

City of Westland

Conditional Marijuana Business License

Community Benefits Agreement

THIS COMMUNITY BENEFITS AGREEMENT (“CBA”) is made **effective on the date noted below** (“Effective Date”), by and between _____ with an address of _____ (hereafter the “Licensee”) and the **CITY OF WESTLAND**, with an address of 36300 Warren Road, Westland, Michigan 48185 (herein referred to as the “City”).

WHEREAS, pursuant to the Westland Uniform Marijuana Business Ordinance, Sections 27-1 through 27-34 of the Westland City Code (“**Marijuana Ordinance**”), as well as the City of Westland Marijuana Business Application Consideration Policy (“**Policy**”), the Licensee signed an application for marijuana business licensure (“**Application**”), which included a list of Community Benefits which the Licensee pledged to provide which would award Licensee points on the Scoring Rubric in the Application.

WHEREAS, In Part VIII(G) of the Application, Licensee agreed that the “issuance of a License or conditional License will be contingent on the Applicant agreeing to any other conditions imposed by the City on the Applicant.”

WHEREAS, Section 27-20 of the Westland City Code provides that “the marijuana review board, or its designee, may suspend, revoke, or place in a non-renewal status any license granted under this chapter based on the following: . . . (1) Any fraud or misrepresentation contained in the license application.”

WHEREAS, Paragraph 7 of Westland City Council Resolution No. 2021-03-32, certifying a list of marijuana businesses and offering a conditional license to such businesses, states that “[i]t shall be a condition of licensure that all statements and representations contained in the application and supporting documentation, any and all information received from a conditional licensee or licensee or any representative thereof, and any documentation submitted in support of a scoring topic be true and accurate. Any misstatement, misrepresentation, or unpermitted change in any such information shall result in immediate revocation of a license or conditional license.”

WHEREAS, some uses by the nature of the activities occurring within, on, or around the Licensee’s property on which they are located may have a deleterious impact on the neighborhood, business, district, or any area in which the facility is situated, necessitating a CBA.

NOW, THEREFORE, for the mutual promises contained herein, for the Licensee being allowed to proceed through the marijuana business licensing process, and other valuable consideration, the sufficiency and receipt of which is acknowledged, the parties agree as follows:

The Licensee agrees to satisfy the following conditions and the Licensee understands and acknowledges that failure to satisfy any one of the conditions may result, in the sole discretion of the

City, in suspension, revocation, denial of a renewal or amendment, non-renewal of a marijuana business license or conditional license (“**License**”) or other adverse action:

1. Licensee hereby agrees to provide services, donations, and any and all other benefits pledged by Licensee on its Application and listed in **Exhibit A** (“**Benefits**”) upon the following terms and conditions set forth in this CBA in exchange for the City’s approval of Licensee’s License, provided all other Licensee application requirements and conditions have been met.
2. Licensee agrees to provide all Benefits listed in **Exhibit A**, as mutually agreed upon by the City and the Licensee. Licensee understands that this document is legally binding upon Licensee, and an executed CBA satisfactory to the City is a condition to licensure; failure to provide the Benefits shall result in revocation of the License, denial of plan approvals, denial of license issuance, denial of inspection approvals, and/or denial of a Certificate of Occupancy for the Licensee’s Marijuana Business.
3. Once completed and signed CBA is legally enforceable. All Benefits listed in **Exhibit A** will be required and implemented into the final approval of the marijuana business license.
4. Completion of or progress on the Benefits will be required to be shown on any/all required plans including the site plan and building permit application and plans, if applicable. If it is not shown on the applicable plans, the City may not grant approval of said plan/permits. Additionally, throughout construction and/or inspection, a City Inspector and/or Planner shall confirm fulfillment of the selected Benefits. Failure to comply may result in the denial of a Certificate of Occupancy and in all cases will result in the denial of the final building permit.
5. Licensee understands and agrees that the City has the right to verify adherence to this CBA and the Benefits pledged with Licensee or third parties on an annual basis or at another frequency at the discretion of the City for a minimum of three years as part of the renewal process, or for any additional number of years the City deems necessary to ensure compliance. Licensee agrees to cooperate with the City to provide the City with information that the City, in its sole discretion, deems necessary to verify that the Benefits have been provided or that adequate progress in providing the Benefits has been made.
6. Licensee agrees to self-report compliance with this CBA and the status of Benefits using a form provided by the City upon request as part of its annual renewal application or at another time of the City’s choosing. Licensee shall provide this information within thirty (30) days of the City’s request if not part of the renewal application process. If the City, in its sole discretion, determines that Licensee has not, at any point in its verification process, sufficiently adhered to this CBA or the Benefits pledged, the City may revoke Licensee’s License, suspend the License for a time period of the City’s choosing, or place a Licensee on a deadline for completion of some or all of the Benefits under this CBA, or take other adverse license actions allowed under the Westland City Code or any other applicable policies promulgated pursuant to the Westland City Code.
7. Licensee understands that compliance with this CBA and providing the Benefits pledged does not, in and of itself, grant Licensee with any right to renewal of the License, or inspection

approvals, land-use approvals, or any other approvals required as part of the Marijuana Business license process.

8. This CBA shall not be modified in any manner, except by an instrument in writing executed by the parties. To promote flexibility and efficiency for this novel process, mutually agreed upon changes to this Agreement that are not material modifications may be negotiated and implemented by the City administratively.
9. As used in this CBA, a “**Claim**” is any controversy, claim, or dispute arising out of or in any way related to this CBA or breach thereof, regardless of what legal theory it arises under and includes, but is not limited to, Claims arising at law or in equity, under theories of contractual, statutory, or constitutional law.

Any Claim against the City, regardless of paragraphs 10 and 11, below, must be brought within six months from the date of the City action giving rise to the Claim, or such Claim will be waived, released, and permanently barred. If the Licensee brings one or more Claims against the City, it must bring all Claims that it has against the City, whether or not related, and any Claims not brought will be waived, released, and permanently barred.

If the City prevails on any Claim, the arbitrator or court, as applicable, shall award the City its costs and attorney fees for the Claim or Claims.

10. ARBITRATION.

At the City’s option, in the exercise of sole and uncontrolled discretion, any Claims shall be settled by arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. The arbitrator must consolidate Claims involving other Westland marijuana business licensees when the controversies or claims are similar or related, such as when common issues of law or fact are involved. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction.

If selected by the City for dispute resolution, Arbitration is the Licensee’s sole and exclusive means of obtaining relief for its Claims. Such Claims will be heard and decided by a single arbitrator.

This arbitration clause supplements (and does not replace) the terms and conditions contained in Licensee’s original application or any amendment or renewal application, if applicable.

11. GOVERNING LAW; JURISDICTION AND VENUE.

This CBA shall be governed by and construed under and in accordance with the laws of the State of Michigan without regard to its conflict of laws.

If the City elects not to require arbitration according to paragraph 10, then Claims shall be brought in a state court of Michigan seated in Wayne County or appropriate federal court in the Eastern District of Michigan.

12. JURY TRIAL WAIVER.

PARTIES ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT, WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS AGREEMENT OR ANY DISPUTE CONCERNING IT.

13. If any term or provision of this CBA or the application thereof, to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this CBA, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this CBA shall be valid and be enforced to the fullest extent permitted by law.
14. The parties executing this CBA represent and warrant that they have the legal right and all requisite power and authority to enter into this CBA.
15. To the fullest extent permitted by law, the Licensee agrees to indemnify, defend, pay on behalf of, and save harmless the City of Westland and its elected and appointed officials, consultants, agents and employees from and against all loss or expense (including costs and attorney's fees) by reason of liability imposed by law upon the City or its elected and appointed officials, consultants, agents and employees against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorney fees (collectively, Losses), relating to, arising out of, or resulting from this CBA or the Benefits, whether such Losses are due or claimed to be due to the negligence of the City, its elected and appointed officials, consultants, agents or employees.
16. Licensee may not assign any portion of this CBA without first obtaining the written consent and approval from the City, which may be granted or withheld in the sole and uncontrolled discretion of the City.
17. This CBA, applicable City ordinances, policies, and procedures, and Licensee's application on file with the city, as amended, constitutes the entire understanding of the parties with respect to the subject matter.

[signatures on the next page]

Please read this entire document carefully.

By signing below, the Licensee acknowledges all of the following:

- The undersigned is legally authorized to bind the Licensee.
- The Licensee has read and understands all information contained in this document regarding the use and purpose of this CBA.
- The Licensee understands that, once submitted this is a legally binding document and a condition of licensure; failure to comply shall result in the denial of plan approvals, permit issuance, inspection approvals, and/or the denial of a Certificate of Occupancy.

“Licensee”

Name: _____
Its: _____

_____ Date

“City”
City of Westland

_____ Name: Mohamed Ayoub
Its: Planning Director

_____ Date