



Hermantown Planning & Zoning Meeting – November 19, 2024

Hermantown's upcoming Planning & Zoning meeting will include both remote access and in-person access to Council Chambers. The remote access will be available through the platform, "Zoom," which allows the public to view and participate in the meeting via phone or computer. Interested parties can also choose to attend the Planning & Zoning meetings in person at City Hall.

Remote access to the 7:00 pm Planning & Zoning Meeting will be available at:

<https://us02web.zoom.us/j/89710487385?pwd=RFZYekswalBBNEluUjZXTXVQUEYydz09>

and/or by calling the number (312) 626-6799 and utilizing the meeting ID number of 897-1048-7385 and the passcode of 122771.

A few important tips regarding the Zoom platform:

- If your computer does not support audio, you can still watch the meeting on your computer and call in on your phone to hear the meeting.
- Everyone has varying levels of comfort regarding remote technology, so grace and understanding are appreciated.



PLANNING & ZONING COMMISSION

Agenda
November 19, 2024
7:00 PM

1. **ROLL CALL**
2. **APPROVAL OF AGENDA**
3. **APPROVAL OF MINUTES**
 - 3A. October 15, 2024 regular meeting.
4. **PUBLIC DISCUSSION** – Public comment on any item not otherwise listed on the agenda.
5. **PUBLIC HEARINGS**
 - 5A. Zoning Ordinance text amendments by the City of Hermantown amending Section 200 – Definitions and Chapter 5 Land Use Regulations pertaining to regulate cannabis businesses.
 - 5B. Zoning Ordinance text amendments by the City of Hermantown amending Section 405 – pertaining to the sale of tetrahydrocannabinol products and regulating cannabis businesses.
6. **CONTINUING BUSINESS**
7. **NEW BUSINESS**
8. **COMMUNICATIONS**
9. **COMMISSION MEMBER REPORTS**
 - Joe Peterson
 - Corey Kolquist
 - Valerie Ouellette
 - Beth Wentzlaff
 - Kevin Hagen
 - Matthew Fournier
 - John Stauber
 - John Geissler

ADJOURN



PLANNING & ZONING COMMISSION

October 15, 2024 Meeting Summary

7:00 PM

1. ROLL CALL

Members Present: Joe Peterson; Corey Kolquist; Beth Wentzlaff; Matthew Fournier; John Stauber; and Kevin Hagen;

Members Absent: Valerie Ouellette and John Geissler

Others Present: Eric Johnson, Community Development Director; Gary Gilbert, 3986 Lindahl Rd.; and Maynard Soulier, 4326 Airbase Rd.

2. APPROVAL OF AGENDA

Motion made by Corey Kolquist to approve the October 15, 2024 agenda as presented. Seconded by John Stauber. Motion carried.

3. APPROVAL OF MINUTES

Motion made by Matthew Fournier to approve the August 20, 2024 minutes as presented. Seconded by Beth Wentzlaff. Motion carried.

4. PUBLIC DISCUSSION

None.

5. PUBLIC HEARING

5A. An application by JLG Enterprises for a Preliminary and Final Plat for a 8 lot and 1 outlot subdivision located at the formerly addressed 3956 Stebner Road. The property is located in an R-3 zoning district.

The meeting discussed the application by JLG Enterprises for a preliminary and final plat for an 8-lot and one outlot subdivision located at 3,956 Stebner Road. The property is in an R3 zoning district and is part of the 5th phase of the Payton Acres project.

The applicant is looking at the northwest corner of the property, which is an 8-lot subdivision with one outlot. The lots are a minimum of half an acre in size and meet the city requirements of a 100 feet of lot width at the building setback line. The stormwater ponding for this project was previously constructed under phase 2.

The city is considering the potential purchase of Lot 3, which would contain a looped water main and a 10-foot wide paved trail surface connecting the sidewalk systems of the Payton Acres and Stebner Road developments.

The next step for this project would be to go to the city council for their ultimate review, followed by a development agreement. The commission recommended that the project to the City Council.

Motion made by Kevin Hagen to approve the application by JLG Enterprises for a Preliminary and Final Plat for an 8 lot and 1 outlot subdivision located at the formerly addressed 3956 Stebner Road. Seconded by Corey Kolquist. Motion carried 6 to 0.

5B. An application by the City of Hermantown for a rezoning of 4 parcels totaling 46-acres located at and adjacent to 5315 Miller Trunk Highway and including parcels 395-0010-00820, 395-0010-00822, 395-0010-00853 and 395-0010-00854. The parcels are currently zoned C, Commercial with a proposed rezoning to HBP, Hermantown Business Park.

The meeting discussed a proposed rezoning of 46 acres in Hermantown from commercial to Hermantown Business Park (HBP) zoning. The HBP district is designed to transition between industrial and commercial uses, primarily allowing manufacturing and warehousing. The property owners have been in discussions with the city and adjoining property owners for several months, and the proposed zoning meets their goals. The site includes a small wetland and is subject to airport zoning restrictions. The city aims to continue working with the property owner as they market the property for potential uses such as manufacturing or warehousing. The HBP district also includes landscape, lighting and building material requirements.

Eric Johnson, Community Development Director, discussed the potential development of a property that has been vacant for years. He clarified that while the property is currently under private ownership, it is being considered for a new zoning district that does not exist anywhere in the city. This new district aims to maximize the property's potential for industrial/business use. Eric also mentioned that the proposed development aligns with the city's comprehensive plan, which is currently being finalized. The draft comprehensive plan will be made public in the next week and will include a presentation to the commission and potentially a community-wide meeting.

Motion made by Corey Kolquist to recommended that the project be forwarded to the City Council. for a rezoning of 4 parcels totaling 46-acres located at and adjacent to 5315 Miller Trunk Highway and including parcels 395-0010-00820, 395-0010-00822, 395-0010-00853 and 395-0010-00854. Seconded by John Stauber. Motion carried 6 to 0.

5C. An application by Kevin Ruhnke for a Commercial Industrial Development Permit for the construction of a 6,000 square foot contractor's shop/truck repair business with associated site and stormwater improvements. The property is located at 434x Sundby Road and is located in a BLM, Business and Light Manufacturing zoning district.

The property is located in the BLM Business and Light Manufacturing zoning district. The proposed building meets all setback requirements and is within the allowed building coverage of 35%. The site does not require a sanitary sewer connection, and a stormwater detention plan has been developed.

Maynard Soulier, 4326 Airbase Rd expressed concerns about a potential development in the neighborhood, which they have lived in for several decades. They acknowledged that the neighborhood was zoned for development in the late 1970s, but they were hoping for low-impact businesses. Their main concern was the potential noise and impact on their home and the neighbors' homes. They requested a 20-foot setback between the building and their property, and suggested planting trees to mitigate the noise and impact. They also mentioned

that they were not against the development, but were concerned about the nonconforming nature of their current situation.

Motion made by Beth Wentzlaff to approve the application by Kevin Ruhnke for a Commercial Industrial Development Permit for the construction of a 6,000 square foot contractor's shop/truck repair business with associated site and stormwater improvements with the addition of 20 evergreen trees up to 4' in height. Seconded by Mathew Fournier. Motion carried 6 to 0.

6. CONTINUING BUSINESS

None.

7. NEW BUSINESS

None.

8. COMMUNICATIONS

None.

9. COMMISSION MEMBER REPORTS

Joe Peterson – None

Corey Kolquist – None

Valerie Ouellette – Absent

Beth Wentzlaff – None

Kevin Hagen – None

Matthew Fournier – None

John Stauber – None

John Geissler – Absent

ADJOURN

Motion made by Kevin Hagen to adjourn the meeting. Seconded by Corey Kolquist. Meeting adjourned at 7:46 pm.

Officiated by:

Transcribed by:

Joe Peterson, Chairman

Mary Melde, Administrative Assistant

5A and 5B. Amendments to the City Ordinance and Zoning Code regarding the Sale of Tetrahydrocannabinol Products, to regulate cannabis business.

<u>Applicant:</u>	City of Hermantown
<u>Case No.:</u>	2024-52 ZT
<u>Staff Contact:</u>	Eric Johnson, Community Development Director
<u>Request:</u>	Amendments to the City Ordinance and Zoning Code regarding the Sale of Tetrahydrocannabinol Products, to regulate cannabis business.

BACKGROUND

St. Louis County has enacted a moratorium prohibiting the registration and operation of cannabis businesses through December 31, 2024, pursuant to Minnesota Statutes sections 342.13€(2024) and 145A.05 (2023). The goal of the moratorium was to allow local units of government time to determine what actions are most appropriate for their respective jurisdictions relative to cannabis business operations, including zoning and enforcement implications, as well as the potential impact of those actions on the ongoing health, safety and welfare of their citizens.

City staff along with initial input from the City Council has drafted amendments to the following City Ordinance and Zoning Code Sections to address cannabis business operations:

- City Ordinance Section 405, Sale of Tetrahydrocannabinol Products, to regulate cannabis business
- Zoning Code Chapter 2, Definitions
- Zoning Code Chapter 5, Land Use Regulations

Highlights include:

- Requires cannabis retail businesses to register and pay a fee to the City.
 1. City conducts a preliminary compliance check
 2. Requires submission of Office of Cannabis Management (OCM) State license
 3. Either \$500.00 or ½ the amount of the initial State license fee
 - Limits the number of cannabis retail businesses in the City to one for every 12,500 residents. However, if St. Louis County already has 1 active retail business for every 12,500 residents, then the City is not required to register an additional state licensed retail business
 - Creates buffer requirements.
 1. 1,000 feet from a school
 2. 500 feet from a daycare
 3. 500 feet from a residential treatment facility
 4. 500 feet from a playground, park or athletic field
 5. 500 feet from another cannabis retail business
 - Zones where the cannabis and hemp businesses can be located.
-

1. Cultivation: C-1, C-1A, BLM. Requires Special Use Permit and minimum of 5 acre parcel
 2. Manufacturer: C-1, C-1A, BLM. Requires Special Use Permit and minimum of 5 acre parcel
 3. Transportation: C-1, C-1A, BLM. Requires Special Use Permit and minimum of 2.5 acre parcel
 4. Retail: C, C-1, C-1A, BLM. Requires Special Use Permit
 5. Delivery: C-1, C-1A, BLM. Requires Special Use Permit and minimum of 2.5 acre parcel
- Establishes hours of operation for cannabis and hemp retail sales
10:00 a.m. to 9:00 p.m.
 - Regulates temporary cannabis events.
 1. Requires submission of an application
 2. Requires application fee
 3. Requires submission of OCM cannabis event license
 4. Requires review by Chief of Police
 5. Application to City Clerk for City Council action
 - Regulates low potency hemp edibles.
 1. For sale to person age 21 or older
 2. Shall be sold behind the counter and stored in a locked case
 - Regulates use in public spaces
 1. No use of cannabis or hemp derived products in public place or place of public accommodation unless the premises is an establishment or an event licensed to permit on-site consumption by adult use

The City Council has discussed these amendments and have conducted a first reading of the amendments. The next step is a public hearing to gather any comments from the public and Planning Commission, then conduct a second reading at the December 2, 2024 City Council meeting.

ATTACHMENTS

- Draft Ordinance amending Section 405 - Sale of Tetrahydrocannabinol Products, to regulate cannabis business
- Draft Ordinance amending Section 200 – Definitions and Chapter 5 Land Use Regulations

Ordinance No. 2024-10

The City Council of the City of Hermantown does ordain:

AN ORDINANCE OF THE CITY OF HERMANTOWN AMENDING AND RESTATED SECTION 405, SALE OF TETRAHYDROCANNABINOL PRODUCTS, TO REGULATE CANNABIS BUSINESSES

Section 1. Purpose and Intent. The purpose of this Ordinance is to amend and restate Section 405, Sale of Tetrahydrocannabinol Products, to reflect updated statutory requirements of Minnesota Statutes Chapter 342, which authorizes the City of Hermantown (“City”) to protect the public health, safety, welfare of City residents by regulating cannabis businesses within the legal boundaries of City. City finds and concludes that the proposed provisions are appropriate and lawful land use regulations for City, 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.

Section 2. Amendment to Section 405. Section 405, Sale of Tetrahydrocannabinol Products, is hereby amended and restated to read as shown on Exhibit A attached hereto.

Section 3. Amendment to be Inserted in Code. After the amendment made by this ordinance becomes effective, it shall be inserted in the appropriate place in the Hermantown City Code.

Section 4. Authority and Jurisdiction. City has the authority to adopt this Ordinance pursuant to:

4.1. Minnesota Statutes § 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.

4.2. Minnesota Statutes § 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.

4.3. Minnesota Statutes § 152.0263, Subd. 5, regarding the use of cannabis in public places.

4.4. Minnesota Statutes § 462.357, regarding the authority of a local authority to adopt zoning ordinances.

Section 4. Effective Date. The provisions of this Ordinance shall be effective after adoption and immediately upon publication once in the official newspaper of the City of Hermantown.

Dated: _____

Mayor

Attest:

City Clerk

Adopted: _____

Published: _____

Effective Date: _____

EXHIBIT A

Section 405 – Cannabis Businesses

405.1. **Purpose.** The purpose of this Section 405 is to restrict access by minors and to regulate the sale of any legalized adult-use product that contains tetrahydrocannabinol and that meets the requirements to be sold for human or animal consumption.

405.2. **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.

405.3. **Enforcement.** The City Clerk, Building Official or Police Department 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.

405.4. **Definitions.** Unless otherwise noted in this section, words and phrases contained in Minnesota Statutes § 342.01 and the rules promulgated pursuant to any of these acts, shall have the same meanings in this ordinance.

405.4.1. **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.

405.4.2. **Cannabis Retail Businesses:** A retail location and the retail location(s) of mezzo businesses 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.

405.4.3. **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.

405.4.4. **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.

405.4.5. **Lower-potency Hemp Edible:** As defined under Minnesota Statutes § 342.01 Subd. 50.

405.4.6. **Office of Cannabis Management:** Minnesota Office of Cannabis Management, referred to as “OCM” in this ordinance.

405.4.7. **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.

405.4.8. **Preliminary License Approval:** OCM pre-approval for a cannabis business license for applicants who qualify under Minnesota Statutes § 342.17.

405.4.9. **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.

405.4.10. **Residential Treatment Facility:** As defined under Minnesota Statutes § 245.462 Subd. 23.

405.4.11. **Retail Registration:** An approved registration issued by the City to a state-licensed cannabis retail business.

405.4.12. **School:** A public school as defined under Minnesota Statutes § 120A.05 or a nonpublic school that must meet the reporting requirements under Minnesota Statutes § 120A.24.

405.4.13. **State License:** An approved license issued by the State of Minnesota’s Office of Cannabis Management to a cannabis retail business.

405.5. **Registration of Cannabis Businesses.**

405.5.1. **Consent to registering of Cannabis Businesses.** No individual or entity may operate a state-licensed cannabis retail business within the City without first registering with the City. 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 \$2,000.00) for each violation.

405.5.2. **Compliance Checks Prior to Retail Registration.** Prior to issuance of a cannabis retail business registration, the City will conduct a preliminary compliance check to ensure compliance with local ordinances. Pursuant to Minnesota Statutes § 342, within 30 days of receiving a copy of a state license application from OCM, the City 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.

405.5.3. Registration & Application Procedure.

405.5.3.1. **Fees.** A registration fee, as established in the City'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 \$500.00 or half the amount of an initial state license fee under Minnesota Statutes § 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 shall be charged at the time of the second renewal and each subsequent renewal thereafter. A renewal retail registration fee shall not exceed \$1,000.00 or half the amount of a renewal state license fee under Minnesota Statutes § 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.

405.5.3.2. **Application Submittal.** The City shall issue a retail registration to a state-licensed cannabis retail business that adheres to the requirements of Minnesota Statutes § 342.22. An applicant for retail registration shall fill out an application form, as provided by the City. Said form shall include, but is not limited to:

405.5.3.3. Full name of the property owner and applicant.

405.5.3.4. Address, email address, and telephone number of the applicant.

405.5.3.5. The address and parcel identification number for the property which the retail registration is sought.

405.5.3.6. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minnesota Statutes § 342.13.

405.5.3.7. A sufficiently detailed map and description of the proposed business operation.

405.5.3.8. The applicant shall include with the form:

405.5.3.8.1. the application fee as required in Section 405.5.3.1.

405.5.3.8.2. a copy of a valid state license or written notice of OCM license preapproval.

405.5.3.9. Once an application is considered complete, the City Clerk shall inform the applicant as such, process the application fees, and forward the application to the City Clerk for approval or denial.

405.5.3.10. The application fee shall be non-refundable once processed.

405.5.4. Application Approval.

405.5.4.1. 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 405.8.

405.5.4.2. 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.

405.5.4.3. A state-licensed cannabis retail business application that meets the requirements of this ordinance shall be approved.

405.5.5. Annual Compliance Checks.

405.5.5.1. The City may complete a cannabis compliance check to assess if the cannabis business meets age verification requirements, as required under Minnesota Statutes § 342.22 Subd. 4(b) and Minnesota Statutes § 342.24.

405.5.5.2. Age verification compliance checks shall involve persons at least seventeen (17) years of age but under the age of twenty-one (21) who, with the prior written consent of a parent or guardian if the person is under the age of eighteen (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.

405.5.5.3. Any failures in the annual compliance checks will be reported to the Office of Cannabis Management.

405.5.6. Location Change. A state-licensed cannabis retail business shall be required to submit a new application for registration under Section 405.5.3.2 if it seeks to move to a new location still within the legal boundaries of City.

405.6. Renewal of Registration. The City shall renew an annual registration of a state-licensed cannabis retail business at the same time OCM renews the cannabis retail business' license. A cannabis retail registration issued under this Ordinance shall not be transferred.

405.6.1. **Renewal Fees.** The City may charge a renewal fee for the registration starting at the second renewal, as established in the City’s Fee Schedule, as it may be amended from time to time.

405.6.2. **Renewal Application.** The application for renewal of a retail registration shall include, but is not limited to, the items required under Section 405.5.3.2 of this Ordinance.

405.7. Suspension of Registration.

405.7.1. **When Suspension is Warranted.** The City may suspend a cannabis retail business’s registration if it violates the ordinance of the City or poses an immediate threat to the health or safety of the public. The City will immediately notify the cannabis retail business in writing the grounds for the suspension.

405.7.2. **Notification to OCM.** The City will notify the OCM in writing the grounds for the suspension. OCM will provide the City and cannabis business retailer a response to the complaint within seven calendar days and perform any necessary inspections within thirty (30) calendar days.

405.7.3. **Length of Suspension.** The suspension of a cannabis retail business registration may be for up to thirty (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 may reinstate a registration if it determines that the violations have been resolved. The City may reinstate a registration if OCM determines that the violation(s) have been resolved.

405.7.4. **Civil Penalties.** Subject to Minnesota Statutes § 342.22, Subd. 5(e) the City may impose a civil penalty, as specified in the City’s Fee Schedule, for registration violations, not to exceed \$2,000.00.

405.8. **Limiting of Registrations.** If Hermantown, Minnesota has one active cannabis retail businesses registration for every 12,500 residents, the City shall not be required to register additional state-licensed cannabis retail businesses.

405.8.1. Requirements for Cannabis Businesses.

405.8.1.1. Minimum Buffer Requirements.

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

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

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

405.8.1.1.4. The City 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.

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

405.9. Cannabis and Hemp Land and Zoning Use Regulations.

405.9.1. Cannabis businesses licensed or endorsed for cultivation, manufacturing, wholesale, transportation or delivery are allowable in Zone Districts C-1, C-1A and BLM and conforming to all applicable provisions of the Zoning Ordinance shall be allowed with a special use permit.

405.9.2. Cannabis businesses and hemp manufacturing businesses licensed or endorsed for retail are allowable in Zone Districts C, C-1, C-1A and BLM and conforming to all applicable provisions of the Zoning Ordinance shall be allowed with a special use permit.

405.9.3. Hemp manufacturing businesses licensed or endorsed for cultivation, manufacturing, wholesale, transportation or delivery are allowable in Zone Districts C-1, C-1A and BLM and conforming to all applicable provisions of the Zoning Ordinance shall be allowed with a special use permit.

405.10. **Hours of Operation.** 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. to 9:00 p.m.

405.11. Temporary Cannabis Events.

405.11.1. License or Permit Required for Temporary Cannabis Events.

405.11.1.1. **Registration & Application Procedure.** A registration fee, as established in City's Fee Schedule, shall be charged to applicants for Temporary Cannabis Events.

405.11.1.2. **Application Submittal & Review.** The City shall require an application for Temporary Cannabis Events. An applicant for retail registration shall fill out an application form, as provided by the City. Said form shall include, but is not limited to:

405.11.1.2.1. Full name of the property owner and applicant.

405.11.1.2.2. Address, email address, and telephone number of the applicant.

405.11.1.2.3. A sufficiently detailed map and description of the proposed event.

405.11.1.2.4. The applicant shall include with the form:

405.11.1.2.5. the application fee as required in Section 405.11.1.1.

405.11.1.2.6. a copy of the OCM cannabis event license application, submitted pursuant to Minnesota Statutes § 342.39 Subd. 2.

405.11.1.2.7. The application shall be submitted to the City Clerk, 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.

405.11.2. 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 Clerk, or other designee, for approval or denial by the City Council.

405.11.3. The application fee shall be non-refundable once processed.

405.11.4. The application for a license for a Temporary Cannabis Event shall meet the following standards:

405.11.4.1. Approved security plan by the Chief of Police or designee of the Police Department.

405.11.4.2. Temporary cannabis events shall only be held between the hours of 2:00 p.m. and 12:00 a.m.

405.12. **Lower-Potency Hemp Edibles and Beverages.**

405.12.1. **Sale of Low-Potency Hemp Edibles and Beverages.** The sale of low-potency hemp and beverages is permitted, subject to the conditions within this Section.

405.12.1.1. **Standards and Conditions.**

405.12.1.1.1. Age requirements.

405.12.1.1.2. The sale of low-potency hemp and beverages is permitted only in places that admit persons twenty-one (21) years of age or older, such as a licensed liquor store or licensed smoke shop.

405.12.2. **Age Verification.** The sale of low-potency hemp and beverages shall only be made to persons at least twenty-one (21) years of age, as verified by a government issued photographic identification.

405.12.3. **Mobile Sales.** The sale of low-potency hemp and beverages is permitted only in places with a fixed business location in an authorized zoning area.

405.12.4. **Buffer Requirements.** The sale of low-potency hemp and beverages is permitted only in places that meet the minimum buffer requirements of Minnesota Statutes § 405.8.1.1.

405.12.5. **Samples Prohibited.** No person shall distribute samples of low-potency hemp or beverages free of charge or at a nominal cost.

405.12.6. **Sales to Obviously Intoxicated Persons.** No person shall sell, give or furnish low-potency hemp or beverages to an obviously impaired or intoxicated person.

405.12.7. **Illegal Possession.** It is unlawful for any person under the age of twenty-one (21) to possess low-potency hemp or beverages.

405.12.8. **Storage of Product.** Low-potency hemp and beverages shall be sold behind a counter and stored in a locked case.

405.12.9. **Employees Under Eighteen (18).** It is unlawful for any person under the age of eighteen (18) to sell low-potency hemp or beverages.

405.13. **Use in Public Places.** No person shall use cannabis flower, cannabis products, lower-potency hemp edibles, low-potency beverages, 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.

405.14. **Compliance with Alcoholic Beverages and Tobacco Sales Licenses.** A violation of this Section on the sale of low-potency hemp and beverages is also a violation under Section 400, Tobacco Sales, and Chapter 5, Alcoholic Beverages, of the Hermantown City Code of Ordinances.

Ordinance No. 2024-11

The City Council of the City of Hermantown Does Ordain:

**AN ORDINANCE AMENDING SECTION 200 - DEFINITIONS AND
CHAPTER 5. LAND USE REGULATIONS TO REGULATE CANNABIS BUSINESSES**

Section 1. Purpose and Intent. The purpose of this Ordinance is to restrict cannabis businesses to certain zoning districts in the City of Hermantown. This Ordinance is not intended to allow what the Minnesota Statutes prohibit nor to prohibit what the Minnesota Statutes expressly allow.

Section 2. Section 200 – Definitions. Section 200 is hereby amended by inserting the following definitions into the appropriate alphabetical order:

“Cannabis cultivation” shall mean 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.

“Cannabis retail businesses” shall mean a retail location and the retail location(s) of mezzo businesses 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.

“Cannabis retailer” shall mean 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.”

Section 3. Section 520 – C, Commercial. Section 520.02.58, Cannabis Retail, is hereby added as an allowed use with a special use permit to read as follows:

“**525.02.58** Cannabis retail businesses.”

Section 4. Section 525 – C-1, Office/Light Industrial. Section 525.03.14, Cannabis and Hemp Businesses, is hereby added as an allowed use with a special use permit to read as follows:

“**525.03.14** Cannabis and Hemp Businesses.

525.03.14.1. Cultivation on a minimum of a five-acre parcel.

525.03.14.2. Cannabis manufacturing on a minimum of a five-acre parcel.

525.03.14.3. Hemp manufacturing on a minimum of a five-acre parcel.

525.03.14.4. Wholesale cannabis distribution.

525.03.14.5. Cannabis retail businesses.

525.03.14.6. Cannabis transportation facility on a minimum of a 2.5-acre parcel.

525.03.14.7. Cannabis delivery facility on a minimum of a 2.5-acre parcel.”

Section 5. Section 530 – C-1A, Office/Light Industrial/Adult Uses. Section 530.03.15 is hereby added as an allowed use with a special use permit to read as follows:

“530.03.15 Cannabis and Hemp Businesses.

530.03.15.1. Cultivation on a minimum of a five-acre parcel.

530.03.15.2. Cannabis manufacturing on a minimum of a five-acre parcel.

530.03.15.3. Hemp manufacturing on a minimum of a five-acre parcel.

530.03.15.4. Wholesale cannabis distribution.

530.03.15.5. Cannabis retail businesses.

530.03.15.6. Cannabis transportation facility on a minimum of a 2.5-acre parcel.

530.03.15.7. Cannabis delivery facility on a minimum of a 2.5-acre parcel.”

Section 6. Section 535 – BLM, Business and Light Manufacturing. Section 535.04.11 is hereby added as an allowed use with a special use permit to read as follows:

“535.04.11 Cannabis and Hemp Businesses.

535.04.11.1. Cultivation on a minimum of a five-acre parcel.

535.04.11.2. Cannabis manufacturing on a minimum of a five-acre parcel.

535.04.11.3. Hemp manufacturing on a minimum of a five-acre parcel.

535.04.11.4. Wholesale cannabis distribution.

535.04.11.5. Cannabis retail businesses.

535.04.11.6. Cannabis transportation facility on a minimum of a 2.5-acre parcel.

535.04.11.7. Cannabis delivery facility on a minimum of a 2.5-acre parcel.”

Section 7. Added to Zoning Code. The terms and provisions of this ordinance shall be amended in the appropriate place in the Hermantown Zoning Code, after adoption and becoming effective.

Section 8. Effective Date. The provisions of this Ordinance shall be effective after adoption immediately upon publication once in the official newspaper of the City of Hermantown and upon recording with the St. Louis County Recorder’s Office.

Dated: _____

Mayor

Attest:

City Clerk

Adopted: _____

Published: _____

Effective Date: _____