

ORDINANCE NO. 826

MEDICAL MARIHUANA

FACILITIES

AN ORDINANCE TO AMEND CHAPTER 22 – “BUSINESSES” OF THE CODE OF THE CITY OF SALINE BY ADDING A NEW ARTICLE VI “MEDICAL MARIHUANA FACILITIES

The City of Saline ordains:

Section 1. That a new Article VI Medical Marihuana Facilities be added to the Code of the City of Saline to read as follows:

CHAPTER VI. MEDICAL MARIHUANA FACILITIES

22-92. Legislative Intent.

The city intends to issue permits for and regulate marihuana facilities to the extent they are permitted under the Medical Marihuana Facilities Licensing Act. The city does not intend that permitting and regulation under this Article be construed as a finding that such facilities comply with any law. By requiring a permit and compliance with the requirements of this Article, the city intends to protect the public health, safety and welfare. Further, the purpose of this Article is to:

- (1) Provide for a means of Cultivation, processing, and distribution of Marihuana to patients who qualify to obtain, possess, and use Marihuana for medical purposes under the Michigan Medical Marihuana Act, (MCL 333.26421 et seq.), the Medical Marihuana Facilities Licensing Act (MCL 333.27101 et seq.) and the Marihuana Tracking Act (MCL 333.27901 et seq.);
- (2) Protect public health and safety through reasonable limitations on Marihuana operations as they relate to noise, air and water quality, neighborhood and patient safety, security for the Facility and its Personnel, and other health and safety concerns;
- (3) Protect residential neighborhoods by limiting the location and the concentration of types of Marihuana Commercial Entities to specific areas of the City;
- (4) Impose fees to defray and recover the cost to the City of the administrative and enforcement costs associated with Marihuana Facilities;
- (5) Coordinate with laws and regulations that may be enacted by the State addressing medical Marihuana;

22-93. Definitions.

- (1) *Words and phrases contained in the Medical Marihuana Facilities Licensing Act (“MMFLA”).* This Article contains some words and phrases that are defined in the MMFLA. As used in this Article, they have the same meaning as provided in the MMFLA, except that if at any time the definition of a word or phrase set forth in this section conflicts with the definition in the MMFLA, then the definition in the MMFLA shall apply. These words and phrases are as follows:
- (a) "Department" means the department of licensing and regulatory affairs.
 - (b) "Grower" means a licensee that is a commercial entity located in this state that cultivates, dries, trims, or cures and packages marihuana for sale to a processor or provisioning center.
 - (c) "Licensee" means a Person holding a state operating license.
 - (d) "Marihuana" means that term as defined in section 7106 of the public health code, 1978 PA 368, MCL 333.7106.
 - (e) "Marihuana facility" means a location at which a license holder is licensed to operate under the MMFLA.
 - (f) "Marihuana plant" means any plant of the species *Cannabis sativa* L.
 - (g) "Marihuana-infused product" means a topical formulation, tincture, beverage, edible substance, or similar product containing any usable marihuana that is intended for human consumption in a manner other than smoke inhalation. Marihuana-infused product shall not be considered a food for purposes of the food law, 2000 PA 92, MCL 289.1101 to 289.8111.
 - (h) "Michigan medical marihuana act" means the Michigan medical marihuana act, 2008 IL 1, MCL 333.26421 to 333.26430.
 - (i) "Person" means an individual, corporation, limited liability company, partnership, limited partnership, limited liability partnership, limited liability limited partnership, trust, or other legal entity.
 - (j) "Plant" means any living organism that produces its own food through photosynthesis and has observable root formation or is in growth material.
 - (k) "Processor" means a licensee that is a commercial entity located in this state that purchases marihuana from a grower and that extracts resin from the marihuana or creates a marihuana-infused product for sale and transfer in packaged form to a provisioning center.
 - (l) "Provisioning center" means a licensee that is a commercial entity located in this state that purchases marihuana from a grower or processor and sells, supplies, or provides marihuana to registered qualifying patients, directly or through the

patients' registered primary caregivers. Provisioning center includes any commercial property where marihuana is sold at retail to registered qualifying patients or registered primary caregivers. A noncommercial location used by a primary caregiver to assist a qualifying patient connected to the caregiver through the department's marihuana registration process in accordance with the Michigan Medical Marihuana Act is not a provisioning center for purposes of this act.

(m) "Rules" means rules promulgated under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, by the department in consultation with the board to implement this act.

(n) "Safety compliance facility" means a licensee that is a commercial entity that receives marihuana from a marihuana facility or registered primary caregiver, tests it for contaminants and for tetrahydrocannabinol and other cannabinoids, returns the test results, and may return the marihuana to the marihuana facility.

(o) "Secure transporter" means a licensee that is a commercial entity located in this state that stores marihuana and transports marihuana between marihuana facilities for a fee.

(p) "State operating license" or, unless the context requires a different meaning, "license" means a license that is issued under this act that allows the licensee to operate as 1 of the following, specified in the license:

- (i) A grower.
- (ii) A processor.
- (iii) A secure transporter.
- (iv) A provisioning center.
- (v) A safety compliance facility.

(2) *Other words and phrases.* The words and phrases in this Article, as used in this Article, shall have the following meanings:

(a) "Applicant" means a Person who applies for a City permit.

(b) "Authorized Person" means:

- (i) An owner of a medical marihuana facility;
- (ii) The directors, officers, members, partners, and individuals of a medical marihuana facility that is a corporation, limited liability company, partnership, or sole proprietorship;
- (iii) Any Person who is in charge of and on the premises of the medical marihuana facility during business hours.

(c) "City" means the City of Saline

- (d) "Marihuana" means "marihuana" as defined in the MMFLA.
- (e) "Medical marihuana home occupation" means an accessory use of a nonresidential nature that is conducted by a registered primary caregiver who resides in the dwelling and (A) is performed within a single-family dwelling or within an accessory building to that single-family dwelling; (B) is for the purpose of assisting 1 or more registered qualifying patients with the medical use of marihuana who do not reside in the dwelling and (C) complies with the MMMA. As used in this subsection, "accessory use" has the same meaning as it does in Appendix A Zoning of this Code.
- (f) "Medical Marihuana Facilities Licensing Act" and "MMFLA" mean Public Act 281 of 2016, MCL 333.27101, et seq.
- (g) "Permittee" means a Person holding a City permit under this Article.
- (h) "Class A grower" means a grower of not more than 500 marihuana plants.
- (i) "Class B grower" means a grower of not more than 1,000 marihuana plants.
- (j) "Class C grower" means a grower of not more than 1,500 marihuana plants.
- (k) "City permit" or, unless the context requires a different meaning, "permit" means a permit that is issued under this Article that allows the permittee to operate as 1 of the following, specified in the permit:
 - i. A processor.
 - ii. A secure transporter.
 - iii. A provisioning center.
 - iv. A safety compliance facility.

22-94. Marihuana Facilities Authorized.

Pursuant to the MMFLA, the City of Saline authorizes the operation in the City of the following marihuana facilities, provided they possess a state operating license issued under the MMFLA and they comply with the additional requirements of this Article, the City of Saline Zoning Ordinance designated as Appendix A, and all other applicable laws and ordinances:

- (1) Processor.
- (2) Provisioning center.
- (3) Secure transporter.
- (4) Safety compliance facility.

Notwithstanding anything to the contrary in this Ordinance, no Provisioning Center shall be located within 250 feet of another Provisioning Center nor within 1000 feet of school property. For the purposes of this Article only, "school" means "a public, private, denominational, or parochial school offering developmental kindergarten, kindergarten, or

any grade from 1 through 12” and "school property" means “a building, playing field, or property used for school purposes to impart instruction to children or used for functions and events sponsored by a school, except a building used primarily for adult education or college extension courses.” Notwithstanding the use of the term facility or marijuana facility, and for the purposes of clarity; Growers, including Class A growers, Class B growers, and Class C growers are prohibited in the City and no application will be accepted nor city permit issued therefor.

22-95. City Permit Required.

- (1) No Person shall operate a facility for which an annual permit, as provided for in this Article, has not been issued.
- (2) Each Applicant shall pay an annual permit fee to the City to defray the costs incurred by the City for inspection, administration and enforcement of the local regulations regarding permits. The City Council shall by resolution set the fees in an amount not to exceed any limitations imposed by Michigan law. The annual permit fee requirement shall be in addition to, and not in lieu of, any other licensing and permitting requirements imposed by any other federal, state or City law or ordinance, including, by way of example, any applicable zoning or building permits.
- (3) The permit requirement in this Article applies to all facilities that exist on the effective date of this Article or are established after the effective date of this Article. This includes all Persons who engage or have engaged in any of the activities that are included in the definitions in the MMFLA of the types of entities that may obtain a state operating license, without regard to whether they called or call their businesses “dispensaries,” “cultivation facilities,” “clubs,” “cooperatives,” or any other similar label . A Person who engaged in any of the activities that are included in the definitions in the MMFLA of the types of entities that may obtain a state operating license before the effective date of the MMFLA or before obtaining a state operating license does not have a vested right to obtain a City permit.
- (4) The permit requirement in this Article applies to all facilities whether operated for profit or not for profit.
- (5) The permit requirement in this Article shall be in addition to any other requirements imposed by any other state or local law, including but not limited to state or local laws applicable to commercial entities performing functions similar to the functions performed by marijuana facilities.
- (6) The issuance of any permit pursuant to this Article does not create an exception, defense or immunity to any Person with regard to any potential criminal or civil liability the Person may have under any federal or state law or city ordinance.
- (7) A permit issued under this Article shall be valid for 1 year after the date of issuance. To renew an existing permit, the permittee shall submit an application along with the annual permit fee in the same manner as is required to apply for a

new permit no sooner than 90 calendar days before the expiration date and no later than 60 calendar days before the expiration date.

- (8) In the event that a Permittee does not commence operations within one year of issuance of a permit, the permit shall be deemed forfeited; the business may not commence operations and the permit is not eligible for renewal.

22-96. General provisions.

- (1) A permit issued under this Article is valid only for the location of the facility and type of facility that is listed on the permit application and is valid only for the operation of the facility at that location by the permit Applicant.
- (2) A permit issued under this Article is valid only if the permit holder also holds a valid current state operating license and a copy of the valid current license and application for license has been provided to the City Clerk by the license holder and is in compliance with all other requirements in this Article.
- (3) The revocation, suspension, and placement of restrictions by the state on a state operating license apply equally to a permit issued by the City.
- (4) The expiration date of the state operating license that corresponds to a permit issued under this Article constitutes the expiration date of the permit, however, operation of the facility under the expired permit may be permitted at the discretion of the City to the extent that operation under the expired state operating license is permitted under the MMFLA.
- (5) A permit issued by the city under this Article, shall be conspicuously posted in the facility where it is easily open to public view.
- (6) Acceptance of a permit from the city under this Article constitutes consent by the permittee, owners, managers and employees to permit the City Manager or designee to conduct inspections of the facility to ensure compliance with this Article.
- (7) A permit granted by this Article is a revocable privilege granted by the City and is not a property right. Granting a permit does not create or vest any right, title, franchise, or other property interest. Each permit is exclusive to the Permittee, and a Permittee or any other Person must apply for and receive the City's approval before a permit is transferred, sold, or purchased. A Permittee or any other Person shall not lease, pledge, or borrow or loan money against a permit. The attempted transfer, sale, or other conveyance of an interest in a permit without prior City approval is grounds for suspension or revocation of the permit or for other sanction considered appropriate by the City.
- (8) The City Manager is granted the power and duty to fully and effectively implement and administer the permit application process and issuance of permits issued by the City under this Article.

22-97. Application Requirements for and Issuance of City Permit.

- (1) *Application for new annual permit.* An application for a new annual permit for a marihuana facility shall be submitted to the City Clerk on a form provided by the city, such application shall fulfill all of the requirements indicated on the form, including but not limited to:
- a. The name, address, date of birth, business address, business telephone number, driver's license or valid ID, Social Security Number and, if applicable, federal tax identification number;
 - b. If the Applicant is a business entity, information regarding the entity, including, without limitation, the name and address of the entity, its legal status, and proof of registration with, or a certificate of good standing from, the State of Michigan, as applicable;
 - c. The identity of every Person having any ownership interest in or acting as an Authorized Person of the Applicant with respect to which the Permit is sought;
 - d. If the Applicant is not the owner of the proposed Permitted premises, a notarized statement from the owner of such property authorizing the use of the property for a Marihuana Facility;
 - e. A copy of any deed reflecting the Applicant's ownership of, or lease reflecting the right of the Applicant to possess, or an option reflecting the Applicant's right to purchase or lease, the proposed Permitted premises;
 - f. Proof of receipt of pre-qualification as that term is defined by the State of Michigan Department of Licensing and Regulatory Affairs
 - g. A digital and hard copy of stamped or sealed 24 inch by 36 inch drawings of the proposed Permitted premises showing, without limitation, building layout, all entryways and exits to the proposed Permitted premises, loading zones and all areas in which medical Marihuana will be stored, grown, manufactured or dispensed and;
 - h. A comprehensive Facility operation plan for the Marihuana Commercial Entity which shall contain, at a minimum, the following:
 - i. A security plan indicating how the Applicant will comply with the requirements of this Article and any other applicable law, rule, or regulation. The security plan shall include details of security arrangements and will be protected from disclosure as provided under the Michigan Freedom of Information Act, MCL 15.231 et seq. If the City finds that such documents are subject to disclosure, it will attempt to provide at least 2 business days' notice to the Applicant prior to such disclosure.

- ii. For processing facilities, a plan that specifies the methods to be used to prevent the growth of harmful mold and compliance with limitations on discharge into the wastewater system of the City;
- iii. A lighting plan showing the lighting outside of the medical Marihuana Facility for security purposes and compliance with applicable City requirements;
- iv. A plan for disposal of any medical Marihuana or medical Marihuana-infused product that is not sold to a patient or primary caregiver in a manner that protects any portion thereof from being possessed or ingested by any person or animal.
- v. A plan for ventilation of the medical Marihuana Facility that describes the ventilation systems that will be used to prevent any odor of medical Marihuana off the premises of the business. For medical Marihuana facilities that grow medical Marihuana Plants, such plan shall also include all ventilation systems used to control the environment for the Plants and describe how such systems operate with the systems preventing any odor leaving the premises. For medical Marihuana businesses that produce medical Marihuana-Infused Products, such plan shall also include all ventilation systems used to mitigate noxious gases or other fumes used or created as part of the production process.
- vi. A description of all toxic, flammable, or other materials regulated by a federal, state, or local authority that would have jurisdiction over the business if it was not a Marihuana business, that will be used or kept at the medical Marihuana business, the location of such materials, and how such materials will be stored.
- vii. For processing facilities, an Applicant must submit electrical plans for load review to the City for a primary/secondary load study. After the load study has been conducted, Applicants must prepay all costs associated with overbuilds that are necessary to meet the Applicant's required load before construction is to start. Associated costs may include:
 - 1. Overbuild of primary/secondary utility lines and their supporting structures.
 - 2. KVA cost (Transformer(s))
 - 3. All labor and equipment cost.
- i. Prior to making a modification to a structure that would require a building permit or which would alter or change items required by this subsection, the Permittee shall submit to the City and have approved a completed application for modification of premises in the form provided by the City.

- j. Proof of Insurance. A Permittee shall at all times maintain full force and effect for duration of the Permit, worker's compensation insurance as required by state law, and general liability insurance with minimum limits of \$1,000,000 per occurrence and a \$2,000,000 aggregate limit issued from a company Permitted to do business in Michigan. A Permittee shall provide proof of insurance to the City Clerk in the form of a certificate of insurance evidencing the existence of a valid and effective policy which discloses the limits of each policy, the name of the insurer, the effective date and expiration date of each policy, the policy number, and the names of the additional insureds. The policy shall name the City of Saline and its officials and employees as additional insureds to the limits required by this section. A Permittee or its insurance broker shall notify the City of any cancellation or reduction in coverage within seven business days of receipt of insurer's notification to that effect. The Permittee, permittee, or lessee shall forthwith obtain and submit proof of substitute insurance to the City Clerk within 5 business days in the event of expiration or cancellation of coverage.
- k. Whether an Applicant or any Person having any ownership interest in or acting as an Authorized Person of the Applicant has been indicted for, charged with, arrested for, or convicted of, pled guilty or nolo contendere to, forfeited bail concerning any criminal offense under the laws of any jurisdiction, either felony or controlled- substance-related misdemeanor, not including traffic violations, regardless of whether the offense has been reversed on appeal or otherwise, including the date, the name and location of the court, arresting agency, and prosecuting agency, the case caption, the docket number, the offense, the disposition, and the location and length of incarceration.
- l. Whether an Applicant or any Person having any ownership interest in or acting as an Authorized Person of the Applicant has ever applied for or has been granted any commercial Permit or certificate issued by a licensing authority in Michigan or any other jurisdiction that has been denied, restricted, suspended, revoked, or not renewed and a statement describing the facts and circumstances concerning the application, denial, restriction, suspension, revocation, or nonrenewal, including the licensing authority, the date each action was taken, and the reason for each action.
- m. Whether an Applicant or any Person having any ownership interest in or acting as an Authorized Person of the Applicant has filed, or been served with, a complaint or other notice filed with any public body, regarding the delinquency in the payment of, or a dispute over the filings concerning the payment of, any tax required under federal, state, or local law, including the amount, type of tax, taxing agency, and time periods involved.
- n. A description of the type of Marihuana Facility; and the anticipated or actual number of employees.
- o. An acknowledgment and consent that the City may conduct a background investigation, including a criminal history check, and that the City will be

entitled to full and complete disclosure of all financial records of the Marihuana Facility, including records of deposit, withdrawals, balances and loans; and

- p. Any additional information that the City reasonably determines to be necessary in connection with the investigation and review of the application.
- (2) Consistent with the MMFLA and Freedom of Information Act, MCL 15.231 *et seq.* the information provided to the City Clerk pursuant to this section relative to licensure is exempt from disclosure.
 - (3) All Applicants shall obtain all other required permits related to the operation of the Marihuana Facility, including, without limitation, any development approvals or building permits required by any applicable code or ordinance.
 - (4) If a deficiency is identified in an application, the Applicant shall have five (5) business days to correct the deficiency after notification.
 - (5) Upon an Applicant's completion of the above-provided form and furnishing of all required information and documentation including payment of applicable fees, the City Clerk shall accept the application and assign it an application number by Facility type.
 - a. Upon receipt of a completed application, the City Clerk shall circulate the application to the City Department, by whatever name it may be called at the time of application, which serves the function of Police Department, Fire Department, Building/Engineering Department, Community Development Director and any other City Department or employee deemed appropriate by the City Manager to determine whether the application is in full compliance with all applicable laws, rules and regulations.

(2) *Renewal or amendment of existing permits.*

- (a) The same procedures that applies to applying for a new permit shall apply to the renewal or amendment of existing permits including payment of the annual permit fee.
- (b) An application for renewal of an existing permit shall be submitted no sooner than 90 calendar days before the existing permit expires.
- (c) An amended application shall be submitted under both of the following circumstances:
 - (i) when there is a change in any information the Applicant was required to provide in the most recent application on file with the City; and,
 - (ii) when there is a change in any information the Applicant was required to provide in the most recent application for a state operating license on file with the state of Michigan.

- (d) An application to amend an existing permit to change the location of the facility shall be submitted no later than 60 calendar days before the existing permit expires. An application to amend an existing permit to change any other information on the most recent application on file with the City may be submitted at any time but prior to making such change.
- (e) Applications for renewal or amendment of existing permits shall be reviewed and granted or denied before applications for new permits are considered.

22-98. Issuance of permit and authorization to operate facility under permit.

- (1) If the Applicant has successfully demonstrated compliance with all requirements for issuance of a permit and has paid all required fees the City shall issue a new permit to the Applicant if a permit is available or grant renewal of an existing permit. The issuance of a permit under this Article authorizes operation of the facility only after the following additional requirements are met:
 - (a) The Applicant has provided the City with copies of the Applicant's application for a state operating license and the license.
 - (b) The Applicant has installed the following security measures on the premises:
 - (i) security cameras to monitor all areas of the premises where persons may gain or attempt to gain access to marijuana or cash. Recordings from security cameras shall be maintained for a minimum of 72 hours. The City Manager may adopt regulations implementing this requirement, including but not limited to regulations on the design, location, maintenance, and access to the cameras and recordings. Those regulations shall take effect 30 calendar days after being filed with the City Clerk unless modified or disapproved by the City Council.
 - (ii) A monitored alarm system.
 - (iii) A storage room for overnight storage of any marijuana product and cash on the premises. The storage room shall have only one door for entry and no other potential means of entry, lawful or unlawful, such as a window or crawl space, The door shall be equipped with a locking mechanism that is different from other locks on any door within the facility.

22-99. Conduct of business at a facility.

- (1) A facility shall be conducted in compliance with the MMFLA, the rules promulgated pursuant to the MMFLA, the MMMA, and all other laws, rules, and regulations of the state of Michigan and the City of Saline.

- (2) All marihuana in any form kept at the location of the medical marihuana facility shall be kept within an enclosed, secured building and shall not be visible from any location outside of the building.
- (3) Marihuana facilities shall be closed for business, and no sale or other distribution of marihuana in any form shall occur upon the premises or be delivered to or from the premises, between the hours of 9:00 p.m. and 7:00 a.m.
- (4) An Authorized Person shall consent to the entry into a marihuana facility by the Building Official and Zoning Inspectors for the purpose of inspection to determine compliance with this Article pursuant to a notice posted in a conspicuous place on the premises 2 or more business days before the date of the inspection or sent by first class mail to the address of the premises 4 or more calendar days before the date of the inspection.
- (5) All security measures required in this Article shall be maintained in good working order. The premises shall be monitored and secured 24 hours per day.
- (6) All marihuana in any form on the premises of a marihuana facility shall be marihuana cultivated, manufactured, and packaged in the State of Michigan.

22-100. Prohibited Acts.

It shall be unlawful for any Person to:

- (1) Violate any provision of this Article or any condition of any permit granted pursuant to this Article.
- (2) Produce, distribute or possess more marihuana than allowed by any applicable state or local law.
- (3) Produce, distribute or possess marihuana in violation of this Article or any other applicable state or local law.
- (4) Make any changes or allow any changes to be made in the operation of the marihuana facility as represented in the permit application, without first notifying the City by amending its application.

22-101. Permit revocation.

A permit issued under this Article may be suspended or revoked by the City for any of the following violations:

- (1) Any Person required to be named on the permit application is convicted of or found responsible for violating any provision of this Article;
- (2) A permit application contains any misrepresentation or omission of any material fact, or false or misleading information, or the Applicant has provided the City with any other false or misleading information related to the facility;

- (3) Any Person required to be named on the permit application is convicted of a crime which, if it had occurred prior to submittal of the application, could have been cause for denial of the permit application;
- (4) Marihuana is dispensed on the business premises in violation of this Article or any other applicable state or local law, rule or regulation;
- (5) The facility is operated or is operating in violation of the specifications of the permit application, any conditions of approval by the City or any other applicable state or local law, rule or regulation.
- (6) The City, the county, or any other governmental entity with jurisdiction, has closed the facility temporarily or permanently or has issued any sanction for failure to comply with health and safety provisions of this Article or other applicable state or local laws related to public health and safety.
- (7) The facility is determined by the City to have become a public nuisance.
- (8) The facility's state operating license has been suspended or revoked.

The City Council shall hear and decide questions that arise in the administration of this Article, including appeals of suspension and revocations of permits. The concurring vote of a majority of the members of the City Council is necessary to reverse an order, requirement, decision, or determination of an administrative official in the application of this Article.

22-102. - Revocation not exclusive penalty.

Nothing in this Article shall be deemed to prohibit the City Manager or their designee from imposing other penalties authorized by the Saline City Code or other ordinance of the City, including filing a public nuisance action or any other legal action in a court of competent jurisdiction.

22-103. Penalty for violations.

Any Person who violates a provision of this Article shall be responsible for a civil infraction punishable by a civil fine of not more than \$500.00, plus costs and all other remedies available by statute. Each day of violation shall be a separate violation.

22-104 City liability and indemnification.

- (1) By accepting a Permit issued pursuant to this Article, the Permittee waives and releases the City, its officers, elected officials, and employees from any liability for injuries, damages or liabilities of any kind that result from any arrest or prosecution of Medical Marihuana Facility owners, operators, employees, clients or customers for a violation of state or federal laws, Rules or regulations.

- (2) By accepting a permit issued pursuant to this Article, all Permittees, agree to indemnify, defend and hold harmless the City, its officers, elected officials, employees, and insurers, against all liability, claims or demands arising on account of bodily injury, sickness, disease, death, property loss or damage or any other loss of any kind, including, but not limited to, any claim of diminution of property value by a property owner whose property is located in proximity to a Permitted operating Facility, arising out of, claimed to have arisen out of, or in any manner connected with the operation of a medical Marihuana Facility or use of a product Cultivated, processed, distributed or sold that is subject to the Permit, or any claim based on an alleged injury to business or property by reason of a claimed violation of the federal Racketeer Influenced and Corrupt Organizations Act (RICO), 18 U.S.C. §1964(c) .

- (3) By accepting a Permit issued pursuant to this Article, a Permittee agrees to indemnify, defend and hold harmless the City, its officers, elected officials, employees, and insurers, against all liability, claims, penalties, or demands arising on account any alleged violation of the federal Controlled Substances Act, 21 U.S.C. §801 et seq. or Article 7 of the Michigan Public Health Code, MCL 333.7101 et seq.

Section 2. In the event any court of competent jurisdiction shall hold any provision of this Ordinance invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision thereof.