



**PONTIAC CITY COUNCIL
STUDY SESSION**

November 8, 2018

12:00 P.M.

55th Session of the 10th 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 Approval of the Agenda

Approval of the Minutes

1. Meeting of October 30, 2018
2. Special Meeting of November 1, 2018

Deputy Mayor Report or Departmental Head Report

Public Comment

Agenda Items for City Council Consideration

Agenda Items from October 30, 2018

3. Resolution to direct City Treasurer to distribute \$16,777.72 of property assessment on the 2018 winter tax rolls by director of the Water Resources Commissioner.
4. Resolution for the PA 202 Corrective Action Plan.
5. Emergency Ordinance to approve a Zoning Text Amendment of the City's Zoning Ordinance to include Medical Marijuana Facilities within the City of Pontiac.
6. Information Report from the Mayor regarding an offer to sell Crystal Lake Properties.

Adjournment

October 30, 2018

**Official Proceedings
Pontiac City Council
53rd Session of the Tenth Council**

A Formal Meeting of the City Council of Pontiac, Michigan was called to order in City Hall, Tuesday October 30, 2018 at Noon by Council President Kermit Williams.

Call to Order at Noon.

Invocation –

Pledge of Allegiance

Roll Call

Members Present: Carter, Miller, Pietila, Taylor-Burks, Waterman, Williams and Woodward.
Mayor Waterman was present.
Clerk announced a quorum.

18-403 **Motion to add resolution to change the next meeting date and time, move public comment before agenda items and table items #6, #10 and #12 for one week and approve the amendments of the agenda.** Moved by Councilperson Woodward and second by Councilperson Waterman.

Ayes: Miller, Pietila, Taylor-Burks, Waterman, Williams, Woodward and Carter
No: None
Motion Carried.

18-404 **Minutes of October 23, 2018.** Moved by Councilperson Taylor-Burks and second by Councilperson Waterman.

Ayes: Pietila, Taylor-Burks, Waterman, Williams, Woodward, Carter and Miller
No: None
Motion Carried.

18-405 **Resolution to go into Closed Session.** Moved by Councilperson Woodward and second by Councilperson Carter.

Whereas, Section 8 (e), MCL 15.268, permits a public body “[to] consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation, but only if an open meeting would have detrimental financial effect on the litigation or settlement position of the public body”: and,

Whereas, the Pontiac City Council believes that an open meeting would have a detrimental financial effect on the litigating or settlement position of the City.

Therefore, Be It Resolved that the Pontiac City Council recesses into closed session for the purpose of consulting with its attorney regarding settlement strategy in the litigation case for Ottawa Towers, et. al. vs. City of Pontiac.

October 30, 2018

Ayes: Taylor-Burks, Waterman, Williams, Woodward, Carter, Miller and Pietila
No: None
Resolution Passed.

18-406 Resolution for the settlement litigation regarding Ottawa Towers vs the City of Pontiac. Moved by Councilperson Pietila and second by Councilperson Waterman.

Whereas, the State of Michigan Department of Treasury has determined that the GERS retiree health care obligation has an underfunded status; and,

Whereas, the PA 202 of 2017 allows any local government unit that has such status to approve a Waiver application with an action plan to adequately address the underfunded status; and,

Whereas, the City Council approved the Waiver Application and plan as presented to them on April 17, 2018; and,

Whereas, the State of Michigan Department of Treasury denied the Waiver Application and requires the City to submit a Corrective Action Plan as outlined by PA 202 2017; and,

Whereas, the Finance Department has completed the Corrective Action Plan as outlined by PA 202 of 2017; and,

Now Therefore, Be It Resolved, that the City Council approves the Corrective Action Plan as presented to them.

Ayes: Waterman, Williams, Woodward and Pietila
No: Carter, Miller and Taylor-Burks
Resolution Passed.

18-407 Council President Kermit Williams opened up a public hearing at 12:36 pm regarding the approval of an Industrial Facilities Tax Exemption (IFT) Certificate application for Williams International for parcel #19-03-201-002. Moved by Councilperson Taylor-Burks and second by Councilperson Taylor-Burks. One individual who addressed the body during the public hearing.

1. Mattie Hatchett 135 Perkins Pontiac, Mi. She asked what Williams International is going to do on the parcel and the parcel location.

Ayes: Williams, Woodward, Carter, Miller, Pietila, Taylor-Burks and Waterman
No: None
Motion Carried.

Council President Kermit Williams closed the public hearing at 12:38 p.m.

18-408 Resolution to approve the Industrial Facilities Tax Exemption Certificate (IFT) parcel #19-03-201-002 and the Development Agreement between the City of Pontiac and Williams International. Moved by Councilperson Miller and second by Councilperson Pietila.

WHEREAS, pursuant to P.A. 198 of 1974, M.C. 207.551 *et seq.*, after a duly noticed public hearing held on October 23, 2018, this City Council by resolution established a "Plant Rehabilitation District" covering 2000 CenterPoint Parkway; and

WHEREAS, Williams International Co., LLC ("Company") has filed an application for an Industrial Facilities Exemption Certificate (the "Application") with respect to rehabilitation of the facility(s) within the Plant Rehabilitation District and such Application has been sent to the Office of the City Clerk

October 30, 2018

for certification; and

WHEREAS, before approving said Application the City held a hearing on June 22, 2017 at Pontiac City Hall in the City of Pontiac, at which hearing the applicant, the Assessor and a representative of the affected taxing units who had been given written notice and any other resident or non-resident of the City of Pontiac were afforded the opportunity to appear and be heard on said Application; and

WHEREAS, construction on the property has not begun more than six (6) months prior to the date of the Application for the Industrial Facilities Exemption Certificate was submitted to the City of Pontiac; and WHEREAS, completion of the facility(s) is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to create employment in the City of Pontiac; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Pontiac, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

WHEREAS, the City of Pontiac and Company have agreed upon and will enter into an Industrial Facilities Tax Exemption Certificate Agreement, entitled "Industrial Facilities Exemption Certificate Agreement" which is attached as Exhibit B, and hereby incorporated here.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of the City of Pontiac that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate, shall not have the effect of substantially impeding the operation of the City of Pontiac or impairing the financial soundness of the taxing unit which levies ad valorem property taxes in the City of Pontiac.
2. The Application with respect to rehabilitation on the parcel of real property, situated within the Plant Rehabilitation District, which was established on June 22, 2017 (whose legal description is attached as Exhibit A), is hereby approved.
3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force for a period of Twelve (12) years after completion (including a one year rehabilitation period) of the facility(s), provided that the Industrial Facilities Exemption Certificate Agreement is executed by all parties, and subject to the statutory right of the City Council to request a revocation of such Certificate in accordance with MCLA 207.565.
4. The Mayor is hereby authorized to take any steps in order to enter into and execute the Industrial Facilities Exemption Certificate Agreement on behalf of the City.

Ayes: Woodward, Carter, Miller, Pietila, Taylor-Burks, Waterman and Williams

No: None

Resolution Passed.

Recognition of Elected Officials – Brenda Carter Trustee Pontiac School Board

Agenda Address – Mattie Hatchett

Twenty-Eight (28) individuals addressed the body during public comment.

18-409 **Resolution to authorize City Treasurer to distribute \$63,529.09 of aged special assessment receivable on the 2018 winter tax rolls.** Moved by Councilperson Waterman and second by Councilperson Woodward.

October 30, 2018

Whereas, the Pontiac City Council believes that it is in the best interest of the City, that property owners who receive a direct benefit from the grass cutting, litter cleanup, demo and nuisance ordinance should pay for the benefit;

Now, therefore, be it resolved, that the Pontiac City Council directs that the City Treasurer spread \$63,529.09 of aged special assessment receivable on the 2018 winter tax rolls.

Ayes: Carter, Miller, Pietila, Taylor-Burks, Waterman, Williams and Woodward

No: None

Resolution Passed.

18-410 Resolution to authorize the Michigan Department of transportation to perform a road diet on Perry Street (I-75 Business Loop) for a six (9) month period starting November 2018 to July 2019. Motion to perform road diet for a six (6) month period instead of nine (9) month period. Moved by Councilperson Miller and second by Councilperson Pietila.

WHEREAS, the City of Pontiac has received a request from the Michigan Department of Transportation to perform a road diet on Perry Street (I-75 Business Loop), effectively taking the roadway from a current five-lane section to a three-lane section; and,

WHEREAS, the materials presented by MDOT show that there will be minimal delay caused to the motoring public, and,

WHEREAS, this change will also create a safer environment for both motorists, bicyclists and pedestrians; and,

WHEREAS, the change consists of only pavement markings, which can be changed, back to a five-lane section after a trial period;

NOW, THEREFORE, BE IT RESOLVED that the Pontiac City Council pass a resolution authorizing the Michigan Department of Transportation to perform a road diet on Perry Street (I-75 Business Loop) for a six-month trial period. (November 2018 to April 2019)

Ayes: Miller, Pietila, Taylor-Burks, Waterman, Williams, Woodward and Carter

No: None

Resolution Passed.

18-411 Resolution to authorize the Mayor to sign the Pontiac Stem! Agreement with Cranbrook Institute of Science for an amount not to exceed \$33,500.00. Moved by Councilperson Miller and second by Councilperson Carter.

Whereas, this partnership between the City of Pontiac and Cranbrook Institute will provide Pontiac youth with an environment of learning and creating where excellence innovation, collaboration, inclusiveness, stewardship and service are fostered; and

Whereas, this partnership will allow Pontiac youth to access the best Cranbrook Institute has to offer in terms of programing, experiences and collections.

Now therefore, it is resolved that the Mayor be authorized to sign the Pontiac Stem! Agreement with Cranbrook Institute of Science for an amount not to exceed \$33,500.00.

October 30, 2018

Ayes: Waterman, Williams, Woodward and Pietila
No: Taylor-Burks, Carter and Miller
Resolution Passed.

Council President Kermit Williams adjourned the meeting at 2:30 p.m.

GARLAND S. DOYLE
INTERIM CITY CLERK

November 1, 2018

**Official Proceedings
Pontiac City Council
54th Session of the Tenth Council**

A Special Session of the City Council of Pontiac, Michigan was called to order in City Hall, Thursday, November 1, 2018 at 12:04 P.M. by Council President Kermit Williams.

Call to Order at 12:04 p.m.

Roll Call

Members Present: Miller, Pietila, Taylor-Burks, Waterman, Williams and Woodward.

Members Absent: Carter

Deputy Mayor Bais-DiSessa was present.

Clerk announced a quorum.

18-412 **Motion to excuse Council Member Carter.** Moved by Councilperson Waterman and second by Councilperson Miller.

Ayes: Miller, Pietila, Taylor-Burks, Waterman, Williams and Woodward

No: None

Motion Carried.

18-413 **Motion to approve the agenda of November 1, 2018.** Moved by Councilperson Waterman and second by Councilperson Woodward.

Ayes: Pietila, Taylor-Burks, Waterman, Williams and Miller

No: None

Abstain:

Motion Carried.

18-414 **Resolution to reschedule the Council Meeting scheduled for November 6, 2018 at 6:00 p.m. to Thursday, November 8, 2018 at 12:00 p.m. due to the General Election.** Moved by Councilperson Waterman and second by Councilperson Taylor-Burks.

Be it Further Resolved that the Pontiac City Council change the meeting date and time from Tuesday, November 6, 2018 to Thursday, November 8, 2018 at Noon due to the State General Election.

Ayes: Taylor-Burks, Waterman, Williams, Woodward, Miller and Pietila

No: None

Resolution Passed.

One (1) individual addressed the public body during comment.

Council President Kermit Williams adjourned the meeting at 12:08 p.m.

November 1, 2018

GARLAND S. DOYLE
INTERIM CITY CLERK

DRAFT

Agenda Item 3



MEMORANDUM

City of Pontiac
Controller's Office
47450 Woodward Avenue
Pontiac, Michigan 48342
Telephone: (248) 758-3118
Fax: (248) 758-3197

DATE : 10/17/2018

TO: Honorable Mayor and City Council

FROM: Danielle Kelley, Plante & Moran - Controller's Office

THROUGH: Jane Bais DiSessa – Deputy Mayor

SUBJECT: Drain assessment to be levied on Tax Roll

Attached is a summary report from the Water Resource Commissioner's office that shows the Chapter 4 drain assessments to be paid by the City of Pontiac in the amount of \$60,906.26. This total includes \$16,777.72 that should be assessed to property owners that border the related drains and lakes.

There are 7,080 total parcels that would be assessed a charge, 511 non-residential and 6,569 residential parcels. As the attached spreadsheet shows, the majority of residential parcels will be assessed an average drain charge from \$0.11 to \$18.44 for the fiscal year 2018. Only 11 residential parcels will pay an average of \$46.01. The full detailed assessment list is available from the Treasurer's office.

This assessment will be the responsibility of the General Fund in addition to the Chapter 20 and Chapter 4 at large assessments.

If Council agrees that the property assessments should be spread to the tax rolls, then the following resolution would be in order:

Whereas, the Water Resources Commissioner has notified the City of property assessments for nearly 7,080 parcels in the City of Pontiac that specifically benefited the property owner; and,

Whereas, the property assessments to the homeowners in their respective drain districts will have an average assessment between \$0.11 to \$46.01 per parcel, and;

Whereas, the Pontiac City Council believes that it is in the best interest of the City, that property owners who receive a direct benefit from the drain should pay for the benefit;

Now, therefore, be it resolved, that the Pontiac City Council directs that the City Treasurer spread \$16,777.72 of property assessment on the 2018 winter tax rolls by director by the Water Resources Commissioner.



WRC

WATER RESOURCES COMMISSIONER

Jim Nash

August 22, 2018

The Honorable Rose Wilson
City of Pontiac
47450 Woodward Avenue
Pontiac, MI 48342

Reference: Preliminary 2018 Special Assessments for Oakland County Drains / Lake Level Control Facilities

Dear Ms. Wilson:

This letter is intended to inform you of the special assessment amounts for the operation and maintenance of Oakland County drains and lake level control facilities located in your community. Several reports are attached that provide detailed information regarding the special assessment amounts that will appear on the 2019 winter tax bill for your residents and the amount due from your community.

If your community pays the county drain special assessments from your general fund and does not spread the assessment to the tax rolls, please continue to pay the special assessment amounts as summarized below.

| PROJECT CODE AND NAME | | AT LARGE | PROPERTY | TOTAL |
|-----------------------|---------------------------------|-------------|-------------|-------------|
| D1059 | BARTLETT DRAIN | \$128.15 | \$302.73 | \$430.88 |
| L0667 | CRYSTAL LAKE LEVEL | \$17,300.00 | \$0.00 | \$17,300.00 |
| D0117 | GALLOWAY LAKE FARMS DRAIN | \$122.90 | \$244.18 | \$367.08 |
| D1107 | JEWEL DRAIN | \$0.00 | \$2,500.00 | \$2,500.00 |
| D0351 | JOSEPHINE DRAIN | \$880.28 | \$119.72 | \$1,000.00 |
| D0220 | PONTIAC CREEK EXT DRAIN | \$3,291.75 | \$4,088.23 | \$7,379.98 |
| D0258 | SINKING BRIDGE DRAIN | \$133.25 | \$635.57 | \$768.82 |
| D1045 | SKAE DRAIN | \$525.00 | \$298.19 | \$823.19 |
| L0283 | SYLVAN-OTTER LAKE LEVEL | \$15,600.00 | \$964.35 | \$16,564.35 |
| D0350 | TILDEN DRAIN | \$1,193.46 | \$1,845.74 | \$3,039.20 |
| D0326 | TUTTLE DRAIN | \$0.00 | \$13.98 | \$13.98 |
| D1053 | WARD ORCHARD DRAIN | \$50.00 | \$218.54 | \$268.54 |
| L0458 | WATERFORD - MULTI LAKE LEVEL | \$0.00 | \$506.11 | \$506.11 |
| D0313 | WEST END DRAIN | \$4,903.75 | \$5,040.38 | \$9,944.13 |
| Subtotal: | | \$44,128.54 | \$16,777.72 | \$60,906.26 |



Please contact Scott Vess, Deputy Oakland County Treasurer, at 248-858-0616 with any questions concerning payment of the special assessment. Thank you for your attention to this issue.

Sincerely,

A handwritten signature in cursive script, appearing to read "Michael R. McMahon".

Michael R. McMahon, P.E.
Chief Engineer

c: Scott Vess, Oakland County Treasurer's Office

| | At Large | Non Residential | | | Residential | | | Combined Total |
|------------------------------|--------------|-----------------|----------|-------------|--------------|----------|-------------|----------------|
| | | # of Parcels | Average | Total | # of Parcels | Average | Total | |
| BARTLETT DRAIN | \$ 128.15 | 74 | \$ 3.10 | \$ 229.06 | 649 | \$ 0.11 | \$ 73.67 | \$ 430.88 |
| CRYSTAL LAKE LEVEL | \$ 17,300.00 | | | | | | | \$ 17,300.00 |
| GALLOWAY LAKE FARMS DRAIN | \$ 122.90 | 2 | \$ 63.98 | \$ 127.95 | 22 | \$ 5.28 | \$ 116.23 | \$ 367.08 |
| JEWEL DRAIN | | 125 | \$ 12.25 | \$ 1,531.24 | 1,239 | \$ 0.78 | \$ 968.76 | \$ 2,500.00 |
| JOSEPHINE DRAIN | \$ 880.28 | | | | 57 | \$ 2.10 | \$ 119.72 | \$ 1,000.00 |
| PONTIAC CREEK EXT DRAIN | \$ 3,291.75 | 33 | \$ 87.01 | \$ 2,871.23 | 66 | \$ 18.44 | \$ 1,217.00 | \$ 7,379.98 |
| SINKING BRIDGE DRAIN | \$ 133.25 | 178 | \$ 2.08 | \$ 369.85 | 2,269 | \$ 0.12 | \$ 265.72 | \$ 768.82 |
| SKAE DRAIN | \$ 525.00 | 4 | \$ 71.33 | \$ 285.31 | 1 | \$ 12.88 | \$ 12.88 | \$ 823.19 |
| SYLVAN-OTTER LAKE LEVEL | \$ 15,600.00 | 6 | \$ 35.82 | \$ 214.92 | 367 | \$ 2.04 | \$ 749.43 | \$ 16,564.35 |
| TILDEN DRAIN | \$ 1,193.46 | 14 | \$ 17.44 | \$ 244.10 | 284 | \$ 5.64 | \$ 1,601.64 | \$ 3,039.20 |
| TUTTLE DRAIN | | | | | 5 | \$ 2.80 | \$ 13.98 | \$ 13.98 |
| WARD ORCHARD DRAIN | \$ 50.00 | 7 | \$ 30.50 | \$ 213.48 | 2 | \$ 2.53 | \$ 5.06 | \$ 268.54 |
| WATERFORD - MULTI LAKE LEVEL | | | | | 11 | \$ 46.01 | \$ 506.11 | \$ 506.11 |
| WEST END DRAIN | \$ 4,903.75 | 68 | \$ 26.34 | \$ 1,790.92 | 1,597 | \$ 2.03 | \$ 3,249.46 | \$ 9,944.13 |
| Grand Total | \$ 44,128.54 | 511 | \$ 15.42 | \$ 7,878.06 | 6,569 | \$ 1.35 | \$ 8,899.66 | \$ 60,906.26 |

10/16/2018
12:31 PM

Aged Accounts Receivable Report for City of Pontiac
Population: All Records
Aging as of 09/20/18

Page: 1/1
DB: Pontiac

| CUSTOMER # NAME | PARCEL # | CURRENT | OVER 30 | OVER 60 | OVER 90 | OVER 120 | TOTAL | CREDIT |
|---|------------------|---------|---------|----------|---------|----------|----------|--------|
| 64-14-17-352-009 GAMET, MARIA C 231 W CORNELL AVE PONTIAC, MI 48340-2725 | 64-14-17-352-009 | 0.00 | 0.00 | 0.00 | 0.00 | 175.00 | 175.00 | 0.00 |
| 64-14-22-154-020 Ruark, Charles Ray 731 Melrose AVE Pontiac, MI 48340-3120 | 64-14-22-154-020 | 0.00 | 0.00 | 3,200.00 | 0.00 | 0.00 | 3,200.00 | 0.00 |
| 64-14-29-153-025 231 Norton LLC 231 Norton Pontiac, MI 48341-1357 | 64-14-29-153-025 | 0.00 | 0.00 | 0.00 | 0.00 | 2,700.00 | 2,700.00 | 0.00 |
| 64-14-29-279-008 Krispin, Abraham 15 Carlton CT Pontiac, MI 48342-2301 | 64-14-29-279-008 | 0.00 | 0.00 | 100.00 | 0.00 | 0.00 | 100.00 | 0.00 |
| 64-14-33-105-010 SMART, LESTER S 178 E JUDSON ST PONTIAC, MI 48342-3035 | 64-14-33-105-010 | 0.00 | 0.00 | 0.00 | 0.00 | 700.00 | 700.00 | 0.00 |
| GRAND TOTALS: | | 0.00 | 0.00 | 3,300.00 | 0.00 | 3,575.00 | 6,875.00 | 0.00 |
| JOURNALIZED AMOUNTS ONLY: | | | | | | | 6,875.00 | |
| NON-JOURNALIZED AMOUNTS ONLY: | | | | | | | 0.00 | |

10/16/2018
12:43 PM

Aged Accounts Receivable Report for City of Pontiac
Population: All Records
Aging as of 09/20/18

Page: 1/1
City: Pontiac

| CUSTOMER # NAME | PARCEL # | CURRENT | OVER 30 | OVER 60 | OVER 90 | OVER 120 | TOTAL | CREDIT |
|--|------------------|---------|---------|---------|---------|----------|----------|--------|
| 64-14-28-308-003 ROBERTS, SHANNYERRICA MICHELLE 80 MECHANIC ST PONTIAC, MI 48342-2611 | 64-14-28-308-003 | 0.00 | 0.00 | 0.00 | 0.00 | 820.00 | 820.00 | 0.00 |
| 64-14-29-309-023 Joe & Tammi Smith 77 SPALL ST PONTIAC, MI 48341-1437 | 64-14-29-309-023 | 0.00 | 0.00 | 0.00 | 0.00 | 2,120.00 | 2,120.00 | 0.00 |
| 64-14-30-403-020 Lombardo, Peter 66 Newberry ST Pontiac, MI 48341-1136 | 64-14-30-403-020 | 0.00 | 0.00 | 0.00 | 0.00 | 500.00 | 500.00 | 0.00 |
| GRAND TOTALS: | | 0.00 | 0.00 | 0.00 | 0.00 | 3,440.00 | 3,440.00 | 0.00 |
| JOURNALIZED AMOUNTS ONLY: | | | | | | | 3,440.00 | |
| NON-JOURNALIZED AMOUNTS ONLY: | | | | | | | 0.00 | |

Agenda Item 4



MEMORANDUM

**City of Pontiac
Controller's Office**
47450 Woodward Avenue
Pontiac, Michigan 48342
Telephone: (248) 758-3118
Fax: (248) 758-3197

DATE : 10/24/2018

TO: Honorable Mayor and City Council

FROM: Danielle Kelley, Plante & Moran - Controller's Office

THROUGH: Jane Bais DiSessa – Deputy Mayor

SUBJECT: PA 202 Corrective action plan

The City was notified that the GERS retiree health care obligation (GERS and P&F Pre-96 retirees) was deemed to have an underfunded status by the State of Michigan in relation to PA 202 of 2017.

PA 202 of 2017 allows any local government unit that has received an underfunded status to submit a waiver application to the State Department of Treasury for review. City Council approved this waiver on April 17, 2018 and it was forwarded to the State for their review.

The State Department of Treasury denied this waiver and now requires that a corrective action plan be submitted to the State by November 13, 2018.

Per PA 202 of 2017, the corrective action plan must demonstrate through distinct supporting documentation how and when the local unit will reach a 40% funded ratio. Attached is an analysis describing the CPREA tentative settlement in both language and figures. As shown on the analysis, once this agreement is approved by the U.S. District Court of the Eastern district of Michigan and the Internal Revenue Service, and the finances are restructured in accordance with agreement, the newly created VEBA that will provide full health, dental and optical benefits to GERS, P&F Pre-96, and P&F Post-96 retirees will be 160% funded based on the latest actuarial valuations for both pension and retiree health plans. If the settlement is approved timely by both the U.S. District Court of the Eastern district of Michigan and the Internal Revenue Service, we expect this to be 160% funded by the end of fiscal year 2019 and satisfy the funding requirements of PA 202 of 2017.

In order to submit this corrective action plan to the State Department of Treasury, one of the requirements is that it is approved by the City Council. If Council agrees with the corrective action plan, then the following resolution would be in order:

Whereas, the State of Michigan Department of Treasury has determined that the GERS retiree health care obligation has an underfunded status; and,

Whereas, the PA 202 of 2017 allows any local government unit that has such status to approve a Waiver application with an action plan to adequately address the underfunded status; and,

Whereas, the City Council approved the Waiver Application and plan as presented to them on April 17, 2018; and,

Whereas, the State of Michigan Department of Treasury denied the Waiver Application and requires the City to submit a Corrective Action Plan as outlined by PA 202 2017; and,

Whereas, the Finance Department has completed the Corrective Action Plan as outlined by PA 202 of 2017; and,

Now Therefore, Be It Resolved, that the City Council approves the Corrective Action Plan as presented to them.

Protecting Local Government Retirement and Benefits Act Corrective Action Plan: Retirement Health Benefit Systems

Issued under authority of Public Act 202 of 2017.

I. MUNICIPALITY INFORMATION

Local Unit Name: City of Pontiac Six-Digit Muni Code: 632170

Retirement Health Benefit System Name: City of New Pontiac Retiree Health Care Plan

Contact Name (Administrative Officer): Jane Bais-DiSessa

Title if not Administrative Officer: Deputy Mayor

Email: jbais-disessa@pontiac.mi.us Telephone: (248) 758-3322

2. GENERAL INFORMATION

Corrective Action Plan: An underfunded local unit of government shall develop and submit for approval a corrective action plan for the local unit of government. The local unit of government shall determine the components of the corrective action plan. This Corrective Action Plan shall be submitted by any local unit of government with at least one retirement health benefit system that has been determined to have an underfunded status. Underfunded status for a retirement health system is defined as being less than 40% funded according to the most recent audited financial statements, and, if the local unit of government is a city, village, township, or county, the annual required contribution (ARC) for all of the retirement health systems of the local unit of government is greater than 12% of the local unit of government's annual governmental fund revenues, based on the most recent fiscal year.

Due Date: The local unit of government has **180 days from the date of notification** to submit a corrective action plan to the Municipal Stability Board. The Board may extend the 180-day deadline by up to an additional 45 days if the local unit of government submits a reasonable draft of a corrective action plan and requests an extension.

Filing: Per Sec. 10(1) of the Act, this Corrective Action Plan must be approved by the local government's administrative officer and its governing body. **You must provide proof of your governing body approving this Corrective Action Plan and attach the documentation as a separate PDF document.** Per Sec. 10(4) of the Act, failure to provide documentation that demonstrates approval from your governing body will result in a determination of noncompliance by the Board.

The submitted plan must demonstrate through distinct supporting documentation how and when the local unit will reach the 40% funded ratio. Or, if the local unit is a city, village, township, or county, the submitted plan may demonstrate how and when the ARC for all of the retirement healthcare systems will be less than 12% of annual governmental fund revenues, as defined by the Act. Supporting documentation for the funding ratio and/or ARC must include an actuarial projection, an actuarial valuation, or an internally developed analysis. The local unit must project governmental fund revenues using a reasonable forecast based on historical trends and projected rates of inflation.

The completed plan must be submitted via email to Treasury at LocalRetirementReporting@michigan.gov for review by the Board. **If you have multiple underfunded retirement systems, you are required to complete separate plans and send a separate email for each underfunded system.** Please attach each plan as a separate PDF document in addition to all applicable supporting documentation.

The subject line of the email(s) should be in the following format: **Corrective Action Plan-2017, Local Unit Name, Retirement System Name** (e.g. Corrective Action Plan-2017, City of Lansing, Employees' Retirement System OPEB

Plan). Treasury will send an automatic reply acknowledging receipt of the email. Your individual email settings must allow for receipt of Treasury's automatic reply. This will be the only notification confirming receipt of the application(s).

Municipal Stability Board: The Municipal Stability Board (the Board) shall review and vote on the approval of a corrective action plan submitted by a local unit of government. If a corrective action plan is approved, the Board will monitor the corrective action plan for the following two years, and the Board will report on the local unit of government's compliance with the Act not less than every two years.

Review Process: Following receipt of the email by Treasury, the Board will accept the corrective action plan submission at the next scheduled meeting of the Board. The Board shall then approve or reject the corrective action plan within 45 days from the date of the meeting.

Considerations for Approval: A successful corrective action plan will demonstrate the actions for correcting underfunded status as set forth in Sec. 10(7) of the Act (listed below), as well as any additional solutions to address the underfunded status. Please also include steps already taken to address your underfunded status, as well as the date prospective actions will be taken. A local unit of government may also include in its corrective action plan a review of the local unit of government's budget and finances to determine any alternative methods available to address its underfunded status. A corrective action plan under this section may include the development and implementation of corrective options for the local unit of government to address its underfunded status. The corrective options as described in Sec. 10(7) may include, but are not limited to, any of the following:

(i) Requiring cost sharing of premiums and sufficient copays.

(ii) Capping employer costs.

Implementation: The local unit of government has up to 180 days after the approval of a corrective action plan to begin to implement the corrective action plan to address its underfunded status. The Board shall monitor each underfunded local unit of government's compliance with this act and any corrective action plan. The Board shall adopt a schedule, not less than every 2 years, to certify that the underfunded local unit of government is in substantial compliance with the Act. If the Board determines that an underfunded local unit of government is not in substantial compliance under this subsection, the Board shall within 15 days provide notification and report to the local unit of government detailing the reasons for the determination of noncompliance with the corrective action plan. The local unit of government has 60 days from the date of the notification to address the determination of noncompliance.

3. DESCRIPTION OF PRIOR ACTIONS

Prior actions are separated into three categories below: System Design Changes, Additional Funding, and Other Considerations. Please provide a brief description of the prior actions implemented by the local government to address the retirement system's underfunded status within the appropriate category section. Within each category are sample statements that you may choose to use to indicate the changes to your system that will positively affect your funded status. For retirement systems that have multiple divisions, departments, or plans within the same retirement system, please indicate how these changes impact the retirement **system** as a whole.

➤ **Please Note:** If applicable, prior actions listed within your waiver application(s) may also be included in your corrective action plan.

Please indicate where in the attached supporting documentation these changes are described and the impact of those changes (i.e. what has the local unit of government done to improve its underfunded status, and where can we find the proof of these changes in the supporting documentation?).

Note: Please provide the name of the system impacted, the date you made the change, the relevant page number(s) within the supporting documentation, and the resulting change to the system's funded ratio.

Category of Prior Actions:

- ☐ **System Design Changes** - System design changes may include the following: Changes to coverage levels (including retiree co-payments, deductibles, and Medicare eligibility), changes to premium cost-sharing, eligibility changes, switch to defined contribution retiree health care plan, changes to retiree health care coverage for new hires, etc.

Sample Statement: *Benefit levels of the retired membership mirrors the current collective bargaining agreement for each class of employee. On **January 1, 2017**, the local unit entered into new collective bargaining agreements with the **Command Officers Association** and **Internal Association of Firefighters** that increased employee co-payments and deductibles for healthcare. These coverage changes resulted in an improvement to the retirement system's funded ratio. Please see page **12** of the attached actuarial analysis that indicates the system is **40%** funded as of **June 30, 2017**.*

- ☐ **Additional Funding** – Additional funding may include the following: paying the annual required contribution in addition to retiree premiums, voluntary contributions above the annual required contribution, bonding, millage increases, restricted funds, etc.

Sample Statement: *The local unit created a qualified trust to receive, invest, and accumulate assets for retirement healthcare on **June 23, 2016**. The local unit of government has adopted a policy to change its funding methodology from Pay-Go to full funding of the Annual Required Contribution (ARC). Additionally, the local unit has committed to contributing **\$500,000** annually, in addition to the ARC for the next five fiscal years. The additional contributions will increase the retirement system's funded ratio to **40%** by **2022**. Please see page **10** of the attached resolution from our governing body demonstrating the commitment to contribute the ARC and additional **\$500,000** for the next five years.*

- ☐ **Other Considerations** – Other considerations may include the following: outdated Form 5572 information, actuarial assumption changes, amortization policy changes, etc.

Sample Statement: *The information provided on the Form 5572 from the audit used actuarial data from **2015**. Attached is an updated actuarial valuation for **2017** that shows our funded ratio has improved to **42%** as indicated on page **13**.*

4. DESCRIPTION OF PROSPECTIVE ACTIONS

The corrective action plan allows you to submit a plan of prospective actions which are separated into three categories below: System Design Changes, Additional Funding, and Other Considerations. Please provide a brief description of the prospective actions implemented by the local government to address the retirement system's underfunded status within the appropriate category section. Within each category are sample statements that you may choose to use to indicate the changes to your system that will positively affect your funded status. For retirement systems that have multiple divisions, departments, or plans within the same retirement system, please indicate how these changes impact the retirement **system** as a whole.

Please indicate where in the attached supporting documentation these changes are described and the impact of those changes (i.e. what will the local unit of government do to improve its underfunded status, and where can we find the proof of these changes in the supporting documentation?).

Category of Prospective Actions:

- ☒ **System Design Changes** - System design changes may include the following: Changes to coverage levels (including retiree co-payments, deductibles, and Medicare eligibility), changes to premium cost-sharing, eligibility changes, switch to defined contribution retiree health care plan, changes to retiree health care coverage for new hires, etc.

Sample Statement: *The local unit will seek to align benefit levels for the retired membership with each class of active employees. Beginning with **summer 2018** contract negotiations, the local unit will seek revised collective bargaining agreements with the **Command Officers Association** and **Internal Association of Firefighters** to increase employee co-payments and deductibles for healthcare. These coverage changes would result in an improvement to the retirement system's funded ratio. Please see page **12** of the attached actuarial analysis that indicates the system would be **40%** funded by **fiscal year 2020** if these changes were adopted and implemented by **fiscal year 2019**.*

Please see attachment 6a for memo and calculation describing the system design changes awaiting federal district court and IRS approval to address the underfunding in the City of Pontiac Retiree Health Care Plan. The system design changes would result in the retiree health care plan being 160% funded based on recent actuarial valuations by the end of fiscal year 2019 if approval from both the federal district court and IRS is obtained timely.

- ☐ **Additional Funding** – Additional funding may include the following: meeting the annual required contribution in addition to retiree premiums, voluntary contributions above the annual required contribution, bonding, millage increases, restricted funds, etc.

Sample Statement: *The local unit will create a qualified trust to receive, invest, and accumulate assets for retirement healthcare by **December 31, 2018**. The local unit of government will adopt a policy to change its funding methodology from Pay-Go to full funding of the Annual Required Contribution (ARC) by **December 31, 2018**. Additionally, beginning in fiscal year 2019, the local unit will contribute **\$500,000** annually in addition to the ARC for the next five fiscal years. The additional contributions will increase the retirement system's funded ratio to **40%** by **2022**. Please see page **10** of the attached resolution from our governing body demonstrating the commitment to contribute the ARC and additional **\$500,000** for the next five years.*

- ☐ **Other Considerations** – Other considerations may include the following: outdated Form 5572 information, actuarial assumption changes, amortization policy changes, etc.

Sample Statement: *Beginning in **fiscal year 2019**, the local unit will begin amortizing the unfunded portion of the healthcare liability using a **level-dollar amortization method over a closed period of 10 years**. This will allow the health system to reach a funded status of **42%** by **2022** as shown in the attached actuarial analysis on page **13**.*

5. CONFIRMATION OF FUNDING

Please check the applicable answer:

Do the corrective actions listed in this plan allow for (insert local unit name) City of Pontiac to make, at a minimum, the retiree premium payment, as well as the normal cost payments for all new hires (if applicable), for the retirement health benefit system according to your long-term budget forecast?

☒ Yes

☐ No

If No, Explain

6. DOCUMENTATION ATTACHED TO THIS CORRECTIVE ACTION PLAN

Documentation should be attached as a .pdf to this corrective action plan. The documentation should detail the corrective action plan that would be implemented to adequately address the local unit of government's underfunded status. Please check all documents that are included as part of this plan and attach in successive order as provided below:

Naming convention: when attaching documents please use the naming convention shown below. If there is more than one document in a specific category that needs to be submitted, include a, b, or c for each document. For example, if you are submitting two supplemental valuations, you would name the first document "Attachment 2a" and the second document "Attachment 2b".

Naming Convention

Type of Document

☒ Attachment – 1

This Corrective Action Plan (Required)

☒ Attachment – 1a

Documentation from the governing body approving this Corrective Action Plan (Required)

☒ Attachment – 2a

An actuarial projection, an actuarial valuation, or an internally developed analysis, which illustrates how and when the local unit will reach the 40% funded ratio. Or, if the local unit is a city, village, township, or county, ARC will be less than 12% of governmental fund revenues, as defined by the Act. (Required)

☐ Attachment – 3a

Documentation of additional payments in past years that is not reflected in your audited financial statements (e.g. enacted budget, system provided information).

☐ Attachment – 4a

Documentation of commitment to additional payments in future years (e.g. resolution, ordinance)

☐ Attachment – 5a

A separate corrective action plan that the local unit has approved to address its underfunded status, which includes documentation of prior actions, prospective actions, and the positive impact on the system's funded ratio

☒ Attachment – 6a

Other documentation, not categorized above

7. CORRECTIVE ACTION PLAN CRITERIA

Please confirm that each of the four corrective action plan criteria listed below have been satisfied when submitting this document. Specific detail on corrective action plan criteria can be found in the [Corrective Action Plan Development: Best Practices and Strategies](#) document.

Corrective Action Plan Criteria

Description

☒ Underfunded Status

Is there a description and adequate supporting documentation of how and when the retirement system will reach the 40% funded ratio? Or, if your local unit is a city, village, township, or county, how and when the ARC of all retirement healthcare systems will be less than 12 percent of governmental fund revenues?

☒ Reasonable Timeframe

Do the corrective actions address the underfunded status in a reasonable timeframe ([see CAP criteria issued by the Board](#))?

☒ Legal and Feasible

Does the corrective action plan follow all applicable laws? Are all required administrative certifications and governing body approvals included? Are the actions listed feasible?

☒ Affordability

Do the corrective action(s) listed allow the local unit to make the retiree healthcare premium payment, as well as normal cost payment for new hires now and into the future without additional changes to this corrective action plan?

8. LOCAL UNIT OF GOVERNMENT'S ADMINISTRATIVE OFFICER APPROVAL OF CORRECTIVE ACTION PLAN

I, Jane Bais-DiSessa, as the government's administrative officer (insert title)
Deputy Mayor (Ex: City/Township Manager, Executive director, and Chief Executive Officer, etc.) approve this Corrective Action Plan and will implement the prospective actions contained in this Corrective Action Plan.

I confirm to the best of my knowledge that because of the changes listed above, one of the following statements will occur:

☒ The City of Pontiac Retiree Health Care Plan (**Insert Retirement Healthcare System Name**) will achieve a funded status of at least 40% by Fiscal Year 2019 as demonstrated by required supporting documentation listed in section 6.

OR, if the local unit is a city, village, township, or county:

☐ The ARC for all of the retirement healthcare systems of _____ (**Insert local unit name**) will be less than 12% of the local unit of government's annual governmental fund revenues by Fiscal Year _____ as demonstrated by required supporting documentation listed in section 6.

Signature _____

Date _____

City of Pontiac
CPREA Tentative Agreement System Design Changes
6/30/2018

The City currently has 3 retiree groups:

1. General Employee Retirement System (GERS)
2. Police and Fire employees with a retirement date prior to August 1966 (FF Pre-66)
3. Police and Fire employees with a retirement date after August 1966 (FF Post-66)

The CPREA benefits for GERS and FF Pre-66 are currently underfunded, which is the subject of this corrective action plan.

On April 3, 2017 a Tentative Agreement was reached between the City and the City of Pontiac Retired Employees Association (CPREA) regarding the lawsuit filed by CPREA against the City related to an EM order eliminating retiree health, dental, and optical benefits in 2012. The tentative agreement will make the following changes to the existing pension and VEBAs systems:

1. Currently, the GERS pension system is funded at 130%. The tentative agreement calls for a new pension plan to be created at the 100% funding level. The excess 30%, or approximately \$160 million will be used to establish a new VEBAs.
2. The existing FF Post-66 VEBAs plan will be closed and the plan assets valued at approximately \$41 million will be combined with the \$160 million excess funding from the new GERS pension system into the new VEBAs.
3. The new VEBAs plan (\$160 million from the GERS pension system plus \$41 million from the previous P&F VEBAs) will cover everyone vested from the 3 retiree groups above with full coverage for health, dental, and vision benefits.
4. The City will be required to make a one-time down payment to the new VEBAs not to exceed \$4.25 million. Thereafter, the City will be required to contribute \$1.5 million of the actuarial required contribution to the VEBAs annually, whichever is less.

The tentative agreement has been/will need to be approved by the following:

1. CPREA membership - approved March 2017
2. Pontiac City Council - approved April 2017
3. Federal District Court - pending before U.S. District Court of the Eastern District of Michigan as of 10/23/18
4. IRS approval - pending Federal district court approval before submission.

Current plans: Actuarial Balances as of 6/30/18

| Retiree Groups | GERS & FF Pre-66 | FF Post-66 | FF Post-66 | GERS & FF Pre-66 | Total all plans |
|-------------------|---------------------|--------------------|------------------|-----------------------------|------------------|
| System Name | GERS Pension System | P&F Pension System | P&F VEBAs | Pontiac Retiree Health Plan | |
| Total Assets | \$ 306,436,676 | \$ 232,221,141 | \$ 40,952,046 | \$ - | \$ 779,609,863 |
| Total Liabilities | \$ (267,204,390) | \$ (247,226,144) | \$ (127,092,505) | \$ (80,432,528) | \$ (641,955,568) |
| Net Assets | \$ 239,232,277 | \$ (15,005,003) | \$ (86,040,459) | \$ (80,432,528) | \$ 137,714,287 |
| Funding Ratio | 130% | 94% | 87% | 0% | 121% |

CPREA Agreement: System Design - creation of new GERS pension system and new VEBAs

| Retiree Groups | GERS & FF Pre-66 | FF Post-66 | GERS, FF Pre-66 & FF Post-66 | Total all plans |
|---------------------------|-------------------------|--------------------|------------------------------|------------------|
| System Name | New GERS Pension System | P&F Pension System | New VEBAs | |
| Total Assets | \$ 306,436,676 | \$ 232,221,141 | \$ 40,952,046 | \$ 779,609,863 |
| Total Liabilities | \$ (267,204,390) | \$ (247,226,144) | \$ (127,155,033) | \$ (641,585,568) |
| Contribution to new VEBAs | \$ (159,070,557) | \$ - | \$ 159,070,557 | \$ - |
| Net Assets | \$ 80,161,229 | \$ (15,005,003) | \$ 72,557,970 | \$ 137,714,287 |
| Funding Ratio | 130% | 94% | 157% | 121% |

City Contribution to newly created VEBAs

| Retiree Groups | GERS, FF Pre-66 & FF Post-66 |
|--------------------------------|------------------------------|
| System Name | New VEBAs |
| Total Assets | \$ 200,028,000 |
| Total Liabilities | \$ (127,465,033) |
| City Contribution to new VEBAs | \$ 4,250,000 |
| Net Assets | \$ 76,812,967 |
| Funding Ratio | 100% |

Agenda Item 5



CITY OF PONTIAC
Department of Building Safety & Planning
47450 Woodward Ave • PONTIAC, MICHIGAN 48342-5009
TELEPHONE: (248) 758-3700 • FAX: (248) 758-3750

Mayor Deirdre Waterman

TO: HONORABLE MAYOR, COUNCIL PRESIDENT AND CITY COUNCIL

FROM: VERN GUSTAFSSON – PLANNING MANAGER
THROUGH THE OFFICE OF DEPUTY MAYOR, JANE BAIS-DESESSA

SUBJECT: AMEND THE CITY OF PONTIAC ZONING ORDINANCE TO INCLUDE USES OF MEDICAL MARIHUANA FACILITIES WITHIN OVERLY DISTRICTS.

DATE: OCTOBER 26, 2018

Following Pontiac approval of Proposal 1: City of Pontiac Medical Marihuana Facilities Ordinance in August 2018 and following the recount certification; the City had to meet the mandate to prepare and approve a Zoning Text Amendment of Pontiac Zoning Ordinance to include uses of Medical Marihuana Facilities within 60 days, which ends November 12, 2018. Pending the Planning Commission meeting on October 29, 2018, we have prepared a suggested City Council Resolution.

We understand that the City of Pontiac could not restrict to prevent medical marihuana businesses to open in the City, so in planning and zoning for these new businesses we completed a process to:

- Explore dispersing the medical marihuana facilities throughout the City or concentrate these facilities in select areas;
- Evaluate the City's existing land use patterns and its transportation system to minimize impacts on residential neighborhoods;
- Reference the Pontiac Master Plan and Zoning Ordinance, and;
- Examine required medical marihuana facility buffers from schools, childcare centers, parks, and religious institutions.

We also, studied Michigan Proposal 1: Marijuana Legalization Initiative ballot proposal for vote on November 6, 2018 and compared it with Pontiac Medical Marihuana Facilities Ordinance and found medical marihuana facilities are viewed the same as recreational marijuana facilities; goods and services would generally be the same, but with a different intended purpose.

COMMUNITY ECONOMIC BENEFIT:

The economic benefit from these new medical marihuana businesses will generate, increased revenue to the City through medical marihuana application fees and excise, sales, income and property taxes. These revenues could would fund City services for the betterment of the entire community. Medical marihuana facilities would open the doors to new businesses, jobs, and opportunities and spur development/redevelopment opportunities in areas in need of revitalization and investment.

Additionally when we studied the City's Tax Increment Finance Authority [TIFA] Development Areas we identified significant economic benefit to locate medical marihuana facilities within the TIFA 3 Development Area to increase revenues to pay down outstanding debt.

SUMMARY:

The proposed Zoning Ordinance Text Amendment would establish a Medical Marihuana Overlay District [MMOD] along a section of Cesar Chavez and Walton Boulevard corridor. Medical marihuana facilities would be located in the C-3 Corridor Commercial, M-1 Light Manufacturing, and/or M-2 Heavy Manufacturing zoning districts within the MMOD. The proximity of the licensed, approved medical marihuana facilities by the state of Michigan and the City of Pontiac will have to be more than 1,000 feet from a public or private school, and more than 500 feet from a commercial childcare center, a public park with playground equipment, and a tax exempt religious institution.

IS CESAR CHAVEZ AND WALTON BOULEVARD A GOOD LOCATION FOR A MMOD?

YES...based on the following rationale:

- Significant number of properties zoned C-3, M-1, and M-2;
- Medical marihuana businesses are appropriate land uses and compatible with current businesses;
- A sound, sustainable approach to centralize medical marihuana businesses to encourage further private and public investment;
- Medical marihuana businesses would be located on either a MDOT state trunkline [Cesar Chavez] or a Major Road [Walton Boulevard];
- The roads have sufficient capacity to handle additional traffic;
- Medical marihuana businesses in these corridors will have minimal impact on residential neighbors;
- Corridors are fully serviced by utilities/infrastructure with sufficient capacity, and;
- Police and fire will have quick access with minimal response time to the MMOD.

ZONING ORDINANCE TEXT AMENDMENT:

Intent and Purpose: Amend the Zoning Ordinance to allow medical marihuana facilities that have been granted a license from the state of Michigan and City of Pontiac to operate in the City pursuant to the Medical Marihuana Facilities Licensing Act, Act No. 281 of the Public Acts of 2016; to provide standards and procedures to permit and regulate medical marihuana facilities; and to impose conditions for the operating of medical marihuana facilities [see attached Zoning Ordinance Text Amendment].

The purpose of this Zoning Ordinance Text Amendment is to serve and protect the health, safety and welfare of the general public and establish a set of rules and regulations which are fair and equitable for those interested in establishing a medical marihuana facility.

Medical Marihuana Overlay District [MMOD]: The proposed text amendment would establish a MMOD along portions of Cesar Chavez [MDOT state trunkline] and Walton Boulevard [Major Road]. The Cesar Chavez Overlay District would extend approximately one mile from the west side of West Boulevard to Montcalm Street. The Walton Boulevard Overlay District extends approximately two miles from west of Telegraph Road east to Fuller Street. The MMOD would allow up to a total of twenty [20] approved, licensed Provisioning Centers with no limit on the number of licensed Growers, Processors, Secure Transporters, and Safety Compliance Facilities [see attached MMOD Overlay District Map].

The City would allow approved Medical Marihuana facilities to operate within the Overlay Districts on properties zoned C-3 Corridor Commercial, M-1 Light Manufacturing, and M-2 Heavy Manufacturing zoning with property frontage on Walton Boulevard, Cesar Chavez and also on; Pershing Ave, Durant Ave, Inglewood Ave, and Ojista Ave within the Cesar Chavez Overlay District. All medical marihuana uses will require a Special Exception permit and Site Plan Approval for the Pontiac Planning Commission.

The MMOD are applied over one or more previously established zoning districts, and establish additional or stricter regulations for properties, in addition to those of the underlying zoning districts. The designated MMOD would have the least impact on city's character and promote development projects. The MMOD is a very effective governmental regulatory tool and meets our goal of "What's best for Pontiac".

Resolution

Whereas, Following Pontiac approval of Proposal 1: City of Pontiac Medical Marihuana Facilities Ordinance in August 2018 and following the recount certification on September 12, 2018; the City prepared a Zoning Text Amendment of City of Pontiac Zoning Ordinance to include uses of Medical Marihuana Facilities within the City of Pontiac; and

Whereas, In accordance with the procedures outlined in the Zoning Ordinance, Sections 6.802 as it relates to Zoning Text Amendments, the request has undergone the required: Technical Review, Public Hearing, and Planning Commission Recommendation; and

Whereas, On October 29, 2018, a Public Hearing was held, and in consideration of public opinion, the Planning Commission conditionally approved the Zoning Text Amendment request to amend the City of Pontiac Zoning Ordinance to include uses of medical marihuana facilities within the City of Pontiac, and the Planning Commission recommends City Council approve the Zoning Text Amendment; and

Whereas, Pursuant to Pontiac City Charter Provision 3.112[e], this is an EMERGENCY ORDINANCE to regulate the proliferation of medical marihuana facilities within the City of Pontiac and thereby ensure the health and safety of its residents, and shall be given immediate effect; and

Now Therefore, Be It Resolved, That the City Council for the City of Pontiac approve the Planning Commission recommendation for the Zoning Text Amendment of City of Pontiac Zoning Ordinance to include medical marihuana facilities within the City of Pontiac.



CITY OF PONTIAC ELECTED AND APPOINTED OFFICIAL
DISCLOSURE STATEMENT

I, _____ a _____ of the City of Pontiac,
file this Disclosure Statement regarding the medical marihuana facility (MMF) application
process:

1. I, or my spouse or domestic partner, have a financial interest in the following properties
located in the City of Pontiac [State Address and Type of Financial Interest]:

2. I, or my spouse or domestic partner, have a financial interest in the following business(es)
that plans to submit application(s) for Medical Marihuana Facility license(s) to the City
of Pontiac:

3. Have you spoken to or engaged with individual(s), or individual(s) representing such
individual(s), regarding their intention to submit Medical Marihuana Facility
application(s)? If so, state 1.) Name of Individual; 2.) Summary of Conversation; and 3.)
Date of Conversation; 4.) Any related potential conflict of interest:

I further understand I have an obligation to supplement this Disclosure Statement with further responsive information within five (5) days of when I become aware of such information.

By signing this Disclosure Statement I certify that I have fully informed myself regarding the accuracy of the statements contained herein, and under the penalty of perjury, affirm the truth thereof.

By: _____

Date: _____

Notarization:

CITY OF PONTIAC
ORDINANCE NO. _____

AN ORDINANCE TO AMEND THE CITY OF PONTIAC ZONING ORDINANCE TO INCLUDE USES OF MEDICAL MARIHUANA FACILITIES IN DESIGNATED OVERLAY DISTRICTS.

THE CITY OF PONTIAC ORDAINS:

Article 2 Chapters 1 and 2 Section 2.101 Table 1 and Section 2.203 Table 2 Zoning Districts is amended to add:

| Abbreviation | General Zoning Districts | Abbreviation | Special Purpose Zoning Districts |
|--------------------|--------------------------|--------------|------------------------------------|
| To Remain The Same | To Remain The Same | -- | -- |
| | | -- | -- |
| | | MMOD | Medical Marijuana Overlay District |

Amend Article 2 | Chapter 2 – Section 2.203 Table 2 (Uses Permitted By District)

| Commercial, Office, and Service Uses | | | | | | | | | | | | |
|--|-----------------------|-----|-----|----------------------|-----|-----|-----|-----|----------------------|-----|------|---------------|
| | Residential Districts | | | Commercial Districts | | | | | Industrial Districts | | | |
| | R-1 | R-2 | R-3 | C-0 | C-1 | C-2 | C-3 | C-4 | M-1 | M-2 | IP-1 | |
| Medical Marihuana Grower | | | | | | | | | O | O | | Section 2.544 |
| Medical Marihuana Processor | | | | | | | | | O | O | | Section 2.545 |
| Medical Marihuana Provisioning Centers | | | | | | | O | | O | O | | Section 2.546 |
| Medical Marihuana Safety Compliance Facility | | | | | | | O | | O | O | | Section 2.547 |
| Medical Marihuana Secure Transporter | | | | | | | O | | O | O | | Section 2.548 |

Article 2 Chapter 5 - Development Standards for Specific Uses is amended to add Sections 2.544, 2.545, 2.546, 2.547, and 2.548 as follows:

Section 2.544 - Medical Marihuana Grower Facilities

Grower means a commercial entity that cultivates, dries, trims, or cures and packages marihuana for sale to a processor or provisioning center. As used in this ordinance, grower shall include Class A growers, Class B growers, and Class C growers.

1. Class A grower means a grower license to grow not more than 500 marihuana plants.
2. Class B grower means a grower licensed to grow not more than 1,000 marihuana plants.
3. Class C grower means a grower licensed to grow not more than 1,500 marihuana plants.

A. General Provisions

1. Consumption, smoking, and inhalation of marihuana and/or alcohol shall be prohibited on the premises of a Medical Marihuana Grower Facility, and a sign shall be posted on the premises of each facility indicating that consumption is prohibited on the premises;
2. The premises shall be open for inspection and/or investigation at any time by City investigators during the stated hours of operation and as such other times as anyone is present on the premises
3. All activity related to the Medical Marihuana growing shall be done indoors;
4. Any Medical Marihuana Grower Facility shall maintain a log book and/or database identifying by date the amount of Medical Marihuana and the number of Medical Marihuana plants on the premises which shall not exceed the amount permitted under the Grower License issued by the State of Michigan. This log shall be available to law enforcement personnel to confirm that the Medical Marihuana Grower does not have more Medical Marihuana than authorized at the location and shall not be used to disclose more information than is reasonably necessary to verify the lawful amount of Medical Marihuana at the Facility;
5. The Medical Marihuana Grower Facility shall comply at all times and in all circumstances with the MMMA, MMFLA, and the general rules of the department of licensing and regulatory affairs, as they may be amended from time to time.

B. Security

1. Medical Marihuana Grower Facility shall continuously monitor the entire premises on which they are operated with surveillance systems that include security cameras that operate 24- hours a day, 7-days a week. The video recordings shall be maintained in a secure, off-site location for a period of 30 days, and must be coordinated with the O.C. Sheriff Department;
2. Any usable Medical Marihuana remaining on the premises of a Medical Marihuana Grower while the Medical Marihuana Facility is not in operation shall be secured in a safe permanently affixed to the premises;

3. All Medical Marihuana shall be contained within the building in an enclosed, locked Facility in accordance with the MMMA and MMFLA, as amended;

C. Space Separation

1. Unless permitted by the MMMA, public or non-public areas of the Medical Marihuana Grower Facility must be separated from restricted or non-public areas of the Grower Facility by a permanent barrier.
2. Unless permitted by the MMMA, no Medical Marihuana is permitted to be stored or displayed in an area accessible to the general public;

D. Nuisance Prohibited

1. Medical Marihuana Grower Facilities shall be free from infestation by insects, rodents, birds, or vermin or any kind;
2. Medical Marihuana Grower Facilities shall produce no products other than useable Medical Marihuana intended for human consumption; and
3. No Medical Marihuana Grower shall be operated in a manner creating noise, dust, vibration, glare, fumes, or odors detectable to normal senses beyond the boundaries of the property on which the Medical Marihuana Grower is operated.

E. Licensing

1. The license required by this chapter shall be prominently displayed on the premises of a Medical Marihuana Grower Facility

F. Disposal Of Waste

1. Disposal of Medical Marihuana shall be accomplished in a manner that prevents its acquisition by any person who may not lawfully possess it and otherwise in conformance with State law
2. Litter and waste shall be properly removed and the operating systems for waste disposal are maintained in an adequate manner as approved by the City so that they do not constitute a source of contamination in areas where medical marihuana is exposed;
3. That portion of the structure where the storage of any chemicals such as herbicides, pesticides, and fertilizers shall be subject to inspection and approval by the local Fire Department to ensure compliance with the Michigan Fire Protection Code.

G. Signage

1. It shall be prohibited to display any signs that are inconsistent with local laws or regulations or State law
2. It shall be prohibited to use advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors or in violation of LARA regulations
3. It shall be prohibited to use the symbol or image of a marihuana leaf in any exterior building signage
4. No licensed Medical Marihuana Grower shall place or maintain, or cause to be placed or maintained, an advertisement of medical marihuana in any form or through any medium:

- Within one thousand feet of the real property comprising a public or private elementary, vocational or secondary school.
- Within one hundred feet of a public or private youth center, public swimming pool or a church or other structure in which religious services are conducted.

H. Co-Location

1. There shall be no other accessory uses permitted within the same facility other than those associated with a Processor and Provisioning Center.

I. Building Design

1. Floors, walls and ceilings shall be constructed in such a manner that they may adequately cleaned and kept clean and in good repair;
2. Any buildings, fixtures and other facilities shall be maintained in a sanitary condition;
3. All necessary building, electrical plumbing and mechanical permits shall be obtained for any portion of the structure in which electrical wiring, lighting and/or watering devices that support the cultivation, growing or harvesting of marihuana are located.

Section 2.545 - Medical Marihuana Processor

Processor means a commercial entity that purchases marihuana from a grower and that extracts resin from the marihuana or creates a Marihuana-infused product for sale and transfer in packaged form to a Provisioning Center.

A. General Provisions

1. The Processor shall comply at all times and in all circumstances with the MMA, MMFLA, and the general rules of the department of licensing and regulatory affairs, as they may be amended from time to time;
2. Consumption, smoking, and inhalation of marihuana and/or alcohol shall be prohibited on the premises of Medical Marihuana Processor, and a sign shall be posted on the premises of each Medical Marihuana Processor indicating that consumption is prohibited on the premises;
3. The premises shall be open for inspection and/or investigation at any time by City investigators during the stated hours of operation and as such other times as anyone is present on the premises
4. Any Processor Facility shall maintain a log book and/or database identifying by date the amount of Medical Marihuana and the number of Medical Marihuana plants on the premises which shall not exceed the amount permitted under the Processor license issued by the State of Michigan. This log shall be available to law enforcement personnel to confirm that the Processor does not have more Medical Marihuana than authorized at the location and shall not be used to disclose more information than is reasonably necessary to verify the lawful amount of Medical Marihuana at the Facility;
5. Processor Facilities shall produce no products other than useable Medical Marihuana intended for human consumption.

B. Security

1. Medical Marihuana Processor Facility shall continuously monitor the entire premises on which they are operated with surveillance systems that include security cameras that operate 24- hours a day, 7-days a week. The video recordings shall be maintained in a secure, off-site location for a period of 30 days, and must be coordinated with the O.C. Sherriff Department;
2. Any usable Medical Marihuana remaining on the premises of a Medical Marihuana Processor while the Medical Marihuana Facility is not in operation shall be secured in a safe permanently affixed to the premises;
3. All Medical Marihuana shall be contained within the building in an enclosed, locked Facility in accordance with the MMMA and MMFLA, as amended.

C. Space Separation

1. Unless permitted by the MMMA, public or non-public areas of the Medical Marihuana Processor Facility must be separated from restricted or non-public areas of the Processor Facility by a permanent barrier.
2. Unless permitted by the MMMA, no Medical Marihuana is permitted to be stored or displayed in an area accessible to the general public.

D. Nuisance Prohibited

1. Processor Facilities shall be free from infestation by insects, rodents, birds, or vermin or any kind;
2. No Medical Marihuana Processor shall be operated in a manner creating noise, dust, vibration, glare, fumes, or odors detectable to normal senses beyond the boundaries of the property on which the Medical Marihuana Processor is operated.

E. Licensing

1. The license required by this chapter shall be prominently displayed on the premises of a Medical Marihuana Processor Facility;

F. Disposal Of Waste

1. Disposal of Medical Marihuana shall be accomplished in a manner that prevents its acquisition by any person who may not lawfully possess it and otherwise in conformance with State law.
2. Litter and waste shall be properly removed and the operating systems for waste disposal are maintained in an adequate manner as approved by the City so that they do not constitute a source of contamination in areas where medical marihuana is exposed.

G. Signage

1. It shall be prohibited to display any signs that are inconsistent with local laws or regulations or State law;
2. It shall be prohibited to use advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors or in violation of LARA regulations
3. It shall be prohibited to use the symbol or image of a marihuana leaf in any exterior building signage;
4. No licensed Medical Marihuana Processor shall place or maintain, or cause to be placed or maintained, an advertisement of medical marihuana in any form or through any medium:
 - Within one thousand feet of the real property comprising a public or private elementary, vocational or secondary school
 - Within one hundred feet of a public or private youth center, public swimming pool or a church or other structure in which religious services are conducted.

H. Co-Location

1. There shall be no other accessory uses permitted within the same Facility other than those associated with a Grower and Provisioning Center;
2. The dispensing of Medical Marihuana at the Processor Facility shall be prohibited.

I. Building Design

1. Floors, walls and ceilings shall be constructed in such a manner that they may adequately cleaned and kept clean and in good repair;
2. Any buildings, fixtures and other facilities shall be maintained in a sanitary condition.

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Section 2.546 - Medical Marihuana Provisioning Center

Provisioning Center means a commercial entity that purchases marihuana from a grower or Processor and sells, supplies, or provides marihuana to registered qualifying patients, directly or through the patients' registered primary caregivers. Provisioning Center includes any commercial property where marihuana is sold at retail to registered, qualifying patients or registered primary caregivers. A noncommercial location used by a primary caregiver to assist a qualifying patient connected to the caregiver through the department's marihuana registration process in accordance with the MMMA is not a Provisioning Center for purposes of this ordinance.

A. General Provisions

1. Medical marihuana Provisioning Centers shall be closed for business, and no sale or other distribution of marihuana in any form shall occur upon the premises between the hours of 10:00 p.m. and 7:00 a.m.
2. Consumption, smoking, and inhalation of marihuana and/or alcohol shall be prohibited on the premises of a Medical Marihuana Provisioning Center, and a sign shall be posted on the premises of each Medical Marihuana Provisioning Center indicating that consumption is prohibited on the premises;
3. The premises shall be open for inspection and/or investigation at any time by City investigators during the stated hours of operation and as such other times as anyone is present on the premises.

B. Security

1. Medical Marihuana Provisioning Centers shall continuously monitor the entire premises on which they are operated with surveillance systems that include security cameras that operate 24- hours a day, 7-days a week. The video recordings shall be maintained in a secure, off-site location for a period of 30 days, and must be coordinated with the O.C. Sherriff Department;
2. Any usable Medical Marihuana remaining on the premises of a Medical Marihuana Provisioning Center while the Medical Marihuana Provisioning Center is not in operation shall be secured in a safe permanently affixed to the premises.

C. Space Separation

1. Unless permitted by the MMMA, public or non-public areas of the Medical Marihuana Provisioning Center must be separated from restricted or non-public areas of the Provisioning Center by a permanent barrier.
2. Unless permitted by the MMMA, no Medical Marihuana is permitted to be stored or displayed in an area accessible to the general public;
3. Medical Marihuana may be displayed in a sales area only if permitted by the MMMA.

D. Drive-through

1. Drive-through windows on the premises of a Medical Marihuana Provisioning Center shall not be permitted.

E. Nuisance Prohibited

1. No Medical Marihuana Provisioning Center shall be operated in a manner creating noise, dust, vibration, glare, fumes, or odors detectable to normal senses beyond the boundaries of the property on which the Medical Marihuana Provisioning Center is operated.

F. Licensing

1. The license required by this chapter shall be prominently displayed on the premises of a Medical Marihuana Provisioning Center;
2. All registered patients must present both their Michigan Medical Marihuana patient/caregiver ID card and Michigan state ID prior to entering restricted/limited areas or nonpublic areas of the Medical Marihuana Provisioning Center.

G. Disposal Of Waste

Disposal of Medical Marihuana shall be accomplished in a manner that prevents its acquisition by any person who may not lawfully possess it and otherwise in conformance with State law.

H. Signage

1. It shall be prohibited to display any signs that are inconsistent with local laws or regulations or State law
2. It shall be prohibited to use advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors or in violation of LARA regulations;
3. It shall be prohibited to use the symbol or image of a marihuana leaf in any exterior building signage;
4. No licensed Medical Marihuana Provisioning Center shall place or maintain, or cause to be placed or maintained, an advertisement of medical marihuana in any form or through any medium:
 - Within one thousand feet of the real property comprising a public or private elementary, vocational or secondary school;
 - Within one hundred feet of a public or private youth center, public swimming pool or a church or other structure in which religious services are conducted.

I. Co-Location

1. There shall be no other accessory uses permitted within the same Facility other than those associated with a Grower and Processor.

Section 2.547 - Medical Marihuana Safety Compliance Facilities

Safety compliance facility means a commercial entity that receives marihuana from a medical marihuana facility or registered primary caregiver, tests it for contaminants and for tetrahydrocannabinol and other cannabinoids, returns the test results, and may return the marihuana to a medical marihuana facility.

A. General Provisions

1. Consumption, smoking, and inhalation of marihuana and/or alcohol shall be prohibited on the premises of a Medical Marihuana Safety Compliance Facility, and a sign shall be posted on the premises of each Medical Marihuana Safety Compliance Facility indicating that consumption is prohibited on the premises;
2. The premises shall be open for inspection and/or investigation at any time by City investigators during the stated hours of operation and as such other times as anyone is present on the premises;
3. Any Safety Compliance Facility shall maintain a log book and/or database identifying by date the amount of Medical Marihuana on the premises and from which particular source. The Facility shall maintain the confidentiality of qualifying patients in compliance with the Michigan Medical Marihuana Act, as amended.

B. Security

1. Medical Marihuana Safety Compliance Facility shall continuously monitor the entire premises on which they are operated with surveillance systems that include security cameras that operate 24- hours a day, 7-days a week. The video recordings shall be maintained in a secure, off-site location for a period of 30 days, and must be coordinated with the O.C. Sherriff Department;
2. Any usable Medical Marihuana remaining on the premises of a Medical Marihuana Safety Compliance while the Medical Marihuana Safety Compliance Facility is not in operation shall be secured in a safe permanently affixed to the premises;
3. All Medical Marihuana shall be contained within the building in an enclosed, locked Facility in accordance with the MMMA and MMFLA, as amended.

C. Space Separation

1. Unless permitted by the MMMA, public or non-public areas of the Medical Marihuana Safety Compliance Facility must be separated from restricted or non-public areas of the Safety Compliance Facility by a permanent barrier.
2. Unless permitted by the MMMA, no Medical Marihuana is permitted to be stored or displayed in an area accessible to the general public.

D. Nuisance Prohibited

1. No Medical Marihuana Safety Compliance shall be operated in a manner creating noise, dust, vibration, glare, fumes, or odors detectable to normal senses beyond the boundaries of the property on which the Medical Marihuana Safety Compliance is operated.

E. Licensing

1. The license required by this chapter shall be prominently displayed on the premises of a Medical Marihuana Safety Compliance;
2. All registered patients must present both their Michigan Medical Marihuana patient/caregiver ID card and Michigan state ID prior to entering restricted/limited areas or nonpublic areas of the Medical Marihuana Safety Compliance.

F. Disposal Of Waste

1. Disposal of Medical Marihuana shall be accomplished in a manner that prevents its acquisition by any person who may not lawfully possess it and otherwise in conformance with State law;
2. Litter and waste shall be properly removed and the operating systems for waste disposal are maintained in an adequate manner as approved by the City so that they do not constitute a source of contamination in areas where Medical Marihuana is exposed.

G. Signage

1. It shall be prohibited to display any signs that are inconsistent with local laws or regulations or State law;
2. It shall be prohibited to use advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors or in violation of LARA regulations;
3. It shall be prohibited to use the symbol or image of a marihuana leaf in any exterior building signage;
4. No licensed Medical Marihuana Safety Compliance shall place or maintain, or cause to be placed or maintained, an advertisement of medical marihuana in any form or through any medium:
 1. Within one thousand feet of the real property comprising a public or private elementary, vocational or secondary school
 2. Within one hundred feet of a public or private youth center, public swimming pool or a church or other structure in which religious services are conducted.

H. Building Design

1. Floors, walls and ceilings shall be constructed in such a manner that they may adequately cleaned and kept clean and in good repair;
2. Any buildings, fixtures and other facilities shall be maintained in a sanitary condition.

Section 2.548 - Medical Marihuana Secure Transporter

Secure Transporter means a commercial entity located in this state that stores marihuana and transports marihuana between medical marihuana facilities for a fee. A Secure Transporter shall comply at all times with the Michigan Medical Marihuana Act, the Medical Marihuana Facilities Licensing Act, the Marihuana Tracking Act and the general rules of the Department of Licensing and Regulatory Affairs.

A. General Provisions

1. Consumption and or use of marihuana shall be prohibited at a facility of a Secure Transporter;
2. A vehicle used by a Secure Transporter is subject to administrative inspection by a law enforcement officer at any point during the transportation of medical marihuana to determine compliance with all state and local laws, rules, regulations and ordinances;
3. A Secure Transporter licensee and each stakeholder shall not have an interest in a Growing, Processor, Provisioning Center, or Safety Compliance Facility and shall not be a registered qualifying patient or a registered primary caregiver.
4. A Secure Transporter shall enter all transactions, current inventory, and other information as required by the state into the statewide monitoring system as required by law.

B. Secure Storage

1. Storage of medical marihuana by a Secure Transporter shall comply with the following:
 - The storage facility shall not be used for any other commercial purpose.
 - The storage facility shall not be open or accessible to the general public.
 - The storage facility shall be maintained and operated so as to comply with all state and local rules, regulations and ordinance.
2. All marihuana stored within the facility shall be stored within enclosed locked facilities in accordance with the MMMA as amended.

C. Sanitation

1. All persons working in direct contact with marihuana being stored by a Secure Transporter shall conform to hygienic practices while on duty, including but not limited to:
 - Maintaining adequate personal cleanliness;
 - Washing hands thoroughly in adequate hand washing areas before starting work and at any other time when the hands may have become soiled or contaminated;
 - Refrain from having direct contact with marihuana if the person has or may have an illness, open lesion, including boils, sores or infected wounds, or any other abnormal source of microbial contamination, until the condition is corrected.

D. Disposal of Waste

1. Disposal of medical marihuana shall be accomplished in a manner that prevents its acquisition by any person who may not lawfully possess it and otherwise in conformance with State law;
2. Litter and waste shall be properly removed and the operating systems for waste disposal are maintained in an adequate manner as approved by the City so that they do not constitute a source of contamination in areas where medical marihuana is exposed.

E. Transport Driver

1. A Secure Transporter shall comply with all of the following:
 - Each driver transporting marihuana must have a chauffeur's license issued by the state;
 - Each employee who has custody of marihuana or money that is related to a marihuana transaction shall not have been convicted of or released from incarceration for a felony under the laws of this state, any other state, or the United States within the past five (5) years;
 - Each vehicle shall be operated with a two person crew with at least one individual remaining with the vehicle at all times during the transportation of marihuana.
2. A route plan and manifest shall be entered into the statewide monitoring system, and a copy shall be carried in the transporting vehicle and presented to a law enforcement officer upon request;
3. The medical marihuana shall be transported by one or more sealed containers and not be accessible while in transit;
4. A secure transporting vehicle shall not bear markings or other indication that it is carrying medical marihuana or a marihuana infused product.

F. Signage

1. It shall be prohibited to display any signs that are inconsistent with local laws or regulations or State law;
2. It shall be prohibited to use advertising material that is misleading, deceptive, or false, or that is designed to appeal to minors or in violation of LARA regulations;
3. It shall be prohibited to use the symbol or image of a marihuana leaf in any exterior building signage;
4. No licensed Medical Marihuana Secure Transport shall place or maintain, or cause to be placed or maintained, an advertisement of medical marihuana in any form or through any medium:
 - Within one thousand feet of the real property comprising a public or private elementary, vocational or secondary school;
 - Within one hundred feet of a public or private youth center, public swimming pool or a church or other structure in which religious services are conducted.

Article 3- Special Purposes – Zoning District is amended to add Chapter 11 as follows:

Chapter 11 - Medical Marihuana Overlay District

Section 3.1101 Intent

The purpose of the Medical Marihuana Overlay District (MMOD) is to provide for the placement of Medical Marihuana related uses as authorized pursuant to State regulations with a goal of minimizing potential adverse impacts on adjacent property owners, neighborhoods, and the City.

Section 3.1102 Medical Marihuana Overlay District Permitted Uses

The following uses are permitted in the Medical Marihuana Overlay District, provided the development also meets the Design & Building Standards set forth in Section 3.1109 and Article 2 Chapter 5 Development Standards for Specific Uses:

1. *Provisioning Center*
2. *Safety Compliance Facility*
3. *Secure Transporter*
4. *Grower*
5. *Processor*

Section 3.1103 Medical Marihuana Overlay District Permitted Accessory Uses

1. Off-Street Parking, Loading and Unloading as required per Section 4.307
2. Any use that is not incidental to the permitted principal use.

Section 3.1104 Uses Requiring Planning Commission Special Exception Permit

All permitted uses of the Medical Marihuana Overlay District are subject to Planning Commission approval, the Standards for Approval of Section 6.303 for Special Exception Permits, and the Use Standards of the Zoning Ordinance for those specific uses.

Section 3.1105 Licensing

All operators of medical marihuana facilities must acquire a State of Michigan & City of Pontiac License.

Section 3.1106 Medical Marihuana Overlay District Location Description

The Medical Marihuana uses permitted in the Medical Marihuana Overlay District must meet the following requirements.

- A. Maintain frontage along Walton Blvd, starting from the west side of Telegraph Rd. to Fuller Street.
- B. Maintain frontage along Cesar Chavez, starting from the west side of West Blvd in the City of Pontiac to northern side of W. Montcalm St. Also including;
 1. Pershing Ave;

2. Durant Ave;
 3. Inglewood Ave;
 4. Ojista Ave.
- C. The uses permitted in the Medical Marihuana Overlay District are restricted to the following designated lots. Additional included parcels are referenced above and highlighted in the official Pontiac Medical Marihuana Overlay District Map as amended and maintained by the City Clerk.

Designated MMOD Lots –SUBJECT TO SECTION 3.1107 BUFFER RESTRICTIONS

Cesar Chavez Lots of Assessors Subs

Dixie Highway Sub Lots 1-27, Lots 38-63, Lot 84, Lots 103-128, & Lots 141-147;
Dixieland Sub Lots 1-34;
O F Beier Sub Lots 1-5;
Assessor's Plat No 3. Part of Lot 1, Lot 3, Lot 4;
Assessor's Plat No 5. Lots 1-6, Lots 37-38;
Assessor's Plat No 94. Lots 2;
Assessor's Plat No 101. Lots 1-8, & lot 23;
Baldwin Dixie Hills Lots 243-248.

Walton Blvd Lots of Assessors Subs

Assessor's Replat of Assessor's Plat No: 100 Lots 1, & Lots 10-12;
Shattuck Farms – Lots 96-97;
Malkim Farms Sub Lot 1 & Lots 8-14;
Dupont Heights Sub Lot 1, Lots 471-502, Lots 634-635, Lots 793-806;
Marimont Sub Lots 23-61;
Greenwood Estates Sub Lot 1, Lots 29-46, & lots 57-83;
Haines Wilson Pontiac Telegraph-Road Sub Lots 212-236, Lot 339, Lot 394.

Section 3.1107 MMOD Buffer Distance Restrictions

- A. The proximity of the proposed medical marihuana facility shall be not less than;
1. 1,000 feet from an operational public or private school
 2. 500 feet from an operational commercial childcare organization (non-home occupation) that is licensed or registered with the State of Michigan Department of Health and Human Services or its successor agency, a public park with playground equipment.
 3. 500 feet from a religious institution that is defined as tax exempt by the Oakland County Assessor.
- B. Such distance between the school, childcare center, public park, or religious institution and the contemplated location shall be measured along the centerline of the street or streets of address between two fixed points on the centerline determined by projecting straight lines, at right angles to the centerline, from the primary point of ingress to the school, childcare center, or religious institution, or from the playground equipment in a public park, and from the primary point of ingress to the medical marihuana facility along the centerline to the primary site entrance driveway.

Section 3.1108 Co-Location

- A. Consistent with the MMFLA and rules promulgated by the department, any combination of Growers, Provisioning Centers, and Processors may operate as separate medical marihuana facilities at the same physical location;
- B. A maximum of two medical marihuana facilities with state operating licenses may co-locate on a single parcel;
- C. No two medical marihuana facilities of the same type may be located on the same parcel;
- D. Medical Marihuana Provisioning Center, consistent with the MMFLA, any combination of Grower, Processing, and Provisioning Centers may operate as separate medical marihuana facilities in the physical location. Provided that the Provisioning Center is incidental to the principal use and that the total amount of internal floor areas of the structure devoted to the Provisioning Center does not exceed 10% of the floor area of the total establishment.

Section 3.1109

Building Design, Area, Height, Bulk, & Placement

- A. Building and design improvements must comply with the underlying zoning requirements and the Specific Uses Development Standards outlined in Article 2 Chapter 5 this Zoning Ordinance.
- B. If the provisions of the MMOD are silent on building and design requirements, the requirements of the underlying district shall apply.
- C. If the building and design requirements of the MMOD conflict with the requirements of the underlying district, then the building and design requirements of the MMOD shall supersede the underlying district regulations.

Section 3.1110

Review Authority & Establishment

- A. The Planning Commission shall be the Special Exception and Site Plan Review Authority for the permitted medical marihuana uses in the Medical Marihuana Overlay District;
- B. A Special Exception Permit for medical marihuana uses require Public Notice of 500 ft. from the proposed medical marihuana Facility;
- C. All permitted medical marihuana uses must be in accordance with the Uses Development Standards outlined in Chapter 2 the Zoning Ordinance;
- D. Within the MMOD all requirements of the underlying districts remain in effect, except where these regulations provide an alternative to such requirements.

Article 7 – Definitions is amended to add Chapter 2, and Chapter 3 as follows:

Article 7 – Definitions | Chapter 2

Section 7.202 Commercial, Office, and Service Uses

- A. *Provisioning Center* means a commercial entity that purchases marihuana from a grower or processor and sells, supplies, or provides marihuana to registered qualifying patients, directly or through the patients' registered primary caregivers. Provisioning center includes any commercial property where marihuana is sold at retail to registered, qualifying patients or registered primary caregivers.
 - A noncommercial location used by a primary caregiver to assist a qualifying patient connected to the caregiver through the department's marihuana registration process in accordance with the MMMA is not a provisioning center for purposes of this ordinance.
- B. *Safety Compliance Facility* means a commercial entity that receives marihuana from a medical marihuana facility or registered primary caregiver, tests it for contaminants and for tetrahydrocannabinol and other cannabinoids, returns the test results, and may return the marihuana to the medical marihuana facility.
- C. *Secure Transporter* means a commercial entity located in this state that stores marihuana and transports marihuana between medical marihuana facilities for a fee.

Section 7.203 Industrial Uses

- A. *Grower* means a commercial entity that cultivates, dries, trims, or cures and packages marihuana for sale to a processor or provisioning center. As used in this ordinance, grower shall include Class A growers, Class B growers, and Class C growers.
 - Class A grower means a grower license to grow not more than 500 marihuana plants.
 - Class B grower means a grower licensed to grow not more than 1,000 marihuana plants.
 - Class C grower means a grower licensed to grow not more than 1,500 plants.
- B. *Processor* means a commercial entity that purchases marihuana from a grower and that extracts resin from the marihuana or creates a Marihuana-infused product for sale and transfer in packaged form to a provisioning center.

Section 7.301 General Definitions

- A. Medical Marihuana Facility means a location at which a grower, processor, Provisioning center, secure transporter, or safety compliance facility is licensed to operate under the MMFLA.
- B. MMFLA means the Medical Marihuana Facilities Licensing Act, Act No. 281 of the Public Acts of 2016, being sections 333.27101 to 333.27801 of the Michigan Compiled Laws.
- C. MMMA means the Michigan Medical Marihuana Act, Initiated Law 1 of 2008, being sections 333.26421 to 333.26430 of the Michigan Compiled Laws.

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Pursuant to Pontiac City Charter Provision 3.112(e), this is an EMERGENCY ORDINANCE to regulate the proliferation of medical marihuana facilities within the City of Pontiac and thereby ensure the health and safety of its residents, and shall be given immediate effect.

ADOPTED, APPROVED AND PASSED by the City Council of the City of Pontiac this _____ day of _____, 2018.

Deirdre Waterman, Mayor

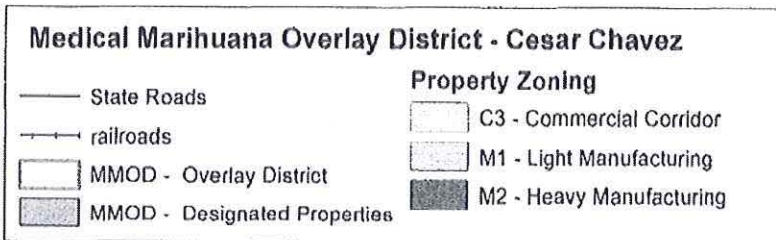
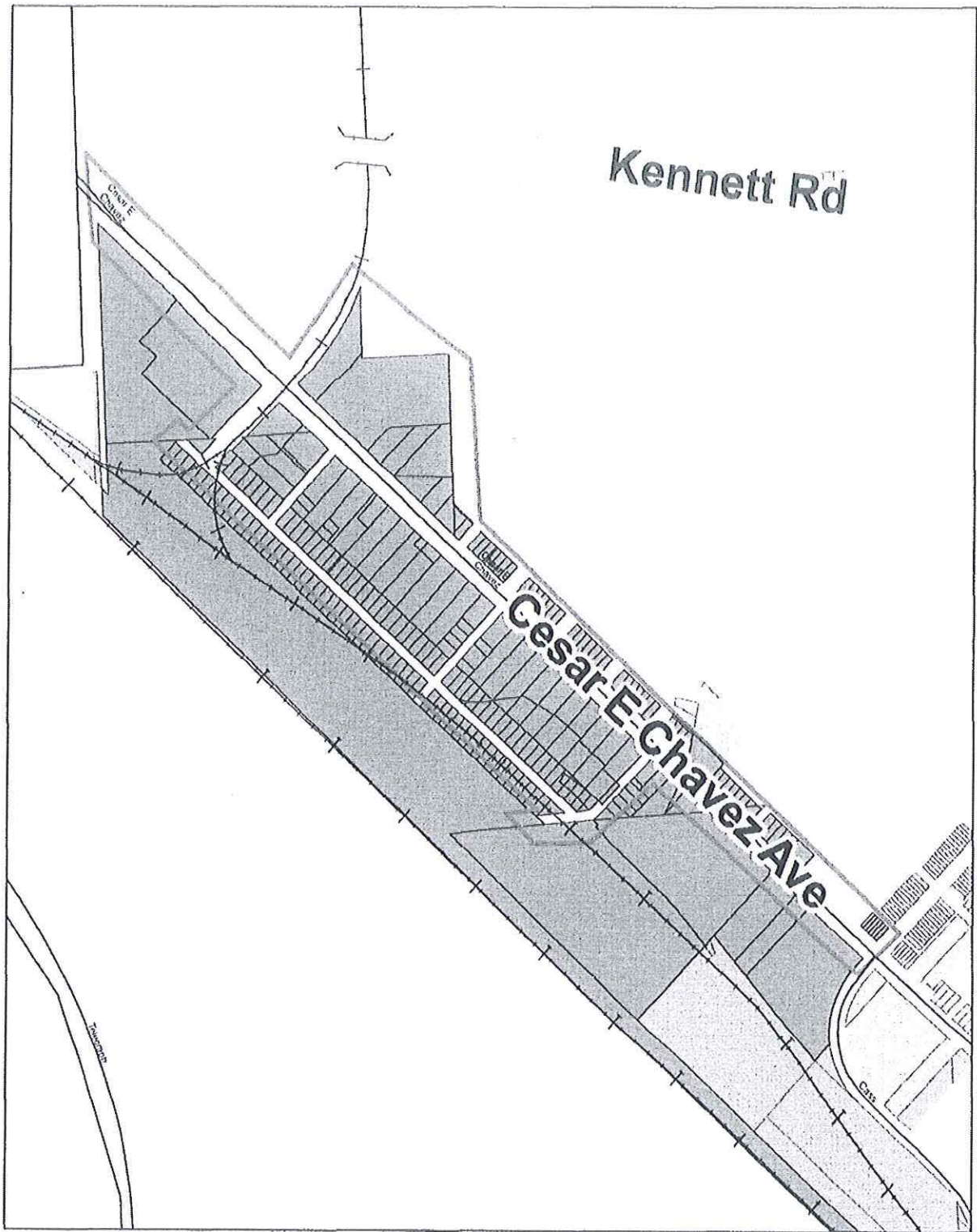
Garland Doyle, Interim City Clerk

I hereby certify that the foregoing is a true copy of the Ordinance as passed by the City Council on the _____ day of _____, 2018.

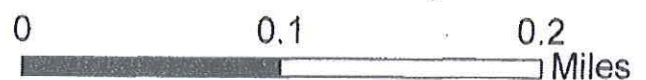
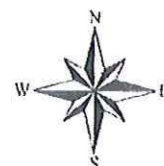
Garland Doyle, Interim City Clerk

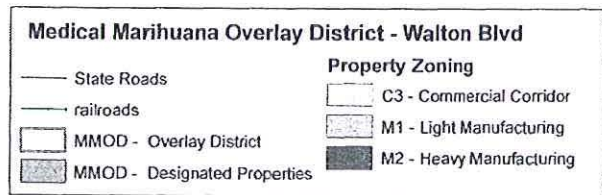
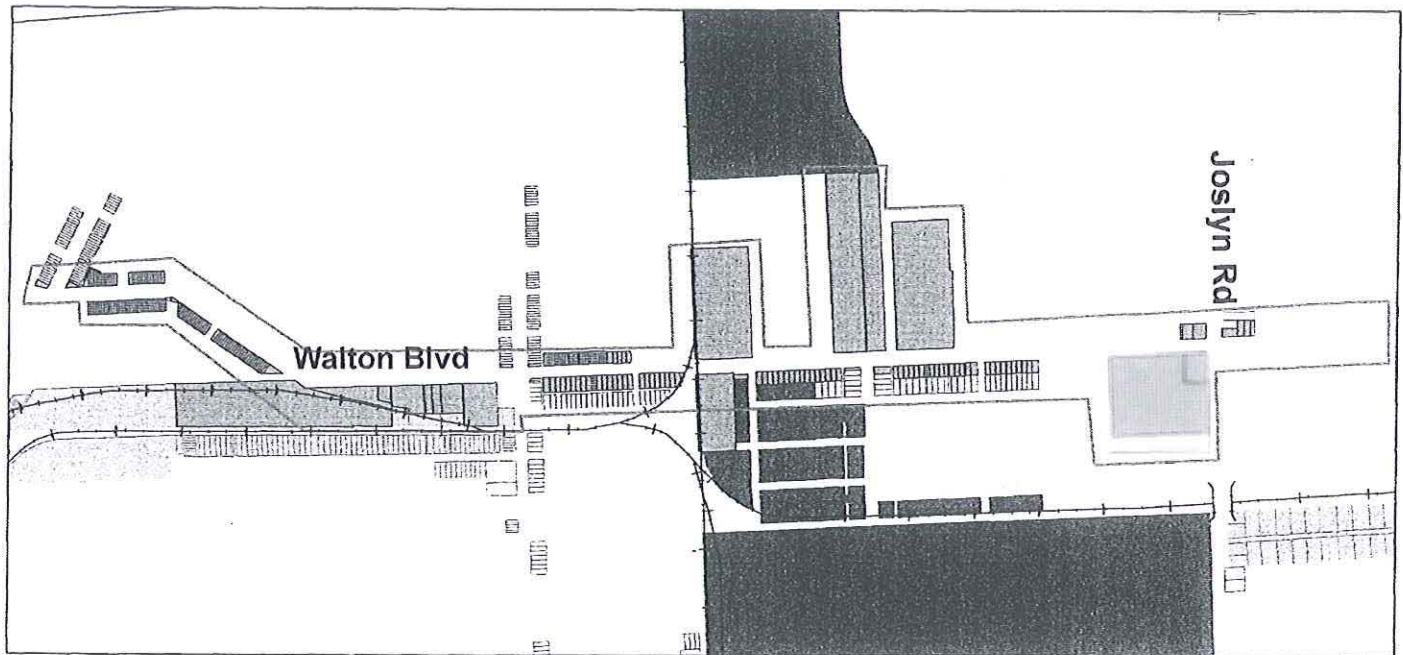
I further certify that the foregoing was published in a newspaper of general circulation in the City of Pontiac in a manner consistent with the Charter of the City of Pontiac.

Garland Doyle, Interim City Clerk

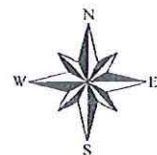


OCTOBER 2018





OCTOBER 2018





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PARTNERS

consultants of real estate

www.corepartners.net

Sent VIA Email: DWaterman@pontiac.mi.us



May 8, 2018

Mayor Deirdre Waterman
City of Pontiac
47450 Woodward Avenue
Pontiac, MI 48342

**RE: LETTER OF INTENT TO PURCHASE: A PORTION OF 200 LAKE STREET, PONTIAC AND
CONSTRUCT THE NEW PONTIAC LAKESIDE COMMUNITY CENTER**

Mayor Waterman:

John Hantz and I would like to thank you for the continued dialogue. As discussed in our previous meeting(s) we have commissioned and prepared the below and attached drawings and renderings of a proposed NEW Pontiac "Lakeside" Community Center. The design was created to maximize the views and lake front use of Crystal Lake with approximately 1,100 feet of frontage and also provide for logical future expansion. The below Letter of Intent provides that the Purchaser shall acquire a portion of the property for a significantly increased consideration which shall be used to build a new community center on the remaining portion of land which shall be retained by the City of Pontiac.

We are presenting this Letter of Intent in a simple format instead of the previous formal purchase agreements presented (December 2016, April 2017, August 2017) in order to provide the basic terms and allow the City's attorney to prepare a formal purchase agreement thereafter.

Please receive this letter as an expression of our client's interest in acquiring the above referenced property. Provided the basic terms set forth below are acceptable to the City of Pontiac ("Seller"), John R. Hantz on behalf of an entity to be formed ("Buyer") is prepared to expedite the process of negotiating a mutually acceptable purchase agreement. Upon execution of this non-binding Letter of Intent to Purchase, Purchaser and Seller shall negotiate a definitive real estate Purchase Agreement based upon the terms specified herein. Purchaser invites the Seller to have a formal Purchase Agreement prepared forthwith. This Letter of Intent shall expire and be deemed null and void if not executed and returned by 5:00pm on Friday, May 18th, 2018. The basic terms and conditions proposed are as follows:

PROPERTY: A portion of 200 Lake St., Pontiac, MI 48342 - Parcel ID 14-32-302-011 comprised of approximately 22.79 acres. The total parcel is currently 32.85 acres as illustrated in Exhibit A attached hereto and would need to be split. A portion of parcel shall be split, removed from the purchase, and remain in the current ownership of the City of Pontiac and shall consist of approximately 10.06 acres as illustrated in the attached Exhibit B attached hereto. Seller shall provide accurate legal description.

SELLER: City of Pontiac

PURCHASER: John R. Hantz on behalf of an entity to be formed.

PURCHASE PRICE: Total consideration of One Million One Hundred Thousand and 00/100 (\$1,100,000.00) Dollars, as defined below.

TERMS: Purchaser shall provide the Seller, the amount above, in the form of the Purchaser constructing the NEW Pontiac "Lakeside" Community Center as designed and proposed in the Exhibit D attached hereto. Purchaser shall complete the construction within eighteen (18) months from the date of closing, subject to the City's timely support and construction approvals.

In the event, that the total construction project exceeds the consideration of One Million One Hundred Thousand and 00/100 (\$1,100,000.00) Dollars then the Purchaser offers the Seller an additional "completion" loan, subject to a mutually agreed amount, to be repaid to the Purchaser at seven (7%) percent annual interest over five (5) years (or alternative terms agreed to by the Purchaser).

DEPOSIT: Within three (3) business days of acceptance of this Letter of Intent Purchaser shall provide the Seller with an earnest money deposit ("EMD") equal to One Hundred Thousand (\$100,000.00) Dollars to be held by the Seller, in escrow, and applied towards the purchase at the time of closing. The deposit shall be fully refundable until expiration of the due diligence period as defined below.

BROKERAGE / PROFESSIONAL SERVICES: Both Purchaser and Seller shall be individually responsible for its own brokerage and professional service costs and fees. Seller shall not have responsibility to pay the Purchasers broker. The Purchaser is represented by its Broker CORE Partners.

PURCHASERS DUE DILIGENCE/ CONDITIONS: The Purchaser will have a period of sixty (60) days after execution of this Letter of Intent to accomplish the following items. The Seller will grant Purchaser permission to enter onto the property to conduct any inspections. These items shall include, but not be limited to the following:

- Satisfactory Title review.
- Environmental evaluation of the Property.
- Satisfactory ALTA Survey.

- Satisfactory review of the terms and conditions of any building and/or use restrictions and covenants, or easements affecting the Property.
- The economic suitability and feasibility of the Property

In the event Purchaser, in its sole discretion, is not satisfied with the results of any inspections, reports, etc. within the due diligence period, the Purchaser may terminate this agreement and the deposit therein shall be returned in full to Purchaser.

**SELLERS
CONDITIONS:**

The Seller shall:

- The Seller shall cause to have a formal purchase agreement prepared and presented to the Purchaser within ten (10) business days of the acceptance of this Letter of Intent.
- During the period of due diligence, the Seller shall support and assist in the facilitation of the formal abandonment and vacating of the roads (Clovese St., McAffe Dr., Karl Walters Dr., Howard McNeil St. Branch St., etc.) located on and within the property known as 535 Branch St., Pontiac Parcel ID 14-32-326-001 and further described in Exhibit C attached hereto.

CLOSING:

Within thirty (30) days after the satisfaction of the Due Diligence period.

PURCHASE AGREEMENT:

This letter of intent is a non-binding document and subject to negotiating a mutually acceptable purchase agreement. Purchaser invites the Seller to have its preferred Purchase Agreement prepared based on the terms and conditions herein for the Purchasers immediate review. Both parties agree to negotiate exclusively with each other during this time period.

It is understood this letter is intended merely to outline the principle terms of a proposed agreement for the purchase of the above referenced Property. This letter is not intended to create a legal commitment binding upon either party; both parties become legally bound only if and when both parties execute a formal purchase agreement.

If the foregoing is acceptable to the Seller, please acknowledge below.

Very truly yours,

CORE Partners



Matthew J. Farrell, CCIM
CEO / Co-Founder

Accepted and Agreed to:

SELLER: CITY OF PONTIAC

By: _____
Mayor Deirdre Waterman

Its: _____
Mayor

Date: _____

Exhibit A

Total current parcel, prior split, estimated at 32.85 acres by Oakland County and City of Pontiac records.

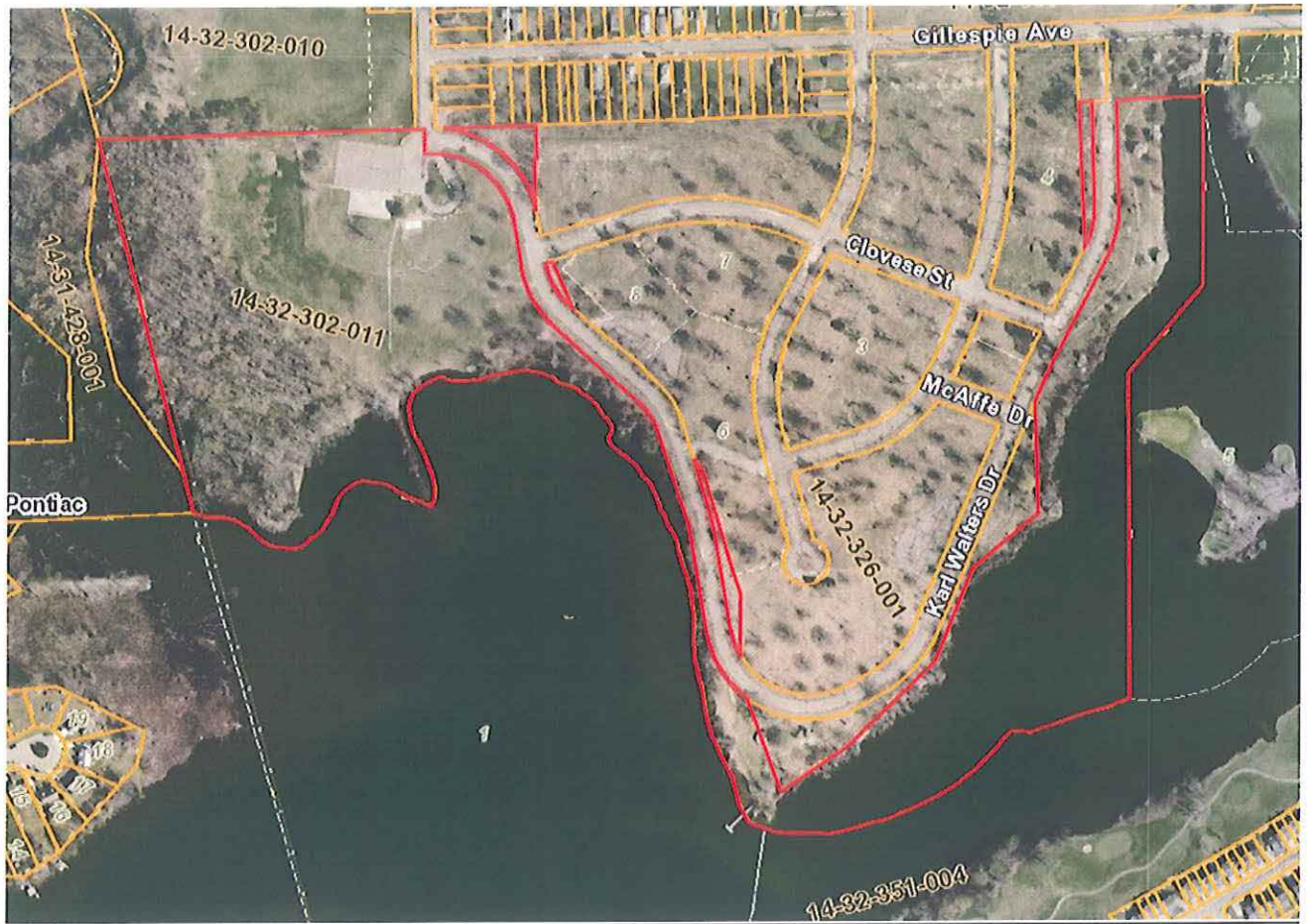


Exhibit B

Portion of parcel to be split, removed from purchase, and remain in the ownership of the City of Pontiac shall consist of approximately 10.06 acres.

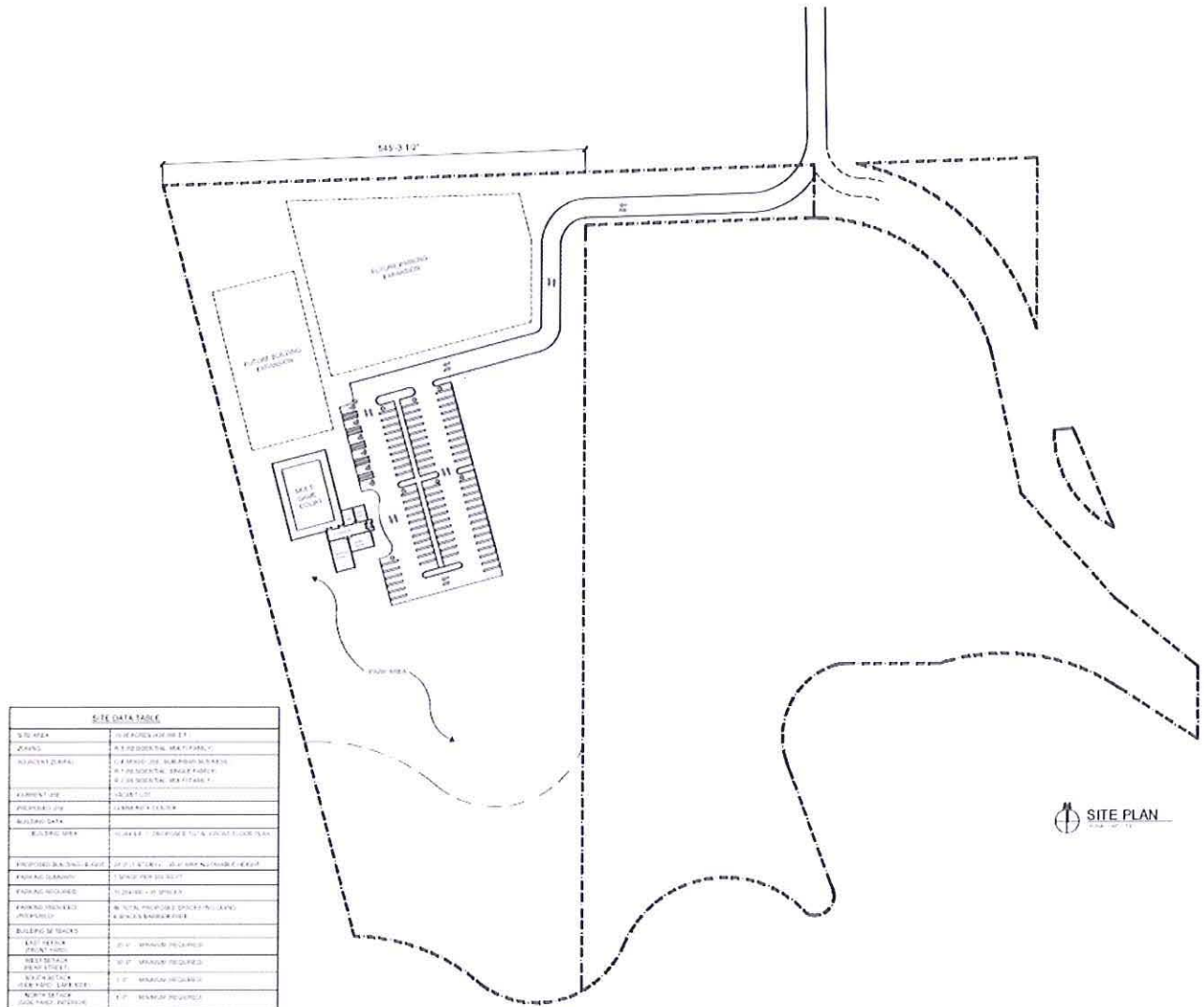


Exhibit C

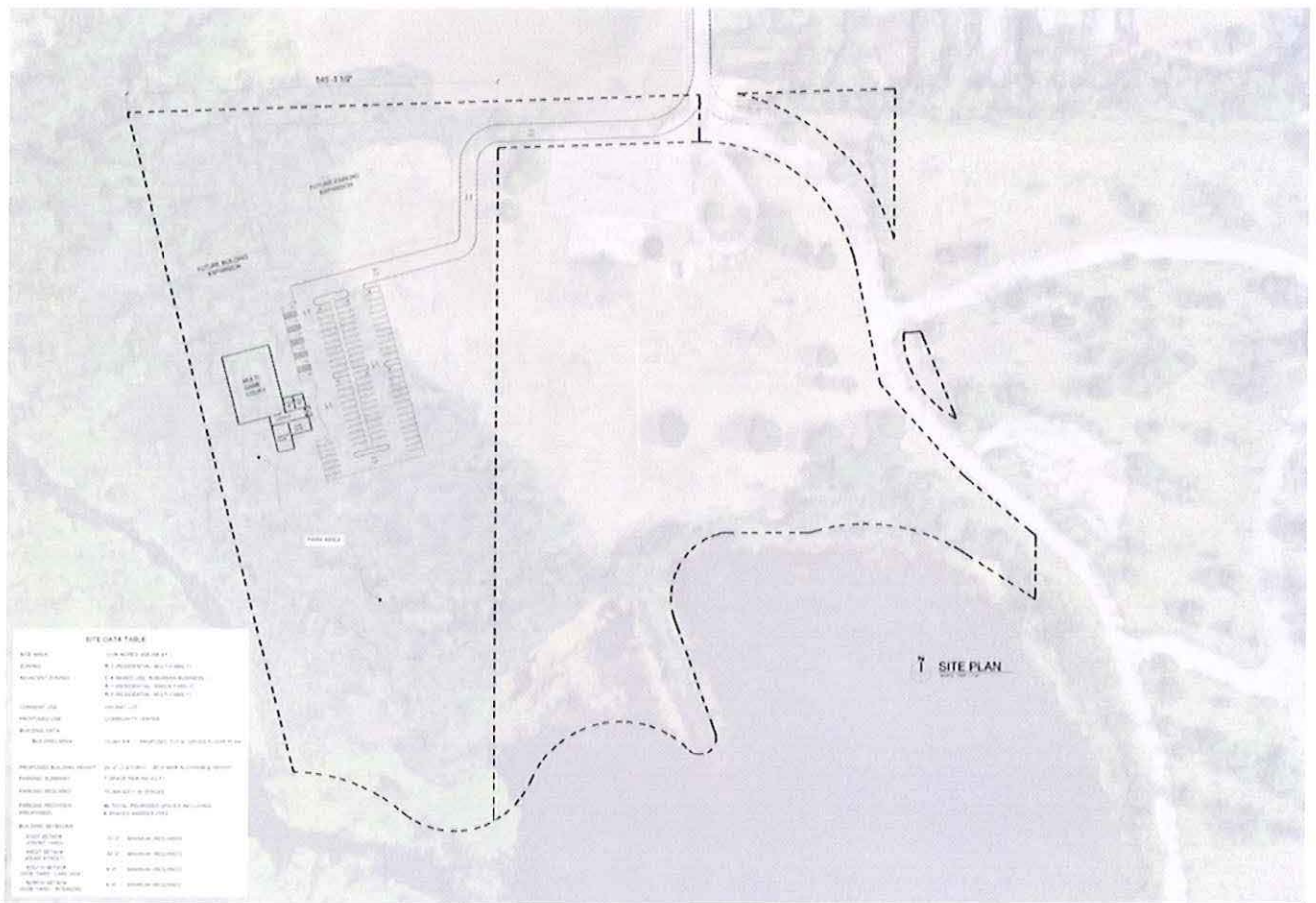
Seller shall support and assist in the facilitation of the formal abandonment and vacating of the roads (Clovese St., McAffe Dr., Karl Walters Dr., Howard McNeil St. Branch St., etc.) located on and within the property known as 535 Branch St., Pontiac Parcel ID 14-32-326-001 as highlighted in "green" below.



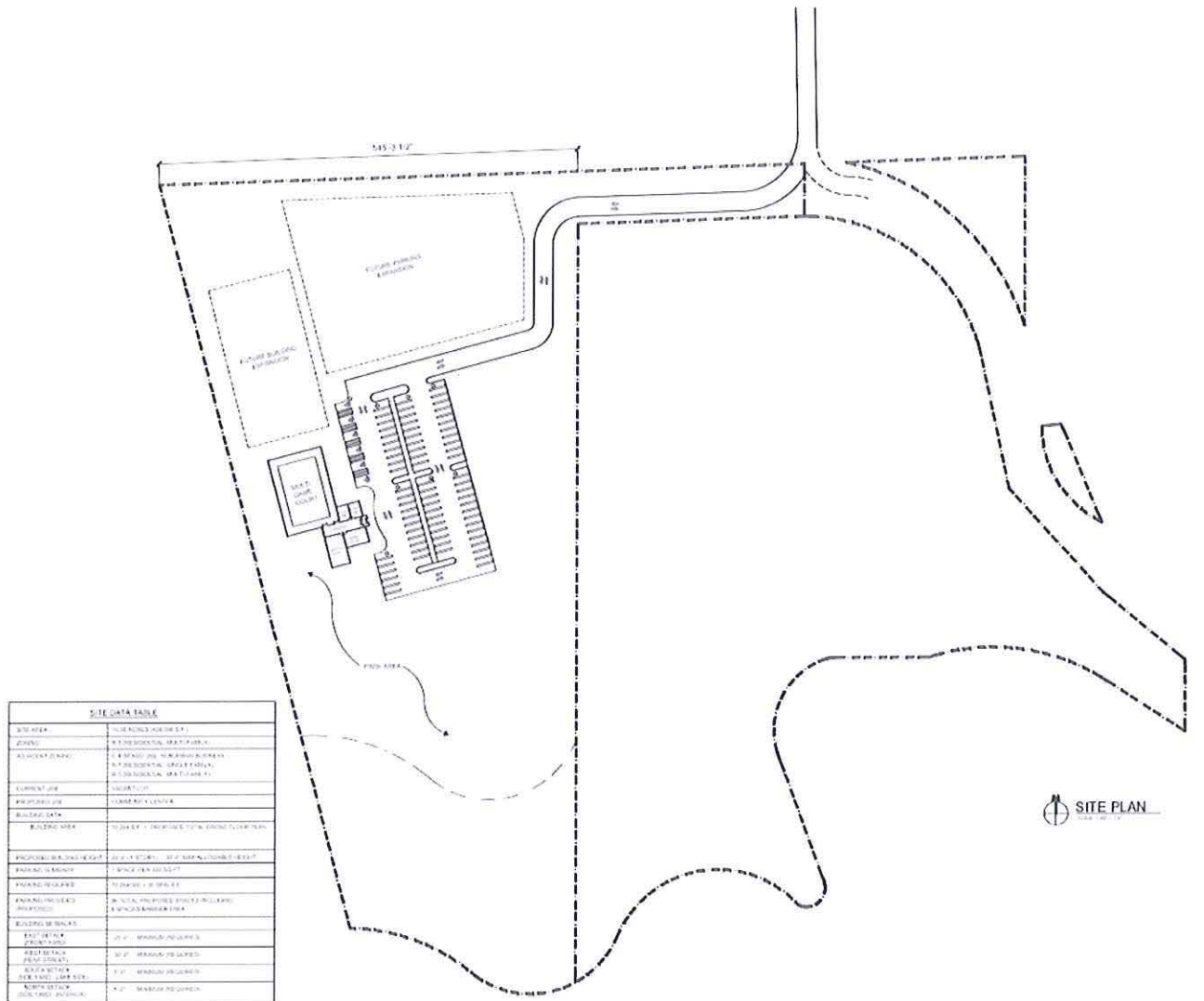
Exhibit D

Proposed – The NEW Pontiac “Lakeside” Community Center

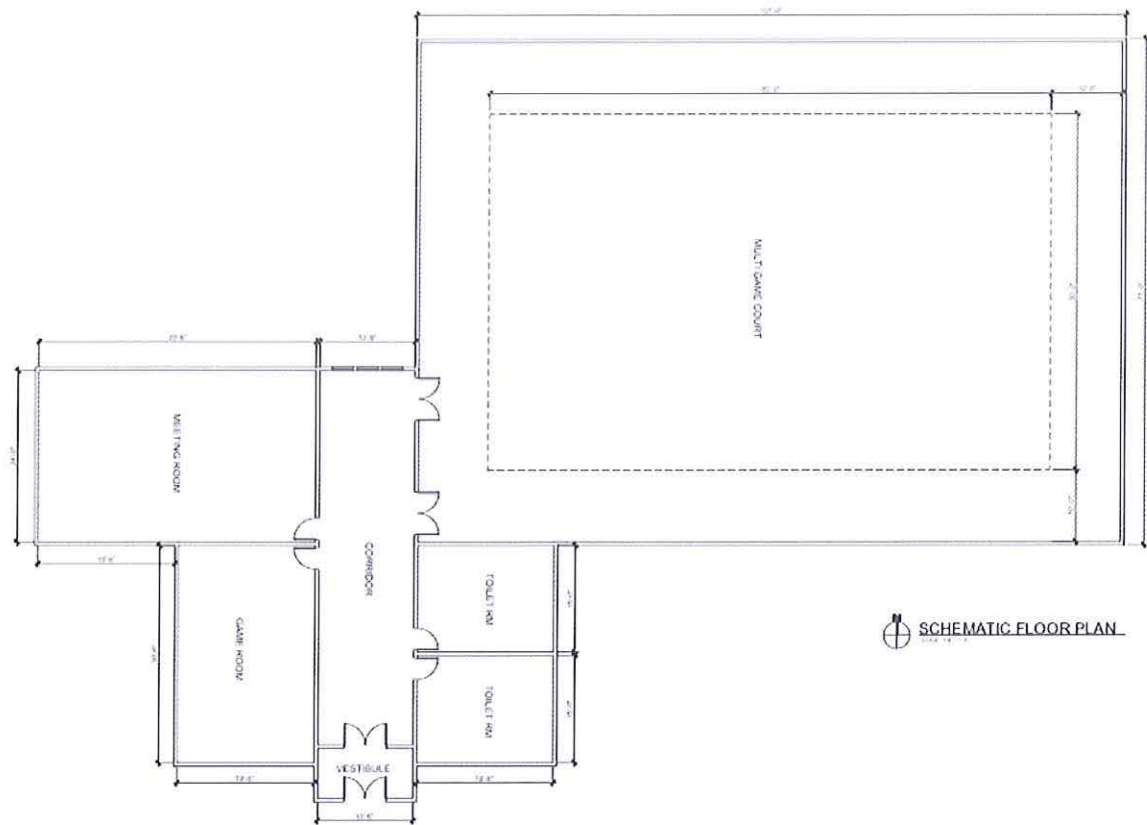
Site Plan



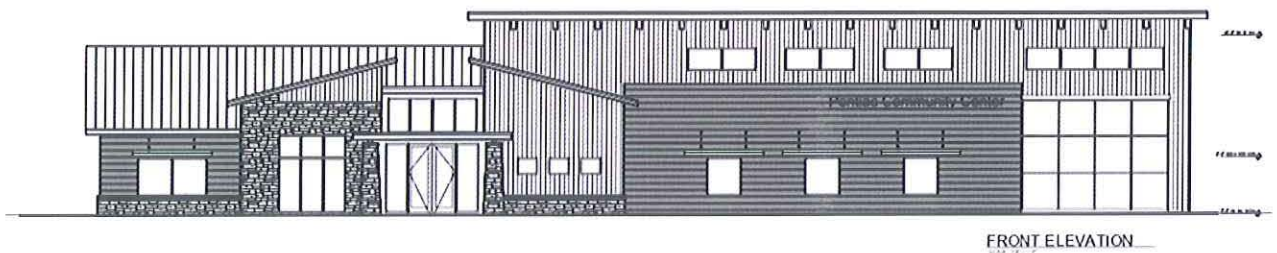
Site Plan



Building Plan



SCHEMATIC FLOOR PLAN
DATE: 10-1-10



FRONT ELEVATION
DATE: 10-1-10

Building Rendering



Building Floor

