



City of Grand Rapids Cannabis Businesses

October 15, 2020

Background

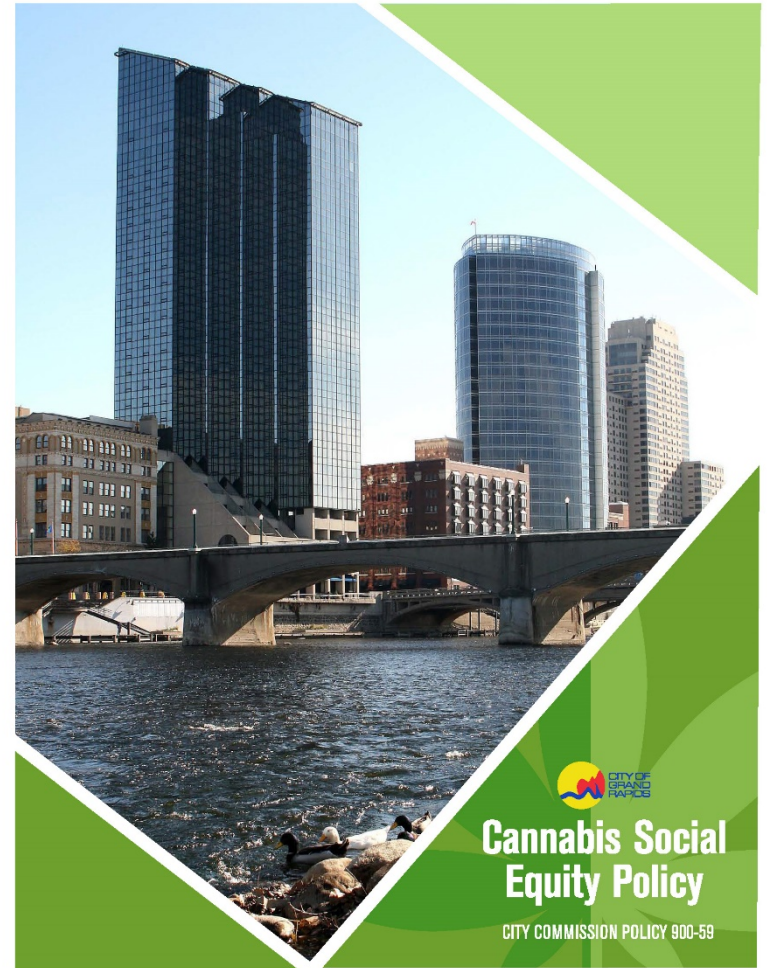


- March 17, 2020: City Commission asks the City to prepare an administrative framework and social equity plan for the cannabis industry by October 20, 2020
- July 7, 2020 – September 29, 2020: City Commission approved amendments to the zoning and licensing ordinances and the Cannabis Social Equity Policy
- July 20, 2020 – July 31, 2020: Director Review round
- September 1, 2020 – September 11, 2020: Special Land Use round
- **October 20, 2020 – October 31, 2020: Waiver Transfer and Microbusiness round**

Cannabis Social Equity Policy



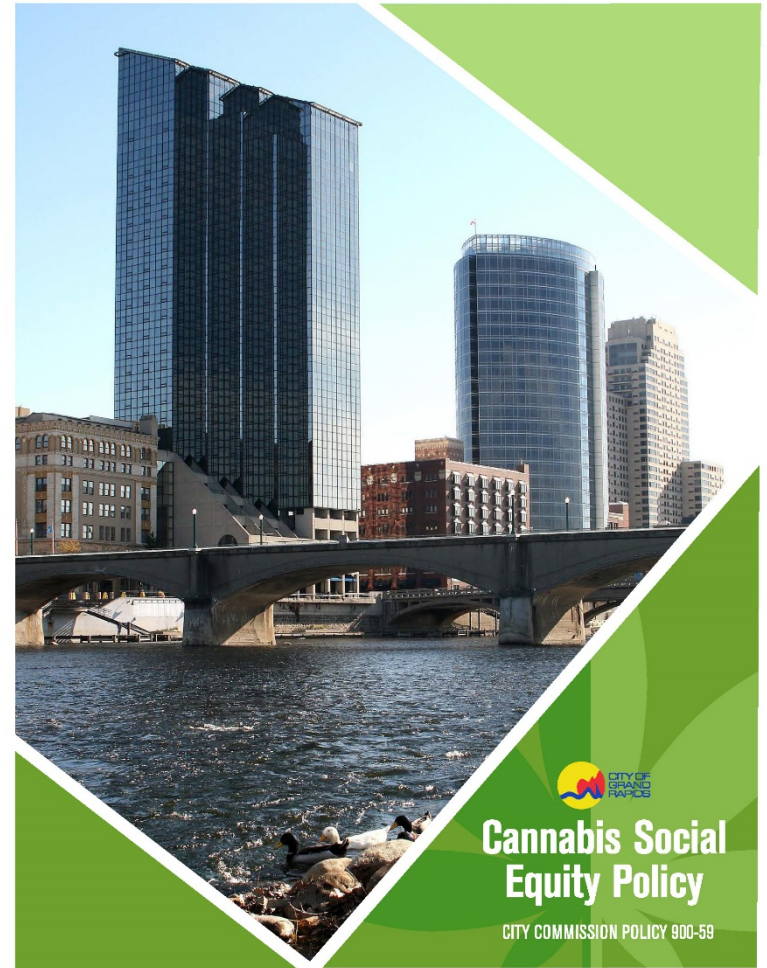
- An equity lens for the cannabis industry
- Welcomes a new industry while uplifting members of our community
- A voluntary program the City encourages all cannabis businesses to participate



Cannabis Social Equity Policy



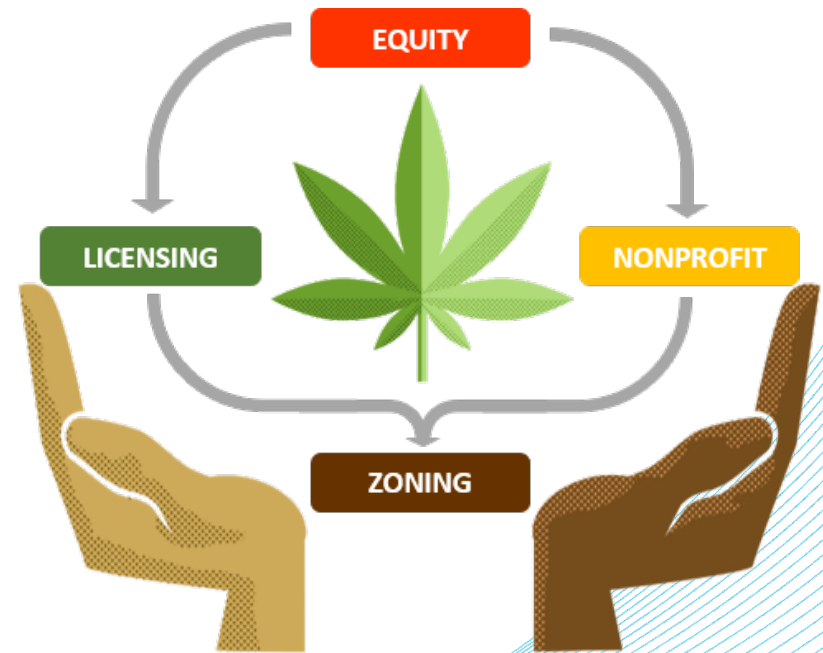
- Elements of the Policy
 1. Components and Definitions
 2. Categories for the Application Process
 3. Points System
 4. Application Process and Prioritization System
 5. Implementation, Compliance, and Policy Enforcement
- Cannabis vs Marijuana?



Cannabis Social Equity Policy



- Equity Applicant
- Application Advancing Equity categories
 1. Local Ownership
 2. Workforce Diversity
 3. Supplier Diversity
 4. New Business Development
 5. **Community Cannabis Reinvestment Fund**
- Scoring system: 45 points
- Voluntary agreement
 - Signature of a Cannabis Industry Social Equity Voluntary Agreement (CISEVA) form



Cannabis Social Equity Policy

Community Cannabis Reinvestment Fund



- An innovative program to further equity goals
- Funding from CISEVA commitments, excise taxes, grants, etc.
- Managed by a nonprofit entity
- Administration of:
 - Social Equity Programs
 - Grants and Loans
 - Community Investments



Cannabis Business Zoning Framework



- Table 5.9.19.D of the Zoning Ordinance
 - Criteria for new business or expansion
- Director Review:

License type	Land use considerations
Grower	IT
Processor	IT, TCC, TBA, C, TOD, PRD: Under 15,000 sq. ft. GFA
Provisioning Center or Retailer	IT (co-located accessory use only, under 5,000 sq. ft.)
Secure Transporter	IT
Safety Compliance Facility	CC, TCC, TOD, C, NOS, IT, or TBA upper floor



Cannabis Business *Zoning Framework*

- Special Land Use:

License type	Land use considerations
Grower	TCC
Processor	IT, TCC, C: 15,000 sq. ft. or more GFA
Provisioning Center or Retailer	IT (co-located accessory use only, 5,000 sq. ft. or more) TCC, TBA, TOD, C, NOS, PRD
Secure Transporter	TCC
Safety Compliance Facility	TBA ground floor

- Districts not listed above do not allow cannabis uses
- Separation distances from sensitive uses are preserved



Cannabis Business *Zoning Framework*



What is a separation distance?

- Distance required between certain cannabis facilities and defined sensitive uses
 - Section 5.9.19(E)(2)

What is a sensitive use?

- Entities that could be impacted by its proximity to a cannabis use. These uses are defined by a municipality. The City approved proximity buffers to mitigate potential negative impacts to sensitive uses.
- 09/20/2020 addition of youth centers
 - “A government or nonprofit facility that offers regular, on-site programs and services primarily to persons 18 years of age and under and is used for said programs and services for a minimum of three (3) days a week year-round. Programs and services may include, but are not limited to, social, training, cultural, artistic, athletic, recreational or advisory services and activities and includes private youth membership organizations or clubs and social service teenage club facilities.”



Cannabis Business

Microbusiness



What is a microbusiness?

- An integrated vertical operation
 - Grow
 - Processing
 - Retail
- MRA requirements
 - 150 plant limit
 - 1 license limit
 - Cannot hold another grower, processor, retail, secure transporter, or safety compliance license
 - Michigan residency until December 6, 2021





Cannabis Business

Microbusiness – Zoning Framework

Review process	Land use considerations
Director Review in IT Zone District	<ul style="list-style-type: none">- 1,000ft from defined sensitive uses and residential Zone Districts- No separation distances from other cannabis facilities
Director Review in TCC and C Zone Districts	<ul style="list-style-type: none">- 1,000ft from defined sensitive uses and residential Zone Districts- 500ft separation distance from other cannabis facilities
Director Review in TOD and TBA Zone Districts when at least 500ft from a residential Zone District	<ul style="list-style-type: none">- 1,000ft from defined sensitive uses- 1,000ft separation distance from another cannabis facility
Special Land Use in TOD and TBA Zone district when less than 500ft from a Residential Zone District	<ul style="list-style-type: none">- 1,000ft from defined sensitive uses- 1,000ft separation distance from another cannabis facility



Zoning Process

When can I submit an application?

- Applications window: **October 20-30, 2020**
 - Friday, October 30, 2020 closes at 4pm
- Applications submitted after October 30, 2020 will be reviewed after all applications in the queue have been processed and reviewed at Planning Commission
 - Monthly Planning Commission meetings
- The City recommends a meeting with Planning Department staff before starting an application to help ensure a smooth process
- Submit an electronic application and a hard copy
- Fee: \$5,000 per use
 - Payment by check or by card (Development Center)



Zoning Process

What is in the application?

- Director Review/Special Land Use Application Form
- Cannabis Supplemental Application Form
 1. Statement of Consent
 2. LARA Documents
 3. Separation Distance
 4. Insurance
 5. Architectural and Engineering Materials
 6. GNP and CPTED if applicable
 7. Equity Applicant documents or CISEVA Form
- Applicants can declare no changes to materials from their initial medical application via a notarized affidavit



Zoning Process

How do equity and zoning relate?

- Upon receiving your application, City staff will review it to ensure:
 1. Completeness
 2. Equity Verification
 - a. Equity Applicant qualification (if applicable)
 - b. Declared CISEVA points (if participating)
- Applications queued for Director Review/Planning Commission based on number of points
 - Equity Applicants will be processed first
- Planning Commission meetings for cannabis cases begin in November 2020
- Public hearings for applications in this round will tentatively begin in March 2021



Zoning Process

What about waivers?

- City Commission adopted an amendment to the zoning ordinance eliminating the waiver process for future cannabis business applications
- Sensitive use waivers granted before September 29, 2020 may be applied to the consideration of a recreational application at the same location





Cannabis Business *Licensing Framework*

- A City-issued business license is required for all cannabis establishments (Chapter 105 of the City Code)
 - Administered by City Clerk's Office
 - Non-transferrable
 - Multi-departmental review and approval process
- \$5,000 license fee
 - One license per business type
 - Some licenses can be collocated or stacked (growers)
 - First-year licenses will include the zoning and licensing processes
- You must receive a zoning approval before beginning the licensing process
 - Begin the licensing process 30 days before the expected start date of operation



Licensing Process

How do I apply?

- Submit a Cannabis Municipal License Application
 - Copy of Recreational Cannabis Land Use Approval
 - Copy of State Prequalification
 - State attestations will have to be submitted following the application
 - Proof of legal possession of property
 - Proof of insurance
 - Copy of Security Plan
 - Copy of the affidavit of no-changes if applicable
 - Copy of Environmental Sustainability Plan
 - 2030 Grand Rapids District enrollment for all uses
 - Copy of Social Equity Plan
 - CISEVA form and/or MIVEDA compliance form



Licensing Process

How do equity and licensing relate?

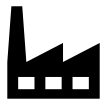
- Incentives in the license renewal process based on equity performances from previous years and an established track record of good operation
 - Multi-year license issuances
 - Renewal fee reductions



Licensing Process

How do medical and recreational licenses relate?

- A local business license is required for operation
- Keep track of the status of both recreational and medical local and State licenses
 - They are separate programs, likely with separate expiration dates
- Medical facilities that submitted a licensing application by August 20, 2020 were given a six-month grace period to complete local licensure by January 2021
- Recreational applicants with zoning approvals can begin the licensing process with the City Clerk



Next Steps



- Establishment of a nonprofit to manage the Community Cannabis Reinvestment Fund
- Cannabis Manager
- Zoning approvals for cannabis applications
- Licensing of cannabis businesses



Questions?



grandrapidsmi.gov/cannabis