



Planning Commission Agenda

Wednesday, October 2, 2024

6:30 PM

City Council Chambers

(Any times listed are approximate – please note that items may be earlier or later than listed on the agenda)

- 1. Call to Order**
- 2. Roll Call**
- 3. Approval of Agenda**
- 4. Review of Minutes**
 - a. Review September 4, 2024 Minutes
- 5. Communications and Recognitions**
- 6. Public Hearing**
- 7. Business**
 - a. Discuss a draft ordinance related to the regulation of cannabis and hemp uses
- 8. Commission Direction on Commission Member Initiated Agenda Items**
- 9. Adjourn**


REQUEST FOR COMMISSION ACTION

Date: **10/2/2024**
Item No.: **4.a.**

Department Approval

Agenda Section
Review of Minutes

Item Description: Review September 4, 2024 Minutes

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

Application Information

N/A

Background

N/A

Staff Recommendation

N/A

Requested Planning Commission Action

Review the September 4, 2024 minutes and make a motion to approve subject to requested corrections.

Alternative Actions

N/A

Prepared by:

Attachments: 1. September 4, 2024 Minutes



**Planning Commission Regular Meeting
City Council Chambers, 2660 Civic Center Drive
Draft Minutes – Wednesday, September 4, 2024 – 6:30 p.m.**

- 1 **1. Call to Order**
2 Chair Pribyl called to order the regular meeting of the Planning Commission meeting at
3 approximately 6:30 p.m. and reviewed the role and purpose of the Planning Commission.
4
- 5 **2. Roll Call**
6 At the request of Chair Pribyl, Community Development Director Gundlach called the
7 Roll.
8
- 9 **Members Present:** Chair Michelle Pribyl, and Commissioners Michelle Kruzel,
10 Tammy McGehee, Pamela Aspnes, Matthew Bauer, and Erik
11 Bjorum
12
- 13 **Members Absent:** Vice-Chair Karen Schaffhausen
14
- 15 **Staff Present:** Community Development Director Janice Gundlach and Senior
16 Planner Bryan Lloyd
17
- 18 **3. Approve Agenda**
19
- 20 **MOTION**
21 **Member McGehee moved, seconded by Member Bjorum, to approve the agenda as**
22 **presented.**
23
- 24 **Ayes: 6**
25 **Nays: 0**
26 **Motion carried.**
27
- 28 **4. Review of Minutes**
29
- 30 **a. August 7, 2024, Planning Commission Regular Meeting**
31
- 32 **MOTION**
33 **Member Bjorum moved, seconded by Member Kruzel, to approve the August 7,**
34 **2024, meeting minutes.**
35
- 36 **Ayes: 6**
37 **Nays: 0**
38 **Motion carried.**
39
- 40 **5. Communications and Recognitions:**
41

42 a. **From the Public:** *Public comment pertaining to general land use issues not on this*
43 *agenda, including the 2040 Comprehensive Plan Update.*

44
45 None.

46
47 b. **From the Commission or Staff:** *Information about assorted business not already on*
48 *this agenda, including a brief update on the 2040 Comprehensive Plan Update*
49 *process.*

50
51 None.

52
53 **6. Public Hearing**

54
55 a. **Consider a Request to Subdivide a Parcel from the West End of the Roseville**
56 **Covenant Church Property and Re-Guide and Rezone it for Low-to-Medium-**
57 **Density Residential Development (PF24-004)**

58 Chair Pribyl opened the public hearing for PF24-004 at approximately 6:37 p.m. and
59 reported on the purpose and process of a public hearing. She advised this item will be
60 before the City Council on September 23, 2024.

61
62 Senior Planner Lloyd summarized the request as detailed in the September 4, 2024,
63 staff report. He noted three community members reached out to City staff with
64 concerns and opposition to this proposal.

65
66 Member Bauer asked if the Commission follows staff recommendation of allowing
67 this MDR and guiding it LDR for the Comprehensive Plan would the 3.6 max
68 allowed be correct?

69
70 Mr. Lloyd indicated that was correct. He noted mathematically it would be an 8-unit-
71 per-acre density maximum of about 20,000 square feet would be approximately 3.6
72 units.

73
74 Member McGehee indicated the City does not have any obligation to change the
75 Comprehensive Plan and change the zoning and can remain institutional.

76
77 Mr. Lloyd noted that was correct.

78
79 Member McGehee explained she drove by this area and it is a heavily
80 apartment/duplex area and this is one of the only places with large mature trees which
81 is noted in the report. It seemed to her that people do use that and it does provide
82 privacy for the residential neighborhood.

83
84 Chair Pribyl explained regarding cash in-lieu-of parkland, this is an unusual proposal
85 because proposals coming before the Commission are usually from a developer, and
86 in this case, it is the church coming forward to plat a separate lot but is not proposing
87 to do the development and it is unlikely conceivable that the lot will not be sold in the
88 immediate future and have it developed and yet the church is being tasked with

89 paying the cash in-lieu-of parkland fee, assuming it will be developed. She wondered
90 if that was automatic. She wondered if that should be assigned to the church or a
91 future developer.

92
93 Mr. Lloyd explained the typical procedure is once the City is ready to release the plat
94 documents to be recorded at Ramsey County, that is when the applicant pays the park
95 dedication fee and is required. There have in the past been some mechanisms by
96 which park dedication was required at a plat approval but not collected until a builder
97 acquired a property and began building. That was before his time working for the
98 City. He did not think it would be surprising for the church to pass that cost along to
99 a potential buyer. There is no mechanism to delay the initial payment.

100
101 Mr. John Holter, Business Administrator at Roseville Covenant Church was at the
102 meeting for questions.

103
104 Member McGehee asked why the church was selling that particular parcel.

105
106 Mr. Holter explained the church does not have a use for it and there is a building to
107 maintain with a lot of costs associated with it.

108
109 Member Aspnes asked if the church had been approached by anyone interested in
110 purchasing the land.

111
112 Mr. Holter indicated no one has contacted them and realized it could be a while
113 before the property is sold.

114 Public Comment

115
116
117 No one came forward to speak for or against this request. The public hearing was
118 closed at 7:01 p.m.

119 Commission Deliberation

120
121
122 Member McGehee thought this seemed premature to change the Comprehensive Plan
123 at this time and to rezone this. She did not see a need. She did not see development
124 there allowing for anything except more problems with stormwater runoff and the
125 boundary is very close to the pond next door already. She indicated she was strongly
126 leaning towards leaving it as institutional for several reasons but did not think there
127 was a particular reason to rezone it. She did not think this seemed reasonable at this
128 time to her.

129
130 Member Bjorum indicated he did not have a problem with rezoning this site and felt it
131 would help with the housing needs in the City and a good use for a duplex or even a
132 triplex in an area that already has developed land and this fits within the context of
133 that neighborhood.

135 Member Aspnes thought this was a tough position to be in. She was all for the trees
136 and made a huge difference to the environment. She did not think the City would
137 create a heat island there the City allows the church to utilize their land in a way that
138 when it was originally laid out, they had not anticipated. There is a pond in the
139 middle of it which the church probably could not extend their parking lot down there
140 and maybe the church does not need that big of a parking lot. The City has more
141 people that need more places to live. She likes the idea of a duplex. She noted a
142 single-family home is not necessarily affordable to everybody whereas a townhome
143 or duplex is an affordable housing option for them. She would also like to give the
144 landowner the ability to do what they want to with their land without a lot of
145 interference and she felt like telling the church that they cannot take this small parcel
146 and use it to their benefit is the right thing to do. There are many mature trees in the
147 area directly north of the church which is a very well-established neighborhood.
148 Maybe with the reduction of the trees, new trees will be able to be planted where they
149 will be beneficial. She agreed with Member Bjorum and thought this would be a
150 benefit rather than a detriment.

151
152 Member Kruzel concurred with Members Aspnes and Bjorum. She indicated she
153 would hate to see a church suffer as well if needed funds down the road for something
154 needed to be done. This could help a family move into the City and school district
155 and may enhance the quality of life.

156
157 **MOTION**

158 **Member Bauer moved, seconded by Member Aspnes, to recommend to the City**
159 **Council approval of the proposed amendment to the 2040 Comprehensive Plan**
160 **Future Land Use Map Re-Guiding the Western 120 Feet of the Subject Property**
161 **from Institutional Land Uses to Low-Density Residential Land Uses, Based on**
162 **the Content of the RPCA, Public Input and Planning Commission Deliberation**
163 **(PF23-000).**

164
165 **Ayes: 5**

166 **Nays: 1 (McGehee)**

167 **Motion carried.**

168
169 **MOTION**

170 **Member Bauer moved, seconded by Member Kruzel, to recommend to the City**
171 **Council approval of the Proposed Amendment to the Zoning Map Rezoning the**
172 **Western 120 Feet of the Subject Property from the Institutional District to the**
173 **Low-to-Medium Density Residential District, Based on the Content of the**
174 **RPCA, Public Input, and Planning Commission Deliberation. (PF23-000).**

175
176 **Ayes: 5**

177 **Nays: 1 (McGehee)**

178 **Motion carried.**

179
180 **MOTION**

181 **Member Bauer moved, seconded by Member Bjorum, to recommend to the City**
182 **Council approval of the Proposed Roseville Covenant Church 2nd Addition Plat,**
183 **Creating Lot 1, Block 1, as a Developable Lot for Future Residential**
184 **Development and Preserving the Church and its Associated Improvements on**
185 **Lot 2, Block 1, Based on the Content of the PRCA, Public Input, and Planning**
186 **Commission Deliberation, with Conditions:**
187

188 **a Pursuant to the memo from Public Works staff in Attachment 4 of this**
189 **PRCA, the applicant shall:**

- 190 **i Dedicate easements as indicated in the preliminary plat; and**
- 191 **ii Provide an Operations and Maintenance Plan, and record an**
192 **Operations and Maintenance Agreement in favor of the City,**
193 **pertaining to the maintenance of the private stormwater**
194 **management BMPs.**

195 **b Pursuant to the memo from Parks and Recreation staff in Attachment**
196 **4 of this PRCA, the applicant shall:**

- 197 **i Dedicate cash in lieu of parkland in the amount of \$8,500 prior to**
198 **filing the plat at Ramsey County; and**
- 199 **ii Pay additional park dedication fee(s) for each dwelling unit beyond**
200 **the first two prior to the issuance of building permits. The amount**
201 **of such additional park dedication fee shall be determined by the**
202 **amount per unit specified in the City Fee Schedule in effect at the**
203 **time of the building permit application.**

204
205 **Ayes: 5**

206 **Nays: 1 (McGehee)**

207 **Motion carried.**
208

209 **7. Other Business Heading Information**

210 **a. Receive Presentation Regarding Local Sales Tax Ballot Referendum**

211 City Manager Patrick Trudgeon gave a presentation to the Planning Commission
212 regarding the Local Sales Tax Ballot Referendum.
213

214
215 Member McGehee asked what will happen with the Geothermal the City has now
216 that is being used in the Public Works Building. She wondered if this would be
217 transitioned into the new dance studio building.
218

219 Mr. Trudgeon indicated the City would like to continue with sustainability efforts
220 across all of the buildings. The City has not gone into depth on how that would
221 happen because a lot of things will be torn down but will need to keep that in
222 mind and make sure those are connected to Geothermal as much as possible.
223

224 Member McGehee asked if there will be solar on the new facilities.
225

226 Mr. Trudgeon indicated that was correct but discussion has not occurred yet.

227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273

Member Kruzel indicated that knowing much of Roseville has an aging population and not everybody she knows or on her block would know to go to the City website to learn more about this so how is there being engagement without swaying people’s minds about this item? She wondered how the City is getting the information out to the community.

Mr. Trudgeon explained one way is to go out and talk about this to groups. The City has, in the last two newsletters and the one coming up, that there is information regarding this item. He noted the City is also planning on doing a direct mailer to all of the households reminding them that the question will be on the ballot.

The Commission thanked Mr. Trudgeon for the presentation.

b. Discuss Cannabis Regulatory Decisions that will Inform Future Draft Ordinance

Community Development Director Gundlach updated the Planning Commission on Cannabis Regulatory decisions and asked the Commission to discuss and give staff feedback on the draft Licensed Activities table, suggesting where various licensed cannabis activities should be located within the City and providing answers to the three questions outlined in the City Attorney memo dated July 26, 2024.

City Attorney Rachel Tierney was at the meeting to answer questions.

Member Bauer explained with the attachment he asked if there were some areas staff felt confident were the right assignment or some areas where staff is still uncertain.

Ms. Gundlach explained the retail uses are very obvious and that they should be in zoning districts that allow more retail-generated uses. All the retail/commercial zones are the MU zones. She indicated going towards the cultivators or manufacturers' staff did not want to allow those in the low-intensity MU districts and make more sense in the City’s industrial districts and maybe conditionally make sense in some of the other districts.

Chair Pribyl indicated Cannabis is different from most retail stores and she wondered if the districts where it is being shown are the same where liquor stores are permitted. She would consider those to be similar.

Mr. Lloyd indicated that was correct. It would be in the same districts as liquor stores and tobacco stores.

Ms. Gundlach continued with her presentation on imposing buffers for cannabis businesses.

274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319

Member McGehee indicated she would not be opposed to having these types of buffers within the City for this type of business.

Member Aspnes indicated she would also be in favor of having a buffer zone.

Member Bauer asked if all of these businesses would be required to have licenses or if is that something the City Council will be taking up and deciding.

City Attorney Tierney indicated all of these businesses require a State license. She indicated part of the challenge of all of this is the City's ability to regulate is extremely limited. All of these businesses can only operate with a State license. The City Council will determine whether or not to require a local registration. The businesses have to have a local registration either through the City and if the City does not want to do it then the County will have to do it.

Member McGehee knew there was a problem with liquor licensing and there are not many people who are State qualified liquor license people to go around to look at tabs, tax stamps, etc., she wondered if the City is anticipating that the State is going to take some significant role in approving and seeing that the materials being sold meet their criteria.

City Attorney Tierney explained the Office of Cannabis Management is charged with responsibility for the majority of inspections, including the type just described. The only type of inspection that would fall to the City would fall to the City only if the City decided to do the registration and that would be an annual compliance check like the tobacco and liquor compliance checks that the City does. If the City does not register, then this would fall onto the County as their responsibility to do the checks.

City staff discussed the number of cannabis businesses allowed in different areas and buffer zones in the City with the Commission.

Ms. Gundlach continued with the presentation regarding imposing buffers between other cannabis businesses.

The Commission discussed possible odors from cannabis businesses and possible remedies.

Ms. Gundlach summarized the Commission felt specifically with cultivator and manufacturer cannabis businesses there may be a reason to impose a buffer between those to be able to readily detect who is creating an odor problem if there is one.

Member Bjorum indicated he did not know how much waste is caused by a business like this either.

320 Ms. Gundlach thought that the water was also a source of odor. She indicated
321 staff would need to look into that.

322
323 Ms. Gundlach concluded her presentation by reviewing the hours of operation.

324
325 Member McGehee indicated she would not be in favor of having these open until
326 2:00 a.m. and would prefer the hours of 10:00 a.m. to 9:00 p.m.

327
328 The Commission concurred with Member McGehee.

329
330 **8. Commissioner-Initiated Items**

331 None.

332
333 **9. Adjourn**

334
335 **MOTION**
336 **Member Aspnes, seconded by Member Kruzel, to adjourn the meeting at 8:37**
337 **p.m.**

338
339 **Ayes: 6**
340 **Nays: 0**
341 **Motion carried.**

342
343


REQUEST FOR COMMISSION ACTION

Date: **10/2/2024**
Item No.: **7.a.**

Department Approval

Janice Gundlach

Agenda Section

Business

Item Description: Discuss a draft ordinance related to the regulation of cannabis and hemp uses

1
2 **Application Information**

3 Applicant: City of Roseville
4 Location: applies City-wide
5 Application Submission: n/a - City initiated
6 City Action Deadline: n/a - City initiated
7 Zoning: various, depends on the type of business
8

9 **Background**

10 At the September 4, 2024 meeting the Commission held a preliminary discussion related to the
11 regulation of cannabis. The materials from that meeting are provided in Attachment 1. The Commission
12 was asked to provide feedback on the following topics, with the consensus opinion noted in *italics*:

- 13 • Suggested zoning districts where the various cannabis and hemp uses would be prohibited,
14 conditionally permitted, and/or permitted by right - *no changes from the staff recommendations*
15 *were recommended.*
- 16 • Whether to impose buffers from schools, day cares, residential treatment facilities, or parks
17 - *impose the maximum buffer allowed by law.*
- 18 • Whether to impose buffers from other cannabis or hemp uses - *consider imposing buffers*
19 *between other manufacturing and cultivating cannabis uses (but not hemp).*
- 20 • Whether to impose hours of operation on retail cannabis businesses - *impose the most*
21 *restrictive hours as allowed under the law, which is 10am–9pm seven days a week.*

22
23 These recommendations were forwarded to the City Council on September 9, 2024. The City Council's
24 direction on the above topics varied slightly from the Commission's recommendation. The City Council
25 directed staff and the City Attorney to draft ordinances incorporating the following:

- 26 • The staff (and Planning Commission) recommendations on where the various cannabis and
27 hemp uses would be prohibited, conditionally permitted, and/or permitted by right.
- 28 • No buffers from schools, day cares, residential treatment facilities, or parks.
- 29 • No buffers from other cannabis or hemp uses.
- 30 • Impose hours of operation on retail cannabis businesses from 8am–10pm Monday thru Saturday
31 and 10am–9pm Sunday.

32
33 While not technically zoning issues, but of interest in terms of the overall regulation of cannabis, the City
34 Council's direction also included the following:

- 35 • Require the registration of cannabis businesses.

- 36 • Conduct compliance checks locally (not by the County).
- 37 • Implement the state law allowance to limit the number of retail cannabis businesses based on
- 38 population size (3 for Roseville).
- 39 • Draft an ordinance regulating cannabis events.

40 Separate ordinances are in process to enact the items noted above and do not require Planning
41 Commission action as these regulations will exist outside the Zoning Code.

42
43 The City Council also requested public engagement on the topic, including creation of a website
44 presence on the topic and draft ordinances and publication of an article in the upcoming City newsletter
45 if timing allows. There was acknowledgment that engagement efforts would be difficult given the short
46 timeframe available to get ordinances adopted by January 1, 2025.

47
48 At this time, the Commission is asked to review the draft ordinance related to zoning matters provided in
49 Attachment 2. This ordinance accomplishes the following:

- 50 • Provides a definition of all the cannabis and hemp related businesses.
- 51 • Incorporates the various business types in the applicable Table of Allowed Uses in both the
- 52 mixed use/commercial and employment-related zoning districts.
- 53 • Ensures certain existing standards for limited warehousing and distribution and limited
- 54 production and processing uses are applied to the cannabis and hemp uses that have similar
- 55 characteristics to the limited warehousing and distribution and limited production and processing
- 56 uses - this is reflected by footnotes within the Table of Allowed Uses and within the "Additional
- 57 Standards for Specific Employment Uses in All Districts" section of the Code.
- 58 • For the conditionally permitted cannabis businesses, a standard related to odor is provided. This
- 59 would be in addition to the general health, safety and welfare standards that are applied to all
- 60 conditional uses.

61
62 Staff requests the Commission review the draft ordinance and provide feedback to staff. Based on
63 Commission feedback, staff and the City Attorney will work towards a final draft ordinance for a public
64 hearing before the Planning Commission on November 6, 2024. This schedule will ensure the City
65 Council has adequate meeting availability to meet the January 1, 2025 deadline for adoption.

66 **Staff Recommendation**

67 Discuss the draft ordinance and provide feedback to staff.

68 **Requested Planning Commission Action**

69 Discuss the draft ordinance and provide feedback to staff.

70 **Alternative Actions**

71 None

72
73 **Prepared by:** Janice Gundlach, Community Development Director

74
75 **Attachments:** 1. September 4, 2024 Planning Commission materials
2. Proposed Draft Ordinance

76



REQUEST FOR COMMISSION ACTION

Date: 9/4/2024

Item No.: 7.b.

Department Approval

Agenda Section

Janice Gundlach

Business

Item Description: Discuss cannabis regulatory decisions that will inform future draft ordinance

Application Information

- Applicant: City-initiated request
Location: Not applicable
Application Submission: Not applicable
City Action Deadline: City must have an ordinance in place effective January 1, 2025
Zoning: Various depending on the type of cannabis business

Background

The State legislature established Chapter 342 of Minnesota state law, known as the "adult-use cannabis law", during the 2023 legislative session. These regulations were revised during the 2024 legislative session. Since that time, Minnesota's Office of Cannabis Management (OCM) has been established to oversee the implementation and regulation of adult-use cannabis. Included in OCM's duties was the creation of a model zoning ordinance, which cities can use to formulate local adult-use cannabis regulations. This was recently released in July and is provided within Attachment 1.

The City will need to draft an ordinance regulating adult-use cannabis and have it adopted by January 1, 2025, when the state law officially takes effect. Because the law is very prescriptive, limiting the City's role in regulation, staff wanted to provide an opportunity for the City Attorney to outline specific issues the City can control, which will aid in drafting the ordinance. The City Attorney has drafted a memo (Attachment 2) outlining broader cannabis regulatory decisions that need to be made in order to draft zoning and registration-related ordinances. While the Commission's role is limited to decisions related to zoning, the memo provides important background information that gives broader context surrounding the realm of local control. Many of these questions will need to be addressed by the City Council. The City Council is scheduled to discuss this topic on September 16th, which will allow staff to bring a draft ordinance to the Commission in October that includes initial Council direction.

At this time, staff seeks direction and/or feedback on the following:

- Feedback on the draft Licensed Activities table provided in Attachment 3, suggesting where various licensed cannabis activities should locate within the City. The suggestions offered by staff are informed by the City Attorney memo, guidance from the OCM, and where similar types of uses are already allowed in the City.
Answers to the three questions outlined in the City Attorney memo dated July 26, 2024. Specifically, the three questions located within the paragraph titled "II. Zoning Decisions - Buffers".

36
37 Staff and the City Attorney will be available to address any questions or concerns the Commission may
38 have.

39 **Staff Recommendation**

40 Review and discuss the materials and provide feedback where directed.

41 **Requested Planning Commission Action**

42 Review and discuss the materials and provide feedback where directed.

43 **Alternative Actions**

44 None

45
46 **Prepared by:** Janice Gundlach, Community Development Director

47
48 **Attachments:** 1. A Guide for Local Minnesota Governments on Adult-Use Cannabis
2. City Attorney Cannabis Decision Memo
3. Licenses and Land Uses



MINNESOTA

OFFICE OF CANNABIS MANAGEMENT

ATTACHMENT 1



A Guide for Local Governments on Adult-Use Cannabis



Table of Contents

Introduction	3
About OCM	4
Cannabis License Types	5
Adult-Use Cannabis Law	7
Cannabis Licensing Process.....	8
General Authorities	10
Zoning and Land Use	12
Local Approval Process	15
Inspections and Compliance Checks	18
Municipal Cannabis Stores	19
Creating Your Local Ordinance	20
Additional Resources	21

Introduction

This guide serves as a general overview of **Minnesota’s new adult-use cannabis law**, and how **local governments** can expect to be involved. The guide also provides important information about Minnesota’s new Office of Cannabis Management (OCM), and the office’s structure, roles, and responsibilities. While medical cannabis continues to play an important role in the state’s cannabis environment, this guide is primarily focused on the adult-use cannabis law and marketplace.

The following pages outline the variety of cannabis business licenses that will be issued, provide a broad summary of important aspects of the adult-use cannabis law, and cover a wide range of expectations and authorities that relate to local governments. This guide also provides best practices and important requirements for developing a local cannabis ordinance.

Chapter 342 of Minnesota law was established by the State Legislature in 2023 and was updated in 2024. Mentions of “adult-use cannabis law” or “the law” throughout this guide refer to Chapter 342 and the changes made to it.

As of this guide’s date of publication, state regulations governing the adult-use cannabis market have not yet been published—**this document will be updated** when such regulations become effective.



This guide is not a substitute for legal advice, nor does it seek to provide legal advice. Local governments and municipal officials seeking legal advice should consult an attorney.

About OCM

Minnesota's **Office of Cannabis Management** is the state regulatory office created to oversee the implementation and regulation of the adult-use cannabis market, the medical cannabis market, and the consumer hemp industry. Housed within OCM are the **Division of Medical Cannabis** (effective July 1, 2024), which operates the medical cannabis program, and the **Division of Social Equity**, which promotes development, stability, and safety in communities that have experienced a disproportionate, negative impact from cannabis prohibition and usage.



OCM, through Chapter 342, is tasked with establishing rules and policy and exercising its regulatory authority over the Minnesota cannabis industry. In its duties, OCM is mandated to:

- Promote public health and welfare.
- Protect public safety.
- Eliminate the illicit market for cannabis flower and cannabis products.
- Meet the market demand for cannabis flower and cannabis products.
- Promote a craft industry for cannabis flower and cannabis products.
- Prioritize growth and recovery in communities that have experienced a disproportionate, negative impact from cannabis prohibition.

OCM governs the application and licensing process for cannabis and hemp businesses, specific requirements for each type of license and their respective business activities, and conducts enforcement and inspection activities across the Minnesota cannabis and hemp industries.

License Types

Minnesota law allows for **13** different types of business licenses, each fulfilling a unique role in the cannabis and hemp supply chain. In addition to license types below, OCM will also issue endorsements to license holders to engage in specific activities, including producing, manufacturing, and sale of medical cannabis for patients.

Microbusiness

Microbusinesses may cultivate cannabis and manufacture cannabis products and hemp products, and package such products for sale to customers or another licensed cannabis business. Microbusiness may also operate a single retail location.

Mezzobusiness

Mezzobusinesses may cultivate cannabis and manufacture cannabis products and hemp products, and package such products for sale to customers or another licensed cannabis business. Mezzobusiness may also operate up to three retail locations.

Cultivator

Cultivators may cultivate cannabis and package such cannabis for sale to another licensed cannabis business.

Manufacturer

Manufacturers may manufacture cannabis products and hemp products, and package such products for sale to a licensed cannabis retailer.

Retailer

Retailers may sell immature cannabis plants and seedlings, cannabis, cannabis products, hemp products, and other products authorized by law to customers and patients.

Wholesaler

Wholesalers may purchase and/or sell immature cannabis plants and seedlings, cannabis, cannabis products, and hemp products from another licensed cannabis business. Wholesalers may also import hemp-derived consumer products and lower-potency hemp edibles.

License Types (continued)

Transporter

Transporters may transport immature cannabis plants and seedlings, cannabis, cannabis products, and hemp products to licensed cannabis businesses.

Testing Facility

Testing facilities may obtain and test immature cannabis plants and seedlings, cannabis, cannabis products, and hemp products from licensed cannabis businesses.

Event Organizer

Event organizers may organize a temporary cannabis event lasting no more than four days.

Delivery Service

Delivery services may purchase cannabis, cannabis products, and hemp products from retailers or cannabis business with retail endorsements for transport and delivery to customers.

Medical Cannabis Combination Business

Medical cannabis combination businesses may cultivate cannabis and manufacture cannabis and hemp products, and package such products for sale to customers, patients, or another licensed cannabis business. Medical cannabis combination businesses may operate up to one retail location in each congressional district.

Lower-Potency Hemp Edible Manufacturer

Lower-potency hemp edible manufacturers may manufacture and package lower-potency hemp edibles for consumer sale, and sell hemp concentrate and lower-potency hemp edibles to other cannabis and hemp businesses.

Lower-Potency Hemp Edible Retailer

Lower-potency hemp edible retailers may sell lower-potency hemp edibles to customers.

Each license is subject to further restrictions on allowable activities. Maximum cultivation area and manufacturing allowances vary by license type. Allowable product purchase, transfer, and sale between licensees are subject to restrictions in the law.

The Adult-Use Cannabis Law

Minnesota's new adult-use cannabis law permits the personal use, possession, and transportation of cannabis by those 21 years of age and older, and allows licensed businesses to conduct cultivation, manufacturing, transport, delivery, and sale of cannabis and cannabis products.

For Individuals

- **Possession limits:**
 - Flower - 2 oz. in public, 2 lbs. in private residence
 - Concentrate - 8 g
 - Edibles (including lower-potency hemp) - 800 mg THC
- **Consumption** only allowed on private property or at licensed businesses with on-site consumption endorsements. Consumption not allowed in public.
- **Gifting** cannabis to another individual over 21 years old is allowed, subject to possession limits.
- **Home cultivation** is limited to four mature and four immature plants (eight total) in a single residence. Plants must be in an enclosed and locked space.
- **Home extraction** using volatile substances (e.g., butane, ethanol) is not allowed.
- **Unlicensed sales** are not allowed.



For Businesses

- **Advertising:**
 - May not include or appeal to those under 21 years old.
 - Must include proper warning statements.
 - May not include misleading claims or false statements.
 - Billboards are not allowed.
- The flow of all products through the supply chain must be tracked by the state-authorized **tracking system**.
- All products sold to consumers and patients must be **tested for contaminants**.
- **Home delivery** is allowed by licensed businesses.



The Cannabis Licensing Process

An applicant will take the following steps to proceed from application to active licensure. As described, processes vary depending on social equity status and/or whether the type of license being sought is capped or uncapped in the general licensing process.

License Preapproval: Early Mover Process for Social Equity Applicants

The license preapproval process is a one-time application process available for verified social equity applicants. State law requires OCM to open the application window on July 24, 2024, and close the window on August 12, 2024. The preapproval process is available for the following license types, and all are capped in this process: microbusiness, mezzobusiness, cultivator, retailer, wholesaler, transporter, testing facility, and delivery service.

Preapproval steps:

1. Applicant's social equity applicant (SEA) status verified.
2. Complete application and submit application fees.
3. Application vetted for minimum requirements by OCM.
4. Application (if qualified) entered into lottery drawing.
5. If selected in lottery, OCM completes background check of selected applicant and issues license preapproval.
6. Applicant with license preapproval* submits business location and amends application accordingly.
7. OCM forwards completed application to local government.
8. Local government completes certification of zoning compliance.
9. OCM conducts site inspection.
10. When regulations are adopted, license becomes active, operations may commence.

*For social equity applicants with license preapproval for microbusiness, mezzobusiness, or a cultivator license, they may begin growing cannabis plants prior to the adoption of rules if OCM receives approval from local governments in a form and manner determined by the office. This is only applicable to cultivation and does not authorize retail sales or other endorsed activities of the licenses prior to the adoption of rules.

The Cannabis Licensing Process (cont.)

The general licensing process will align with the adoption of rules and OCM will share more information about the timing of general licensing process. The general licensing process includes social equity applicants and non-social equity applicants.

General Licensing: Cultivator, Manufacturer, Retailer, Mezzobusiness

1. Complete application and submit application fees.
2. Application vetted for minimum requirements by OCM.
3. Application (if qualified) entered into lottery drawing.
4. If selected in lottery, OCM completes background check of selected applicant and issues preliminary approval.
5. Applicant with preliminary approval submits business location and amends application accordingly.
6. OCM forwards completed application to local government.
7. Local government completes certification of zoning compliance.
8. OCM conducts site inspection.
9. License becomes active, operations may commence.*

General Licensing: Microbusiness, Wholesaler, Transporter, Testing Facility, Event Organizer

1. Complete application and submit application fees.
2. Application vetted for minimum requirements by OCM.
3. For qualified applicants, OCM completes background check of vetted applicant and issues preliminary approval.
4. Selected applicant submits business location and amends application accordingly.
5. OCM forwards completed application to local government.
6. Local government completes certification of zoning compliance.
7. OCM conducts site inspection.
8. License becomes active, operations may commence.*

*For businesses seeking a retail endorsement (microbusiness, mezzobusiness, and retailer), a valid local retail registration is required prior to the business commencing any retail sales. See Page 16 for information on the local retail registration process.

General Authorities

Local governments in Minnesota have various means of oversight over the cannabis market, as provided by the adult-use cannabis law. Local governments may not issue outright bans on cannabis business, or limit operations in a manner beyond what is provided by state law.

Cannabis Retail Restrictions (342.13)

Local governments may limit the number of retailers and microbusiness/mezzobusinesses with retail endorsements allowed within their locality, as long as there is **at least one retail location per 12,500 residents**. Local units of government are not obligated to seek out a business to register as cannabis business if they have not been approached by any potential applicants, but cannot prohibit the establishment of a business if this population requirement is not met. Local units of government may also issue more than the minimum number of registrations. Per statutory direction, a municipal cannabis store (Page 19) cannot be included in the minimum number of registrations required. For population counts, the state demographer estimates will likely be utilized.

Tribal Governments (342.13)

OCM is prohibited from and will not issue state licenses to businesses in Indian Country without consent from a tribal nation. Tribal nations hold the authority to license tribal cannabis businesses on tribal lands – this process is separate than OCM’s licensing process and authority. Subject to compacting, Tribal nations may operate cannabis businesses off tribal lands. There will be more information available once the compacting processes are complete.

Taxes (295.81; 295.82)

Retail sales of taxable cannabis products are subject to the state and local sales and use tax and a 10% gross receipts tax. Cannabis gross receipts tax proceeds are allocated as follows: 20% to the local government cannabis aid account and 80% to the state general fund. Local taxes imposed solely on sale of cannabis products are prohibited.

Cannabis retailers will be subject to the same real property tax classification as all other retail businesses. Real property used for raising, cultivating, processing, or storing cannabis plants, cannabis flower, or cannabis products for sale will be classified as commercial and industrial property.

General Authorities (cont.)

Retail Timing Restrictions (342.13)

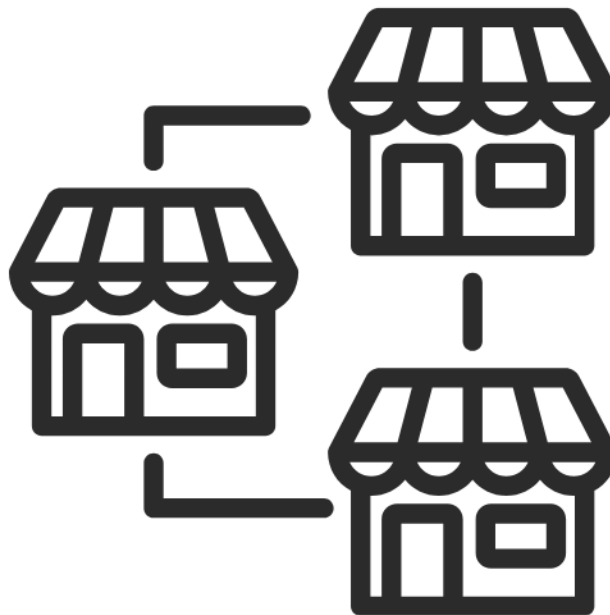
Local governments may prohibit retail sales of cannabis between the hours of 8 a.m. and 10 a.m. Monday-Saturday, and 9 p.m. and 2 a.m. the following day.

Operating Multiple Locations with One License

Certain cannabis licenses allow for multiple retail locations to be operated under a single license, with the following limitations:

- **Retailers:** up to five retail locations.
- **Mezzobusinesses:** up to three retail locations.
- **Microbusinesses:** up to one retail location.
- **Medical cannabis combination businesses:** one retail location per congressional district. Additionally, medical cannabis combination businesses may cultivate at more than one location within other limitations on cultivation.

For all other license types, one license permits the operation of one location. Each retail location requires local certification and/or registration.



Zoning and Land Use

Buffer Guidelines (342.13)

State law does not restrict how a local government conducts its zoning designations for cannabis businesses, except that they may prohibit the operation of a cannabis business within 1,000 feet of a school, or 500 feet of a day care, residential treatment facility, or an attraction within a public park that is regularly used by minors, including playgrounds and athletic fields.

Zoning Guidelines

While each locality conducts its zoning differently, a few themes have emerged across the country. For example, cannabis manufacturing facilities are often placed in industrial zones, while cannabis retailers are typically found in commercial/retail zones. Cannabis retail facilities align with general retail establishments and are prohibited from allowing consumption or use onsite, and are also required to have plans to prevent the visibility of cannabis and hemp-derived products to individuals outside the retail location. Industrial hemp is an agricultural product, and should be zoned as such.

Cannabis businesses should be zoned under existing zoning ordinances in accordance with the license type or endorsed activities held by the cannabis business. Note that certain types of licenses may be able to perform multiple activities which may have different zoning analogues. In the same way municipalities may zone a microbrewery that predominately sells directly to onsite consumers differently than a microbrewery that sells packaged beer to retailers and restaurants, so too might a municipality wish to zone two microbusinesses based on the actual activities that each business is undertaking. Table 1, included on Pages 13 and 14, explains the types of activities that cannabis businesses might undertake, as well as, some recommended existing zoning categories.

Zoning and Land Use (cont.)

Table 1: Cannabis and Hemp Business Activities

Endorsed Activity	License Type Eligible to Do Endorsed Activity	Description of Activity	Comparable Districts	Municipal Considerations
Cultivation	Cultivator Mezzobusiness Microbusiness Medical Cannabis Combination	"Cultivation" means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis plants, cannabis flower, hemp plants, or hemp plant parts.	Indoor: Industrial, Commercial, Production Outdoor: Agricultural	Odor Potential need for transportation from facility Waste, water, and energy usage Security
Cannabis Manufacturing, Processing, Extraction	Manufacturer Mezzobusiness Microbusiness Medical Cannabis Combination	This group of endorsed activities turn raw, dried cannabis and cannabis parts into other types of cannabis products, e.g. edibles or topicals.	Industrial, Commercial, Production	Odor Potential need for transportation from facility Waste, water, and energy usage Security
Hemp Manufacturing	Lower-Potency Hemp Edible (LPHE) Manufacturing	These business convert hemp into LPHE edible products.	Industrial, Commercial, Production	Odor Waste, water, and energy
Wholesale	Wholesale Cultivator Manufacturer Mezzobusiness Microbusiness Medical Cannabis Combination	This activity and license type allows a business to purchase from a business growing or manufacturing cannabis or cannabis products and sell to a cannabis business engaged in retail.	Industrial, Commercial, Production	Need for transportation from facility Security

Zoning and Land Use (cont.)

Table 1: Cannabis and Hemp Business Activities (continued)

Endorsed Activity	License Type Eligible to Do Endorsed Activity	Description of Activity	Comparable Districts	Municipal Considerations
Cannabis Retail	Retail Mezzobusiness Microbusiness Medical Cannabis Combination	This endorsed activity and license types allow a business to sell cannabis and cannabis products directly to consumers.	Retail, Neighborhood Shopping Districts, Light Industrial, Existing districts where off-sale liquor or tobacco sales are allowed.	Micros may offer onsite consumption, similar to breweries. Micros and Mezzos may include multiple activities: cultivation, manufacture, and/or retail.
Transportation	Cannabis Transporter	This license type allows a company to transport products from one license type to another.		Fleet based business that will own multiple vehicles, but not necessarily hold a substantial amount of cannabis or cannabis products.
Delivery	Cannabis Delivery	This license type allows for transportation to the end consumer.		Fleet based business that will own multiple vehicles, but not necessarily hold a substantial amount of cannabis or cannabis products.
Events	Event Organizer	This license entitles license holder to organizer a temporary event lasting no more than four days.	Anywhere that the city permits events to occur, subject to other restrictions related to cannabis use.	On site consumption. Retail sales by a licensed or endorsed retail business possible.

Local Approval Process

Local governments play a critical role in the licensing process, serving as a near-final approval check on cannabis businesses nearing the awarding of a state license for operations. Once an applicant has been vetted by OCM and is selected for proceeding in the verification process, they are then required to receive the local government's certification of zoning compliance and/or local retail registration before operations may commence.



Local Certification of Zoning Compliance (342.13; 342.14)

Following OCM's vetting process, local governments must **certify** that the applicant with preliminary approval has achieved **compliance with local zoning ordinances** prior to the licensee receiving final approval from OCM to commence operations.

During the application and licensing process for cannabis businesses, OCM will notify a local government when an applicant intends to operate within their jurisdiction and request a certification as to whether a proposed cannabis business complies with local zoning ordinances, and if applicable, whether the proposed business complies with state fire code and building code.

According to Minnesota's cannabis law, a local unit of government has 30 days to respond to this request for certification of compliance. If a local government does not respond to OCM's request for certification of compliance within the 30 days, the cannabis law allows OCM to issue a license. OCM may not issue the final approval for a license if the local government has indicated they are not in compliance.

OCM will work with local governments to access the licensing software system to complete this zoning certification process.

Local Approval Process (cont.)

Local Retail Registration Process (342.22)

Once the licensing process begins, local government registration applies to cannabis retailers or other cannabis/hemp businesses seeking a retail endorsement. Local governments must issue a retail registration after verifying that:

- The business has a valid license or license preapproval issued by OCM.
- The business has paid a registration fee or renewal fee to the local government;
 - Initial registration fees collected by a local government may be \$500 or half the amount of the applicable initial license fee, whichever is less, and renewal registration fees may be \$1,000 or half the amount of the applicable renewal license fee, whichever is less.
- The business is found to be in compliance with Chapter 342 and local ordinances.
- If applicable, the business is current on all property taxes and assessments for the proposed retail location.

Local registrations may also be issued by counties if the respective local government transfers such authorities to the county.

Determining a Process for Limiting Retail Registrations

If a local government wishes to place a limitation on the number of retailers and microbusiness/mezzobusinesses with retail endorsements allowed within their locality (as long as there is at least one retail location per 12,500 residents, see Page 10), state law does not define the process for a local government's selection if there are more applicants than registrations available. A few options for this process include the use of a lottery, a first-come/first-serve model, a rolling basis, and others. Local governments should work with an attorney to determine their specific process for selection if they wish to limit the number of licensed cannabis retailers per 342.13. Local governments are not required to limit the number of licensed cannabis retailers.

Local Approval Process (cont.)

Local governments are permitted specific authorities for registration refusal and registration suspension, in addition to—and not in conflict with—OCM authorities.

Registration and Renewal Refusals

Local governments may refuse the registration and/or certification of a license renewal if the license is associated with an individual who, within five years of the license application, has been convicted of a felony or willful violation of a federal or state law or local ordinance related to the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage.



Local Registration Suspension (342.22)

Local governments may suspend the local retail registration of a cannabis business or hemp business if the business is determined to not be operating in compliance with a local ordinance authorized by 342.13 or if the operation of the business poses an immediate threat to the health and safety of the public. The local government must immediately notify OCM of the suspension if it occurs. OCM will review the suspension and may reinstate the registration or take enforcement action.

Expedited Complaint Process (342.13)

Per state law, OCM will establish an expedited complaint process during the rulemaking process to receive, review, read, and respond to complaints made by a local unit of government about a cannabis business. Upon promulgation of rules, OCM will publish the complaint process.

At a minimum, the expedited complaint process shall require the office to provide an initial response to the complaint within seven days and perform any necessary inspections within 30 days. Within this process, if a local government notifies OCM that a cannabis business poses an immediate threat to the health or safety of the public, the office must respond within one business day.

Inspections & Compliance Checks

Local governments are permitted specific business inspection and compliance check authorities, in addition to—and not in conflict with—OCM authorities.

Inspections and Compliance Checks (342.22)

Local governments must conduct **compliance checks** for cannabis and hemp businesses holding retail registration **at least once per calendar year**. These compliance checks must verify compliance with age verification procedures and compliance with any applicable local ordinance established pursuant to 342.13. OCM maintains inspection authorities for all cannabis licenses to verify compliance with operation requirements, product limits, and other applicable requirements of Chapter 342.



Municipal Cannabis Stores

As authorized in Chapter 342.32, local governments are permitted to apply for a cannabis retail license to establish and operate a municipal cannabis store.

State law requires OCM issue a license to a city or county seeking to operate a single municipal cannabis store if the city or county:

- Submits required application information to OCM,
- Meets minimum requirements for licensure, and
- Pays applicable application and license fee.

A municipal cannabis store will not be included in the total count of retail licenses issued by the state under Chapter 342.

A municipal cannabis store cannot be counted as retail registration for purposes of determining whether a municipality's cap on retail registrations imposed by ordinance.



Creating Your Local Ordinance

As authorized in 342.13, a local government may adopt a local ordinance regarding cannabis businesses. Establishing local governments' ordinances on cannabis businesses in a timely manner is critical for the ability for local cities or towns to establish local control as described in the law, and is necessary for the success of the statewide industry and the ability of local governments to protect public health and safety. The cannabis market's potential to create jobs, generate revenue, and contribute to economic development at the local and state level is supported through local ordinance work. The issuance of local certifications and registrations to prospective cannabis businesses is also dependent on local ordinances.

- Local governments may not prohibit the possession, transportation, or use of cannabis, or the establishment or operation of a cannabis business licensed under state law.
- Local governments may adopt reasonable restrictions on the time, place, and manner of cannabis business operations (see Page 8).
- Local governments may adopt interim ordinances to protect public safety and welfare, as any studies and/or further considerations on local cannabis activities are being conducted, until January 1, 2025. A public hearing must be held prior to adoption of an interim ordinance.
- If your local government wishes to operate a municipal cannabis store, the establishment and operation of such a facility must be considered in a local ordinance.



Model Ordinance

For additional guidance regarding the creation of a cannabis related ordinance, please reference the addendum in this packet.

Additional Resources

OCM Toolkit for Local Partners

Please visit OCM webpage (mn.gov/ocm/local-governments/) for additional information, including a toolkit of resources developed specifically for local government partners. The webpage will be updated as additional information becomes available and as state regulations are adopted.

These resources are also included in the addendum of this packet.

Toolkit resources include:

- Appendix A: Model Ordinance
- Appendix B: Hemp Flower and Hemp-Derived Cannabinoid Product Checklist
- Appendix C: Enforcement Notice from the Office of Cannabis Management
- Appendix D: Notice to Unlawful Cannabis Sellers

Local Organizations

There are several organizations who also have developed resources to support local governments regarding the cannabis industry. Please feel free to contact the following for additional resources:

- League of Minnesota Cities
- Association of Minnesota Counties
- Minnesota Public Health Law Center

Appendix A: Model Ordinance

Cannabis Model Ordinance

The following model ordinance is meant to be used as a resource for cities, counties, and townships within Minnesota. The italicized text in red is meant to provide commentary and notes to jurisdictions considering using this ordinance and should be removed from any ordinance formally adopted by said jurisdiction. Certain items are not required to be included in the adopted ordinance: 'OR' and (optional) are placed throughout for areas where a jurisdiction may want to consider one or more choices on language.

Section 1	Administration
Section 2	Registration of Cannabis Business
Section 3	Requirements for a Cannabis Business (Time, Place, Manner)
Section 4	Temporary Cannabis Events
Section 5	Lower Potency Hemp Edibles
Section 6	Local Government as a Retailer
Section 7	Use of Cannabis in Public

AN ORDINANCE OF THE (CITY/COUNTY OF _____) TO REGULATE CANNABIS BUSINESSES

The (city council/town board/county board) of (city/town/county) hereby ordains:

Section 1. Administration

1.1 Findings and Purpose

(insert local authority) makes the following legislative findings:

The purpose of this ordinance is to implement the provisions of Minnesota Statutes, chapter 342, which authorizes (insert local authority) to protect the public health, safety, welfare of (insert local here) residents by regulating cannabis businesses within the legal boundaries of (insert local here).

(insert local authority) finds and concludes that the proposed provisions are appropriate and lawful land use regulations for (insert local here), that the proposed amendments will promote the community's interest in reasonable stability in zoning for now and in the future, and that the proposed provisions are in the public interest and for the public good.

1.2 Authority & Jurisdiction

A county can adopt an ordinance that applies to unincorporated areas and cities that have delegated authority to impose local zoning controls.

(insert local authority) has the authority to adopt this ordinance pursuant to:

- a) Minn. Stat. 342.13(c), regarding the authority of a local unit of government to adopt reasonable restrictions of the time, place, and manner of the operation of

a cannabis business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses.

- b) Minn. Stat. 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- c) Minn. Stat. 152.0263, Subd. 5, regarding the use of cannabis in public places.
- d) Minn. Stat. 462.357, regarding the authority of a local authority to adopt zoning ordinances.

Ordinance shall be applicable to the legal boundaries of (insert local here).

(Optional) (insert city here) has delegated cannabis retail registration authority to (insert county here). However, (insert city here) may adopt ordinances under Sections (2.6, 3 and 4) if (insert county here) has not adopted conflicting provisions.

1.3 Severability

If any section, clause, provision, or portion of this ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance shall not be affected thereby.

1.4 Enforcement

The elected body of a jurisdiction can choose to designate an official to administer and enforce this ordinance.

The (insert name of local government or designated official) is responsible for the administration and enforcement of this ordinance. Any violation of the provisions of this ordinance or failure to comply with any of its requirements constitutes a misdemeanor and is punishable as defined by law. Violations of this ordinance can occur regardless of whether or not a permit is required for a regulated activity listed in this ordinance.

1.5 Definitions

- 1. Unless otherwise noted in this section, words and phrases contained in Minn. Stat. 342.01 and the rules promulgated pursuant to any of these acts, shall have the same meanings in this ordinance.
- 2. Cannabis Cultivation: A cannabis business licensed to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant. harvest cannabis flower from mature plant, package and label immature plants and seedlings and cannabis flower for sale to other cannabis businesses, transport cannabis flower to a cannabis manufacturer located on the same premises, and perform other actions approved by the office.
- 3. Cannabis Retail Businesses: A retail location and the retail location(s) of a mezzobusinesses with a retail operations endorsement, microbusinesses with a retail operations endorsement, medical combination businesses operating a retail location, (and/excluding) lower-potency hemp edible retailers.

4. Cannabis Retailer: Any person, partnership, firm, corporation, or association, foreign or domestic, selling cannabis product to a consumer and not for the purpose of resale in any form.
5. Daycare: A location licensed with the Minnesota Department of Human Services to provide the care of a child in a residence outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.
6. Lower-potency Hemp Edible: As defined under Minn. Stat. 342.01 subd. 50.
7. Office of Cannabis Management: Minnesota Office of Cannabis Management, referred to as "OCM" in this ordinance.
8. Place of Public Accommodation: A business, accommodation, refreshment, entertainment, recreation, or transportation facility of any kind, whether licensed or not, whose goods, services, facilities, privileges, advantages or accommodations are extended, offered, sold, or otherwise made available to the public.
9. Preliminary License Approval: OCM pre-approval for a cannabis business license for applicants who qualify under Minn. Stat. 342.17.
10. Public Place: A public park or trail, public street or sidewalk; any enclosed, indoor area used by the general public, including, but not limited to, restaurants; bars; any other food or liquor establishment; hospitals; nursing homes; auditoriums; arenas; gyms; meeting rooms; common areas of rental apartment buildings, and other places of public accommodation.
11. Residential Treatment Facility: As defined under Minn. Stat. 245.462 subd. 23.
12. Retail Registration: An approved registration issued by the (insert local here) to a state-licensed cannabis retail business.
13. School: A public school as defined under Minn. Stat. 120A.05 or a nonpublic school that must meet the reporting requirements under Minn. Stat. 120A.24.
14. State License: An approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.

Section 2. Registration of Cannabis Businesses

A city or town can delegate authority for registration to the County. A city or town can still adopt specific requirement regarding zoning, buffers, and use in public places, provided said requirements are not in conflict with an ordinance adopted under the delegated authority granted to the County.

2.1 Consent to registering of Cannabis Businesses

No individual or entity may operate a state-licensed cannabis retail business within (insert local here) without first registering with (insert local here).

Any state-licensed cannabis retail business that sells to a customer or patient without valid retail registration shall incur a civil penalty of (up to \$2,000) for each violation.

Notwithstanding the foregoing provisions, the state shall not issue a license to any cannabis business to operate in Indian country, as defined in United States Code, title 18, section 1151, of a Minnesota Tribal government without the consent of the Tribal government.

2.2 Compliance Checks Prior to Retail Registration

A jurisdiction can choose to conduct a preliminary compliance check prior to issuance of retail registration.

Prior to issuance of a cannabis retail business registration, (insert local here) (shall/shall not) conduct a preliminary compliance check to ensure compliance with local ordinances.

Pursuant to Minn. Stat. 342, within 30 days of receiving a copy of a state license application from OCM, (insert local here) shall certify on a form provided by OCM whether a proposed cannabis retail business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

2.3 Registration & Application Procedure

2.3.1 Fees.

(insert local here) shall not charge an application fee.

A registration fee, as established in (insert local here)'s fee schedule, shall be charged to applicants depending on the type of retail business license applied for.

An initial retail registration fee shall not exceed \$500 or half the amount of an initial state license fee under Minn. Stat. 342.11, whichever is less. The initial registration fee shall include the initial retail registration fee and the first annual renewal fee.

Any renewal retail registration fee imposed by (insert local here) shall be charged at the time of the second renewal and each subsequent renewal thereafter.

A renewal retail registration fee shall not exceed \$1,000 or half the amount of a renewal state license fee under Minn. Stat. 342.11, whichever is less.

A medical combination business operating an adult-use retail location may only be charged a single registration fee, not to exceed the lesser of a single retail registration fee, defined under this section, of the adult-use retail business.

2.3.2 Application Submittal.

The (insert local here) shall issue a retail registration to a state-licensed cannabis retail business that adheres to the requirements of Minn. Stat. 342.22.

(A) An applicant for a retail registration shall fill out an application form, as provided by the (insert local here). Said form shall include, but is not limited to:

- i. Full name of the property owner and applicant;
- ii. Address, email address, and telephone number of the applicant;
- iii. The address and parcel ID for the property which the retail registration is sought;
- iv. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minn. Stat. 342.13.
- v. (Insert additional standards here)

(B) The applicant shall include with the form:

- i. the application fee as required in [Section 2.3.1];
 - ii. a copy of a valid state license or written notice of OCM license preapproval;
 - iii. (Insert additional standards here)
- (C) Once an application is considered complete, the (insert local government designee) shall inform the applicant as such, process the application fees, and forward the application to the (insert staff/department, or elected body that will approve or deny the request) for approval or denial.
- (D) The application fee shall be non-refundable once processed.

2.3.3 Application Approval

- (A) *(Optional)* A state-licensed cannabis retail business application shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under Section 2.6.
- (B) A state-licensed cannabis retail business application shall not be approved or renewed if the applicant is unable to meet the requirements of this ordinance.
- (C) A state-licensed cannabis retail business application that meets the requirements of this ordinance shall be approved.

2.3.4 Annual Compliance Checks.

The (insert local here) shall complete at minimum one compliance check per calendar year of every cannabis business to assess if the business meets age verification requirements, as required under [Minn. Stat. 342.22 Subd. 4(b) and Minn. Stat. 342.24] and this/these [chapter/section/ordinances].

The (insert local here) shall conduct at minimum one unannounced age verification compliance check at least once per calendar year.

Age verification compliance checks shall involve persons at least 17 years of age but under the age of 21 who, with the prior written consent of a parent or guardian if the person is under the age of 18, attempt to purchase adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a law enforcement officer or an employee of the local unit of government.

Any failures under this section must be reported to the Office of Cannabis Management.

2.3.5 Location Change

A jurisdiction may decide to treat location changes as a new registration, or alternatively treat a location change as allowable subject to compliance with the rest of the registration process.

A state-licensed cannabis retail business shall be required to submit a new application for registration under Section 2.3.2 if it seeks to move to a new location still within the legal boundaries of (insert local here).

or

If a state-licensed cannabis retail business seeks to move to a new location still within the legal boundaries of (insert local here), it shall notify (insert local here) of the proposed location change, and submit necessary information to meet all the criteria in this paragraph.

2.4 Renewal of Registration

The (insert local here) shall renew an annual registration of a state-licensed cannabis retail business at the same time OCM renews the cannabis retail business' license.

A state-licensed cannabis retail business shall apply to renew registration on a form established by (insert local here).

A cannabis retail registration issued under this ordinance shall not be transferred.

2.4.1 Renewal Fees.

The (insert local here) may charge a renewal fee for the registration starting at the second renewal, as established in (insert local here)'s fee schedule.

2.4.2 Renewal Application.

The application for renewal of a retail registration shall include, but is not limited to:

- Items required under Section 2.3.2 of this Ordinance.
- Insert additional items here

2.5 Suspension of Registration

2.5.1 When Suspension is Warranted.

The (insert local here) may suspend a cannabis retail business's registration if it violates the ordinance of (insert local here) or poses an immediate threat to the health or safety of the public. The (insert local here) shall immediately notify the cannabis retail business in writing the grounds for the suspension.

2.5.2 Notification to OCM.

The (insert local here) shall immediately notify the OCM in writing the grounds for the suspension. OCM will provide (insert local here) and cannabis business retailer a response to the complaint within seven calendar days and perform any necessary inspections within 30 calendar days.

2.5.3 Length of Suspension.

A jurisdiction can wait for a determination from the OCM before reinstating a registration.

The suspension of a cannabis retail business registration may be for up to 30 calendar days, unless OCM suspends the license for a longer period. The business may not make sales to customers if their registration is suspended.

The (insert local here) may reinstate a registration if it determines that the violations have been resolved.

The (insert local here) shall reinstate a registration if OCM determines that the violation(s) have been resolved.

2.5.4 Civil Penalties.

Subject to Minn. Stat. 342.22, subd. 5(e) the (insert local here) may impose a civil penalty, as specified in the (insert local here)'s Fee Schedule, for registration violations, not to exceed \$2,000.

2.6 Limiting of Registrations

A jurisdiction may choose to set a limit on the number of retail registrations within its boundaries. The jurisdiction may not however, limit the number of registrations to fewer than one per 12,500 residents.

(Optional) The (insert local here) shall limit the number of cannabis retail businesses to no fewer than one registration for every 12,500 residents within (insert local legal boundaries here).

(Optional) If (insert county here) has one active cannabis retail businesses registration for every 12,500 residents, the (insert local here) shall not be required to register additional state-licensed cannabis retail businesses.

(Optional) The (insert local here) shall limit the number of cannabis retail businesses to (insert number <= minimum required).

Section 3. Requirements for Cannabis Businesses

State Statutes note that jurisdictions may "adopt reasonable restrictions on the time, place, and manner of the operation of a cannabis business." A jurisdiction considering other siting requirements (such as a buffer between cannabis businesses, or a buffer from churches) should consider whether there is a basis to adopt such restrictions.

3.1 Minimum Buffer Requirements

A jurisdiction can adopt buffer requirements that prohibit the operation of a cannabis business within a certain distance of schools, daycares, residential treatment facilities, or from an attraction within a public park that is regularly used by minors, including a playground or athletic field. Buffer requirements are optional. A jurisdiction cannot adopt larger buffer requirements than the requirements here in Section 3.1. A jurisdiction should use a measuring system consistent with the rest of its ordinances, e.g. from lot line or center point of lot.

(Optional) The (insert local here) shall prohibit the operation of a cannabis business within [0-1,000] feet of a school.

(Optional) The (insert local here) shall prohibit the operation of a cannabis business within [0-500] feet of a day care.

(Optional) The (insert local here) shall prohibit the operation of a cannabis business within [0-500] feet of a residential treatment facility.

(Optional) The (insert local here) shall prohibit the operation of a cannabis business within [0-500] feet of an attraction within a public park that is regularly used by minors, including a playground or athletic field.

(Optional) The (insert local here) shall prohibit the operation of a cannabis retail business within [X] feet of another cannabis retail business.

Pursuant to Minn. Stat. 462.367 subd. 14, nothing in Section 3.1 shall prohibit an active cannabis business or a cannabis business seeking registration from continuing operation at the same site if a (school/daycare/residential treatment facility/attraction within a public park that is regularly used by minors) moves within the minimum buffer zone.

3.2 Zoning and Land Use

For jurisdictions with zoning, said jurisdiction can limit what zone(s) Cannabis businesses can operate in. As with other uses in a Zoning Ordinance, a jurisdiction can also determine if such use requires a Conditional or Interim Use permit. A jurisdiction cannot outright prohibit a cannabis business. A jurisdiction should amend their Zoning Ordinance and list what zone(s) Cannabis businesses are permitted in, and whether they are permitted, conditional, or interim uses. While each locality conducts its zoning differently, a few themes have emerged across the country. For example, cannabis manufacturing facilities are often placed in industrial zones, while cannabis retailers are typically found in commercial/retail zones. Cannabis retail facilities align with general retail establishments and are prohibited from allowing consumption or use onsite and are also required to have plans to prevent the visibility of cannabis and hemp-derived products to individuals outside the retail location. Cannabis businesses should be zoned under existing zoning ordinances in accordance with the license type or endorsed activities held by the cannabis business.

3.2.1. Cultivation.

Cannabis businesses licensed or endorsed for cultivation are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Cannabis Manufacturer.

Cannabis businesses licensed or endorsed for cannabis manufacturer are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Hemp Manufacturer.

Businesses licensed or endorsed for low-potency hemp edible manufacturers permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Wholesale.

Cannabis businesses licensed or endorsed for wholesale are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Cannabis Retail.

Cannabis businesses licensed or endorsed for cannabis retail are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Cannabis Transportation.

Cannabis businesses licensed or endorsed for transportation are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.2.1. Cannabis Delivery.

Cannabis businesses licensed or endorsed for delivery are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

3.3 Hours of Operation

A jurisdiction may adopt an ordinance limiting hours of operation between 10 a.m. and 9 p.m., seven days a week, and that State statute prohibits the sale of cannabis between 2 a.m. and 8 a.m., Monday through Saturday, and between 2 a.m. and 10 a.m. on Sundays.

(Optional) Cannabis businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products between the hours of (insert time here) and (insert time here).

3.4 (Optional) Advertising

Cannabis businesses are permitted to erect up to two fixed signs on the exterior of the building or property of the business, unless otherwise limited by (insert local here)'s sign ordinances.

Section 4. Temporary Cannabis Events

Any individual or business seeking to obtain a cannabis event license must provide OCM information about the time, location, layout, number of business participants, and hours of operation. A cannabis event organizer must receive local approval, including obtaining any necessary permits or licenses issued by a local unit of government before holding a cannabis event.

4.1 License or Permit Required for Temporary Cannabis Events

4.1.1 License Required.

A cannabis event organizer license entitles the license holder to organize a temporary cannabis event lasting no more than four days. A jurisdiction should determine what type of approval is consistent with their existing ordinances for events.

A license or permit is required to be issued and approved by (insert local here) prior to holding a Temporary Cannabis Event.

4.1.2 Registration & Application Procedure

A registration fee, as established in (insert local here)'s fee schedule, shall be charged to applicants for Temporary Cannabis Events.

4.1.3 Application Submittal & Review.

The (insert local here) shall require an application for Temporary Cannabis Events.

- (A) An applicant for a retail registration shall fill out an application form, as provided by the (insert local here). Said form shall include, but is not limited to:
 - i. Full name of the property owner and applicant;
 - ii. Address, email address, and telephone number of the applicant;
 - iii. (Insert additional standards here)
- (B) The applicant shall include with the form:
 - i. the application fee as required in (Section 4.1.2);
 - ii. a copy of the OCM cannabis event license application, submitted pursuant to 342.39 subd. 2.

The application shall be submitted to the (insert local authority), or other designee for review. If the designee determines that a submitted application is incomplete, they shall return the application to the applicant with the notice of deficiencies.

(C) Once an application is considered complete, the designee shall inform the applicant as such, process the application fees, and forward the application to the (insert staff/department, or elected body that will approve or deny the request) for approval or denial.

(D) The application fee shall be non-refundable once processed.

(E) The application for a license for a Temporary Cannabis Event shall meet the following standards:

A jurisdiction may establish standards for Temporary cannabis events which the event organizer must meet, including restricting or prohibiting any on-site consumption. If there are public health, safety, or welfare concerns associated with a proposed cannabis event, a jurisdiction would presumably be authorized to deny approval of that event.

- Insert standards here

(G) A request for a Temporary Cannabis Event that meets the requirements of this Section shall be approved.

(H) A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. The (insert city/town/county) shall notify the applicant of the standards not met and basis for denial.

(Optional) Temporary cannabis events shall only be held at (insert local place).

(Optional) Temporary cannabis events shall only be held between the hours of (insert start time) and (insert stop time).

Section 5. (Optional) Lower-Potency Hemp Edibles

A jurisdiction can establish different standards or requirements regarding Low-Potency Edibles. A jurisdiction can consider including the following section and subsections in their cannabis ordinance.

5.1 Sale of Low-Potency Hemp Edibles

The sale of Low-Potency Edibles is permitted, subject to the conditions within this Section.

5.2 Zoning Districts

If sales are permitted, a jurisdiction can limit what zone(s) the sales of Low-Potency Edibles can take place in. A jurisdiction can also determine if such activity requires a Conditional or Interim Use permit.

Low-Potency Edibles businesses are permitted as a (type of use) in the following zoning districts:

- (Insert zoning districts use is permitted in here)
- (Insert zoning districts use is permitted in here)

5.3 (Optional) Additional Standards

5.3.1 Sales within Municipal Liquor Store.

A jurisdiction that already operates a Municipal Liquor Store may sell Low-Potency Edibles within the same store.

The sale of Low-Potency Edibles is permitted in a Municipal Liquor Store.

5.3.2 Age Requirements.

A jurisdiction is able to restrict the sale of Low-Potency Edibles to locations such as bars.

The sale of Low-Potency Edibles is permitted only in places that admit persons 21 years of age or older.

5.3.3 Beverages.

The sale of Low-Potency Hemp Beverages is permitted in places that meet requirements of this Section.

5.3.4 Storage of Product.

A jurisdiction is able to set requirements on storage and sales of Low-Potency Edibles.

Low-Potency Edibles shall be sold behind a counter, and stored in a locked case.

Section 6. (Optional) Local Government as a Cannabis Retailer
(insert local here) may establish, own, and operate one municipal cannabis retail business subject to the restrictions in this chapter.

The municipal cannabis retail store shall not be included in any limitation of the number of registered cannabis retail businesses under Section 2.6.

(insert local here) shall be subject to all same rental license requirements and procedures applicable to all other applicants.

Section 7 Use in Public Places

No person shall use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a public place or a place of public accommodation unless the premises is an establishment or an event licensed to permit on-site consumption of adult-use.

Appendix B: Hemp Flower and Hemp-Derived Cannabinoid Product Checklist



Office of Cannabis Management
Department of Health

Hemp Flower and Hemp-Derived Cannabinoid Product Checklist

Minnesota Statute 18K.02, Definitions

Minnesota Statute 152.01, Subdivision 9

Minnesota Statute 151.72, Sale of Certain Cannabinoid Products

Minnesota Statute 152.0264, Cannabis Sale Crimes

Minnesota Statute 342.09, Personal Adult Use of Cannabis

Question	Yes	No	Comments	Additional Information
Business License and Registration Compliance				
Is the business registered with the Minnesota Department of Health?				All businesses selling hemp-derived cannabinoid products must be registered. See Hemp-Derived Cannabinoid Products (www.health.state.mn.us/people/cannabis/edibles/index.html)
If the business offers on-site consumption, do they have a liquor license?				Local authorities issue on-site consumption licenses. These are required for all businesses permitting on-site consumption of THC.
Product Compliance – All Products				
Does the business ensure that all sales are made to persons 21 years old or older?				Only persons 21 years of age or older may purchase hemp-derived cannabinoid products, with the exception of topicals. These products may be sold to anyone.
Does the business have all edible cannabinoid products, except beverages, behind the counter or in a locked cabinet?				Businesses must ensure all edible cannabinoid products are secure and inaccessible to customers.

Question	Yes	No	Comments	Additional Information
<p>Only delta-8 and delta-9 are allowed for human consumption. Does the business sell edibles or beverages with any other intoxicating cannabinoids?</p>				<p>MIDH has identified products containing many different intoxicating cannabinoids, such as HHC, THC-O, THC-P, PHC, delta-10, delta-11, delta-8p, delta-9p, etc. The product must contain only delta-8 and/or delta-9.</p>
<p>Does the business sell any edible products that are similar to a product marketed to or consumed by children?</p>				<p>Edible products that appear similar to candy or snacks marketed toward or consumed by children are not allowed.</p>
<p>Does the label on the edible or beverage state "Keep out of reach of children"?</p>				<p>All products must include the warning label "Keep out of reach of children."</p>
<p>Is the manufacturer's name, address, website, and contact phone number included on the label or provided through a QR code?</p>				<p>If not, the product is not in compliance.</p>
<p>Does the QR code on the product bring the user to a Certificate of Analysis on the website, which includes the name of the independent testing laboratory, cannabinoid profile, and product batch number?</p>				<p>All products must be tested by batch in an independent, accredited laboratory. The results must include the cannabinoid profile.</p>
<p>Does the label on the product indicate the cannabinoids by serving and in total?</p>				<p>The label must indicate the potency by individual serving as well as in total.</p>

Question	Yes	No	Comments	Additional Information
Does the label on the product make any claim the product offers any kind of health benefit?				Health claims are not permitted on hemp or cannabis products unless approved by the FDA. At this time, there is not an approved statement.
Does the label on the product state that the product does not claim to diagnose, treat, cure or prevent any disease?				The manufacturer cannot claim the product will provide any health benefit unless the product has been formally approved by the FDA.
Does the business sell CBD (or other forms of cannabidiol) in the form of a softgel, tablet, or tincture?				Non-intoxicating cannabinoids may only be sold in the form of an edible, beverage, or topical. Therefore, softgels and tablets cannot be sold. Tinctures must be labeled as either an edible or beverage and comply with the edible or beverage requirements.
Product Compliance – Edibles				
Does the edible product contain more than 5 mg delta-8 and/or delta-9 per serving?				Edibles may not exceed 5 mg delta-8 and/or delta-9 per serving.
Does the edible product package/container contain more than 50 mg total THC (delta-8 and/or delta-9)?				Edibles may not exceed 50 mg total delta-8 or delta-9 per package. The edible cannot contain any other form of THC or intoxicating cannabinoid.
Are all the edible product's servings clearly marked, wrapped, or scored on the product?				Edible product servings must be clearly distinguished on the product. Bulk products that require the consumer to measure are not allowed.

Question	Yes	No	Comments	Additional Information
Does the business sell any edible products in the shape of bears, worms, fruits, rings, ribbons?				Edibles in shapes that appeal to children are not allowed.
Is the edible product in a child-proof, tamper-evident, opaque container?				All edibles must be in a container that is child-resistant and tamper evident. If the container is clear, the business must place the edible into an opaque bag at the point of sale. Clear bags are not allowed.
Product Compliance - Beverages				
Does the beverage product contain more than 5 mg delta-8 or delta-9 per serving?				Beverages may not exceed 5 mg delta-8 and/or delta-9 per serving.
Does the beverage product contain more than 2 servings?				Beverages cannot exceed two servings, regardless of the THC potency.
Is the beverage product in an opaque container?				If the beverage is in a clear container, the business must place the beverage in an opaque bag at the point of sale.
Product Compliance – Smokables (non-flower)				
Does the business sell vapes, pre-rolls, dabs, or other smokable products which contain more than 0.3% THC?				<p>A product’s certificate of analysis will show the concentration of THC the product contains. The certificate typically is found through the QR code on the product package. In MDH’s experience, most vapes contain 50% - 90%+ THC.</p> <p>Pre-rolls may consist of raw hemp flower. These products are not regulated by 151.72. However, if a pre-roll is labeled as “infused” or “coated” have additional cannabinoids applied to the material, of which the product typically exceeds the 0.3% THC limit.</p>

Question	Yes	No	Comments	Additional Information
Does the business sell vapes, pre-rolls, dabs, or other smokeable products that contain other intoxicating cannabinoids, such as HHC?				MN Statutes do not allow any cannabinoid, other than delta-8 or delta-9, to be sold if the cannabinoid is intended to alter the structure or function of the body. HHC is a cannabinoid known to have potency greater than THC.
Does the business sell vapes, pre-rolls, dabs, or other smokable products which contain CBD?				Non-intoxicating cannabinoids cannot be smoked, vaped, or inhaled.
Product Compliance – Flower				
Does the business sell raw hemp flower?				<p>Raw hemp flower must contain 0.3% or less of delta-9 on a dry weight basis. Products exceeding 0.3% delta-9 dry weight are marijuana, and are illegal for sale.</p> <p>THC-A is the non psychoactive precursor to delta-9. Once heated THC-A converts to delta-9. In that process some amount of THC-A is lost.</p> <p>To determine whether, once heated, the hemp flower will exceed the allowable 0.3% of delta-9, one can use a decarboxylation formula which takes into account the conversion of THC-A into delta-9.</p> <p>That formula is as follows: Total THC = (0.877 X THC-A) + d-9 THC</p> <p>Raw flower must include a certificate of analysis to show testing below 0.3% delta-9.</p> <ul style="list-style-type: none"> • A lack of a certificate of analysis would constitute an illegal sale.

Question	Yes	No	Comments	Additional Information
				<ul style="list-style-type: none"> A certificate of analysis showing that under the decarboxylation formula that delta-9 would exceed the 0.3% threshold would also indicate the flower is cannabis and not hemp and therefore being sold illegally.
Product Compliance – On-Site Consumption				
If the business offers on-site consumption, do they serve the edible or beverage in its original packaging?				The business may not pour out or remove an edible from its original packaging.
If the business offers on-site consumption, do they mix a cannabis-infused beverage with alcohol?				The business may not mix cannabis-infused products with alcohol.
If the business offers on-site consumption, do they permit customers to remove from the premises products which have been removed from their original packaging?				Products which have been removed from their original packaging cannot be removed from the premises by the customer.

NOTE: If a person suspects that a hemp-derived cannabinoid product is being sold in violation of Minnesota law, they can use the complaint form at [Submitting Hemp-Derived Cannabinoid Product Complaints \(www.health.state.mn.us/people/cannabis/edibles/complaints.html\)](http://www.health.state.mn.us/people/cannabis/edibles/complaints.html).

Appendix C: Enforcement Notice from the Office of Cannabis Management



Enforcement Notice from the Office of Cannabis Management

Dear Registered Hemp Derived Cannabinoid Business:

The Office of Cannabis Management (OCM), established in 2023, is charged with developing and implementing the operational and regulatory systems to oversee the cannabis industry in Minnesota as provided in Minnesota Statutes Chapter 342.

When Minnesota legalized the sale of adult-use of cannabis flower, cannabis products, and lower-potency hemp edibles/ hemp-derived consumer products, the Minnesota Legislature included statutory provisions, [Minnesota Statutes, chapter 152.0264](#), making the sale of cannabis illegal until a business is licensed by OCM. The Office of Cannabis Management has not yet issued licenses for the cultivation, manufacture, wholesale, transportation or retail sale of cannabis, therefore any retail sales of cannabis products, including cannabis flower, are illegal.

The Office of Cannabis Management has received complaints of retailers selling cannabis flower under the label of hemp flower. Under an agreement between The Minnesota Department of Health (MDH) and OCM, inspectors from MDH will begin to examine any flower products being sold during their regular inspections to determine whether they are indeed hemp flower or cannabis flower.

In distinguishing between hemp and cannabis flower, OCM, consistent with federal rules and regulations related to hemp under 7 CFR 990.1, will consider the total concentration of THC post- decarboxylation, which is the process by which THC-A is converted into Delta-9 to produce an intoxicating effect. The examination of raw flower products will include reviewing the certificate of analysis for compliance in several areas, including:

Compliance with the requirement that raw flower listed for sale includes a Certificate of Analysis (COA). Products for sale without a COA will constitute an illegal sale.

A COA that affirms concentrations of 0.3% or less of Delta-9 on a dry weight basis. Products exceeding 0.3% Delta-9 dry weight are considered marijuana and are therefore illegal to sell.

A COA that confirms that the total levels of Delta-9 and THC-A after the decarboxylation process do not exceed 0.3%. A COA that indicates the raw flower will exceed 0.3 percent Delta-9 post-decarboxylation, or a subsequent test conducted by an independent laboratory utilized by OCM that confirms Delta-9 in excess of 0.3 percent will be considered illegal.

[Minnesota Statutes, Chapter 342](#) governs Minnesota’s cannabis market, and empowers OCM to ensure regulatory compliance. [Minnesota Statutes, chapter 342.09, subdivision 4](#) prohibits the retail sale of cannabis flower and cannabis products “without a license issued under this chapter that authorizes the sale.”

ATTACHMENT 1

To date, the Office of Cannabis Management has not issued any cannabis licenses, applications for licenses are expected to be available in the first half of 2025. As such, selling cannabis is a clear violation of law. Be aware that under Minnesota Statutes, 342.09, subdivision 6, OCM may assess fines in excess of a \$1 million for violations of this law. Likewise, under Minnesota Statutes, chapter 342.19, OCM is empowered to embargo any product that it has “probable cause to believe . . . is being distributed in violation of this chapter or rules adopted under this chapter[.]” Furthermore, violations of law may be considered in future licensing decisions made by OCM.

As inspectors enter the field, we encourage you to review the products you are currently selling to ensure they fall within the thresholds outlined above. If you have any questions related to the products you are selling, please send an email to cannabis.info@state.mn.us.

Thank you for your attention to this matter.

A handwritten signature in black ink, appearing to read "Charlene Briner", with a long horizontal flourish extending to the right.

Charlene Briner
Interim Director
Office of Cannabis Management

Appendix D: Notice to Unlawful Cannabis Sellers

Notice to Unlawful Cannabis Sellers

This notice is to inform you that your current course of action may run afoul of Minnesota law, and continuing this course of action may result in civil actions and potential criminal prosecution. To avoid such outcomes, you should immediately cease and desist any plans to engage in the unlicensed sale of cannabis and cannabis products.

Minnesota Statutes, Chapter 342 (www.revisor.mn.gov/statutes/cite/342) governs Minnesota's cannabis market, and empowers OCM to ensure regulatory compliance. Minnesota Statutes, chapter 342.09, subdivision 4 (www.revisor.mn.gov/statutes/cite/342.09#stat.342.09.4) prohibits the retail sale of cannabis flower and cannabis products "without a license issued under this chapter that authorizes the sale." To date the Office of Cannabis Management has not issued any retail, or other, cannabis licenses. As such, your plan to sell cannabis in a retail setting at this date would be in flagrant violation of the law. Be aware that under Minnesota Statutes, 342.09, subdivision 6 (www.revisor.mn.gov/statutes/cite/342.09#stat.342.09.6), OCM may assess fines in excess of a \$1,000,000 for violations of this law.

Likewise, under Minnesota Statutes, chapter 342.19 (www.revisor.mn.gov/statutes/cite/342.19), OCM is empowered to embargo any product that it has "probable cause to believe . . . is being distributed in violation of this chapter or rules adopted under this chapter[.]" It is believed that products attempted to be sold at your retail location might be distributed in violation of the law, and would therefore be subject to embargo by OCM. Under Minnesota Statutes, chapter 342.19, subd. 2 (www.revisor.mn.gov/statutes/cite/342.19#stat.342.19.2), once embargoed OCM "shall release the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product when this chapter and rules adopted under this chapter have been complied with or the item is found not to be in violation of this chapter or rules adopted under this chapter."

While Minnesota has legalized the sale of adult-use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products, the legislature did add new statutory provisions, Minnesota Statutes, chapter 152.0264 (www.revisor.mn.gov/statutes/cite/152.0264), making illegal the unlawful sale of cannabis. As there are not yet any licenses issued by OCM for the cultivation, manufacture, wholesale, transportation, or retail of cannabis, any sales of cannabis products in excess of the limits in 152.0264 is illegal.

If you are only planning to sell cannabinoid products that are derived from hemp, you should ensure that the sale of those products is consistent with Minnesota Statutes, chapter 151.72 (www.revisor.mn.gov/statutes/cite/151.72), including but not limited to the requirement that your business be registered with the Commissioner of Health, and that all products are in compliance with the relevant statutes.

Finally, in addition to the state laws outlined above, please be aware that any retail location must be in compliance with local government ordinances and zoning requirements.

OCM takes seriously its charge to enforce Minnesota Statutes, Chapter 342, and its responsibility to ensure a safe and legal cannabis market. In order to avoid the above-described actions, all attempts to open a cannabis retail dispensary in Minnesota without the appropriate license should be ceased.



Joseph L. Sathe
Fifth Street Towers
150 South Fifth Street, Suite 700
Minneapolis, MN 55402

(612) 337-9255 direct
email: jsathe@kennedy-graven.com

MEMORANDUM

TO: Janice Gundlach

FROM: Rachel Tierney, City Attorney
Joseph L. Sathe, Attorney

DATE: July 26, 2024

RE: **Initial Cannabis Regulatory Decisions**

The purpose of this memo is to provide a high-level overview of the options cities will have regarding adult-use cannabis and to obtain preliminary input on some questions that will be used to draft the draft ordinance needed.

This memo is based on the information available at this time which does not include the administrative rules that the Office of Cannabis Management (“OCM”) has released a draft of its administrative rules. These draft rules are subject to change over the next few months.

I. ZONING DECISIONS – DESIGNATING ZONING DISTRICTS

The City can amend its zoning code to specifically allow each business type in a particular district or it can choose to simply allow cannabis businesses in zones with similar uses (e.g., retailers in commercial zones with other retail). The following table includes each licensed business and very high-level information on the businesses operations.

Question: Does the City want to designate zoning districts where cannabis businesses can be located or rely on each businesses underlying use?

<u>License Type</u>	<u>Main Function</u>	<u>Use Type(s)</u>
<i>Cannabis Retailer</i>	Sales to the customers	Commercial
<i>Medical Cannabis Retailer</i>	Sales to registered patients	Commercial
<i>Cannabis Delivery Service</i>	Deliver products directly to customers	Commercial
<i>Lower Potency Hemp Retailer</i>	Sale of hemp products directly to customers	Commercial
<i>Cannabis Cultivator</i>	Growing and tending to cannabis and hemp plants	Indoor: Industrial, Commercial, Production Outdoor: Agricultural
<i>Medical Cannabis Cultivator</i>	Growing cannabis plants	Industrial/Agricultural/ Commercial
<i>Cannabis Event Organizer</i>	Coordinate cannabis events	Office/Commercial
<i>Cannabis Manufacturer</i>	Creating cannabis products that are sold to retailers	Industrial
<i>Medical Cannabis Manufacturer</i>	Creating cannabis products that are sold to medical retailers	Industrial
<i>Lower-Potency Hemp Edible Manufacturer</i>	Creating lower-potency hemp products that are sold to retailers	Industrial
<i>Cannabis Testing</i>	Testing cannabis and hemp products	Industrial
<i>Cannabis Wholesaler</i>	Warehousing and Storage	Industrial
<i>Cannabis Transporter</i>	Transport products from one license type to another.	Industrial/Commercial
<i>Medical Cannabis Combination Business</i>	Cultivation, Manufacturing, and Retail to both the general public and medical patients.	Cultivation, Manufacturing, and limited Retail
<i>Cannabis Mezzobusiness</i>	Cultivation, Manufacturing, and Retail	Cultivation, Manufacturing, and Retail
<i>Cannabis Microbusiness</i>	Cultivation, Manufacturing, and Retail	Cultivation, Manufacturing, and Retail

II. ZONING DECISIONS – BUFFERS

The City’s authority to enact zoning regulations is limited in two primary ways: 1) the City may not prohibit the establishment or operation of a cannabis or hemp business licensed by the OCM; and 2) the Legislature has established a maximum buffer from certain uses.

A. Cannabis Business Buffers from Certain Uses

A local unit of government may prohibit the operation of a cannabis business within:

- 1) 1,000 feet of a school; or
- 2) 500 feet of a day care, residential treatment facility, or an attraction within a public park that is regularly used by minors, including a playground or athletic field.

Question: Is the City interested in adopting buffers for cannabis businesses?

The City can also impose distance requirements for hemp businesses. State law does not impose the same limits on buffers for hemp businesses.

Question: Is the City interested in adopting buffers for hemp businesses?

B. Buffers from Other Cannabis Businesses

While not explicitly listed in statute, the OCM proposes that cities could adopt requirements that cannabis businesses must be located a certain distance from each other.

Question: Is the City interested in adopting buffers between cannabis businesses?

III. REGISTRATION AND COMPLIANCE CHECKS

The OCM reviews, approves, and issues the business licenses. However, each retail business must also register with the city in which it will operate, unless the city has consented to the county issuing registrations on its behalf. A registration fee can be imposed in addition to the state license fee.

A. Registrations

The registration process involves issuing a registration to a retail business that: (1) has a valid license issued by the OCM; (2) has paid the registration fee or renewal fee (if applicable); (3) is found to be in compliance with the requirements of the Cannabis Act at any preliminary compliance check; and (4) if applicable, is current on all property taxes and assessments.

Question: Does the City wish to issue registrations or ask the county to do it?

B. Registration Fee

Registration Fees by Business Type		
<p><i>The following shows the maximum amount the city could charge for an initial registration fee and renewal registration fee for retail businesses and includes the amount the state charges for a license, for reference.</i></p> <p><i>The city's initial registration cannot exceed \$500 or half of the license fee (whichever is less) and the renewal registration fee cannot exceed \$1,000 or half of the license fee (whichever is less)</i></p> <p><i>The initial registration fee shall include the fee for initial registration and the first annual renewal. Any renewal fee imposed by the local unit of government shall be charged at the time of the second renewal and each subsequent annual renewal thereafter.</i></p>		
Business	Initial	Renewal
Cannabis Retailer	City (Optional) - \$500; State - \$2,500	City (Optional) - \$1,000; State - \$5,000
Lower Potency Hemp Retailer	City (Optional) - \$125; State - \$250	City (Optional) - \$125; State - \$250
Medical Cannabis Combination Business	City (Optional) - \$500; State - \$20,000	City (Optional) - \$1,000; State - \$70,000
Cannabis Mezzobusiness	City (Optional) - \$500; State - \$5,000	City (Optional) - \$1,000; State - \$10,000
Cannabis Microbusiness	City (Optional) - \$0; State - \$0	City (Optional) - \$500; State - \$1000

Question: Does the City want to impose a registration fee?

It should be noted that the City cannot charge any fee unless it is the registering authority.

C. Compliance Checks

Once the registration is issued, the entity issuing the registration is responsible for annual compliance checks that include assessing compliance with age verification requirements (using underage purchasers), the applicable operational requirements, and the applicable limits on the types of products being sold.

D. Limiting Number of Retailers

The specific language in the Cannabis Act allowing a limitation on the number of retailers in the City says that “[a] local unit of government that issues cannabis retailer registration...may, by ordinance, limit the number of licensed cannabis retailers, cannabis mezzo businesses with retail endorsements, and cannabis mezzo businesses with retail endorsements to no fewer than one registration for every 12,500 residents.”

Consenting to have the county issue registrations could mean that the county then has the ability to limit retailers, not cities. Hopefully, the OCM will address this issue in the administrative rules.

Question: Does the City wish to limit the number of retailers to up to 3?

Note: Cities will receive a portion of the taxes imposed by the state as part of “local government cannabis aid”. This aid will be distributed to cities based on the number of retailers in the City. The City will be entitled to the sales tax aid regardless of whether it registers businesses.

E. Limiting Hours of Operation

Under statute, retail cannabis businesses may operate from 8:00 am-2:00 am Monday-Saturday and 10:00 am-2:00 am on Sunday.

The City can limiting the hours of operation between 10:00 am-9:00 pm. seven days a week.

Question: Does the City want to impose additional hours of operation limits?

F. Cannabis Events

A temporary cannabis event is a gathering organized by a licensed cannabis event organizer that may last for no more than four days.

The process for these event should generally follow the normal process for handling similar events, but the City could choose to require additional standards for temporary cannabis events, such as prohibiting on-site consumption, limiting the hours or the events, etc.

Question: Does the City want to consider additional standards for temporary cannabis events?

IV. NEXT STEPS

Any input provided will be used to draft the ordinances related to cannabis and hemp businesses. Zoning changes must go through the zoning amendment process, while the registration and operational ordinances will follow the general ordinance amendment process. Once the OCM publishes a draft of the administrative rules, we will update the City with any additional considerations and decision points.

ATTACHMENT 1

ATTACHMENT 3

Licensed Activities			Zoning Districts							
License Type	Main Function	Use Type(s)	MU-1	MU-2A	MU-2B	MU-3	MU-4	E-1	E-2	I
Cannabis Retailer	Sales to the customers	Commercial	P	P	P	P	P	P (limited)	P (limited)	NP
Medical Cannabis Retailer	Sales to registered patients	Commercial	P	P	P	P	P	P (limited)	P (limited)	NP
Cannabis Delivery Service	Deliver products directly to customers	Commercial	NP	NP	NP	P	P	C	C	P
Lower Potency Hemp Retailer	Sale of hemp products directly to customers	Commercial	P	P	P	P	P	P (limited)	P (limited)	NP
Cannabis Cultivator	Growing and tending to cannabis and hemp plants	Indoor: Industrial, Commercial, Production	NP	NP	NP	NP	NP	NP	NP	P
Medical Cannabis Cultivator	Growing cannabis plants	Indoor: Industrial, Commercial	NP	NP	NP	NP	NP	NP	NP	P
Cannabis Event Organizer	Coordinate cannabis events	Office, Commercial	P	P	P	P	P	P	P	P
Cannabis Manufacturer	Creating cannabis products that are sold to retailers	Industrial	NP	C (limited)	P (limited)	P (limited)	P (limited)	P (limited)	P (limited)	P
Medical Cannabis Manufacturer	Creating cannabis products that are sold to medical retailers	Industrial	NP	C (limited)	P (limited)	P (limited)	P (limited)	P (limited)	P (limited)	P
Lower-Potency Hemp Edible Manufacturer	Creating lower-potency hemp products that are sold to retailers	Industrial	NP	C (limited)	P (limited)	P (limited)	P (limited)	P (limited)	P (limited)	P
Cannabis Testing	Testing cannabis and hemp products	Industrial	NP	C	P	P	P	P	P	P
Cannabis Wholesaler	Warehousing and Storage	Industrial	NP	C (limited)	C (limited)	C (limited)	C (limited)	P	P	P
Cannabis Transporter	Transport products from one license type to another	Industrial, Commercial	NP	NP	NP	P	P	C	C	P
Medical Cannabis Combination Business	Cultivation, Manufacturing, and Retail to both the general public and medical patients.	Cultivation, Manufacturing, and limited Retail	NP	C (limited)	P (limited)	P (limited)	P (limited)	P (limited)	P (limited)	P
Cannabis Mezzobusiness	Cultivation, Manufacturing, and Retail	Cultivation, Manufacturing, and Retail	NP	C (limited)	C (limited)	C (limited)	P	P (limited)	P (limited)	P
Cannabis Microbusiness	Cultivation, Manufacturing, and Retail	Cultivation, Manufacturing, and Retail	NP	C (limited)	C (limited)	C (limited)	P	P (limited)	P (limited)	P

City of Roseville
ORDINANCE NO.

AN ORDINANCE AMENDING

TITLE 10, CHAPTER 1001, 1005, 1006, 1009, AND 1011

AN ORDINANCE AMENDING TITLE 10 CHAPTERS 1001, 1005, 1006,
1009, AND 1011 OF THE ROSEVILLE CITY CODE TO INCORPORATE
CANNABIS AND HEMP USES

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1: Title 10, Section 1001 of the Roseville City Code is amended
to read as follows:

1001.10: DEFINITIONS.

CANNABIS CULTIVATION BUSINESS means a business with a cannabis cultivator license, medical cannabis cultivator license, or cultivation endorsement from the State of Minnesota Office of Cannabis Management.

CANNABIS DELIVERY/TRANSPORTATION BUSINESS means a business with a cannabis delivery service license or delivery service endorsement, or cannabis transporter license or transportation endorsement from the State of Minnesota Office of Cannabis Management.

CANNABIS COMBINATION BUSINESS means a business with a cannabis mezzobusiness license with a retail operations endorsement or a cannabis microbusiness license with a retail operations endorsement from the Stat of Minnesota Office of Cannabis Management.

CANNABIS LOUNGE means a portion of the premises of a cannabis business or hemp business licensed or endorsed by the State of Minnesota Office of Cannabis Management for on-site consumption of edible cannabis products and lower-potency hemp edibles.

CANNABIS OR HEMP INDUSTRIAL BUSINESS means a business with a cannabis manufacturer license, cannabis wholesaler license, cannabis testing facility license, medical cannabis manufacturer, medical cannabis combination business license, lower-potency hemp edible manufacturing license, or manufacturing or testing endorsement from the State of Minnesota Office of Cannabis Management.

CANNABIS OR HEMP RETAILER means a business with a cannabis retailer license, medical cannabis retailer license, lower-potency hemp edible retailer license, or retail endorsement from the State of Minnesota Office of Cannabis Management.

46
47
48
49
50
51
52

SECTION 2: Title 10, Section 1005 of the Roseville City Code is amended to read as follows:

1005.03 TABLE OF ALLOWED USES.

Table 1005-1	MU-1	MU-2A	MU-2B	MU-3	MU-4	Standards
Commercial Uses						
<u>Cannabis or Hemp Retailer</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	
<u>Cannabis Delivery/Transportation Business</u>	<u>NP</u>	<u>NP</u>	<u>NP</u>	<u>P^a</u>	<u>P^a</u>	
<u>Cannabis or Hemp Industrial Business</u>	<u>NP</u>	<u>C^b</u>	<u>P^c</u>	<u>P^c</u>	<u>P^c</u>	<u>Y</u>
<u>Cannabis Combination Business</u>	<u>NP</u>	<u>C^b</u>	<u>C^b</u>	<u>C^b</u>	<u>P^d</u>	<u>Y</u>
Accessory Uses						
<u>Cannabis Lounge</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	
a. See Section 1011.12.E.13 for standards pertaining to limited warehousing and distribution. b. See Section 1009.02.D.40 for specific criteria pertaining to conditional uses. c. See Section 1011.12.E.14 for standards pertaining to limited production and processing. d. See Section 1011.12.E.15 for standards pertaining to limited production and processing.						

53
54
55
56
57
58
59

SECTION 3: Title 10, Section 1006 of the Roseville City Code is amended to read as follows:

1006.03 TABLE OF ALLOWED USES.

Table 1006-1	E-1	E-2	I	Standards
Manufacturing, Research, and Wholesale uses				
<u>Cannabis or Hemp Retailer</u>	<u>P^a</u>	<u>P^a</u>	<u>NP</u>	<u>Y</u>
<u>Cannabis Delivery/Transportation Business</u>	<u>P^b/C^c</u>	<u>P^b/C^c</u>	<u>P</u>	<u>Y</u>
<u>Cannabis or Hemp Industrial Business</u>	<u>P^d</u>	<u>P^d</u>	<u>P</u>	<u>Y</u>
<u>Cannabis Combination Business</u>	<u>P^e</u>	<u>P^e</u>	<u>P^f</u>	<u>Y</u>
<u>Cannabis Cultivator Business</u>	<u>NP</u>	<u>NP</u>	<u>C^g</u>	

- a. See Section 1011.12.F.11 for standards pertaining to retail in Employment Districts.
- b. See Section 1011.12.F.12 for standards pertaining to limited warehousing and distribution.
- c. See Section 1009.02.D.41 for specific criteria pertaining to conditional uses.
- d. See Section 1011.12.F.13 for standards pertaining to limited production and processing.
- e. See Section 1011.12.F.14 for standards pertaining to limited production and processing and retail in Employment Districts.
- f. The retail component of a cannabis combination business is not permitted in the I zoning district.
- g. See Section 1009.02.D.40 for specific criteria pertaining to conditional uses.

60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93

SECTION 4: Title 10, Section 1009.02.D (i.e., additional specific standards and criteria for reviewing conditional uses) of the Roseville City Code is amended to read as follows:

40. Cannabis Cultivation Business, Cannabis or Hemp Industrial Business, Cannabis Combination Business: An Odor Mitigation Plan shall be submitted that outlines all odor emitting aspects of the business and mitigations to be implemented to ensure compliance with Section 1011.02.C.4 of this Title, ensuring odor is not readily detectable beyond the boundaries of the immediate site upon establishment of the business and for the full duration of the business.

41. Cannabis Delivery/Transportation Business: These shall be regulated consistent with Limited Warehousing and Distribution uses, such that uses utilizing 9 or greater pick-up, cargo, and/or cube variety fleet delivery/distribution trucks require approval as a conditional use. There are no specific standards for this use.

SECTION 5: Title 10, Section 1011.12.E (i.e., additional standards for specific business and commercial uses in all districts) of the Roseville City Code is amended to read as follows:

13. Cannabis Delivery/Transportation Business: Where a licensed cannabis delivery/transportation business is located in a Mixed Use zoning district, the scale of such business shall conform to the definition of a Limited Warehousing/Distribution use in Section 1001.10 of this Title.

14. Cannabis or Hemp Industrial Business: Where a licensed cannabis or hemp industrial business is located in a Mixed Use zoning district, the scale of such business shall conform to the definition of a Limited Production/Processing use in Section 1001.10 of this Title.

94 15. Cannabis Combination Business: Where a licensed cannabis combination
95 business is located in a Mixed Use zoning district, the scale of cultivation and
96 manufacturing elements of such business shall conform to the definition of a
97 Limited Production/Processing use in Section 1001.10 of this Title.

98
99
100 SECTION 6: Title 10, Section 1011.12.F (i.e., additional standards for
101 specific employment uses in all districts) of the Roseville City Code is
102 amended to read as follows:
103

104 11. Cannabis or Hemp Retailer: Where a licensed cannabis or hemp retailer is
105 located in an E-1 or E-2 zoning district, such business shall be subject to the
106 limitation established in Section 1011.12.F.2 of this Title.

107
108 12. Cannabis Delivery/Transportation Business: Where a licensed cannabis
109 delivery/transportation business is located in an E-1 or E-2 zoning district, the
110 scale of such business shall conform to the definition of a Limited
111 Warehousing/Distribution use in Section 1001.10 of this Title.

112
113 13. Cannabis or Hemp Industrial Business: Where a licensed cannabis or hemp
114 industrial business is located in an E-1 or E-2 zoning district, the scale of
115 manufacturing elements of such business shall conform to the definition of a
116 Limited Production/Processing use in Section 1001.10 of this Title. Further, a
117 wholesale element of such business shall be subject to the limitation established in
118 Section 1011.12.F.5 of this Title.

119
120 14. Cannabis Combination Business: Where a licensed cannabis combination
121 business is located in an E-1 or E-2 zoning district, the scale of cultivation and
122 manufacturing elements of such business shall conform to the definition of a
123 Limited Production/Processing use in Section 1001.10 of this Title. Further, the
124 retail element of such business shall be subject to the limitation established in
125 Section 1011.12.F.2 of this Title.

126
127
128 SECTION 7: Effective date. This ordinance shall take effect on January 1,
129 2025, following its passage and publication.

130
131 Passed by the City Council of the City of Roseville this ___ day of _____ 20XX.

134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155

Signatures as follows on separate page:

Ordinance – Title of Ordinance -

(SEAL)

CITY OF ROSEVILLE

BY: _____
Daniel J. Roe, Mayor

ATTEST:

Patrick Trudgeon, City Manager