

**AGENDA
PLANNING COMMISSION
CITY OF WYOMING, MINNESOTA
AUGUST 14, 2024
7:00 PM**

CALL TO ORDER:

CALL OF ROLL:

DETERMINATION OF A QUORUM:

PLEDGE OF ALLEGIANCE:

OPEN FORUM:

An opportunity for members of the public to address the Planning Commission on items not on the current Agenda. Items requiring Planning Commission action may be deferred to staff for research and future Planning Commission Agendas if appropriate. You will be limited to two (2) minutes and we ask that you conduct yourself in a professional, courteous manner, and refrain from the use of profanity. Failure to abide by this policy may result in the loss of your privilege to speak.

APPROVAL OF MINUTES:

- 1. Consider approving the minutes of the “Regular Meeting” of the Wyoming, Minnesota Planning Commission for July 23, 2024.**

SCHEDULED PUBLIC HEARINGS:

NEW BUSINESS:

- 2. Adult Use Cannabis Draft Ordinance**

OLD BUSINESS:

COMMUNICATIONS:

UPDATES:

The amendment to the Summer Field PUD and the Kabalan residential kennel were both approved by the City Council.

ADJOURN

UPCOMING:

**UNAPPROVED MINUTES
PLANNING COMMISSION
CITY OF WYOMING, MINNESOTA
JULY 23, 2024
7:00PM**

CALL TO ORDER:

Planning Commission Vice-Chair West called the Regular Meeting of the Wyoming Planning Commission for July 23, 2024 to order at 7:00 PM

CALL OF ROLL:

On a Call of the Roll the following members of the Wyoming Planning Commission were present: Katie West, Dan Iverson, Mark Holl, and Chris Ortwerth

ABSENT: Commissioner Mark Lobermeier

Also Present: Fred Weck Zoning Administrator, Robb Linwood, City Administrator, and Council Liaison Lisa Iverson

DETERMINATION OF A QUORUM:

PLEDGE OF ALLEGIANCE:

OPEN FORUM: NONE

APPROVAL OF MINUTES:

- 1. Consider approving the minutes of the “Regular Meeting” of the Wyoming, Minnesota Planning Commission for July 9, 2024**

Commissioner Iverson pointed out two instances where comments and motions he had been had been credited to Commissioner Holl by mistake.

A MOTION WAS MADE BY COMMISSIONER IVERSON, SECONDED BY COMMISSIONER HOLL, TO APPROVE THE MINUTES OF THE “REGULAR MEETING” OF THE WYOMING, MINNESOTA PLANNING COMMISSION FOR JULY 9, 2024, AS AMENDED.

Voting Aye: Ortwerth, West, Holl, and Iverson

Voting Nay: None

Abstain: None

Absent: Lobermeier

SCHEDULED PUBLIC HEARINGS:

- 2. Amend the Conditional Use Permit for a Planned Unit Development: C-24-001**

Location: The Summer Fields residential development

Applicant/Owner: Jesse Moxness of Summer Field, LLC

Property ID Number: 21.10582.XX

Zoning Administrator Weck explained that the applicant had requested an amendment to the CUP for a PUD. He stated that in January of 2020 the Joint Park Planning Commission had agreed to accept cash in lieu of land for the park dedication and in September of 2020, WSB finalized an

EAW which determined that the proposed project did not have the potential for significant environmental effects. He stated that in October of 2020, the City approved a Preliminary Plat and rezoning and in November of 2020 approved a CUP for a PUD that applied to the entire development and had also approved the Final Plat for a 19 lot subdivision which was the first phase of Summer Fields. He explained that the applicant had requested amendments to the setback requirements on Lots 1-9 of Block 1 and Lots 1-6 of Block 2. He noted that it would reduce the side yard setbacks from 7.5 feet to 5 feet and the setbacks at an intersection by reduced from 20 feet to 15 feet. He explained that part of the reason for this reduction would be to allow for 3 car garages to be built. Staff recommends approval, with the conditions as outlined in the staff report.

Jesse Moxness, owner, stated that he would be happy to answer any questions that the Commission may have.

Commissioner Iverson noted the roof run-off locations and asked if the proposed narrowing between the properties would change anything about how that would work.

Mr. Moxness stated that between each house pad they will have a drain and noted that they will have to cut in a swale that would basically push the water to where it is supposed to flow. He explained that a few feet difference would not really change much of that, so he did not see any issues with that. He noted that he usually installs gutters or at least recommends that his clients put on gutters, which makes it a bit easier to control the water and reiterated that he really did not see this creating any issues with water.

Commissioner Iverson asked if it was too late in the process to take out a few lots in order to make each lot a bit wider.

Mr. Moxness stated that they cannot do that at this time and explained that they were trying to keep the costs down on everything. He explained that the current market is tough right now because cost and interest is high and noted that they have been getting a lot of feedback from customers that they want to have a 3 car garage. He stated that with the current property widths, he did not think it would be aesthetically appealing to put in the 3 car garage. He explained that he likes the developments to look nice and not like you would be essentially looking at a storage building, which he feels it would be if they put in 3 car garages with the current lot configurations.

Commissioner Iverson asked what the added value would be to the price of a home in going from a 2 car garage to a 3 car garage.

Mr. Moxness stated that the added value would be between \$15,000 to \$20,000.

Commissioner Holl asked if making the setbacks smaller would create the need to have any fire walls.

Mr. Moxness stated that it would not create the need for a fire wall. He stated that there are a few things that they will need to do but he and Zoning Administrator Weck can discuss those details.

Commissioner Ortwerth asked what this would do to the City's Comprehensive Plan.

Zoning Administrator Weck stated that this would not change anything and noted that for a PUD the setbacks are proposed by the developer and then approved by the City. He clarified that Mr. Moxness could have made this proposal at the beginning of the process, but noted that if approved, it would not change the density.

Mr. Moxness stated that he has a development in Lindstrom that is exactly like what they are proposing with 40 foot wide pads on a 50 foot wide lots that has been very successful and would like to have the same success in the City.

MOTION BY COMMISSIONER IVERSON, SECONDED BY COMMISSIONER ORTWERTH, TO

OPEN THE PUBLIC HEARING AT 7:10 P.M.

Voting Aye: Ortwerth, West, Holl, and Iverson
Voting Nay: None
Abstain: None
Absent: Lobermeier

Phillip Russell, 25869 Emerald Avenue, stated that he had moved into this area a few years ago because it was nice, open, and rural looking. He stated that when the development started going in, he objected to some of the plans because of the density. He noted that he feels that they will literally be able to spit onto each other houses which reminded him of where he came from and was also the reason he left. He explained that he did not want the rural, small-town feel to go away and felt that this proposed density is bringing that into the City. He stated that he liked the idea that was raised to take 1 or 2 lots out of the plans in order to give more space. He questioned the price of the homes and felt that they will end up being more than he paid for his house which had 3 acres. He explained that he did not want maximizing the developer's profits to be put ahead of the City's look and feel, which was his objection to these plans.

MOTION BY COMMISSIONER HOLL, SECONDED BY COMMISSIONER ORTWERTH, TO CLOSE THE PUBLIC HEARING.

Voting Aye: Ortwerth, West, Holl, and Iverson
Voting Nay: None
Abstain: None
Absent: Lobermeier

MOTION BY COMMISSIONER HOLL, SECONDED BY COMMISSIONER IVERSON, TO RECOMMEND APPROVAL TO AMEND THE CONDITIONAL USE PERMIT FOR A PLANNED UNIT DEVELOPMENT: C-24-001, LOCATED AT: THE SUMMER FIELDS RESIDENTIAL DEVELOPMENT FOR LOTS 1-9 OF BLOCK 1 AND LOTS 1-6 OF BLOCK 2 AS OUTLINED, APPLICANT/OWNER: JESSE MOXNESS OF SUMMER FIELD, LLC, PROPERTY ID NUMBER: 21.10582.XX, SUBJECT TO THE 4 CONDITIONS LISTED IN THE STAFF REPORT.

Voting Aye: Ortwerth, West, Holl, and Iverson
Voting Nay: None
Abstain: None
Absent: Lobermeier

Zoning Administrator Weck noted that this would go before the City Council on Wednesday, August 7, 2024, due to the Night to Unite activities on the normal meeting night.

NEW BUSINESS

OLD BUSINESS:

3. Interim Conditional Use Permit for a Residential Kennel: I-24-003

Location: 24567 Elmcrest Avenue

Applicant: Alexander Kabalan

Property ID Number: 21.10624.30

Zoning Administrator Weck stated that he did not have anything to add from his original presentation to the Commission, but noted that the applicant was present at tonight's meeting.

Vice-Chair West asked the applicant to outline his interest in the CUP for a residential kennel.

Alexander Kabalan, 24567 Elmcrest Avenue, stated that he had purchased this property in October and explained that his reason for moving to Wyoming was because he has 6 dogs and wanted to be able to keep them on their 5 acres with the personal kennel license.

Commissioner Iverson asked if Mr. Kabalan was currently living on the property.

Mr. Kabalan stated that he was not living there full-time and was basically awaiting this permit.

Commissioner Iverson asked if the dogs were on the property.

Mr. Kabalan stated that he lived in Coon Rapids with the dogs.

Commissioner Iverson asked if Mr. Kabalan had reviewed any of the feedback that was received from the previous meeting.

Mr. Kabalan stated that he had not reviewed that information and explained that he had missed the meeting because he thought it was on Thursday and not Tuesday.

Commissioner Iverson asked if Mr. Kabalan was familiar with the staff recommendations.

Mr. Kabalan stated that he was not really familiar with them.

Commissioner Iverson stated that at the last meeting residents addressed the Commission and shared some of their concerns. He stated that one of the recommendations was that there be no more than 6 dogs and asked about the kennel size.

Mr. Kabalan explained that they had fenced in the property a few months ago so the dogs would be able to run wild and free on the entire property. He noted that the dogs mostly stay inside the home with them and are essentially their kids.

Commissioner Iverson stated that neighbors expressed concerns about things like barking and escaping by digging.

Mr. Kabalan stated that was why they had installed the fence.

Commissioner Iverson stated that, just like everything else, dogs poop and asked Mr. Kabalan to address some of those types of concerns.

Mr. Kabalan stated that he has not had any issues with the dogs barking. He stated that he was not there full-time, but when he is there and the dogs are out, he seldom has issues with anybody. He noted that there is one neighbor to his left that has 2 dogs and sometimes when they see the dogs they bark, but the other dogs do too. He stated that when that has happened he usually just brings the dogs back inside.

Vice-Chair West asked if the dogs were mostly indoor dogs and they would not be left outdoors in a kennel.

Mr. Kabalan stated that was correct and reiterated that the dogs live inside the home with them. He stated that they go outside and run around and play and when they burn up the energy they go back inside.

Commissioner Holl noted that there was a pole barn on the property and asked if the dogs would be kept in the barn.

Mr. Kabalan stated that they would not be kept in the barn.

Commissioner Holl asked if Mr. Kabalan planned to move into this home as a full-time resident.

Mr. Kabalan stated that is what they plan to do and explained that they had already homesteaded the home, but they do plan to keep their current house in Coon Rapids as their secondary home.

Vice-Chair West asked about the fence compliance issues and whether he would make the necessary changes to comply.

Mr. Kabalan explained that there was barbless wire on top and noted that he was not aware that this was not supposed to be on the fencing. He stated that the builder had told him that he usually puts up the barbless wire for extra safety to prevent the dogs or deer from jumping.

Vice-Chair West clarified that this is one of the conditions that would have to be met for approval. She stated that he will have to watch the noise, have no more than 6 dogs, and not have an angry or aggressive dog.

Mr. Kabalan stated that the dogs are just protective by nature, but assured the Commission that they were not aggressive dogs. He stated that they are German Shepherds that range in age from 13 months to 8 years old and he has 3 males and 3 females.

Commissioner Holl referenced the house off of Elmcrest that is very close to Mr. Kabalan and the backyards of the others and asked if he would be open to providing any kind of fence-line screening in this area.

Mr. Kabalan stated that he had asked his contractor to give him some quotes for doing some slats on both sides of the property because he does not want there to be any accidents.

Commissioner Iverson stated that with an ICUP there are conditions listed. He stated that hopefully these will be well behaved dogs that do not cause any public nuisance issues. He asked about a situation where the City received complaints and made a determination that there were issues with some of the dogs, what recourse the City may have.

Zoning Administrator Weck stated that the City could revoke the ICUP.

Vice-Chair West explained that the concerns from the neighbors is if the dogs got out and there were children there.

Mr. Kabalan explained that they took all precautionary measures with the builder and noted that he had added an extra hardwires on the bottom of the fence that will prevent the dogs from digging so they will not be able to go underneath the fence.

Vice-Chair West noted that the public hearing had already been held for this item so they would not open it up again.

Zoning Administrator Weck clarified that the Commission could decide to open it up again for comments, if they wanted to.

A few people spoke from the audience and stated that they would like a chance to make a statement in front of the applicant.

Zoning Administrator Weck reiterated that it was up to the Commission if they wanted to re-open the public hearing, but they did not have to.

Vice-Chair West stated that since they had already held the public hearing, she would not re-open it again.

More people spoke from the audience expressing their frustration that they would not be allowed to address the Commission or the applicant.

Zoning Administrator Weck clarified that during a public hearing, all comments are addressed to the Commission, so the audience would not be able to directly ask the applicant any questions.

MOTION BY COMMISSIONER IVERSON, SECONDED BY COMMISSIONER HOLL, TO RE-OPEN THE PUBLIC HEARING AT 7:23 P.M.

<i>Voting Aye:</i>	<i>Ortwerth, West, Holl, and Iverson</i>
<i>Voting Nay:</i>	<i>None</i>
<i>Abstain:</i>	<i>None</i>
<i>Absent:</i>	<i>Lobermeier</i>

Hayley Morin, 24645 Kettle River Boulevard, stated that she was the neighbor directly to the north that abuts the back of the fence. She stated that she has 2 dogs so she had nothing against dogs and noted that her dogs have an electric invisible fence. She asked the Commission to recommend denial of this permit because of the effects the 6 dogs would have on her family. She explained that she has a small child and was worried about her safety with the big dogs. She stated that they have not heard anything about the dogs training and thinks it is obvious that Mr. Kabalan has concerns about their jumping and had also used the phrase 'extra protection'. She noted that she thinks it is clear that Mr. Kabalan has some hesitation about his dogs if he had to install preventative hard wiring underneath the fence as well as the wire on top. She stated that Mr. Kabalan had also made a comment that the wiring on top would help to keep the deer out which brings her to her second point regarding the effects this will have and has had, on the wildlife in the neighborhood. She stated that if you fence in 5 acres in order for the dogs to be wild and free, that will have an effect on the wildlife. She stated that Mr. Kabalan mentioned that he has a place in Coon Rapids that allows the 6 dogs and if that is the case, she did not feel like the City needed to bend the rules and change things in order for him to get an additional permit, because they could just stay in Coon Rapids. She stated that Wyoming has great rules, regulations, and ordinances which is why many people choose to live here. She reiterated that she would like the City to deny this request and asked the Commission if they would want 6 dogs living next door to them that could be barking or were a possibly dangerous breed of dog.

Michael Woehl, 24733 Kettle River Boulevard, stated that they have 12 acres and noted that his concern was primarily about the barking. He stated that he cannot imagine what it would be like if there were 6 dogs barking. He noted that he felt that there was a reason for the City to have ordinances and regulations so they can come up in front of the Commission. He stated that the residents had brought up how the property currently looks which he thinks speak to character and believes that should come into play in this situation. He stated that he felt it would be different if the applicant had come in and said, hey, we have 10 neighbors that have all signed a document saying that everything was great and had been showed pictures and videos of the dogs. He stated that if it were him, he would have given them a presentation in order to make sure that they were very comfortable with the quietness of the dogs. He reiterated that he could not imagine trying to quiet down 6 dogs and get them back in the house when somebody walks by. He stated that they own a farm and have contemplated sometime in the future coming before the City and asking to develop it, but questioned how they would be able to sell anything if people come out and found out that it was very loud because of the dogs. He stated that currently it is a peaceful 12 acre parcel out in the country. He stated that he felt that the demonstration of how the property currently looks when you drive by represents how this could go on. He stated that he did not believe it was fair to have somebody else's property bring the value of the nearby properties down.

Brendan Woehl, 4581 250th Street N, stated that one thing that struck him as not being 'good' tonight that he felt the character of the applicant was when the Commission had asked Mr. Kabalan if he had reviewed the material from the last meeting and he replied that he had not. He stated that

he essentially felt that Mr. Kabalan came in and said he made a mistake on the meeting date, had chosen not to read through any of the comments or concerns, didn't mow his lawn, and then turned around and said that he just wants to have 6 dogs because they are his family, but that he also did not know how to control them. He stated that if someone has 6 kids, they don't just put up a 6 foot tall fence with wire on top because they were a bit worried that the kids would attack the neighbors, because that would be bad parenting. He stated that he was not trying to speak ill of Mr. Kabalan but they do not want this in their community and explained that if takes a bit of speaking ill in order to get their point across, that is the point he has gotten to.

Dayn Kubitschek, 24553 Elmcrest Avenue, stated that his biggest concern was his daughter's safety because he lives right next door. He stated that as he shared at the last meeting, he has seen a dog go under the fence already, which scares him. He stated that he met Mr. Kabalan and didn't really have a problem with him, but he also did not really feel safe with his daughter being outside with 6 dogs running around, regardless of what kind of dogs they are or who owned them. He stated that it makes him uncomfortable and it is his dream to live out there in peace with his daughter and not have to worry about things every time she goes outside and explained that now he feels like he will always need to right there by her side. He stated that there are rules for a reason and understands that people can ask for exceptions to the rule, but he felt that this request was a bit extreme. He stated that property values were already mentioned and he is sure that this will affect them because there is a giant fence next door with a bunch of dogs running around and barking and does not think people will want to buy his home because of that. He stated that he also wanted to mention the upkeep of the yard. He noted that he understood that Mr. Kabalan was not currently living there right now but he was still the owner so he needed to maintain it, regardless of how many homes he owns and did not believe that the fact that he was not living there should be an excuse to not maintain the yard. He stated that the state of the yard right now did not speak well for what the future will bring when there are 6 dogs running wild. He noted that the wire under the fence was meant to help, but does not see it actually stopping a dog from digging out especially because it is 4.8 acres which will allow a lot of area for an animal to be able to dig under and find its way through which was something that he did not want to worry about.

MOTION BY COMMISSIONER ORTWERTH, SECONDED BY COMMISSIONER HOLL, TO CLOSE THE PUBLIC HEARING.

<i>Voting Aye:</i>	<i>Ortwerth, West, Holl, and Iverson</i>
<i>Voting Nay:</i>	<i>None</i>
<i>Abstain:</i>	<i>None</i>
<i>Absent:</i>	<i>Lobermeier</i>

Commissioner Iverson stated that based on some of the feedback there were some concerns raised that this would violate some of the City ordinances and asked if that was true.

Zoning Administrator Weck explained that they would not be violating any of the City ordinances and noted that what the ordinance requires is that if you have more than 3 dogs, you can get an ICUP for a residential kennel. He clarified that was not bending the rules and shared various examples of when a resident would and would not need to get a permit from the City. He stated that Mr. Kabalan is following the City's procedures for applying to be allowed to have the ICUP in order to keep 6 dogs. He noted that he did not mean to imply that anyone's opinion was not valid, but explained he cannot take into account fears for what 'may' happen, if someone is following the rules.

Commissioner Iverson stated that if the conditions within the permit were not met as outlined, the City can revoke the permit.

Vice-Chair West asked if people had complaints if they should just report them to Zoning Administrator Weck or the City.

Zoning Administrator Weck stated that was correct.

Commissioner Iverson stated that Commissioner Holl had brought up the possibility for additional screening which Mr. Kabalan seemed open to and asked if they could add that to the conditions.

Zoning Administrator Weck stated the City is allowed to make conditions that are pertinent to the applicant, and he felt screening would be pertinent. He noted that there were a number of ways to provide screening such as slats and vegetation and asked if the Commission planned to prescribe what type of screening be done.

Commissioner Iverson stated that he would like to see the screening be on the fence and not done with vegetation. He noted that he thinks the intent is to prevent eye to eye contact with another dog or another person.

A man from the audience asked to speak again.

Vice-Chair West reminded the audience that the public hearing had been closed.

The gentleman stated that comparing this to a permit was not the same as this situation because they do not have to all have a meeting and all be here to talk about a permit. He stated that this was different or they would not be sitting here doing this. He reiterated that this situation is not the same as a permit and should not be used in comparison.

Commissioner Holl stated that the City was not changing any of the rules nor were they giving a variance. He stated that Mr. Kabalan had done everything he was supposed to and if he doesn't, then he will have a problem.

A different gentleman from the audience asked if the City had a mowing ordinance rule that Mr. Kabalan was currently breaking.

Zoning Administrator Weck stated that Mr. Kabalan had already been contacted about that issue.

Vice-Chair West banged the gavel and reminded the audience that the public hearing was closed.

A gentleman spoke and stated that the last time they were here there was no opportunity to ask questions of the applicant and they would like to have that opportunity.

Vice-Chair West explained that the intent was for the Commission to ask questions and not for the residents to ask questions directly of the applicant. She stated that the Planning Commission makes a recommendation to the City Council who will be the ones who determine what will happen. She explained that the Commission's job is to follow the rules, regulations, and the Comprehensive Plan.

The gentleman asked if Mr. Kabalan planned to breed the dogs since there were 3 males and 3 females.

Zoning Administrator Weck stated that the ICUP is for 6 dogs that are over 4 months of age.

Vice-Chair West noted that the Commission cannot speculate on what Mr. Kabalan will do and stated that they are bound by the City ordinances with their recommendations.

A gentleman asked if the fence was permitted when he put it up.

Zoning Administrator Weck confirmed that Mr. Kabalan had a permit to install the fence, but it was found to be too tall upon inspection, so he has been told that he needed to remove the wires on the top.

MOTION BY COMMISSIONER IVERSON, SECONDED BY COMMISSIONER HOLL, TO RECOMMEND APPROVAL INTERIM CONDITIONAL USE PERMIT FOR A RESIDENTIAL KENNEL: I-24-003, LOCATED AT 24567 ELMCREST AVENUE; APPLICANT: ALEXANDER KABALAN; PROPERTY ID NUMBER: 21.10624.30, WITH THE ORIGINAL 10 CONDITIONS AND 1 ADDITIONAL CONDITION RELATED TO SCREENING, AS DISCUSSED.

Voting Aye: West, Holl, and Iverson
Voting Nay: Ortwerth
Abstain: None
Absent: Lobermeier

4. Rezoning of Parcels to Match the Comprehensive Plan

Zoning Administrator Weck stated that once again he was hoping that Chair Lobermeier would be able to attend tonight's meeting for this discussion.

Vice-Chair West stated that she felt the Commission should wait to discuss this item until Chair Lobermeier could attend.

COMMUNICATIONS:

Zoning Administrator Weck noted that the City needs to adopt an ordinance related to adult cannabis rules, regulations, and also determine which zoning districts they can go in. He stated that the City had gotten a draft ordinance from the League of Minnesota Cities.

City Administrator Linwood explained that the City had previously passed a moratorium because of the recent legislation legalizing cannabis. He stated that the moratorium is nearing an end so the City needs to make some determinations for the City. He explained that the Office of Cannabis Management (OCM) is coming out with rules and regulations as well, and the City needs to move forward and include this in their ordinances.

Zoning Administrator Weck stated that the League of Minnesota Cities had given them a draft that essentially has a bunch of 'fill in the blank' sections for the City to use that he will be bringing back to the Commission at their next meeting.

UPDATES:

ADJOURN:

A MOTION WAS MADE BY COMMISSIONER ORTWERTH, SECONDED BY COMMISSIONER HOLL, TO ADJOURN THE JULY 23, 2024 "REGULAR MEETING" OF THE WYOMING, MINNESOTA PLANNING COMMISSION AT 7:45 PM.

Voting Aye: Ortwerth, West, Holl, and Iverson
Voting Nay: None
Abstain: None
Absent: Lobermeier



Memorandum

Date: August 8, 2024

Presented to: Planning Commission

Presented by: Zoning Administrator / Building Official Frederick E. Weck, IV

Department: Planning & Zoning

Reference: Adult Use Cannabis Ordinance

Method: New Business

Background Information:

With this memorandum you will find City Administrator Linwood's City Council Requests for Action concerning the adoption and subsequent extension of a moratorium concerning cannabis businesses and one concerning the use of cannabis in public. The extension is valid until November 23, 2024. The Planning Commission will need to forward a draft ordinance to the City Council for adoption on or before its October 22nd meeting.

You will also find a guide produced by the MN Office of Cannabis Management, which includes an ordinance template. They did not distribute these until June 25, 2024. The template leaves the city many options on what it can do, and also what it can't. These include what zoning districts the different types of cannabis businesses could be located in, separation distances from schools and daycares, and registration with the city.

I have used the template to create a draft ordinance; the text highlighted in yellow is what needs to be worked on. For ease of discussion, the zoning districts listed are where we currently allow commercial and retail. I have also created maps showing separation distances from the elementary school and daycares. I have contacted the county in order to locate any residential treatment facilities in the city. I am still waiting on a response

Fred Weck

Zoning Administrator

Building Official #MN1825

Advanced Septic Inspector #C5199



DEPARTMENT OF BUILDING SAFETY

P.O. Box 188, 26885 Forest Blvd., Wyoming, MN 55092

Phone: 651-462-4947 Fax: 651-462-3938



Request for Council Action

Date: July 13, 2023

Presented to: Mayor Iverson and City Council Members

Presented by: Robb Linwood, City Administrator

Department: Administration

Reference: Request for Public Hearing August 15, 2023

Method: Consent Agenda

Background Information:

During the legislative session the state passed cannabis legislation that established a framework for adult-use cannabis in the state. Over the next two years, the state will develop and roll-out a more specific regulatory structure, but the timeline for when licenses will be issued and businesses will begin operating is not clear.

City staff is recommending we adopt a moratorium in August to allow the City Council the opportunity to review yet-to-be-drafted state-level administrative rules and provide us the time to have discussions with Council about what regulations, if any, should look like for the City of Wyoming. Adopting the interim ordinance would allow us to have some local control if the State is ready to start authorizing licenses.

The request for tonight is simply to direct staff and the City Attorney to draft a moratorium on the *Cannabis Businesses*. Cannabis Businesses are businesses that deal in products that are made from cannabis plants containing more than .3% THC – this does not include hemp products which are products made from cannabis plants containing .3% or less of THC. Enacting a moratorium will give the City Council and staff time to discuss and develop regulations related to the newly authorized cannabis legislation prior to any licenses being issued at the state level.

The Cannabis Act (the “Act”) was signed into law on May 30, 2023, and establishes a regulatory framework for adult use cannabis in the State of Minnesota.

The purpose of this memo is to provide the City of Wyoming with an overview of the products addressed by the Act, the new Office of Cannabis Management (“OCM”), potential long-term regulations, as well as shorter-term options the City may consider to temporarily pause the establishment and operation of certain businesses within the City.

Office of Cannabis Management (OCM)

The Act creates the Minnesota Office of Cannabis Management (“OCM”) effective July 1, 2023. The OCM will have several very broad powers and duties that include, in general: establishing rules and regulating the industry, promoting economic growth, issuance and renewal of licenses, inspections, and authorizing research and studies. The regulation of medical cannabis, which is already legal in Minnesota, will also transfer to the OCM effective March 1, 2025.

License Types, Rulemaking, and Model Ordinance

The Act establishes 16 different types of licenses for cannabis businesses, hemp businesses, and medical

cannabis businesses, including licenses covering growing, manufacturing, retail sales, wholesale, transportation, delivery, and testing.

Each of these licenses will be issued by the OCM. After its establishment, the OCM will draft and put forward administrative rules that may help to clarify portions of the Act. The OCM is authorized to operate under “expedited” rulemaking. The expedited process removes many of the process requirements for rulemaking, including not requiring public hearings, and could technically be accomplished in just over 30 days, after which the OCM could start issuing licenses. However, given the scope of the task at hand, it seems apparent that rulemaking will not be completed for a significant period of time. According to the League of Minnesota Cities’ website, the authors of the Act anticipate that issuing retail licenses will begin sometime in 2024.

The OCM is also directed to work with cities to develop model ordinances for reasonable restrictions on the time, place, and manner of the operation of a cannabis business.

Potential Long-Term City Regulations

The following section provides the current understanding of the types of regulations the City may be able to adopt to regulate cannabis businesses and hemp businesses. However, the administrative rules and model ordinance being drafted by the OCM may clarify or otherwise impact what cities will be able to do.

Cannabis Businesses

Cities generally may not completely prohibit the establishment of cannabis businesses (businesses dealing in cannabis products and medical cannabis products). Cities are specifically authorized to enact time, place, and manner restrictions on cannabis business operations and may limit the number of cannabis retailers. Cities also should be able to adopt zoning regulations that impact cannabis businesses.

1) Time, Place, and Manner Restrictions & Zoning Compliance

The Act provides that “[a] local unit of government may adopt reasonable restrictions on 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. A local unit of government 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 a playground or athletic field.”

The Act also requires that the OCM contact the City when a cannabis business applies to operate within the City, and the City is required to certify whether the cannabis business complies with local zoning ordinances, as well as state and fire codes. Meaning that the authors of the bill at least contemplated that cities could establish zoning regulations that would impact cannabis businesses.

2) Limiting Retail Cannabis Businesses

The City may limit the number of retail cannabis licenses which may be issued to cannabis businesses within a City to one per 12,500 residents.

The City may decline to allow a cannabis retailer to operate if the county already has one cannabis retailer per 12,500 residents.

3) Hemp Businesses

Unlike cannabis businesses, the Act does not specifically address how cities can regulate hemp businesses, such as LPHE retailers and manufacturers. The OCM is responsible for licensing LPHE retailers and manufacturers, but cities can enact other regulations, such as zoning requirements, that apply to LPHE retailers and manufacturers.

Given the specific provisions in the Act addressing cannabis businesses, it is conceivable that the OCM will enact administrative rules that address a city's ability to regulate hemp businesses.

Short-Term City Options (Moratoria)

Cannabis Business Moratorium

The City may temporarily prohibit the establishment or operation of a cannabis business within all or a part of the City through a moratorium ("Cannabis Business Moratorium"). Unlike other moratoria which have a maximum duration of one year, Cannabis Business Moratorium may be effective until January 1, 2025.

To enact a Cannabis Business Moratorium, the City must authorize and conduct a study for the purpose of considering adoption or amendment of reasonable restrictions on the time, place, and manner of the operation of a cannabis business.

Before adopting the Cannabis Business Moratorium, a city must hold a public hearing. There are no specific provisions regarding notice or other public hearing guidelines. This will provide the City some time to consider what options are available and what policy direction is most desirable. Adopting a Cannabis Business Moratorium will also allow the City to consider the not-yet-established rules and model ordinance the OCM will develop.

Interim Ordinance - Minnesota State Statute 462.355, Subdivision 4

The authority to enact a Cannabis Business Moratorium that could last until January 1, 2025. However, the City has the authority to enact a standard moratorium under Minnesota Statutes, Section 462.355, which can be in effect for up to one year. Adopting a moratorium would provide the City with additional time to consider whether it wants to enact zoning or other allowed regulations prior to the OCM potentially issuing LPHE licenses to businesses in the City.

- Given all of the questions and uncertainties surrounding the Act and its potential impacts, it is recommended that the City adopt a Cannabis Business Moratorium and call for a public hearing. Doing so will allow the City to consider the yet-to-be-drafted administrative rules and yet-to-be-drafted model ordinance and to conduct a study on the potential impacts of Cannabis Businesses on the community. A Cannabis Business Moratorium will also ensure the City stays ahead of the OCM's still uncertain timeline after which it will start issuing licenses.
- Adopting a one-year moratorium ordinance on LPHE retailers would allow the city to consider zoning and other regulations that it may want to consider after the administrative rules are enacted by the OCM.

Recommendation:

1. Adopt and interim ordinance of the City of Wyoming, Chisago County, Minnesota, prohibiting the establishment of new uses related to the operation of cannabis businesses and hemp businesses for one year under Minnesota statute 462.355 subdivision 4.
2. To notice a public hearing on proposed interim ordinance authorizing a study and imposing a moratorium on the establishment and operation of cannabis businesses in the city of Wyoming

**CITY OF WYOMING
CHISAGO COUNTY, MINNESOTA**

ORDINANCE NO. 2023-03

**AN INTERIM ORDINANCE OF THE CITY OF WYOMING, CHISAGO COUNTY
MINNESOTA, PROHIBITING THE ESTABLISHMENT OF NEW USES RELATED TO THE
OPERATION OF CANNABIS BUSINESSES AND HEMP BUSINESSES FOR ONE YEAR
UNDER MINNESOTA STATUTE 462.355 SUBDIVISION 4.**

THE CITY COUNCIL OF THE CITY OF WYOMING, CHISAGO COUNTY, MINNESOTA DOES ORDAIN:

Section 1. The purpose of this interim ordinance is to protect the planning process and the health, safety, and welfare of the City of Wyoming for the following reasons:

- (1) The State of Minnesota established the Office of Cannabis Management tasked with issuing licenses for the operation of cannabis businesses and hemp businesses in Chapter 63 of Minnesota Session Law – 2023, Regular Session.
- (2) Chapter 63 of Minnesota Session Law – 2023, Regular Session does not include a date for the Office of Cannabis Management to begin issuing licenses to cannabis businesses and hemp business.
- (3) The City of Wyoming does not currently permit or regulate the uses of Cannabis Business or Hemp Business.

Section 2. Pursuant to Minnesota Statutes, Section 462.355, subdivision 4, City Staff is directed to conduct a study to gather information and make a recommendation to the Council to determine if the City of Wyoming official controls as defined in Minn. Stat. §462.352, subd. 15. need to be amended regarding the uses related to the operation of cannabis businesses and hemp businesses, and if so, what regulations are appropriate.

Section 3. Pursuant to Minnesota Statutes, Section 462.355, subdivision 4, no business, person, or entity may establish a cannabis business or hemp business for a period of up to twelve (12) months from the effective date of this ordinance or until ordinance regulating such uses become effective or until the Council rescinds this Interim Ordinance, whichever occurs first.

Section 4. This interim ordinance shall be in full force and effect from and after its passage and publication according to law.

Passed and adopted by the City Council of the City of Wyoming, Chisago County, Minnesota this 18th day of July, 2023.

Lisa Iverson
Mayor

Attest:

Robb Linwood
City Administrator/Clerk



Request for Council Action

Date: July 14, 2023

Presented to: Mayor Iverson and City Council Members

Presented by: Robb Linwood, City Administrator

Department: Administration

Reference: Cannabis Regulation

Method: New Business

Background information:

The city of Wyoming has been working with its legal counsel Eckberg and Lammers and city attorney Tom Loonan to provide guidance to the city for the newly adopted legislation for adult use cannabis. This legislative session Minnesota adopted a new law legalizing adult-use cannabis. Along with legalizing adult use cannabis, the Legislature adopted a series of laws creating various licensing schemes for cannabis businesses and hemp businesses, creating the Office of Cannabis Management (“OCM”) to regulate the cannabis and hemp industry, and, importantly for Minnesota cities, setting forth options for local control by cities.

On August 1, 2023, use of recreational cannabis by adults is legal, but the sale of cannabis, cannabis products, and lower-potency hemp edibles is not legal until the OCM begins issuing cannabis business and hemp business licenses. The Legislature did not identify a date when the OCM will begin accepting, processing, and granting applications for cannabis businesses and hemp businesses, but general consensus assumes it will be a year or more before the OCM begins issuing licenses though the specific date cannot be exactly predicted.

The OCM must consult with a city prior to issuing a license for a cannabis business or hemp business operation to ensure the business complies with the City’s zoning code. Once the OCM issues a license for a cannabis business or hemp business, a city must issue a registration to the licensee for operation in their city unless the city has provided consent for the county to issue registrations for their jurisdiction.

There is a minor difference between lower-potency hemp edibles, which cannot be sold until a license is obtained from the OCM, and edible cannabinoid products, which can be sold now. An edible cannabinoid product contains a cannabinoid but a lower-potency hemp edible can contain hemp concentrate or cannabinoids. Also, lower-potency hemp edibles can contain a higher amount of cannabidiol, cannabigerol, or any combination of those with THC.

Importantly, a city continues to possess zoning and land use controls through which the city may regulate a cannabis business’ location and the number of cannabis businesses in the city. A city must allow at least one cannabis business registration for every 12,500 residents. And a city may also permit more than the minimum required by state law. Cities may prohibit the operations 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 a playground or athletic field.

In short, cities have the option to prohibit use of cannabis products in public places, restrict the hours of cannabis businesses, limit the number of cannabis businesses, place reasonable time, place, and manner restrictions for cannabis businesses, and finally prohibit cannabis businesses with an interim ordinance through January 1, 2025. Cities also have the option to regulate and restrict hemp businesses with their traditional regulatory authority. Cities do not have the option to prohibit cannabis use in their city; and they do not have the option to prohibit cannabis businesses in the city beyond January 1, 2025. And cities may themselves operate a municipal cannabis store.

In summary, the use and possession of cannabis is lawful as of August 1, 2023, but currently no business is authorized to sell cannabis. And regulation, licensing, and local zoning controls for both hemp and cannabis remain to be developed. How regulation of hemp and cannabis will impact edible cannabis remains to be determined. As a result, here are the following the options and recommendations for the Wyoming City Council to consider.

Recommendations: Cannabis and Hemp

Many unknowns remain as to the methods towns, cities, counties, and the State will use to regulate this new cannabis and hemp industry for the State of Minnesota. Interim moratorium ordinances provide cities the best option to study, learn, and make informed decisions as to how best manage this new industry in a manner that best fits their city and maintain a city's legal rights to regulate accordingly. Therefore, the Wyoming City Staff and Attorney makes the following recommendations:

1. **Public Use Prohibition.** City of Wyoming adopt city ordinance 2023-02 an ordinance prohibiting the use of cannabis flower, cannabis products, lower-potency hemp edibles, hemp-derived consumer products in public places. To ensure that such a prohibition is clear, law enforcement in many cities have requested such an ordinance be adopted. This ordinance would permit law enforcement in the City of Wyoming to charge individuals using such products in public places with a petty misdemeanor. While the City of Wyoming cannot prohibit the use of such products at a private residence, private property where the owner permits the use, or the premises of an establishment or event licensed to permit on-site consumption, the City can prohibit it just about everywhere else with this ordinance.
2. **Hemp and Cannabis Moratorium.** On July 18, 2023, the City of Wyoming adopt city ordinance 2023-03 an interim ordinance prohibiting the operation of hemp businesses for a period of one year, and would include a moratorium on Cannabis, which remain in effect until the Cannabis and Hemp Moratorium recommended below is enacted. The legislature did not give cities the option to prohibit the operation of hemp businesses with an interim ordinance through 2025. This means cities may only adopt an interim ordinance for one year. Adopting interim ordinances will give the City time to adopt or amend official controls for cannabis businesses and hemp businesses prior to the OCM approving licenses in the City.
3. **Cannabis and Hemp Moratorium.** The city council calls for a public hearing at their July 18th, 2023 council meeting to hold a public hearing at the August 15, 2023 Wyoming city council meeting. Once properly noticed and published the City of Wyoming will conduct a public hearing and adopt an interim ordinance prohibiting the operation of cannabis and hemp businesses thru January 1, 2025. This interim moratorium ordinance would be enacted as authorized by the Cannabis legislation. To the extent the Cannabis legislation permits the moratorium to extend to hemp, this moratorium would apply to hemp as well. The interim moratorium ordinance will give the City time to adopt or amend official controls for cannabis businesses and hemp businesses prior to the OCM approving licenses in the City.

**CITY OF WYOMING CHISAGO
COUNTY, MINNESOTA**

ORDINANCE NO. 2023-02

**AN ORDINANCE OF THE CITY OF WYOMING, CHISAGO COUNTY, MINNESOTA,
ADDING CHAPTER 20; ARTICLE V; DIVISION I; USE OF CANNABIS FLOWER,
CANNABIS PRODUCTS, LOWER-POTENCY HEMP EDIBLES OR HEMP-DERIVED
CONSUMER PRODUCTS IN PUBLIC PLACES.**

THE CITY COUNCIL OF THE CITY OF WYOMING, CHISAGO COUNTY, MINNESOTA DOES ORDAIN:

That Chapter 20; Article IV; Division I, Use of Cannabis Flower, Cannabis Products, Lower-Potency Hemp Edibles or Hemp-Derived Consumer Products in Public Places, is hereby added to City of Wyoming, Minnesota Code of Ordinances.

Chapter 20; Article IV; Division I; Use of Cannabis Flower, Cannabis Products, Lower-Potency Hemp Edibles or Hemp-Derived Consumer Products in Public Places

Sec. 120.01. Purpose.

The purpose of this ordinance provide for the good order of the City, the suppression of vice and immorality, the prevention of crime, the protection of public property, and to promote the health, safety, order, convenience, and the general welfare of the residents of the City of Wyoming.

Sec. 120.02. Definitions.

Public Place. Any place excluding the following:

- (1) A private residence, including a person's curtilage or yard;
- (2) Private property not generally accessible by the public, unless the person is explicitly prohibited from consuming cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products on the property by the owner of the property; or
- (3) The premises of an establishment or event licensed to permit on-site consumption.

Sec. 120.03. Prohibited Activity.

No person shall use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a public place.

Sec. 120.04. Violation.

Any person who engages in use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a public place is guilty of a petty misdemeanor.

Effective Date.

This ordinance shall take effect from and after its passage and publication as required by law.

Passed and adopted by the City Council of the City of Wyoming, Chisago County, Minnesota this 18th day of July, 2023.

Lisa Iverson, Mayor

Attest:

(SEAL)

Robb Linwood, City Administrator



Request for Council Action

Date: June 27, 2024

Presented to: Mayor Iverson and City Council Members

Presented by: Robb Linwood, City Administrator

Department: Administration

Reference: Public Hearing for interim ordinance of the city of Wyoming, Chisago County, Minnesota extending the interim ordinance 2023-03 prohibition on the operation of hemp businesses in the City of Wyoming

Method: New Business

Background Information:

The recently enacted Minnesota Statute 342.13 addresses the regulation of hemp within city jurisdictions and now restricts cities from prohibiting hemp businesses. Cities still, however, have their zoning authority from Minnesota Statutes 462.355 allowing the enactment and extension of moratoriums. On July 18, 2023, the City of Wyoming City Council enacted a moratorium prohibiting hemp businesses while the City decides how to zone for them set to expire on July 17, 2024. The moratorium prohibiting hemp businesses does not prohibit the sales of the less potent edible cannabinoid product legalized in 2022. During the 2024 Legislative Session, Minnesota Statute 342.18 was enacted allowing automatic licensure of businesses selling edible cannabinoid products as lower-potency hemp retailers. With the new automatic licensure statute, it has become necessary to either extend the moratorium adopted in July of 2023 to protect the city's zoning processes or adopt a zoning ordinance regulating hemp businesses.

Key Requirements

Under MN Statute 462.355, cities that wish to continue their existing moratoriums on hemp-related activities must take additional steps to ensure compliance. In the alternative, the restriction in Minnesota Statute 342.13 preventing cities from prohibiting hemp businesses does not pre-empt cities ability to place zoning restrictions on hemp businesses. The only authority cities have to regulate hemp businesses is through their zoning ordinance. The statutes provide the following two options:

1. Adoption of a Zoning Ordinance:

To regulate hemp sales and hemp manufacturing, cities must adopt a formal zoning ordinance defining hemp sales and hemp manufacturing, identifying which districts the use of hemp sales and hemp manufacturing may and may not take place, and adopting performance standards for hemp sales and hemp manufacturing.

Public Hearing: To amend a zoning ordinance as presented above, a public hearing must be held.

Draft Zoning Ordinance: Staff has begun the drafting of a comprehensive zoning ordinance that addresses the regulation of hemp-related activities and cannabis. This zoning ordinance will be reviewed by legal counsel to ensure it aligns with state laws and local regulations and make its way to the planning commission and city council over 2024.

2. Extending the Moratorium:

If a zoning ordinance is not adopted, and the city wishes to prevent the development of legal nonconformities for hemp businesses, the city must hold a public hearing to discuss the continuation of the moratorium. This hearing provides an opportunity for public input and ensures transparency in the decision-making process.

Timeline for Compliance: To continue the moratorium legally, the city must adhere to a strict timeline set forth by the statute:

Public Hearing between June 26 and July 11:

The city must either adopt the zoning ordinance or hold the public hearing within this specified period to extend the moratorium. Failure to take one of these actions will result in the automatic expiration of the moratorium and the ability of hemp businesses to receive legal nonconformity status to continue operations despite what future regulations the city may adopt.

The city called for a public hearing on July 2, 2024 to for an interim ordinance of the city of Wyoming, Chisago County, Minnesota extending the interim ordinance 2023-03 prohibition on the operation of hemp businesses in the city under Minnesota statute section 462.355 subdivision 4 for an additional 120 days.

Recommendation: To approve interim ordinance of the city of Wyoming, Chisago county, Minnesota extending the interim ordinance 2023-03 prohibition on the operation of hemp businesses in the city under Minnesota statute section 462.355 subdivision 4 for an additional 120 days and Resolution 24-07-67 a resolution approving a summary publication for an interim ordinance of the city of Wyoming, Chisago county, Minnesota extending the interim ordinance 2023-03 prohibition on the operation of hemp businesses in the city under Minnesota statute section 462.355 subdivision 4 for an additional 120 days.



CITY OF WYOMING

P.O. Box 188, 26885 Forest Blvd., Wyoming, MN 55092
Phone: 651-462-0575 Fax: 651-462-0576

ORDINANCE NO. 2023-03

**AN INTERIM ORDINANCE OF THE CITY OF WYOMING, CHISAGO COUNTY, MINNESOTA
EXTENDING THE INTERIM ORDINANCE 2023-03 PROHIBITION ON THE OPERATION OF
HEMP BUSINESSES IN THE CITY UNDER MINNESOTA STATUTE SECTION 462.355
SUBDIVISION 4 FOR AN ADDITIONAL 120 DAYS.**

THE CITY COUNCIL OF THE CITY OF WYOMING DOES HEREBY ORDAIN:

Section 1. An interim ordinance is hereby established as follows:

Section 2. The purpose of this interim ordinance is to protect the planning process and the health, safety, and welfare of the City of Wyoming for the following reasons:

- (1) The State of Minnesota established the Office of Cannabis Management tasked with issuing licenses for the operation of Cannabis Businesses and Hemp Businesses in Chapter 63 of Minnesota Session Law – 2023, Regular Session.
- (2) Chapter 63 of Minnesota Session Law – 2023, Regular Session does not include a date for the Office of Cannabis Management to begin issuing licenses to Cannabis Businesses and Hemp Businesses.
- (3) The City of Wyoming does not currently permit or regulate the uses of Hemp Businesses or Cannabis Businesses.
- (4) Edible Cannabinoid Products are legal for sale under Minnesota Statutes Section 151.72 through March 1, 2025, after which sales of Edible Cannabinoid Products will require a Hemp Business license from the Office of Cannabis Management. Sales of Edible Cannabinoid Products are not subject to this Interim Ordinance as sales of Edible Cannabinoid Products are not Hemp Businesses under Minnesota Statute until 2025. Sales of Edible Cannabinoid Products are subject to Wyoming City Code of Ordinances Chapter 6 Article IV.
- (5) Minnesota Statute 342.13 requires the Office of Cannabis Management to engage in the process of developing model ordinances for reasonable restrictions on the time, place, and manner of the operation of a cannabis business; developing standardized forms and procedures for the issuance of a retail registration; and developing model policies and procedures for the performance of compliance checks; but the Office of Cannabis Management has not yet completed development of standardized forms for the issuance of a retail registration or development of model policies and procedures for the performance of compliance checks and the prohibition on Hemp Businesses in Interim Ordinance 2023-03 expires in less than 30 days.
- (6) Minnesota Statute 342.02 requires the Office of Cannabis Management to engage in the process of rulemaking to implement Minnesota Statute Chapter 342; but the Office of Cannabis Management has not yet completed this process and the prohibition on Hemp Businesses in Interim Ordinance 2023-03 expires in less than 30 days.
- (7) Minnesota Statute 342.18 provides after the Office of Cannabis Management adopts initial rules the office may permit a person selling edible cannabinoid products to convert their state registration to a lower-potency hemp retail license excluding local control in the process.
- (8) Minnesota Statute 342.02 permits the Office of Cannabis Management to use the expedited rulemaking process under Minnesota Statute 14.389. Under the expedited process, the rules

become effective after 30 days publication in the State Register which does not provide cities time to react to the new rules before a business could become a lower-potency hemp retailer.

Section 3. Definitions.

Hemp Business means either of the following licensed under chapter 342:

- (1) lower-potency hemp edible manufacturer; or
- (2) lower-potency hemp edible retailer.

Hemp business does not include a person or entity licensed under chapter 18K to grow industrial hemp for commercial or research purposes or to process industrial hemp for commercial purposes.

Lower – potency hemp edible means any product that:

- (1) is intended to be eaten or consumed as a beverage by humans;
- (2) contains hemp concentrate or an artificially derived cannabinoid, in combination with food ingredients;
- (3) is not a drug;
- (4) consists of servings that contain no more than five milligrams of delta-9 tetrahydrocannabinol, 25 milligrams of cannabidiol, 25 milligrams of cannabigerol, or any combination of those cannabinoids that does not exceed the identified amounts;
- (5) does not contain more than a combined total of 0.5 milligrams of all other cannabinoids per serving;
- (6) does not contain an artificially derived cannabinoid other than delta-9 tetrahydrocannabinol;
- (7) does not contain a cannabinoid derived from cannabis plants or cannabis flower; and
- (8) is a type of product approved for sale by the office or is substantially similar to a product approved by the office, including but not limited to products that resemble nonalcoholic beverages, candy, and baked goods.

Edible Cannabinoid Product means any product that is intended to be eaten or consumed as a beverage by humans, contains a cannabinoid in combination with food ingredients, and is not a drug.

Section 5. Pursuant to Minnesota Statutes, Section 462.355 Subd. 4 (d), on July 2, 2024, a public hearing was held, after notice duly published as required by law, within the 15-30 day timeline of the expiration of Interim Ordinance 2023-03's prohibition on Hemp Businesses and the views of all interested persons with respect therefor presented at the hearing having been considered.

Section 6. Pursuant to Minnesota Statutes, 462.355 Subd. 4 (d) (2), and for the reasons set forth in Section 2 above, an interim ordinance is hereby adopted extending Interim Ordinance 2023-03's prohibition on the operation of Hemp Businesses in the City for an additional 120 days. This interim ordinance extension authorizes the City to continue conducting studies regarding the impacts of Hemp Businesses to determine whether and what revisions to the Wyoming City Code of Ordinances or other regulations on the time, place, and manner of Hemp Business operations are warranted for the purpose of protecting the planning process and the health, safety, and welfare of the citizens of Wyoming. Interim Ordinance 2023-03 was set to expire on July 26, 2024 and is now extended 120 days thereafter to November 23, 2024.

Section 9. Violation of any portion of this ordinance shall be a misdemeanor punishable by imprisonment for up to 90 days and a fine of \$1,000.00 or both, plus the costs of prosecution. Each day that a violation occurs shall be considered a separate offense. The City may enforce any provision of this ordinance by mandamus, injunction or any other appropriate civil remedy in any court of competent jurisdiction.

Section 10. This ordinance shall be in full force and effect from and after its passage and publication

according to law. Passed by the Wyoming City Council this 2nd day of July, 2024.

ATTEST:

Robb Linwood, City Administrator

Lisa Iverson, Mayor

STATE OF MINNESOTA
COUNTY OF CHISAGO
CITY OF WYOMING

ORDINANCE NO. 2024-01

AN ORDINANCE AMENDING THE CITY OF WYOMING CODE OF ORDINANCES, CHAPTER 12, BUSINESSES; CREATING ARTICLE VII, ESTABLISHING REGULATIONS FOR CANNABIS BUSINESSES AND AMENDING CHAPTER 40, ARTICLE VI, DIVISIONS 2, & 9 – 13 AMENDING ZONING DISTRICT ALLOWED USES FOR LICENSED CANNABIS BUSINESSES.

NOW THEREFORE, it is hereby ordained by the City Council of the City of Wyoming, Chisago County, Minnesota, that Chapters 12 and 40 of the Wyoming City Code are amended as follows:

ARTICLE VII CANNABIS BUSINESSES.

DIVISION 1. ADMINISTRATION.

Sec. 12-401. Findings and Purpose.

The purpose of this ordinance is to implement the provisions of Minnesota Statutes, chapter 342, which authorizes The City of Wyoming to protect the public health, safety, welfare of the City of Wyoming residents by regulating cannabis businesses within the legal boundaries of the City of Wyoming.

The City of Wyoming finds and concludes that the proposed provisions are appropriate and lawful land use regulations for the City of Wyoming, 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.

Sec. 12-402. Authority and Jurisdiction.

The City of Wyoming has the authority to adopt this ordinance pursuant to:

- (1) 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.
- (2) Minn. Stat. 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- (3) Minn. Stat. 152.0263, Subd. 5, regarding the use of cannabis in public places.
- (4) Minn. Stat. 462.357, regarding the authority of a local authority to adopt zoning ordinances.
- (5) Ordinance shall be applicable to the legal boundaries of the City of Wyoming.

Sec. 12-403. 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.

Sec. 12-404. Enforcement.

The city clerk administrator 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.

Sec. 12-405. 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 preapproval 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 City of Wyoming 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.

DRAFT

DIVISION 2.

REGISTRATION OF CANNABIS BUSINESSES.

Sec. 12-410. Consent to registering of Cannabis Businesses.

- (1) No individual or entity may operate a state-licensed cannabis retail business within the City of Wyoming without first registering with the City of Wyoming.
- (2) 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.
- (3) 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.

Sec. 12-411. Compliance Check Prior to Retail Registration.

- (1) Prior to issuance of a cannabis retail business registration, the City of Wyoming shall conduct a preliminary compliance check to ensure compliance with local ordinances.
- (2) Pursuant to Minn. Stat. 342, within 30 days of receiving a copy of a state license application from OCM, the City of Wyoming 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.

Sec. 12-412. Registration and Application Procedure.

- (1) Fees.
 - (a) The City of Wyoming shall not charge an application fee.
 - (b) A registration fee, as established in the City of Wyoming's fee schedule, shall be charged to applicants depending on the type of retail business license applied for.
 - (c) 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.
 - (d) Any renewal retail registration fee imposed by the City of Wyoming shall be charged at the time of the second renewal and each subsequent renewal thereafter.
 - (e) 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.
 - (f) 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) Application Submittal

The City of Wyoming 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 City of Wyoming. Said form shall include, but is not limited to:

1. Full name of the property owner and applicant;
 2. Address, email address, and telephone number of the applicant;
 3. The address and parcel ID for the property which the retail registration is sought;
 4. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minn. Stat. 342.13.
 5. (Insert additional standards here)
- (b) The applicant shall include with the form:
1. the ~~application~~ registration fee as required in Section 12-412, (1);
 2. a copy of a valid state license or written notice of OCM license preapproval;
 3. (Insert additional standards here)
- (c) Once an application is considered complete, the city clerk administrator shall inform the applicant as such, process the ~~application~~ registration fees, and forward the application to the City Council for approval or denial.
1. The ~~application~~ registration fee shall be non-refundable once processed.
- (3) Application Approval.
- (a) 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 12-415.
 - (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.
- (4) Annual Compliance Checks.
- (a) The City of Wyoming 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 Article.
 - (b) The City of Wyoming shall conduct at minimum one unannounced age verification compliance check at least once per calendar year.
 - (c) 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.
 - (d) Any failures under this section must be reported to the Office of Cannabis Management.

(5) Location Change.

- (a) *A state-licensed cannabis retail business shall be required to submit a new application for registration under Section 12-412, (2) if it seeks to move to a new location still within the legal boundaries of the City of Wyoming.*
Or
If a state-licensed cannabis retail business seeks to move to a new location still within the legal boundaries of the City of Wyoming, it shall notify the City of Wyoming of the proposed location change, and submit necessary information to meet all the criteria in this Article.

Sec. 12-413. Renewal of Registration.

(1) Annual Renewal of Registration.

- (a) The City of Wyoming shall renew an annual registration of a state-licensed cannabis retail business at the same time OCM renews the cannabis retail business' license.
- (b) A state-licensed cannabis retail business shall renew their registration on a form established by the City of Wyoming.
- (c) A cannabis retail registration issued under this ordinance shall not be transferred.

(2) Renewal Fees.

- (a) The City of Wyoming may charge a renewal fee for the registration starting at the second renewal, as established in the City of Wyoming's fee schedule.

(3) Renewal Application.

- (a) The application for renewal of a retail registration shall include, but is not limited to:
1. Items required under Section 12-412, (2) of this Ordinance.
 2. **Insert additional items here.**

Sec. 12-414. Suspension of Registration.

(1) When Suspension is Warranted.

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

(2) Notification to OCM.

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

(3) Length of Suspension.

(a) 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.

(b) *The City of Wyoming may reinstate a registration if it determines that the violations have been resolved.*

Or

The City of Wyoming shall reinstate a registration if OCM determines that the violation(s) have been resolved.

(4) Civil Penalties.

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

Sec. 12-415. Limiting of Registrations.

The City of Wyoming shall limit the number of cannabis retail businesses to one.

DIVISION 3.

REQUIREMENTS FOR CANNABIS BUSINESSES.

Sec. 12-420. Minimum Buffer Requirements.

- (1) The City of Wyoming shall prohibit the operation of a cannabis business within 0-1,000 feet of a school.
- (2) The City of Wyoming shall prohibit the operation of a cannabis business within 0-500 feet of a daycare.
- (3) The City of Wyoming shall prohibit the operation of a cannabis business within 0-500 feet of a residential treatment facility.
- (4) The City of Wyoming 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.
- (5) The City of Wyoming shall prohibit the operation of a cannabis retail business within XX feet of another cannabis retail business.
- (6) Pursuant to Minn. Stat. 462.367 Subd. 14, nothing in Section 12-420 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.

Sec. 12-421. Zoning and Land Use.

The City of Wyoming Zoning Ordinance, Chapter 40, shall be amended to incorporate licensed cannabis businesses as uses in suitable zoning districts as follows:

- (1) Cultivation.
 - (a) Cannabis businesses licensed or endorsed for cultivation are permitted as an interim use in the following zoning districts:
 1. Agricultural (A) District.
 2. Industrial (I) District.
- (2) Cannabis Manufacturer.
 - (a) Cannabis businesses licensed or endorsed for cannabis manufacturer are permitted as an interim use in the following zoning districts:
 1. Agricultural (A) District.
 2. Industrial (I) District.
 3. Central Business (CBD) District.
 4. Commercial (C) District.
 5. Office and Health Care (OHC) District.
 6. Mixed Use (MXD) District.
- (3) Hemp Manufacturer.

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

1. Agricultural (A) District.
2. Industrial (I) District.
3. Central Business (CBD) District.
4. Commercial (C) District.
5. Office and Health Care (OHC) District.
6. Mixed Use (MXD) District.

(4) Wholesale.

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

1. Agricultural (A) District.
2. Industrial (I) District.
3. Central Business (CBD) District.
4. Commercial (C) District.
5. Office and Health Care (OHC) District.
6. Mixed Use (MXD) District.

(5) Cannabis Retail.

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

1. Agricultural (A) District.
2. Industrial (I) District.
3. Central Business (CBD) District.
4. Commercial (C) District.
5. Office and Health Care (OHC) District.
6. Mixed Use (MXD) District.

(6) Cannabis Transportation.

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

1. Agricultural (A) District.
2. Industrial (I) District.
3. Central Business (CBD) District.
4. Commercial (C) District.
5. Office and Health Care (OHC) District.

6. Mixed Use (MXD) District.

(7) Cannabis Delivery.

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

1. Agricultural (A) District.

2. Industrial (I) District.

3. Central Business (CBD) District.

4. Commercial (C) District.

5. Office and Health Care (OHC) District.

6. Mixed Use (MXD) District.

Sec. 12-422. Hours of Operation.

- (1) 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 10:00 a.m. and 9:00 p.m.

Sec. 12-423. Advertising.

- (1) 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 the City of Wyoming's sign ordinances.

DIVISION 4. TEMPORARY CANNABIS EVENTS.

Sec. 12-430. License or Permit Required for Temporary Cannabis Events.

- (1) License Required.
 - (a) A license or permit is required to be issued and approved by the City of Wyoming prior to holding a Temporary Cannabis Event.
- (2) Registration and Application Procedure.
 - (a) A registration fee, as established in the City of Wyoming's fee schedule, shall be charged to applicants for Temporary Cannabis Events.
- (3) Application Submittal and Review.
 - (a) The City of Wyoming shall require an application for Temporary Cannabis Events.
 1. An applicant for a retail registration shall fill out an application form, as provided by the City of Wyoming. 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)
 2. The applicant shall include with the form:
 - i. The application registration fee as required in Section 12-430, (2);
 - ii. A copy of the OCM cannabis event license application, submitted pursuant to 342.39 Subd. 2.
 - (b) The application shall be submitted to the city clerk administrator, 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 City Council for approval or denial.
 - (d) The application registration fee shall be non-refundable once processed.
- (4) The application for a license for a Temporary Cannabis Event shall meet the following standards:
 - (a) Insert standards here
- (5) A request for a Temporary Cannabis Event that meets the requirements of this Section shall be approved.
- (6) A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. The City of Wyoming shall notify the applicant of the standards not met and basis for denial.
- (7) (Optional) Temporary cannabis events shall only be held at (insert local place).
- (8) (Optional) Temporary cannabis events shall only be held between the hours of (insert start time) and (insert stop time).

DIVISION 5. (Optional) LOWER POTENCY HEMP EDIBLES.

Sec. 12-430. Sale of Low-Potency Hemp Edibles.

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

Sec. 12-431. Zoning Districts.

- (1) Low-Potency Hemp Edibles businesses are permitted as a an interim use in the following zoning districts:

- (a) Agricultural (A) District.
- (b) Industrial (I) District.
- (c) Central Business (CBD) District.
- (d) Commercial (C) District.
- (e) Office and Health Care (OHC) District.
- (f) Mixed Use (MXD) District.

Sec. 12-432. (Optional) Additional Standards.

- (1) Age Requirements.
 - (a) The sale of Low-Potency Hemp Edibles is permitted only in places that admit persons 21 years of age or older.
- (2) Beverages.
 - (a) The sale of Low-Potency Hemp Beverages is permitted in places that meet requirements of this Section.
 1. Storage of Product.
 - i. Low-Potency Hemp Edibles shall be sold behind a counter, and stored in a locked case.

DIVISION 6. (Optional) LOCAL GOVERNMENT AS A CANNABIS RETAILER.

Sec. 12-440. The City of Wyoming may establish, own, and operate one municipal cannabis retail business subject to the restrictions in this chapter.

- (1) The municipal cannabis retail store shall not be included in any limitation of the number of registered cannabis retail businesses under Section 12-415.
- (2) The City of Wyoming shall be subject to all of the same rental license requirements and procedures applicable to all other applicants.

DIVISION 7. USE IN PUBLIC PLACES.

Sec. 12-450. 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.

Sec. 40 – 459. Reserved.

Passed and approved by the City Council of the City of Wyoming this ____ day of _____, 2024.

Lisa Iverson, Mayor

ATTEST:

Robb Linwood, City Clerk

This Document Drafted by:
The City of Wyoming
26885 Forest Boulevard
Wyoming, Minnesota 55092

DRAFT



School 500 Feet

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Date: 7/23/2024
Time: 3:34:03 PM

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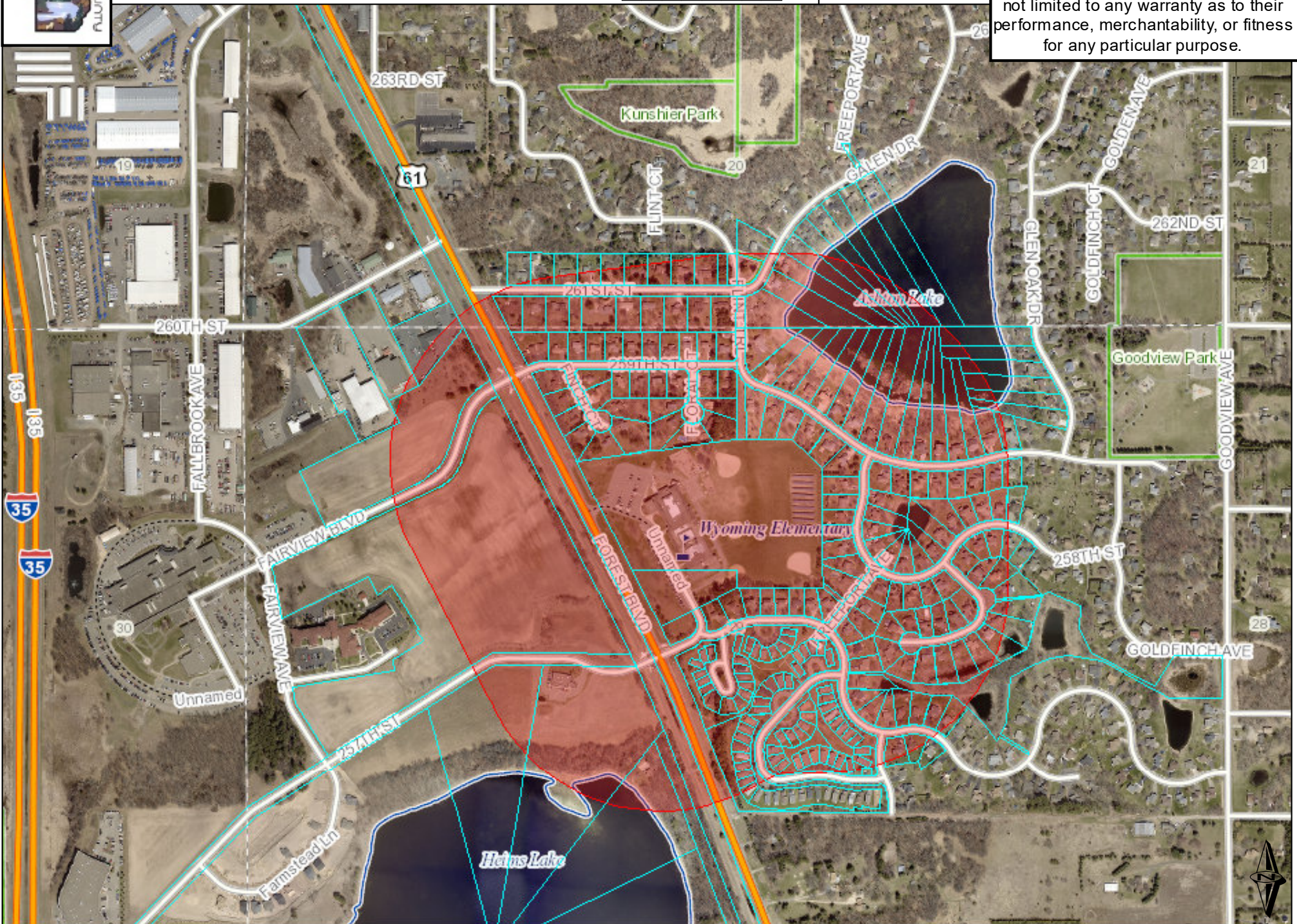


School 1,000 Feet

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Date: 7/23/2024
Time: 3:30:46 PM

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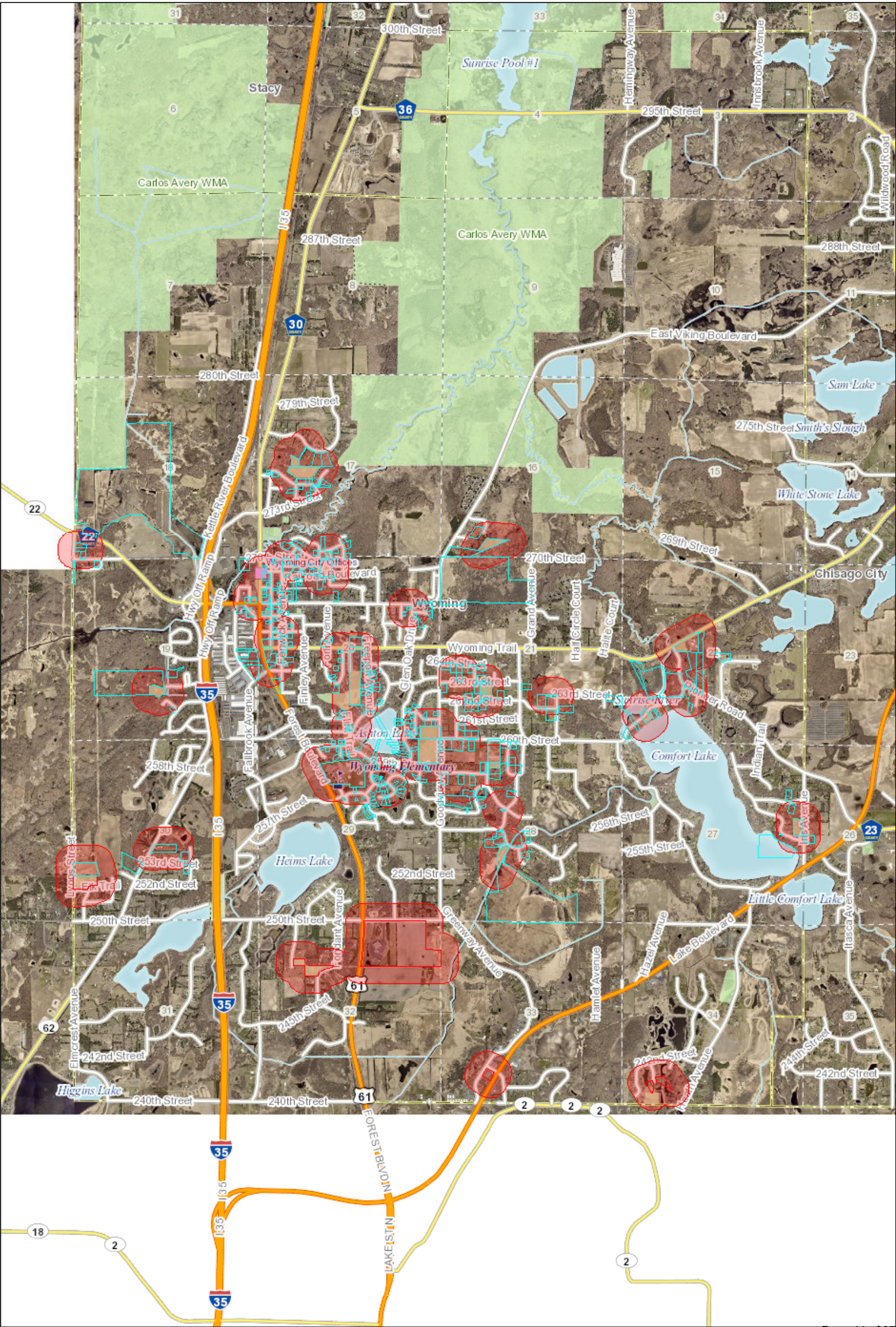
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A Guide for Local Governments on Adult-Use Cannabis



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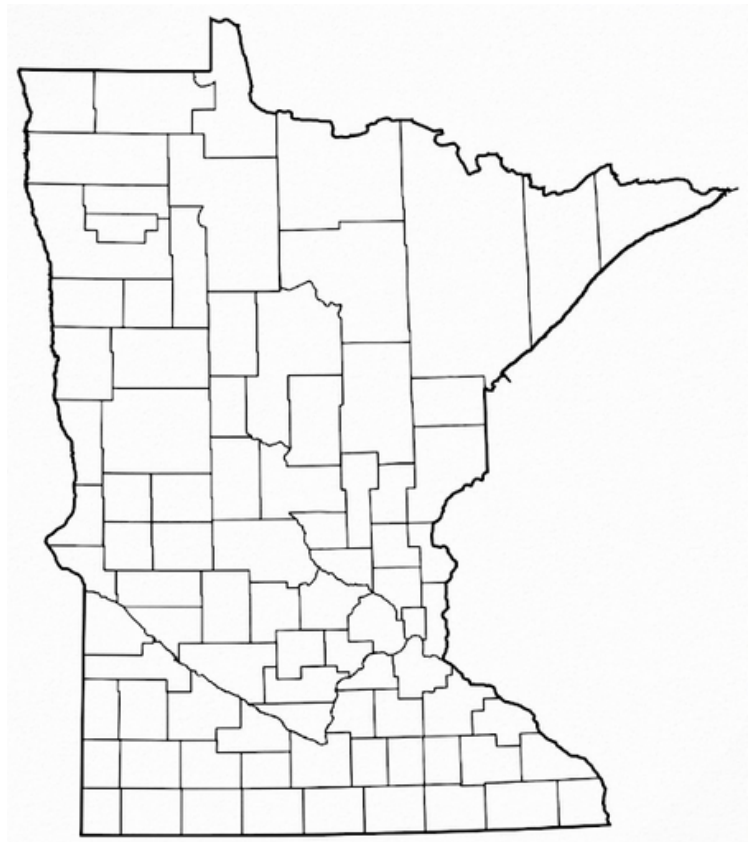
Introduction

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)

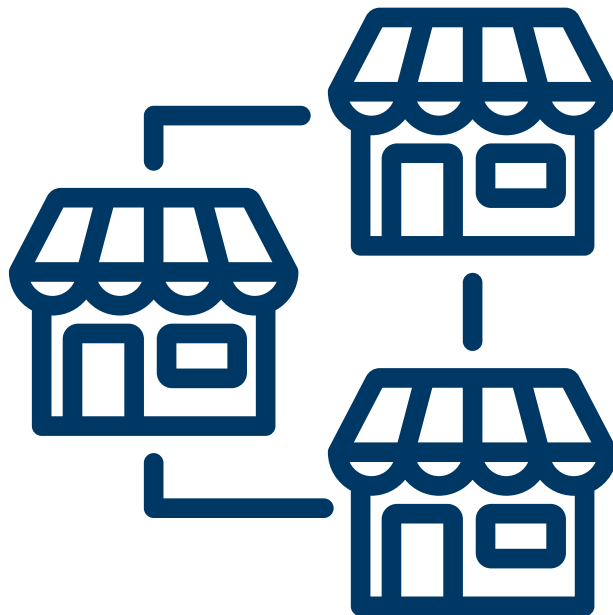
Local governments may prohibit retail sales of cannabis between the hours of 8 a.m. and 10 a.m. Monday-Saturday, and 9 p.m. and 2 a.m. the following day.

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 or business who no longer holds a valid license, has failed to pay the local registration or renewal fee, or has been found in noncompliance in connection with a preliminary or renewal compliance check.



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 11).
- 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:

- 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

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
Only delta-8 and delta-9 are allowed for human consumption. Does the business sell edibles or beverages with any other intoxicating cannabinoids?				MDH 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.
Does the business sell any edible products that are similar to a product marketed to or consumed by children?				Edible products that appear similar to candy or snacks marketed toward or consumed by children are not allowed.
Does the label on the edible or beverage state “Keep out of reach of children”?				All products must include the warning label “Keep out of reach of children.”
Is the manufacturer’s name, address, website, and contact phone number included on the label or provided through a QR code?				If not, the product is not in compliance.
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?				All products must be tested by batch in an independent, accredited laboratory. The results must include the cannabinoid profile.
Does the label on the product indicate the cannabinoids by serving and in total?				The label must indicate the potency by individual serving as well as in total.

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 <u>on</u> 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?				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. 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.

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?				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. 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. 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. That formula is as follows: $\text{Total THC} = (0.877 \times \text{THC-A}) + \text{d-9 THC}$ Raw flower must include a certificate of analysis to show testing below 0.3% delta-9. A lack of a certificate of analysis would constitute an illegal sale.

Question	Yes	No	Comments	Additional Information
				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.”

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 \(www.revisor.mn.gov/statutes/cite/342\)](http://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 \(www.revisor.mn.gov/statutes/cite/342.09#stat.342.09.4\)](http://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 \(www.revisor.mn.gov/statutes/cite/342.09#stat.342.09.6\)](http://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 \(www.revisor.mn.gov/statutes/cite/342.19\)](http://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 \(www.revisor.mn.gov/statutes/cite/342.19#stat.342.19.2\)](http://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 \(www.revisor.mn.gov/statutes/cite/152.0264\)](http://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 \(www.revisor.mn.gov/statutes/cite/151.72\)](http://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.