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September 22, 2023

VIA EMAIL ONLY

Mayor Roslyn Grafstein and Members of the City Council City of Madison Heights 300 West Thirteen Mile Road Madison Heights, MI 48071

Re: Proposed Code of Ordinances Amendments for Medical Marihuana Facilities and Marihuana Establishments License Requirements

Dear Mayor Grafstein and Members of City Council:

In accordance with Council's motion to approve the recommendation of MMRMA special counsel Andrea Pike regarding 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*, please find attached two ordinance amendments for your review to be presented for first reading at your September 26th meeting. If Council approves first reading, second reading is scheduled for your October 23, 2023 meeting.

The first amendment revises 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 that the City is not required to re-issue such license to an alternate party. It would be at Councils discretion to leave that license open indefinitely or seek applicants for it.

The second amendment 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.

Revisions to the Green Zone Map regarding the allowable locations for marihuana licensees within the City are planned to be addressed after Second Reading of the ordinance amendments via a separate authorizing resolution.

If you have any questions concerning these proposed amendments do not hesitate to contact the City Attorney's office.

Sincerely yours,

SHERMAN & SHERMAN P.C.

Tim Burns Assistant City Attorney