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## Should the City Favor Itself in the Marijuana Real Estate Game? <sup>[1]</sup>

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**By:**

Jessy Gregg



*Above: Planning Commission on January 23, 2019.*

Tonight, East Lansing's Planning Commission will take up a draft zoning ordinance that if passed will favor the City over some private property owners in marijuana provisioning center real estate deals.

Three members of East Lansing's City Council say that favoring the City's financial interests is exactly why the draft zoning law should be passed. Two members of Council disagree that the City should give itself an economic advantage over private land owners in the lucrative marijuana real estate game.

Now it's up to Planning Commission to make a vote on a recommendation to Council.

Last November, when Council Members passed a law to regulate <sup>[2]</sup> marijuana provisioning centers (dispensaries) in East Lansing, they unanimously supported a 1,000-foot buffer between

centers. They also supported locating centers in only four areas of the City:

- Properties north of Abbey Road ?as extended to U.S. 127,? west of Coolidge Road, east of U.S. 127, and south of the northern boundary line of the existing OIP (Office Industrial Park) District extended to 127.
- Properties bounded by the existing B2 (?Retail Sales Business?) district within the City limits that are south of Michigan Avenue and west of Brody Road.
- Properties bounded by Park Lake Road, Haslett Road, and Merritt Road, near the new Costco.
- Properties south of Grand River Avenue between Cedar Street and Hagadorn Road ? the area known as the East Village and containing The Hub project, now under construction [3].

Then, in December, Mayor Mark Meadows, Mayor Pro Tem Erik Altmann, and Council Member Ruth Beier indicated support [4] for a new rule, Ordinance 1448 [5]. If passed, the law would relax the rule dictating a 1,000-foot separation between marijuana provisioning centers in the area around Merritt Road in order to maintain the possibility that the City-owned former Department of Public Works site on Merritt Road might be sold to a business interested in using it as a provisioning center.

There?s already a private property in that area under consideration for a provisioning center, and the plan for that property has been recommended [6] by Planning Commission. If the City wants in on the real estate boom happening around marijuana by offering up its Merritt Road property, it would have to reduce the separation required between properties or deny that private-property application.

When the matter was introduced in December, Council Members Shanna Draheim and Aaron Stephens disagreed with their three colleagues, arguing that if the 1,000-foot separation rule were to be reduced to 500-feet in one district, it should be reduced in all areas of the City where marijuana provisioning centers are allowed to ask to locate.

Draheim explained that the 1,000-foot rule meant that whichever business was quick in filing for their license and having their project approved would have exclusive right to operate a provisioning center in that district.

She said that this is exactly the situation which the City now finds itself in regard to the sale of City-owned property on Merritt Road: ?We have a license request [for a private property] that?s gone in that would basically take the City DPW property out of the picture for having a provisioning center.?

?I would rather this didn?t go to the Planning Commission,? said Draheim in December, ?because I don?t think it?s a worthy use of our discussion time.?

But Draheim and Stephens were outvoted by Meadows, Altmann, and Beier. (That is how the votes play out with many split-vote issues.)

According to Meadows the proposed amendment would increase the value of that City-owned parcel. The Mayor said that, in his recollection, any income from the sale of that land would go towards paying down the debt on the new DPW headquarters on the north side of town.

Meadows described this as a "clear benefit to the citizens of the City of East Lansing."

Altmann also expressed his approval for the asymmetrical zoning requirements, saying that the DPW parcel has long been undervalued.

"Imagine the headlines if we *didn't* take an opportunity to drive its value up," Altmann said in December.

The Planning Commission briefly discussed the proposed change at their last meeting, where sentiment seemed to be against it.

Planning Commission Vice Chair Kathleen Boyle wondered why the proposed change shouldn't apply in every district.

Commissioner Leo Sell said that he would be more comfortable with a symmetrical change as well.

"This seems way too targeted for my taste," Sell commented.

Commissioner Dale Downes said he preferred to leave the separation as it was passed, at 1,000-feet, all around the City.

The Planning Commission meets tonight at City Hall in Courtroom 2, starting at 7 p.m., and is likely to vote on this matter's meeting.

Members of the public can make comments near the beginning of the meeting. Written communications to the Planning Commission should be directed to Zoning Administrator David Heywood at [dhaywood@cityofeastlansing.com](mailto:dhaywood@cityofeastlansing.com) [7].

Planning Commission is only advisory to City Council, so Council can reject its recommendations. Communications to City Council can be made via email to [council@cityofeastlansing.com](mailto:council@cityofeastlansing.com) [8].

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