



**PONTIAC CITY COUNCIL
STUDY SESSION
August 17, 2017
6:00 P.M.
202th Session of the 9th Council**

It is this Council's mission "To serve the citizens of Pontiac by committing to help provide an enhanced quality of life for its residents, fostering the vision of a family-friendly community that is a great place to live, work and play."

Call to order

Roll Call

Authorization to excuse councilmembers

Amendments to and Approve the Agenda

Approval of the minutes

1. August 10, 2017

Special Presentation

2. Justin Dunaskiss-MMFLA

Public Comment

Consent Agenda

Agenda Items

3. 2017 Dream Cruise Event-Update Report
4. 2017 City of Pontiac Blight/Demolition Status Report

Adjournment

August 10, 2017

**Official Proceedings
Pontiac City Council
201st Session of the Ninth Council**

A Formal Meeting of the City Council of Pontiac, Michigan was called to order in City Hall, Thursday, August 10, 2017 at 6:00 p.m. by the President Pro-Tem Mary Pietila.

Call to Order at 6:00 p.m.

Roll Call

Members Present: Carter, Pietila, Taylor-Burks and Woodward.

Members Absent: Holland, Waterman and Williams.

Mayor Waterman was present.

Clerk announced a quorum.

17-264 **Excuse Councilperson Mark Holland, Patrice Waterman and Kermit Williams for personal reasons.** Moved by Councilperson Woodward and supported by Councilperson Taylor-Burks.

Ayes: Pietila, Taylor-Burks, Woodward and Carter.

No: None

Motion Carried.

17-265 **Approval of the agenda.** Moved by Councilperson Woodward and supported by Councilperson Taylor-Burks.

Ayes: Pietila, Taylor-Burks, Woodward and Carter.

No: None

Motion Carried.

17-266 **Journal of August 3, 2017.** Moved by Councilperson Taylor-Burks and supported by Councilperson Woodward.

Ayes: Taylor-Burks, Woodward, Carter and Pietila.

No: None

Motion Carried.

Deputy Mayor Report or Departmental Head Report – Deputy Mayor Jane Bias-Disessa

17-267 **Resolution for Maggie J. Bilbo.** Moved by Councilperson Taylor-Burks and supported by Councilperson Carter.

WHEREAS, The Pontiac City Council celebrates the gift of life and those who live life abundantly and whose lives exemplify the highest ideals of humanity; and,

WHEREAS, Maggie J. Bilbo was born Maggie Jean Crockett on August 23, 1932 in Duck Hill Mississippi to the union of Grant Crockett and Jimmie Nash; and,

WHEREAS, the Lord blessed Maggie J. Bilbo with eight healthy God fearing children; and,

WHEREAS, Maggie J. Bilbo raised her children under the watchful eye of the Lord in New Hope Missionary Baptist Church in Pontiac, Michigan; and,

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WHEREAS, Maggie J. Bilbo, a loyal and devoted member of New Hope, served on numerous boards, committees and groups for over 60 years and was committed to both the choir and usher board; and, WHEREAS, Maggie J. Bilbo faithfully worked for Oakland County for over 20 years until retirement; and,

WHEREAS, Maggie J. Bilbo propelled by an entrepreneurial spirit, successfully developed and maintained several businesses in Pontiac, Michigan; and,

WHEREAS, Maggie J. Bilbo is an inspiration and role model, as she was instrumental in organizing community block clubs in District 1 and selflessly volunteered as a polling site worker for Pontiac Elections for over 25 years; and,

WHEREAS, Maggie J. Bilbo truly embodies faith, humility and service to others and her legacy of unconditional love has been imparted to her children, Betty Calvi, Jerell, Mary, Steve, Edward, Grant and Shirley; grandchildren, great grandchildren, extended family, friends and the Pontiac community.

NOW, THEREFORE BE IT RESOLVED, that the members of the City Council express their deepest gratitude an appreciation to Maggie J. Bilbo, for her service to the community.

BE IT THEREFORE RESOLVED, that we the members of the Pontiac City Council on behalf of the citizens of Pontiac, recognize with great pride and dignity and salute a radiant and rare gem, Maggie J Bilbo as she is honored on her birthday, August 23, 2017 for the blessing that she has been to her family and friends for 85 years of life, "Happy Birthday Ms. Maggie J. Bilbo."

Ayes: Woodward, Carter, Pietila and Taylor-Burks

No: None

Resolution Passed.

17-268 **Resolution for Frank Benion Jr.** Moved by Councilperson Taylor-Burks and supported by Councilperson Carter.

WHEREAS, On July 1, 2017, West Manor Apartments, a senior living facility on the 200 block of S. Paddock St. caught fire and instinctively and without hesitation, Frank Benion Jr. took action to aid, rescue and ultimately save the lives of many of the seniors from the burning building; and,

WHEREAS, it is the sense of this body to pay proper tribute to individuals of great character and whose lives exemplify the highest ideals of humanity; and,

WHEREAS, Frank Benion Jr. is a native of Pontiac, Michigan; and,

WHEREAS, Frank Benion Jr. is a graduate of Pontiac Northern High School; and,

WHEREAS, Frank Benion Jr. is the son of the late Frank and Lugenia Benion and is the third oldest of six children; and,

WHEREAS, Frank Benion Jr., a loyal employee with professional integrity, retired from Oakland County after 26 years; and,

WHEREAS, Frank Benion Jr. currently holds the position of Executive Director for Friends Assisting in Recovery, Inc., a non-profit organization in Oakland County with 32 years of service which supports individuals who are clinically diagnosed with mental disabilities; and,

WHEREAS, Frank Benion Jr. is committed and dedicated to the community, serving for 22 years as a sports official for youth and high school leagues and as a mentor; and,

WHEREAS, Frank Benion Jr. and his siblings are guided by what they were taught at an early age, "we are here to serve one another in any capacity, for was there not for the Grace of God, go I."

NOW, THEREFORE BE IT RESOLVED, that we the members of the Pontiac City Council on behalf of the citizens of Pontiac, recognize and salute Frank Benion Jr. for his contributions of leadership, selflessness, and heroism to the community.

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Ayes: Woodward, Carter, Pietila and Taylor-Burks

No: None

Resolution Passed.

17-269 **Resolution for Donnie F. Benion.** Moved by Councilperson Taylor-Burks and supported by Councilperson Carter.

WHEREAS, On July 1, 2017, West Manor Apartments, a senior living facility on the 200 block of S. Paddock St. caught fire and instinctively and without hesitation, Frank Benion Jr. took action to aid, rescue and ultimately save the lives of many of the seniors from the burning building; and,
WHEREAS, it is the sense of this body to pay proper tribute to individuals of great character and whose lives exemplify the highest ideals of humanity; and,
WHEREAS, Donnie F. Benion is a native of Pontiac, Michigan; and,
WHEREAS, athletic at an early age, Donnie F. Benion played sports at every school he attended, including Bagley and McConnell Elementary, Eastern Jr. High and Pontiac Central High School, where he was a member of the 1970 basketball team; and,
WHEREAS, Donnie F. Benion is the oldest son of Frank and Lugenia Benion and has five siblings, Debra, Frank, Harry, Marcy and Yvette; and,
WHEREAS, Donnie F. Benion has been married to Janet for 18 years, and they have five children, two boys and three girls; and,
WHEREAS, Donnie F. Benion obtained his Associate Degree from Alpena Community College; and,
WHEREAS, Donnie F. Benion was formerly employed by the City of Pontiac as a Sanitations and Community Housing Inspector and as an Animal Control Officer with the Police Department, and is currently employed with Lawrence Transportations; and,
WHEREAS, Donnie F. Benion is a devoted and faithful member of Providence Missionary Baptist Church, Robert Martin is the minister; he serves as an Associate Minister and as an Associate Sunday School Superintendent Youth Minister Teaching School.
NOW, THEREFORE BE IT RESOLVED, that we the members of the Pontiac City Council on behalf of the citizens of Pontiac, recognize and salute Donnie F. Benion for his contributions of leadership, selflessness, and heroism to the community.

Ayes: Woodward, Carter, Pietila and Taylor-Burks

No: None

Resolution Passed.

17-270 **Resolution for Rev. Dr. Robert E. Bailey I.** Moved by Councilperson Taylor-Burks supported by Councilperson Carter.

WHEREAS, It is the sense of this body to pay proper tribute to individuals of great character and whose lives exemplify the highest ideals of humanity; and,
WHEREAS, It is feelings of deepest regret that the Pontiac City Council mourns the passing of Rev. Dr. Robert E. Bailey I, a giving and devoted member of this community; and,
WHEREAS, Rev. Dr. Robert E. Bailey I, died on July 24, 2017; and,
WHEREAS, Rev. Dr. E. Bailey I was a native of Fort Wayne, Indiana, obtained his license to preach the Gospel in 1960 and became ordained in 1968; and,
WHEREAS, prior to setting in Pontiac, Rev. Dr. Robert E. Bailey I served at the historic Tabernacle Missionary Baptist Church in Detroit for three years as Chief Executive Administration, Rev. Frederick G. Sampson II was the pastor; and,
WHEREAS, on January 24, 1975, Rev. Dr. Robert Bailey I was called to pastor at Trinity Missionary Baptist Church in Pontiac, Michigan and discovered a floundering congregation, but his belief that God

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will never leave or forsake him allowed him to preserve and overcome the many challenges that were before him as he led the body of baptized believers in Christ on the path of righteousness; and, WHEREAS, In 1975, Rev Dr. Robert E. Bailey I was selected as an instructor in the Wolverine State Congress of Christian Education and a year later, selected as a division lecturer in the National Baptist Congress of Christian Education; and,

WHEREAS, Rev. Dr. Robert E. Bailey I was truly a trailblazer as he served as a moderator of the Crystal Lake Missionary Baptist District Association for 14 years and was the first person to hold that position. Throughout most of those years, he was a lecturer for the Crystal Lake Missionary Baptist Congress of Christian Education; and,

WHEREAS, Rev. Dr. Robert E Bailey I was elected vice president of the Wolverine Missionary Baptist State Convention in 1985, served in that position for six years and was appointed by former Governor Blanchard to serve on the (Michigan) State Child Abuse and Neglect Prevention Board, he served for two years; and,

WHEREAS, Rev. Dr. Robert E. Bailey I, committed and dedicated to his teaching, journeyed to Africa to preach the Word of God to his African brothers and sisters in Liberia and Sierre Leone and is therefore, known as a pastor, preacher and teacher throughout the United States and the continent of Africa; and,

WHEREAS, during the tenure of Rev. Dr. Robert E. Bailey I, the congregation purchased a concert patio, new vans for the church bus ministry, 40 sections of land and a multi-million dollar sanctuary. In addition, an educational facility were planned and constructed; and,

WHEREAS, Rev. Dr. Robert E. Bailey I had a profound and lasting impact on Trinity as the congregation grew from approximately 35 to 2,400, many of the church's auxiliaries were revitalized, new groups are organized to train and prepare the membership for Christian service and the continued growth in membership has led to a continuous need to increase the church facilities and assets; and,

WHEREAS, in 1988, the Trinity Child development Center was opened, In September 1991 the Trinity Christian Academy began for kindergarten and first students and in 1992, a curriculum for second graders was added; and,

WHEREAS, in 2005 and after 30 years of service, Rev. Dr. Robert E. Bailey I retired from pastoring at Trinity; and,

NOW, THEREFORE, BE IT RESOLVED, that the Members of Pontiac City Council and members of this great community will greatly miss Rev. Dr. Robert E. Bailey I as his life was a portrait of service, a legacy which will long endure the passage of time and will remain as a comforting memory to all those whose lives he touched; we give our sincerest condolences to the family and friends of Rev. Dr. Robert E. Bailey I.

Ayes: Woodward, Carter, Pietila and Taylor-Burks

No: None

Resolution Passed.

Recognition of Elected Officials

Councilman Mark Holland arrived at 6:20 p.m.

President Pro-Tem Mary Pietila opened up public hearing regarding the sale of vacant parcel #14-29-306-014 at 6:22 p.m.

There were 2 individuals who addressed the body during public hearing.

1. Billie Swazer 1619 Marshbank. She would like to see the parcels on the map.
2. Melanie Rutherford 1018 Argyle. She wants to know how we can buy properties what are the proper channels to go through?

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President Pro-Tem Mary Pietila closed public hearing at 6:24 p.m.

17-271 **Resolution to accept offer from Re-root Pontiac to purchase parcel #14-29-306-014.**
Moved by Councilperson Woodward and supported by Councilperson Taylor-Burks.

City Council accepts the offer from Re-root Pontiac for \$150.000 to purchase parcel #14-29-306-014.
Be It Further Resolved, that the Pontiac City Council authorizes the Mayor and Clerk to execute the sell.

Ayes: Woodward, Carter, Holland, Pietila and Taylor-Burks

No: None

Resolution Passed.

President Pro-Tem Mary Pietila opened up public hearing regarding the sale of vacant parcel #14-33-453-028 at 6:26 p.m.

No Comment

President Pro-Tem Mary Pietila closed up public hearing at 6:26 p.m.

17-272 **Resolution to accept offer from Meqqa Washington to purchase parcel #14-33-453-028.** Moved by Councilperson Taylor-Burks and supported by Councilperson Woodward.

City Council accepts the offer from Meqqa Washington for \$150.00 to purchase parcel #14-33-453-028.
Be It Further Resolved, that the Pontiac City Council authorizes the Mayor and Clerk to execute the sell.

Ayes: Woodward, Carter, Holland, Pietila and Taylor-Burks

No: None

Resolution Passed.

President Pro-Tem Mary Pietila opened up public hearing regarding the sale of vacant parcel #14-28-482-009 at 6:28 p.m.

No Comment

President Pro-Tem Mary Pietila closed up public hearing at 6:28 p.m.

17-273 **Resolution to accept offer from Patrick Zeelie to purchase parcel #14-28-482-009.**
Moved by Councilperson Taylor-Burks and supported by Councilperson Carter.

City Council accepts the offer from Patrick Zeelie for \$150.00 to purchase parcel #14-28-482-009.
Be It Further Resolved, that the Pontiac City Council authorizes the Mayor and Clerk to execute the sell.

Ayes: Carter, Holland, Pietila, Taylor-Burks and Woodward

No: None

Resolution Passed.

President Pro-Tem Mary Pietila opened up public hearing regarding the sale of vacant parcel #14-32-107-040 at 6:30 p.m.

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No Comment

President Pro-Tem Mary Pietila closed up public hearing at 6:31 p.m.

17-274 **Resolution to accept offer from Diane Abigail Platero-Lopez to purchase parcel #14-32-107-040.** Moved by Councilperson Taylor-Burks and supported by Councilperson Woodward.

City Council accepts the offer from Diane Abigail Platero-Lopez for \$150.00 to purchase parcel # 14-32-107-040.

Be IT Resolved, that the Pontiac City Council authorizes the Mayor and Clerk to execute the sell.

Ayes: Holland, Pietila, Taylor-Burks, Woodward and Carter

No: None

Resolution Passed.

17-275 **Resolution for Street Name Change.** Moved by Councilperson Woodward and supported by Councilperson Taylor-Burks.

WHEREAS, Bobby Kaiser was as a mentor, role model, and community leader who elevated and inspired many and whose contributions to the community were profound; and,

WHEREAS, Bobby Kaiser dedicated over 50 years, serving African-American males in the community as he operated the Jefferson Center on Motor Street from 4:00 p.m. until as late as 11:00 p.m. while also working at the GM plant for over 30 of those years from 6:00 a.m. to 2:30 p.m.; and,

WHEREAS, Bobby Kaiser was known by many as a "Community Father" as he spent decades assuming the role as a father-figure for many African-American males on the Southside who he knew were without a father, neglected, rejected and in a situation that appeared to be bleak; and,

WHEREAS, Bobby Kaiser championed for decades to have the Jefferson Jr. High school gym designated as the Southside Community Center; and,

WHEREAS, the Jefferson Center became a refuge for young men that were from dysfunctional homes or who wanted to escape the negative influences of the streets; and,

WHEREAS, Bobby Kaiser counseled young men, instilled pride and encouraged them to rise above the negative activity and also initiated peace accords between gang rivals in the neighborhoods; and,

WHEREAS, Bobby Kaiser advocated for summer jobs for African-American youth at Jefferson and encouraged many young men to become employed, serve in the armed forces, pursue athletics in college and obtain college degrees; and

WHEREAS, Bobby Kaiser was responsible for teaching members of the Pontiac Capparrals basketball team self-determination and through fund raising efforts, was able to expose the young men to sights outside of Pontiac and ultimately travel to other cities as well as Canada; and,

WHEREAS, Bobby Kaiser was influential in both Pinklon Thomas becoming a World Heavy Weight Boxing Champion and in the Russell Brothers (Frank, Campy and Walker D) becoming professional NBA basketball players;

THEREFORE BE IT RESOLVED, the members of the Pontiac City Council recognize the outstanding service, dedication and commitment of Bobby Kaiser, whose leadership, selflessness and commitment to strengthening the community are monumental.

NOW THEREFORE BE IT RESOLVED, that the members of the Pontiac City Council hereby rename Motor Street on the Southside to Bobby Kaiser Street.

Ayes: Carter, Holland, Pietila, Taylor-Burks and Woodward

No: None

Resolution Passed.

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There were 10 individuals who addressed the body during public comment.

Honorable Mayor Deirdre Waterman reported.

City Clerk Sherikia L. Hawkins, Councilman Randy Carter, Councilwoman Doris Taylor-Burks, Councilman Don Woodward, Councilman Mark Holland and President Pro-tem Mary Pietila made closing comments. Attorney Travis Mihelick had no closing comments.

President Pro-Tem Mary Pietila adjourned at 7:43 p.m.

SHERIKIA L. HAWKINS
CITY CLERK

Medical Marihuana Facilities Licensing Act Overview

Meeting Initiative: Medical Marihuana Ordinance
for the
City of Pontiac

Brief Overview of the Michigan Medical Marihuana Act of 2008



Michigan Voter Initiative

62.67% (Yes)

37.33% (No)

Brief Overview of the Michigan Medical Marihuana Act of 2008

- The basic format of the 2008 Act was to establish a caregiver-patient relationship which allowed, among other things, each of the following:
 - Patients can cultivate up to 12 plants.
 - Caregivers are allowed to service 5 registered patients.
 - The caregiver is permitted to cultivate up to 12 plants per patient in addition to 12 plants for themselves (72 total).
 - Conditions that qualify a patient include, but are not limited to: HIV or AIDS, cancer, glaucoma, nail patella, chronic pain, etc.
 - Forms issued by the Department of Licensing and Regulatory Affairs (LARA) were introduced to allow for the registration of patients and caregivers.
 - Patients can only possess 2.5 ounces at one time.
 - Exempt from prosecution if you are a qualified registered patient or caregiver.

Shortcomings of the 2008 Act

- 8 years later, both state, local government and law enforcement agreed that the 2008 Medical Marihuana Act did not create a clearly defined set of rules & regulations. Some of the most commonly cited deficiencies include:
 - Where can patients obtain information.
 - What happens if someone needs medicine now and or if there is a crop failure?
 - The 2008 Act appears to have never contemplated commercial operations.
 - There was a lack of defined authority on the duties and obligations of local municipalities.
 - What if you can't grow for yourself and don't have a caregiver, where do you source your medicine?
 - The 2008 reform did not address what could be done with extra product nor distribution options.

Past Solutions to Shortcomings

- Don't address it at all.
- Home Occupation Ordinance – Regulate how home cultivators/caregivers operate.
- Compassion Clubs – Information resource, networking, transfer and consumption.
- Caregiver Centers/Dispensaries – For profit retail locations for patient transfers.
- Commercial Cultivation Cooperatives – Industrial locations for caregiver cultivation.

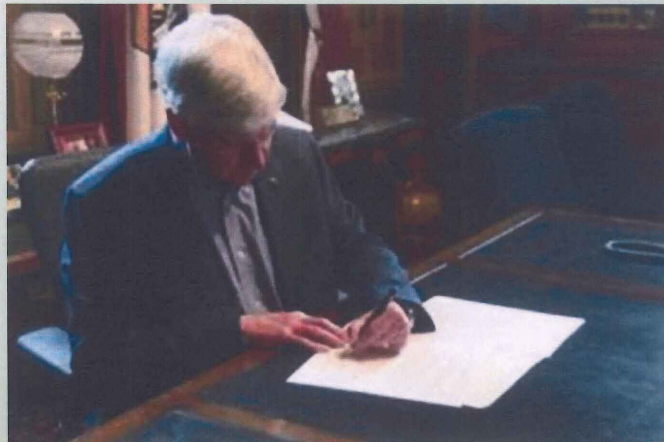


Medical Marihuana Numbers

- 2016
 - 218,556 registered qualified patients
 - Up from 182,081 in 2015 and 96,408 in 2014
 - 38,107 registered caregivers
 - Up from 34,269 in 2015 and 22,966 in 2014
- Patient / Caregiver numbers by county:
 - Wayne – 34,941 / 5,283
 - Oakland – 24,416 / 3,963
 - Macomb – 19,455 / 3,304
 - Genesee – 14,802 / 2,742
 - Saginaw – 4,049 / 630
- 2017
 - 250,000+ registered qualified patients
 - 44,000+ registered caregivers

Current Solutions to Shortcomings = New Legislation/Public Policy

- Public Act 281 of 2016 (House Bill 4209) – Medical Marihuana Facilities Licensing Act
- Public Act 282 of 2016 (House Bill 4827) – Marihuana Tracking Act
- Public Act 283 of 2016 (House Bill 4210) – Marihuana Infused Products Act



Overview of Public Act 283 of 2016

Marihuana Infused Products

- Allows for the manufacture and use of marihuana infused products.
- It amends the Michigan Medical Marihuana Act.
- Defines “marihuana infused product” and “usable marihuana equivalent”
- Prohibits butane extraction in residential structures.
- Establishes the marihuana equivalents for infused products.



Overview of Public Act 281 of 2016

Medical Marihuana Facilities Licensing Act

- Facilities are state-of-the-art multimillion dollar operations, using advanced technology and create good paying jobs
- Creates 5 types of Commercial Licenses
 - Grower (cultivation)
 - Class A – up to 500 plants
 - Class B – up to 1,000 plants
 - Class C – up to 1,500 plants
 - Processor (extraction/manufacturing)
 - Provisioning Center (pharmacy)
 - Secure Transporter (move product and currency)
 - Safety Compliance Center (independent testing laboratory)



Grow/Cultivation Site

- Buildout Costs: \$50 to 150/sf
- Number of Employees Needed per 500 Plants: 10+/-
- Average Foot Print per 500 Plants: 10,000sf



Processor (extraction/manufacturing)

- Buildout Costs: \$25-50/sf
- Average Equipment Costs: \$100k-1mm+
- Average Foot Print: 2,000 to 10,000sf



Provisioning Center (pharmacy)



- Buildout Costs: \$50-250/sf
- Average Number of Employees: 25
- Average Foot Print: 1,500 to 5,000sf



Secure Transporter

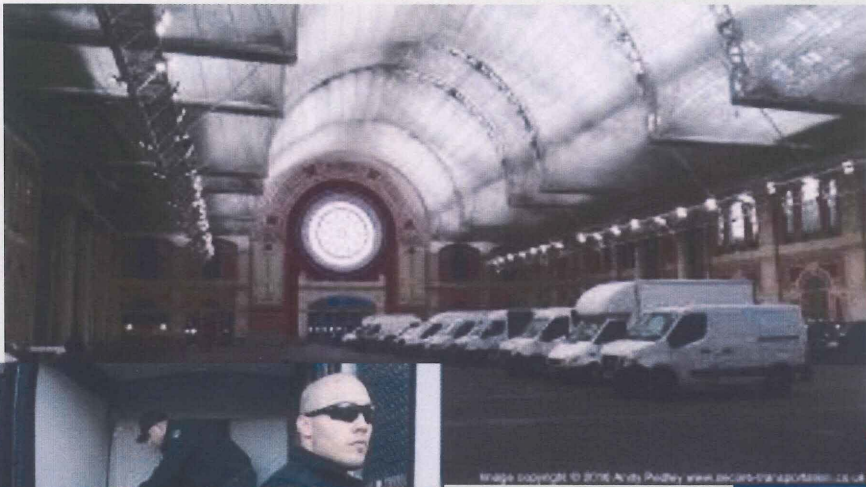


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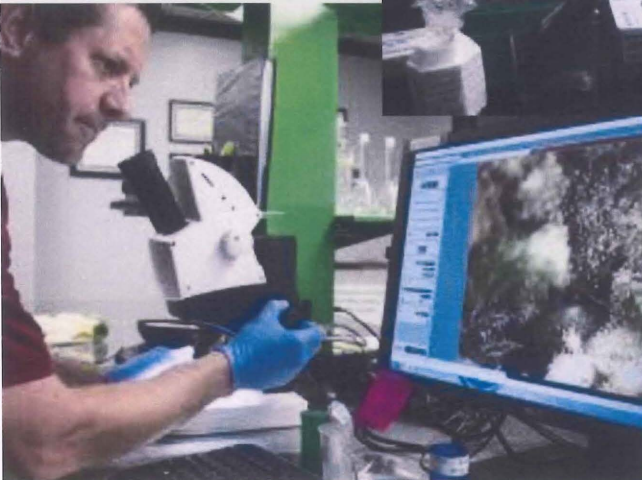


- Buildout Costs: \$20-100/sf
- Average Number of Employees: 20+
- Average Foot Print: 5,000 to 50,000sf

Safety Compliance Center



- Buildout Costs: \$25-50/sf
- Average Equipment Costs: \$100k-1mm+
- Average Foot Print: 1,000 to 3,000sf



Overview of Public Act 281 of 2016

Medical Marihuana Facilities Licensing Act

- Formation of the Medical Marihuana Licensing Board
 - A 5 member board appointed by the Governor
 - At least 1 member must be appointed from a list of 3 nominees provided by the Speaker of the House
 - At least 1 member must be appointed from a list of 3 nominees provide by the Senate Majority Leader
- The Medical Marihuana Licensing Board will:
 - Grant or deny applications.
 - Implement fees and collect monies
 - Provide oversight of marihuana facilities to ensure compliance with the act and rules
 - Provide oversight ensure that marihuana products meet health and safety standards
 - Review and rule on complaints

Overview of Public Act 281 of 2016

Medical Marihuana Facilities Licensing Act

- 17 Member Advisory Panel
 - 5 members of the panel include the directors of MSP, HHS, LARA, MDARD and the AG or their designees
 - The remaining 12 members of the panel will be appointed by the Governor and will include a representative from each of the following groups:

- Patient or Primary Caregiver	- Township
- Grower	- City or village
- Processor	- County
- Provisioning Center	- Sheriff
- Secure Transporter	- Local police
- Safety Compliance	- Physician
- The Marihuana Advisory Panel will:
 - Make recommendations to the Board concerning promulgation of rules.
 - Administer, implement and enforce the Marihuana Tracking Act



Overview of Public Act 281 of 2016 Medical Marihuana Facilities Licensing Act

- Local Municipalities will have the ability to:
 - Opt-in or out
 - Choose which type of licenses are permitted within their borders
 - Regulate the number of licenses
 - Tailor an ordinance specific to your community's best interests
 - Completely separate from the caregiver model
 - Generate revenue from:
 - A municipal annual fee per license (not to exceed \$5,000 per license)
 - A 25% share of the excise tax collected by the state
 - Traditional municipal fees are also applicable
 - inspection fee, application fee, etc.



Taxes and Fees

- Municipalities can charge an annual fee per license (not to exceed \$5,000 per license)
 - Fee is non refundable
 - To assist towards administrative and enforcement costs
- A 3% excise tax will be imposed on the Provisioning Centers gross retail receipts, 60% of the funds generated from the excise tax will be distributed locally.
 - 25% to local municipalities that have facilities
 - 30% to counties that have facilities
 - 5% to Sherriff of the counties that have facilities
- The remaining 40% is allocated in the following manner:
 - 30% to the state
 - 5% to the Michigan Commission on Law Enforcement Standards
 - 5% to the State Police

Municipal Revenue

- Potential Annual Revenue Analysis (assuming 500 licenses issued by the state)
 - Estimated Sales Tax Revenue: \$837 million
 - Estimated Excise Tax Revenue: \$24 million
 - Estimated annual revenue analysis for local municipalities that opt in:
 - \$24 million in excise tax
 - X 25% for local municipalities
 - \$6 million to appropriate to municipalities that have opted-in
 - With 500 licenses issued, a municipality would be entitled to receive \$12,000 per license, annually.
 - 5 licenses = \$60,000
 - 10 licenses = \$120,000
 - 15 licenses = \$180,000



Overview of Public Act 282 of 2016 Marihuana Tracking Act

- The Marihuana Tracking Act requires the State to establish a “seed-to-sale”, state-of-the-art, real-time internet-based Statewide Monitoring System to track the movement of all marihuana 24 hours a day 365 days a year.
- The system will track batch information throughout the chain of custody, sales / refunds, plants counts, product destruction, inventory discrepancies, etc.
- Provides real time access to the system for law enforcement agencies, State agencies and LARA.
- Track patient purchase limits and flag purchases in excess of authorized limits.
- Enables the Michigan State Police to oversee and enforce the tracking system.



Enforcement of Rules and Regulations



- Municipalities WILL NOT be required to enforce the rules and regulations; in the same regard that a municipality does not have to regulate the following:
 - Auto repair facilities
 - Dry cleaners
 - Liquor stores
 - Barber shops
- Like the industries above, all state licensed facilities will be governed by the Statute in conjunction with regulators from LARA and the Michigan State Police
- Local law enforcement have every right to enter a facility, in the same manner that they can enter a liquor store or a dry cleaner

Misconceptions

- Facilities Licensing Act didn't legalize Medical Marihuana, the Michigan Medical Marihuana Act of 2008 did. The MMFLA created a close regulated commercial market for the safety of the patients, employees and citizens.
- The existing caregiver model created by the MMMA is still permitted by law
- LARA will be promulgating the rules and regulations for the following, but is not limited to:
 - Minimum security standards/systems
 - Operating regulations
 - Odor
 - Biohazard dangers
 - Waste management plan
 - Marketing/advertising restrictions – including targeting kids
 - Facility and equipment standards
 - Daily purchase limits

Next Steps

- Form a Workgroup
- Town Hall Event
- Joint Meeting with the Planning Commission
- Draft Ordinance
- Do Nothing

Questions?

Thank You!

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