

ORDINANCE NO. 443

AN ORDINANCE TO PERMIT AND REGULATE MARIHUANA ESTABLISHMENTS IN THE CITY OF NORWAY UNDER THE MICHIGAN MEDICAL MARIHUANA FACILITIES LICENSING ACT AND THE MICHIGAN REGULATION AND TAXATION OF MARIHUANA ACT.

THE CITY OF NORWAY ORDAINS:

MARIHUANA ESTABLISHMENTS

ARTICLE 1: LEGISLATIVE INTENT AND DEFINITIONS

The City of Norway intends to issue permits for and regulate marijuana facilities and marijuana establishments to the extent they are permitted under the Michigan Medical Marihuana Facilities Licensing Act and the Michigan Regulation and Taxation of Marihuana Act. The city does not intend that permitting and regulation under this chapter be construed as a finding that such facilities comply with any law. By requiring a permit and compliance with the requirements of this chapter, the city intends to protect the public health, safety and welfare.

Words and phrases contained in the Michigan Medical Marihuana Facilities Licensing Act, MCL 33327101 et seq., the Medical Marihuana Act, MCL 333.26421 et seq., the Michigan Regulation and Taxation of Marihuana Act, MCL 333.27951 et seq. (collectively hereafter, the "Act"), and the rules or emergency rules promulgated pursuant to any of these acts, shall have the same meanings in this chapter.

For purposes of the requirements for obtaining a permit under this chapter, the terms "facility" and "marihuana facility" are intended to include both a "marihuana facility" as defined in the MMFLA and a "marihuana establishment" as defined in the MRTMA.

“City Council” shall mean the City of Norway City Council.

“City Clerk” shall mean the City of Norway Clerk.

“City Manager” shall mean the City Manager of the City of Norway.

“Co-location” or “co-located” means the siting and operation of a combination of multiple establishments or establishment types under the MRTMA and MMFLA at a single location.

“Designated consumption establishment” means a commercial space licensed by the state to permit adults 21 years of age and older to consume marijuana products at the location indicated in the license.

“Facility” means a "marihuana facility" as defined in the MMFLA and a "marihuana establishment" as defined in the MRTMA.

“Grower” means a person who cultivates and sells marijuana to other facilities, as permitted by the MMFLA and the MRTMA, which includes all of the following:

Class A grower, which is a maximum of 500 plants under the MMFLA and 100 plants under the MRTMA.

Class B grower, which is a maximum of 1,000 plants under the MMFLA and 500 plants under the MRTMA.

Class C grower, which is a maximum of 1,500 plants under the MMFLA and 2,000 plants under the MRTMA.

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

“Marijuana means” marihuana as defined in the MMFLA and as defined in the MRTMA.

“Marijuana event organizer” means a person licensed to apply for a temporary marihuana event license under these rules.

“Medical Marihuana Facilities Licensing Act or MMFLA” means the Michigan Medical Marihuana Facilities Licensing Act, MCL 333.27101 et seq., and the rules or emergency rules promulgated pursuant to the MMFLA.

“Michigan Medical Marihuana Act or MMMA” means the Michigan Medical Marihuana Act, MCL 333.26421 et seq., and the rules or emergency rules promulgated pursuant to the MMMA.

“Michigan Regulation and Taxation of Marihuana Act or MRTMA” means the Michigan Regulation and Taxation of Marihuana Act, MCL 333.27951 et seq., and the rules or emergency rules promulgated pursuant to the MRTMA.

“Marijuana microbusiness” means a business that cultivates not more than 150 plants; processes and packages it; and sells it to individuals who are 21 years of age or older or to a safety compliance facility but not to other businesses.

“Permittee” means a person holding a city permit under this chapter.

“Person” means the entities included in the definition of "person" in the MMFLA and the MRTMA.

“Processor” means a person who operates as a "processor" as defined in the MMFLA or a "marihuana processor" as defined in the MRTMA or as both at the same location under common ownership.

“Provisioning center/retailer” means a person who operates as a "provisioning center" as defined in the MMFLA or as a "marihuana retailer" as defined in the MRTMA or as both at the same location under common ownership.

“Safety compliance facility” means a person who operates as a "safety compliance facility" as defined in the MMFLA or a "marihuana safety compliance facility" as defined in the MRTMA or as both at the same location under common ownership.

“Secure transporter” means a person who operates as a "secure transporter" as defined in the MMFLA or a "marihuana secure transporter" as defined in the MRTMA or as both at the same location under common ownership.

“Selection Committee” means the three-person committee appointed by the City Manager.

“State license” means a valid state operating license issued under the MMFLA or a valid state license issued under the MRTMA or both.

“Temporary marijuana event” means a license held by a marijuana event organizer for an event where the onsite sale or consumption of marihuana products, or both, are authorized at the location indicated on the state license during the dates indicated on the state license.

“Zoning Ordinance” means the City of Norway Zoning Ordinance.

ARTICLE 2: AUTHORIZATION OF MARIHUANA ESTABLISHMENTS AND FEE

A. The City hereby authorizes, subject to the issuance of a municipal license by the City Clerk, the following marihuana establishments within the boundaries of the City, as are authorized pursuant to the Michigan Medical Marihuana Facilities Licensing Act, MCL 333.27101 et seq., and the rules or emergency rules promulgated pursuant to the MMFLA, and the Michigan Regulation and Taxation of Marihuana Act, MCL 333.27951 et seq., and the rules or emergency rules promulgated pursuant to the MRTMA.

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

<u>Type of Establishment</u>	<u>Number Authorized</u>
Grower permits	
MMFLA	0
MRTMA	0
Processor permits	
MMFLA	2

MRTMA	2
Secure transporter permits	3
Sales	
Provisioning center	2
Retailer	2
Safety compliance facility permits	2
Marijuana microbusiness permits	0
Designated consumption establishment permits	0
Marijuana event organizer	0

C. A nonrefundable license application review fee shall be paid by each marijuana establishment applying to be licensed under this ordinance in the amount of \$1,500.00. The annual fee for each marijuana establishment license shall be in the amount of \$5,000.00. The application fee and marijuana establishment license fee are in addition to any other fees required, including, but not limited to, zoning fees. The \$1,500.00 application review fee and \$5,000.00 establishment license fee shall be submitted with the application for each license requested. Said fees are non-refundable and is to defray the administrative and enforcement costs of the City associated with the operation of the licensed marijuana establishment.

D. Should the City grant a marijuana establishment a municipal license, the marijuana establishment license fee shall be considered as the fee imposed for the first year the license is granted. Prior to the expiration of the first year of the license, and as provided in this Ordinance in Article 13, the licensee may apply for an extension/renewal of the municipal license for an additional one year period at a nonrefundable application fee of \$1,500.00 and should the City grant the extension/renewal of the municipal license, the license shall become effective upon payment of the annual marijuana establishment fee of \$5,000.00 which shall be due within 5 days of the granting of the renewal/extension by the City. The City may adjust the amount of the application and license fees by resolution of the City Council. The purpose of the marijuana establishment license fee is to defray the administrative and enforcement costs of the City associated with the operation of the licensed marijuana establishment.

ARTICLE 3: REQUIREMENTS AND PROCEDURE FOR ISSUING MUNICIPAL LICENSE

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

B. No person shall be issued a municipal license by the City without first having obtained from the City of Norway Planning Commission a Special Use Permit authorizing the operation of the establishment pursuant to the City of Norway Zoning Ordinance.

C. No person who is employed by the City, acts as a consultant for the City or acts as an advisor to the City, and is involved in the implementation, administration or enforcement of this Ordinance, shall have an interest, directly or indirectly, in a Marihuana Establishment.

D. Every applicant for a municipal license to operate a marihuana establishment shall file an application in the City Clerk's office upon a form provided by the City.

The application shall include:

1. The appropriate nonrefundable municipal license application fee and initial year annual Marihuana establishment fee in the amounts determined by the City;

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. The applicant shall also provide a complete copy of their application for State approval, including, but not limited to:

i. Proof of ownership or authorization to use the property for a marihuana establishment.

a. A notarized statement from the owner of such property authorizing the use of the property for a marihuana establishment, if the applicant is not the owner of the proposed licensed premises;

- b. A copy of any deed reflecting the applicant's ownership of, or lease reflecting the right of the applicant to possess, or an option reflecting the applicant's right to purchase or lease, the proposed licensed premises.
6. A copy of the Special Use Permit issued by the City of Norway Planning Commission;
7. A location area map of the marihuana establishment and surrounding area that identifies the relative locations and the distances (closest property line to the subject marihuana establishment's building) to the closest real property comprising a public park, public or private elementary, vocational or secondary school, church or state licensed daycare;
8. 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 therewith; and further, the applicant waives and forever releases any claim, demand, action, legal redress, or recourse against the City, 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; and
9. The Act in Section 9.4 (MCL 333.27959(4)) requires that the City establish a competitive process to select applicants who are best suited to operate in compliance with the Act and this Ordinance when the City receives more applications than the number of available licenses. The assigned committee shall create a scoring rubric outlining the factors and weight of criteria considered for the scoring of such applications, and shall provide the final rubric for modification and final approval by the majority of the City Council. The City will require that applicants submit, at a minimum, the following information which will be scored by rubric:
 - i. An estimate of the number and type of jobs that the marihuana establishment is expected to create and the amount and type of compensation expected to be paid for such jobs;
 - ii. A business plan which contains, but is not limited to, the following:
 - a. The applicant's experience in operating other similarly permitted or licensed businesses and the applicant's general business management experience;

- b. The proposed ownership structure of the establishment, including percentage ownership of each person or entity;
- c. A current organizational chart that includes position descriptions and the names of each person holding each position;
- d. Planned tangible capital investment in the City, including if multiple permits are proposed, an explanation of the economic benefits to the City and job creation, if any, to be achieved through the award of such multiple permits, with supporting factual data;
- e. Expected job creation, wage information, and staffing plan associated with the proposed marihuana establishment(s);
- f. If a Marihuana Grower Establishment is proposed, the number of plants anticipated;
- g. Financial structure and financing of the proposed marihuana establishment(s); and;
- h. Community outreach/education plans and strategies.
- i. A written description of the training and education that the applicant will provide to all employees, including planned continuing education for existing employees. Further, a written description of the method(s) for record retention of all training provided to existing and former employees;
- j. A location area map of the marihuana facility and surrounding area that identifies the relative locations and the distances (closest property line to the subject marihuana facility's building) to the closest real property comprising a public or private elementary, vocational or secondary school; and church or religious institution, if recognized as a tax-exempt entity by the City Assessor's Office;
- k. A facility sanitation plan to protect against any marihuana being ingested by any person or animal, indicating how the waste will be stored and disposed of, and how any marihuana will be rendered unusable upon disposal. Disposal by on-site burning or introduction into the sewerage system is prohibited.
- l. A description of the anticipated area impact including the proximity of the establishment(s) to properties zoned or used residentially; and plans for litter control, loitering, neighborhood outreach, noise mitigation, odor mitigation, resident safety, and traffic mitigation.

- m. Blight mitigation and environmental protection plan.
- n. A security plan and services agreement for the proposed premises, with confirmation that those systems will meet State requirements and be approved prior to commencing operations.
- o. A facility plan for odor neutralization to mitigate noxious odors from permeating properties surrounding the facility location, including enforceable assurances that no odor will be detectable from outside the permitted premises.
- p. Timeline for opening
- q. ability to co-locate:
 - i. Grower: MMFLA licensed product and MRTMA licensed product
 - ii. Sales: MMFLA licensed product and MRTMA licensed product

10. Application for sign permit, if any sign is proposed

11. Any other information which may be required by the City Clerk from time to time.

E. Upon an applicant's completion of the above-described form and furnishing of all required information, documentation, and fees, the City Clerk shall file the same and assign it a sequential application number by establishment type based on the date and time of acceptance. Initial applications shall commence on the first day of business following the forty-fifth day (45th) following enactment of this ordinance and shall continue for a period of ninety (90) days (the "Initial Application Period"). At the expiration of the Initial Application Period, the, the City Clerk shall compile a list of each applicant for each available license type. All of the applications shall be submitted to the Selection Committee for review and completion of scoring rubric(s). Each application shall be scored and the City Clerk shall prepare a list that identifies each application and the corresponding total of the applicable individual scoring rubric. The scoring under this section shall be completed in a timely fashion following the expiration of the Initial Application Period.

F. The City Manager shall forward the results of the individual scores to the City Council together with a recommendation for the issuance of each marijuana establishment license. The City Council shall have the discretion to either approve, approve with conditions, or deny each individual license application at the next regularly scheduled Meeting of the City Council following receipt of the recommendation.

G. The City Clerk shall issue the applicant or applicants approved by the City Council a provisional license and subsequently a final license after issuance by the State of Michigan of an operating license.

H. 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. A provisional license does not authorize operations until a final license is issued, which will only occur upon issuance of the appropriate license by the state of Michigan and the issuance of a Certificate of Occupancy.

I. A License issued under this ordinance is not transferable without the prior approval of the City Council under and pursuant to the same terms and conditions required for the initial issuance of a license under this Ordinance. The attempted transfer, sale, or other conveyance of an interest in a license without prior Council or City approval is grounds for suspension or revocation of the license or for other sanction considered appropriate by the city.

J. Marihuana Establishments issued Licenses by the City shall be fully operational within one hundred eighty (180) days following the date the License is issued. Failure to be fully operational within one hundred eighty (180) days following the date the License is issued shall be grounds for the revocation of the License. If a Licensee is unable to be fully operational within one hundred eighty (180) days following the date the License is issued, the Licensee may submit a request for a one-time extension to the City Manager prior to the expiration of the one hundred eighty (180) days, and the City Manager shall forward said request to the City Council for consideration at its next scheduled meeting following the City Manager's receipt of the extension request. The City Council shall approve, approve with conditions (including and up to daily monetary penalties per council resolution), or deny the requested extension period at the City Council's next Regular Meeting.

ARTICLE 4: MINIMUM OPERATIONAL STANDARDS FOR ALL MARIHUANA ESTABLISHMENTS WITHIN THE CITY OF NORWAY

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

A. Marihuana Establishments shall comply at all times and in all circumstances with the Act, and applicable Michigan law, and the general 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 City bears no responsibility for failure of the owner to be unaware of changes in the Act.

B. Consumption and/or use of marihuana shall be prohibited on the establishment property.

C. The establishment shall be open during regular business hours to any representative of LARA, state police officer, or City of Norway Police Officer, or other official of the City of Norway, 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 sixty (60) days and be available for review upon request of the City of Norway Police Department.

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, including obtaining and maintaining a Special Use License.

G. All marihuana shall be contained within an enclosed, secure area and shall not be visible from outside the premises, nor shall it be grown, processed, exchanged, or displayed outside the premises.

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 growing or harvesting of marihuana are located and occupancy shall be contingent upon the issuance of a final occupancy permit.

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

1. Maintaining adequate personal cleanliness;
2. Washing hands thoroughly in adequate hand-washing areas before starting work and at any other time when 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. All facilities must be designed and operated to minimize the amount of pesticides, fertilizers, nutrients, marihuana, and other potential contaminants discharged into the public wastewater and/or stormwater systems.

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.

N. Odor from operations shall be controlled as provided in the Zoning Ordinance and as may be required under the Special Use License issued to the Licensee.

ARTICLE 5: MINIMUM OPERATIONAL STANDARDS FOR MARIHUANA GROWER ESTABLISHMENTS

The following minimum standards for Grower Establishments shall apply.

A. Grower Establishments shall maintain a log book and/or database indicating the number of Marihuana Plants therein.

B. A Stakeholder in a Grower Establishment shall not hold an ownership interest, directly or indirectly, in more than two (2) Marihuana Grower Establishments.

C. The establishment shall be subject to inspection by the City of Norway Fire Department, City of Norway Code Enforcement Officer, and City of Norway Police Department, to ensure compliance with all applicable statutes, codes and ordinances.

D. Multiple Grower Establishment Licenses in a single location shall be permitted, subject to approval of the same by the City Clerk.

ARTICLE 6: MINIMUM OPERATIONAL STANDARDS FOR SAFETY COMPLIANCE ESTABLISHMENTS

The following minimum standards for Safety Compliance Establishments shall apply.

A. Safety Compliance Establishments shall maintain a log book and/or database which complies with the Act or applicable Michigan law.

B. There shall be no other accessory uses permitted within the same establishment other than those associated with testing marihuana.

C. A Stakeholder in a Safety Compliance Establishment shall not hold an ownership interest, directly or indirectly, in a Grower, Processor, Retailer or Microbusiness Establishment.

ARTICLE 7: MINIMUM OPERATIONAL STANDARDS OF MARIHUANA PROCESSOR ESTABLISHMENTS

The following minimum standards for Processor Establishments shall apply.

A. All Activity related to the Processor Establishment shall occur indoors.

B. Processor Establishments shall maintain a log book and/or database which complies with the Act or other applicable state laws.

C. All marihuana shall be tagged as required by the Act or applicable state laws.

D. That structure shall be subject to inspection at any time by the City of Norway Police or Fire Department to ensure compliance with all applicable statutes, codes and ordinances.

E. Processor Establishments shall produce no products other than useable marihuana intended for human consumption.

ARTICLE 8: MINIMUM OPERATIONAL STANDARDS FOR SECURE TRANSPORTER ESTABLISHMENTS

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 enter all transactions, current inventory, and other information as required by the state into the statewide monitoring system.

C. A Secure Transporter shall comply with all of the following:

1. Each driver transporting marihuana shall have a chauffeur's license issued by the state;

2. Each employee who has custody of marihuana or money that is related to a marihuana transaction shall not have been convicted of delivery of a controlled substance;

3. Each vehicle shall be operated with a two-person crew with at least one individual remaining with the vehicle at all times during the transportation of marihuana;

4. The marihuana shall be transported by one or more sealed containers and shall not be accessible while in transit; and

5. A secure transporting vehicle shall not bear markings or other indication that it is carrying marihuana or a marihuana infused product.

D. A vehicle used by a Secure Transporter is subject to administrative inspection by a law enforcement officer at any point during the transportation of marihuana to determine compliance with all state and local laws, rules, regulations and ordinances.

ARTICLE 9: MINIMUM OPERATIONAL STANDARDS FOR MARIHUANA PROVISIONING CENTERS AND RETAILERS

The following minimum standards for Marihuana Provisioning Centers and Retailers shall apply.

A. The Establishment 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. The Establishment 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 Provisioning Centers and their agents shall ensure that all purchases of marihuana are by persons who are issued and possess a valid card issued under the rules governing the Michigan Medical Marihuana Program. If a Provisioning Center is located in the same building as a Marihuana Retailer, access to the Marihuana Retailer area of the building must be strictly limited to persons who are over 21 years of age.

E. No marihuana retailer shall operate between the hours of 9:00 p.m. and 8:00 a.m.

ARTICLE 11: LOCATION OF GROWER ESTABLISHMENT, SAFETY COMPLIANCE ESTABLISHMENT, PROCESSOR ESTABLISHMENT, AND SECURE TRANSPORTER ESTABLISHMENT

A. All Grower Establishments, Safety Compliance Establishments, Processor Establishments, Microbusiness Establishments and Secure Transporter Establishments shall only operate and be located within the permitted areas as provided for in the Zoning Ordinance.

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

ARTICLE 12: DENIAL AND REVOCATION

- A. Any effort to circumvent the protocol listed in this Ordinance and/or the City of Norway Zoning Ordinance will result in the immediate denial of application or complete revocation of the City of Norway issued Marihuana Establishments License.
- B. A License issued under this Ordinance may be revoked after an administrative hearing at which the City Manager 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 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.
- C. A License applied for or issued under this Ordinance may be denied or revoked on any of the following basis:
 - 1. Any violation of this Ordinance;
 - 2. Any conviction of delivery of a controlled substance to a minor;
 - 3. City Manager 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. Sufficient evidence that the Licensee lacks, or has failed to demonstrate, the requisite professionalism and/or business experience required to assure strict adherence to this ordinance, and the rules and regulations governing the Act;
 - 5. The License holder or any of its Stakeholders is in default to the City 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 City to have become a public nuisance;
 - 7. LARA has denied, revoked or suspended the applicant's state operating license.
 - 8. The attempted transfer, sale, or other conveyance of an interest in a license without prior City approval is grounds for suspension or revocation of the license or for other sanction considered appropriate by the city.
- D. Should the City Manager revoke a License, the Licensee shall have fourteen (14) days from the mailing of the written notice of revocation to request a reconsideration of the decision to the City Manager. The City Manager may require additional information or act upon the request for reconsideration based upon the information supplied. Should the City Manager reverse the

decision, the City Clerk shall reinstate the license. Should the City Manager affirm the decision, he/she shall mail by first class mail a written notice affirming the decision to the address for the Licensee contained in the City Clerk's records.

E. Should the City Manager affirm the denial, revocation or suspension of a License, the Licensee shall have fourteen (14) days from the mailing of the decision of the City Manager to appeal the decision to City Council, by filing with the City Clerk a written notice of appeal. City Council shall hear the appeal at its next regularly scheduled meeting, but no sooner than 7 days from the receipt of the appeal. The City Council may require additional information or act upon the appeal based upon information supplied. Should the City Council reverse the previous decision, the City shall reinstate the license. Should the City Council affirm the previous decision, the City shall mail by first class mail a written notice affirming the decision to the address for the Licensee.

F. Any License that is issued and later revoked or, once issued, denied at renewal, shall be made available for issuance and the City Clerk shall cause notice of the availability of a revoked or nonrenewed License to be posted in the same manner as notice of meetings of the City Council. The process in Article 3 shall be followed for applying for an available License.

ARTICLE 13: 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 upon a form provided by the City and payment of the annual license fee. Applications to renew a License shall be filed with the City Clerk at least ninety (90) days prior to the date of its expiration.

C. In the event that the renewed application is not submitted in accordance with this Section, the city will assess a \$50.00 late fee for each day that the renewal application is submitted late.

D. In the event that an application is not received by the date of expiration, an additional late fee shall be assigned by the City Council not exceed \$2,000, in addition to the daily late fees outlined herein and annual renewal fee.

E. In the event that an application is not received by the date of expiration, the license will be considered null and void and all operations must immediately cease by Order of the Director of Police & Fire Services.

F. A notice of local revocation will be issued to the State of Michigan and the licensee will have to resubmit all documentation, fees, and receive all approvals as a new entity should they wish to reopen their business.

G. Prior to the issuance of a renewal license by the city, the premises shall be inspected to assure that it and its systems are in compliance with the requirements of this Ordinance. The

annual, nonrefundable inspection fee, as assigned by the City Council, per licensed facility required under this Section, shall be due and payable with the application for annual inspection and upon the application for renewal of any such license under this Ordinance.

H. As long as no changes to the Licensee have occurred and there is no pending request to revoke or suspend a License, and the Licensee has paid the License Renewal Fee, the City Clerk shall renew the License.

ARTICLE 14: UNLAWFUL ACTIVITIES

Any act which is a violation of either the MMFLA or the MRTMA, or any amendment thereto, shall also be considered a violation of this Ordinance. It shall be unlawful to consume marihuana in a public place in the City of Norway.

ARTICLE 15: CITY LIABILITY AND INDEMNIFICATION

- A. By accepting a license issued pursuant to this Ordinance, the licensee waives and releases the city, its officers, elected officials, and employees from any liability for injuries, damages or liabilities of any kind that result from any arrest or prosecution of recreational marihuana establishment owners, operators, employees, clients or customers for a violation of local, state or federal laws, rules or regulations.
- B. By accepting a license issued pursuant to this Ordinance, all licensees, agree to indemnify, defend and hold harmless the city, its officers, elected officials, employees, and insurers, against all liability, claims or demands arising on account of bodily injury, sickness, disease, death, property loss or damage or any other loss of any kind, including, but not limited to, any claim of diminution of property value by a property owner whose property is located in proximity to a licensed operating facility, arising out of, claimed to have arisen out of, or in any manner connected with the operation of a recreational marihuana establishment or use of a product cultivated, processed, distributed or sold that is subject to the license, or any claim based on an alleged injury to business or property by reason of a claimed violation of the Federal Racketeer Influenced and Corrupt Organizations Act (RICO), 18 U.S.C. §1964(c).
- C. By accepting a license issued pursuant to the Ordinance, a licensee agrees to indemnify, defend and hold harmless, the city, its officers, elected officials, employees, and insurers, against all liability, claims, penalties, or demands arising on account any alleged violation of the Federal Controlled Substances Act, 21.U.S.C. § 801 et seq. or Article 7 of the Michigan Public Health Code, MCL 33.7101 et seq.

ARTICLE 16: LICENSE AS REVOCABLE PRIVILEGE

- A. An operating license granted by this Ordinance is a revocable privilege granted by the city and is not a property right. Granting a license does not create or vest any right, title, franchise, or other property interest. The city retains the right to alter the number and type of establishments authorized hereunder at any time; provided, however, that the City shall

not increase or decrease the number of licenses until after the third anniversary date of the City's issuance of the first license issued under this Ordinance.

- B. Each license is exclusive to the licensee, and a licensee or any other person must apply for and receive the City's approval before a license is transferred, sold, or purchased.
- C. A licensee or any other person shall not lease, pledge, or borrow or loan money against a license.

ARTICLE 17: 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.

ARTICLE 18: 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 not more than \$500.00.

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.

A violation of Article 14 by consuming marihuana in a public place is a civil infraction and subject to the payment of a civil fine of up to \$100.00.

B. A violation of this Ordinance is deemed to be a nuisance per se. In addition to any other remedy available at law, the City 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 City Clerk, any City of Norway Police Officer, City Manager or such other city official as may be designated from time to time by resolution of the City Council.

ARTICLE 19: 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.

ARTICLE 20: EFFECTIVE DATE

This Ordinance shall take effect no earlier than fifteen (15) days after enactment nor before publication thereof, as set forth in the city charter.

EFFECTIVE DATE: This ordinance shall become effective no earlier than 15 days after enactment nor before publication thereof, as set forth in the city charter.

ENACTED: May 3, 2021

PUBLISHED: May 11, 2021

EFFECTIVE: May 19, 2021

Ayes: Brew, Meneghini, Muraro, Popp

Nays: Kraemer

Candy Brew
Mayor, City of Norway

Trisha Plante
Clerk, City of Norway

I, Trisha Plante, City Clerk of the City of Norway do hereby certify that the above Ordinance was published in the Daily News, Iron Mountain, Michigan, on the 3rd day of May A.D., 2021.

Trisha Plante, City of Norway Clerk