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April 12, 2023

HONORABLE CITY COUNCIL

RE:

Zoning Ordinance text amendment, Chapter 50 of the 2019 Detroit City Code to modify minimum spacing requirements and applicability for designated marijuana consumption establishments, marijuana microbusinesses, and marijuana retail/provisioning facilities, to add administrative adjustments for medical marijuana facility and adult-use marijuana establishment spacing and locational requirements, to add specific use standards for designated marijuana consumption establishments, to modify the temporary use prohibition for temporary marijuana events and temporary designated marijuana consumption establishments, and to delete the duplication of requirements for medical marijuana facilities and adult-use marijuana establishments contained in Article III,

Division 12. (RECOMMEND APPROVAL)

REPORT SUMMARY

Purpose: Primarily to slightly increase the amount of available property citywide that would be eligible for limited license marijuana uses by modifying minimum spacing requirements for marijuana uses.

Background: The current set of marijuana zoning regulations that would be subject to this amendment were adopted by City Council in March 2021. In April 2022, City Council adopted new marijuana business licensing regulations that are separate but work alongside the zoning regulations proposed to be amended. No amendments to business licensing regulations are proposed here.

Equity Participation: Both a city business license and a state operating license are required to legally operate any marijuana facility or establishment within the city. Numerical caps on limited licenses have been established by the city for retail and consumption-related marijuana uses. Limited license applicants are incentivized to address the optional Social Equity Scoring Criteria, established by the licensing regulations, to score the maximum number of total points available for their license application and ultimate ranking against other applicants pursuing the limited number of licenses.

CPC Recommendation: On September 29, 2022, CPC voted to recommend approval of the proposed text amendment as presented in the draft text amendment ordinance dated September 12, 2022. The draft text amendment ordinance approved as to form by Corporation Counsel is dated April 6, 2023.

BACKGROUND

Statewide Ballot Initiative

In November 2008, Michigan voters passed a ballot initiative allowing the lawful sale and use of

marijuana for medical purposes, referred to as the "Medical Marihuana Act Initiated Law 1 of 2008." This ballot initiative had widespread support among voters with a 63% approval of Michigan voters statewide and a 75.6% approval of voters registered within the City of Detroit. Unfortunately, the passage of this ballot-initiated act resulted in the proliferation of unlicensed and unregulated medical marijuana dispensaries and facilities throughout the City of Detroit, largely due to the lack of statutory regulation and oversight in place at the time by the City of Detroit, Wayne County, and the State of Michigan.

Medical Marijuana Regulations

In 2015, the Detroit City Council voted on the "Medical Marijuana Caregiver Center" ordinance (Ord. No. 31-15), which was enacted to amend the text of Chapter 61 of the 1984 Detroit City Code, Zoning, by defining "Medical Marihuana Caregiver Center" and creating regulations to stem the proliferation of, and otherwise regulate, such establishments in the city. At the time of enactment, approximately 214 unlicensed and unregulated medical marijuana facilities were established within the city.

In 2016, the Michigan Legislature enacted Public Acts 281, 282, and 283, which allowed for the licensure of five medical marijuana facility types, the production and sale of marijuana infused products, and the creation of a tracking system to monitor the products from "seed to sale." This series of legislation is collectively referred to as the Medical Marihuana Facilities Licensing Act (MMFLA).

In November 2017, Detroit voters passed two initiatives, Proposals A and B, that replaced the medical marijuana ordinance approved by the City Council in March 2016 and which led to the closing of 167 of 283 medical marijuana facilities operating within the city at the time. Proposal A effectively required the City of Detroit to: opt in to the MMFLA, thus permitting the five medical marijuana facility types; eliminate all spacing requirements for dispensaries near parks, day cares, liquor stores, and arcades (later struck down by Court); and reduce the spacing requirement for churches and other medical marijuana facilities from 1,000 feet to 500 feet. Proposal B, which sought to regulate the facility types authorized by the MMFLA through local zoning regulations, was ultimately struck down by the 3rd Circuit Court as the Proposal was found to be in violation of the Michigan Zoning Enabling Act. Part of Proposal A, the elimination of all spacing requirements for dispensaries near parks, day cares, liquor stores, and arcades, was also struck down by the Court.

In February 2018, the City Council passed a 180-day moratorium on the acceptance of new medical marijuana facility applications for the purpose of allowing the City Planning Commission time to evaluate medical marijuana regulations that were provided to CPC. At the request of former CPC member Gregory Pawlowski, CPC staff convened two marijuana working group meetings to develop a regulatory scheme for medical marijuana. In May 2018, a revised draft Zoning Ordinance (ZO) text amendment was referred to City Council, which was enacted on October 14, 2018 (Ord. No. 20-18).

Recreational Marijuana Regulations

In November 2018 (10 years from approval of the first statewide marijuana ballot initiative), Michigan voters passed a ballot initiative (Proposal 1) allowing the lawful possession, cultivation, and consumption of marijuana for recreational purposes by adults at least 21 years of age. This ballot initiative is referred to as the "Michigan Regulation and Taxation of Marijuana Act" (MRTMA). This ballot initiative had narrow support statewide with a 56% approval of Michigan voters, and widespread support among City of Detroit voters at 69% approval.

After the passage of Proposal 1, the Office of Council Member James Tate convened a working group to develop an ordinance specific to social equity to ensure that Detroiters, Detroit being one of the communities identified by the state of Michigan as having been disproportionately impacted in terms

of drug enforcement, benefit directly from the legalization of the adult-use cannabis industry. The product of the working group resulted in the first adult-use marijuana provisions of the Detroit Business Licensing Ordinance under Chapter 20 of the 2019 Detroit City Code, Health, Article VI – Medical Marijuana Facilities (Ord. No. 2020-44, effective January 11, 2021). In March 2021, a Zoning Ordinance text amendment was passed by City Council, effective April 2021 (Ord. No. 2021-9). This 2021 text amendment stands as the current set of marijuana regulations within the Zoning Ordinance.

On April 5, 2022, the City Council passed an amendment to Chapter 20, Health, Article VI of the City Code to establish the current set of combined medical marijuana and adult-use marijuana licensing regulations (Ord. No. 2022-11). These licensing regulations work alongside the separate marijuana zoning regulations, and zoning approval, meaning an applicant needs to have an eligible location and proposal, as a pre-requisite to license approval.

EQUITY PARTICIPATION – ORD. NO. 2022-11

Ordinance Purpose

The combined marijuana regulations approved by the City Council were adopted with the following purpose statements related to equity as stated in Section 20-6-1 (6) through (10) of the Ordinance:

- Recognize that social equity in the marijuana industry is required to address the historical disproportionate impact of marijuana prohibition and enforcement on Detroiters and to positively impact the Detroit community, and that the City of Detroit has been expressly named by the State of Michigan's Social Equity Program as a community that has been disproportionately impacted by marijuana prohibition and enforcement.
- Recognize that residents of disproportionately impacted communities have historically been excluded from ownership opportunities in the legal marijuana industry due to the disproportionate impact of marijuana prohibition, enforcement, and the lack of access to capital, land, and resources.
- Recognize that residents of the City of Detroit are uniquely invested, personally and financially, in the success of the city's marijuana programs, that at least 20% of Detroiters live below the federal poverty level, and that Detroit has a marijuana-related criminal conviction rate that exceeds the average marijuana-related criminal conviction rate in the State of Michigan.
- Recognize that employment opportunities in the legal marijuana industry are essential for Detroiters, and to strongly encourage and incentivize licensees under this article to ensure that at least 50% of its employees are Detroit residents, specifically those Detroit residents who are low income, or have a prior controlled substance record, as such terms are defined in Section 20-6-2 of this Code, and that the jobs provided pay at least \$15 an hour.
- Facilitate real property ownership opportunities for Detroit residents, for the purpose of operating adult-use marijuana establishments licensed under this article and MRTMA; the City of Detroit shall use good faith efforts to transfer eligible city-owned real property to individuals who have obtained Detroit Legacy status as defined in Section 20-6-2 of this Code, the property's lowest justifiable fair value.

License Required

Division 3 of Ordinance No. 2022-11 provides the city's licensing requirements for medical marijuana facilities and adult-use establishments. General licensing requirements are as follows:

- Both a city license and a state operating license are required to legally operate any marijuana facility or establishment within the city.
- A separate city license is required for each facility or establishment that requires a state operating license.

- A co-location license is required for any property owner that maintains more than one facility or establishment in one building when the property owner is not the license holder for all facilities or establishments located in the building.
- No more than one medical marijuana provisioning center and one marijuana retailer establishment may be licensed in any single building, unless approved by the City Council through a Planned Development.
- Numerical caps (maximums) on city licenses have been established as indicated in the below table.

Unlimited Licenses
Grower
Processor
Secure Transporter
Safety Compliance
Temporary Marijuana Event Organizer
Temporary Marijuana Event

Limited Licenses	Cap
Medical Provisioning Center	75
Adult-Use Retailer Establishment	50
Adult-Use Retailer Est. – Equity	50
Designated Consumption Lounge	15
Designated Cons. Lounge – Equity	15
Microbusiness	15
Microbusiness – Equity	15

Limited License Applications

The following is a general description of the city process for awarding limited licenses:

- For limited license applications, documentation is required to establish an applicant's status as an equity applicant, if applicable, or satisfaction of the social equity scoring criteria as a non-equity applicant.
 - Equity Applicant is defined as an individual whose primary residence is located within a disproportionately impacted community as defined by Ordinance No. 2022-11 and below, including individuals with certified Detroit Legacy status as defined by Ordinance No. 2022-11; or an entity where one or more of the aforementioned individuals owns and controls at least 51% of the applicant entity.
 - O Disproportionately impacted community is defined as any community where marijuana- related convictions are greater than the state of Michigan median, and where 20% or more of the population is living below the federal poverty level according to 2019 American Community Survey 5-year estimates published by the United States Census Bureau.
- All limited license applicants are scored by an independent third party on a 100-point scale for general scoring criteria plus a 27-point scale for social equity. To be eligible for the qualified applicant lottery (if needed), applicants must score a minimum of 100 points on the general scoring criteria and a minimum of five points on the social equity scoring criteria.
- Three 30-day periods shall be established for accepting applications, with each of the three periods separated by a period of at least 120 days. Each period is established by City Council.
- Following each 30-day application period, the city may issue up to the following number of licenses to qualified applicants who applied for the corresponding license during the period:
 - o 20 adult-use retailer licenses following the first application period, and 15 following each of the second and third periods (50 total).
 - o 20 adult-use equity retailer licenses following the first application period, and 15 adult-use retailer equity licenses following each of the second and third periods (50 total).
 - o 5 microbusiness licenses (15 total).
 - o 5 microbusiness equity licenses (15 total).
 - o 5 designated consumption establishment licenses (15 total).
 - o 5 designated consumption establishment equity licenses (15 total).

- City Council may establish additional 30-day application periods after the conclusion of the foregoing three 30-day application periods as deemed necessary based on the number of limited licenses still available under the cap, if any.
- After each application period, the Marijuana License Review Committee (MLRC), which was established by Ordinance No. 2022-11, shall evaluate submitted applications in accordance with the following scoring criteria and shall award the applicant the number of points listed below for each category satisfactorily completed.
- After the license applications have been reviewed and scored by an independent third party, the MLRC will recommend the highest scoring applications to BSEED, and BSEED may issue licenses in the manner required by Ordinance No. 2022-11.

Non-Equity License Application		Equity License Application				
Eligibility						
Anyone	Equity Applicants					
General Scoring Crit	eria –	100 points maximum				
Business Plan						
Operations 5 Operations						
Waste Management	5	Waste Management				
Safety and Nuisance Mitigation	5	Safety and Nuisance Mitigation				
Training	5	Training				
Security Plan	5 Security Plan					
Sit	e Con	trol				
Unexpired conditional land use approval	5	Unexpired conditional land use approval				
Obtained all building permits	5	Obtained all building permits				
Obtained Certificate of Occupancy or Certificate		Obtained Certificate of Occupancy or Certificate				
of Compliance for permitted use	15	of Compliance for permitted use				
Due	Dilig	ence				
MRTMA Entity Prequalification	5	MRTMA Entity Prequalification				
Income Tax Clearance	5	Income Tax Clearance				
Property Tax Clearance	5	Property Tax Clearance				
Blight Clearance	5	Blight Clearance				
No history of illegal operation or existing	5	No history of illegal operation or existing				
violations	٦	violations				
Commun	nity Ir	vestment				
Complete a "Good Neighbor Plan"	10	Complete a "Good Neighbor Plan"				
Leadership roles in duly established and licensed (if applicable) Detroit-based businesses, nonprofits, philanthropic organizations, community block clubs or neighborhood association during the previous five years	15	Leadership roles in duly established and licensed (if applicable) Detroit-based businesses, nonprofits, philanthropic organizations, community block clubs or neighborhood association during the previous five years				

Social Equity Scoring Crit	eria – 27 points maximum
Eligit	bility
Anyone	Equity Applicants

Sell real property that is properly zoned and licensable for an adult-use marijuana establishment to an equity applicant within 2 years prior to applying for licensure for less than 50% of the real property's appraised fair market value; OR, form a joint venture with an equity applicant where the equity applicant owns and controls 41-50% applicant equity	25	According to the 2019 American Community Survey 5-year estimates published by the United States Census Bureau, Equity applicant's primary residence is in a disproportionately impacted community where at least 35% of the population lives below the federal poverty level
Lease licensable, habitable space to an equity applicant at a properly zoned property (does not have to be the same property for which the non-equity applicant is seeking licensure) for at least 20 years and at a rate not exceeding 50% of the average market rent for similar commercial or industrial properties in Detroit; OR, form a joint venture with an equity applicant where the equity applicant owns and controls 31-40% applicant equity.		According to the 2019 American Community Survey 5-year estimates published by the United States Census Bureau, Equity applicant's primary residence is in a disproportionately impacted community where at least 30% of the population lives below the federal poverty level.
Lease licensable, habitable space to an equity applicant at a properly zoned property (does not have to be the same property for which the non-equity applicant is seeking licensure) for at least 10 years and at a rate not exceeding 60% of the average market rent for similar commercial or industrial properties in Detroit; OR, form a joint venture with an equity applicant where the equity applicant owns and controls 20-30% applicant equity	5	According to the 2019 American Community Survey 5-year estimates published by the United States Census Bureau, Equity applicant's primary residence is in a disproportionately impacted community where at least 20% of the population lives below the federal poverty level
Joined the Michigan Joint Ventures Pathway Program	1	Joined the Michigan Joint Ventures Pathway Program
Commit to publishing applicant's Social Equity Plan on State's website	1	Commit to publishing applicant's Social Equity Plan on State's website

Equity Scoring Incentives

Addressing the social equity scoring criteria, as a non-equity or equity applicant, can provide a real advantage for applicants over those that do not choose to utilize the social equity scoring criteria. There are two key mechanisms that Ordinance No. 2022-11 provides that seek to address equity in the license application scoring process, both involve the optional social equity scoring criteria above.

- 1. First, Equity Applicants may be eligible for 5, 15, or 25 points if the applicant's primary residence is a disproportionately impacted community where a certain percentage of the population lives below the federal poverty level.
- 2. Second, any other (non-equity) applicants may also be eligible for 5, 15, or 25 points if the non-equity applicant either provides certain eligible property or habitable space towards a marijuana license for an Equity Applicant, or the non-equity applicant establishes a joint venture with an Equity Applicant for a certain percentage of the total applicant equity towards a shared marijuana license.

As both the equity and non-equity social scoring criteria tracks are optional, this incentivizes non-equity applicants to pursue the social equity scoring criteria as without the 5, 15, or 25 points available in addition to the general scoring criteria of 100 points, applicants may fall out of the top 20 or 15 retailer licenses available each period, for example, if they can only produce 100 total points where applicants that include social equity scoring criteria can produce up to 127 points.

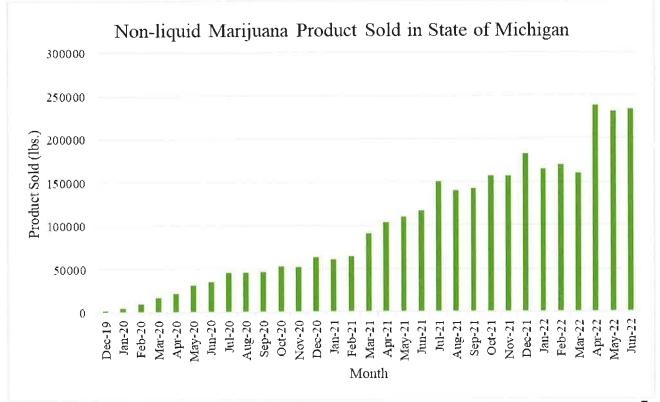
Limited Licenses - Key Requirements for Medical Provisioning Centers

- Notwithstanding the numerical cap of 75 medical marijuana provisioning center licenses, from and after the effective date of Ordinance No. 2022-11 (April 20, 2022), the city shall not issue any new medical marijuana provisioning center licenses under this Ordinance. (Meaning: all new provisioning centers are intended to be captured by Ordinance No. 2022-11.)
- The above prohibition does not prohibit the renewal of any unexpired medical marijuana provisioning center licenses, or the approval of license applications for medical marijuana provisioning centers submitted to BSEED as of April 20, 2022, subject to the 75 cap. (Meaning: there is a grace period between the Ord. effective date and application periods.)
- Lastly, beginning on January 1, 2027, any licensees that are holders of one or more licenses to operate a medical marijuana provisioning center in accordance with Ordinance No. 2022-11 and which have been the holder of such licenses prior to the April 20, 2022, effective date of the ordinance, may apply for an adult-use retailer license through the Ordinance process. (Meaning: existing provisioning centers licensed under the Ord. cap of 75 may be eligible to transition from a medical provisioning center to an adult-use retailer beginning in 2027.)

SUMMARY OF RESEARCH

Statewide Monthly Sales (Demand)

In response to questions from Commissioners, CPC staff researched the current demand for adult-use businesses. Monthly statistical reports from the Michigan Marijuana Regulatory Agency show that the amount of product sold in the month of June 2022 (223,804.90 lbs.) has almost doubled from the figure in June 2021 (116,921.52 lbs.), primarily due to the opening and expansion of the statewide recreational marijuana market. In recent months, figures have declined slightly from the April 2022 peak (238,659.39 lbs.). However, the amount of product sold in the state continues to trend upward. Below is a chart that shows the amount of non-liquid marijuana product sold in Michigan in each month from December 2019 to June 2022.



Statewide Active Licenses (Demand)

Related to product sold, the below tables provide a summary of the active number of medical and adult-use marijuana licenses issued statewide as of June 30, 2022. This information was provided by the Cannabis Regulatory Agency as part of a July 26 presentation with the Department of Treasury.

Medical – 1,370 Total Li	censes
Municipalities Opted-In	163
Municipalities Opted-Out	N/A
Facility Type	Licenses
Grower A	85
Grower B	17
Grower C	621
Processor	141
Provisioning Center	461
Safety Compliance Facility	22
Secure Transporter	23

Adult-Use – 1,600 Total Licenses			
Municipalities Opted-In	123		
Municipalities Opted-Out	1,384		
Establishment Type	Licenses		
Class A Grower (<100 plants)	7		
Class B Grower (<500 plants)	85		
Class C Grower (<2,000 plants)	619		
Excess Grower (<2,000 plants)	108		
Processor	152		
Retailer	526		
Class A Microbusiness	1		
Microbusiness	14		
Secure Transporter	24		
Safety Compliance Facility	19		
Designated Consumption Est.	2		
Educational Research	0		
Marijuana Event Organizer	41		
Temporary Marijuana Event	2		

Marijuana Supply Chain

CPC staff spoke with several marijuana industry practitioners to gain further insight into the supply chain from marijuana growers to retailers who sell the product to consumers. These practitioners included an owner of a marijuana grower (class unspecified), the marketing and sales director of a marijuana grower, a general manager of a marijuana retailer, and the owner of a medical marijuana provisioning center in Detroit. They explained that deliveries from growers to retailers are operated by secure transporters who use unmarked light commercial vehicles (vans). The orders for product are done by retailers on an as-needed basis and the deliveries are conducted shortly after. The general manager of the marijuana retailer explained that they typically receive deliveries on a weekly basis. Depending on the location of facilities, most retailers choose to use full time security personnel on site as an additional measure to ensure safety for the business, but this is not a state requirement.

Marijuana Enforcement - City of Detroit

The Buildings, Safety Engineering, and Environmental Department (BSEED) provided CPC staff with information regarding enforcement/compliance monitoring done by the city and BSEED for marijuana businesses. The agencies that are involved with enforcement include BSEED, the Detroit Police Department (DPD), City Health Department, and Law Department. BSEED explained that property maintenance seeks out all illegal marijuana dispensaries and grow facilities that have been illegally operating or have been closed. They then use a Marijuana Smartsheet (collaborative software) to communicate with DPD and the Law Department to ensure that properties stay closed until they obtain all the necessary licenses and permits to legally operate. All signage pertaining to

the illegal use and illegal lighting are required to be removed once the building is closed as specified in the correction order to the owner. If these steps are not completed, then enforcement is escalated to the Law Department. Property Maintenance is also responsible for performing inspections every two years that can lead to the property obtaining a certificate of compliance. Once the certificate of compliance is issued, BSEED approves the business license.

If residents suspect that there is an illegal marijuana business, they are encouraged to contact BSEED to file a complaint at 313-628-2451. If a resident suspects that illegal activities are being conducted around a legally permitted marijuana establishment, they should contact the Detroit Police Department. The city has closed 110 illegal properties and there are 14 properties that are under litigation with the Law Department. Additionally, the state Cannabis Regulatory Agency has a web address where complaints may be filed at www.michigan.gov/cra/file-a-complaint.

SUMMARY OF PROPOSED TEXT AMENDMENT

This proposed zoning text amendment would affect four uses that are subject to limited licenses under the April 2022 licensing ordinance:

- 1. Medical marijuana provisioning center facilities
- 2. Marijuana retailer establishments
- 3. Marijuana microbusinesses
- 4. Designated marijuana consumption establishments

Zoning Ordinance Definitions (Current Language - No Amendments Proposed)

Medical marijuana provisioning center facility: A location where a licensee that is licensed as a provisioning center under the Michigan Medical Marihuana Facilities Licensing Act (MMFLA), as well as under Chapter 20, Article VI, of this Code, operates a commercial entity located in the State of Michigan that purchases marijuana from a grower or processor and sells, supplies, or provides marijuana to qualifying patients, directly or through the registered primary caregivers of patients. Medical marijuana provisioning center facility includes any commercial property where medical marijuana is sold at retail to qualifying patients (meaning patients with a state-issued medical marijuana I.D.) or primary caregivers. A medical marijuana caregiver center is not a medical marijuana provisioning center facility for purposes of this chapter.

Marijuana retailer establishment: A location where a licensee that is licensed as a marijuana retailer under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), and as a retailer under Chapter 20, Article VI, of this Code, operates a commercial entity that obtains marijuana from adultuse marijuana establishments and sells or transfers marijuana to individuals who are 21 years of age or older and to other adult-use marijuana establishments.

Marijuana microbusiness: A location where a licensee that is licensed as a marijuana microbusiness under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), and as a microbusiness under Chapter 20, Article VI, of this Code, operates a commercial entity that cultivates not more than 150 marijuana plants, or more as allowed by the State of Michigan, processes and packages marijuana, and sells or otherwise transfers marijuana to individuals who are 21 years of age or older or to a marijuana safety compliance facility, but not to other adult-use marijuana establishments or medical marijuana facilities.

Designated marijuana consumption establishment: A location where a licensee that is licensed as a designated marijuana consumption establishment under the Michigan Regulation and Taxation of Marihuana Act (MRTMA), and as a designated consumption establishment under Chapter 20, Article VI, of this Code, operates a commercial entity that allows adults 21 years of age and older to consume marijuana products at a commercial location designated by the state operating license.

Current Minimum Spacing Requirements

The first part of the proposed amendment modifies the minimum spacing requirements and applicability for the above four defined marijuana uses that involve the retail sale or consumption of marijuana. The current set of marijuana Zoning Ordinance regulations approved in March 2021 requires substantial minimum spacing requirements for these uses in addition to all marijuana uses being Conditional. Permissible districts for the uses in question are as follows:

Specific Land Use	B2	B4	B5	B6	M1	M2	M3	M4	PD	SD2
Marijuana retail/provisioning facility		C	C	C	C	C	C	С	L	C
Marijuana microbusiness		C	С	C	C	C	C	C	L	C
Designated consumption establishment		C	C	С	С	С	С	С	L	C

C = Conditional Use Permit required

While permissible districts are the first location-based zoning consideration for any use, for marijuana and certain other uses, minimum spacing requirements are equally important as zoning district permissibility. While a site may have permissible zoning for a marijuana use, minimum spacing requirements can override zoning district permissibility by eliminating specified areas from consideration for a proposed use where the zoning district would otherwise permit the use.

Proposed Minimum Spacing Requirements

Provided below is a snapshot of the proposed minimum spacing requirements beginning on page 31 of the draft ordinance. For all uses that require spacing, the left column titled "Use Type" functions as the proposed use when considering spacing to uses in the middle (same use) and right (other uses) columns. Compliance with both the middle and far right columns are required for a proposed use. The primary goal for this part of the amendment is to increase the amount of available property eligible for the below Use Types through the limited elimination or reduction of certain spacing requirements. No reductions to spacing requirements are proposed between like uses (middle column), drug free zone uses, religious institutions (places of worship), or Overlay areas.

In general, the proposed amendment would accomplish the following related to spacing requirements:

- 1. Reduce required spacing to Controlled Uses from 1,000 feet to 750 feet as applicable to designated marijuana consumption establishments, marijuana microbusinesses, and marijuana retail/provisioning facilities.
- 2. Clarify that "drug-free zones" are not specific zones within the City of Detroit, but rather a list of seven uses included in the definition of "drug-free zone", which require spacing from each of these seven uses, rather than a single zone. The Law Department is particularly supportive of this clarification, which was not in the originally foreseen scope of the ordinance.
- 3. Eliminate current spacing requirements from designated marijuana consumption lounges to marijuana retail/provisioning center facilities and marijuana microbusinesses in order to allow consumption lounges to be located near, or even next to, these related uses where marijuana may be purchased for consumption at a different business location.
- 4. Eliminate current spacing requirements from marijuana microbusinesses to designated marijuana consumption establishments- see #3 above for purpose.
- 5. Eliminate current spacing requirements from marijuana retail/provisioning facilities to

designated marijuana consumption establishments- see #3 above for purpose.

Use Type (Proposed Use)	Minimum Distance from Same Use Type (Existing or Approved)	Minimum Distance from Other Use Types (Existing or Approved) or Zoning District
Designated marijuana consumption establishment	1000 radial feet	- Uses included in the definition of a Drug free zone: 1000 radial feet; - Religious institution identified exempt by the City Assessor: 1000 radial feet; Marijuana retail/provisioning center facility: 1000 radial feet Marijuana microbusiness: 1000 radial feet - Controlled uses: 1000 750 radial feet.
Marijuana microbusiness	1000 radial feet	- Uses included in the definition of a Drug free zone: 1000 radial feet; - Religious institution identified exempt by the City Assessor: 1000 radial feet; - Marijuana retail/provisioning center facility: 1000 radial feet; Designated marijuana consumption establishment: 1000 radial feet - Controlled uses: 1000 750 radial feet.
Marijuana retail/provisioning facility	1000 radial feet	- Uses included in the definition of a Drug free zone: 1000 radial feet; - Religious institution identified as exempt by the City Assessor: 1000 radial feet; Designated marijuana consumption establishment: 1000 radial feet - Marijuana microbusiness: 1000 radial feet; - Controlled uses: 1000 750 radial feet.

Controlled Uses – ZO Section 50-3-402

The following land uses shall be considered Controlled Uses under the Zoning Ordinance:

- 1. Arcades outside the M1, M2, M3, M4, PC, PCA, or TM Districts
- 2. Specially designated merchant's (SDM) establishments and/or specially designated distributor's (SDD) establishments
- 3. Pool halls outside the B5, B6, M1, M2, M3, M4, PCA, and TM Districts

Provided below are the definitions of SDD and SDM. Given the high number of existing SDD (liquor store) and SDM (beer/wine store) uses within Detroit, any minimum spacing requirement to these uses is highly impactful for a proposed use with required spacing to Controlled Uses.

Specially designated distributor's est. (SDD)	Specially designated merchant's est. (SDM)
A retail establishment, consisting of less than 15,000	A retail establishment, consisting of less than 15,000
square feet of gross floor area, licensed by the	square feet of gross floor area, utilized for the
Michigan Liquor Control Commission to distribute	distribution of alcoholic liquor, licensed by the
alcoholic liquor in the original package for	Michigan Liquor Control Commission to sell beer
consumption off the premises, which alcoholic liquor	and/or wine for consumption off the premises;
is other than beer and other than wine under	
20 percent alcohol by volume;	

an SDD is also any retail establishment, regardless of size, where more than ten percent of the usable retail space is utilized for the display or distribution of alcoholic liquor other than beer and other than wine under 20 percent alcohol by volume, for consumption off the premises.

an SDM is also any retail establishment, regardless of size, where more than ten percent of the usable retail space is utilized for the display or distribution of alcoholic liquor and is licensed to sell beer and/or wine for consumption off the premises.

In addition to Controlled Uses (four uses in total), the Drug-free zone spacing (prohibition) requirement includes seven uses defined by the Zoning Ordinance. Provided below is the full list of all uses that the marijuana uses in question require spacing from and which are verified by BSEED as part of the pre-licensing application process to determine if individual sites are eligible:

Drug-free zone: prohibited within 1,000 radial feet of a zoning lot of a(n) (Sec. 50-16-172):

- 1. Child care center, as defined in Section 50-16-152 of this Code
- 2. Educational institution, as defined in Section 50-16-191 of this Code
- 3. Library, as defined in Section 50-16-283 of this Code
- 4. Outdoor recreation facility, as defined in Section 50-16-324 of this Code, other than parkways and parklots
- 5. School, as defined in Section 50-16-381 of this Code
- 6. Youth activity center as defined in Section 50-16-462 of this Code
- 7. Public housing as defined in 42 USC § 1437a(b)(1)

Overlay Areas/Religious Institutions

- 8. Gateway Radial Thoroughfare Overlay Area: prohibited
- 9. Traditional Main Street Overlay Area: prohibited
- 10. Religious institution identified as exempt by the City Assessor: 1000 radial feet

Controlled Uses: 1,000 radial feet from (750 feet proposed):

- 11. Arcades outside the M1, M2, M3, M4, PC, PCA, or TM Districts
- 12. Specially designated merchant's (SDM) establishments and/or specially designated distributor's (SDD) establishments
- 13. Pool halls outside the B5, B6, M1, M2, M3, M4, PCA, and TM Districts

CPC Staff Findings – Minimum Spacing Requirements

Below are CPC staff's findings related to the proposed amendment to spacing requirements:

- As there has not been a desire to reduce or alter the list of uses under the drug-free zone prohibition, nor the desire to permit these marijuana uses within the two overlay areas or within 1,000 feet of a religious institution, staff has proposed a 25% reduction to the Controlled Uses spacing requirement as a means of exploring if this would be desirable in order to increase the amount of available property that would be eligible for marijuana uses.
- Controlled Uses are also the focus of a potential reduction in that Detroit's Zoning Ordinance is unique in its regulation of Controlled Uses where most municipalities in Michigan that permit marijuana uses only require minimum spacing from drug-free zones (which may be reduced below 1,000 feet if desired by the municipality) or other marijuana uses.
- Given the complexity of measuring spacing and determining prohibitions from the list of 13 uses or areas required, nine of which do not include Controlled Uses, these nine other uses or areas that are not proposed to be amended still have the strong potential to override any reduction to Controlled Use spacing if a site does not meet the full spacing list. For example, a site may meet a reduced 750-foot spacing from a Controlled Use, but if the site is still within

- 1,000 feet of a school or park, the site would remain ineligible for zoning approval. Therefore, the importance of the drug-free zone and religious institutions spacing would remain and would supersede any reduction to Controlled Use spacing.
- Ordinance No. 2022-11 permits 235 limited licenses for Medical Provisioning Centers (75), Adult-Use Retailers (100), Designated Consumption Lounges (30), and Microbusinesses (30). It is our understanding, based on preliminary conversations with BSEED, that a 25% reduction to Controlled Use spacing would increase the number of sites eligible for zoning approval. Additional information regarding this increase in the number of eligible sites will be provided during staff's presentations to the Planning and Economic Development Committee.
- Within the proposed spacing table provided on page 11 of this report, amendments are also proposed that would eliminate minimum spacing requirements between the following uses:
 - o Marijuana retail/provisioning facilities TO Designated marijuana consumption establishments
 - Designated marijuana consumption establishments TO Marijuana retail/provisioning facilities
 - o Designated marijuana consumption establishments TO Marijuana microbusinesses
 - o Marijuana microbusinesses TO Designated marijuana consumption establishments
- The purpose of the above additional proposed spacing eliminations is to accommodate how designated consumption establishments are intended to function at the state level, and to encourage applicants to pursue licensing for microbusinesses and consumption establishments where they may not be able to pursue licensing for a marijuana retail/provisioning facility.
- In staff's conversations with state marijuana regulators, it is our understanding that the state views there being a natural relationship between consumption establishments and retail/provisioning facilities or microbusinesses so that marijuana retailers are present near a consumption establishments to encourage the viability of consumption establishment businesses, which are not permitted to sell marijuana.
- Additionally, the state views microbusinesses as a type of marijuana business that allows primary caregivers to scale up their business without the need to only pursue a marijuana retail/provisioning facility. However, no changes are proposed to spacing between microbusinesses or between other microbusinesses or marijuana retail/provisioning centers. Any new microbusinesses would still be required to be located at least 1,000 feet from both uses.

Administrative Adjustments to Spacing Requirements

A primary outcome of the August 4, 2022, CPC meeting (summarized later in this report) was a desire that the city add the ability for marijuana zoning applicants to obtain an administrative adjustment reduction to marijuana spacing requirements. During the subsequent August 29 DON Cast and August 31 CPC Forum public engagement meetings, attendees were informed of this desire and generally supported it. Additionally, some commenters stated that they desired a further reduction or even an elimination of spacing requirements through the Board of Zoning Appeals (BZA). The process for eliminating spacing requirements is known as a "waiver" or "locational variance."

Currently, the BZA or BSEED may not consider reductions to spacing requirements for marijuana uses. Sections 50-12-135(b) and 50-12-136(d) of the ZO prohibit waiving (reducing/eliminating) spacing requirements for medical marijuana facilities and adult-use marijuana establishments. Additionally, Section 50-4-132 prohibits the BZA from modifying spacing or location regulations by reference to 50-12-135. As CPC staff did not receive direction from the CPC to amend the Zoning Ordinance to permit either the BZA or BSEED to eliminate spacing requirements, language that

would accomplish this has not been included in the proposed text amendment. Additionally, it is the long standing perspective of city staff in this regard that it would not be appropriate to consider permitting waivers or variances to spacing.

As far as current administrative adjustment applicability, which is a different process than a waiver or variance to standards, Section 50-4-122 does not permit administrative adjustments to be used to reduce spacing requirements that apply to any use, including marijuana uses. Section 50-4-122 permits administrative adjustments only for the following:

- 1. Modifications of 10 percent or less of any numeric (non-use) standard contained in Article XIII (intensity and dimensional lot standards), or any numeric standard contained in Article XIV (parking, landscaping, etc.); or
- 2. A reduction of off-street parking requirements for any use by up to 10 spaces.

However, in consultation with the Law Department, there does not appear to be any legal or procedural reason why spacing requirements could not be reduced through the administrative adjustment process. Therefore, staff has proposed to add a third category to Section 50-4-122 administrative adjustment applicability, as well as other cross-reference updates, that would state that administrative adjustments may also be used for the following as stated beginning on page 18 of the draft ordinance:

3. Reductions of not more than two percent of any spacing and locational requirement for medical marijuana facilities or for adult-use marijuana establishments, as specified in Section 50-12-132 of this Code.

There are two key items staff would like to point out related to this proposed policy approved by CPC. First, while there was discussion at the August 4 meeting of considering up to a 10 percent administrative reduction to spacing requirements, staff has proposed that administrative adjustments only be used to reduce spacing requirements by a maximum of two percent. This is because an administrative adjustment of 10 percent to the current 1,000-foot spacing requirement that applies to drug-free zone uses, religious institutions, and certain marijuana uses, would effectively reduce these requirements by 100 feet to 900 feet. In that case, spacing requirements could simply be amended to require 900 feet, instead of 1,000 feet, rather than requiring an administrative adjustment. Additionally, staff has not received direction from CPC that spacing requirements to drug-free zone uses or religious institutions should be reduced to 900 feet. Staff has proposed a two percent reduction amount as this would equate to only a 20-foot reduction to 1,000 feet and a 15-foot reduction to 750 feet. These distances would account for cases where an applicant meets the intent of the spacing requirements but may be short by only the width of an alley, an unused setback area on the zoning lot the spacing is measured to, or could account for minor mapping, measurement discrepancies or inaccuracies with other related data.

Lastly, the draft ordinance does not include any administrative adjustment to the prohibition of certain marijuana uses within the Gateway Radial Thoroughfare Overlay Area or the Traditional Main Street Overlay Area (TMSO). As overlay areas are specific areas established by boundaries that include multiple uses and zoning lots, similar to large zoning district areas, permitting a reduction of 20 or 100 feet of an overlay area, would be altering the intent of these overlay areas as these are not single uses or zoning lots, but larger areas where unique zoning policy is desired, and policy to-date is that certain marijuana uses should not be permitted in these areas. Additionally, a reduction of 20 feet of the boundary of an overlay area would not likely create a feasible development area as additional property outside of the overlay area would be required to provide a developable site, and these reduced boundary areas would be at the edges of overlay areas, which could be property such as an alley or

residential lots that are ineligible for marijuana uses. Staff has consulted with the Law Department on this and they are in agreement that overlay area boundaries should not be subject to administrative adjustment reductions given how they are implemented.

Designated Consumption Lounges

The second part of the proposed amendment adds specific use standards for designated marijuana consumption establishments where there are currently no specific use standards. Currently, there is low statewide demand for consumption establishments as reflected in the fact that only two licenses have been issued, one in Kalkaska, MI, (Kalkushka) and one in Hazel Park, MI, (Hot Box Social). Section 50-3-537(a) of the current set of marijuana Zoning Ordinance regulations prohibits consumption establishments from being considered as an accessory use to a different principal use, and also prohibits consumption establishments from including accessory uses. This essentially means that consumption establishments are intended to function as independent businesses, not a business that is incidental to a different use on the same site.

Additionally, this amendment seeks to regulate a scenario that is not clearly addressed in Ordinance No. 2022-11 or the Zoning Ordinance, that subject to state requirements, a marijuana use, in this case a designated marijuana consumption establishment, could be combined with a non-marijuana use on the same zoning lot and/or in the same building as a non-marijuana use. The current language in Section 50-3-537(a) states that multiple types of medical marijuana facilities and adult- use marijuana establishments may be combined in this way, but it is silent on the combination of marijuana and non-marijuana uses, though this has been permitted as intended.

Kalkushka Lounge – Accessory Coffee Bar

Kalkushka Lounge in Kalkaska, MI, provides one example of the potential for a designated consumption lounge to also include a non-marijuana accessory use. As indicated in the below photo from Google Maps (link: photos), this consumption lounge also includes a small coffee bar in the rear of the lounge. Under the Detroit Zoning Ordinance, this would likely be considered an accessory use.



The presence of this accessory coffee bar use, which includes non-alcoholic drinks and non-cannabis snacks, appears to be consistent with the below LARA rule where food (not required to be prepackaged) is allowed onsite or as part of a consumption establishment:

R 420,203 Rule 3(2)(b) of the LARA, MRA, Marijuana Operations (effective March 7, 2022):

"A marijuana business shall not allow onsite or as part of the marijuana business any of the following: Sale, consumption, or serving of food except as provided in these rules <u>unless the business is a designated consumption establishment or a temporary marijuana event</u> that has obtained any required authorization from other federal, state, or local agencies."

Based on current Zoning Ordinance language, if the Kalkaska consumption lounge with a coffee bar were proposed in Detroit, the coffee bar, if considered an accessory use to the consumption establishment principal use, would not be permitted by the Zoning Ordinance based on current requirements. Additionally, there are state and City of Detroit Health Department implications for food and beverage uses that would need to be considered, but from the perspective of state marijuana regulations, food sale, consumption, and service is permitted only for designated consumption establishments or a temporary marijuana event. Proposed language is provided below that would clarify how this scenario would be addressed as intended by Ordinance No. 2022-11. Lastly, a prohibition on outdoor activities for designated marijuana consumption establishments has been added at the request of CPC due to potential concerns with outdoor activities and consumption lounges. The following is the proposed language related to the above discussion:

(5) Designated marijuana consumption establishments may be located on the same zoning lot and/or in the same building as a non-marijuana use, as a separate principal use of the premises, subject to all applicable regulations of this Code and operated in accordance with the rules promulgated by the State of Michigan. Outdoor activities shall be prohibited for designated marijuana consumption establishments.

Temporary Uses

The third part of the proposed amendment is to correct a conflict between language within Ordinance No. 2022-11 and the Zoning Ordinance. The following is proposed language, as modified through discussions with the Law Department, that would amend Zoning Ordinance Section 50-12-563. Prohibited temporary uses:

(4) Medical marijuana facilities and adult-use marijuana establishments, except for temporary marijuana events approved by City Council in accordance with Section 20-6-24 of this Code and temporary designated marijuana consumption establishments.

Ordinance No. 2022-11 defines Temporary marijuana event and Marijuana event organizer as follows:

- Temporary marijuana event means a license held by a marijuana event organizer under this article and the MRTMA, which the state has approved, authorizing an event where the onsite sale or consumption of marijuana products, or both, are authorized at the location and on the dates indicated on the state operating license.
- Marijuana event organizer means a state license holder authorized to apply for a temporary marijuana event license in accordance with the MRTMA.

CPC Staff Findings - Temporary Uses

- Under Ordinance No. 2022-11, both temporary marijuana events and Marijuana event organizers are unlimited license types that are currently permitted to be processed by BSEED with no zoning district restrictions as this is a temporary use.
- A property that is the designated location and subject of an application for a business license for a temporary marijuana event shall have a certificate of occupancy, a certificate of compliance, and no outstanding blight violations, inspection fees, or property taxes to be

- eligible for approval. Additional requirements are contained within Ordinance No. 2022-11, including that applicants are required to cooperate with law enforcement during temporary marijuana events and in any enforcement action taken as a result of the event.
- Section 20-6-24 of Ordinance No. 2022-11 requires that the City Council approve temporary marijuana events before an event license may be issued by BSEED. As the Ordinance No. 2022-11 definition of Adult-use marijuana establishment includes a business licensed to operate a temporary marijuana event and/or a marijuana event organizer, the Zoning Ordinance conflicts with this definition as it currently prohibits adult-use marijuana establishments as a temporary use citywide under zoning.
- Therefore, exception language is proposed to be added that would eliminate this conflict by permitting only temporary marijuana events, which are considered an adult-use establishment, by referencing requirements in Ordinance No. 2022-11 for approval. This conflict correction has been verified with the Law Department.

CPC & COMMUNITY ENGAGEMENT MEETINGS

August 4 CPC – Commissioner Feedback

On August 4, 2022, CPC held a public hearing on the subject text amendment as originally proposed within the initial July 19, 2022, Draft Marijuana Text Amendment Ordinance and revised as stated at the August 4 meeting. At this meeting, CPC staff and Commissioners expressed a desire to receive additional community feedback beyond the August 4 public hearing. This additional desired feedback included outreach through the Department of Neighborhoods weekly citywide virtual meetings (DON Casts) and a public forum with CPC staff. For each of these meetings CPC staff mailed and emailed notices, as well as information to attend the September 8 continued CPC public hearing, to approximately 200 individuals whose contact information was made available to CPC staff through BSEED marijuana zoning application information. Additional contacts were made through the office of City Council President Pro Tem James Tate and the Civil Rights, Inclusion, and Opportunity Department's (CRIO) Office of Marijuana Ventures and Entrepreneurship (HomeGrown Detroit). A summary of each of these two meetings is provided below. Additionally, there was a desire for specific feedback from the Detroit Police Department on the proposed spacing reductions and crime related to the marijuana industry, provided later in this report.

Related specifically to the proposed text amendment, Commissioners stated a desire to explore the following items that could potentially be addressed through the draft ordinance:

- Adding the ability for administrative adjustments to marijuana spacing requirements
- Addressing a perceived overconcentration of marijuana uses as presented by a member of the public in certain Council Districts
- Restricting designated consumption lounges to enclosed/indoor consumption only
- Exploring a further reduction of required spacing from Controlled Uses to 500 feet
- Studying the inclusion of marijuana uses in Eastern Market (from 2021 MKT amendment)

CPC staff presented the Commission's desire for feedback on each of the above items as part of an August 29 DON Cast presentation and discussion, and an August 31 CPC forum presentation and discussion.

August 4 CPC - Public Comment

At this meeting, there were approximately three in-person attendees and 13 virtual attendees that provided public comment. Most attendees appeared to be individuals with direct involvement or interest in the Detroit marijuana industry. The following is a summary of comments:

1. In-person Speaker #1: stated they have been waiting for (drug-free zone) spacing to be reduced

- to 750 feet as they are located 993 feet from a park (a drug-free zone), and had general questions related to how marijuana requirements are implemented and eligible property.
- 2. In-person Speaker #2: stated that SDD/SDM (Controlled Use) spacing requirements need to be addressed related to restaurants that sell carry-out liquor and dollar stores that may now be considered SDD/SDM uses, as well as the ability to delete religious institutions from the Assessor's database, and encouraging the Microbusiness Class A option.
- 3. In-person Speaker #3: stated that they have an interest in operating a marijuana use as a Navajo Nation/Corporation church, which they believe are exempt from zoning.
- 4. Virtual Speaker #1: stated that they are currently licensed by the state as a temporary marijuana event organizer and that they would like to obtain a consumption establishment, that finding property is one of the biggest hurdles, along with capital, and requested that the city reduce requirements as there are many closed churches and liquor stores, and that, as a Legacy Detroiter, they are waiting for help from the city to make property available.
- 5. Virtual Speaker #2: stated that zoning is the number one thing that should be addressed and would like to see spacing requirements reduced to 750 or 500 feet, or something else, as anything is better than 1,000 feet.
- 6. Virtual Speaker #3: stated that they are in full support of the proposed amendment to provide land and increase diversity as land is one of the most common barriers to entry in the industry and would present opportunity for those most harmed by the prohibition of marijuana.
- 7. Virtual Speaker #4: stated that they support the amendment as presented and that a variance process should be added with a focus on neighborhood benefits agreement, and that about 40 properties and 20 licenses are remaining without viable property.
- 8. Virtual Speaker #5: stated that if the proposed spacing reductions do not prove to be effective, if adopted, that CPC should consider reducing requirements further.
- 9. Virtual Speaker #6: stated that they are in favor of a variance process to spacing requirements, specifically related to (drug-free zone) uses located outside of the City of Detroit that impact applicants within Detroit, as there is property along the city border that is ineligible for marijuana uses due to current spacing requirements.
- 10. Virtual Speaker #7: stated a desire to reduce spacing requirements for equity applicants only (not proposed), and had concerns that there could be too many dispensaries licensed under the Microbusiness use.
- 11. Virtual Speaker #8: stated that Council District 3 is saturated with medical marijuana provisioning centers and that they opposed spacing reductions due to concerns with the negative impact, specifically crime, the spacing reduction could have on District 3 because of the amount of residential property that abuts industrial property where provisioning centers may be located, and that District 3 residents opposed the unlimited licensing of marijuana grow uses.
- 12. Virtual Speaker #9: stated that they are concerned with the lack of suitable properties for marijuana uses and that additional property may not be available by the time the (first) license application review period opens.
- 13. Virtual Speaker #10: stated that they support the package of proposed amendments and had questions related to removing churches no longer in operation.
- 14. Virtual Speaker #11: stated that the city should reward Detroiters who have stayed.
- 15. Virtual Speaker #12: stated that they are in the process of submitting an application and need the spacing requirement lowered to 500 or 750 feet, that they would like some kind of reward for remaining in the city, and that everyone is affected by the war on drugs.
- 16. Virtual Speaker #13: requested the ability for BSEED to grant a 10% administrative waiver to marijuana spacing requirements.

Overconcentration of Marijuana Uses

At the August 4 CPC meeting, as well as in CPC staff's subsequent discussion with DPD, concerns were expressed that there may currently be an overconcentration of marijuana uses within certain areas, corridors, or Council Districts. Staff agrees that marijuana uses are more prevalent in certain areas than others and this may be due to multiple factors that pre-date the April 2021 effective date of the current Zoning Ordinance regulations for marijuana uses:

- Existing zoning that was in place that permitted marijuana uses to locate under previous zoning regulations for medical marijuana.
- The absence of drug-free zones (a regulation in place since the first Caregivers ordinance), religious institutions, etc., that require spacing to proposed marijuana uses.
- The presence of existing vacant industrial or commercial buildings that could be more easily adapted for marijuana uses than new construction or other building types.
- Decisions of some suburban communities to not enter, or delay entry, into the medical or recreational marijuana industry, such as the City of Warren, which may have encouraged medical marijuana businesses to open in the area of Eight Mile Road and Van Dyke Street (M-53) which provides ease of access to Macomb County.

As limited (adult-use/recreational) marijuana licenses were recently granted in the fall of 2022 for the first round of applications, existing, non-limited marijuana uses that may have created an overconcentration or plurality would be limited to: growers, processors, secure transporters, safety compliance facilities, and medical provisioning centers. It is possible that many of these existing marijuana uses could continue in the future under the current or proposed zoning regulations, and many, if not all, medical provisioning centers will likely be pursuing licensing that allows them to remain open or to transition to an adult-use retailer in the future. This is supported by DPD's statements that they are also seeing a desire for a medical-to-recreational retailer transition in the same existing locations as there is little difference between state requirements for a medical provisioning center and an adult-use retailer.

No additional regulations in the proposed text amendment would limit the growth of marijuana uses within certain areas, corridors, or Council Districts. However, potential regulations could include additional spacing requirements, limiting marijuana uses along city boundaries, or other policy considerations that could target certain areas. Staff would like additional feedback regarding any potential overconcentration provisions before proposing any new zoning requirements as there was minimal feedback received regarding specific overconcentration concerns from the engagement series. However, staff has concerns that new overconcentration provisions would significantly alter the existing zoning scheme, which was an outcome of previous medical marijuana zoning regulations, and could create confusion at the administrative level or within the business community as overconcentration provisions could be a significant policy change or reversal while the business licensing process for certain adult-uses has begun.

Additionally, adding overconcentration provisions at this time may not have a significant effect on the issue of overconcentration as existing businesses would simply become nonconforming and would be legally permitted to continue operating, which is similar to difficulties we identified with the recent Junkyard and Auto Related Use text amendment which has a substantially higher number of total uses. However, if there is a desire for staff to propose overconcentration provisions, this is something that could be done alongside this proposed amendment, or as part of a separate study or amendment at a later date.

August 29 DON Cast

At this virtual meeting, there were approximately 170 attendees, with 11 individuals providing

comments. Most individuals providing comment did not appear to have any direct involvement in the marijuana industry, and appeared to be opposed to marijuana, in general. The following is a summary of comments:

- 1. Speaker #1: stated that there is a reason you do not see a lot of dispensaries in suburban areas, that the city needs to study the mental health impacts of marijuana as we do not necessarily know the chemicals in marijuana, and that as a lot of businesses may be fronts for other vices, that the city should not (legally) mix businesses to avoid negative impacts.
- 2. Speaker #2: stated they support equity but want to make sure those imprisoned for marijuana offenses are freed, that they are concerned with block parties that may involve marijuana, that they have health concerns with the current potency of marijuana, and that there is an increase in crime and blight due to marijuana.
- 3. Speaker #3: stated their opposition to dispensaries, concerns with there being no community approval in the licensing or zoning processes, and appeared to oppose existing buildings being reused as dispensaries.
- 4. Speaker #4: stated marijuana is still illegal at the Federal level, which has not worked out and that marijuana has had a negative impact on Southwest Detroit and legalization is programming children that marijuana is ok, that crime statistics should be considered, and that they have concerns with existing hookah houses.
- 5. Speaker #5: asked where the presentation would be available and if there were affirmative programs for enforcement or workplace incidents.
- 6. Speaker #6: stated concerns with alcohol and drugs, that the cannabis industry should be used to gain tax credits and reparations, and that Eastern Market can be utilized for marijuana in a safe way with the health and food industry, and that it could be a positive for the city to gain some leverage.
- 7. Speaker #7: stated it would be beneficial, from a business standpoint, if multiple microbusinesses could operate from the same location, and that they support reducing or eliminating spacing requirements between microbusinesses.
- 8. Speaker #8: stated that they support the proposed amendments.
- 9. Speaker #9: stated that they support equity but had concerns with proposed amendments and the impact it may have on children, and that children are being desensitized to marijuana when it was a gateway drug.
- 10. Speaker #10: stated there are equity and health impacts, and that there is a lot of potential for this industry as far as renewable energy.
- 11. Speaker #11: stated that the proposed amendments would negatively impact rebuilding neighborhoods, and that it's not appropriate to make marijuana the new normal.

August 31 CPC Forum

At this virtual meeting, there were approximately 20 attendees, with 6 individuals providing comments. Most attendees appeared to be individuals with direct involvement or interest in the Detroit marijuana industry. The following is a summary of comments:

- 1. Speaker #1: stated support for marijuana uses within Eastern Market as a special carve out and for reducing spacing requirements to 500 feet or allowing variances on special cases to allow legacy/equity applicants to enter the market.
- 2. Speaker #2: stated that they are a designated consumption lounge establishment applicant and had questions on the difference between proposed spacing requirements, research on the amount of additional property that would be made available, and how spacing requirements would apply to the co-location of multiple microbusinesses and/or consumption lounges.
- 3. Speaker #3: stated that they support the proposed spacing requirement reduction to 750 feet as necessary, that they support a variance process, and that they hope the amendments are supported by CPC and City Council.

- 4. Speaker #4: stated concerns specifically related to (drug-free zone) uses located outside of the City of Detroit that impact applicants within Detroit, and that they would like to see an administrative adjustment process that would apply to religious institutions.
- 5. Speaker #5: had questions regarding how parks fit under the definition of drug-free zone.
- 6. Speaker #6: stated that they support the amendment and that it be processed quickly.

August 31 Detroit Police Department Feedback

CPC staff has conducted a second interview with a DPD Lieutenant directly involved with marijuana regulation and enforcement. As far as the proposed text amendment, the DPD Lieutenant believes, from their experience, that the current regulations are appropriate and agrees with statements made at previous meetings that some areas are saturated with medical marijuana provisioning centers. They are observing that the price of marijuana sold at these provisioning centers is decreasing exponentially and that many provisioning centers are transitioning to adult-use (recreational) marijuana retailers in the same location as there is very little difference between state requirements to become a medical marijuana provisioning center versus an adult-use retailer.

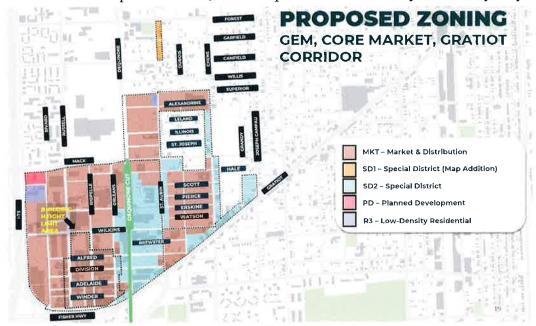
As far as concerns with crime and the legalized marijuana industry within Detroit, statistics on crime and marijuana are not something that is specifically tracked by DPD. However, as part of DPD's involvement in the review of marijuana licenses, criminal activity and police reports are something that they refer to during this process and they have had some minor issues with marijuana businesses but nothing out of the ordinary that would not occur at another non-marijuana business, and that is because marijuana businesses are closed at night around 9 or 10 p.m., criminal activity is minimized. The most common criminal activity occurring related to marijuana businesses are where there is a burglary of the business, or where the business is being victimized, or general assaults or vehicle thefts that occur nearby where the victim may get help at the marijuana business, and it is therefore used as the address in the police report.

Lastly, the Lieutenant stated they had specific concerns that if there was growth in consumption lounges within Detroit, that this could have a negative effect on DPD resources to address potential resulting criminal activity with consumption lounges that may be similar to problems that have occurred with hookah lounges. This concern, specifically the hours of operation that Ordinance No. 2022-11 permit for consumption lounges, has been shared with the Law Department. Section 20-6-39(c)(6) of Ordinance No. 2022-11 states:

- Operating hours for provisioning centers, retailer establishments, and microbusinesses shall not exceed the hours between 9:00 AM and 10:00 PM daily.
- Designated consumption establishments may operate between 9:00 AM and 2:00 AM daily.

Eastern Market - August 29 DON Cast & August 31 CPC Forum

At both the August 29 DON Cast and August 31 CPC Forum, attendees were informed that as part of the CPC's consideration of the recent MKT district text amendment that is now effective, that the Commission had previously directed staff to study the inclusion of marijuana uses within the Eastern Market area. Below is a map for this area, which depicts the land recently rezoned by City Council.



Currently, no marijuana uses are permissible in the MKT zoning district classification, which has been applied to area indicated above in red (blush). However, four uses (designated marijuana consumption establishments, marijuana microbusinesses, marijuana retail/provisioning facilities, and marijuana safety compliance facilities) are permissible in the SD2 zoning district classification, which is the zoning of the mint green portion of the map above. However, the spacing requirements for adult-use marijuana do not permit the location of these facilities within the area, despite the zoning designations.

An informal request to CPC was made by one property owner within Eastern Market, who has stated that he has broad support by others, to establish marijuana uses within the MKT district. He would like the City to provide reduced spacing requirements of 500 feet and/or a variance process to permit applicants to pursue marijuana business licensing within Eastern Market. Procedurally, CPC staff agrees that there are multiple steps that would be needed to permit marijuana uses within Eastern Market, these include: adding any desired marijuana uses as by-right/conditional uses within the MKT district and a substantial reduction to or elimination of spacing requirements, either citywide or specific to Eastern Market.

It appears to staff that the simplest way to achieve this in Eastern Market or other similarly situated parts of the City, would be to develop a corresponding rationale for the specifically desired geographic area and remove it from the applicability of the City-wide marijuana zoning scheme. Marijuana zoning regulations for the specific area would then have to be developed. Staff's primary concern with this approach is that once an area such as Eastern Market has been carved out, in theory, a rationale could be developed for any part of the City, further diluting the City-wide zoning scheme. Another concern with this approach is the with the perception or reality that such a carve-out would give an advantage to a particular entity/property owner.

Lastly, the Eastern Market Partnership had previously expressed its support for the inclusion of marijuana establishments within the new MKT zoning provisions and the Market area in particular. Attached you will find a letter from the Partnership dated September 19, 2022, qualifying that support

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and indicating their willingness to work with CPC to explore the matter further.

September 29 CPC – Public Comment

At this meeting, there were approximately 14 in-person or virtual attendees that provided public comment. Most attendees appeared to be individuals with direct involvement or interest in the Detroit marijuana industry. The following is a summary of comments:

- 1. Speaker #1: explained concerns with a daycare being located 60 feet from a marijuana use.
- 2. Speaker #2: stated they support an administrative waiver to spacing requirements.
- 3. Speaker #3: stated they support cannabis in Eastern Market as they are a longstanding business owner there that wishes to be exempt from spacing to pursue a license application.
- 4. Speaker #4: echoed support for cannabis in Eastern Market to allow Detroiters to participate in the industry.
- 5. Speaker #5: echoed support for cannabis in Eastern Market.
- 6. Speaker #6: stated they support social equity and would like spacing requirements reduced to 750 feet across the board and also requested a 15 percent reduction to spacing to schools or churches, and that there should be reconsideration of spacing required to churches located outside of the city.
- 7. Speaker #7: echoed support for cannabis in Eastern Market as they currently have to drive to Ferndale to purchase cannabis, and that cannabis should be regulated as an agricultural product.
- 8. Speaker #8: stated that they do not support cannabis in Eastern Market unless citywide equity/legacy applicants are also addressed, that reducing spacing to 750 feet is not enough and that drug free zone and church spacing should be reduced.
- 9. Speaker #9: stated that more mapping information is needed and that there is an over proliferation of marijuana uses in District 3.
- 10. Speaker #10: stated a concern that the city border with the Grosse Pointe's could become the east side version of Eight Mile Road, that no amendments to spacing should occur, and that provisions should be added to address the city's borders.
- 11. Speaker #11: stated that the current requirements should be maintained.
- 12. Speaker #12: stated support for Speaker #8's comments.
- 13. Speaker #13: stated support for marijuana in Eastern Market.
- 14. Speaker #14: stated that the city has too many liquor stores and that the growth in the marijuana industry may help reduce the number of liquor stores as they are bought out to meet spacing requirements (from Controlled Uses).

SEPTEMBER 29 STAFF RECOMMENDATION TO CPC

If approved by City Council, the proposed amendments to the Zoning Ordinance will make it slightly easier to establish certain marijuana uses related to the retail sale and consumption of marijuana. Over time, this amendment may create a slight increase in the adult-use marijuana market, which has just opened within the City of Detroit as of August/September 2022 for certain uses. However, given the substantial amount of existing zoning regulations that would remain in place, including spacing requirements to drug-free zone uses and religious institutions, which exceed many, if not all, communities that permit marijuana uses within the State of Michigan, staff does not believe that the proposed amendments would be inappropriate or would significantly alter the zoning scheme that currently applies to the predominant marijuana uses present or proposed within the City of Detroit. Based on the above analysis and consistent with the approval criteria of Section 50-3-49 of the Zoning Ordinance, CPC staff recommended approval of the amendment.

SEPTEMBER 29 CPC RECOMMENDATION TO CITY COUNCIL

On September 29, 2022, the City Planning Commission voted to recommend approval of the proposed text amendment, as presented in the draft text amendment ordinance dated September 12, 2022, to modify minimum spacing requirements and applicability for designated marijuana consumption establishments, marijuana microbusinesses, and marijuana retail/provisioning facilities, to add administrative adjustments for medical marijuana facility and adult-use marijuana establishment spacing and locational requirements, to add specific use standards for designated marijuana consumption establishments, and to modify the temporary use prohibition for temporary marijuana events and temporary designated marijuana consumption establishments. Additionally, the City Planning Commission requested that staff continue with general study of the impacts of permitting marijuana in Eastern Market and overconcentration concerns stated by residents at previous meetings.

Since the Commission's action on this matter staff has continued to look and the accuracy and timely ness of the various data sets and related processes to ensure our findings and projections. Staff has have also explored at other scenarios outside of the Commission's recommendations.

Respectfully submitted, LAUREN HOOD, CHAIRPERSON

Marvel R. FMJ.

Marcell R. Todd, Jr., Director

Eric Fazzini, Staff Timarie Szwed, Staff

Attachments: Marijuana Zoning Text Amendment Approved 4-6-23

Ordinance No. 2022-11

August 4 Public Hearing Notice Community Engagement Notice

CPC Presentation 9/29/2022
Eastern Market Partnership Letter
Public Comment Letters Received

cc: Conrad L. Mallett, Corp. Counsel

Dan Arking, Law Jonathan Demers, Law

Bryan Coe, Law

Scott Withington, Health

Kim James, Director, CRIO MVE

David Bell, Director, BSEED

Raymond Scott, Deputy Director BSEED

Yakeima Fife, BSEED

Jayda Philson, BSEED

Antoine Bryant, Director, P&DD

Karen Gage, P&DD

Greg Moots, P&DD

SUMMARY

THIS ORDINANCE amends Chapter 50 of the Detroit City Code, Zoning, by repealing Article III, Review and Approval Procedures (Part 1), Division 12, Medical Marijuana Facilities and Adult-Use Marijuana Establishments, Section 50-3-531, Purpose; in general, Section 50-3-532. Medical marijuana facilities and adult-use marijuana establishments subject to this division, Section 50-3-533, Definitions; meaning of terms, Section 50-3-534, Medical marijuana caregiver center procedures, Section 50-3-535, Permitted districts for medical marijuana facilities and adult-use marijuana establishments; conditional use; restrictions, Section 50-3-536, Medical marijuana facility and adult-use marijuana establishment procedures, Section 50-3-537, Accessory uses; public nuisance; continuing violations; by adding Article XII, Use Regulations, Division 5, Accessory Uses and Structures, Subdivision C, Specific Accessory Use Standards, Section 50-12-524, Medical marijuana facilities and adult-use marijuana establishments; and by amending Article III, Review and Approval Procedures (Part 1), Division 4, Planned Developments, Section 50-3-97, Modification of approved plans, and Division 5, Site Plan Review, Subdivision A, In General, Section 50-3-133, Applicability; Article IV, Review and Approval Procedures (Part 2), Division 6, Variances and Administrative Adjustments, Section 50-4-122, Administrative adjustments; applicability; Article V, Violations and Enforcement, Division 3, Other Remedies and Enforcement Powers, Section 50-5-57, Abatement; Article IX, Business Zoning Districts, Division 3, B2 Local Business and Residential District, Section 50-9-54, Conditional other uses, Division 5, B4 General Business District, Section 50-9-114, Conditional other uses, Division 6, B5 Major Business District, Section 50-9-144, Conditional other uses, Division 7, B6 General Services District, Section 50-9-174, Conditional other uses; Article X, Industrial Zoning Districts, Division 2, M1 Limited Industrial District, Section 50-10-24, Conditional other uses, Division 3, M2 Restricted Industrial District, Section 50-10-54, Conditional other uses, Division 4, M3 General Industrial District, Section 50-10-84, Conditional other uses, Division 5, M4 Intensive Industrial District, Section 50-10-114, Conditional other uses, Division 6, M5 Special Industrial District, Section 50-10-144, Conditional other uses; Article XI, Special Purpose Zoning Districts and Overlay Areas, Division 11, SD2-Special Development District; Mixed-Use, Section 50-11-274, Conditional other uses, Division 14, Overlay Areas, Subdivision A, Gateway Radial Thoroughfare Overlay Areas, Section 50-11-364, Prohibitions and limitations, and Subdivision B, Traditional Main Street Overlay Areas, Section 50-11-386, Prohibited use; Article XII, Use Regulations, Division 2, General Use Standards, Section 50-12-132, Other uses-spacing, Section 50-12-135, Waiver of general spacing requirements, Section 50-12-136, Waiver of spacing from schools; Division 3, Specific Use Standards, Subdivision I, Other Uses-Miscellaneous, Section 50-12-413, Medical marijuana facilities and adult-use marijuana establishments; Division 6, Temporary Uses and Structures, Subdivision B, Specific Temporary Uses Allowed, Section 50-12-563, Prohibited temporary uses, to modify minimum spacing requirements and applicability for designated marijuana consumption establishments, marijuana microbusinesses, and marijuana retail/provisioning facilities, to add administrative adjustments for medical marijuana facility and adult-use marijuana establishment spacing and locational requirements, to add specific use standards for designated marijuana consumption establishments, to modify the temporary use prohibition for temporary marijuana events and temporary designated marijuana consumption establishments, and to delete the duplication of requirements for medical marijuana facilities and adult-use marijuana establishments contained in Article III, Division 12.

BY COUNCIL MEMBER

1

AN ORDINANCE to amend Chapter 50 of the Detroit City Code, Zoning, by repealing 2 Article III, Review and Approval Procedures (Part 1), Division 12, Medical Marijuana Facilities 3 and Adult-Use Marijuana Establishments, Section 50-3-531, Purpose; in general, Section 50-3-4 532, Medical marijuana facilities and adult-use marijuana establishments subject to this division, 5 Section 50-3-533, Definitions; meaning of terms, Section 50-3-534, Medical marijuana caregiver 6 center procedures, Section 50-3-535, Permitted districts for medical marijuana facilities and 7 adult-use marijuana establishments; conditional use; restrictions, Section 50-3-536, Medical 8 marijuana facility and adult-use marijuana establishment procedures, Section 50-3-537, 9 Accessory uses; public nuisance; continuing violations; by adding Article XII, Use Regulations, 10 Division 5, Accessory Uses and Structures, Subdivision C, Specific Accessory Use Standards, 11 Section 50-12-524, Medical marijuana facilities and adult-use marijuana establishments; and by 12 amending Article III, Review and Approval Procedures (Part 1), Division 4, Planned 13 Developments, Section 50-3-97, Modification of approved plans, and Division 5, Site Plan Review, 14 Subdivision A, In General, Section 50-3-133, Applicability; Article IV, Review and Approval 15 Procedures (Part 2), Division 6, Variances and Administrative Adjustments, Section 50-4-122, 16 Administrative adjustments; applicability; Article V, Violations and Enforcement, Division 3, 17 Other Remedies and Enforcement Powers, Section 50-5-57, Abatement; Article IX, Business 18 Zoning Districts, Division 3, B2 Local Business and Residential District, Section 50-9-54, 19 Conditional other uses, Division 5, B4 General Business District, Section 50-9-114, Conditional 20 other uses, Division 6, B5 Major Business District, Section 50-9-144, Conditional other uses, 21 Division 7, B6 General Services District, Section 50-9-174, Conditional other uses; Article X, 22 Industrial Zoning Districts, Division 2, M1 Limited Industrial District, Section 50-10-24, 23

Conditional other uses, Division 3, M2 Restricted Industrial District, Section 50-10-54, 1 Conditional other uses, Division 4, M3 General Industrial District, Section 50-10-84, Conditional 2 other uses, Division 5, M4 Intensive Industrial District, Section 50-10-114, Conditional other uses, 3 Division 6, M5 Special Industrial District, Section 50-10-144, Conditional other uses; Article XI, 4 Special Purpose Zoning Districts and Overlay Areas, Division 11, SD2-Special Development 5 District: Mixed-Use, Section 50-11-274, Conditional other uses, Division 14, Overlay Areas, 6 7 Subdivision A, Gateway Radial Thoroughfare Overlay Areas, Section 50-11-364, Prohibitions and limitations, and Subdivision B, Traditional Main Street Overlay Areas, Section 50-11-386, 8 Prohibited use; Article XII, Use Regulations, Division 2, General Use Standards, Section 50-12-9 132, Other uses-spacing, Section 50-12-135, Waiver of general spacing requirements, Section 50-10 12-136, Waiver of spacing from schools; Division 3, Specific Use Standards, Subdivision I, Other 11 12 Uses-Miscellaneous, Section 50-12-413, Medical marijuana facilities and adult-use marijuana establishments; Division 6, Temporary Uses and Structures, Subdivision B, Specific Temporary 13 Uses Allowed, Section 50-12-563, Prohibited temporary uses, to modify minimum spacing 14 requirements and applicability for designated marijuana consumption establishments, marijuana 15 microbusinesses, and marijuana retail/provisioning facilities, to add administrative adjustments for 16 medical marijuana facility and adult-use marijuana establishment spacing and locational 17 requirements, to add specific use standards for designated marijuana consumption establishments, 18 to modify the temporary use prohibition for temporary marijuana events and temporary designated 19 marijuana consumption establishments, and to delete the duplication of requirements for medical 20 marijuana facilities and adult-use marijuana establishments contained in Article III, Division 12. 21

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1	IT IS	HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT
2	THAT:	
3	Section	n 1. Chapter 50 of the Detroit City Code, Zoning, is amended as follows:
4		CHAPTER 50. ZONING
5	AR	TICLE III. REVIEW AND APPROVAL PROCEDURES (PART 1)
6		DIVISION 4. PLANNED DEVELOPMENTS
7	Sec. 50-3-97.	Modification of approved plans.
8	All ap	proved site plans, elevations, and other development proposals, including proposed
9	uses, may be a	amended, pursuant to the same procedure and subject to the same limitations and
10	requirements 1	by which said plans and proposals were initially approved, provided, that minor
11	changes may l	be permitted by the City Planning Commission, or its staff where consistent with its
12	bylaws, subject	ct to a finding that such change will not cause any of the following:
13	(1)	A change in character of the development; or
14	(2)	An increase in the ratio of gross floor area to zoning lot area in excess of five
15		percent; or
16	(3)	An increase in coverage by structure, unless justified by changes in other factors;
17		or
18	(4)	A reduction in approved open space or off-street parking and loading space,
19		unless justified by changes in other factors; or
20	(5)	The creation of, or increase in, injurious effects to land uses that are in the
21		immediate vicinity-; or
22	(6)	The establishment of a medical marijuana facility or adult-use marijuana
23		establishment.

DIVISION 5. SITE PLAN REVIEW

Subdivision A. In General

Sec. 50-3-113. Applicability.

Applications for proposed developments that meet any one or more of the applicability criteria in this section shall be reviewed through the site plan review process. Developments that do not meet any of the applicability criteria in this section shall be reviewed by the Buildings, Safety Engineering, and Environmental Department through its permitting process, provided, that

a site plan review is not required for the construction or alteration of an individual single- or two-1 family dwelling. 2 New construction that involves any one of the following: 3 (1) Any new development that has more than 20,000 square feet of gross floor 4 area, except that, on land zoned M1, M2, M3, M4 or M5, the threshold for 5 industrial uses shall be 50,000 square feet of gross floor area; 6 Projects with multiple principal structures on one zoning lot; b. 7 Any multiple-family residential or loft development with more 12 dwelling 8 c. units; 9 Site condominium developments; d. 10 Projects in a 100-year floodplain; or 11 e. f. Any parking structure as defined in Section 50-16-341 of this Code-; or 12 Projects located in the portion of the MKT Market and Distribution District 13 g. described in Section 50-13-157(a) of this Code. 14 Additions or major structural alterations that involve any of the following: (2) 15 Any development that has not more than 20,000 square feet of gross floor 16 a. area where the addition or alteration results in a cumulative total of more 17 than 20,000 square feet of gross floor area considering existing floor area 18 and proposed additions, except that, on land zoned M1, M2, M3, M4 or M5, 19 the threshold for industrial uses shall be 50,000 square feet of gross floor 20 21 area-; An increase of 25 percent or more in gross square footage to an existing 22 b.

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building that contains more than 20,000 square feet of gross floor area,

1		except that, on land zoned M1, M2, M3, M4 or M5, the threshold for
2		industrial uses shall be 50,000 square feet of gross floor area; or
3		c. Projects in a 100-year floodplain-; or
4		d. Projects located in the portion of the MKT Market and Distribution District
5		described in Section 50-13-157(a) of this Code.
6	(3)	Any development with a lot area of more than one acre in cumulative total
7		considering existing lot area and any proposed additional lot area, except that, on
8		land zoned M1, M2, M3, M4 or M5, the threshold for industrial uses shall be three
9		acres.
10	(4)	Substantial changes in use within any building that has more than 20,000 square
11		feet of gross floor area or of any use with a lot area of more than one acre, except
12		that, on land zoned M1, M2, M3, M4 or M5, the threshold for industrial uses shall
13		be 50,000 square feet of gross floor area and three acres. For purposes of site plan
14		review, a substantial change in use is one that involves the establishment of a use
15		from one of the major land use classifications that are set out in Article XII of this
16		chapter, which are residential, public/civic/institutional, retail/service/commercial,
17		manufacturing/industrial, and other, where the use immediately preceding the new
18		use was from a different major land use classification.
19	(5)	Any conditional, regulated, or controlled land use and any case before the Board of
20		Zoning Appeals as the body of first jurisdiction.
21	(6)	Any use that has drive-up or drive-through facilities or a walk-up component.
22	(7)	Projects within any PD, SD1, SD2, SD3 or SD5 District, provided, that, in the SD1,
23		SD2, SD3 and SD5 Districts, alterations to an existing structure that do not involve

1		additions or major structural alterations, qualify for "expedited review" as provided	
2		for in Section 50-3-131(b) of this Code.	
3	(8)	Projects within the SD4 District that involve the following four utility uses: electric	
4		transformer station; gas regulator station; telephone exchange building; water	
5		works, reservoir, pumping station, or filtration plant.	
6	(9)	Projects seeking approval under the Alternative Residential Development Options	
7		provisions of Article XIII, Division 3, of this chapter.	
8	(10)	Urban farms and all other agricultural uses specified as a conditional use in Section	
9		50-12-109 of this Code.	
10	(11)	Any new, or newly-established, motor vehicle salesroom or sales lot for the sale of	
11		used vehicles.	
12	(12)	Development projects which meet the post-construction stormwater management	
13		applicability thresholds described in Section 48-2-101 of this Code.	
14	(13)	Any type of medical marijuana facility or adult-use marijuana establishment.	
15	DIVISION 1	2. MEDICAL MARIJUANA FACILITIES AND ADULT-USE MARIJUANA	
16		ESTABLISHMENTS	
17	Sec. 50-3-531	. Purpose; in general.	
18	(a)—	The purpose of this division is to establish standards and procedures for the review	
19	and approval	of the City of Detroit in permitting the land use categories of medical marijuana	
20	facilities and adult-use marijuana establishments, and to prevent an over concentration of like uses		
21	and to ensure the diversification of commercial and retail offerings along major and secondary		
22	corridors in order to:		

1	(1)	Serve and protect the hearth, safety and werrare of the general public through
2		reasonable limitations on land use as it relates to traffic, noise, light, air and water
3		quality, neighborhood and patient safety, security, and other health and safety
4		concerns;
5	(2)	Regulate land used in the operation of activities authorized by the Michigan
6		Medical Marihuana Act, Initiated Law 1 of 2008, MCL 333.26421, et seq.
7		("MMMA"), and the Michigan Medical Marihuana Facilities Licensing Act, being
8		Public Act 281 of 2016, MCL 333.27101, et seq. ("MMFLA"), and the Michigan
9		Regulation and Taxation of Marihuana Act, being Initiated Law 1 of 2018, MCL
10		333.27951 et seq. ("MRTMA");
11	(3)—	Establish land use restrictions that are fair and equitable for those interested in
12		establishing medical marijuana facilities and adult-use marijuana establishments,
13		while protecting adjacent properties from potential adverse effects; and
14	(4)—	Provide reasonable regulation of land use pursuant to the City's general zoning
15		power granted to cities by the Michigan Constitution of 1963 and the Home Rule
16		City Act, MCL 117.1 et seq., as amended and the Michigan Zoning Enabling Act,
17		MCL 125.3101 et seq., as amended.
18	(b) —	Nothing in this division, or in any companion regulatory provisions adopted in any
19	other section	of this Code is intended to prohibit, nor shall it be construed as prohibiting, access to
20	health care or	medical marijuana by registered medical marijuana patients.
21	(c) —	Nothing in this division, or in any companion regulatory provisions adopted in any
22	other provision	on of this Code, is intended to grant, nor shall it be construed as granting, immunity
23	from crimina	prosecution for:

1	(1) Cultivation, sale, consumption, use, distribution, manufacture or possession of
2	marijuana in any form not in compliance with the Michigan Medical Marihuana
3	Act, Initiated Law 1 of 2008, MCL 333.26421, et seq. ("MMMA"), or the Michigan
4	Medical Marihuana Facilities Licensing Act, being Public Act 281 of 2016, MCL
5	333.27101 et seq. ("MMFLA"), or the Michigan Regulation and Taxation of
6	Marihuana Act, being Initiated Law 1 of 2018, MCL 333.27951 et seq.
7	("MRTMA"); or
8	(2) Any criminal prosecution under federal laws including seizure of property under
9	the Federal Controlled Substances Act, 21 USC § 801 et seq.
10	Sec. 50-3-532. Medical marijuana facilities and adult-use marijuana establishments subject to
11	this division.
12	This division applies to all medical marijuana facilities and adult-use marijuana establishments,
13	as defined in Section 50-3-533 of this Code.
14	Sec. 50-3-533. Definitions; meaning of terms.
15	For the purposes of this division, the following words and phrases shall have the meaning
16	respectively ascribed to them by this section:
17	Adult use marijuana establishment means a location where a licensee operates one of the
18	following commercial entities or activities under the authority of the MRTMA: grower, processor,
19	retailer, secure transporter, safety compliance facility, marijuana microbusiness, excess marijuana
20	grower, marijuana event organizer, temporary marijuana event, or designated marijuana
21	consumption establishment, or any other type of marijuana-related business licensed to operate in
22	accordance with the MRTMA.
23	Co-location means a practice where more than one licensee is authorized by the State of
24	Michigan to operate a medical marijuana facility or an adult-use marijuana establishment in one

building, in accordance with the applicable rules promulgated by the State of Michigan and the 1 license requirements of Chapter 20, Article VI, of this Code. 2 Cultivate means all phases of growth of marijuana from seed to harvest or preparing, 3 packaging or repackaging, labeling, or relabeling of any form of marijuana. 4 Designated marijuana consumption establishment means a location where a licensee that 5 is licensed as a designated marijuana consumption establishment under the MRTMA, and as a 6 designated consumption establishment under Chapter 20, Article VI, of this Code, operates a 7 commercial entity that allows adults 21 years of age and older to consume marijuana products at 8 a commercial location designated by the state operating license. 9 Drug-free zone, for the purpose of this chapter, means an area that is within 1,000 radial 10 11 feet of a zoning lot of a: (1) Child care center, as defined in Section 50-16-152 of this Code; 12 (2) Educational institution, as defined in Section 50-16-191 of this Code; 13 (3) Library, as defined in Section 50-16-283 of this Code; 14 (4) Outdoor recreation facility, as defined in Section 50-16-324 of this Code, other than 15 parkways and parklots; 16 School, as defined in Section 50-16-381 of this Code; 17 (6) Youth activity center as defined in Section 50-16-462 of this Code; or 18 (7) Public housing as defined in 42 USC § 1437a(b)(1). 19 Equivalent licenses means any of the following pairs of licenses held by a single licensee: 20 (1) A marijuana grower license, of any class, issued under MRTMA and a grower 21 license, of any class, issued under the MMFLA; 22

1	(2) A marijuana processor license issued under the MIKTMA and a processor license		
2	under the MMFLA;		
3	(3) A marijuana retailer license issued under the MRTMA and a provisioning center		
4	license issued under the MMFLA;		
5	(4) A secure transporter license issued under the MRTMA and a secure transporter		
6	license issued under the MMFLA; or		
7	(5) A safety compliance facility license issued under the MRTMA and a safety		
8	compliance facility license issued under the MMFLA.		
9	Licensee means a person holding an operating license issued by the State of Michigan and		
10	a business license issued by the City to operate a medical marijuana facility or an adult-use		
11	marijuana establishment.		
12	Marijuana grower facility means a location where a licensee that is licensed as a marijuana		
13	grower under the MRTMA or as a grower under the MMFLA, and as a grower under Chapter 20		
14	Article VI, of this Code, operates a commercial entity located in this state that cultivates, dries		
15	trims, or cures and packages marijuana for sale or transfer to a medical marijuana facility or adult		
16	use marijuana establishment.		
17	Marijuana microbusiness means a location where a licensee that is licensed as a marijuana		
18	microbusiness under the MRTMA, and as a microbusiness under Chapter 20, Article VI, of this		
19	Code, operates a commercial entity that cultivates not more than 150 marijuana plants, or more as		
20	allowed by the State of Michigan, processes and packages marijuana, and sells or otherwise		
21	transfers marijuana to individuals who are 21 years of age or older or to a marijuana safet		
22	compliance facility, but not to other adult-use marijuana establishments or medical marijuan		
23	facilities.		

Marijuana processor facility means a location where a licensee that is licensed as a marijuana processor under the MRTMA or as a processor under the MMFLA, and as a processor under Chapter 20, Article VI, of this Code, operates a commercial entity located in the State of Michigan that obtains marijuana from a medical marijuana facility or adult-use marijuana establishment and processes marijuana for sale and transfer in packaged form to a medical marijuana facility or adult-use marijuana establishment.

Marijuana retailer establishment means a location where a licensee that is licensed as a marijuana retailer under the MRTMA, and as a retailer under Chapter 20, Article VI, of this Code, operates a commercial entity that obtains marijuana from adult-use marijuana establishments and sells or transfers marijuana to individuals who are 21 years of age or older and to other adult-use marijuana establishments.

Marijuana retail/provisioning facility means a marijuana retailer establishment or a medical marijuana provisioning center facility.

Marijuana safety compliance facility means a location where a licensee that is licensed as a safety compliance facility under the MRTMA or the MMFLA, and as a safety compliance facility under Chapter 20, Article VI, of this Code, operates a commercial entity located in the State of Michigan that tests marijuana for contaminants and potency or as required by the MRTMA or the MMFLA for a primary caregiver, medical marijuana facility, or adult-use marijuana establishment.

Marijuana secure transporter facility means a location where a licensee that is licensed as a secure transporter facility under the MRTMA or the MMFLA, and as a secure transporter under Chapter 20, Article VI, of this Code, operates a commercial entity located in the State of Michigan that stores marijuana, and transports marijuana between medical marijuana facilities or adult-use marijuana establishments for a fee.

1	Medical marijuana means any marijuana intended for medical use that meets all
2	requirements for medical marijuana contained in this chapter, the MMMA, MMFLA, and any
3	other applicable law. This does not include marijuana in any form inconsistent with the definition
4	of usable marijuana under the MMMA or MMFLA.
5	Medical marijuana facility means a location in the State of Michigan where a licensee
6	operates any one of the following commercial entities under the authority of the MMFLA: grower,
7	processor, provisioning center, secure transporter, or safety compliance facility. A non-
8	commercial location used by a primary caregiver to assist a qualifying patient connected to the
9	caregiver through the State of Michigan's formal registration process in accordance with the
10	MMMA is not a medical marijuana facility.
11	Medical marijuana provisioning center facility means a location where a licensee that is
12	licensed as a provisioning center under the MMFLA, as well as under Chapter 20, Article VI, of
13	this Code, operates a commercial entity located in the State of Michigan that purchases marijuana
14	from a grower or processor and sells, supplies, or provides marijuana to qualifying patients,
15	directly or through the registered primary caregivers of patients. Medical marijuana provisioning
16	center facility includes any commercial property where medical marijuana is sold at retail to
17	qualifying patients or primary caregivers. A medical marijuana caregiver center is not a medical
18	marijuana provisioning center facility for purposes of this chapter.
19	Michigan Medical Marihuana Act or "the MMMA" means Initiated Law 1 of 2008, MCL
20	333.26421, et seq.
21	Michigan Medical Marihuana Facilities Licensing Act or "the MMFLA" means Public Act
22	281 of 2016, MCL 333.27101, et seq.

1	Michigan Regulation and Taxation of Marihuana Act or "the MRTMA" means Initiated
2	Law 1 of 2018, MCL 333.27951, et seq.
3	Sec. 50-3-534. Medical marijuana caregiver center procedures.
4	Applications for medical marijuana caregiver centers will not be accepted after October
5	14, 2018, and:
6	(1) Medical marijuana caregiver centers that were legally established and issued a
7	building permit or certificate of occupancy prior to October 14, 2018 are lawful
8	nonconforming uses.
9	(2) A lawful nonconforming medical marijuana caregiver center may convert to a
10	medical marijuana provisioning center facility or to a marijuana retailer
11	establishment by submitting a change of use application, subject to any additional
12	regulations for medical marijuana provisioning center facilities set forth in this
13	Code, as amended.
14	(3) A lawful nonconforming medical marijuana caregiver center may convert to any
15	type of medical marijuana facility other than a medical marijuana provisioning
16	center facility, or to any type of adult-use marijuana establishment other than a
17	marijuana retailer establishment, by submitting an application for the proposed use,
18	subject to applicable zoning and any additional regulations for medical marijuana
19	facilities and adult-use marijuana establishments set forth in this Code.
20	Sec. 50-3-535. Permitted districts for medical marijuana facilities and adult-use marijuana
21	establishments; conditional use; restrictions.
22	(a) Medical marijuana facilities and adult-use marijuana establishments may be
23	permitted on land zoned PD, where established as a Planned Development District, and on a

1	conditional basis in the following zoning districts in accordance with this article, subject to the
2	provisions of this division and any other applicable provisions of this Code, and all applicable
3	State of Michigan requirements. Notwithstanding anything to the contrary in this Code, all of the
4	below uses may be located in PD zoning districts, excluding solely residential PD districts, as a
5	major modification of the plans for the subject PD zoning district, and may be approved by the
6	City Council in accordance with Section 50-3-97 after making the findings set forth in Section 50-
7	3-281 for the requested use.
8	(1) Designated marijuana consumption establishments may be permitted in the B2, B4,
9	B5, B6, M1, M2, M3, M4, and SD2 zoning districts.
10	(2) Marijuana grower facilities may be permitted on a conditional basis in the M1, M2,
11	M3, M4, and M5 zoning districts.
12	(3) Marijuana microbusinesses may be permitted on a conditional basis in the B2, B4,
13	B5, B6, M1, M2, M3, M4, and SD2 zoning districts.
14	(4) Marijuana processor facilities may be permitted on a conditional basis in the B6,
15	M1, M2, M3, M4, and M5 zoning districts.
16	(5) Marijuana retail/provisioning facilities may be permitted on a conditional basis in
17	the B2, B4, B5, B6, M1, M2, M3, M4, and SD2 zoning districts.
18	(6) Marijuana safety compliance facilities may be permitted on a conditional basis in
19	the B2, B4, B5, B6, M1, M2, M3, M4, M5, and SD2 zoning districts.
20	(7) Marijuana secure transporter facilities may be permitted on a conditional basis in
21	the B5, B6, M1, M2, M3, M4, and M5 zoning districts.
22	(b) A marijuana retail/provisioning facility, marijuana designated consumption

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establishment, or a marijuana microbusiness must not be located in any of the following:

1	(1) Within a drug-free zone, as defined in Section 50-3-533 of this Code;
2	(2) Within a Gateway Radial Thoroughfare Overlay Area or Traditional Main Street
3	Overlay Area, as provided in Article XI, Division 14, of this chapter; or
4	(3) On a zoning lot that is located less than:
5	(i) 1,000 radial feet from any zoning lot occupied by any religious institution
6	identified as exempt by the City Assessor;
7	(ii) 1,000 radial feet from any zoning lot with an unexpired conditional land use
8	approval, building permit, or certificate of occupancy for a designated
9	marijuana consumption establishment, marijuana retail/provisioning
10	facility, or a marijuana microbusiness; or
11	(iii) 1,000 radial feet from any zoning lot occupied by a Controlled Use.
12	(c) A marijuana grower facility, marijuana processor facility, or marijuana secure
13	transporter facility must not be located in a drug-free zone, as defined in Section 50-3-533 of this
14	Code, or within a Traditional Main Street Overlay Area, as provided in Article XI, Division 14 of
15	this chapter.
16	(d) Neither the Buildings, Safety Engineering, and Environmental Department, nor the
17	Board of Zoning Appeals is authorized to waive or modify the locational specifications set forth
18	in Subsections (b)(1), (b)(2), (b)(3), and (c) of this section. Applications that are not consistent
19	with the locational specifications set forth in Subsections (b)(1), (b)(2), (b)(3), and (c) of this
20	section, which may be confirmed by the City Engineer, shall be considered ineligible for further
21	processing and shall be denied.
22	(e) If a property has previously received zoning approval for a medical marijuana
23	facility or adult-use marijuana establishment, no further approval is required under this chapter to

1	operate a business under an equivalent license, as defined in Section 50-3-533 of this Code, at the
2	property, although a new business license under Chapter 20, Article VI, of this Code and state
3	operating license are required prior to commencing operation.

- (f) If the Buildings, Safety Engineering, and Environmental Department establishes that a use posing a restriction under this section has been abandoned or has ceased all operations for at least one year, it may disregard the locational specifications of Subsections (b)(1), (b)(2), (b)(3), and (c) of this section.
- 8 Sec. 50-3-536. Medical marijuana facility and adult-use marijuana establishment
 9 procedures.
 - (a) An application for a medical marijuana facility or adult use marijuana establishment must be submitted by the applicant online through the City's application portal.
 - (b) Upon receipt of an application package, the Buildings, Safety Engineering, and Environmental Department shall determine whether the proposed location complies with the locational specifications set forth in Section 50-3-535 of this Code. If the proposed location does not comply with all such specifications, the Buildings, Safety Engineering, and Environmental Department shall deny the application.
 - (c) Upon a determination that the proposed location complies with the locational specifications set forth in Section 50-3-535 of this Code, the application is subject to site plan review in accordance with Article III, Division 5, of this chapter.
 - (d) Upon approval of the applicant's site plan, the application is subject to a conditional land use hearing in accordance with Article III, Division 7, of this chapter, or subject to legislative approval where land is zoned PD in accordance with Article III, Division 4 and Article XI, Division 2, of this chapter.

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Sec. 50-3-537. A	COOCCOPY HEAC'	nublic nuiconco	confinition	wiolotione
000.00000001.1	LECESSUI Y USES.	Judic muisance	COMMENTALINE	VIOINTIONS.

(a) Medical marijuana facilities and adult-use marijuana establishments are not
permitted as accessory uses and must not include accessory uses. Multiple types of medical
marijuana facilities and adult-use marijuana establishments may co-locate in the same building as
separate principal uses of the premises, subject to all applicable regulations of this Code and
operated in accordance with the rules promulgated by the State of Michigan. The applicant may
submit a joint application for any combination of such uses, but each use requires separate approva
under this Code.

- (b) Any premises, building, or other structure in which a medical marijuana facility or adult-use marijuana establishment operates in violation of the standards set forth in this Code constitutes a public nuisance and is subject to civil abatement proceedings initiated by the City of Detroit in a court of competent jurisdiction, in addition to the penalties authorized by this Chapter. Any premises, building, or other structure declared by the court to be a public nuisance must be closed and the property owner assessed the costs of abatement.
- (c) Each day that a violation is permitted to exist or occur on the premises constitutes a separate occurrence or maintenance of the violation.

ARTICLE IV. REVIEW AND APPROVAL PROCEDURES (PART 2)

DIVISION 6. VARIANCES AND ADMINISTRATIVE ADJUSTMENTS

Sec. 50-4-122. Administrative adjustments; applicability.

- Administrative adjustments are:
- (1) Modifications of ten percent or less of any numeric standard that is set forth in Article XIII of this chapter or any numeric development standard that is set forth in Article XIV of this chapter; or

1	(2)	A reduction Reductions of off-street parking requirements for any use by up to ten
2		spaces, as provided for in Section 50-14-153 of this Code-; or
3	(3)	Reductions of not more than two percent of any spacing and locational requirement
4		for medical marijuana facilities or for adult-use marijuana establishments, as
5		specified in Section 50-12-132 of this Code.
6		ARTICLE V. VIOLATIONS AND ENFORCEMENT
7	DIV	VISION 3. OTHER REMEDIES AND ENFORCEMENT POWERS
8	Sec. 50-5-57. A	Abatement.
9	<u>(a)</u>	The Buildings, Safety Engineering, and Environmental Department may seek a
10	court order in the	he nature of mandamus, abatement, injunction or other action or proceeding to abate
11	or remove a v	iolation, or to otherwise restore the premises in question to the condition which
12	existed prior to	the violation.
13	<u>(b)</u>	Any premises, building, or other structure in which an adult use/sexually-oriented
14	business, a m	edical marijuana facility, or an adult-use marijuana establishment operates in
15	violation of the	e standards set forth in this Code constitutes a public nuisance and is subject to civil
16	abatement prod	ceedings initiated by the City of Detroit in a court of competent jurisdiction, in
17	addition to the	penalties authorized by this Chapter. Any premises, building, or other structure
18	declared by the	e court to be a public nuisance must be closed and the property owner assessed the
19	costs of abaten	nent.
20		ARTICLE IX. BUSINESS ZONING DISTRICTS
21	DIV	TISION 3. B2 LOCAL BUSINESS AND RESIDENTIAL DISTRICT
22	Sec. 50-9-54. (Conditional other uses.
22	Other c	conditional uses in the B2 Local Business and Residential District are as follows:

1	(1)	Antennas as provided for in Article XII, Division 3, Subdivision G, of this chapter.
2	(2)	Designated marijuana consumption establishment.
3	(3)	Marijuana microbusiness.
4	(4)	Marijuana retail/provisioning facility.
5	(5)	Marijuana safety compliance facility as provided for in Article III, Division 12 of
6		this chapter.
7		DIVISION 5. B4 GENERAL BUSINESS DISTRICT
8	Sec. 50-9-114	. Conditional other uses.
9	Other	conditional uses in the B4 General Business District are as follows:
10	(1)	Antennas as provided for in Article XII, Division 3, Subdivision G, of this chapter.
11	(2)	Aquaculture as provided for in Article XII, Division 3, Subdivision H, of this
12		chapter.
13	(3)	Aquaponics as provided for in Article XII, Division 3, Subdivision H, of this
14		chapter.
15	(4)	Designated marijuana consumption establishment.
16	(5)	Hydroponics as provided for in Article XII, Division 3, Subdivision H, of this
17		chapter.
18	(6)	Marijuana microbusiness.
19	(7)	Marijuana retail/provisioning facility.
20	(8)	Marijuana safety compliance facility as provided for in Article III, Division 12 of
21		this chapter.
22	(9)	Telecommunications buildings, private.

DIVISION 6. B5 MAJOR BUSINESS DISTRICT

2	Sec. 50-9-144	. Conditional other uses.
3	Other	conditional uses within the B5 Major Business District are as follows:
4	(1)	Aquaculture as provided for in Article XII, Division 3, Subdivision H, of this
5		chapter.
6	(2)	Aquaponics as provided for in Article XII, Division 3, Subdivision H, of this
7		chapter.
8	(3)	Designated marijuana consumption establishment.
9	(4)	Farmers markets as defined in Article XVI, Division 2, Subdivision G, of this
LO		chapter.
l1	(5)	Greenhouses as provided for in Article XII, Division 3, Subdivision H, of this
L2		chapter.
L3	(6)	Heliports.
L4	(7)	Hoophouses as provided for in Article XII, Division 3, Subdivision H, of this
L 5		chapter.
L6	(8)	Hydroponics as provided for in Article XII, Division 3, Subdivision H, of this
L7		chapter.
18	(9)	Marijuana microbusiness.
L9	(10)	Marijuana retail/provisioning establishment facility.
20	(11)	Marijuana safety compliance facility as provided for in Article III, Division 12 of
01		this chanter

Marijuana secure transporter facility as provided for in Article III, Division 12 of

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(12)

this chapter.

1	(13)	Urban farms as provided for in Article XII, Division 3, Subdivision H, of this
2		chapter.
3	(14)	Urban gardens as provided for in Article XII, Division 3, Subdivision H, of this
4		chapter.
5		DIVISION 7. B6 GENERAL SERVICES DISTRICT
6	Sec. 50-9-174	. Conditional other uses.
7	Other	conditional uses within the B6 General Services District are as follows:
8	(1)	Ferry terminal.
9	(2)	Designated marijuana consumption establishment.
10	(3)	Heliports.
11	(4)	Marijuana microbusiness.
12	(5)	Marijuana processor facility as provided for in Article III, Division 12, of this
13		chapter .
14	(6)	Marijuana retail/provisioning facility.
15	(7)	Marijuana safety compliance facility as provided for in Article III, Division 12 of
16		this chapter.
17	(8)	Marijuana secure transporter facility as provided for in Article III, Division 12 of
18		this chapter.
19	(9)	Passenger transportation terminal.
20		ARTICLE X. INDUSTRIAL ZONING DISTRICTS
21		DIVISION 2. M1 LIMITED INDUSTRIAL DISTRICT
22	Sec. 50-10-24	l. Conditional other uses.
23	Other	conditional uses within the M1 Limited Industrial District are as follows:

1	(1)	Aircraft landing areas for winged aircraft.
2	(2)	Ferry terminal.
3	(3)	Designated marijuana consumption establishment.
4	(4)	Marijuana grower facility as provided for in Article III, Division 12, of this chapter.
5	(5)	Marijuana microbusiness.
6	(6)	Marijuana processor facility-as provided for in Article III, Division 12 of this
7		chapter .
8	(7)	Marijuana retail/provisioning facility.
9	(8)	Marijuana safety compliance facility-as provided for in Article III, Division 12 of
10		this chapter.
11	(9)	Marijuana secure transporter facility as provided for in Article III, Division 12 of
12		this chapter.
13	(10)	Urban farms as provided for in Article XII, Division 3, Subdivision H, of this
14		chapter.
15	(11)	Urban gardens as provided for in Article XII, Division 3, Subdivision H, of this
16		chapter.
17		DIVISION 3. M2 RESTRICTED INDUSTRIAL DISTRICT
18	Sec. 50-10-54	. Conditional other uses.
19	Condi	tional other Other conditional uses within the M2 Restricted Industrial District are as
20	follows:	
21	(1)	Ferry terminals.
22	(2)	Heliports.
23	(3)	Designated marijuana consumption establishment.

1	(4)	Marijuana grower facility-as provided for in Article III, Division 12, of this chapter.
2	(5)	Marijuana microbusiness.
3	(6)	Marijuana processor facility as provided for in Article III, Division 12 of this
4		chapter.
5	(7)	Marijuana retail/provisioning facility.
6	(8)	Marijuana safety compliance facility as provided for in Article III, Division 12 of
7		this chapter.
8	(9)	Marijuana secure transporter facility-as provided for in Article III, Division 12 of
9		this chapter.
10	(10)	Urban farms as provided for in Article XII, Division 3, Subdivision H, of this
11		chapter.
12	(11)	Urban gardens as provided for in Article XII, Division 3, Subdivision H, of this
13		chapter.
14		DIVISION 4. M3 GENERAL INDUSTRIAL DISTRICT
15	Sec. 50-10-84	. Conditional other uses.
16	Other	conditional uses within the M3 General Industrial District are as follows:
17	(1)	Boat or ship yards: construction, repair, maintenance, dry dock.
18	(2)	Designated marijuana consumption establishment.
19	(3)	Docks, waterway shipping/freighters.
20	(4)	Ferry terminals.
21	(5)	Heliports.
22	(6)	Marijuana grower facility-as provided for in Article III, Division 12, of this chapter.
23	(7)	Marijuana microbusiness.

1	(8)	Marijuana processor facility as provided for in Article III, Division 12 of this
2		chapter.
3	(9)	Marijuana retail/provisioning facility.
4	(10)	Marijuana safety compliance facility-as provided for in Article III, Division 12 of
5		this chapter.
6	(11)	Marijuana secure transporter facility as provided for in Article III, Division 12 of
7		this chapter.
8	(12)	Urban farms as provided for in Article XII, Division 3, Subdivision H, of this
9		chapter.
10	(13)	Urban gardens as provided for in Article XII, Division 3, Subdivision H, of this
11		chapter.
12		DIVISION 5. M4 INTENSIVE INDUSTRIAL DISTRICT
13	Sec. 50-10-11	4. Conditional other uses.
14	Other	conditional uses within the M4 Intensive Industrial District are as follows:
15	(1)	Ferry terminals.
16	(2)	Designated marijuana consumption establishment.
17	(3)	Heliports.
18	(4)	Marijuana grower facility as provided for in Article III, Division 12, of this chapter.
19	(5)	Marijuana microbusiness.
20	(6)	Marijuana processor facility as provided for in Article III, Division 12 of this
21		chapter .
22	(7)	Marijuana retail/provisioning facility.

1	(8)	Marijuana safety compliance facility as provided for in Article III, Division 12 of
2		this chapter.
3	(9)	Marijuana secure transporter facility-as provided for in Article III, Division 12 of
4		this chapter.
5	(10)	Urban farms as provided for in Article XII, Division 3, Subdivision H, of this
6		chapter.
7	(11)	Urban gardens as provided for in Article XII, Division 3, Subdivision H, of this
8		chapter.
9		DIVISION 6. M5 SPECIAL INDUSTRIAL DISTRICT
10	Sec. 50-10-14	4. Conditional other uses.
11	Other	conditional uses within the M5 Special Industrial District are as follows:
12	(1)	Ferry terminals.
13	(2)	Heliports.
14	(3)	Marijuana grower facility as provided for in Article III, Division 12, of this chapter.
15	(4)	Marijuana processor facility as provided for in Article III, Division 12 of this
16		chapter .
17	(5)	Marijuana safety compliance facility as provided for in Article III, Division 12 of
18		this chapter.
19	(6)	Marijuana secure transporter facility as provided for in Article III, Division 12 of
20		this chapter.
21	(7)	Urban farms as provided for in Article XII, Division 3, Subdivision H, of this
22		chapter.

1	(8)	Urban gardens as provided for in Article XII, Division 3, Subdivision H, of this
2		chapter.
3	ARTICLE	XI. SPECIAL PURPOSE ZONING DISTRICTS AND OVERLAY AREAS
4	DIV	ISION 11. SD2-SPECIAL DEVELOPMENT DISTRICT; MIXED-USE
5	Sec. 50-11-27	74. Conditional other uses.
6	Other	conditional uses within the SD2 Special Development District, Mixed-Use are as
7	follows:	
8	(1)	Designated consumption establishment.
9	(2)	Marijuana microbusiness.
10	(3)	Marijuana retail/provisioning facility.
11	(4)	Marijuana safety compliance facility, subject to Article III, Division 12 of this
12		chapter .
13	(5)	Passenger transportation terminal.
14	(6)	Urban gardens not exceeding 0.5 acres in size, subject to Article XII, Division 3,
15		Subdivision H of this chapter.
16		DIVISION 14. OVERLAY AREAS
17		Subdivision A. Gateway Radial Thoroughfare Overlay Areas
18	Sec. 50-11-30	64. Prohibitions and limitations.
19	(a)	The following uses are prohibited on any zoning lot zoned B2 or B4 abutting
20	within any G	ateway Radial Thoroughfare Overlay Area:

1	(1)	Confection manufacture.
2	(2)	Dental products, surgical, or optical goods manufacture.
3	(3)	Emergency shelter;
4	(4)	Go-cart track;
5	(5)	Ice manufacture;
6	(6)	Jewelry manufacture.
7	(7)	Lithographing.
8	(8)	Marijuana retail/provisioning facility.
9	(9)	Motor vehicle washing and steam cleaning.
10	(10)	Pawnshop.
11	(11)	Plasma donation center.
12	(12)	Precious metal and gem dealer.
13	(13)	Pre-release adjustment center.
14	(14)	Radio, television, or household appliance repair shop.
15	(15)	Rebound tumbling center.
16	(16)	Restaurant, carry-out or fast-food, with drive-up or drive-through facilities or where
17		not located In a multi-story building having a mixed-use or multi-tenant
18		development; prohibition limited to Woodward Avenue only.
19	(17)	Substance abuse service facility.
20	(18)	Taxicab dispatch and/or storage facility.
21	(19)	Toiletries or cosmetic manufacturing.
22	(20)	Tool, die, and gauge manufacturing.
23	(21)	Trade services, general.

1	(22)	Trailer coaches or boats, sale or rental, open air display.
2	(23)	Trailers or cement mixers, pneumatic-tired, sales, rental or service.
3	(24)	Used goods dealer.
4	(25)	Vending machine commissary.
5	(26)	Wearing apparel manufacturing.
6	(27)	Wholesaling, warehousing, storage buildings, or public storage facilities, except on
7		Gratiot Avenue.
8	(b)	The following uses are prohibited on any zoning lot abutting within any Gateway
9	Radial Thoro	ughfare Overlay Area:
10	(1)	Designated marijuana consumption establishment.
11	<u>(2)</u>	Junkyard.
12	<u>(3)</u>	Light duty vehicle repair establishment.
13	(4)	Marijuana microbusiness.
14	(5)	Marijuana retail/provisioning facility.
15	<u>(6)</u>	Medium/heavy duty vehicle or equipment repair establishment.
16	(7)	Motor vehicles, used, salesroom or sales lots.
17	(8)	Motor vehicles, used, storage lot accessory to a salesroom or sales lot for used
18		motor vehicles.
19	<u>(9)</u>	Scrap tire storage, processing, or recycling facility.
20	(10)	Tires, used; sales and/or service.
21	<u>(11)</u>	Towing service storage yard.
22	(c)	Accessory parking lots or parking areas on zoning lots abutting a designated
23	Gateway Rad	ial Thoroughfare that are not farther than the maximum distance specified in Article

1	XIV, Division 1, Subdivision B, of this chapter shall be permitted by right subject to Article XIV,
2	Division 1, Subdivision E, of this chapter, Article XIV, Division 1, Subdivision G, of this chapter,
3	and Article XIV, Division 2, Subdivision C, of this chapter.
4	(d) Commercial parking lots or areas and accessory parking lots or areas on zoning lots
5	abutting a designated Gateway Radial Thoroughfare that are farther than the maximum distance
6	specified in Article XIV, Division 1, Subdivision B, of this chapter, shall be reviewed as
7	conditional uses subject to Article XIV, Division 1, Subdivision E, of this chapter, Article XIV,
8	Division 1, Subdivision G, of this chapter, and Article XIV, Division 2, Subdivision C, of this
9	chapter.
LO	Subdivision B. Traditional Main Street Overlay Areas
11	Sec. 50-11-386. Prohibited use.
12	Medical marihuana caregiver centers, medical marihuana provisioning center facilities,
13	medical marihuana grower facilities, medical marihuana processor facilities, and medical
14	marihuana secure transporter facilities are prohibited within any Traditional Main Street Overlay
15	Area.
16	The following uses are prohibited within any Traditional Main Street Overlay Area:
17	 Designated marijuana consumption establishment;
18	(2) Marijuana grower facility;
19	(3) Marijuana microbusiness;
20	(4) Marijuana processor facility;
21	(5) Marijuana retail/provisioning facility;
22	(6) Marijuana safety compliance facility; and
23	(7) Marijuana secure transporter facility.

ARTICLE XII. USE REGULATIONS

DIVISION 2. GENERAL USE STANDARDS

3 Sec. 50-12-132. Other uses-Spacing.

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Regulations regarding spacing of other uses are as follows:

Use Type	Minimum Distance from Same Use Type (Existing or Approved)	Minimum Distance from Other Use Types (Existing or Approved) or Zoning District	Comment
Adult uses/sexually oriented business	1000 radial feet	- Zoning lot zoned R1, R2, R3, R4, R5, R6, residential PD: 1000 radial feet; - Residentially developed zoning lot in SD1, SD2, and SD4 zoning districts: 1000 radial feet; - Elementary, middle, or high school: 1000 radial feet; - Park, playlot, playfield, playground, recreation center, youth activity center: 1000 radial feet; - Religious institution identified as exempt by the City Assessor: 1000 radial feet; - Regulated Use: 1000 radial feet	Section 50-3-504
Designated marijuana consumption establishment	1000 radial feet	- Uses included in the definition of a Drug free zone: 1000 radial feet; - Religious institution identified exempt by the City Assessor: 1000 radial feet; Marijuana retail/provisioning center facility: 1000 radial feet Marijuana microbusiness: 1000 radial feet - Controlled uses: 1000 750 radial feet	Section 50-12- 413
Marijuana grower facility		- Uses included in the definition of a Drug free zone: 1000 radial feet;	Section 50-3-535 50-12-413
Marijuana microbusiness	1000 radial feet	- Uses included in the definition of a Drug free zone: 1000 radial feet; - Religious institution identified exempt by the City Assessor: 1000 radial feet; - Marijuana retail/provisioning center facility: 1000 radial feet Designated marijuana consumption establishment: 1000 radial feet - Controlled uses: 1000 750 radial feet	Sections 50-12- 413

Use Type	Minimum Distance from Same Use Type (Existing or Approved)	Minimum Distance from Other Use Types (Existing or Approved) or Zoning District	Comment
Marijuana processor facility		- Uses included in the definition of a Drug free zone: 1000 radial feet;	Section 50-3- 535 <u>50-12-413</u>
Marijuana retail/provisioning facility	1000 radial feet	- Uses included in the definition of a Drug free zone: 1000 radial feet; - Religious institution identified as exempt by the City Assessor: 1000 radial feet; Designated marijuana consumption establishment: 1000 radial feet - Marijuana microbusiness: 1000 radial feet - Controlled uses: 1000 750 radial feet	Section 50-12- 413
Marijuana secure transporter		- Uses included in the definition of a Drug free zone: 1000 radial feet;	Section 50-3-535 50-12-413

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Sec. 50-12-135. Waiver of general spacing requirements.

- 3 (a) Except for Controlled Uses, only the Board of Zoning Appeals may adjust modify 4 the spacing requirements between land uses, as provided for in the tables in Section 50-12-129,
- 5 Section 50-12-130, Section 50-12-131, and Section 50-12-135 of this Code, as a "locational
- 6 variance" in accordance with the criteria specified in Section 50-4-121 of this Code and where the
- 7 proposed use satisfies all the following conditions:
- 8 (1) The proposed use will comply with all applicable regulations of this Code;
- 9 (2) The proposed use will not be contrary to the public interest or injurious to nearby 10 properties in the proposed location, and the spirit and intent of the purpose of the 11 spacing regulations will still be observed;
 - (3) The proposed use will not aggravate or promote a deleterious effect upon adjacent areas through causing or encouraging blight, and will not discourage investment in the adjacent areas or cause a disruption in neighborhood development; and

- 1 (4) The establishment of the use in the area will not be contrary to any program of neighborhood conservation of interfere with any program of urban renewal.
 - (b) The spacing and locational requirements for adult uses sexually-oriented businesses, as specified in Section 50-3-504 and Section 50-12-132 of this Code, as well as for medical marijuana facilities, and for adult-use marijuana establishments, as specified in Article III, Division 12 Section 50-12-132 of this Code, may not be waived. The "drug-free zone" spacing requirement for marijuana grower facilities, marijuana processor facilities, medical marijuana retailer/provisioning centers, and marijuana secure transporter facilities, as specified in Section 50-3-535 and Section 50-12-132 of this Code, may not be waived. If the Buildings, Safety Engineering, and Environmental Department establishes that a use presenting a spacing and locational requirement for any proposed medical marijuana facility or adult-use marijuana establishment has been abandoned or has ceased all operations for at least one year, it may disregard such requirement.

14 Sec. 50-12-136. Waiver of spacing from schools.

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- 15 (a) The prohibition that relates to the location of a use, referenced in the tables in 16 Section 50-12-129 through 50-12-134 of this Code, within 500 radial feet of a school site may be 17 waived by:
- 18 (1) The Buildings, Safety Engineering, and Environmental Department, provided that
 19 the proposed use is at least 450 radial feet from the school site; or
- 20 (2) The Board of Zoning Appeals where the proposed use is less than 450 radial feet 21 from the school site.

1	(b) The waiver of the prohibition is subject to a finding based on evidence presented at
2	a public hearing that the establishment of the use will not impede the normal and orderly
3	development, operation, and improvement of the school.
4	(c) Such waiver shall be documented by a statement of facts upon which such
5	determination was made and shall indicate that such use would not be injurious or harmful to the
6	school.
7	(d) The prohibition that relates to the location of designated marijuana consumption
8	establishments, marijuana grower facilities, marijuana microbusinesses, marijuana processor
9	facilities, marijuana retail/provisioning facilities, and marijuana secure transporter facilities within
10	1,000 feet of a school, among other uses specified in a "drug-free zone," as defined in Section 50-
11	3-533-50-16-172 of this Code and referenced in the table in Section 50-12-132 of this Code, must
12	not be waived by either the Buildings, Safety Engineering, and Environmental Department, or the

DIVISION 3. SPECIFIC USE STANDARDS

Subdivision I. Other Uses—Miscellaneous

Sec. 50-12-413. Medical marijuana facilities and adult-use marijuana establishments.

Board of Zoning Appeals, as applicable.

- (a) The purpose of the regulations in this chapter pertaining to medical marijuana facilities and adult-use marijuana establishments are intended to provide for permitting of associated land use categories, to prevent an over concentration of like uses, and to ensure the diversification of commercial and retail offerings along major and secondary corridors in order to:
- (1) Serve and protect the health, safety and welfare of the general public through reasonable limitations on land use as it relates to traffic, noise, light, air and water

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1		quality, neighborhood and patient safety, security, and other health and safety
2		concerns;
3	(2)	Regulate land used in the operation of activities authorized by the Michigan
4		Medical Marihuana Act, Initiated Law 1 of 2008, MCL 333.26421, et seq.
5		("MMMA"), and the Michigan Medical Marihuana Facilities Licensing Act, being
6		Public Act 281 of 2016, MCL 333.27101, et seq. ("MMFLA"), and the Michigan
7		Regulation and Taxation of Marihuana Act, being Initiated Law 1 of 2018, MCL
8		333.27951 et seq. ("MRTMA");
9	(3)	Establish land use restrictions that are fair and equitable for those interested in
10		establishing medical marijuana facilities and adult-use marijuana establishments,
11		while protecting adjacent properties from potential adverse effects; and
12	(4)	Provide reasonable regulation of land use pursuant to the City's general zoning
13		power granted to cities by the Michigan Constitution of 1963 and the Home Rule 6
14		City Act, MCL 117.1 et seq., as amended and the Michigan Zoning Enabling Act,
15		7 MCL 125.3101 et seq., as amended.
16	(b)	Nothing in this chapter or in any companion regulatory provisions of any other
17	chapter of this	s Code, is intended to prohibit, or to be construed as prohibiting, access to health care
18	or medical ma	arijuana by registered medical marijuana patients.
19	(c)	Nothing in this chapter or in any companion regulatory provisions of any other
20	chapter of this	s Code, is intended to grant, or to be construed as granting, immunity from criminal
21	prosecution fo	or:
22	(1)	Cultivation, sale, consumption, use, distribution, manufacture or possession of
23		marijuana in any form not in compliance with the Michigan Medical Marihuana

1		Act, Initiated Law 1 of 2008, MCL 333.26421, et seg. ("MMMA"), or 18 the
2		Michigan Medical Marihuana Facilities Licensing Act, being Public Act 281 of
3		2016, MCL 333.27101 et seq. ("MMFLA"), or the Michigan Regulation and
4		Taxation of Marihuana Act, being Initiated Law 1 of 2018, MCL 333.27951 et seq.
5		("MRTMA"); or
6	(2)	Any criminal prosecution under federal laws including seizure of property under
7		the Federal Controlled Substances Act, 21 USC § 801 et seq.
8	(d)	Applications for medical marijuana caregiver centers will not be accepted after
9	October 14, 2	018, and:
10	(1)	Medical marijuana caregiver centers that were legally established and issued a
11		building permit or certificate of occupancy prior to October 14, 2018 are lawful
12		nonconforming uses.
13	(2)	A lawful nonconforming medical marijuana caregiver center may convert to a
14		medical marijuana provisioning center facility or to a marijuana retailer
15		establishment by submitting a change of use application, subject to any additional
16		regulations for medical marijuana provisioning center facilities set forth in this
17		Code, as amended.
18	(3)	A lawful nonconforming medical marijuana caregiver center may convert to any
19		type of medical marijuana facility other than a medical marijuana provisioning
20		center facility, or to any type of adult-use marijuana establishment other than a
21		marijuana retailer establishment, by submitting an application for the proposed use,
22		subject to applicable zoning and any additional regulations for medical marijuana
23		facilities and adult-use marijuana establishments set forth in this Code.

(e) If a property has previously received zoning approval for a medical marijuana
facility or adult-use marijuana establishment, no further approval is required under this chapter to
operate a business under an equivalent license at the property, although a new business license
under Chapter 20, Article VI, of this Code and a state operating license are required prior to
commencing operation.

- (f) Medical marijuana facilities and adult-use marijuana establishments are subject to the following:
 - (1) Medical marijuana facilities and adult-use marijuana establishments must be licensed as such by the State of Michigan, as well as by the City of Detroit in accordance with Chapter 20, Article VI, of this Code and shall be required to have such license prior to its opening for business, and as a condition for its continued operation.
 - (2) A medical marijuana facility or adult-use marijuana establishment shall not allow loitering inside or outside its premises and shall take care to prevent the transmission of any odors from the medical marijuana facility or adult-use marijuana establishment to the exterior of the licensed premises.
 - (3) A marijuana grower facility may operate only in a commercial or industrial building that has a building footprint that does not exceed 30,000 square feet and that is located on a parcel no larger than three acres; a marijuana grower facility may operate in a multi-story building, subject to applicable height limitations. A marijuana grower facility may operate in a building that has a building footprint that exceeds 30,000 square feet but does not exceed 50,000 square feet, regardless of height, and is located on a parcel no larger than five acres only if the marijuana

1	grower facility is co-located with another medical marijuana facility or another
2	adult-use marijuana establishment.

- (4) Marijuana grower facilities must not grow marijuana outdoors.
- (5) The provisions of Article III, Division 12, of this chapter.

- Zoning lot and/or in the same building as a non-marijuana use, as a separate principal use of the premises, subject to all applicable regulations of this Code and operated in accordance with the rules promulgated by the State of Michigan.

 Outdoor activities shall be prohibited for designated marijuana consumption establishments.
- (6) Multiple types of medical marijuana facilities and adult-use marijuana establishments may co-locate in the same building or facility as separate principal uses of the premises, subject to all applicable regulations of this Code and the rules promulgated by the State of Michigan, provided that the spacing regulations contained in Section 50-12-132 shall not prohibit a marijuana retail/provisioning facility or marijuana microbusiness from operating at a location shared with a medical marijuana facility operating pursuant to the Medical Marijuana Facilities Licensing Act. The applicant may submit a joint application for any permissible combination of uses, but each use requires separate approval under this Code.

1	DIVISION 5. ACCESSORY USES AND STRUCTURES		
2	Subdivision C. Specific Accessory Use Standards		
3	Sec. 50-12-524. Medical marijuana facilities and adult-use marijuana establishments.		
4	Medical marijuana facilities and adult-use marijuana establishments are not permitted as		
5	accessory uses and must not include accessory uses. The regulations set forth in this Section may		
6	not be modified or waived by the Board of Zoning Appeals.		
7	7 Secs. <u>50-12-525</u> – 50-12-530. Reserved.		
8	DIVISION 6. TEMPORARY USES AND STRUCTURES		
9	Subdivision B. Specific Temporary Uses Allowed		
10	Sec. 50-12-563. Prohibited temporary uses.		
11	The following temporary uses are prohibited:		
12	(1) Sales of fireworks as defined in Section 50-16-202 of this Code.		
13	(2) Sales of firearms.		
14	(3) Sales of any materials characterized by an emphasis on specified anatomical areas		
15	or specified sexual activities as defined in Section 50-16-384 of this Code.		
16	(4) Medical marijuana facilities and adult-use marijuana establishments, except for		
17	temporary marijuana events as approved by City Council in accordance with		
18	Section 20-6-24 of this Code and temporary designated marijuana consumption		
19	establishments.		
20	Section 2. All ordinances or parts of ordinances in conflict with this ordinance are		
21	repealed.		
22	Section 3. This ordinance is declared necessary for the preservation of the public peace,		
23	health, safety, and welfare of the people of the City of Detroit.		

- Section 4. This ordinance shall become effective on the eighth (8th) day after publication
- 2 in accordance with Section 401(6) of Public Act 110 of 2006, as amended, MCL 125.3401(6),
- and Section 4-118, paragraph 3 of the 2012 Detroit City Charter.

Approved as to form:

Corporation Counsel