



Office of the
City Manager

Memo

To: Mayor Terbrack and City Council
From: Matthew Baumgarten, City Manager
Date: June 17, 2019
Subject: Marihuana Licensing

Mr. Mayor and Members of Council,

On April 1 of this year you asked the City Manager's Office to begin research into allowing recreational and medical marihuana business facilities to operate within the City of Berkley. My team has since been conducting comprehensive research on the topic, discussing best courses of action that represent the City's best interest, and producing draft ordinances for your review.

Today it is my recommendation that the City pass O-06-19, an ordinance that will effectively "opt" Berkley in at the end of the year to allow time to review, consider, and approve a local framework for permitting these businesses in Berkley. This recommendation comes from a number of factors, the most prominent of which being recent communications released from the Michigan Department of Licensing and Regulatory Affairs (LARA). LARA has announced that it will be releasing licensing guidelines for recreational marihuana facilities in July of this year, and will begin licensing recreational marihuana facilities within the State as early as September. This is three full months ahead of the timeline that LARA initially released which indicated licensing would begin in December. Based on LARA's new timeline the City Manager's Office will not have marihuana guidelines completed for Council consideration before LARA releases its framework and ultimately begins the licensing process. The proposed ordinance is an extension that keeps us on course to accept applications in January 2020.

The absence of local framework in September could lead to a situation where facilities can apply to open operations within the City before the Council has the ability to pass a series of licensing and zoning requirements. This is why I recommend that the City temporarily prevent the opening of recreational marihuana facilities within City limits, so that the City has ample time to properly regulate marihuana operations. I will emphasize that O-06-19 is a temporary ordinance, with a built-in sunset of December 31, 2019, effectively rendering the ordinance void at the end of the year. Following the sunset of the ordinance, the City would then be opted-in beginning January of 2020. This will allow the City to pass an adequate regulatory framework.

Today I am also presenting you with two ordinances that are being worked on by the City Manager's Office. These ordinances are meant to spark conversation amongst the City Council, and provide you all with an example of what a regulatory recreational and medical marihuana framework might look like. In order to ensure transparency with our citizens, these ordinances are also meant to display where the City Manager's Office is in the research and development process. I encourage you all too thoroughly review these ordinances so that you can ask any and all questions you may have.