Green Lake Township Recreational Marijuana Sales Public Hearing

September 29, 2021, 5:00 p.m.

Called to order at 5:00 p.m. by Supervisor Radtke.

**Roll call**: Marek, Biondo, Kramer, West and Radtke present. Bieganowski and McDonald absent and unexcused.

**Public comment**: Karen McClain, 8869 Dugreen, Interlochen, Michigan: Asked if it was possible to put a left hand turn light at Interlochen Corners.

**New business: Recreational Marijuana Sales Public Hearing #2**:

**Open public hearing**: Moved Marek, support West to open the Recreational Marijuana Sales Public Hearing at 5:05 p.m. Carried, 5/0.

Supervisor Radtke stated the board is going to take public comment on adult use recreational marijuana sales facility. Supervisor Radtke reviewed the map presented to the attendee’s which shows possible locations facilities may be located. Supervisor Radtke explained 75% of the residents of Green Lake Township voted to legalize adult recreational marijuana usage, it did not dictate whether a Township would allow the sale of adult recreational marijuana. The Township could either opt in or opt out with the State of Michigan. At this point and time, the Township allows medical marijuana sales but opted out of recreational adult use marijuana sales. The Township does receive an excise tax from adult recreational marijuana sales, 10% is collected on each transaction and they disperse it. Communities that do allow the sale received roughly $28,000 for each facility they had last year, this year it is roughly $22,000. This money goes into the community to help with enforcement and administration and education. Supervisor Radtke asked that everyone respect all views and direct all comments and questions to the board.

**Discussion**:

Nick Piedmonte, Dunegrass CEO, 911 Randolph Street, Traverse City, Michigan (nonresident):

Is in favor of adult recreational marijuana sales. He is the largest chain of retailers who are based in Northern Michigan. He has adult use retail facilities in Manistee, Big Rapids, Cadillac, Marquette, fifth location opening around Halloween in Beulah and building a facility in Gaylord.

Looking for clarity of the nature of the relationship between the licensing and the permits for the medical and adult use. Is there some type of tie bar there, are they being dealt with on a separate capacity, that will be helpful for us to understand and appreciate your time here this evening? Supervisor Radtke replied to the word medical has been removed, the word recreational has been removed and only left marijuana sales which is all encompassing, medical, recreational and that order. It sounds like the board is going to be dealing with the permit process on a first come first serve basis, is that accurate? Supervisor Radtke replied in essence, yes that is how we have operated. Whoever brings the license from the State of Michigan first wins. Treasurer Marek replied we have not approved any proposal at this point or any police power ordinance or anything like that at this point because we want to get feed

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**Discussion continued**:

back and if the residents of the Township do not want it, we don’t want to spend a lot of time putting something together for nothing. We will remain status quo with medical.

**Steve Ezell**, 2074 J. Maddy Pkwy, Interlochen, Michigan (nonresident): Wanted to point out, the gentleman who attended the meeting on September 27, 2021, gave a breakdown of how the excise money is disbursed. He believes he stated 15% to municipalities, 35% to public education, 35% to MDOT and the first 20 million dollars raised goes to Veteran’s research, meaning to prevent Veteran suicides and PTSD. I wanted to mention that.

Ryan Damerow, 1645 Innwood North, Interlochen, Michigan: He is in support of adult recreational marijuana sales. First point is in regard to reducing the cost for medical marijuana patients just in general. From his view, many medical marijuana patients are no longer going through the certification process now ever since recreational marijuana has become a thing in our state, the cost of getting a medical marijuana cards represents a financial burden for a lot of people he knows, without having to go through that certification process, which costs them a little more then $100 or more to be assigned to a caregiver instead they can purchase recreational marijuana from an established business somewhere. So, although they may pay a little more money for their medicine due to the excise tax the cost of getting medicinally certified likely outweighs what they will pay in taxes. There are a lot of people who do not have the $100 up front but do have the money to go purchase a pre rolled joint so what are they going to do. The second building on the idea that people are not going through the certification process, what are they going to do? The currently have to go to Honor or Dunegrass when it opens up or travel further which is an access issue. The patients he was discussing there not getting certified, so they have to travel outside of their Township to purchase their marijuana. It is also a burden of time, come wintertime that’s 15 to 20 minutes on hazardous roads, he would rather see it right here in the Township. He feels he would rather see them not having to go the distance for it and just be able to get it from one of these stores or another that may open up, he would also like to see competition to drive the prices down for the consumers. You quoted 75% of the Township residents were behind it, I know that does not mean they want it sold here but it does mean they support it. We are not seeing a lot of people at this hearing stating they are not in favor of it. My third point relates to tax revenues, I know you touched on it already but individuals who are going to use recreational marijuana are going to go to Honor or other places which means our residents tax dollars are going to other Townships out there, he would rather have those tax dollars put to use in Green Lake Township. There is a lot of good community benefit that will come out of it. At this point the $22,000 doesn’t seem like a lot of money but over time it will add up and he would like that money to be in the place where he lives. Not to mention the tens of thousands of people who travel through our community to the Interlochen State Park and Interlochen Arts Academy and air b and b’s.

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**Discussion continued**:

**Ryan Damerow continued**: We were just talking about the recreational marijuana sales, but he is in support of other marijuana ventures in the Township as well and he would like to see the Township explore this area in terms of what kind other kinds of tax dollars we can receive, such as cultivation, extraction, testing and transportation he does see why the Township would not consider them. It is the time to think about the other areas too. He feels since alcohol is allowed and with the support of the community of 75%, he goes back to that figure it is a large number. We are not seeking to cause problems in our community in his opinion, instead they are people like you and me who are looking to manage their stress and anxiety, but people do not want to talk about that, but emotional intelligence is high on our community and world view right now. As we all know at the end of the day its nice to take a time out at the end of the day you know we still have this pandemic going on whether you believe it or not, but we are all stressed out and marijuana does help with that just like whiskey or beer in his opinion. He thinks these businesses, the people are going to hold up the integrity of the law running these dispensaries, Steve has been in this business for a long and I am not aware of any problems there and I can not imagine any problems with future grow operations or transportation companies. Again, it is more money being put into our coffers and not other residents. Those business are existing, and they are making money right now. My opinion is it is well past time to move ahead with opening our community to an industry that will definitely deliver more benefit. So, as you are thinking about those other types of licenses, I encourage you to consider microbusiness as well.

**Vince Canale**, 1889 Melody Lane, Interlochen, Michigan: For the most part, he agrees with everything that Ryan Damerow said but he wanted to stress the point that if you allow Steve Ezell to sell recreational marijuana the type of people who he would attract are not an angry super aggressive crowd. 75% of the people are ok with it but he thinks it would really help revitalize that stretch of property that has looked kind of bleak since Toms came in. It’s a great store, my wife works there, but Rics was always the place and Blue Vase Books are trying, but a positive inflex of people to that particular area would help that whole section improve tremendously. He has lived here for 20 years and is very familiar with the area and it just seems like a shame that that particular stretch is empty but also, it’s been difficult for Steve to get the recreational because the recreational sells a lot more product which in turn turns the tax revenue actually positive. He can not see it any other way, it just seems like the totally rational thing to do. Three out of four people are for it or at least not against it which is big.

**Close public hearing**: Moved Biondo, support Marek to close the recreational marijuana sales public hearing at 5:23 p.m. Carried 5/0.

**Public comment**:

**Dwight Lewis**, 4551 Case Blvd., Interlochen, Michigan: He has been a resident for 5 or years. Ever since the age of four he has had health issues and was taking pharmaceuticals the doctors had been giving him for the past ten years but supported the marijuana and marijuana usage

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**Public comment continued**:

**Dwight Lewis continued**: He has been going to Steve’s place for the last five years. He received his first medical marijuana card in 2008 and Steve’s place is hands down the most professional and polite and great business that he has ever dealt with. He fully supports them going recreational.

**Discussion**:

Trustee West: You keep talking about the $28,000 and now its $22,000, she thought it was based on the sales at each business or is the State just taking the pot of gold and dividing it up by the number of businesses each Township, City, etc. has and handing out the money? Supervisor Radtke answered yes that is the way. Trustee West asked if they are doing that how can it be going down? Supervisor Radtke responded there are more businesses selling it now. For example, Lume in Benzonia Township, they were the only business selling it for a short period of time so that County entity and Township entity split the money but with additional businesses opening in Benzie County, the monies will be split between the County and each Township, City, Village, etc. where the retail business is located. Treasurer Marek responded so there is the same number of sales but more stores or businesses offering it so therefore the piece of the pie gets changed. Supervisor Radtke stated if you have people driving from Traverse City so possibly, they are only going every two weeks rather then weekly or daily because of the drive. Treasurer Marek the sales may go up a little bit but at this point the businesses, because it seems to be profitable for some, are opening more and more businesses therefore there is only so much money to satisfy that $28,000 to $22,000. Clerk Kramer stated you would think if there were more stores there would be more money. Supervisor Radtke stated there is, if Benzonia had Lume and they had ABC Company, they would receive $28,000 for Lume and $28,000 for ABC Company. Trustee West stated so the State pools it and divides it up so this guy could be doing 10 million dollars and this one could be doing 100 million dollars and the share for each would $28,000. Supervisor Radtke asked with medical marijuana you are limited to how much you can purchase per day/per month is recreational marijuana the same or can you buy as much as you want and smoke as much as you want? Mr. McQuillan stated it is the same for both. Treasurer Marek asked if he comes in and wants to buy whatever product, does a person have to give an ID that goes into a state data base? Nick Piedmonte stated at their establishment you do need to check in with an ID which is part of their policy, but no the recreational sales do not go through the State data base. Treasurer Marek asked so I can go around the all the recreational marijuana stores and purchase the maximum limit every day and it is not tracked? Mr. Piedmonte stated in theory yes, but he will tell you coordination communication between dispensaries is high to protect against something like that and if somebody were regularly coming in the dispensary and trying to buy the maximum, we would flag that with out internal system and compliance controls. Treasurer Marek responded, medical marijuana sales are tracked through the State data base, correct? Mr. Piedmonte

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**Discussion continued**:

answered yes. Treasurer Marek responded but recreational is not, correct? Mr. Piedmonte responded, correct, it is not.

**Karen McClain**, 8869 Dungreen, Interlochen, Michigan asked how many permits or how many facilities will be allowed if these passes? Supervisor Radtke explained on the map it shows the pre-existing medical facilities and perhaps two may be allowed on the west side of the Township depending on where someone chooses to place their facility. Theoretically, three more types of those establishments whether they are transport, research and development and testing, which no one has investigated here. That is about what we are looking at. Treasurer Marek state if a person opens in the wrong spot, its two. So, depending where on the map they choose to open a facility, it could be one or it could be two etc. That will all be dictated by the ordinance once the board acts on those. Supervisor Radtke said let me remind you this is a draft; the board has not approved any ordinances, or anything related to this. The board has reviewed and discussed what can be done that will mitigate risk management if we do it in accordance with what has been looked at in the court systems and LARA. Supervisor Radtke stated there is some concern as governmental entities were promised money from the State of Michigan for medical marijuana revenues as well and in the end, the State chose to keep that money and there is concern they may do the same with recreational marijuana sales as well.

Mr. Ezell stated the 10% excise tax is specifically to go towards the County, Township, schools, etc. where medical does not have that tagged with it. He does not see how there is anyway they could possibly avoid disbursing that out. Supervisor Radtke stated he understands that however, he has seen stranger things.

Treasurer Marek stated he hopes that people who are not in attendance either email the deputy clerk or send in their card to let the board know because this is a pretty big decision and the more input from the community the better. Plus, we can get a better understanding of how we should vote to represent those we are supposed to represent.

**Adjournment**: Moved Kramer, support West to adjourn at 5:36 p.m. Carried, Marek—no,

4/1.

Respectfully submitted,

Judith L. Kramer

Green Lake Township Clerk