	CITY OI ELECTRONIC COU	F MADISON HI INCIL AGENDA		ORM	
SUBMITTED TO: H	onorable Mayor and City	Council			
SUBMITTED BY: T	im Burns, Assistant City	Attorney	DATE:	04/03	5/22
FOR CONSIDERATION	ON AT THE COUNCIL I	MEETING OF:		06/13/22	
	ACT	TION REQUEST	TED		
PRESENTATION			UTURE PUBL	IC HEARING	
PUBLIC HEARING -	SPECIAL APPROVAL	F	BID AWARDS /	PURCHASES	
PUBLIC HEARING –	OTHER		ORDINANCE -	FIRST	
COMMUNICATION			ORDINANCE -		
REPORT			OLD BUSINESS	5	
Ordinance 2181 - Medic	cal Marijuana Ordinance A			IONS	
			TEN SECT	.0110	
	POLIC	Y CONSIDERA	TION		
be issued. At Council's license for a combined facility according to Se	ned medical and adult-use direction, City staff are valued and co-located medical auticion 7-408 of Article XVXVI Medical Marihunan	working to initiat nd adult-use mar /II Marihuana Es	e a new applicat thuana facility. S tablishments sh	ion period for the Scoring and selec	e remaining ction of such a
	FIN	ANCIAL IMPA	CT		
No Impact			Waiver Propose	ed	
Budgeted Fund Name(s			artment Name	<del>                                   </del>	
Appropriated in Acct. I Amount Available in A		Bud	get Amount		
Second Account Numb		Bud	get Amount		
Amount Available in 2			enue Generated		
Other Comments					
	REV	TEW CHECKL	IST	ГП	
DEPARTMENT	Tim Burns, Assista	ant City Attorney	DAT	E 05/2	26/22
DEPARTMENT			DAT	Ъ	
CITY MANAGER	Melissa R.Marsh	, City Manager	DAT	TE 06/0	02/22
See P:\SHARED\COUNCIL AGE Rev. January 2004	NDA\FORMS	IJ	<b>TEM</b>	# 1	-G



City Hall Municipal Offices 300 W. Thirteen Mile Road Madison Heights, MI 48071 Department of Public Services 300 W. Thirteen Mile Road Madison Heights, MI 48071 Fire Department 31313 Brush Street Madison Heights, MI 48071 Police Department 280 W. Thirteen Mile Road Madison Heights, MI 48071

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## **SCORING OF APPLICATIONS**

The City will assess, evaluate, score, and rank all eligible applications for consideration of the issuance of one additional marijuana facility. and issue city licenses to those applicants receiving the highest total score. In its application assessment, evaluation, scoring, ranking, and deliberations, tThe City will assess, evaluate, score and rank each application based upon a scoring and ranking procedure that will be conducted and applied by the City on the basis of assigned points from zero (0) points to two hundred (200) points with the lowest overall total score as zero (0) points and the highest possible total score being two hundred (200) points. Consideration will only be given to the applicant that received the highest score totaling above 170 points. If no application receives a score higher than 170 in this process, the City reserves the right to reject all applications.

There are ten (10) categories in which applications can be awarded points as established by City Ordinance. Points in each category will be assigned based on the application materials presented to the City.- An Applicant may supplement each of the ten (10) categories by attaching supplemental materials pertinent to each related category.- Supplemental materials shall be limited to no more than ten (10) pages for each category.- An Applicant desiring to supplement a category shall index each category separately as "SCORING SUPPLEMENT 1-10" using the included scoring supplement attachments supplied with this application.- All Scoring Supplements must be organized chronologically and each individual Scoring Supplement must be separately bound. (do not use paperclips)



**Applicant ID#:** 

# City of Madison Heights, Michigan

City Hall Municipal Offices 300 W. Thirteen Mile Road Madison Heights, MI 48071 Department of Public Services 300 W. Thirteen Mile Road Madison Heights, MI 48071 Fire Department 31313 Brush Street Madison Heights, MI 48071 Police Department 280 W. Thirteen Mile Road Madison Heights, MI 48071

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#### MEDICAL MARIHUANA FACILITY APPLICATION SCORING RUBRIC

SCORING CATEGORIES AND POINTS	AVAILABLE POINTS	AWARDED POINTS
(1) The content and sufficiency of the information provided by Applicant in the application.	ten (10) points	
(2) The proposed use is consistent with the land use for the surrounding neighborhood and will not have a detrimental effect on traffic patterns, health, welfare or safety of residents or abutting properties. All proposals must be entirely located in the designated "green" zone from the map approved by City Council on 03/09/2020.	ten (10) points	
<ul> <li>(3) Neighborhood outreach physical area improvement of the Applicant:</li> <li>(A) Whether the Applicant or its stakeholders have made, or plan to make, significant physical improvements to the area around the property or other areas contiguous to the property that would include, but not be limited to, plans to eliminate or minimize traffic, noise, and odor effects on the surrounding neighborhood and improve the surrounding neighborhood and area; (15 points)</li> <li>(B) Planned outreach including plans to make significant physical improvements to local private or public roads, right of ways, alleys, parks or any other private or public property that would benefit the City. (5 points)</li> </ul>	twenty (20) points	
<ul> <li>(4) The business probity, moral reputation, and relevant criminal history of Applicant or any of its stakeholders:</li> <li>(A) Whether the Applicant or any of its stakeholders have a <u>clean</u> record of acts detrimental to the public health, security, safety, morals, good order, or general welfare prior to the date of the application; (5 points)</li> <li>(B) Whether the Applicant or any of its stakeholders have any other professional</li> </ul>	twenty (20) points	

licenses, including by way of example, but not limited to, such licenses as a medical doctor, lawyer or accountants; owned similar marihuana industry

(C) Whether the Applicant or any of its stakeholders are residents of the City or

businesses in the nation with solid business practices (150 points)

Oakland County. (5 pints)



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City Hall Municipal Offices 300 W. Thirteen Mile Road Madison Heights, MI 48071 Department of Public Services 300 W. Thirteen Mile Road Madison Heights, MI 48071 Fire Department 31313 Brush Street Madison Heights, MI 48071 Police Department 280 W. Thirteen Mile Road Madison Heights, MI 48071

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5) Capital improvement to the proposed facility and/or the City. This includes, but is not mited to:		
(A) The total overall capital investment in funds to be invested in the renovations to the property parcel that will house the proposed marijuana business including the increase in taxable value, the overall investment in equipment, fixtures, and other related items; (1 point for each million not including purchase price, demo or rent, up to (20 points)		
(B) The total number of years that a property or site, to be renovated by the Applicant, has been vacant; (10 maximum points, 2 points for every year vacant)		
(C) How significant the upgrades or renovations to the property are, such as, but not limited to: the extent of renovations to an existing building or buildings; the extent of new construction of a building or buildings; the extent of renovation to a location or site that may involve a Brownfield derelict property; site or other like condition on the property: the overall size of the site and building or buildings of the proposed renovations; (6 points)	fifty (50) points	
(D) Whether or not the property to be improved has an environmentally friendly design and environmentally friendly production and <a href="mailto:storm">storm</a> water management design and plans that improve green infrastructure of the city; (4 points)		
(E) The extent of, and additions to or extra security measures taken above the minimum-security measures required under state law; the extent of, and additions to or other extra measures taken above the state minimum requirements for growing, processing, testing, transporting or selling medical marihuana; (5 points)		
(F) The extent of upgrades and renovations to the landscaping, parking, lighting and similar to the site and surrounding area. (5 points)		
(6) Business and financial strength:		
(A) Whether Applicant and its stakeholders have reasonably and tangibly demonstrated that it possesses sufficient financial resources to fund, and the requisite business experience to execute its business plan and proposed operations in its application; (105 points)		
(B) Whether Applicant or its stakeholders have disclosed the total investment dollar amount and supplied supporting documentation to support the estimate. other established business operations in the City, Oakland County or State of Michigan and any relevant connection these operations have to Medical Marihuana Facilities and the length of operations of these other business operations;; (10 points)	twenty (20) points	
(C) Whether Applicant and its stakeholders have reasonably and tangibly disclosed its funding sources and relevant background of those funding sources; (5 points)		



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(7) Employment:		
(A) The number of full-time and part-time positions anticipated by Applicant, and whether Applicant has articulated plans or strategies to attract, hire and retain employees that are residents of the City; (5 points)		
$0-25 \text{ employees} = 1 \text{ pt} \qquad 26-50 \text{ employees} = 2 \text{ pts} \qquad 51-75 \text{ employees} - 3 \text{ pts}$	ten (10) points	•
$76-100 \text{ employees} = 4 \text{ pts} \qquad 101+\text{ employees} = 5 \text{ pts}$		
(B) Whether Applicant has articulated plans or strategies in providing competitive compensation, benefits or educational programs to its employees. (5 points)		
(8) Whether the Applicant has obtained State pre-qualifications for Medical Marihuana facilities, under the MMFLA, and State licenses for Adult-Use establishments, under the MRTMA, at its proposed location in the City, and plans to co-locate a Medical Marihuana Class C Grower, a Processor and Provisioning Center and Adult-Use Marihuana Class C Grower, a Processor and Retailer at a single location or site within the City.  (40 points for Application that co-locates more than six (6+) licenses [Multile Class C Grower]  (340 Points for Application that co-locates three six (63) facilities licenses)  (20 Points for Application that co-locates two-three (32) facilities licenses)  (10 Points for Application that proposes one two (2+) facility liceses)  Must have minimum of co-located Medical Marihuana Provisioning + Adult Ust Retailer.	forty (40) points	
(9) Whether the planned signage for the proposed location is detrimental to the public health, security, safety, morals, good order, general public welfare or image of the City or is of a nature that is consistent with the land use for the surrounding neighborhood and of such a design and location that is in harmony with the purpose and intent of this Article. This includes, but is not limited to, the size, location, construction materials of the sign and/or design of the sign, logos, or lighting.	ten (10) points	
(10) Community outreach:		
(A) Whether Applicant has planned community outreach to the City and its residents. This includes, but is not limited to, planned outreach or educational services, charitable or philanthropic activity, community improvement or educational programs, or other factors that will improve the health, safety, and welfare of the City and it's residents; (5 points)  (B) Whether Applicant has planned community outreach that will directly benefit	ten (10) points	
the City, City programs, City services, City facilities or City operations. (5 points)Applicant agrees that is selected, issuance and renewal of Licenses is contingent on joining and participating in the city's Marihuana Community Advisory Committee. Licenses agree to donate \$25,000 annually plus provide 1% of annual net profits for the Marihuana Community Advisory Committee payable to		



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serve on the Community Advisory Committee for the review and consideration of funding awards and community outreach.



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## **SCORING OF APPLICATIONS**

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**Applicant ID#:** 

# City of Madison Heights, Michigan

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### MEDICAL MARIHUANA FACILITY APPLICATION SCORING RUBRIC

SCORING CATEGORIES AND POINTS	AVAILABLE POINTS	AWARDED POINTS
(1) The content and sufficiency of the information provided by Applicant in the application.	ten (10) points	
(2) The proposed use is consistent with the land use for the surrounding neighborhood and will not have a detrimental effect on traffic patterns, health, welfare, or safety of residents or abutting properties. All proposals must be entirely located in the designated "green" zone from the map approved by City Council on 03/09/2020.	ten (10) points	
<ul> <li>(3) Neighborhood physical area improvement of the Applicant:</li> <li>(A) Whether the Applicant or its stakeholders have made, or plan to make, significant physical improvements to the area around the property or other areas contiguous to the property that would include, but not be limited to, plans to eliminate or minimize traffic, noise, and odor effects on the surrounding neighborhood and improve the surrounding neighborhood and area; (15 points)</li> <li>(B) Planned outreach including plans to make significant physical improvements to local private or public roads, right of ways, alleys, parks or any other private or public property that would benefit the City. (5 points)</li> </ul>	twenty (20) points	
<ul> <li>(4) The business probity, moral reputation, and relevant criminal history of Applicant or any of its stakeholders:</li> <li>(A) Whether the Applicant or any of its stakeholders have a clean record of acts detrimental to the public health, security, safety, morals, good order, or general welfare prior to the date of the application; (5 points)</li> <li>(B) Whether the Applicant or any of its stakeholders have owned similar marihuana industry businesses in the nation with solid business practices (15 points)</li> </ul>	twenty (20) points	



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www.madison-heights.org (5) Capital improvement to the proposed facility and/or the City. This includes, but is not limited to: (A) The total overall capital investment in funds to be invested in the renovations to the parcel that will house the proposed marijuana business including the increase in taxable value, the overall investment in equipment, fixtures, and other related items; (1 point for each million not including purchase price, demo or rent, up to 20 points) (B) The total number of years that a property or site, to be renovated by the Applicant, has been vacant; (10 maximum points, 2 points for every year vacant) (C) How significant the upgrades or renovations to the property are, such as, but not limited to: the extent of renovations to an existing building or buildings; the extent of new construction of a building or buildings; the extent of renovation to a location fifty (50) points or site that may involve a derelict property; the overall size of the site and building or buildings of the proposed renovations; (6 points) (D) Whether or not the property to be improved has an environmentally friendly design and environmentally friendly production and stormwater management design and plans that improve green infrastructure of the City; (4 points) (E) The extent of, and additions to or extra security measures taken above the minimum-security measures required under state law; the extent of, and additions to or other extra measures taken above the state minimum requirements for growing, processing, testing, transporting or selling medical marihuana; (5 points) (F) The extent of upgrades and renovations to the landscaping, parking, lighting and similar to the site and surrounding area. (5 points) (6) Business and financial strength: (A) Whether Applicant and its stakeholders have reasonably and tangibly demonstrated that it possesses sufficient financial resources to fund, and the requisite business experience to execute its business plan and proposed operations in its application; (10 points) twenty (20) points (B) Whether Applicant or its stakeholders have disclosed the total investment dollar amount and supplied supporting documentation to support the estimate.; (10 points)



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(7) Employment: (A) The number of full-time and part-time positions anticipated by Applicant, and whether Applicant has articulated plans or strategies to attract, hire and retain employees that are residents of the City; (5 points) ten (10) points 0-25 employees = 1 pt26-50 employees = 2 pts 51-75 employees - 3 pts76-100 employees = 4 pts101 + employees = 5 pts(B) Whether Applicant has articulated plans or strategies in providing competitive compensation, benefits or educational programs to its employees. (5 points) (8) Whether the Applicant has obtained State pre-qualifications for Medical Marihuana facilities, under the MMFLA, and State licenses for Adult-Use establishments, under the MRTMA, at its proposed location in the City, and plans to co-locate a Medical Marihuana Class C Grower, a Processor and Provisioning Center and Adult-Use Marihuana Class C Grower, a Processor and Retailer at a single location or site within the City. (40 points for Application that co-locates more than six (6+) licenses [Multile Class C forty (40) points Growerl (30 Points for Application that co-locates six (6) licenses) (20 Points for Application that co-locates three (3) licenses) (10 Points for Application that proposes two (2) licenses) Must have minimum of co-located Medical Marihuana Provisioning + Adult Ust Retailer. (9) Whether the planned signage for the proposed location is detrimental to the public

### (10) Community outreach:

the sign and/or design of the sign, logos, or lighting.

Applicant agrees that if selected, issuance and renewal of Licenses is contingent on joining and participating in the City's Marihuana Community Advisory Committee. Licenses agree to donate \$25,000 annually plus provide 1% of annual net profits for the Marihuana Community Advisory Committee payable to the City of Madison Heights. Further the applicant will appoint one member to serve on the Community Advisory Committee for the review and consideration of funding awards and community outreach.

health, security, safety, morals, good order, general public welfare or image of the City or is of a nature that is consistent with the land use for the surrounding neighborhood

and of such a design and location that is in harmony with the purpose and intent of this Article. This includes, but is not limited to, the size, location, construction materials of

ten (10) points

ten (10) points

#### ORDINANCE NO.

2181-

#### CITY OF MADISON HEIGHTS, OAKLAND COUNTY, MICHIGAN

# AMENDMENT TO THE CODE OF ORDINANCES

An Ordinance to amend Ordinance No. 571, being an Ordinance codifying and adopting a new Code of Ordinances for the City of Madison Heights by amending Article XVI, Chapter 7, Section 7-308 of the Code of Ordinances, City of Madison Heights, Michigan, to set the number of licenses for allowed Medical Marihuana Facilities and to amend the community outreach provisions for Medical scoring criteria for Medical Marihuana Facilities, to protect the public health, safety and welfare.

#### THE CITY OF MADISON HEIGHTS

#### **ORDAINS: SECTION 1. Amendment.**

That Article XVI, Chapter 7, Section 7-308(c)(10) of the Code of Ordinances, City of Madison Heights, Michigan, are amended in their entirety to read as follows:

#### ARTICLE XVI. - MEDICAL MARIHUANA

#### **FACILITIES**

#### Sec. 7-308. – Scoring and Selecting Applicants.

- (a) In the event the City receives more eligible applications for a specific type of city license than is authorized by the City, Tthe City shall select the Applicant or Applicants most suitable to operate its facility based on an objective and competitive process. This process is subject to the provisions of this Section. This process is only necessary if the City receives more eligible applications than is authorized for any given type of Medical Marihuana Facility.
- (b) A three person panel consisting of the City Manager, City Attorney, and Chairperson of the City's Planning Commission, or their designees, on behalf of the City The City shall assess, evaluate, score, and rank all impacted applications and authorize the City's issuancee of all Marihuana eity licenses to those Applicants receiving the highest score. In its application assessment, evaluation, scoring, ranking, and deliberations, the City shall assess, evaluate, score, and rank each application based upon a scoring and ranking procedure developed by the City consistent with the requirements, conditions, and provisions of this Section. The detailed scoring and ranking system shall be provided to each Applicant and included in the application materials developed by the City.
- (c) Initial scoring and ranking shall be conducted and applied by the City on the basis of assigned points from zero (0) points to two hundred (200) points with the lowest

Formatted: Centered, Indent: Left: 2.31", Right: 2.28", Space Before: 3.75 pt, Line spacing: Exactly 13.55 pt, Tab stops: 4.31", Left overall total score as zero (0) points and the highest possible total score being two hundred (200) points. <u>In the City's selection process, if no application receives a score higher than 170 in this process, the City reserves the right to reject all applicants.</u>

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Scoring categories include, and are limited to the following scoring points and criteria:

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- (1) The content and sufficiency of the information provided by Applicant in the application. The maximum number of scoring points in this category shall be ten (10) points;
- (2) Whether the Applicant's proposed use is consistent with the land use for the surrounding neighborhood and will not have a detrimental effect on traffic patterns, health, welfare or safety of residents or abutting properties. All proposals must be entirely located in the designated "green" zone from the map approved by City Council. The maximum number of scoring points in this category shall be ten (10) points;

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- (3) Planned neighborhood outreach—physical area improvement on behalf of the Applicant, and whether the Applicant or its stakeholders have made, or plan to make, significant physical improvements to the area around the property or other areas contiguous to the property that would include, but not be limited to, plans to eliminate or minimize traffic, noise, and odor effects on the surrounding neighborhood and improve the surrounding neighborhood and area. Planned outreach may also include plans to make significant physical improvements to other local private or public roads, right of ways, alleys, parks or any other private or public property that would benefit the surrounding area. The maximum number of scoring points in this category shall be twenty (20) points.
- (4) The business probity, moral reputation, and relevant criminal history of Applicant or any of its stakeholders; Whether the Applicant or any of its stakeholders have a <a href="clean">clean</a> record of acts detrimental to the public health, security, safety, morals, good order, or general welfare prior to the date of the application; Whether the Applicant or any of its stakeholders have <a href="any other professional licenses">any other professional licenses</a>, including by way of example, but not limited to, such licenses as a medical doctor, lawyer or <a href="accountant;owned similar marihuana industry businesses in the nation with solid business practices.">business practices.</a> Whether the Applicant or any of its stakeholders are residents of the City or of Oakland County. The maximum number of scoring points in this category shall be twenty (20) points.
- (5) Whether Applicant and its stakeholders have made or plan to make significant capital improvements to the proposed facility, the surrounding neighborhood, and/or the City. This includes, but is not limited to:
  - (A) The total overall capital investment in funds to be invested in the renovations to the property parcel that will house the proposed marijuana business including the increase in taxable value, and surrounding area including the overall investment in equipment, fixtures, and other related items;

- (B) The total number of years that a property or site, to be renovated by the Applicant, has been vacant;
- (C) How significant the upgrades or renovations to the property and surrounding area are, such as, but not limited to: the extent of renovations to an existing building or buildings; the extent of new construction of a building or buildings; the extent of renovation to a location or site that may involve a <a href="Brownfield-derelict property">Brownfield-derelict property</a> involved site or other like condition on the property; the overall size of the site and building or buildings of the proposed renovations;
- (D) Whether or not the property to be improved has an environmentally friendly design and environmentally friendly production and <a href="mailto:stormwaterwaste">stormwaterwaste</a> management design and plans that improve green infrastructure of the city;

- (E) The extent of, and additions to or extra security measures taken above the minimum security measures required under state law; the extent of, and additions to or other extra measures taken above the state minimum requirements for growing, processing, testing, transporting or selling medical marihuana;
- (F) The extent of upgrades and renovations to the landscaping, parking, lighting and similar to the site and surrounding area.

The maximum number of scoring points in this category shall be fifty (50) points.

- (6) Whether Applicant and its stakeholders have reasonably and tangibly demonstrated that it possesses sufficient financial resources to fund, and the requisite business experience to execute its business plan and proposed operations in its application; Whether Applicant or its stakeholders have other established business operations in the City, Oakland County or State of Michigan and any relevant connection these operations have to Medical Marihuana Facilities and the length of operation of these other business operations disclosed the total investment dollar amount and supplied supporting documentation to support the estimate; Whether Applicant and its stakeholders have reasonably and tangibly disclosed its funding sources and relevant background of those funding sources; The maximum number of scoring points in this category shall be twenty (20) points;
- (7) The number of full-time and part-time positions anticipated by Applicant, and whether Applicant has articulated plans or strategies to attract, hire and retain employees that are residents of the City. Whether Applicant has articulated plans or strategies in providing competitive compensation, benefits or educational programs to its employees. The maximum number of scoring points in this category shall be ten (10) points;
- (8) Whether Applicant has obtained, is likely to obtain, or plans on obtaining additional City Licenses and State operating licenses, under the MMFLA\_and Michigan Regulation and Taxation of Marihuana Act (MRTMA), at its proposed location in the City to co-locate a Medical Marihuana Facility Class C Grower, a Processor and Provisioning Center and Adult-Use Marihuana establishment Class C Grower Processor and Retailer at a single location or site within the City. Applications that incorporate, or co-locate, a licensed Class-C grower, licensed processor and licensed provisioning center and retailer in the same location, in strict compliance with the conditions and provisions of the MMFLA, MRTMA the Administrative Rules and this Article and Article VII in Section 7 of the City's Code of Ordinances for the operation of these three—separate licenses at the same location, for each type of license, shall be considered more preferential than single license locations for these specific types of licenses. The maximum number of scoring points in this category shall be forty (40) points;
- (9) Whether the planned signage for the proposed location is detrimental to the public health, security, safety, morals, good order, general public welfare or image of the City or is of a nature that is consistent with the land use for the surrounding neighborhood and of such a design and location that is in harmony with the purpose

and intent of this Article. This includes, but is not limited to, the size, location, construction materials of the sign and/or design of the sign, logos, or lighting. The maximum number of scoring points in this category shall be ten (10) points.

Applicant agrees that is selected, issuance and renewal of Licenses is contingent on joining and participating in the city's Marihuana Community Advisory Committee.

Licenses agree to donate \$25,000 annually plus provide 1% of annual net profits for the Marihuana Community Advisory Committee payable to the City of Madison Heights. Further the applicant will appoint one-member to serve on the Community Advisory Committee for the review and consideration of funding awards and community outreach. Whether Applicant has planned community outreach to the City and its residents.

This includes, but is not limited to, planned outreach or educational services,

charitable or philanthropic activity, community improvement or educational programs, or other factors that will improve the health, safety, and welfare of the City, its residents, and the surrounding area. The maximum number of scoring points in this category shall be ten (10) points.

- (d) The City may engage professional expert assistance in performing the City's duties and responsibilities under this Section.
- (e) After the City has processed and scored all eligible applications, the City shall prepare a summary and report listing the overall score and basis for this determination for all eligible applications. The City shall then notify the selected Applicants of the granting or denial of a license.
- (f) The City may establish additional application periods for Applicants seeking new licenses for eligible medical marihuana facilities within the City, as needed, via resolution of City Council.
- (g) Any City license issued under this Article must be established and a Certificate of Occupancy issued within six months of issuance, unless extended for good cause shown, or the licensee shall surrender the license if the use is not established within the required time.
- Any City license issued under this Article must be established, a Certificate of Occupancy issued, and full compliance achieved in accordance with its application for such license and any relevant City ordinances regulating Marihuana Licensees within six months of issuance. Licensees delinquent in satisfying the requirements of this Section within the required time shall either post a surety bond of fifty thousand (\$50,000.00) dollars to assure imminent compliance or immediately surrender the license. Upon filing a surety bond, Licensee has an additional ninety (90) days to achieve compliance with the requirements of this Section or the surety bond amount shall be forfeited to the City and the license revoked. Licensee may appeal such a revocation to a hearing officer appointed by the City Council as allowed under Sec 7-33. The surety bond amount will be returned to the Licensee within twenty (20) days of compliance with this Section if it has not been forfeited. The City may extend the time periods for Licensee compliance of this Section at sole discretion of City Manager for extraordinary circumstances. Failure by a Licensee to post a surety bond or relinquish a license in accordance with the provisions of this Section

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### SECTION 2. Repealer.

All ordinances, or parts of ordinances, in conflict with this ordinance are repealed only to the extent necessary to give this ordinance full force and effect.

#### **SECTION 3.** Severability.

Should any section, subdivision, clause, or phrase of this ordinance be declared by the courts to be invalid, the validity of the ordinance as a whole, or in part, shall not be affected other than the part invalidated.

#### **SECTION 4. Savings.**

All proceedings pending and all rights and liabilities existing, acquired or incurred at the time this ordinance takes effect, are saved and may be consummated according to the law in force when they were commenced.

#### **SECTION 5. Effective Date.**

This ordinance as ordered shall take effect ten (10) days after its adoption and upon publication.

#### **SECTION 6.** Inspection.

A copy of this ordinance may be inspected or purchased at the City Clerk's office between the hours of 8:00 a.m. and 11:30 a.m. and between the hours of 12:30 p.m. and 4:30 p.m. on regular business days.

#### **ORDINANCE NO.**

#### 2181

### CITY OF MADISON HEIGHTS, OAKLAND COUNTY, MICHIGAN

# AMENDMENT TO THE CODE OF ORDINANCES

An Ordinance to amend Ordinance No. 571, being an Ordinance codifying and adopting a new Code of Ordinances for the City of Madison Heights by amending Article XVI, Chapter 7, Section 7-308 of the Code of Ordinances, City of Madison Heights, Michigan, to set the number of licenses for allowed Medical Marihuana Facilities and to amend scoring criteria for Medical Marihuana Facilities, to protect the public health, safety and welfare.

#### THE CITY OF MADISON HEIGHTS

### **ORDAINS: SECTION 1. Amendment.**

That Article XVI, Chapter 7, Section 7-308(c)(10) of the Code of Ordinances, City of Madison Heights, Michigan, are amended in their entirety to read as follows:

#### ARTICLE XVI. – MEDICAL MARIHUANA

#### **FACILITIES**

#### Sec. 7-308. – Scoring and Selecting Applicants.

- (a) The City shall select the Applicant or Applicants most suitable to operate its facility based on an objective and competitive process. This process is subject to the provisions of this Section.
- (b) A three person panel consisting of the City Manager, City Attorney, and Chairperson of the City's Planning Commission, or their designees, on behalf of the City shall assess, evaluate, score, and rank all impacted applications and authorize the City's issuance of all Marihuana licenses to those Applicants receiving the highest score. In its application assessment, evaluation, scoring, ranking, and deliberations, the City shall assess, evaluate, score, and rank each application based upon a scoring and ranking procedure developed by the City consistent with the requirements, conditions, and provisions of this Section. The detailed scoring and ranking system shall be provided to each Applicant and included in the application materials developed by the City.
- (c) Initial scoring and ranking shall be conducted and applied by the City on the basis of assigned points from zero (0) points to two hundred (200) points with the lowest overall total score as zero (0) points and the highest possible total score being two hundred (200) points. In the City's selection process, if no application receives a score higher than 170 in this process, the City reserves the right to reject all applicants.

Scoring categories include, and are limited to the following scoring points and criteria:

- (1) The content and sufficiency of the information provided by Applicant in the application. The maximum number of scoring points in this category shall be ten (10) points;
- (2) Whether the Applicant's proposed use is consistent with the land use for the surrounding neighborhood and will not have a detrimental effect on traffic patterns, health, welfare or safety of residents or abutting properties. All proposals must be entirely located in the designated "green" zone from the map approved by City Council. The maximum number of scoring points in this category shall be ten (10) points;
- (3) Planned neighborhood physical area improvement on behalf of the Applicant, and whether the Applicant or its stakeholders have made, or plan to make, significant physical improvements to the area around the property or other areas contiguous to the property that would include, but not be limited to, plans to eliminate or minimize traffic, noise, and odor effects on the surrounding neighborhood and improve the surrounding neighborhood and area. Planned outreach may also include plans to make significant physical improvements to other local private or public roads, right of ways, alleys, parks or any other private or public property that would benefit the surrounding area. The maximum number of scoring points in this category shall be twenty (20) points.
- (4) The business probity, moral reputation, and relevant criminal history of Applicant or any of its stakeholders; Whether the Applicant or any of its stakeholders have a clean record of acts detrimental to the public health, security, safety, morals, good order, or general welfare prior to the date of the application; Whether the Applicant or any of its stakeholders have owned similar marihuana industry businesses in the nation with solid business practices. The maximum number of scoring points in this category shall be twenty (20) points.
- (5) Whether Applicant and its stakeholders have made or plan to make significant capital improvements to the proposed facility, the surrounding neighborhood, and/or the City. This includes, but is not limited to:
  - (A) The total overall capital investment in funds to be invested in the renovations to the parcel that will house the proposed marijuana business including the increase in taxable value, including the overall investment in equipment, fixtures, and other related items;
  - (B) The total number of years that a property or site, to be renovated by the Applicant, has been vacant;
  - (C) How significant the upgrades or renovations to the property and surrounding area are, such as, but not limited to: the extent of renovations to an existing building or buildings; the extent of new construction of a building or buildings; the extent of renovation to a

location or site that may involve a derelict property involved site or other like condition on the property; the overall size of the site and building or buildings of the proposed renovations;

(D) Whether or not the property to be improved has an environmentally friendly design and environmentally friendly production and stormwater management design and plans that improve green infrastructure of the city;

- (E) The extent of, and additions to or extra security measures taken above the minimum security measures required under state law; the extent of, and additions to or other extra measures taken above the state minimum requirements for growing, processing, testing, transporting or selling medical marihuana;
- (F) The extent of upgrades and renovations to the landscaping, parking, lighting and similar to the site and surrounding area.

The maximum number of scoring points in this category shall be fifty (50) points.

- (6) Whether Applicant and its stakeholders have reasonably and tangibly demonstrated that it possesses sufficient financial resources to fund, and the requisite business experience to execute its business plan and proposed operations in its application; Whether Applicant or its stakeholders have disclosed the total investment dollar amount and supplied supporting documentation to support the estimate; Whether Applicant and its stakeholders have reasonably and tangibly disclosed its funding sources and relevant background of those funding sources; The maximum number of scoring points in this category shall be twenty (20) points;
- (7) The number of full-time and part-time positions anticipated by Applicant, and whether Applicant has articulated plans or strategies to attract, hire and retain employees that are residents of the City. Whether Applicant has articulated plans or strategies in providing competitive compensation, benefits or educational programs to its employees. The maximum number of scoring points in this category shall be ten (10) points;
- (8) Whether Applicant has obtained, is likely to obtain, or plans on obtaining additional City Licenses and State operating licenses, under the MMFLA and Michigan Regulation and Taxation of Marihuana Act (MRTMA), at its proposed location in the City to co-locate a Medical Marihuana Facility Class C Grower, a Processor and Provisioning Center and Adult-Use Marihuana establishment Class C Grower Processor and Retailer at a single location or site within the City. Applications that incorporate, or co-locate, a licensed Class-C grower, licensed processor and licensed provisioning center and retailer in the same location, in strict compliance with the conditions and provisions of the MMFLA, MRTMA the Administrative Rules and this Article and Article VII in Section 7 of the City's Code of Ordinances for the operation of these separate licenses at the same location, for each type of license, shall be considered more preferential than single license locations for these specific types of licenses. The maximum number of scoring points in this category shall be forty (40) points;
- (9) Whether the planned signage for the proposed location is detrimental to the public health, security, safety, morals, good order, general public welfare or image of the City or is of a nature that is consistent with the land use for the surrounding neighborhood and of such a design and location that is in harmony with the purpose

and intent of this Article. This includes, but is not limited to, the size, location, construction materials of the sign and/or design of the sign, logos, or lighting. The maximum number of scoring points in this category shall be ten (10) points.

- (10) Applicant agrees that is selected, issuance and renewal of Licenses is contingent on joining and participating in the city's Marihuana Community Advisory Committee. Licenses agree to donate \$25,000 annually plus provide 1% of annual net profits for the Marihuana Community Advisory Committee payable to the City of Madison Heights. Further the applicant will appoint one-member to serve on the Community Advisory Committee for the review and consideration of funding awards and community outreach. The maximum number of scoring points in this category shall be ten (10) points.
- (d) The City may engage professional expert assistance in performing the City's duties and responsibilities under this Section.
- (e) After the City has processed and scored all eligible applications, the City shall prepare a summary and report listing the overall score and basis for this determination for all eligible applications. The City shall then notify the selected Applicants of the granting or denial of a license.
- (f) The City may establish additional application periods for Applicants seeking new licenses for eligible medical marihuana facilities within the City, as needed, via resolution of City Council.

(g)

(g) Any City license issued under this Article must be established, a Certificate of Occupancy issued, and full compliance achieved in accordance with its application for such license and any relevant City ordinances regulating Marihuana Licensees within six months of issuance. Licensees delinquent in satisfying the requirements of this Section within the required time shall either post a surety bond of fifty thousand (\$50,000.00) dollars to assure imminent compliance or immediately surrender the license. Upon filing a surety bond, Licensee has an additional ninety (90) days to achieve compliance with the requirements of this Section or the surety bond amount shall be forfeited to the City and the license revoked. Licensee may appeal such a revocation to a hearing officer appointed by the City Council as allowed under Sec 7-33. The surety bond amount will be returned to the Licensee within twenty (20) days of compliance with this Section if it has not been forfeited. The City may extend the time periods for Licensee compliance of this Section at sole discretion of City Manager for extraordinary circumstances. Failure by a Licensee to post a surety bond or relinquish a license in accordance with the provisions of this Section are punishable pursuant to Sec 1-7.

### **SECTION 2.** Repealer.

All ordinances, or parts of ordinances, in conflict with this ordinance are repealed only to the extent necessary to give this ordinance full force and effect.

### **SECTION 3.** Severability.

Should any section, subdivision, clause, or phrase of this ordinance be declared by the courts to be invalid, the validity of the ordinance as a whole, or in part, shall not be affected other than the part invalidated.

### **SECTION 4. Savings.**

All proceedings pending and all rights and liabilities existing, acquired or incurred at the time this ordinance takes effect, are saved and may be consummated according to the law in force when they were commenced.

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