MEDICAL MARIHUANA FACILITIES LICENSING ACT (MMFLA) MEETING TOWNSHIP HALL MEETING SUPERIOR CHARTERTOWNSHIP HALL 3040 N. PROSPECT, SUPERIOR TOWNSHIP, MI 48198 MARCH 15, 2018 6:30 p.m.

The Medical Marihuana Facilities Licensing Act (MMFLA) meeting was called to order by the Supervisor Ken Schwartz at 6:35 p.m. on March 15, 2018 at the Superior Township Hall, 3040 North Prospect, Superior Township, Michigan.

Board members present were Nancy Caviston, Lynette Findley, Lisa Lewis and Ken Schwartz.

Absent: Rodrick Green, Alex Williams and Brenda McKinney.

Supervisor Schwartz acted as moderator of the meeting and gave an overview of the scope of the meeting.

Fred Lucas, the township attorney presented an overview of the Medical Marihuana Facilities Licensing Act (MMFLA). He opened by stating that the MMFLA is a different law from the 2008 Michigan Medical Marihuana Act. The original 2008 legislation allowed an individual to grow their own marihuana for their own purposes and a caregiver could grow marihuana for a patient. The caregiver was limited to growing no more than 12 plants for each individual they cared for. They could care for no more than 5 individuals other than themselves. The maximum amount of plants they could grow, as a caregiver, was 72 plants. They could not grow an aggregate of 72 plants. The plants had to be grown separately in units of 12 for each individual patient.

The new licensing act is considered by Mr. Lucas to be the commercialization of medical marihuana and a precursor of the recreational use of marihuana. This act identifies 5 different types of licenses that will exist:

License Type	Description of License				
Grower Class A	Grower license for 500 marihuana plants				
Grower Class B	Grower license for 1,000 marihuana plants				
Grower Class C	Grower license for 1,500 marihuana plants				
Processor	License authorizes purchase of marihuana from a grower and sale of infused-products or marihuana to a provisioning center.				
Secured Transporter	License authorizes storage and transportation of marihuana and associated money between facilities.				
Provisioning Center	Licensee can sell marihuana to a qualified patient or registered primary caregiver.				
Safety Compliance Facility	License authorizes the facility to receive marihuana from, test marihuana for, and return marihuana to only a marihuana facility.				

See MCL § 333.27501 - § 333.27505.

The term dispensary has been used in the past, but it was never used in any adopted statutes. The proper term is provisioning center. If the township wishes to opt out of the act no action needs to be taken on behalf of the township. If the township does want to allow licensing there are steps that need to be taken. Mr. Lucas represents several communities who have adopted marihuana ordinances. He has seen different approaches adopted as to the usage of marihuana in these communities. One community handles marihuana facilities under a conditional ordinance. If the township wants to take this approach it would have to revise the zoning ordinance. The township would have to determine what zoning district that the township would want to allow them in, under what conditions and what parameters would apply (i.e., hours of operations, size, etc.). In some communities they deal with all these issues within the confines of the zoning ordinance. He recommends that the regulations be bifurcated. The township should have zoning regulation separate from regulatory ordinances. For example, a community has the authority to regulate where a bar will be located through zoning. Regulating the conduct of the bar is not determined through zoning, but is determined by the state. If a community places all their regulations in a zoning ordinance it limits itself in terms of making changes later. Zoning ordinances grant vested rights to a property owner. If a house is zoned for residential and the township rezones it to commercial the township has no right to tell the property owner that they must move out of the house because they have a vested property interest that the township cannot deprive them of without proper compensation. A regulatory ordinance such as a speed limit sign does not guarantee a vested interest. He recommends that regulations that pertain to the operation of the business be placed in a regulatory ordinance.

Mr. Lucas went on to detail licensing options. If the township wants to allow licensing where do they want to allow it? Some communities allow it in agricultural zones. Some are allowing it in commercial and industrial zones. Does the township want to allow it as a conditional or special land use that would require approval by the planning commission? Or a marihuana overlay district? Once an overlay is applied to a parcel of land all marihuana uses are legal on that parcel of land. He said there is not a once size fits all approach to licensing in a municipality.

CITIZEN PARTICIPATION

- Laura P., a 17-year Superior Township resident stated that she would like more information on how the process would work in the township.
- Attorney Craig Aronoff with the Cannabis Legal Group in Royal Oak, MI, representing a township homeowner/business owner responded to Laura P. that he would be happy to do a presentation to educate the community on the industry side of medical marihuana. He also said that the location of Superior Township and the land use is ideal to provide access to medicine for patients. His firm has partnered with a firm out of Colorado and have been licensing people throughout the country. The rule set that they have established was compiled by determining which rules and regulations have worked best throughout the country. The licensing application process is two-fold. The first part of the process entails vetting the applicant's business experience and a criminal and financial background check is performed. The second part of the process is a facility inspection. The business cannot operate prior to having their facility approved by local

building inspectors, the fire marshal and state regulators. There will be odor restrictions. All facilities will be fitted with Wi-Fi that is connected to local law enforcement for security purposes.

- Irma G., a Superior Township resident asked where other medical marihuana facilities are located. Craig Aronoff listed several communities who have opted in. A chart is attached at the end of this summary that details the communities that have opted in as of March 9, 2018.
- Kim I., a Superior Township resident said that it would be smart to educate the residents, so they do not make assumptions that there are fields of marihuana with barbed wire fences, but that the facilities are inside of buildings that are a not distinguishable from surrounding businesses. Supervisor Schwartz asked Attorney Aronoff if there are any outside grow facilities in the state. Mr. Aronoff said that there are three municipalities, two located in the Upper Peninsula and one in Ross Township that allow outside growing. Supervisor Schwartz stated that the plans for facilities that have been presented to him at township hall have detailed plans for investment in securing the facilities.
- Steven, a resident of Ypsilanti with family in Superior Township, has been a caregiver since 2008. He stated that this is an opportunity to bring new, fresh commerce into the area. If the township allows licensing he plans to help his family participate in the industry in regard to use of runoff to increase community farming.
- David P., a Superior Township resident asked what the facilities would look like in regard to square footage and if they would look like greenhouses.
- Darryl Stavros has owned property in the township for over 20 years. He owns the first provision center opened in Michigan in 2008 based out of Ypsilanti. He purchased a farm near the Hyundai plant three years ago. His facility is 45,000 square feet on 38 acres of land. The property is zoned A-2 agricultural. Mr. Stavros said that the application process is extensive. Including background checks at the state level and at the local level for all employees. His facility security measures include barometric scanners in every room. Growers will only be authorized to go into the room that they are assigned to in order to avoid cross contamination. Mr. Stavros detailed the medical benefits of marihuana products. Irma G. asked if his facility was one story or two stories and what materials the facility was constructed of and if it was fenced in. Mr. Stavros said the facility is one story, it is a brick building that is fenced in. Supervisor Schwartz inquired if the size of Mr. Stavros facility was standard. He said that 45,000 square feet was on the larger side for a facility. Mr. Stavros said that the standard size of a facility in Colorado was 30,000 square feet. He stated that Colorado's population is half of Michigan.
- Of the 3% of the taxes collected by the state, 25% will be distributed to the municipalities based on the number of licenses they have. 30% will be distributed to the county, 5% to the county sheriff, 30% to the state, 5% to the state police and 5% to the enforcement bureau.
- Supervisor Schwartz asked Attorney Aronoff about security cameras at marihuana facilities. Mr. Aronoff said that Rule 27 of the emergency rules mandate that cameras are required in all marihuana facilities. The cameras are required to have a certain amount of pixels in order to print clear color photos of anyone in the facilities.

- Mr. Aronoff said that the processing facilities would use the same process that is used to process aloe to process marihuana and hemp extracts to create products such as butter and oils.
- Sandy L., a Superior Township resident expressed a concern about excess night lighting associated with the facilities. Darrell Stavros said that these facilities may only employ nine or so employees so there would not be a lot of parking lot lighting. They also plan to ensure that their facility blends in with its surroundings and appear as it did when the building was constructed in the 1930s.
- Nathan, a Superior Township resident opposes medical marihuana legalization in the township and in the state. He wants the township to take a stand against medical marihuana. He was concerned that most attendees of the meeting were interested in their personal financial gains as the reason they are advocating for licensing in the township. He believes that a profit should not be made on the backs of the victims of marihuana use. He said that we have a community that has issues. A community that is wracked with methamphetamine addiction. A community that is wracked with poverty.
- Irma G., commented she would like to know the impact that the licensing will have on the community. She also would like the township to get more word out to the community about the potential for licensing in the township.
- Clerk Findley inquired about the medicinal value of medical marihuana over prescription pharmaceuticals.
- Jamal, a medical student and property owner in the township commented that there is an opioid epidemic locally and across the country. He said that there has to be a substitute for the opioids that cause people to graduate from prescription narcotics to heroine. He has had family members who have been addicted and died due to opioid abuse. He believes more research should be conducted on the medicinal effects of marihuana. He responded to Nathan's concern about some attendee support being due to financial gain by stating that pharmaceutical companies also make a profit from prescription drugs and lives are being lost to opioid addiction.
- Katie I., a Superior Township resident uses medical marihuana to treat her anxiety. She said that getting her medicine locally instead of having to drive far away has made a difference for her. She said that medicinal marihuana is used by people to treat a myriad of ailments.
- Steven mentioned growing Cannabidiol (CBD) plants that only have trace amounts of Tetrahydrocannabinol (THC). CBD does not have psychotropic effects on the user. He said that the plant has many different uses.
- Attorney Aronoff said that he has also had family members who have died due to opioid abuse and that the legalization of medical marihuana is not just for profit, but is personal to him. He mentioned peer reviewed studies regarding the medicinal value of marihuana and that it should be studied further. Usage doesn't necessarily mean smoking a marihuana product. He said the state now has the opportunity to legally produce medicines that can sit on the shelf alongside medicines found at CVS. Up to 3% of the state are patients who use medical marihuana. With legalization, he hopes to gain the confidence of doctors in the state who will start prescribing medical marihuana as an alternative to prescription drugs that come with side effects.

- Supervisor Schwartz inquired if someone who wants to operate a small start-up would have the opportunity, given all the rules and expenses, to compete in the industry. Mr. Aronoff stated that the capitalization requirement for a class A grow license is \$150,000.00 of liquid capital which the operator only needs to have \$37,500.00 of it in cash. The rest of the capital can be in equipment, inventory, etc.
- Nathan said that he does not believe that marihuana is a solution to street drug addiction. He believes it is immoral to make that claim. He believes that there is medicinal value to marihuana, but believes that most are concerned with profit of marihuana and not the medicinal value. He said that he visited the University of Colorado Health Center two years ago and has anecdotal stories about the increase in children being brought into emergency rooms due to accidental marihuana edible exposure.
- David P., asked about the supremacy clause and how it relates to legalization of marihuana in Michigan and the possibility of preemption by the Department of Justice and any liability for township officials if someone bought a claim again them for authorizing licensing. Attorney Lucas did not see any liability for township officials. He also stated that marihuana usage is still illegal under federal law. He said that the federal government could come in tomorrow and shut all facilities down and charge people with Marihuana possession. Although, per the appeal of the Ter Beek v Wyoming ruling it was determined that local municipalities cannot prohibit medical marihuana by relying on federal law as a basis for prohibition. Per MCL 333.26422(c) "states are not required to enforce federal law or prosecute people for engaging in activities prohibited by federal law." Attorney Aronoff said during the MMFLA application process licensees have to sign an affidavit that acknowledges that they are aware that under federal law marihuana is still a schedule 1 drug. Attorney General Sessions rescinded the Cole Memo released during the Obama administration. That memo took a hands off approach to federal prosecution. The rescinding does not explicit compel states to prosecute marihuana growers. Mr. Aronoff said that more important than the Cole Memo is the Rohrabacher-Farr amendment (also known as the Rohrabacher–Blumenauer amendment) that prohibits the Justice Department from spending funds to interfere with the implementation of state medical cannabis laws. He believes that the state will handle regulation and enforcement and not the federal attorney general.
- David L., a 20-year Superior Township resident supports licensing because he believes that it would take marihuana growth out of basements and closets and into monitored facilities.

14. ADJOURNMENT

Supervisor Schwartz concluded the meeting and said that the board is keeping an open mind. He will reach out to individual board members and they will collectively determine what the next steps are. The meeting adjourned at 8:04 p.m.

Respectfully submitted,

Paula Jefferson, Deputy Clerk

Unofficial document: compiled by Bureau of Medical Marihuana Regulation staff for informational purposes only. This is a working document that may be revised. Updated as of 3/9/18. Highlights indicate changes since 3/1/18.

County	Municipality	Grower - Class A	Grower- Class B	Grower - Class C	Processor	Provisioning Center	Safety Compliance Facilities	Secure Transporters	
Arenac	Au Gres Township	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
Bay	Bangor Township	10	10	30	10	6	5	5	
	Bay City	25	25	25	25	50	25	25	
	Gibson Township	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
	Kawkawlin Township	10	10	50	10	10	6	5	
	Pinconning Township	25	0	0	25	10	2	4	
	Buchanan	5	5	5	5	5	5	5	
Berrien	Niles	no cap	no cap	no cap	no cap	2	no cap	no cap	
	Village of Eau Claire	0	0	1	1	0	1	1	
Calhoun	Battle Creek	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
Callibuii	Marshall	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
Chinnous	DeTour Township	1	1	3	2	0	2	2	
Chippewa	DeTour Village	2	2	2	2	0	1	1	
Crawford	Frederic Township	no cap	no cap	no cap	no cap	5	no cap	no cap	
Eaton	Windsor Charter Township	10	10	10	5	0	2	2	
	Burton	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
Genesee	Mount Morris Charter Township	10	10	no cap	no cap	5	5	5	
	Thetford Township	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
Gladwin	Tobacco Township	1	1	1	1	1	1	2	
6 17	Acme Township	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
Grand Traverse	Village of Kingsley	no cap	no cap	no cap	no cap	0	no cap	no cap	
Gratiot	Seville Township	0	0	0	0	0	0	2	
Hillsdale	Village of Camden	2	2	2	6	4	6	6	
	East Lansing	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
	Lansing	no cap	no cap	no cap	no cap	25	no cap	no cap	
Ingham	Lansing Charter Township	1	0	0	0	0	2	0	
	Village of Webberville	no cap	no cap	no cap	no cap	0	no cap	no cap	
1	AuSable Charter Township	to	otal of 3 between A,B,	C	3	1	3	3	
losco	Oscoda Charter Township	to	total of 2 between A,B,C			2	2	2	
Iron	Mastodon Township	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
	Clare	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
Isabella	Wise Township	to	otal of 6 between A,B,	C	2	2	2	2	
Houghton	Portage Charter Township	0	0	0	0	3	0	0	
	Leoni Township	no cap	no cap	no cap	no cap	6	no cap	unclear: not mentioned	
Jackson	Parma Township	0	0	2	1	0	0	1	
Kalamazoo	Kalamazoo Charter Township	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
	Ross Township	no cap	no cap	no cap	no cap	0	no cap	no cap	
	Wakeshma Township	5	5	5	15	0	15	15	
Kalkaska	Village of Kalkaska	no cap	no cap	no cap	no cap	5	no cap	no cap	
Lake	Pleasant Plains Township	no cap	no cap	no cap	no cap	no cap	no cap	no cap	
	Village of Almont	,	'	, ,	ordinance cor			,	
Lapeer	Lapeer	ordinance coming							
Lenawee	Adrian	no cap	no cap	no cap	no cap	zoned 5/no cap	no cap	no cap	

Lenawee	Morenci	no cap	no cap	no cap	no cap	no cap	no cap	no cap		
Macomb –	Center Line	5	5	5	15	15	15	15		
	Clinton Charter Township	ordinance coming								
	Harrison Charter Township	ordinance coming								
	Lenox Township	total of 15 between A,B,C			3	3	3	3		
Marquette -	Humboldt Township	10	10	10	5	2	2	2		
	Republic Township	5	5	5	2	2	2	1		
	Negaunee Township	5	5	5	2	2	no cap	no cap		
	Sands Township	5	5	5	2	4	3	3		
Monroe	Village of Carleton	1	0	0	1	1	1	1		
Newaygo	Newaygo	total of 1 between A,B,C			1	0	1	0		
	White Cloud	no cap	no cap	no cap	6	1	2	2		
Oakland	Hazel Park	3	3	3	3	3	3	3		
	Orion Charter Township	0	0	6	2	0	2	2		
	Walled Lake	ordinance coming								
Ontonagon	Carp Lake Township	no cap	no cap	no cap	no cap	no cap	no cap	no cap		
Osceola -	Evart	total of 4 between A,B,C			4	2	2	2		
	Richmond Township	no cap	no cap	no cap	no cap	no cap	no cap	no cap		
Ottawa	Crockery Township	total of 1 between A,B,C			0	1	0	0		
Saginaw	Village of Chesaning	no limit	no limit	no limit	no limit	unclear: 2 or 3	no limit	no limit		
choolcraft	Mueller Township	no cap	no cap	no cap	no cap	no cap	no cap	no cap		
	Juniata Township	5	5	5	0	0	2	5		
Tuscola	Vassar	no cap	no cap	no cap	no cap	no cap	no cap	no cap		
	Vassar Township	no cap	no cap	no cap	no cap	5 no	no cap	no cap		
	Bangor	no cap	no cap	no cap	no cap	no cap	no cap	no cap		
	Hartford	1	1	1	1	1	1	1		
Van Buren	Porter Township	no cap	no cap	no cap	5	2	5	5		
	Village of Breedsville	no cap	no cap	no cap	no cap	5	no cap	no cap		
	Waverly Township	ordinance coming								
Washtenaw	Sharon Township	total of 4 between A,B,C			4	0	0	0		
	Ypsilanti	total of 3 between A,B,C			3	7	0	0		
Wayne	Inkster	no cap	no cap	no cap	no cap	3	no cap	no cap		
	Garden City	ordinance coming								
	River Rouge	no cap	no cap	no cap	no cap	no cap	no cap	no cap		
	Wayne	ordinance coming								