

CITY OF LAPEER POLICY

MEDICAL MARIHUANA PROVISIONING CENTER APPLICATION PROCESS FOR ISSUANCE OF PROVISIONAL LICENSES

MERIT SYSTEM PROCEDURE FOR ALLOCATION OF LIMITED PROVISIONAL LICENSES

PURPOSE:

It is the intent of this Policy to establish the procedure to be used for the application process for provisioning center licensure authorized under Chapter 68 (An Ordinance To Authorize And Regulate The Establishment Of Medical Marihuana Facilities) of the General Ordinances of the City of Lapeer.

1. Application

All applicants must meet the following criteria in addition to those requirements as outlined in Chapter 68 of the City's General Ordinances:

- ▶ Applicants must be 21 years of age or older.
- ▶ Only those applicants who submit the required information will be eligible for selection.
- ▶ Applicants are limited to one entry per legal entity or family.
- ▶ Applicants are limited to one entry per location.
- ▶ Applicants sharing common ownership or the same establishment location shall be disqualified.
- ▶ Applicants may not sell, transfer, assign or otherwise convey their position on the registry as described in Section 1(b) below.

(a) Merit Based Procedure.

On or after the first business day in April, beginning in 2018, the City of Lapeer ("City") shall receive completed applications and a Supplemental Marihuana Provisioning Center License Application ("Supplemental Application") for authorization to operate a medical marihuana facility, in general, and with respect to medical marihuana provisioning centers in particular. Any applicant for a medical marihuana provisioning center license must submit five (5) original completed applications and five (5) original supplemental applications bearing an original signature of the applicant, along with an attestation by the applicant that the application and supplemental application tendered to the City is complete at the time of filing, including the applicable fee to the office of the City Clerk, located at 576 Liberty Street, Lapeer, Michigan 48446, between the hours of 9:00 a.m. and 4:00 p.m., either: (a) in person, or (b) via U.S. Mail or other parcel carrier, only. **Applications and supplemental applications**

submitted by facsimile or email will not be considered. Upon receipt, the City Clerk shall cause to be prepared a Registry of all applications and supplemental applications which shall delineate the name of the applicant, the date the application was received, the time at which such application was received, the method of delivery to the office of the Clerk, and the name of the individual that received such application.

(b) Complete Applications, only.

The application and supplemental application for consideration of a license for a medical marihuana provisioning center shall be made on City of Lapeer forms and must be submitted to the City Clerk. Once the Clerk receives a completed application and supplemental application including the applicable medical marihuana facility fee, the application and supplemental application shall be time and date stamped. Only complete applications and supplemental applications shall be submitted, and only completed applications and supplemental applications will be considered for licensure. If at any point in time during the Clerk's review of the application and supplemental application for a provisioning center license it is determined that the application and/or supplemental application is incomplete, following the exhaustion of all administrative remedies and procedures allowed either under Chapter 68 of the City's general ordinances or as otherwise provided by law, the incomplete application and supplemental application will be removed from consideration.

(c) Selection Process.

i) Initial Evaluation.

Beginning the first business day in April until the fifteenth (15th) business day, completed applications and supplemental applications may be submitted between the hours of 9:00 a.m. and 4:00 p.m. Provided that the City has received more than six (6) completed applications and supplemental applications after the fifteenth (15th) business day, no further applications and supplemental applications will be considered in the initial evaluation for consideration of licensure. Applications and supplemental applications received after this date will be added to a waiting list until after the first initial evaluation of all applications and supplemental applications have been completed. The City will notify those selected within two (2) business days by telephone, telefax or email as set forth on the supplemental application.

If, for any reason, there are not enough applications and supplemental applications to fill the limitation set by ordinance, then those applications and supplemental applications received and placed on the waiting list will be taken in time and date stamped

order to fill the remaining open licensure limitation amount as set by ordinance.

- (1) Each timely submitted application and supplemental application (together forming the "Provisioning Center Application") will be reviewed by a three (3) member panel ("Panel") as designated and assigned by the City Commission.
- (2) Beginning on the sixteenth (16th) business day until the thirtieth (30th) business day, the panel will meet for a total of up to fifteen business days to review the timely filed Provisioning Center Applications. All Provisioning Center Applications shall be reviewed by the panel and will be assessed, scored and ranked on the established criteria, with each item representing a maximum point value of one (1) with no fraction points to be awarded and which when combined yield a maximum potential score of sixty-five (65) points. The lowest overall total score is zero (0) points and the highest possible overall total score is sixty-five (65) points in the merit-based scoring system. Those applicants with the six (6) highest overall total scores shall be eligible for a provisional license provided all other conditions for issuance and eligibility under Chapters 7 and 68 of the General Ordinances of the City of Lapeer, Michigan statute and regulatory requirements are met.
- (3) The Provisioning Center Applications will be assessed, scored and ranked based on the Medical Marihuana Provisioning Centers Scoring Criteria as established by the City.
- (4) In the event that evaluation and scoring of the Provisioning Center Applications results in a tie which causes there to be more potentially eligible applicants than the number of available Provisioning Center Licenses available as restricted by the limitation set by Chapter 68 of the City's General Ordinances, those applicant's tied will be entered into a random drawing for potential licensure using the procedures set forth below:
 - (i) The the first page of the supplemental application will be photocopied and will be folded in half and then in half again and placed into a container.

- (ii) On the thirty-first (31st) business day a random drawing will be held by the City at 9:00 a.m. at the City of Lapeer Commission Chambers at 576 Liberty Park, Lapeer, Michigan 48446. All photocopies of the supplemental applications placed into the container shall then be drawn and shall be numbered in sequential numerical order by the City Clerk.
- (iii) The photocopies of the supplemental applications will be selected to fill the available number of Provisioning Center Licenses up to the number as limited by ordinance.
- (iv) All remaining photocopies of the supplemental applications drawn and numbered in sequential numerical order will be placed on a waiting list.

(5) A Completed Provisioning Center Application will be deemed “accepted” upon completion of the Initial Evaluation process as stated above. Those deemed accepted will be eligible to proceed with the application process for a provisional license and subsequent marihuana facility license to operate as a provisioning center in the City.

(d) Retention of Additional Completed Provisioning Center Applications; Waiting List Retention.

If the limit on the number of authorized medical marihuana provisioning centers is conditionally reached, then all remaining photocopies of the supplemental applications shall be attached to the completed application submitted and shall be held, along with the certified copy of the Registry and waiting list for future numerical order consideration until March 31st of the ensuing year. After March 31st of the ensuing year, at the Clerk’s option, the Provisioning Center Applications may be returned to the applicant or destroyed. Any applicant waiting for future provisional licensure may withdraw their Provisioning Center Applications by written notice to the Clerk at any time and may receive refund of one half of the application fee provided that no appeal process has occurred and the request was received no later than October 1st of the current year.

(e) Provisional Licensure and Marihuana Facility License.

The six (6) applicants deemed accepted shall be eligible to continue with the application process as outlined in Chapter 68 of the City’s General Ordinances, as may be amended from time to time. Following such acceptance, the completed applications submitted shall be reviewed for compliance with all of the conditions set forth in Chapter 68 of the City’s

General Ordinances as well as Michigan statute and a determination made as to whether or not those applications are complete for eligibility for a provisional license and subsequent marijuana facility license to operate such medical marijuana provisioning center within the City.

Should, for any reason, a completed application be denied by the City for a provisional license or marijuana facility license, the applicant may proceed with the appeal process as outlined in Chapter 68 of the City's General Ordinances prior to the next applicant listed in sequential numerical order as listed on the waiting list to be considered.

- (f) Proof of application for licensure with the State of Michigan.**
Within 10 days from the date of acceptance of the completed application to the office of the Clerk, the applicant must submit proof to the Clerk that the applicant has applied for prequalification from the State of Michigan ("State") for a State operating license or has submitted full application for license. If the applicant fails to submit such proof, then provisional licensure, if granted by the City to any applicant failing to provide such proof, shall be canceled by the Clerk and the provisional licensure shall be available for consideration to the applicant represented in sequential numerical order as listed on the waiting list.
- (g) Procedure upon denial of licensure by the State.**
If at any point in time an applicant is denied prequalification for a State operating license or is denied on full application or is denied for a State operating license, then any provisional license granted to an applicant as provided under Chapter 68 of the City's General Ordinances shall be canceled by the Clerk and the provisional license or full license, if any, shall be available for consideration to the applicant represented by the next applicant listed in sequential numerical order as listed on the waiting list.
- (h) Renewal Process.**
After the initial application and merit-based selection process, those currently holding a Marijuana Facility License with the City and continuing to hold a current State operating license for a provisioning center will be considered first for annual renewal. If the number of licenses fall below the amount limited within 68-03 of Chapter 68 of the General Ordinances of the City, then new completed applications and supplemental applications including the applicable license fee will be received and the selection process will be completed in the process as set forth above.

IN NO EVENT SHALL AN APPLICANT'S POSITION ON THE REGISTRY, BE ALLOWED TO TRANSFER OR OTHERWISE BE ASSIGNED BY AN APPLICANT TO ANY OTHER PERSON OR ENTITY.

HISTORY:

Approved/Amended:	M#	Moved by:	Seconded by:
2018 03-22	64 2018 03-22	Marquardt	Osentoski