

APPROVED
ORDINANCE #557
VILLAGE OF ROMEO, MACOMB COUNTY, MICHIGAN
AN ORDINANCE TO PROVIDE FOR THE LICENSING AND REGULATING OF MARIHUANA
BUSINESSES PERMITTED WITHIN THE VILLAGE OF ROMEO, MICHIGAN, AND TO
PROVIDE PENALTIES FOR VIOLATIONS OF THE ORDINANCE.

THE VILLAGE OF ROMEO HEREBY ORDAINS:

Sec. 557-001 Title:

This ordinance shall be known and cited as the “Marihuana Business Ordinance” of the Village of Romeo and will be referred to herein as such.

Sec. 557-002 Legislative Intent:

The purpose of this ordinance is to regulate permitted marihuana businesses, which includes marihuana growers, marihuana safety compliance establishments, marihuana processors, marihuana retailers, medical marihuana provisioning centers and marihuana secure transporters, licensed by the State of Michigan, which are the only permitted uses in the Village of Romeo. It does not include a marihuana microbusiness, or any other type of marihuana-related business, which is or are not permitted by this ordinance.

The Village finds that these activities are significantly connected to the public health, safety, security, and welfare of its citizens and it is therefore necessary to regulate and enforce safety, security, fire, policing, health, and sanitation practices related to such activities and also to provide a method to defray administrative costs incurred by such regulation and enforcement. It is not the intent of this ordinance to diminish, abrogate, or restrict the protections for medical marihuana use found in the Medical Marihuana Facilities Licensing Act, Public Act 281 of 2016.

Sec. 557-003 Definitions:

The following words and phrases used in this Ordinance shall have the following meanings unless the context clearly indicates otherwise:

Applicant means a person who applies for a license to operate a marihuana establishment under this Ordinance in compliance with Michigan law.

Cultivate means to propagate, breed, grow, harvest, dry, cure, or separate parts of the marihuana plant by manual or mechanical means.

Department means the State of Michigan Department of Licensing and Regulatory Affairs or its successor agency.

Industrial hemp means a plant of the genus cannabis and any part of that plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration that does not exceed 0.3% on a dry-weight basis, or per volume or weight of marihuana-infused product, or the combined percent of delta-9-tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant of the genus cannabis regardless of moisture content.

Licensee means a person holding a state license issued under the Michigan Regulation and Taxation of Marihuana Act, MCL 333.27951, et. seq. (MRTMA) or the Michigan Medical Marihuana Facilities Licensing Act, MCL 333.27101, et. seq. (MMFLA).

Marihuana means that term as defined in section 7106 of the public health code, 1978 PA 368, MCL 333.7106.

Marihuana accessories means any equipment, product, material, or combination of equipment, products, or materials, which is specifically designed for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, ingesting, inhaling, or otherwise introducing marihuana into the human body.

Marihuana concentrate means the resin extracted from any part of the plant of the genus cannabis.

Marihuana establishment means a marihuana grower, marihuana safety compliance facility, marihuana processor, marihuana retailer, medical marihuana provisioning center, or secure transporter, which are the only uses permitted by this Ordinance. It does not include marihuana microbusiness or other marihuana businesses which are not permitted under this Ordinance, even if permitted by MMFLA and/or the MRTMA.

Marihuana grower means a person licensed under the MMFLA and/or the MRTMA to cultivate, dry, trim, or cure and package marihuana for sale to another marihuana establishment as permitted by Michigan law and this Ordinance.

Medical

- (1) Class A – 500 marihuana plants;
- (2) Class B – 1000 marihuana plants;
- (3) Class C – 1500 marihuana plants;

Recreational

- (1) Class A – 100 marihuana plants;

- (2) Class B – 500 marihuana plants;
- (3) Class C – 2000 marihuana plants;

Marihuana-infused product means a topical formulation, tincture, beverage, edible substance, or similar product containing marihuana and other ingredients that is intended for human consumption.

Marihuana processor means a person licensed under the MMFLA and/or the MRTMA to obtain marihuana from marihuana establishments; process and package marihuana; and sell or otherwise transfer marihuana to marihuana establishments.

Medical marihuana provisioning center means a licensee that is a commercial entity located in the Village of Romeo industrially zoned area 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 approved commercial property where marihuana is sold at retail to registered qualifying patients or registered primary caregivers. A noncommercial location used by a registered primary caregiver to assist a qualifying patient connected to the caregiver through the State of Michigan's marihuana registration process in accordance with the Michigan Medical Marihuana Act is not a provisioning center for purposes of this ordinance.

Marihuana retailer means a person licensed to obtain marihuana from marihuana establishments and to sell or otherwise transfer marihuana to marihuana establishments and to individuals who are 21 years of age or older.

Marihuana safety compliance facility means a person licensed under the MMFLA and/or the MRTMA to take marihuana from a marihuana establishment or receive marihuana from a registered primary care giver, test the marihuana for contaminants and for tetrahydrocannabinol and other cannabinoids, return the test results and return the marihuana to the marihuana establishment from which it was delivered or obtained.

Marihuana secure transporter means a person licensed under the MMFLA and/or the MRTMA to store marihuana and transport marihuana between marihuana establishments for a fee.

MMFLA means the Medical Marihuana Facilities Licensing Act.

MRTMA means the Michigan Regulation and Taxation of Marihuana Act.

Municipality means the Village of Romeo.

Outdoor grow means a fully enclosed outdoor area that is shielded from public view, is equipped with secure locks and other functioning security devices to prevent entry into the area by unauthorized persons.

Person means an individual, corporation, limited liability company, partnership of any type, trust, or other legal entity.

Planning Commission means the Planning Commission for the Village of Romeo.

Process or Processing means to separate or otherwise prepare parts of the marihuana plant and to compound, blend, extract, infuse, or otherwise make or prepare marihuana concentrate or marihuana-infused products.

School means a public or private licensed pre-school, or a public, private, or charter elementary, middle, junior high, or high school, secondary school, community college, or other institution of higher education.

Stakeholder means the officers, directors, and managerial employees of an applicant and any persons who hold any direct or indirect ownership interest in the applicant.

State license means a license issued by the State of Michigan that allows a person to operate a marihuana establishment.

Third Party Agent means an individual or business hired or retained by the Village of Romeo to assist in the application review process required and described in this Ordinance.

Unreasonably impracticable means that the measures necessary to comply with the rules or Ordinances adopted pursuant to this act subject licensees to unreasonable risk or require such a high investment of money, time, or any other resource or asset that a reasonably prudent businessperson would not operate the marihuana establishment.

Village means the Village of Romeo.

Village Clerk means the Clerk of the Village of Romeo.

Village Council means the Village of Romeo Council.

LICENSING AND APPEALS

Sec. 557-004 Required License:

It shall be unlawful for any person to operate a marihuana establishment in the village without a valid license therefor issued by the village clerk in accordance with the provisions of this ordinance.

The location of marihuana establishments shall be subject to special land use permit approval, and the applicable minimum requirements of Section 46-393 (9), of the Village of Romeo Zoning Ordinance.

No elected official or person who is employed by the Village, or any who act as a consultant for the Village or acts as an advisor to the Village, and/or is involved in the implementation, administration or enforcement of this ordinance shall have an interest, directly or indirectly, in a marihuana establishment in the Village of Romeo.

Sec. 557-005 Marihuana business licenses.

(a) Pursuant to section 6.1. of the MMFLA and/or the MRTMA authorities, the Village shall authorize:

Marihuana Growers, regardless of class for,

Medical

- (1) Class A – 500 marihuana plants;
- (2) Class B – 1000 marihuana plants;
- (3) Class C – 1500 marihuana plants;

Recreational

- (1) Class A – 100 marihuana plants;
- (2) Class B – 500 marihuana plants;
- (3) Class C – 2000 marihuana plants;

Marihuana Processors

Medical Marihuana Provisioning Centers

Marihuana Retailers

Marihuana Safety Compliance Establishments

Marihuana Secure Transporters

No other uses shall be permitted

Any qualified licensed establishment shall be located in the industrial zoned portion of the village (IND), located specifically on the East side of M-53 Bypass, and North of

32 Mile Road. There shall be a buffer of at least seven-hundred fifty (750) feet between establishments as measured from the nearest point of property line to property line.

Marihuana establishments shall be located a minimum of five hundred (500) feet from public/private K-12 education facilities and/or churches as measured “door to door” from the nearest entrance of the school or church to the nearest entrance of the licensed establishment’s structure.

Sec. 557-006 License applications.

Any person seeking to operate a marihuana establishment shall file a license application with the Village clerk upon a form provided by the Village. Separate application(s) and separate application fee(s) shall be submitted and paid for each, retail, grow, transportation and or processing license, whether for medical marihuana or recreational marihuana, even if co-located.

A complete application shall include the following criteria:

- (a) The full name, date of birth, physical address, email address, and telephone number of the applicant in the case of an individual; or, in the case of an entity, all stakeholders thereof.
- (b) A criminal background report on the applicant’s criminal history. Such reports shall be obtained by the applicant and, if applicable, each stakeholder through the Internet Criminal History Access Tool (ICHAT) for applicants or stakeholders residing in Michigan and/or through another state sponsored or authorized criminal history access source for applicants or stakeholders who reside in other states or have resided in other states within five (5) years prior to the date of the application. The applicant or stakeholder is responsible for all charges incurred in requesting and receiving the criminal history report and the report must be dated within thirty (30) days of the date of the application.
- (c) The entity’s articles of incorporation, organizational documents, business plan, LLCs and EIN number.
- (d) The entity’s operating agreement or bylaws.
- (e) A detailed proposed marketing, advertising, and business promotion plan for the proposed marihuana establishment.
- (f) A description of the financial structure and financing for the proposed marihuana establishment including short-term and long-term business goals and objectives for the proposed marihuana establishment. Bank or CPA notarized financial statement(s) demonstrating sufficient resources to fund the applicants proposed marijuana establishment plan must be included.

- (g) A floor plan of the proposed marihuana establishment including a security plan that includes secure storage of marihuana, 24/7 video surveillance (both inside and outside the establishment), to deter and prevent theft and diversion, and a detailed plan for recordkeeping and inventory management that is consistent with the requirements of MMFLA and/or the MRTMA.
- (h) A certified Architect stamped scale diagram illustrating the property upon which the proposed marihuana establishment is to be operated, including all available parking spaces, and specifying which parking spaces are handicapped-accessible. Environmental Engineer stamped documents illustrating that neither the land use for the proposed site, including the surrounding area, will not have a detrimental effect on traffic patterns, eco-system and the safety of others.
- (i) A depiction of any proposed text or graphic materials to be shown on the exterior of the proposed marihuana establishment.
- (j) An affidavit that neither the applicant nor any stakeholder of the applicant is in default to the village.
- (k) If the applicant has already received prequalification letter from a Marihuana Regulatory Agency they must provide a copy to the Village of Romeo.
- (l) A detailed description of planned tangible capital investment in the Village and the economic benefits to the Village, and a projected annual budget and revenue of the proposed marihuana establishment.
- (m) A detailed description of the economic benefits to the village and job creation to be achieved, including a proposed staffing plan, complete with description of duties, proposed wages and employee qualifications and type of jobs the establishment is expected to create, the amount and type of compensation expected to be paid for such jobs.
- (n) Whether the stakeholders demonstrate experience with owning, operating and/or managing a similar business in highly regulated industry (minimum two years).
- (o) Provide a detailed proposal for community outreach, education or partnership opportunities.
- (p) A completed Special Land Use Application.

Except as provided by law, all materials submitted to the Village, as part of an application shall be exempt from disclosure under the Freedom of Information Act and exempt from disclosure

pursuant to MCL 333.27401(5).

Sec. 557-007 Application fee:

An application for each license requested shall be accompanied by a non-refundable application fee to help defray administrative and enforcement costs associated with the operation of the marihuana establishment which shall be in the amount of five thousand dollars (\$5,000.00) per license requested, in addition to any other fees required, including, but not limited to, zoning fees. A separate application and application fee shall be submitted and paid for each license requested.

Sec. 557-008 Application review:

The Village Clerk shall date/time stamp upon receipt each application and perform a cursory review of each application to ensure that it is complete, that the information required by this article has been submitted, and that the application fee(s) have been paid. The Village Clerk may reject any application that is not complete and may deny any application for failure to pay the full application fee(s). Further the Village Clerk may enlist the services of a third-party consulting firm with the assistance of legal counsel to assist and or perform any or all of the above stated work.

Upon receipt of a completed application(s), which has met the requirements of this article and the appropriate license application fee(s), the village clerk shall refer a copy of the application to each of the following for their approval within a reasonable amount of time: the fire chief, the building inspector, the village planner, the planning commission, and the village treasurer. The Village may also enlist the services of a third-party consulting firm with the assistance of legal counsel to assist and or perform some or all of the above stated work.

No application shall be approved, and no license shall issue unless:

- (a) The fire chief and the building inspector have inspected the proposed location for compliance with all applicable laws for which they are charged with enforcement and for compliance with the requirements of this article.
- (b) The Village Planner has confirmed that the proposed location complies with the relevant provisions of the Village of Romeo Zoning Ordinance and this article.
- (c) The special land use application has been approved by the planning commission.
- (c) The Village Treasurer has confirmed that the applicant and each stakeholder of the applicant are not in default to the Village.

After the effective date of this Ordinance, so long as licenses are available, the Village Clerk shall begin accepting applications for a marihuana establishment allowed under this ordinance and as licensed by the State of Michigan, but for no other uses.

Within sixty (60) days from the date/time stamp receipt, a minimum of two (2) persons, one (1) from the Village Clerk's office, and one (1) from the Village Treasurer's office, with the assistance of legal counsel shall assess, and verify that all of the required documentation is completed and the application submission meets the requirements of this ordinance. The Village is not required to accept or assess applications for a marihuana establishment for any category where a license is not available.

The Village Clerk shall forward all required approvals including, date and time stamping notations to the Village President who, at the next Romeo Village Council meeting, unless postponed for good cause or otherwise provided herein, shall approve licenses in order of the date/time receipt.

Sec. 557-009 Transfer of licenses:

Licensees may not transfer a license issued under this ordinance to a different location. Licensees may transfer ownership of a license issued under this ordinance to a different individual or entity only upon receiving written approval from the State of Michigan, after receiving written approval from the Village and provided that the licensee holds a special use Permit for the new location. In order to receive approval to transfer a license location, the licensee must make a written request to the Village, indicating the current license location and the proposed license location, upon receiving the written request, the Village shall refer a copy of the written request to the Village Council for their approval. No license transfer shall be approved unless the licensee and the proposed license location meet the standards identified in this ordinance. A license transfer fee of \$5,000 shall be established by Village Council through resolution and may be changed from time to time.

Applicants cannot transfer their application to a different individual or entity.

Licensees shall report any other change in the information required by this ordinance to the Village within ten (10) business days of the change. Failure to do so may result in suspension or revocation of the license.

Sec. 557-010 Term of licenses:

Approval of a license shall be for a period of one calendar year subject to review by the Village Clerk upon continued compliance with the regulations of this Ordinance.

Sec. 557-011 Renewal of licensees:

Application for a license renewal shall be made in writing to the Village Clerk at least thirty (30) days prior to the expiration of an existing license.

An application for a license renewal required by this ordinance shall be made under oath on forms provided by the Village Clerk, and shall contain substantially all of the information required in an initial application.

An application for a license renewal shall be accompanied by a renewal fee to help defray administrative and enforcement costs associated with the operation of the marihuana establishment, which shall be set by resolution of the Romeo Village Council, but shall not exceed five thousand dollars (\$5,000.00) per license.

Upon receipt of a completed application for a license renewal meeting the requirements of this article and the license renewal fee, the Village Clerk shall refer a copy of the renewal application to the fire chief and the building inspector, within a reasonable amount of time.

No application for a license renewal shall be approved unless:

- (a) The fire chief and the building inspector or another relevant department have, within the past calendar year, inspected the location for compliance with all state and local building, electrical, fire, mechanical and plumbing requirements.
- (b) The village planner or another relevant department has confirmed that the location complied with the relevant provisions of the Village of Romeo Zoning ordinance at the time the license was granted.
- (c) The licensee possesses the necessary state licenses or approvals, including those issued pursuant to the MMFLA or MRTMA.
- (d) The licensee has operated a marihuana establishment in accordance with the conditions and requirements of this article.
- (e) The licensee is operating the marihuana establishment in accordance with the MMFLA or MRTMA.

If written approval is given by each department or entity identified in this section, the Village Clerk shall issue a license renewal to the licensee. The renewal shall be deemed approved if the Village has not issued formal notice of denial within sixty (60) days of the filing date of the application.

Sec. 557-012 Revocation or suspension of a license:

Each marihuana establishment within the village for which a license is granted shall be operated and maintained in accordance with all applicable laws, rules, and regulations. Upon any violation of this section or any section of this article, the Village Clerk may, after a notice and hearing, revoke or suspend such license as hereinafter provided.

Sec. 557-013 Procedure for nonrenewal, suspension, or revocation of license: The Village Clerk shall notify an applicant or licensee of the reasons for denial of an application for a license or license renewal or for revocation of a license or any adverse decision under this article and provide the applicant or licensee with the opportunity to be heard. Any applicant or licensee aggrieved by the denial or revocation of a license or adverse decision under this article may appeal to the village clerk, who shall appoint a hearing officer to hear and evaluate the

appeal and make a recommendation to the village clerk. Such appeal shall be taken by filing with the village clerk, within fourteen (14) days after notice of the action complained of has been mailed to the applicant or licensee's last known address on the records of the village clerk, a written statement setting forth fully the grounds for the appeal. The village clerk shall review the report and recommendation of the hearing officer and make a decision on the matter. The village clerk's decision may be further appealed to the council if applied for in writing to the council no later than thirty (30) days after the village clerk's decision. The review on appeal of a denial or revocation or adverse action shall be by the council pursuant to this article. Any decision by the council on an appeal shall be final for purposes of judicial review. The village clerk may engage professional experts to assist with the proceedings under this section.

Sec. 557-014 Criteria for nonrenewal, suspension, or revocation of license. In addition to any other reasons set forth in this article, the Village may refuse to issue a license or grant renewal of the license or suspend or revoke the license for any of the following reasons:

- (a) A material violation of any provision of this article.
- (b) Any conviction of a disqualifying felony by the licensee or any stakeholder of the licensee.
- (c) Failure of the licensee to obtain or maintain an applicable license from the state.
- (d) Sufficient evidence that the applicant(s) lack, or have 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 MRTMA and/or MRTMA and the State of Michigan.

REGULATIONS

Sec. 557-015 License requirements:

A marihuana establishment license issued under this ordinance shall be subject to the following conditions:

- (a) Compliance with the requirements of this article, other applicable Village ordinances and codes, and applicable state laws;
- (b) Signs displayed on the exterior and interior of any marihuana establishment, shall conform to village ordinance requirements. No signs shall contain the words "marihuana," "marijuana," "cannabis," "weed," "ganja," "dank," "smoke," "mary jane," or "blunt" or similar marihuana related euphemisms nor shall any sign contain marihuana leaves.
- (c) Operation of a marihuana establishment shall not, either directly or indirectly, cause or create any traffic congestion, noise, dust, vibration, glare, fumes, or odors

constituting a nuisance and also detectable to human senses beyond the boundaries of the property on which the establishment is operated.

- (d) A license that is issued under this ordinance shall be posted at all times inside the marihuana establishment in a conspicuous location near the entrance.
- (d) The licensed establishments shall be seven-hundred fifty (750) feet apart as measured property line to property line between the marihuana establishments.
- (e) Consumption of marihuana shall be prohibited at the establishment, and a sign shall be posted on the premises indicating that consumption is prohibited on the premises.
- (f) The establishment shall not allow the sale, consumption, or use of alcohol on the premises.
- (g) The establishment shall be free from infestation by insects, rodents, birds, or vermin of any kind.
- (h) The license holder must submit applications to the Village for all required building, electrical, plumbing and electrical permits within 180 days from the date the marihuana establishment's license is issued.

Sec. 557-016 Compliance with state laws:

Each licensee and employee must comply with the terms of state laws, including but not limited to, the MMFLA and the MRTMA, any amendments thereto, as well as any rules promulgated pursuant to the MMFLA or the MRTMA. 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 Medical Marihuana Facilities Licensing Act, MCL 333.27101 et seq.; the Marihuana Tracking Act, MCL 333.27901 et seq.; and all other applicable rules promulgated by the State of Michigan. This ordinance permits authorizations for activity based on the Medical Marihuana Facilities Licensing Act, MCL 333.27101 et seq. Nothing in this ordinance shall be construed as allowing persons to engage in conduct that endangers others or causes a public nuisance, or to allow marihuana uses and activities not in strict accordance with the express authorizations of the Medical Marihuana Facilities Licensing Act, MCL 333.27101 et seq.

Sec. 557-017 Compliance with zoning ordinances:

Every licensee and employee shall comply with all requirements for business location at which work, pursuant to any license issued under this article, occurs as provided in any applicable zoning ordinances of the village.

Sec. 557-018 Minors prohibited:

No person shall permit any person under the age of 21 years to come upon, or remain on the premises of any business licensed herein, except as provided by the MMFLA and/or MRTMA.

Sec. 557-019 Penalties and Discipline:

Any person in violation of any provision of this ordinance or any provision of a license issued under this ordinance is responsible for a municipal civil infraction, punishable by a fine of One Thousand and 00/100 Dollars (\$1,000) for each day on which the violation occurs plus cost of prosecution, 90 days imprisonment, or both, or each violation. This section is not intended to prevent enforcement of any provision of the state law by law enforcement agencies of competent jurisdiction.

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

The Village Council may temporarily suspend a marihuana establishment license without a hearing if the Village Council finds that public safety or welfare requires emergency action. The Village Council shall cause the temporary suspension by issuing a Suspension Notice by majority vote of members present and voting thereon in connection with institution of proceedings for a Hearing.

If the Village Council temporarily suspends a license without a hearing, the holder of the license is entitled to a hearing within thirty (30) days after the Suspension Notice has been issued. The hearing shall be limited to the issues cited in the Suspension Notice.

If the Village Council does not hold a hearing within thirty (30) days after the date of suspension was issued, then the suspended license shall be automatically reinstated and the suspension vacated.

Section 557-1-020. REPEAL.

Ordinances and resolutions heretofore adopted inconsistent herewith are hereby repealed, including ordinance number 556 adopted on July 7, 2020, but ordinance number 521 adopted on _____, 2018, prohibiting marihuana establishments in the Village of Romeo is only repealed to the extent marihuana establishments are permitted by this ordinance and in all other respects ordinance number 521 remains in full force and effect.

Sec. 557-021 Severability:

The provisions of this article are hereby declared to be severable and if any part is declared invalid for any reason by a court of competent jurisdiction it shall not affect the remainder of the article which shall continue in full force and effect.

Sec. 557-022 Effective Date:

This ordinance shall take effect twenty (20) days from the date of its publication, and all ordinances or a part of ordinances in conflict with this ordinance shall be repealed.

Adoption moved by: _____

Supported by: _____

Yeas: _____

Nays: _____

Adopted and passed by the Romeo Village Council the ____ day of _____ 2021.

Christine Malzahn
Romeo Village President

CERTIFICATE OF ADOPTION OF ORDINANCE

I hereby certify that the foregoing is a true copy of Ordinance No. 557, Regulating Marihuana Businesses in the Village of Romeo, passed at the regular meeting of the Romeo

Village Council held on the _____ day of _____, 2021.

Kathryn Trapp
Romeo Village Clerk
Publish: _____, 2021