

November 30, 2023, Approved Minutes

**Official Proceedings
Pontiac City Council
119th Session of the Eleventh Council**

Call to order

A Special Meeting of the City Council of Pontiac, Michigan was called to order at the City Hall Council Chambers, 47450 Woodward Ave Pontiac, MI 48342 on Thursday, November 30, 2023, at 6:05 p.m. by Council President Pro-Tem William Carrington.

Roll Call

Members Present – William Carrington, Mikal Goodman, Kathalee James, William Parker and Melanie Rutherford

Mayor Tim Greimel was present.
A quorum was announced.

Amendments to and Approval of the Agenda

Motion to approve the agenda. Moved by Councilperson James and second by Councilperson Goodman. Discussion.

Motion to amend agenda to add invocation to the agenda. Moved by Councilperson Rutherford and second by Councilperson Parker.

Ayes: Goodman, James, Parker, Rutherford and Carrington

No: None

Motion Carried

The vote was taken to approve the agenda as amended.

Ayes: Carrington, Goodman, James, Parker and Rutherford

No: None

Motion Carried

Invocation – Pastor William Parker – Pontiac, Michigan

Council President Mike McGuinness and Councilman Brett Nicholson arrived at 6:11 p.m.

Agenda Address

1. Kermit Williams addressed item #1.
2. Patrice Waterman addressed item #1
3. Renee Beckley addressed item #1
4. Chris Northcross addressed item #1
5. Irene Wright addressed item #1
6. Linda Watson addressed item #1
7. Carlton Jones addressed item #1
8. Dr. Deirdre Waterman addressed item # 1
9. Chuck Johnson addressed item # 1
10. Larry Jasper addressed item # 1
11. Darlene Clark addressed item # 1
12. Gloria Miller addressed item # 1
13. Robert Bass addressed item # 1

Agenda Items

Resolutions

~~23-415~~ **Resolution to approve road and road facilities bond proposal for the February 27, 2024 Presidential Primary Ballot.** Moved by Councilperson Goodman and second by Councilperson Parker. Discussion.

Motion to end debate and call for the vote. Moved by Councilperson Rutherford and second by Councilperson Nicholson.

Ayes: Nicholson, Parker, Rutherford and Carrington

No: McGuinness, Goodman and James

Motion Carried

WHEREAS, the City Council of the City of Pontiac, County of Oakland, State of Michigan (the "City") has determined that it is necessary to pay all or part of the costs of acquiring, constructing, furnishing and equipping street, transportation and related facility capital improvement projects within the City, consisting generally of: (a) the acquisition, construction, and improvement of a public works facility, including all mechanical, electrical, technology and security systems, site, utility, fixtures, furniture, and parking improvements and all related appurtenances and attachments thereto, and (b) the acquisition, construction, and improvement of local and major streets, including paving, repaving, reconstructing and improving streets, the necessary rights-of-way, sidewalks, proper drainage facilities and all necessary appurtenances and attachments thereto (collectively, the "Project"); and

WHEREAS, the City Council has determined that the City should borrow money in an amount not to exceed One Hundred Fourteen Million Five Hundred Thousand Dollars (\$114,500,000), and issue general obligation unlimited tax bonds of the City, in one or more series, in such amount for the purpose of paying all or part of the cost of the Project; and

WHEREAS, the City Council has determined that a proposal to issue the bonds (the "Bond Proposal") for the Project shall be submitted to the qualified electors of the City at the election to be held in the City on Tuesday, February 27, 2024 (the "Election Date"); and

WHEREAS, in order for the Bond Proposal to be submitted to the qualified electors, it is necessary for the City Council to certify the ballot wording of the Bond Proposal to the City Clerk and to the County Clerk of the County of Oakland (the "County Clerk"), as required by Act 116, Public Acts of Michigan, 1954, as amended (the "Michigan Election Law").

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Approval of Bond Proposal. The Bond Proposal attached hereto as Exhibit A (the "Bond Proposal") is hereby approved and shall be submitted to a vote of the qualified electors of the City on the Election Date.
2. Certification of Bond Proposal; Submission to County Clerk. The ballot wording of the Bond Proposal is hereby certified to the City Clerk and the County Clerk for submission to the City's electors on the Election Date. The City Clerk is hereby authorized and directed to file this Resolution and/or complete any such forms, certificates or documents as may be required by the County Clerk to evidence the foregoing certification and/or submission by no later than 4:00 p.m. on Tuesday, December 5, 2023.
3. Publication of Notice; Preparation of Ballots. The City Clerk and the County Clerk are hereby directed to (a) post and publish notice of last day of registration and notice of election as required by the Michigan Election Law; and (b) have prepared and printed, as provided by the Michigan Election Law, ballots for submitting the bond proposal at the election, which ballots shall contain the proposal appearing herein, or the proposition shall be stated as a proposal on the voting machines, which ballots may include other matters presented to the electorate on the same date.
4. Estimated Millage. The estimated millage rate in the first year and simple average annual millage rate set forth in the Bond Proposal, which have been prepared for the City by Robert W. Baird &

Company, Incorporated, municipal advisors to the City, are reasonable estimates of such millage rates based on current assumptions.

5. Reimbursement Declarations. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

(a) If the ballot proposal is approved by the electors, the City reasonably expects to reimburse itself with proceeds of the Bonds for certain costs of the Project which were paid or will be paid from the general funds of the City subsequent to sixty (60) days prior to today.

(b) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$114,500,000.

(c) A reimbursement allocation of the capital expenditures described above with the proceeds of the Bonds will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the Bonds to reimburse the City for a capital expenditure made pursuant to this resolution.

6. Bond Counsel. The appointment of Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield") as bond counsel to the City in connection with the issuance of the Bonds is hereby ratified and confirmed, notwithstanding the periodic representation by Miller Canfield in unrelated matters of other parties and potential parties to the issuance of the Bonds. The fees and expenses of Miller Canfield shall be payable as a cost of issuance from proceeds of the Bonds or other available funds of the City.

7. Registered Municipal Advisor. The appointment of Robert W. Baird & Company, Incorporated ("Baird"), as the registered municipal advisor to the City in connection with the issuance of the Bonds, is hereby ratified and confirmed. The fees and expenses of Baird shall be payable as a cost of issuance from proceeds of the Bonds or other available funds of the City.

8. Effective Date. This Resolution shall take effect immediately upon its adoption by the Council.

9. Rescission. All resolutions and parts of resolutions, insofar as they conflict with the provisions of this resolution, are hereby repealed.

Ayes: Parker

No: James, McGuinness, Nicholson, Rutherford, Carrington and Goodman

Resolution Failed

Councilwoman Melanie Rutherford left the meeting.

23-415 **Resolution to approve Proposal 1 Ordinance No. 2424 an Ordinance to amend Ordinance No. 2406 City of Pontiac Adult-Use Business Ordinance for the February 27, 2024 Presidential Primary Ballot.** Moved by Councilperson Nicholson and second by Councilperson Goodman.

WHEREAS, on October 10, 2023 City Council passed Ordinance No. 2424 amending the City's Adult-Use Marijuana Business Ordinance, consistent with the settlement of Case No. 2023-202360-AW in the Oakland County Circuit Court, and

WHEREAS, Citizens for Equitable Cannabis submitted to the City Clerk referendum petitions and signatures protesting Ordinance No. 2424; and

WHEREAS, the City Clerk counted, examined and certified the required number of petition signatures and Ordinance No. 2424 was suspended; and

WHEREAS, on November 21, 2023 the City Council determined not to repeal Ordinance No. 2424 and that the referendum issue of whether Ordinance No. 2424 should be adopted by the City of Pontiac should be presented to the voters as Proposal 1 in the February 27, 2024 primary election.

NOW THEREFORE, BE IT HEREBY RESOLVED that the attached question marked as Proposal 1 is hereby approved by City Council to be submitted to the qualified electors in the City of Pontiac at the

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Presidential Primary Election in the City of Pontiac, the 27th day of February, 2024 and the City Clerk is hereby directed to give notice of the election and notice of registration thereof in the manner prescribed by law and to do all things and provide all supplies necessary to submit the Referendum Ordinance to the vote of the electors as required by law.

Ayes: Nicholson, Parker, Carrington, Goodman, James and McGuinness

No: None

Resolution Passed

****See Proposal 1 as Exhibit A after the minutes****

No motion was made for Resolution to approve how the ballot questions shall appear on February 27, 2024.

Public Comment

1. Robert Bass
2. Randy Crowell
3. Carlton Jones
4. Linda Watson
5. Dr. Deirdre Waterman
6. Chuck Johnson
7. Larry Jasper
8. Darlene Clark
9. Gloria Miller
10. Irene Wright

Adjournment

Motion to adjourn the meeting. Moved by Councilperson Nicholson and second by Councilperson Carrington.

Ayes: Carrington, Goodman, James, McGuinness, Nicholson and Parker

No: None

Motion Carried

Council President Mike McGuinness adjourn the meeting at 8:28 p.m.

Garland S. Doyle
City Clerk

PROPOSAL 1

City of Pontiac Ordinance No. 2424 an Ordinance to Amend the Adult-Use Marihuana Business Ordinance

Shall the City of Pontiac, Oakland County, Michigan adopt

Ordinance No. 2424 an Ordinance to Amend the City of Pontiac Adult-Use Marihuana Business Ordinance 2406 which allows adult-use marihuana establishments to operate in the City of Pontiac to Include:

Section 03. Definitions: to Amend definition of "Applicant" to deem an Applicant to include any person or entity who holds a direct or indirect ownership interest of 6% or more in the applicant and any person or entity who exercises control over or participates in the management of the applicant.

Section 03. Definitions: to Amend definition of "Person" to include a partnership and a limited liability partnership.

Section 03. Definitions: to Amend definition of "Social Equity-Qualified Business" to include franchisees and to require the business to document 51% or more ownership by social equity qualifying applicants and to identify the ownership percentage held by each stakeholder.

Section 03. Definitions: to Amend definition of "Stakeholder" to include all owners of a business entity, whether profit or non-profit, with a direct or indirect ownership interest greater than 6%.

Section 12(b)(2) General Permit Application Requirements: to Amend the disclosure requirements so that each applicant entity is required to disclose in the application the ownership structure of the applicant entity and the identity of every person or entity having a direct or indirect ownership interest in the applicant entity greater than 2.5% by providing the entity or individual name, the ownership percentage, email address, mailing address and if applicable, the date of birth; and for the purpose of these disclosure requirements, the term "applicant entity" shall only refer to the person or entity applying for a permit from the City, and not to the owners or managers of such entity.

Section 12(b)(6) General Permit Application Requirements: to Amend that the affirmation that the applicant and every stakeholder is at least 21 years of age shall be made by the applicant.

Section 12(b)(7) General Permit Application Requirements: to Amend that the required criminal history background report of the applicant's criminal history include any managerial employee of the applicant and any person who exercises control over or participates in the management of the applicant.

Section 13(d) Marihuana Business Permit Application Process: to Amend by moving the phrase "and obtains a permit from the City and an operating license from the Department within 18 months after the conditional permit is granted" to the end of the sentence: The Clerk will grant a final permit if the applicant obtains final site plan approval and special land use approval within 6

months of receiving a conditional permit, enters into a written agreement with the City confirming that the marijuana establishment will operate in accordance with the business plans, building plans, design standards, social equity plans and all other operational standards described by the applicant in the application materials submitted, and obtains a permit from the City and an operating license from the Department within 18 months after the conditional permit is granted; and to make a grammatical correction in the 13th line of the Second Reading of the Ordinance to delete an “n” and add “a” before the word “permit.”

Section 13(e) Marijuana Business Permit Application Process: to Amend the time for the Clerk to set the 21-day application window period to thirty (30) days from the effective date of this ordinance.

Section 13(f)(3) Marijuana Business Permit Application Process: to Amend the Neighborhood Communication/Education Plan of the proposed Marijuana Business to require the meetings with neighborhood organizations, residents and the public to include written notice to all property owners within 1500 feet of the marijuana business location.

Section 13(f)(8) Marijuana Business Permit Application Process: to Amend by deleting the reference to a \$1,000 amount for possible donations to a fund administered by the City for planned philanthropic initiatives and community improvement programs aimed at the City.

Section 13(f)(9) Marijuana Business Permit Application Process: to Amend the maximum number of scoring points from 20 points to 30 points for applicants who have current and final conditional approval for a medical marijuana provisioning center permit; to Amend that these scoring points do not apply to those applicants for a medical provisioning center permit who were initially one of the five highest scoring applicants in the zoning district where they applied but are no longer one of the five highest scoring applicants in the zoning district where they applied; to Amend that the medical applicant entity who has current and final conditional approval for a medical marijuana provisioning center permit shall be awarded the 30 points whether they apply for a retailer permit or a social equity retailer permit as long as the applicant entity was qualified as a Social Equity Qualified Business when it was conditionally approved for a medical marijuana provisioning center; and to Amend that applicants with current and final conditional approval for a medical marijuana provisioning center permit may apply for recreational licenses at a different location in any of the four districts allowed under Zoning Ordinance #2407, not only in the zoning district where they were awarded their conditionally approved medical license.

Section 13(f)(11) Marijuana Business Permit Application Process: to Amend by requiring that a building that an applicant has rehabilitated and/or redeveloped within three (3) years before the submittal of the application under this ordinance meets the definition of blighted or dangerous as such term is defined in the City’s Code of Ordinances and deleting the requirement that the building be cited by the City as blighted or dangerous.

Section 13(f)(14) Marijuana Business Permit Application Process: to Amend by adding Section 13 (f)(14) to provide for a maximum number of 10 scoring points if an applicant was the highest scoring conditionally approved medical provisioning center applicant in the zoning district in which the applicant applied, including all those applicants tied for the highest score in that zoning district, whether an applicant was applying for a retailer or social equity retailer permit.

Section 13(g) Marihuana Business Permit Application Process: to Amend that the scoring and ranking of applications conducted by the Clerk shall be on the basis of assigned points from zero (0) points to one hundred and eighty five (185) points with the lowest overall total score as zero (0) points and the highest possible total score being one hundred and eighty five (185) points.

Section 13(h) Marihuana Business Permit Application Process: to Amend that the 17 conditional permits awarded to the highest scoring applicants for permits to operate retailer establishments is limited by the applicable overlay zoning districts.

Section 13(i) Marihuana Business Permit Application Process: to Amend that the 5 conditional permits awarded to the highest scoring applicants for permits to operate Class A Microbusinesses is limited by the applicable overlay zoning districts.

Section 13(l) Marihuana Business Permit Application Process: to Amend that the 6 conditional permits awarded to the highest scoring applicants for permits to operate Social Equity Retailer establishments is limited by the applicable overlay zoning districts.

Section 20(a) Transfer of Location Prohibited; Transfer of Ownership and Assets: to Amend to allow conditionally approved medical marihuana permit holders to apply for adult-use permits at a different location than the location applied for under the Medical Marihuana Facilities Ordinance, Article XXX, Section 26.1491 et seq. in any of the four zoning districts allowed under Zoning Ordinance #2407, not only in the zoning district where the applicant was awarded a conditionally approved medical marihuana permit; to Amend to allow current and final conditionally approved medical marihuana applicants for provisioning center permits who choose to apply at a different location to receive the 30 scoring points under Section 13(f)(9) of this ordinance for the location that had been conditionally approved under the Medical Marihuana Facilities Ordinance Article XXX, Section 26.1491 et seq.; and to Amend to provide that no conditionally approved medical marihuana permit holder shall receive the application scoring points in Section 13(f)(9) for more than one application apiece in a zoning district allowed under Ordinance #2407, whether the application is for a retailer permit or a social equity retailer permit.

A full copy of the proposed Ordinance No. # 2424 is available in the City Clerk's Office during normal business hours for review.

YES

NO