

Revisions to Marijuana Licensing Ordinance - March 7, 2022

The introduction is revised to delete the duplicate reference to “Chapter 20 of the 2019 Detroit City Code, Health”.

The following five sections: Sections 20-6-3(c), 20-6-36(a)(16), 20-6-36(b)(14), 20-6-41(c), and 20-6-42(a)(4) are each revised to change all references to the: “Michigan Marijuana Regulatory Agency” to the “Michigan Cannabis Regulatory Agency.

Section 20-6-1:

Revise Subsection (11) to add reference to subsection (10) immediately after the inter reference to subsections (6), (7), (8), and (9) therein.

Section 20-6-2:

Revise the definition of “Equity Applicant” by (a) deleting the words “who currently resides in” and replacing the same with “whose primary residence is located within”, and also (b) deleting the words “as well as certified participants in Michigan’s Social Equity Program”.

Revise the definition of “Microbusinesses” by inserting the following description of actions that qualify as a microbusiness immediately after the phrase “process, and packages marijuana” – [inserted language] “purchases marijuana plants from other licensed growers as allowed by the State of Michigan, purchases marijuana concentrate or other marijuana products from other licensed processors as allowed by the State of Michigan”

Section 20-6-3:

Revise subsection (c) by inserting the following immediately following the conclusion of the last sentence thereof: “The City may notify the Michigan Cannabis Regulatory Agency if any applicant for a state operating license is not in compliance with this article or any other section the 2019 Detroit City Code.”

Section 20-6-33:

Revise the title of this section by deleting the word “Homegrown” and replacing the same with the word “Supportive”

Revise this section to delete the words “to be known as ‘Homegrown Detroit’” and delete the words “ and through such program”.

Section 20-6-36:

Revise subsection (a)(3) to delete the word “indicating” and replace the same with the word “depicting”.

Section 20-6-36:

Revise subsection (a)(5) to revise the criteria for a non-equity applicant receiving points under the Social Equity Scoring Criteria section of the scoring rubric contained therein as follows:

<p><u>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;</u></p>	<p><u>OR, form a joint venture with an equity applicant where the equity applicant owns and controls 41-50% of applicant equity</u></p>	<p><u>25</u></p>
<p><u>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;</u></p>	<p><u>OR, form a joint venture with an equity applicant where the equity applicant owns and controls 31 – 40% of applicant equity</u></p>	<p><u>15</u></p>
<p><u>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;</u></p>	<p><u>OR, form a joint venture with an equity applicant where the equity applicant owns and controls 20 – 30% of applicant equity</u></p>	<p><u>5</u></p>

Revise subsection (b) to insert the words “by an independent third party to be determined” immediately after the phrase “after the license applications have been reviewed and scored”.

Section 20-6-41:

Add new subsection (d) immediately following subsection (c) thereof which reads as follows:

“(d) If a holder of a limited license under this article desires to relocate its operations to real property other than the real property where the license was approved, then prior to such relocation, the licensee shall submit those documents described in Sec. 20-6-36(a) to the Department, which shall provide the complete file to the MLRC for review. Upon receipt of a favorable recommendation from

the MLRC, and the surrender of the existing limited license to the Department, the Department shall issue a replacement limited license of the same type for the new location.”

Section 20-6-44:

Revise subsection (a) to delete the word “licensee” and replace the same with the word “person”

Subsection 20-6-45:

Revise this section to delete the words “Administrative Appeals Bureau”, and replace the same with “Department of Appeals and Hearings”.

Revise this section to delete the words “Article IV” immediately after the words “ as set forth in Chapter 3”

Subsection 20-6-46:

Revise the last sentence thereof by inserting the following immediately following the phrase “the City is authorized to pursue recourse as proved by law, including” – [inserted words] “obtaining a search warrant, and”