewed and granted or denied before *Applications* for new permits are considered.
- F. It is the sole and exclusive responsibility of each permit holder or *Person* applying to be a permit holder at all times during the *Application* period and during its operation to immediately provide the Township of Crystal Falls Clerk in writing with all material changes in any information submitted on an *Application* and any other changes that may materially affect any state license or its Township permit, including changes to any member, operator, owner or person with any interest.
- G. No permit issued under this Ordinance may be assigned or transferred to any *Person* unless the assignee or transferee has submitted an *Application* and all required fees under this Ordinance and has been granted a permit by the Township Board. No permit issued under this Ordinance is transferable to any other location except for the permitted premises on the permitted property.
- H. The original permit issued under this Ordinance shall be prominently displayed at the Permitted Premises in a location where it can be easily viewed by the public, law enforcement and administrative authorities.
- I. Acceptance by the permit holder of a permit constitutes consent by the permit holder and its owners, officers, managers, agents and employees for any state, federal or local fire, emergency or law enforcement personnel to conduct random and unannounced examinations of the facility and all articles of property in that facility at any time to ensure compliance with this Ordinance, local regulations and the permit. The permit holder shall be responsible for all costs of inspection and enforcement.
- J. The Township Board may review and amend these numbers of facilities by resolution annually, each December, or as it determines to be advisable. The review of its findings shall be recorded in the minutes of the relevant meeting of the Crystal Falls Township Board.
- K. It is also the intent of this Ordinance to help defray administrative and enforcement costs associated with the operation of a *medical marihuana facility* in the Township of Crystal Falls through imposition of a non refundable fee for each new permit and renewal application of not more than Five Thousand and No/100 (\$5,000.00) Dollars on each *medical*

marihuana facility licensees as set up by resolution of the Crystal Falls Township Board. Authority for the enactment of these provisions is set forth in the Medical Marihuana Facilities Licensing Act, MCL 333.27101, et seq.

- L. The *applicant* shall disclose the names, contact information and financial contribution it intends to make to any individual or entity upon approval of its *Application*. An identification of any business that is directly involved in the growing, processing, testing, transporting or sale of *marihuana* and/or financing, including but not limited to, lenders, stocks or investors for the *medical marihuana facility* must also be disclosed.
- M. The *applicant* shall provide the Township Board with documentation establishing compliance with all financial and criminal background requirements, pursuant to MCL 333.27401 and MCL 333.27402 to apply for issuance of the state license.
- N. Proposed commercial medical marihuana facility will operate within: A structure(s) preexisting on the subject property, or structure(s) to be erected pending issuance of a permit, or a combination of structures preexisting on the subject property and structures to be erected, pending issuance or a permit.

Section 4 - ZONING DISTRICTS

A *medical marihuana facility* may be located in the Township of Crystal Falls only in accordance with the following restrictions:

- A. A grower shall only be located in a district classified in Crystal Falls Township Zoning Ordinance Chapter 12 Light Industrial District located in Section 15, Township 44 North, Range 33 West, subject to Chapter 19 applicable Special Land Use provisions. For purposes of the Medical Marijuana Act and Crystal Falls Township Zoning Ordinance the Special Land Use Zoning provisions shall be applicable.
- B. A processor shall only be located in a district classified in Crystal Falls Township Zoning Ordinance Chapter 12 Light Industrial District located in Section 15, Township 44 North, Range 33 West, subject to Chapter 19 applicable Special Land Use provisions. For purposes of the Medical Marijuana Act and Crystal Falls Township Zoning Ordinance the Special Land Use Zoning provisions shall be applicable.
- C. A *safety compliance facility* shall only be located in a district classified in Crystal Falls Township Zoning Ordinance Chapter 12 Light Industrial District located in Section 15, Township 44 North, Range 33 West, subject to

Chapter 19 applicable Special Land Use provisions. For purposes of the Medical Marijuana Act and Crystal Falls Township Zoning Ordinance the Special Land Use Zoning provisions shall be applicable.

- D. A *secure transporter* shall only be located in a district classified in Crystal Falls Township Zoning Ordinance Chapter 12 Light Industrial District, located in Section 15, Township 44 North, Range 33 West, subject to Chapter 19 applicable Special Land Use provisions. For purposes of the Medical Marijuana Act and Crystal Falls Township Zoning Ordinance the Special Land Use Zoning provisions shall be applicable.

Section 5 - APPLICATION FOR AND RENEWAL OF PERMITS FOR MEDICAL MARIHUANA

- A. No person shall operate a *medical marihuana facility* in the Township of Crystal Falls without a valid *marihuana facility* license issued by the Township of Crystal Falls pursuant to the provisions of this Ordinance.
- B. Every *applicant* for a license to operate a *medical marihuana facility* shall file an *Application* in the Township of Crystal Falls office upon a form provided by the Township of Crystal Falls.
- C. Every *applicant* for a license to operate a *medical marihuana facility* shall submit with the *Application* a photocopy of the *applicant's* valid and current license issued by the State of Michigan in accordance with the Medical Marihuana Facilities Licensing Act, MCL 333.2710, *et seq.*
- D. Upon an *applicant's* completion of the *Application* and furnishing of all required information and documentation, the Township Supervisor shall accept the *Application* and assign it a sequential *Application* number by facility type based on the date and time of acceptance. The Township Board shall act to approve or deny an *Application* not later than thirty (30) days from the date the *Application* was accepted. If approved, the Township Supervisor shall issue the *applicant* a provisional license.
- E. A provisional license means only that the *applicant* has submitted a valid *Application* for a *medical marihuana facility* license, and the *applicant* shall not locate or operate a *medical marihuana facility* without obtaining all other permits and approvals required by all other applicable ordinances and regulations of the Township of Crystal Falls. A provisional license will lapse and be void if such permits and approvals are not diligently pursued to completion.

- F. Within thirty (30) days from the *applicant* submitting proof of obtaining all other required permits and approvals and payment of the license fee, the Township Board shall approve or deny the *medical marihuana facility* license. The Township Supervisor shall issue *medical marihuana facility* licenses in order of the sequential application number previously assigned.
- G. Maintaining a valid *medical marihuana facility* license issued by the state is a condition precedent for the issuance and maintenance of a *medical marihuana facility* license under this Ordinance and continued operation of any *medical marihuana facility*.
- H. A *medical marihuana facility* license issued under this Ordinance is not transferrable.

Section 6 - LICENSE RENEWAL

- A. A *medical marihuana facility* license shall be valid for one (1) year from the date of issuance, unless revoked as provided by law.
- B. A valid *medical marihuana facility* license may be renewed on an annual basis by submitting a renewal application upon a form provided by the Township of Crystal Falls Clerk and payment of the non refundable annual license fee. Application to renew a *medical marihuana facility* license shall be filed with the Township of Crystal Falls Clerk at least ninety (90) days prior to the date of its expiration. Application may be denied by the Township of Crystal Falls Board for any reason it deems appropriate.

Section 7 - OPERATIONAL REQUIREMENTS, COMMERCIAL MEDICAL MARIHUANA FACILITIES

A commercial Medical Marihuana Facility that is issued a permit under this Ordinance and operating in the Township of Crystal Falls shall at all times comply with the following operational requirements, which the Township Board may review and amend from time to time as it determines reasonable.

1. Scope of Operation

Commercial Medical Marihuana Facilities shall comply with all respective applicable codes of the local zoning, building and health departments. The facility shall hold a valid special land use permit and State Commercial Medical Marihuana Facility License for the type of Commercial Medical Marihuana Facility intended to be carried out on the permitted property. The facility operator, owner or Licensee shall have documentation available that meet local

and state sales tax requirements, including holding any licenses, if applicable are satisfied.

2. Required Documentation

Each Commercial Medical Marihuana Facility shall be operated from the permitted premises on the permitted property. No Commercial Medical Marihuana Facility shall be permitted to operate from a movable, mobile or transitory location, except for a Permitted and Licenses Secure Transporter when engaged in the lawful transport of *marihuana*. No person under the age of twenty-one (21) shall be allowed to enter into the Permitted Premises.

3. Security

Permit holders shall at all times maintain a security system that meets state law requirements and shall also include the following:

- a. Security surveillance cameras installed to monitor all entrances, along with the interior and exterior of the Permitted Premises;
- b. Robbery and burglary alarm systems which are professionally monitored and operated twenty-four (24) hours a day, seven (7) days a week;
- c. A locking safe permanently affixed to the Permitted Premises that shall store all *processor marihuana* and cash remaining in the facility overnight;
- d. All *marihuana* in whatever form stored at the permitted premises shall be kept in a secure manner and shall not be visible from outside the Permitted Premises, nor shall it be grown, processed, exchanged, displayed or dispensed outside the permitted premises;
- e. All security recordings and documentation shall be preserved for at least thirty (30) days by the permit holder and stored offsite in by a server or cloud storage provider. All security recordings and documentation shall be made available to any law enforcement agency upon request for inspection;
- f. The *applicant* and all employees shall be finger printed and such documentation shall be made available for the Township upon request; and
- g. All individuals employed and/or entering the *medical marihuana facility* shall present valid photo identification upon entry to the *medical marihuana facility*.

The *medical marihuana facility* shall maintain a log of individuals that indicates the name, date, time of entrance and exit from the facility. The log shall be maintained for one (1) year and made available to the Township upon request.

4. Amount of Marihuana

The amount of *marihuana* on the permitted property and under the control of the permit holder, owner or operator of the facility shall not exceed that amount permitted by the state License or the Township's permit.

5. Sale of Marihuana

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

6. Sign Restrictions

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

7. Use of Marihuana

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

8. Distribution

No person operating a facility shall provide or otherwise make available *marihuana* to any person who is not legally authorized to receive *marihuana* under state law.

9. Permits

All necessary building, electrical, plumbing and mechanical permits shall be obtained for any part of the permitted premises in which electrical, wiring, lighting or watering

devices that support the cultivation, growing, harvesting, testing or transporting of *marihuana* are located.

10. Waste Disposal

The permit holder, owner and operator of the facility shall use lawful methods in controlling waste or byproducts from any activities allowed under the license or permit.

11. Transportation

Marihuana shall be transported by a secure transporter within the Township under this Ordinance, and to effectuate its purpose, only;

- a. By *persons* who are otherwise authorized by state law to possess *marihuana* for medical purposes;
- b. In a manner consistent with all applicable state laws and rules;
- c. In a secure manner designed to prevent the loss of the *marihuana*;
- d. No vehicle used for the transportation or delivery of *marihuana* under this Ordinance shall have for markings the words "*marihuana*", "*cannabis*" or any similar words; pictures or other renderings of the *marihuana* plant; advertisements for *marihuana* or for its sale, transfer, cultivation, delivery, transportation or manufacture, or any other word, phrase or symbol indicating or tending to indicate that the vehicle is transporting *marihuana*; and
- e. No vehicle may be used for the ongoing or continuous storage of *marihuana*, but may only be used incidental to, and in furtherance of, the transportation of *marihuana*.

12. Marihuana Tracking/Labeling

- a. Tracking Identification and Labeling Requirements
 - (1) All *marihuana* product sold or transferred between *marihuana* facilities shall have the tracking identification number that is assigned by the statewide monitoring system affixed, tagged, or labeled and recorded, and any other information required by the department, the act, and the Township Board.
- b. *Marihuana* plant; tracking requirements:

(1) Prior to a marihuana plant being sold or transferred, a package tag shall be affixed to the plant or plant container and enclosed with a tamper proof seal that has the following information:

(i) Business or trade name, licensee number, and RFID package tag assigned by the statewide monitoring system that is visible;

(ii) Name of the strain;

(iii) Date of harvest if applicable;

(iv) Seed strain if applicable; and

(v) Universal symbol if applicable.

c. Marihuana product sale or transfer; labeling requirements.

(1) Prior to marihuana product being sold or transferred to or by a provisioning center, the container, bag, or product holding the marihuana product shall have a label and be sealed with all the following information:

(i) The name of the licensee and license number that is the producer, including business or trade name, and tag or source number as assigned by the statewide monitoring system;

(ii) The name of the licensee and license number including business or trade name of licensee that packaged the product, if different from the processor of the marihuana product;

(iii) The unique identification number for the package or the harvest if applicable;

(iv) Date of harvest;

(v) Name of strain;

(vi) Net weight in United States customary and metric units;

(vii) Concentration of THC or CBD;

(viii) Activation time expressed in words or through a pictogram;

(ix) Name of the safety compliance facility that performed any test, any associated test batch number, and any test analysis date;

(x) Universal symbol published by the department;

(xi) A warning that states all the following:

(xii) "For use by registered qualifying patients only. Keep out of reach of children."; and

(xiii) "It is illegal to drive a motor vehicle while under the influence of marihuana."

13. Additional Conditions

The Township Board may impose such additional reasonable terms and conditions on a Commercial Medical Marihuana Facility special use as may be necessary to protect the public health, safety and welfare.

14. Verification

The Township Board or its designee shall perform all applicable background checks including but not limited to verification of financial records and criminal history of applicants. The Township of Crystal Falls shall be entitled to collect all fees and costs incurred in conducting such verification or through utilization of applicable third parties to perform such verification from the **Applicant**.

Section 8 - ENFORCEMENT

1. Civil Infraction

Any person that shall violate this Ordinance, shall upon conviction thereof, be guilty of a civil infraction and punished by a civil fine of not to exceed \$500.00, together with necessary costs of prosecution incurred in bringing and maintaining the proceedings. In the event the person found violating the provisions of this ordinance, has been convicted of one or more violations of this ordinance within the immediately preceding 120 month period, then the subsequent violation of the provisions of this ordinance shall upon conviction be punished by a fine not to exceed \$500.00 or by imprisonment not to exceed 90 days, or by both such fine and imprisonment, together with the necessary costs of prosecution incurred in bringing and maintaining the proceedings. Each day in which any continuing violation is continued beyond the aforementioned notice time limit shall be deemed a separate offense.

2. Liability for Losses

Any person violating any provision of this Ordinance shall be liable to the Township of Crystal Falls for any expenses, loss, damage and cost of prosecution occasioned by reason of such violation which the Township of Crystal Falls may suffer as a result thereof.

3. Enforcement Official

The Township Supervisor or the designee thereof is designated and authorized to undertake all actions necessary for the enforcement of this Ordinance.

4. Enforcement Costs

The Township of Crystal Falls shall also be entitled to equitable relief to abate the violations and to such other relief as may be available to the Township of Crystal Falls pursuant to Chapters 83 and 87 of the Michigan Revised Judicature Act, Public Act 236 of 1961, as amended, being MCL 600.101 et seq; together with necessary costs of prosecution incurred in bringing and maintaining proceedings and all other enforcement powers granted by law, at the present time or in the future.

Section 9 - VALIDITY

1. Repeal of Conflicting Ordinance

All ordinances or parts of ordinances or regulations or parts of regulations in conflict with this Ordinance are hereby repealed.

2. Invalidation Clause

Invalidity of any section, clause, sentence or provision in the Ordinance shall not affect the validity of any other section, clause, sentence or provision of this Ordinance which can be given effect without such invalid part or parts.

Section 10 - EFFECTIVE DATE

This ordinance shall take effect on May 8, 2018.
All ordinances in conflict herewith are hereby repealed.



Thomas Lesandrini
Township Supervisor



Nancy Niemi
Township Clerk

I, Nancy Niemi, Township Clerk for Crystal Falls Township, certify that the above Ordinance Number 105, is a true and complete copy of said ordinance adopted by the Crystal Falls Township Board on May 8, 2018, at a meeting held in the Crystal Falls Township Hall at 2:00 p.m. dated May 8, 2018, and signed by Nancy Niemi, Crystal Falls Township Clerk. I further certify that the original of this ordinance has been inserted in the Crystal Falls Township Ordinance Book on May 8, 2018.



Nancy Niemi
Township Clerk