

DATE: November 14, 2023

TO: City Council

FROM: Melissa R. Marsh, City Manager

SUBJECT: Agenda Comments - Regular Council Meeting of Thursday, November 16, 2023

The following are my comments on items appearing on the agenda of the Regular Council Meeting on Thursday, November 16, 2023.

REPORTS:

OAKLAND COUNTY – RED OAKS AND AMBASSADOR PARK ACTION PLAN

Oakland County Parks and the City of Madison Heights have renewed their partnership at Red Oaks County Park. Oakland County Parks will continue operating and investing in the Nature Center and incorporate Ambassador Park under the same model. Approval of this Park Action Plan is a requirement of this partnership. Staff from Oakland County Parks will be presenting and covering the community engagement on the redevelopment of Ambassador Park.

MARIJUANA SETTLEMENTS – 305 N. EUCLID AND ARTIC FOX

City Council is being asked to consider settlements of two litigation cases that resulted from the most recent round of marijuana facility applications. Agreements that consider several factors, including community benefit, overall investment, timelines, and number of licenses, have been negotiated.

These two settlements will facilitate the renovation and/or demolition of two existing buildings in the City with locations at 1031 and 1035 W. 12 Mile Road and 32371 Dequindre. If approved Total first-year benefit to the City would be estimated at \$550,000, with recurring increased revenues of \$249,400.

The City's outside legal counsel assigned to the litigation, Assistant City Attorney, and City Manager recommend approval of these Settlement Agreements because it will avoid further costs and expenses in litigation, avoid the uncertainty of a trial and appeal, resolve this dispute, and provide several benefits for the City including significant financial benefits and on-going increased to taxable value which can be utilized to fund services throughout the City.

ORDINANCES

ORDINANCE NO. 2196 MEDICAL MARIHUANA FACILITIES AMENDMENT

In accordance with the Council's motion to approve the recommendation of MMRMA special counsel regarding the resolution of litigation in the matters of Artic Fox LLC vs City of Madison Heights and 305 N. Euclid LLC vs. City of Madison Heights, two ordinance amendments are required.

Ordinance 2196 amends Article XVI MEDICAL MARIHUANA FACILITIES Section 7-305(d) License Requirements to adjust the number of medical marihuana facility licenses for Grower – Class C, Processor and Provisioning Center from three (3) to five (5). The revision also clarifies that if a license is vacated or revoked, the City is not required to re-issue such license to an alternate party. It would be at the Council's discretion to leave that license open indefinitely or seek applicants for it.

Revisions to the Green Zone Map regarding the allowable locations for marihuana licensees within the City are planned to be addressed after rezoning and lot combinations.

ORDINANCE NO. 2197 MARIHUANA LICENSING AMENDMENT

In accordance with the Council's motion to approve the recommendation of MMRMA special counsel regarding the resolution of litigation in the matters of Artic Fox LLC vs City of Madison Heights and 305 N. Euclid LLC vs. City of Madison Heights, two ordinance amendments are required.

Ordinance 2197 revises Article XVII MARIHUANA ESTABLISHMENTS Section 7-405(e) License Requirements to adjust the number of adult-use recreational marihuana establishment licenses for Processor and Retailer from three (3) to five (5). Additionally, Class C Grow licenses would be modified from fifteen (15) to twenty-five (25). The previously mentioned clarification language related to the vacating or revoking of licenses is also included for Marihuana establishment licenses in this amendment.