

# **City of Benton Harbor Adult Use Social Equity Policy**

## **Social Equity Requirements and the State of Michigan**

Section 8 of the Michigan Regulation and Taxation of Marijuana Act (MMRTA) requires the Michigan Regulatory Agency (MRA) to promulgate rules including “a plan to promote and encourage participation in the marijuana industry by people from communities that have been disproportionately impacted by marijuana prohibition an enforcement and to positively impact communities: (MCL 333.27958, 2018 IL 1)

### **Disproportionally Impacted Community Designation**

- Communities in Michigan that were highly impacted by marihuana enforcement.
- 184 communities given this designation, including Benton Harbor
- Allows discounted fees for State licenses and technical assistance for residents of these communities who want to open marihuana businesses in their or another disproportionately impacted community
- **All applicants for adult-use licenses are required to submit a social equity plan with the state BEFORE they start the adult-use application process.**

### **Social Equity & Marijuana in Benton Harbor**

#### *Why create a Benton Harbor SPECIFIC Social Equity Policy?*

1. Allows target focus on disproportionately impacted individuals and neighborhoods.
2. Breaks down entry barriers into the marihuana industry specific to Benton Harbor.
3. Provided Funding for the development and activities that support the Benton Harbor community.
4. All applicants for Benton Harbor Social Equity are required to submit the Benton Harbor social equity plan/application at the time the State social equity plan is submitted.

### **Social Equity Policy in Local Permits**

**Social Equity Policy – To Reduce Local Permit Application and Renewal fees**

#### **Fee reductions:**

25% reduction in City Permit Application and Renewal Fees for the following:

- 51+% of business ownership is by one or more persons who are residents of the City of Benton Harbor.
- City resident with a marihuana conviction that does not involve distribution to a minor.

40% reduction in City Permit Application and Renewal Fees for the following:

- City residents with a felony marijuana conviction that does not involve distribution to a minor

10% reduction in City Permit Application and Renewal Fees for the following:

- City residents that have been a registered primary caregiver for at least 2 years between 2008 and 2017.

Maximum Free Reduction on City Permit Application and Renewal Fees: 75%

Note: If you are applying as an entity, qualifying individuals will need to hold majority ownership (greater than 50%) for the entity to receive fee reductions.

Note: City resident is an individual who has resided within the City of Benton Harbor for at least seven (7) cumulative years in the past ten (10) years.

### Social Equity for Community Impact

The City of Benton Harbor will use a minimum of 25% of fees and taxes it generates revenue in the following ways:

1. Support the following programs/initiatives:
  - a. Business incubator to help people of color prepare for ownership/operations of future marijuana establishments;
  - b. Provide community outreach and education on topics such as adult use marijuana, difference between state and federal laws concerning marijuana and adult use in general.
  - c. Blight Elimination
  - d. Home ownership – Down payment assistance for those negatively impacted by the war on drugs.

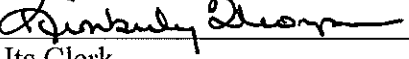
### Compliance to Social Equity Plan

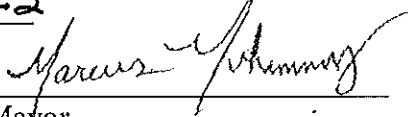
1. Individuals or entities shall complete the Benton Harbor Social Equity Plan that is to be prepared by the City and may be obtained by Contacting the Benton Harbor City Clerk.
2. Individuals or entities that have received fee reductions based on this social equity policy must provide proof of continued eligibility at time of permit renewal.
  - a. If eligible, they will receive fee reductions when renewing.
  - b. If no longer eligible
    - i. They will not receive reductions
3. Individuals or entities can submit documentation to apply for social equity fee reductions during the permit renewal process.

4. Proof of Residency Includes: Mortgage Statements, Lease/Rental Agreements, Property Tax Documents, Tax Returns, W-2 Forms, Paystubs, Insurance Statements, Utility Bills, etc...
5. Proof of Marijuana-Related Convictions: Copy of Judgment of Sentence.
6. Proof of 2 years of Caregiver Experience: Caregiver Attestation Application with a valid driver's license or State-issued personal identification card with photo.

**CITY COMMISSION, BENTON HARBOR  
BERRIEN COUNTY, MICHIGAN**

Resolution # 072020-2

ATTEST:   
Its Clerk

By:   
Its Mayor

CERTIFICATE

We, the Mayor (Marcus Muhammad) and City Clerk (Kimberly Thompson) of the City of Benton Harbor, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Commission held on July 20, 2020.