

CITY OF IRON MOUNTAIN
 CHAPTER 14, BUSINESSES
 ARTICLE VIII, RECREATIONAL MARIHUANA FACILITIES
 SECTION 14.312, LICENSING OF RECREATIONAL MARIHUANA ESTABLISHMENTS

The following is an amendment to Chapter 14, Article VIII, Section 312.

That Section 312 of the Code of Ordinances of the City of Iron Mountain, Michigan is hereby amended to read as follows:

Sec. 14.312 – Licensing of Recreational Marihuana Establishments

(a) *Number of permitted facilities.* The maximum number of each type of recreational marihuana establishment permitted in the city is as follows:

Type of Facility	Number
Grower	Five (5)
Processor	Five (5) <i>Two (2)</i>
Retailer	Two (2)
Safety Compliance Facility	Unlimited
Secure Transporter	Unlimited
Microbusinesses	Zero (0)
Consumption Establishments	Zero (0)
Excess Marihuana Growers	Zero (0)

- (1) No recreational marihuana establishment shall be eligible to be issued a license unless at the time of application for such license, the location of the proposed facility complies with the zoning and separation distances from other uses as set forth in the city zoning ordinance as required for the specific type of recreational marihuana establishment for which licensure is being sought.
- (2) A licensee shall not operate a recreational marihuana establishment at any place in the city other than the address provided in the application on file with the city clerk. Provided further, no such establishment shall be located within 500 feet from a school.
- (3) Any grower issued a license by the city may stack up to three class C licenses at a single location without requiring any additional city licensing or approval, provided that the exterior of the existing structure where the facility is located will not require expansion. If expansion is required, the licensee must obtain all necessary permits and approval required for such expansion.

Provided further that any licensed grower in the city that holds anything less than a state issued class C license may, at any time, expand the license classification without requiring city approval. By way of example: licensee holding a state issued class A license may expand at any time to a state issued class B or C and

may further stack up to three class C licenses as provided above without city approval.

(4) Any growers in existence prior to the effective date of this article may continue operations. In the event an existing grower ceases operation, new operations are prohibited unless the existing operation is sold to a new owner and continues without interruption.

(d) *Merit review process.*

- (1) *License quotas.* License quotas are permitted to the extent regulated by the state statute and any and all applicable rules and regulations;
- (2) *Merit review process.* In order to seek the best candidates for recreational marihuana establishment licensure for the City of Iron Mountain, the city shall review and score and rank the applicants based upon their objective merits if the number of license applicants exceeds the number of licenses available;
- (3) *Application window.* ~~Following the effective date of this article~~ *In the event a license becomes available, there shall be an open application period of 45 days during which the city shall collect applications for all recreational marihuana establishment licenses that are subject to a cap. In the event that more applications for licenses are submitted during this window than the number of licenses available, those applications would then be reviewed by the staff.*
 - a. *Factors for scoring.* The assigned city staff shall create a scoring rubric outlining the factors and weight of criteria considered for the scoring of such applications, and shall provide the final rubric for modification and final approval by the majority of the city council. The scoring criteria shall include factors such as the proposed number of employees who would be working at the site, collocating recreational marihuana establishment licenses, proposed facility, the total capital investment, whether the applicant has a history of prior building/code violations and whether the applicant has already received pre-approval by the State of Michigan for licensure.
 - b. *Determination of order.* Once the applications are scored, individual applicants shall be notified of the order of their placement, and those within the cap may proceed through the license application process accordingly. Failure to complete the license application process within six months shall result in the denial of the application, and the next best applicant shall be afforded the opportunity to apply. The resulting list of scorers shall be used as the order for any waiting list, in the event that, (a) currently existing grandfathered facilities do not pass the State of Michigan's licensure process, (b) other facilities close on their own accord, or close by court order, administrative order, and/or have their license revoked, or (c) the city chooses to raise the license limit for that kind of facility at a future date.
 - c. *Fees.* The non-refundable application fee for a recreational marihuana establishment license is \$1,500.00 per license, and the annual fee for a recreational marihuana establishment license shall be \$5,000.00. The term of each license shall be one year beginning when the licensee is granted a certificate of occupancy and permit from the appropriate building authority.

- The \$5,000.00 annual license fee begins and commences at the time of the receipt of the applicant's certificate of occupancy.

(f) *Issuance of city recreational marihuana establishment operating license.*

- (1) *Inspection.* An occupancy inspection of the proposed recreational marihuana establishment by the city shall be required prior to the issuance of the city operating license in accordance with all applicable building codes and regulations. Such inspection shall occur after the premises are ready for operation, but prior to the stocking of the business with any recreational marihuana, and prior to the opening of the business to any patients or the public. The inspection is to verify that the business facilities are constructed and can be operated in accordance with the application submitted and the applicable requirements of the code and any other applicable law, rule or regulation.
- (2) In the event that ~~the~~ *any* recreational marihuana establishment is granted a license *after the amendment of this ordinance* but fails to substantially comply with its original site plan or operates inconsistent with the manner in which it was represented on the licensing application relied upon by the city staff in scoring the application, the city shall revoke the license and the licensee shall be prohibited from operating a recreational marihuana establishment in the city. The applicant will further be prohibited from applying for a recreational marihuana establishment license in the future.
- (3) After verification that the business facilities are constructed and can be operated in accordance with the application submitted and the applicable requirements of the code and any other applicable law, rule or regulation, the city clerk shall issue a city recreational marihuana establishment license whose term shall run concurrent with the state license for the facility.
- (4) Maintaining a valid recreational marihuana establishment license issued by the state is a condition for the issuance and maintenance of the city recreational marihuana establishment operating license issued under this article and the continued operation of a recreational marihuana establishment.
- (5) The City of Iron Mountain will authorize approved recreational marihuana establishment license(s) to entities in the following order and on the condition that a license and facility location are available in the city per the city's zoning ordinance:
 - a. Paid all licensing fees due to the City of Iron Mountain; and
 - b. The entity(ies) holds an approved and fully authorized State of Michigan Department of Licensing and Regulatory Affairs approved recreational marihuana establishment license to the city clerk; and
 - c. An approved certificate of occupancy from the applicable building official; and
 - d. All recreational marihuana establishments shall obtain a state license and all other required permits of licenses related to the operation of the recreational marihuana establishment, including, without limitation, any development approvals or building permits required by any applicable code or ordinance prior to opening to the public; including, but not limited to, any approved

building permits (as required for any construction/deconstruction) by the City of Iron Mountain Building Official as appropriate.

- e. *Proof of insurance.* A licensee shall at all time maintain full force and effect for duration of the license, workers compensation as required by state law, and general liability insurance with minimum limits of \$1,000,000.00 per occurrence and a \$2,000,000.00 aggregate limit issued from a company licensed to do business in Michigan having an AM Best rating of at least A-.
- f. The policy shall name the City of Iron Mountain and its officials and employees as additional insureds to the limits required by this section. A licensee or its insurance broker shall notify the city of any cancellation or reduction in coverage within seven days of receipt of insurer's notification to that effect. The licensee, permittee, or lessee shall forthwith obtain and submit proof of substitute insurance to the city clerk within five business days in the event of expiration or cancellation of coverage.
- g. Applicant will provide any additional information that the city clerk, police chief, fire chief, public works supervisor, zoning administrator, building official, city manager and/or city attorney or their designees reasonably determines to be necessary in connection with the investigation and review of the application.

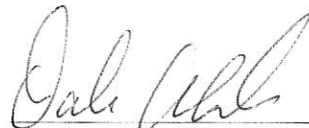
The entire Chapter 14, Article VIII, Section 312 is available for public inspection at City Hall during regular business hours.

Effective date: This Ordinance shall become effective in the City of Iron Mountain 30 days following adoption by the City Council.

Passed: December 1, 2025
Published: December 16, 2025
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Isaac Micheau
Clerk/Treasurer



Dale Alessandrini
Mayor