

**KEENE TOWNSHIP  
IONIA COUNTY, MICHIGAN**

**ORDINANCE NO. 9-13-22 A  
ADOPTED DATE 9-13-2022**

**EFFECTIVE DATE: 10-24-2022**

**AN ORDINANCE TO AUTHORIZE AND REGULATE CERTAIN ADULT-USE  
MARIHUANA ESTABLISHMENTS  
OPERATED IN ACCORDANCE WITH STATE LAW**

**Section 1. Definitions.**

The following words and phrases have the meanings when used in this Ordinance:

- (a) *Co-location or co-located* means the siting and operation of a combination of multiple establishments or establishment types at a single location.
- (b) *Designated consumption establishment* means a commercial space that is licensed by LARA and authorized to permit adults 21 years of age and older to consume marihuana products at the location indicated on the state license.
- (c) *Equivalent licenses* means any of the following held by a single licensee:
  - 1. A marihuana grower license, of any class, issued under the act and a grower license, of any class, issued under the MMFLA.
  - 2. A marihuana processor license issued under the act and a processor license issued under the MMFLA.
  - 3. A marihuana retailer license issued under the act and a provisioning center license issued under the MMFLA.
  - 4. A marihuana secure transporter license issued under the act and a secure transporter license issued under the MMFLA.
  - 5. A marihuana safety compliance facility license issued under the act and a safety compliance facility license issued under the MMFLA.
- (d) *Excess marihuana grower* means a license issued by LARA to a person holding five class C marihuana grower licenses and licensed to cultivate marihuana and sell or otherwise transfer marihuana to marihuana establishments.

- (e) *LARA* means the Department of Licensing and Regulatory Affairs and any successor department or agency within the department, including the Cannabis Regulatory Agency.
- (f) *Licensee* means a person holding a state operating license for a marihuana establishment.
- (g) *Marihuana* means all parts of the plant genus *cannabis*, growing or not; the seeds of that plant; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds or resin. Marihuana does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, except the resin extracted from those stalks, fiber, oil, or cake, or any sterilized seed of the plant that is incapable of germination. Marihuana does not include industrial hemp.
- (h) *Marihuana establishment* means a marihuana grower, marihuana safety compliance establishment, marihuana processor, marihuana microbusiness, marihuana retailer, marihuana secure transporter, or any other type of marihuana-related business licensed by LARA under the MRTMA.
- (i) *Marihuana event organizer* means a person licensed to apply for a temporary marihuana event license under the Emergency Rules.
- (j) *Marihuana grower* means a person licensed by LARA to cultivate marihuana and sell or otherwise transfer marihuana to marihuana establishments.
- (k) *Marihuana microbusiness* means a person licensed by LARA to cultivate not more than 150 marihuana plants; process and package marihuana; and sell or otherwise transfer marihuana to individuals who are 21 years of age or older or to a marihuana safety compliance establishment, but not to other marihuana establishments.
- (l) *Marihuana processor* means a person licensed by LARA to obtain marihuana from marihuana establishments; process and package marihuana; and sell or otherwise transfer marihuana to marihuana establishments.
- (m) *Marihuana retailer* means a person licensed by LARA to obtain marihuana from marihuana establishments and to sell or otherwise transfer marihuana to marihuana establishments and to individuals who are 21 years of age or older.
- (n) *Marihuana secure transporter* means a person licensed by LARA to obtain marihuana from marihuana establishments in order to transport marihuana to marihuana establishments.
- (o) *Marihuana safety compliance establishment* means a person licensed by LARA to test marihuana, including certification for potency and the presence of contaminants.

- (p) *MMMA* means the Michigan Medical Marihuana Act, Initiated Law 1 of 2008, as amended, MCL 333.26424 *et seq.*
- (q) *MMMFLA* means the Michigan Medical Marihuana Facilities Licensing Act, 2016 PA 281, as amended, MCL 333.27102 *et seq.*
- (r) *MRTMA* means the Michigan Regulation and Taxation of Marihuana Act, Initiated Law 1 of 2018, MCL 333.27951 *et seq.*
- (s) *Prequalification step* or *prequalified* means the portion of the application for a state operating license pertaining to the applicant’s financial background and the criminal history of the applicant and other associated persons, as provided by Emergency Rule 6.
- (t) *Rules* means the administrative rules for adult-use marihuana establishments promulgated by LARA, as amended from time to time.
- (u) *Same location* means separate state licenses that are issued to multiple marihuana establishments that are authorized to operate at a single property but with separate business suites, partitions, or addresses.
- (v) *Single property* means a parcel in the Township with a single tax identification number.
- (w) *Stacked grower license* means more than 1 state operating license issued to a single licensee to operate as a grower of class C-1,500 marihuana plants as specified in each license at an establishment.
- (x) *State operating license* or, unless the context requires a different meaning, “*license*” means a license that is issued by LARA under the MRTMA that allows the licensee to operate a marihuana establishment.

**Section 2. Authorized Establishments.**

- (a) *Authorization and special land use permit required.* No person shall operate a marihuana establishment in the Township without an authorization issued by the Township pursuant to the provisions of this Ordinance and a special land use permit pursuant to this Ordinance and the Township Zoning Ordinance.
- (b) *Number of establishments eligible for authorization.* The following numbers of marihuana establishments may be authorized to operate in the Township, subject to this Ordinance:
  - (1) Zero Class A growers (prohibited in the Township);
  - (2) Two (2) Class B growers;
  - (3) Two (2) Class C growers;
  - (4) Zero processors (prohibited in the Township);
  - (5) Zero secure transporters (prohibited in the Township);

- (6) Zero safety compliance establishments (prohibited in the Township);
  - (7) Zero (0) microbusinesses (prohibited in the Township);
  - (8) Zero (0) designated consumption establishments (prohibited in the Township);
  - (9) Zero (0) retailers (prohibited in the Township); and
  - (10) Zero (0) temporary marihuana events (prohibited in the Township).
- (c) *Co-location and stacked licenses.* Co-location and stacked grower licenses are prohibited.
- (d) *Final authorization from Township required.* The authorization process described in Section 3 determines the locations in the Township at which establishments may operate. A proposed establishment is not eligible to operate until the Clerk or the Clerk’s designee grants final authorization pursuant to Section 3(d) and until the applicant receives a special land use permit under the Township Zoning Ordinance and all required approvals and licenses from LARA.

**Section 3. Application for Authorization.**

- (a) *Timing of Submission.* Within any application window established under subsection 3(c), a person may apply for authorization to operate an establishment within the Township by complying with the requirements of this section.
- (b) *Required Application Materials.* An application is not considered complete until all of the following are received by the Township Clerk or the Clerk’s designee:
- (1) A nonrefundable application fee in an amount to be set by resolution of the Township Board.
  - (2) An advance of the annual administrative fee established in Section 4 (c).
  - (3) A photocopy of a valid, unexpired driver’s license or state issued identification card for all owners, directors, and officers of the proposed establishment.
  - (4) A signed application (available in the Clerk’s office), which must include all of the following information and documents:
    - (A) If the applicant is an individual, the applicant’s name; date of birth; Social Security number; physical address, including residential and any business address; copy of government-issued photo identification; email address; one or more phone numbers, including emergency contact information,
    - (B) If the applicant is not an individual, the names; dates of birth; physical addresses, including residential and any business address; copy of

government-issued photo identifications; email address; and one or more phone numbers of each stakeholder of the applicant, including designation of the highest ranking representative as an emergency contact person; contact information for the emergency contact person; articles of incorporation or organization; assumed name registration; Internal Revenue Service EIN confirmation letter; copy of the operating agreement of the applicant, if a limited liability company; copy of the partnership agreement, if a partnership; names and addresses of the beneficiaries, if a trust, or a copy of the bylaws or shareholder agreement, if a corporation;

(C) The name, address, tax identification number, and current zoning designations of the proposed marihuana establishment;

(D) The name and address of the current property owner of record;

(E) If the current property owner is different than the applicant (e.g. where the applicant has a lease, option, land contract, or other present or future interest in the property), the property owner's signature is required in addition to the applicant's.

a. An applicant may submit applications for multiple properties.

b. Multiple applicants may submit applications for a single property, but only one licensee may be authorized to operate on a single property.

(F) The proposed establishment type;

(G) A complete list of all marihuana permits and licenses held by the applicant;

(H) Written consent for the Township to inspect the establishment at any time during normal business hours to ensure compliance with applicable laws and regulations;

(I) A location area map of the marihuana establishment and surrounding area that identifies the relative locations and the distances (closest property line to the subject marihuana establishment's building) to the closest real property comprising a public or private elementary, vocational or secondary school;

(J) A copy of all documents issued by LARA indicating that the applicant has been prequalified for a state operating license under the MRTMA;

(K) Any other information reasonably requested by the Township relevant to the processing or consideration of the application.

(c) *Application receipt period set by resolution.* For any establishment type subject to numerical limitations under Section 2 for which licenses are available, the Township shall establish an application receipt period by resolution.

(d) *Clerk action upon receipt.* The Clerk or the Clerk’s designee will accept and receive any complete application that includes the information and documents required by Section 3(b) and that is received during any applicable application receipt period. Upon receiving a complete application, the Clerk or the Clerk’s designee will, upon request by the applicant, time- and date-stamp the application and inform the applicant of the following:

(1) The number of existing establishments of the proposed establishment type currently operating within the Township.

(2) The number of pending applications for the desired establishment type; and

(3) The process by which an applicant will be selected pursuant to subparagraph (e).

(e) *Conditional authorization and competitive process.* The Clerk or the Clerk’s designee will conditionally authorize establishments as follows:

(1) If, after close of business on the end date of the application receipt period, the Township has received more applications for a given establishment type than would be permitted under Section 2, the Township will decide among competing applications by a competitive process intended to select applicants who are best suited to operate in compliance with the MRTMA in the Township. The Township will provide applicants with twenty-one (21) calendar days’ notice that the applicants must provide supplemental written information and documentation to the Township indicating whether the applicant satisfies each of the following criteria:

Scoring category	Available points
Background of the applicant, including past ownership interest in a business or businesses operating in the State of Michigan; past compliance with business licensing requirements, including marihuana business licenses issued by LARA; current medical marihuana facility license status; and history of compliance with Township and state regulations associated with existing medical marihuana facility licenses held in the Township, if applicable.	Twenty (20) points
Human resources, including the number of full-time equivalent employees; the percent of such employees that are residents of the Township; and the proposed minimum rate of pay for all employees.	Ten (10) points

Area impact, including the proximity of the establishment to properties zoned or used residentially; consistency with surrounding land uses; impact on traffic, parking, public safety, noise, and aesthetics; and plans for litter control, neighborhood outreach, noise mitigation, odor mitigation, resident safety, and traffic mitigation.	Twenty (20) points
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(2) Upon timely receipt of the supplemental information described in subparagraph (1), the Township Board or its designee shall assign points for the criteria that are satisfied pursuant to the chart in subparagraph (1) and shall, based on the resulting scores, select applicants who are best suited to operate in compliance with the MRTMA in the Township. The Township shall notify the selected applicants that they have been granted conditional authorization. In the event of a tie score, the Township Board shall select the applicant who, based on the totality of the circumstances, the Township finds is best suited to operate in compliance with the MRTMA.

(3) If an applicant does not timely submit the supplemental information described in subparagraph (1), then the application shall be discarded and shall not be considered under subparagraph (2).

(4) For any establishment type not subject to numerical limits under Section 2, or otherwise not subject to the competitive process described in subsection (e)(1), the Clerk or the Clerk’s designee will conditionally authorize establishments in the order in which applications are received.

(5) Once the Clerk or the Clerk’s designee has issued conditional authorizations for all of the establishments of a given establishment type that would be permitted under Section 2, the Clerk or the Clerk’s designee will place subsequent applications at the end of the waiting list for that establishment type. Applications shall be included on the waiting list in the order designated by the Township Board or its designees under subparagraph (2).

(f) *Final authorization.* The Clerk or the Clerk’s designee will grant final authorization for the establishment if the applicant:

(1) Submits an application for special land use authorization pursuant to the Township Zoning Ordinance within 30 days after receiving conditional authorization.

(2) Obtains special land use authorization within 12 months after receiving conditional authorization; and

(3) Receives all required operating licenses and approvals from LARA within 18 months after conditional authorization is granted.

- (g) *Expiration of conditional authorization.* If the applicant for a conditionally authorized establishment fails to satisfy any of the deadlines established above, the conditional authorization will expire. The Township Board may extend any of the deadlines by resolution upon a showing of good cause.
- (h) *Waiting list and refund of administrative fee.* The Clerk or the Clerk’s designee will keep and maintain the waiting lists established pursuant to subsection (e) until the maximum number of establishments of the type to which the list pertains are operating in the Township (at which time the Clerk or the Clerk’s designee will discard the waiting list). If a conditional authorization for a proposed establishment of that establishment type expires, the Clerk or the Clerk’s designee will conditionally authorize the next application on the waiting list. Upon discarding the waiting list, the Clerk or the Clerk’s designee will refund the advance of the annual administrative fee established in Section 4(c) to all applicants remaining on the waiting list.
- (i) *Newly available authorizations.*
  - (1) For establishment types for which the maximum number of establishments specified in Section 2 are operating in the Township, an authorization will become available when:
    - (A) The state operating license for an establishment with final authorization expires or is revoked by LARA; or
    - (B) This Ordinance is amended to authorize additional establishments of that establishment type.
  - (2) When an authorization becomes available as described in subsection (h)(1), the Township Clerk or the Clerk’s designee will select a date within the next 90 days on which the Township will begin accepting applications from interested persons, and will publish notice of the selected date in a newspaper of general circulation in the Township.
  - (3) On the selected date, the Clerk or the Clerk’s designee will begin accepting applications using the same process described in subsections (c) and (d) above. If multiple applications are received on that date, the Township Board or its designee will request supplemental information and conduct a competitive selection process as outlined in Section 3(e) above.

**Section 4. General Regulations.**

- (a) *Compliance with applicable laws and regulations.* Adult-use marihuana establishments must be operated in compliance with the MRTMA, MRTMA rules, all conditions of the establishment’s state operating licenses, and all applicable Township ordinances. Compliance with the foregoing does not create immunity from prosecution by federal authorities or other authorities of competent jurisdiction.



- (b) *No consumption on premises.* No smoking, inhalation, or other consumption of marihuana shall take place on or within the premises of any establishment. It shall be a violation of this Ordinance to engage in such behavior, or for a person to knowingly allow such behavior to occur. Evidence of all of the following gives rise to a rebuttable presumption that a person allowed the consumption of marihuana on or within a premises in violation of this section:
  - (1) The person had control over the premises or the portion of the premises where the marihuana was consumed;
  - (2) The person knew or reasonably should have known that the marihuana was consumed; and
  - (3) The person failed to take corrective action.
- (c) *Annual fee.* A licensee must pay an annual fee in an amount set by resolution by the Township Board for each license used within the Township to help defray administrative and enforcement costs. The initial annual fee(s) must be paid to the Township when the application for Township approval is submitted. In each subsequent year, fees are due on the date on which the licensee submits an application to LARA for renewal of the state operating license. The annual fee may be reduced by resolution of the Township Board.

**Section 5. Additional Regulations.**

- (a) *Co-location.* Co-located establishments are prohibited, except to the extent that the Township is required to allow them pursuant to MRTMA.
- (b) *Stacked Grower Licenses.* Stacked grower licenses are prohibited.
- (c) *Equivalent Licenses.* Equivalent licenses may be operated at the same location within Township, subject to this Ordinance and to the extent permitted by state law.
  - a. When a licensee holds equivalent licenses for a single property, each facility or establishment counts as a separate facility or establishment under this Ordinance and the Township’s MMFLA ordinance.
  - b. Each licensed facility or establishment must meet all other requirements of this Ordinance, other Township ordinances, and the Township Zoning Ordinance. A separate application, application fee, and annual fee are required for each proposed licensed facility or establishment with equivalent licenses.

**Section 6. Relocation of Establishments, Transfers of Licenses, and Expansion of Grow Operations.**

- (a) An existing establishment may be moved to a new location in the Township, subject to applicable zoning regulations, prior Township Board approval, and approval by LARA. In deciding whether to approve a new location for an existing establishment, the Township Board shall consider the following nonexclusive factors:
  - a. The impact of the establishment’s new location on traffic, parking, public safety, noise, and aesthetics;
  - b. The impact of the establishment’s new location on the community as a whole; and
  - c. The existing establishment’s compliance with Township ordinances and with state law and administrative rules.
- (b) A license for an existing establishment may be transferred to a new licensee that intends to continue operating at the same location, subject to approval by Township Board and LARA.
- (c) A licensee may expand growing operations by upgrading the class of the license (e.g., from class A to class B, or from class B to class C), subject to all the limitations (including limitations on the number of establishment types) set forth in Section 2. To do so, the licensee must submit a new application to the Township satisfying the requirements in Section 3(a), which shall include payment of the application fee and an advance of any additional annual administrative fee. The application shall be conditionally approved upon receipt of all required materials and compliance with this Ordinance, the MRTMA, and all requirements imposed by LARA.

**Section 7. Violations.**

- (a) *Request for revocation of state operating license.* If at any time an authorized establishment violates this Ordinance or any other applicable Township ordinance, the Township Board may request that LARA revoke or refrain from renewing the establishment’s state operating license.
- (b) *Civil infraction.* It is unlawful to disobey, neglect, or refuse to comply with any provision of this Ordinance. A violation of this Ordinance is a municipal civil infraction. Each day the violation continues shall be a separate offense. Notwithstanding any other provision of this Ordinance to the contrary, violators are subject to the following fines:
  - (1) First violation = \$500
  - (2) Second offense = \$2,500
  - (3) Each subsequent offense = \$5,000

- (c) *Other remedies.* The foregoing sanctions are in addition to the Township’s right to seek other appropriate and proper remedies, including actions in law or equity.

**Section 8. Repealer**

Any ordinances that conflict with this Ordinance, including the Township’s “Prohibition of Recreational Marihuana Establishments Ordinance” effective June 18, 2019, are repealed to the extent necessary to give this Ordinance full force and effect.

YEAS: Board Member(s) Robert Simpson, Kara Albert, Corey Wojcik, Tami Hardy

NAYS: Board Member(s) None

ABSTAIN: Board Member(s) None

ABSENT: Board Member(s) None (one open unfilled Trustee position)

**Section 9. Effective Date**

This Ordinance shall be effective thirty (30) days after publication.

**CERTIFICATION**

As the Township Supervisor and Township Clerk of Keene Township, Ionia County, Michigan, I certify this is a true and complete copy of an ordinance adopted by the Keene Township Board at a regular meeting held on September 13, 2022.

Date: \_\_\_\_\_, 2022

\_\_\_\_\_  
Robert Simpson, Township Supervisor

Date: \_\_\_\_\_, 2022

\_\_\_\_\_  
Tami Hardy, Township Clerk

Introduced: 7-8-2022

Adopted: 9-13-2022

Published: 9-24-2022

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*Note – class B Grower is up to 500 plants, class C grower is up to 2000 plants per license*