

## Ordinance 2024-07

### AN ORDINANCE OF THE CITY OF ZUMBROTA TO REGULATE CANNABIS BUSINESSES

The Zumbrota City Council hereby ordains that the following shall be codified as Chapter 115 of the Zumbrota City Code:

Section 115.1	Administration
Section 115.2	Registration of Cannabis Business
Section 115.3	Requirements for a Cannabis Business (Time, Place, Manner)
Section 115.4	Temporary Cannabis Events
Section 115.5	Lower Potency Hemp Edibles
Section 115.6	Use of Cannabis in Public
Section 115.7	Effective Date

#### Section 115.1. Administration

##### 1.1 Findings and Purpose

The City Council of Zumbrota makes the following legislative findings:

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

The Zumbrota City Council finds and concludes that the proposed provisions are appropriate and lawful land use regulations for Zumbrota, 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

The Zumbrota City Council has the authority to adopt this ordinance pursuant to:

- a) Minn. Stat. 342.13(c), regarding the authority of a local unit of government to adopt reasonable restrictions of the time, place, and manner of the operation of a cannabis business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses.
- b) Minn. Stat. 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- c) Minn. Stat. 152.0263, Subd. 5, regarding the use of cannabis in public places.
- d) Minn. Stat. 462.357, regarding the authority of a local authority to adopt zoning ordinances.
- e) This ordinance shall be applicable to the legal boundaries of the City of Zumbrota.
- f) The City of Zumbrota has delegated cannabis retail registration authority to Goodhue County. However, the City of Zumbrota may adopt ordinances under Sections 2.6, 3 and 4 if Goodhue County 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 City of Zumbrota Police Chief 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 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 Goodhue county 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 115.2. Registration of Cannabis Businesses (Registration has been delegated to Goodhue County)

2.1 Consent to registering of Cannabis Businesses

No individual or entity may operate a state-licensed cannabis retail business within the City of Zumbrota without first registering with the City of Zumbrota or its designee.

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

Prior to issuance of a cannabis retail business registration, the City of Zumbrota or its designee shall 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, the City of Zumbrota or its designee 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.

The City of Zumbrota shall not charge an application fee.

A registration fee, as established in the City of Zumbrota or its designee'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 the City of Zumbrota or its designee 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 City of Zumbrota or its designee 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 Zumbrota or its designee. 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.
- (B) The applicant shall include with the form:
  - i. the registration fee as required in [Section 2.3.1];
  - ii. a copy of a valid state license or written notice of OCM license preapproval.
- (C) Once an application is considered complete, the City of Zumbrota or its designee shall inform the applicant as such, process the application fees, and forward the application to the City Administrator and Goodhue county Land Use Department for approval or denial.
- (D) The application fee shall be non-refundable once processed.

#### *2.3.3 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 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 (Annual Compliance has been delegated to Goodhue County)*

The City of Zumbrota or its designee 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 ordinance.

The City of Zumbrota or its designee 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 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 the City of Zumbrota.

### 2.4 Renewal of Registration

The City of Zumbrota or its designee 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 the City of Zumbrota or its designee.

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

#### *2.4.1 Renewal Fees.*

The City of Zumbrota or its designee may charge a renewal fee for the registration starting at the second renewal, as established in the City of Zumbrota or its designee'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.

### 2.5 Suspension of Registration

#### *2.5.1 When Suspension is Warranted.*

The the City of Zumbrota or its designee may suspend a cannabis retail business's registration if it violates the ordinance of the City of Zumbrota or poses an immediate threat to the health or safety of the public. The City of Zumbrota or its designee shall immediately notify the cannabis retail business in writing the grounds for the suspension.

#### *2.5.2 Notification to OCM.*

The City of Zumbrota or its designee shall immediately notify the OCM in writing the grounds for the suspension. OCM will provide the City of Zumbrota or its designee 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.*

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 City of Zumbrota or its designee may reinstate a registration if it determines that the violations have been resolved.

The City of Zumbrota or its designee 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 City of Zumbrota or its designee may impose a civil penalty, as specified in the City of Zumbrota or its designee's Fee Schedule, for registration violations, not to exceed \$2,000.

### 2.6 Limiting of Registrations

The City of Zumbrota or its designee shall limit the number of cannabis retail businesses to no fewer than one registration for every 12,500 residents within the City of Zumbrota.

If Goodhue County has one active cannabis retail businesses registration for every 12,500 residents, the City of Zumbrota shall not be required to register additional state-licensed cannabis retail businesses.

The City of Zumbrota shall limit the number of cannabis retail businesses to One.

## Section 115.3. Requirements for Cannabis Businesses

### 3.1 Minimum Buffer Requirements

The City of Zumbrota shall prohibit the operation of a cannabis business within 1,000 feet of a school.

The City of Zumbrota shall prohibit the operation of a cannabis business within 500 feet of a day care.

The City of Zumbrota shall prohibit the operation of a cannabis business within 500 feet of a residential treatment facility.

The City of Zumbrota shall prohibit the operation of a cannabis business within 500 feet of an attraction within a public park that is regularly used by minors, including a playground or athletic field.

The City of Zumbrota shall prohibit the operation of a cannabis retail business within 500 feet of another cannabis retail business.

Pursuant to Minn. Stat. 462.357 subd. 1e, 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

#### *3.2.1. Cultivation.*

Cannabis businesses licensed or endorsed for cultivation are permitted as a Conditional

Use in the following zoning districts:

- "A" Zoning District
- "I-1" Zoning District
- "I-2" Zoning District

*3.2.1. Cannabis Manufacturer.*

Cannabis businesses licensed or endorsed for cannabis manufacturer are permitted as a Conditional Use in the following zoning districts:

- "A" Zoning District
- "I-1" Zoning District
- "I-2" Zoning District

*Hemp Manufacturer.*

Businesses licensed or endorsed for low-potency hemp edible manufacturers permitted as a Conditional Use in the following zoning districts:

- "A" Zoning District
- "I-1" Zoning District
- "I-2" Zoning District

*3.2.2. Wholesale.*

Cannabis businesses licensed or endorsed for wholesale are permitted as a Conditional Use in the following zoning districts:

- "A" Zoning District
- "I-1" Zoning District
- "I-2" Zoning District

*3.2.1. Cannabis Retail.*

Cannabis businesses licensed or endorsed for cannabis retail are permitted as a Conditional Use in the following zoning districts:

- "C2" Zoning District

*3.2.1. Cannabis Transportation.*

Cannabis businesses licensed or endorsed for transportation are permitted as a Conditional Use in the following zoning districts:

- I-1 Zoning District
- I-2 Zoning District

*3.2.2. Cannabis Delivery.*

Cannabis businesses licensed or endorsed for delivery are permitted as a Conditional Use in the following zoning districts:

- I-1 Zoning District
- I-2 Zoning District

**3.3 Hours of Operation**

State law limits the retail sale of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to the hours of:

- Monday-Saturday: 8 a.m. - 10 p.m. the following day
- Sunday: 11 a.m.- 6 p.m.

### 3.4 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 the City of Zumbrota's sign ordinances.

## Section 115.4. Temporary Cannabis Events

### 4.1 License or Permit Required for Temporary Cannabis Events

#### *4.1.1 License Required.*

A license or permit is required to be issued and approved by the City of Zumbrota prior to holding a Temporary Cannabis Event.

#### *4.1.2 Registration & Application Procedure*

A registration fee, as established in the City of Zumbrota's fee schedule, shall be charged to applicants for Temporary Cannabis Events.

#### *4.1.3 Application Submittal & Review.*

The City of Zumbrota 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 City of Zumbrota. 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;
- (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 City of Zumbrota, 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 standards set forth in this section and the full ordinance to regulate cannabis business within the city of Zumbrota.

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

(G) A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. The City of Zumbrota shall notify the applicant of the standards not met and basis for denial.

(H) There shall be no on-site consumption of cannabinoid products at a Temporary Cannabis Event.

(I) A Temporary Cannabis Event may not be held in a public place or a place of public accommodation.

(J) Temporary Cannabis Events shall only be held between the hours of 8:00 AM and 10:00 PM Monday through Friday.

#### Section 115.5. Lower-Potency Hemp Edibles

See City of Zumbrota City Ordinance 22-04 (codified in Chapter 111 of the City Code): An Ordinance Regulating the Possession, Sale and Consumption of Tobacco and Edible Cannabinoids and Tobacco Related Devices and Products within the City of Zumbrota Minnesota.

#### Section 115.6. 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.

#### Section 115.7. Effective Date

This ordinance becomes effective on the date of its publication, or upon the publication of a summary of the ordinance as provided by Minn. Stat. § 412.191, subd. 4, as it may be amended from time to time, which meets the requirements of Minn. Stat. § 331A.01, subd. 10, as it may be amended from time to time.

Adopted this 19<sup>th</sup> day of December, 2024.



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Todd Hammel, Mayor

Attest:   
Brian Grudem, Administrator