

# Dassel, MN

## Special City Council Meeting

Tuesday, February 11, 2025 at 6:00 pm

### 1. Call to Order Special Joint City Council and Planning Commission meeting

#### a. Roll Call

Council members Gaertner, Landrus, Suchy, Thurn & Mayor Lalone. Planning Commission Sexton, Corbin, Nelson

### 2. Business Items

#### a. Discuss draft Ordinance and Zoning for Cannabis Businesses

Kurt Greenley, City Attorney will be reviewing the draft Ordinance 02-2025.

Sarah Swedburg, City Planner - Bolton & Menk Inc will be reviewing the zoning portion of the draft Ordinance 02-2025.

This meeting is to review draft ordinance and discuss any questions prior to the Planning Commission setting the public hearing.

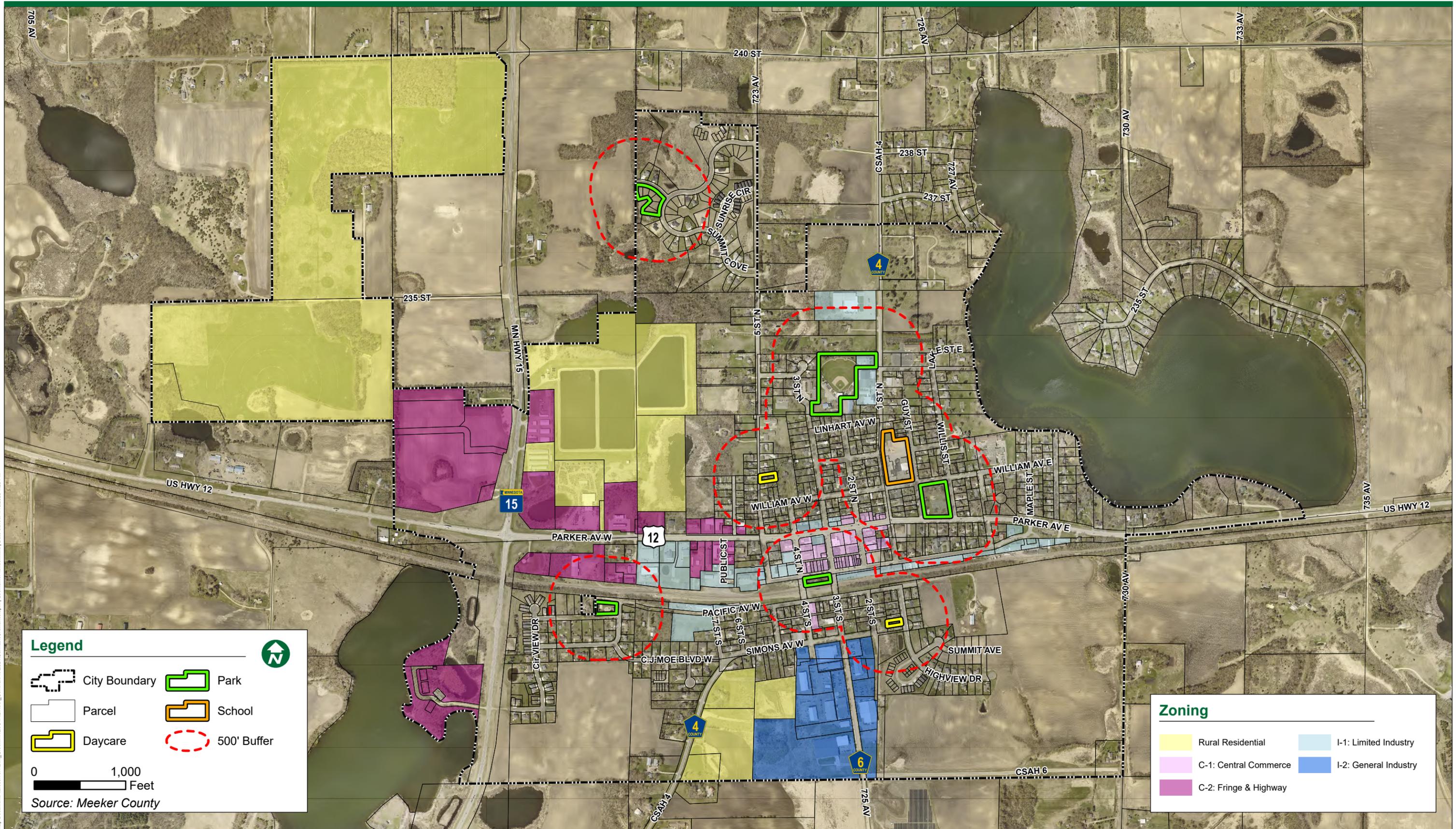
#### Attachments:

- **Draft Cannabis Buffer map** (DASS\_CannabisBufferMap\_11X17L.pdf)
- **Draft Ordinance 02-2025 Regulating Cannabis Businesses (zoning) - Swedburg** (DRAFT\_Ordinance\_No\_02-2025\_-\_Dassel\_Cannabis\_Ordinance\_02.06.25\_-\_Zoning.pdf)
- **Draft Ordinance 02-2025 Regulating Cannabis Businesses - Greenley** (1-29-25\_DR AFT\_Dassel\_2025\_Ordinance\_Regulating\_Cannabis\_Businesses.pdf)

### 3. Adjourn

The agenda packet with all background material is located at the side table for viewing by the public.

The agenda is subject to change without notice. Information and materials relating to the above items are available for review at city hall by appointment.



**Legend**

- City Boundary
- Park
- Parcel
- School
- Daycare
- 500' Buffer



0 1,000  
Feet

Source: Meeker County

**Zoning**

- Rural Residential
- I-1: Limited Industry
- C-1: Central Commerce
- I-2: General Industry
- C-2: Fringe & Highway

Map Document: \arcserve\BML\_GIS\MN\ESOTADASS\_General\Pro2024\CannabisOrdinance.aprx | Username: kendall.hills | Date Saved: 1/16/2025 1:29 PM

CITY OF DASSEL  
COUNTY OF MEEKER  
STATE OF MINNESOTA

Ordinance No. 02-2025

AN ORDINANCE AMENDING THE DASSEL CITY CODE OF ORDINANCES SECTIONS 153.008, 153.035-153.044, AND 153.075 REGARDING CANNABIS BUSINESS ZONING REGULATIONS

**The City Council of the City of Dassel, Meeker County, Minnesota hereby ordains** (new material is underlined; deleted material is lined out; sections which are not proposed to be amended are omitted, sections which are only proposed to be re-numbered are only set forth below as to their number and title):

**SECTION 1. Amendment.** The City of Dassel City Code, Section 153.008, Definitions, shall be amended as follows:

*CANNABIS BUSINESS.* When used in this Ordinance, the term “Cannabis Business” means a legal entity such as a corporation, partnership, proprietorship, or individual(s) engaged or seeking to engage in one or more of the cannabis related activities listed in Minn. Stat. § 342.01 Subd. 14.

*CANNABIS CULTIVATION.* A cannabis business that grows cannabis plants within an approved amount of space from seed or from immature plants to mature plants, and harvests cannabis flower from mature plants, and packages and labels immature plants and seedlings and cannabis flower for wholesale to other cannabis businesses, and transports cannabis flower to a cannabis manufacturer, and perform other actions approved by the OCM. See Minn. Stat. §342.30.

*CANNABIS EVENT.* A temporary event lasting no more than four days and is limited to individuals 21 years of age or older. Each authorized retailer is assigned a limited space and may display one sample of each type of cannabis related product that it handles and is available for sale. See Minn. Stat. § 342.39 and §342.40.

*CANNABIS MANUFACTURING.* A cannabis manufacturer purchases cannabis flower, cannabis products, hemp plant parts artificially derived cannabinoids and similar cannabis materials from a cannabis microbusiness, mezzobusiness a cannabis cultivator or a cannabis wholesaler or from an unlicensed entity to make cannabis concentrate, hemp concentrate, or to make artificially derived cannabinoids and similar adult cannabis products, package, label, and sell to customers or other cannabis businesses and other activities approved by OCM. See Minn. Stat. §342.31.

*CANNABIS MEZZOBUSINESS.* A larger vertically integrated operation that includes areas for cultivation of cannabis that in total do not exceed 15,000 square feet of plant canopy area and containing up to three dispensaries for retail sales of cannabis. A mezzobusiness may also hold a cannabis manufacturing license and an event organizer license. See Minn. Stat. § 342.29

*CANNABIS MICROBUSINESS.* A vertically integrated operation that includes areas for cultivation of cannabis that in total do not exceed 5,000 square feet of plant canopy area and containing on the same premises a single retail store for cannabis sales. See Minn. Stat. § 342.28.

*CANNABIS SALES.* The sale of cannabis plants and seedlings, adult-use cannabis flower, and adult use cannabis products directly to consumers pursuant to Minnesota Statute section 342.27.

*CANNABIS TESTING FACILITY.* An entity that provides testing as required under Minn. Stat. §342.61 of cannabis and cannabinoid products, including plants, parts of immature cannabis plants, seedlings, cannabis flower, hemp plants, and similar cannabis materials. See Minn. Stat. § 342.37 and §342.38.

CANNABIS WHOLESALER. An entity that purchases immature cannabis plants, seedlings, cannabis flower, and other cannabis products and similar cannabinoids from cannabis micro and mezzo businesses and cannabis cultivators and manufacturers and resell these products at wholesale to other cannabis business operations. See Minn. Stat. § 342.33 and §342.34.

HEMP BUSINESS. When used in this Ordinance, the term “Hemp Business” means a legal entity such as a corporation, partnership, proprietorship, or individual(s) engaged or seeking to engage in one or more of the hemp related activities listed in Minn. Stat. § 342.01.

LOWER-POTENCY HEMP EDIBLE MANUFACTURING. A hemp business that conducts an operation pursuant to Minnesota Statute Section 342.45, as it may be amended.

LOWER-POTENCY HEMP EDIBLE SALES. A hemp business that conducts an operation pursuant to Minnesota Statute Section 342.46, as it may be amended.

RETAIL ESTABLISHMENT. Any place of business or portion of a place of business where THC Products are available for sale to the general public. Retail Establishments shall include, but are not limited to, grocery stores, convenience stores, tobacco products shops, gasoline service stations, bars, restaurants, CBD (Cannabidiol) stores, chiropractic/medical clinics, health/nutrition/supplement stores, and veterinary clinics. Retail Establishments shall not include any home-based business or sales out of any dwelling. A Retail Establishment can only be located in a C1-Central Commerce zoning district.

**SECTION 2. Amendment.** The City of Dassel City Code, Sections 153.035 – 153.043, District Regulations, shall be amended as follows:

153.035 RR – Rural Residential.

(B) *Permitted Uses.*

(1) Agricultural uses, including outdoor Cannabis cultivation that meets the standards set in 153.XX

(C) Uses by Conditional Permit.

(1) Cannabis cultivation, indoor.

153.040 C1 – Central Commerce.

(B) *Permitted Uses.*

(14) ~~Retail establishments~~ Lower-Potency Hemp Edible Sales.

153.041 C2 – Highway Commerce.

(B) *Permitted Uses.*

(5) Lower-Potency Hemp Edible Sales.

(C) *Uses by Conditional Permit.*

(5) Cannabis mezzobusinesses, sales only.

(6) Cannabis microbusinesses, sales only.

(7) Cannabis sales.

153.042 I1 – Limited Industry

(B) *Permitted Uses.*

(2) Wholesaling, all commodities except live animals and cannabis products.

(5) Lower-Potency Hemp Edible Sales.

(C) *Uses by Conditional Permit.*

(3) Cannabis cultivation, indoor.

- (4) Cannabis mezzo businesses.
- (5) Cannabis microbusinesses.
- (6) Cannabis sales.

153.043 I2 – General Industry

(B) *Permitted Uses.*

- (2) Wholesaling, including cannabis products.

(C) *Uses by Conditional Permit.*

- (3) Cannabis cultivation, indoor.
- (4) Cannabis manufacturing.
- (5) Cannabis mezzo businesses.
- (6) Cannabis microbusinesses.
- (7) Cannabis sales.
- (8) Cannabis testing facilities.
- (9) Lower-Potency Hemp Edible Manufacturing.

**SECTION 3. Amendment.** The City of Dassel City Code, Section 153.044, Zoning District Use Chart, shall be amended as follows:

	<u>A-RR</u>	<u>C1</u>	<u>C2</u>	<u>I1</u>	<u>I2</u>
<b>A. Agriculture</b>					
<u>Cannabis cultivation, indoor</u>	<u>C</u>			<u>C</u>	<u>C</u>
<u>Cannabis cultivation, outdoor</u>	<u>P</u>				
<b>D. Commercial/Retail/Service</b>					
<u>Cannabis mezzobusiness</u>			<u>C</u> <u>*Sales Only</u>	<u>C</u>	<u>C</u>
<u>Cannabis microbusiness</u>			<u>C</u> <u>*Sales Only</u>	<u>C</u>	<u>C</u>
<u>Cannabis sales</u>			<u>C</u>	<u>C</u>	<u>C</u>
<b>E. Industrial</b>					
<u>Cannabis manufacturing</u>					<u>C</u>
<u>Cannabis testing facility</u>					<u>C</u>
<u>Cannabis wholesaling</u>					<u>P</u>
<u>Lower-Potency Hemp Edible Sales</u>		<u>P</u>	<u>P</u>	<u>P</u>	

Lower-Potency Hemp Edible Manufacturing					<u>C</u>
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**SECTION 4. Amendment.** The City of Dassel City Code, Section 153.075, previously known as Retail Establishments, shall be amended as follows:

153.075 ~~RETAIL ESTABLISHMENTS~~ CANNABIS AND HEMP BUSINESSES.

(A) ~~Proximity to Schools and Certain Facilities. No license shall be issued for a premises within 250 feet of a School, a day care, or residential treatment facility, or a public park that is regularly used by minors, including a playground or athletic field. These distances are to be measured from the property line of the school or other structure, park, playground, or field to the closest side of the premises within which the Licensed Product is to be sold.~~ Cannabis and Hemp Businesses. All Cannabis and Hemp Businesses shall comply with the following qualifying criteria. Where required, a conditional use permit may only be issued when the following qualifying criteria are met.

(1) Applicability. The standards within this subsection shall apply to the following uses:

- a. Cannabis cultivation
- b. Cannabis events
- c. Cannabis manufacturing
- d. Cannabis mezzobusiness
- e. Cannabis microbusiness
- f. Cannabis sales
- g. Cannabis testing facility
- h. Cannabis wholesaling
- i. Lower-potency hemp edible manufacturing
- j. Lower-potency hemp edible sales

(2) Buffers

- a. Any cannabis business must be setback 500 feet from schools, day care, residential treatment facilities, and attractions within a public park that are regularly used by minors, including a playground or athletic field.
- b. Any area used to cultivate or grow cannabis must meet the following setbacks:

	<u>Horizontal Setbacks for Cultivation or Growth of Cannabis (Minimum)</u>
<u>Any property line</u>	<u>50 feet</u>
<u>Minor Arterial Street</u>	<u>150 feet from centerline or 75 feet from ROW, whichever is greater</u>
<u>Major or Minor Collector Street</u>	<u>100 feet from centerline, or 50 feet from ROW, whichever is greater</u>
<u>Any other Public Street</u>	<u>40 feet from ROW</u>

(3) Development Standards

- a. Must be licensed by the State of Minnesota and in compliance with the standards set by Minnesota Statutes, Minnesota Rules, and the Office of Cannabis Management.
- b. The facility shall be secured as required by Minnesota Statutes, Minnesota Rules, and the Office of Cannabis Management.

- c. Outdoor operations are prohibited, except for outdoor cultivation in the Rural Residential zone. All operations, including but not limited to, cultivation, manufacturing, storage, and sales must occur within a fully enclosed building or facility. Outdoor cultivation in the Rural Residential Zone shall be secured as required by Minnesota Statutes, Minnesota Rules, and the Office of Cannabis Management.
- d. Outdoor storage beyond the daily parking of vehicles is prohibited.
- e. The facility shall not produce noxious or nuisance causing odors, and is subject to the following conditions:
  - 1. The facility shall be ventilated so that all odors cannot be detected by a person with a normal sense of smell at the exterior of the facility or at any adjoining use or property.
  - 2. Growing cannabis must comply with all applicable laws and shall not produce noxious or dangerous gases or odors or otherwise create a danger to any person or entity in or near the facilities.
  - 3. An odor maintenance plan must be submitted to the City and approved by the City.
  - 4. At the Zoning Administrator's discretion, the applicant may be required to provide plans that show appropriate odor control systems so as not to produce any noxious or dangerous gases or odors or create any dangers to any person or entity in or near the facility.
- f. All mechanical, odor suppression equipment, trash enclosures, and loading and unloading areas to the facility must be screened from all public Right of Way and adjacent properties.
- g. Lighting
  - 1. All site lighting must meet City Code requirements. All light fixtures must be downward directed with cut-offs and be architecturally designed to match the overall design of the building.
  - 2. The specifications of all light fixtures must be provided to the City with the application for a conditional use permit.
  - 3. A photometric plan must be submitted to the City with the application for a conditional use permit indicating light measure at the property line.
  - 4. Lighting within a transparent greenhouse structure is permitted between the hours of 4:30 a.m. and 10:00 p.m. Lighting at the site property lines shall not exceed 1.0 foot-candles at any time.
- h. Water and Wastewater
  - 1. Cannabis and hemp businesses cultivating, processing, or manufacturing cannabis or hemp products shall be designed to minimize the use of water on the site, and must include water capture systems, grey-water systems, or other equally effective water conservation measures.
  - 2. Management of wastewater shall be approved by the City and in accordance with the Office of Cannabis Management, Minnesota Pollution Control Agency, or local ordinances. Where multiple standards exist, the more restrictive of the standards shall apply.
- i. Signs
  - 1. Signs shall be in compliance with the Office of Cannabis Management and the City Code. Whenever a more restrictive standard exists, the more restrictive standard shall apply.
- j. Security.
  - 1. The facility shall be secured as required by Minnesota Statutes, Minnesota Rules, and the Office of Cannabis Management.

2. Any security bars, gates or grills shall be retractable, shall remain open and retracted when the Cannabis or Hemp business is open to the public or otherwise in operation and shall not be installed on the exterior of the building.
- (B) Cannabis Events – In Business and Industrial Districts, a cannabis event may only be permitted as follows:
- (1) Permit Required for Cannabis Events. A permit is required to be issued and approved by the City of Dassel prior to holding a cannabis event.
  - (2) Registration & Application Procedure. A registration fee, as established in the City of Dassel’s fee schedule, shall be charged to applicants for cannabis events.
  - (3) Application Submittal & Review. The City of Dassel shall require an application for cannabis events.
  - (4) An applicant for a cannabis event shall fill out an application form, as provided by the City of Dassel. Said form shall include, but is not limited to:
    - a. Full name of the property owner and applicant;
    - b. Address, email address, and telephone number of the applicant;
    - c. A site plan including the location of the event, the set-up, location of parking, dates of the proposed event, hours of operation, lighting, signage, and any other information deemed necessary by the City.
  - (5) The applicant shall include with the form:
    - a. The application fee as established in the City of Dassel’s fee schedule.
    - b. A copy of the OCM cannabis event license application, submitted pursuant to Minnesota Statute 342.39 subd. 2.
  - (6) The application shall be submitted to the City for review. If the City determines that a submitted application is incomplete, they shall return the application to the applicant with the notice of deficiencies.
  - (7) Once an application is considered complete, the City shall inform the applicant as such, process the application fees, and forward the application to the City Council for approval or denial.
  - (8) The application fee shall be non-refundable once processed.
  - (9) The application for a license for a cannabis event shall meet the following standards:
    - a. Must be licensed by the State of Minnesota and in compliance with the standards set by the Office of Cannabis Management.
    - b. Cannabis events may only be held at approved cannabis cultivation, cannabis mezzobusiness, cannabis microbusiness and cannabis retail locations.
    - c. Cannabis events must last no more than four consecutive calendar days.
    - d. Unless approved by the City Council, no cannabis event may take place outdoors.
    - e. No more than one cannabis event may be conducted at a single location in a calendar year.
    - f. Hours of operation for a cannabis event are limited to 10:00 AM to 5:00 PM.
  - (10) A request for a cannabis event that meets the requirements of this Section shall be approved.
  - (11) A request for a cannabis event that does not meet the requirements of this Section shall be denied. The City shall notify the applicant of the standards not met and basis for denial.

**SECTION 5. EFFECTIVE DATE.** This ordinance shall be effective immediately from and after its adoption and publication in the official newspaper of the City of Dassel.

**SECTION 6. ADOPTION DATE.** This Ordinance \_\_\_\_\_ was adopted on this \_\_ day of \_\_\_\_\_, 2025 by a vote of \_\_\_\_\_ Ayes and \_\_\_\_\_ Nays.

DASSEL CITY COUNCIL

\_\_\_\_\_  
Bob Lalone, Mayor

ATTEST:

\_\_\_\_\_  
Renee Eckerly,

This Ordinance No. \_\_\_\_\_ was published on the \_\_\_\_\_ day of \_\_\_\_\_, 2025.

COUNTY OF MEEKER  
ORDINANCE NO. 01-2025

AN ORDINANCE OF THE CITY OF DASSEL, MINNESOTA, REGULATING  
CANNABIS BUSINESSES AND CANNABIS DISPENSARIES

NOW, THEREFORE, The City Council of the City of Dassel, Minnesota, ordains as follows:

**§ 1. FINDINGS, PURPOSE, AND AUTHORITY**

In 2023 the State of Minnesota adopted an Adult-Use Cannabis Act, codified as Minnesota Statutes § 342.01 through § 342.82 (hereinafter referred to as the Minnesota Cannabis Act or Cannabis Act). This Cannabis Act legalized the growing, production, possession, marketing, sale and use of cannabis and cannabis derived products throughout the State of Minnesota.

Minn. Stat. §144.417, subd. 4, allows Minnesota counties and cities to enact and enforce local ordinances that are more stringent than state law in protecting individuals from secondhand smoke or from involuntary exposure to aerosol or vapor from electronic delivery devices.

A separate statute, Minnesota Statutes § 145A.05, subd.1, authorizes counties to adopt ordinances regulating actual or potential threats to public health unless the ordinances are in conflict with or less restrictive than the state law.

Following adoption of the Minnesota Cannabis Act the Meeker County Commissioners, stating that the County seeks to be proactive in protecting public health and safety, and citing both Minn. Stat. § 144.417, subd. 4 and Minn. Stat. § 145A.05, subd. 1, adopted an Minn. Stat. § 145A.05, subd. 9 authorizes cities to adopt ordinances relating to public health provided they are not in conflict with or less restrictive than the applicable county ordinance. ordinance regulating the possession and use of cannabis and cannabis derived products in public places and in places of public accommodation within Meeker County.

The purpose of this City of Dassel Ordinance is to implement the provisions of the Minnesota Cannabis Act, §342.13(c), which authorizes cities to protect the public health, safety, and welfare of residents by regulating cannabis businesses within the legal boundaries of the City of Dassel.

The City Council of Dassel, being proactive in protecting public health and safety, hereby adopts this Dassel City Ordinance as a supplement to the Meeker County Ordinance by more specifically regulating the sale and marketing procedures and use of cannabis and cannabis derived products within the City of Dassel.

## **§ 2. THE MINNESOTA STATE CANNABIS ACT**

**The State Cannabis Act addresses and broadly legalizes the production, labeling, sale, dispensing possession, and use of cannabis and cannabis derived products including edible cannabinoid products. It provides for the licensing and taxing by the State of cannabis products and certain hemp products. It lowers or eliminates some criminal penalties relating to the production, sale, dispensing, possession and use of cannabis and cannabis derived products. It also provides for expungement of certain prior convictions.**

**The Cannabis Act also precludes local units of government from prohibiting the possession, transportation, or use of cannabis products, lower-potency hemp edibles, or hemp-derived consumer products.**

**Under the State Cannabis Act only the State of Minnesota has authority to license cannabis businesses. Local units of government may not prohibit the establishment or operation of a cannabis business or dispensary that has been licensed by the State under the State Cannabis Act. see Minn. Stat. § 342.13 (a) and (b).**

## **§ 3. DEFINITIONS.**

**The following words, terms, and phrases when used in this City of Dassel Ordinance shall have the meanings ascribed to them in this Section.**

### **A. Terms Relating to General Cannabis Regulation.**

***OCM:* The State of Minnesota Office of Cannabis Management established by Minn. Stat. § 342.02 subd. 1, occasionally referred to as “OCM” in this Ordinance.**

***License Preapproval:* Action by the Office of Cannabis Management pre-approving a cannabis business license for social equity applicants who qualify under Minn. Stat. § 342.17.**

***State License:* An approved License issued by the State of Minnesota Office of Cannabis Management to an applicant to operate a cannabis business.**

***Local Units of Government:* Minnesota counties, cities, townships, and political subdivisions thereof. The City of Dassel is a local unit of government.**

***Retail Registration:* Action to be taken by a local unit of government after the OCM has approved a state license for operation of a cannabis business within the boundaries of that local unit of government.**

***Compliance Checks:* The system or procedure a local government uses to investigate and verify that activities and operations of a third party are being properly performed in compliance with rules and/or ordinances of that local government.**

***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 apartment rental buildings, and other places of public accommodation.

***Residential Treatment Facility:*** As defined under Minn. Stat. § 245.462 subd.23.

***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.462 subd.24.

***Daycare Facility:*** A facility 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.

Definitions for words, terms or phrases not set forth above may be found at Minn. Stat. §342.01 of the State Cannabis Act and are incorporated herein by general reference.

#### **B. Terms Primarily Relating to Cannabis Parts or Products**

***Cannabis:*** A product broadly defined as containing cannabinoid or hemp-based mood-altering chemicals or other plant or substance intended for human consumption including any cannabinoid, artificially derived cannabinoid, cannabis flower, cannabis product, lower-potency edible, or hemp-derived consumer products, or any other substance regulated by Minn. Stat. Chapter 342 or defined in Minn. Stat. §342.01.

***Cannabis Plant:*** All parts of the plant of the genus *Cannabis Sativa* (suh tee vuh) that is growing or has not been harvested and has a delta-9 tetrahydrocannabinol (THC) concentration of more than 0.3 per cent on a dry weight basis. See Minn. Stat. §342.01 Subd. 19.

***Cannabis Flower:*** The harvested flower, bud, leaves and stems of a cannabis plant. The term includes adult-use cannabis flower and medical use cannabis flower, but not cannabis seed or hemp derived products. See Minn Stat. §342.01 Subd. 16.

***Adult-use Cannabis Flower:*** Cannabis flower that is approved for sale by the OCM or is substantially similar to a product approved by the OCM . It does not include medical cannabis flower, hemp plant parts or hemp-derived consumer products. See Minn. Stat. §342.01 Subd. 3.

***Cannabis Concentrate:*** The extracts and resins of a cannabis plant or cannabis flower or the extracts and resins of a cannabis plant that are refined to increase the presence of targeted cannabinoids or a product that is produced by refining extracts or resins of a cannabis plant or cannabis flower and is intended to be consumed by combustion or

vaporization of the product and inhalation of smoke, aerosol, or vapor from the product. See Minn. Stat. §342.01 Subd. 15.

***Adult-use Cannabis Concentrate:*** Cannabis concentrate that is approved for sale by the OCM or is substantially similar to a product approved by the OCM. It does not include artificially derived cannabinoids. See Minn. Stat. §342.01 Subd. 2.

***Cannabis Product:*** A product that contains any of the following: cannabis concentrate or products infused with cannabinoids or other products that contain cannabis concentrate. Cannabis products also include adult-use cannabis products and edible cannabis products, but not lower potency edible hemp products or cannabis flower. See further Minn. Stat. § 342.01 Subd. 20 (a) and (b).

***Cannabinoid Product:*** A more general term referencing a cannabis product, a hemp-derived consumer product, or a lower-potency hemp edible product. See Minn. Stat. §342.01 Subd. 12.

***Adult-use Cannabis Product:*** A cannabis product that is approved by the Office of Cannabis Management or is substantially similar to a product approved by the OCM. The term includes edible cannabis products but does not include medical cannabinoid products or lower-potency hemp edibles. See Minn. Stat. §342.01 Subd 4.

***Cannabinoid:*** Any of the chemical constituents of hemp plants or cannabis plants that are naturally occurring, biologically active, and act on the cannabinoid receptors of the brain. Cannabinoid includes but is not limited to tetrahydrocannabinol and cannabidiol. See Minn. Stat. §342.01 Subd.10.

***Artificially Derived Cannabinoid:*** A cannabinoid extracted from a cannabis plant, cannabis flower, hemp plant, or hemp plant parts with a chemical makeup that is changed after extraction to create a different cannabinoid or other chemical compound by applying a catalyst other than heat or light. Artificially derived cannabinoid includes but is not limited to any tetrahydrocannabinol created from cannabidiol but does not include cannabis concentrate, cannabis products, hemp concentrate, lower potency hemp edibles, or hemp-derived consumer products. See Minn. Stat. §342.01 Subd.6.

***Intoxicating Cannabinoid:*** A cannabinoid, including an artificially derived cannabinoid, that when introduced into the human body impairs the central nervous system or impairs the human audio, visual, or mental processes. Intoxicating cannabinoids include but are not limited to any tetrahydrocannabinol. See Minn. Stat. §342.01 Subd. 46.

***Licensed Products or Licensed Cannabis Products:*** Those cannabis and cannabis derived products that require a Minnesota OCM issued license under the Minnesota Cannabis Act, Minn. Stat. chapter 342.

***Lower-Potency Hemp Edible:*** A product intended to be eaten or consumed as a beverage by humans that 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 do not exceed the above listed amounts, and do not contain concentrations of other cannabinoids as set forth in Minn. Stat. §342.01 subd. 5.

### C. Terms Primarily Relating to Cannabis Businesses

***Cannabis Cultivator:*** A cannabis business that grows cannabis plants within an approved amount of space from seed or from immature plants to mature plants, and harvests cannabis flower from mature plants, and packages and labels immature plants and seedlings and cannabis flower for wholesale to other cannabis businesses, and transports cannabis flower to a cannabis manufacturer, and perform other actions approved by the OCM. See Minn. Stat. §342.30.

***Cannabis Microbusiness:*** A vertically integrated operation that includes areas for cultivation of cannabis that in total do not exceed 5,000 square feet of plant canopy area and containing on the same premises a single retail store for cannabis sales. see Minn. Stat. § 342.28.

***Cannabis Mezzobusiness:*** A larger vertically integrated operation that includes areas for cultivation of cannabis that in total do not exceed 15,000 square feet of plant canopy area and containing up to three dispensaries for retail sales of cannabis. A mezzobusiness may also hold a cannabis manufacturing license and an event organizer license. See Minn. Stat. § 342.29

***Cannabis Manufacturing:*** A cannabis manufacturer purchases cannabis flower, cannabis products, hemp plant parts artificially derived cannabinoids and similar cannabis materials from a cannabis microbusiness, mezzobusiness a cannabis cultivator or a cannabis wholesaler or from an unlicensed entity to make cannabis concentrate, hemp concentrate, or to make artificially derived cannabinoids and similar adult cannabis products, package, label, and sell to customers or other cannabis businesses and other activities approved by OCM. see Minn. Stat. §342.31.

***Cannabis Transporter:*** An entity that transports immature cannabis plants, seedlings, cannabis flower, artificially derived cannabinoids and similar products to cannabis microbusinesses, mezzo businesses, cannabis manufactures, cannabis testing facilities and cannabis wholesalers. See Minn. Stat. §342.35.

***Cannabis Testing Facility:*** An entity that provides testing as required under Minn. Stat. §342.61 of cannabis and cannabinoid products, including plants, parts of immature cannabis plants, seedlings, cannabis flower, hemp plants, and similar cannabis materials. See Minn. Stat. § 342.37 and §342.38.

***Cannabis Wholesaler:*** An entity that purchases immature cannabis plants, seedlings, cannabis flower, and other cannabis products and similar cannabinoids from cannabis micro and mezzo businesses and cannabis cultivators and manufacturers and resell these

products at wholesale to other cannabis business operations. See Minn. Stat. § 342.33 and §342.34.

***Cannabis Retail Businesses:*** A cannabis business as listed in Minn. Stat. § 342.01 Subd. 14 with retail operations that authorize sale of cannabis products to customers or patients. See Minn. Stat. § 42.32.

***Movable Place of Business.*** A business that has no permanent physical location or is capable of being moved, including but not limited to, any business that is operated from a kiosk, other transportable structure or shelter, or a motorized or nonmotorized vehicle.

***Self-Service Merchandising.*** Use of open displays of licensed products in a manner where any person has direct physical access to the licensed products without the assistance or intervention of the licensee or the licensee’s employee. Assistance or intervention means the actual physical exchange of the licensed product between the customer and the licensee or licensee’s employee.

#### **D. Terms Primarily Relating to Marketing and Sale of Cannabis Products.**

***Cannabis Sales:*** General requirements for sale of cannabis products are set forth in Minn. Stat. § 342.27

***Cannabis Event:*** A temporary event lasting no more than four days and is limited to individuals 21 years of age or older. Each authorized retailer is assigned a limited space and may display one sample of each type of cannabis related product that it handles and is available for sale. See Minn. Stat. § 342.39 and §342.40.

Comment: The Minnesota Cannabis Act defines “Cannabis Business” by listing 13 or 14 different cannabis related activities, each of which requires a separate state license. Minn. Stat. § 342.01, Subds. 14 and 48, and Minn Stat. § 342.10. This Minnesota Cannabis Act definition is less workable when addressing city regulation of a local cannabis business.

Proposed Definition of Cannabis Business

**Cannabis Business:** When used in this Ordinance, the term “Cannabis Business” means a legal entity such as a corporation, partnership, proprietorship, or individual(s) engaged or seeking to engage in one or more of the cannabis related activities listed in Minn. Stat. § 342.01 Subd. 14.

Comment: The potential location(s) where adult cannabis may be sold are variable (i.e. not just a cannabis store of some kind). Consequently, a broader term for defining the location or point or place of sale is recommended.

Proposed Definition:

***Cannabis Dispensary:*** The location of a building or designated area within or as part of a building utilized by a cannabis business for the promotion, sale, dispensing and delivery to the general public of state licensed cannabis products.

#### **§ 4. INVOLVEMENT BY THE CITY OF DASSEL PRIOR TO ISSUANCE BY THE OFFICE OF CANNABIS MANAGEMENT OF A LICENSE TO A CANNABIS BUSINESS.**

Comment: Minn. Stat. §342.13 (f) provides that when an application for a cannabis license is received by the OCM, a copy of the application is to be forwarded to the involved local unit of government for the purpose of obtaining from that local unit a certification that the proposed business complies with local zoning ordinances and with the applicable fire codes and building codes. Under this statute OCM may not issue a license if the proposed cannabis business does not meet these local codes.

Additionally, after the local unit of government receives a copy of the license application from the OCM, the local unit of government has 30 days in which to provide input on the application including concerns about the proposed location of the business and sharing public information about the applicant.

Comment: Minn. Stat. §342.13 provides that the Office of Cannabis Management may not issue a license if the proposed cannabis business does not meet local zoning and land use laws

Proposed Ordinance Provision:

**Upon receiving from the Office of Cannabis Management a copy of an application seeking a state cannabis license for operation of a cannabis business to be located within the City of Dassel, the City shall conduct a preliminary compliance check to ensure that the proposed cannabis business complies with local ordinances as required by Minn. Stat. § 342.13. The City shall timely submit an objection to the application if the contemplated cannabis business operation does not comply with the City of Dassel zoning code, the state fire code, or the City of Dassel building code.**

#### **§ 5. REGULATION BY THE CITY OF DASSEL FOLLOWING ISSUANCE BY THE OCM OF A STATE LICENSE TO A CANNABIS BUSINESS**

Comment: The State Cannabis Act requires that before making sales a licensed cannabis business must receive a Cannabis Retailer Registration from the city, town, or county in which the business is to be located. Minn. Stat. § 342.22, Subd. 1.

Proposed Ordinance Provision:

**No cannabis business, whether licensed or not licensed by the state, is allowed to make any sales of cannabis derived or licensed cannabis products within the City of Dassel unless and until the City has issued to that cannabis business a Certificate of Registration. The City shall charge an initial Registration fee and an Annual Registration Renewal fee as provided by the Minnesota Cannabis Act.**

Comment: The Cannabis Act grants to local units of government the authority to limit the number of cannabis businesses it must Register. Any such limitation is to be based on the population of that local unit of government, or the number of active registrations existing within the county in which the local unit is located compared to the population of the county. See Minn. Stat. § 342.13 (i) and (j).

Proposed Ordinance Provision:

**Based upon the population of the City of Dassel, and consistent with Minn. Stat. § 342.13 (i), the City of Dassel hereby limits the total number of cannabis businesses it will Register to no more than one (1). Additionally, at such time as there are two (2) or more active cannabis business registrations within the County of Meeker, the City of Dassel shall not issue a Certificate of Registration to any additional cannabis business whether or not that applying cannabis business has been licensed by the State of Minnesota. see Minn. Stat. § 342.13 (j).**

## **§ 6. RESTRICTIONS ON THE LOCATION AND OPERATION OF A CANNABIS BUSINESS AND ITS CANNABIS DISPENSARY**

Comment: Operation of a cannabis business may involve different locations within a city and impact different zoning districts of the city. Examples of these various operations include cannabis cultivation, cannabis manufacturing, cannabis testing, cannabis events, and cannabis dispensaries.

Proposed Ordinance Provisions:

### **A. Location of Cannabis Business Operations -- Generally**

**The location of any cannabis related activity within the City of Dassel must be in full compliance with the City of Dassel Zoning Code including any allowable conditional uses permitted thereunder.**

### **B. Location of a Cannabis Dispensary**

**City Registration of a licensed cannabis business is limited to one dispensary at one location. All sales and deliveries of cannabis derived products and licensed cannabis products must take place at that single dispensary location. Sales and dispensing of cannabis derived and licensed cannabis products may not take place at any other location within the City of Dassel.**

**No cannabis dispensary may be located in any of the following zoned areas of the City of Dassel:** (This may be duplicative of the Zoning Code and therefore unnecessary)

Comment: The State Cannabis Act grants local units of government the authority to prohibit the operation of a cannabis dispensary within certain distances of a school, a day care center, a residential treatment facility, and within a public park that is regularly used by minors, including a playground or athletic field. see Minn. Stat. § 342.13 (c).

Proposed Ordinance Provision:

**In addition to required compliance with the City of Dassel Zoning Code, no Cannabis Dispensary may be located within 500 feet of a school, 500 feet of a daycare facility, 500 feet of a residential treatment facility, or within 500 feet of an attraction that is located within a public park that may be used by minors, such as a playground or athletic field.**

Note: Bolton & Menk has determined that even by applying the proposed Amendments to the Dassel Zoning Code and these 500-foot buffers, the requirements of the Minnesota State Cannabis Act can be met.

**A cannabis dispensary must install and properly maintain a certified security system to immediately send an alarm to (certain designated officials of the city) and to the Meeker County Sheriff's Office whenever there is an apparent break-in, intrusion, or suspicious activity involving the cannabis dispensary.**

**In addition, the cannabis dispensary must install and maintain a video surveillance system providing 24/7 video coverage of both the interior and exterior of the dispensary.**

**Any cannabis business or cannabis dispensary operating within the City of Dassel must maintain full liability insurance coverage in the minimum amount of \$2,000,000.00 per incident, with no liability exclusions. The liability insurance shall name the City of Dassel as an additional insured. The insurance policy must be kept current and a current copy maintained with the Dassel City Administrator.**

#### **C. Sales Procedures**

**All purchasers of cannabis products must appear in person at the cannabis dispensary to make any purchase of licensed cannabis products and prove legal age of 21 years or older for the purchase by producing a picture ID, a picture driver's license, or other legal proof of identity and age.**

**No mobile sales or deliveries of cannabis derived or licensed cannabis products are permitted within the City of Dassel. Sales may not be made through the internet nor by phone. No home delivery or mail delivery of cannabis derived or licensed cannabis products is allowed.**

#### **D. Limited Marketing Procedures and Prohibited Sales**

**All sales and marketing activities by a cannabis business or cannabis dispensary operating within the City of Dassel are restricted to one fixed location. Sales and marketing activities through use of a movable place of business as defined in this ordinance are strictly prohibited.**

**Self-service merchandising as that procedure is more fully defined in this ordinance is prohibited with respect to sales and marketing of cannabis derived and licensed cannabis products.**

## **§ 7. RESTRICTIONS RELATING TO THE TIME AND MANNER FOR OPERATION OF A CANNABIS DISPENSARY**

Comment: The State Cannabis Act grants local units of government the authority to adopt reasonable restrictions on the time, place, and manner for the operation of cannabis dispensary provided such restrictions do not effectively prohibit the establishment or operation of a cannabis business. See Minn. Stat. § 342.13.

### **Proposed Ordinance Provision:**

**A cannabis dispensary may not be open for operation on legal or religious holidays, (nor on Saturdays or Sundays?) On those days when a cannabis dispensary may be open, its hours of operation are limited to (/10:00 a.m. to 3:00 p.m. ?) (or consider incorporating the municipal liquor store days/hours)**

**No consumption or use of cannabis or a cannabis derived or licensed product is allowed within a cannabis dispensary nor on the property thereof.**

## **§ 8. RESTRICTIONS ON THE PROMOTIONAL ACTIVITIES OF A CANNABIS BUSINESS AND ITS DISOENSARY**

Proposed Ordinance Provision:

**A cannabis business and its dispensary must comply with Minn. Stat. § 342.64 and the Advertising provisions and limitations thereof, as well as with Dassel City Code provisions regulating advertising and signage within the City of Dassel.**

**The existence and operations of a cannabis business and its cannabis dispensary may not be promoted through public advertising or through any form of media, or by any other methods which may feature or depict minors or reasonably be expected to be heard or observed by minors.**

**Advertising and packaging must include proper warnings regarding cannabis products and may not depict minors nor be designed to appeal to individuals under 21 years of age.**

**Only one (1) sign is allowed on a cannabis dispensary That sign cannot be larger than 2 X 3 square feet. The size of letters is limited to two inches (2") in height. The street address of the cannabis dispensary must be printed on this sign using letters/and number three inches (3") in height. Use of the words "marijuana" or "Pot" or "Weed" on the sign is prohibited. The sign may not be neon, may not be flashing, and may not be illuminated in any other way.**

**The existence, location and operation of a cannabis business or cannabis dispensary may not be advertised or promoted in other areas of the city, nor may it be promoted by television, radio, newspaper advertisement or news flyers within the city, nor by any other method of promotion that may reasonably be expected to be observed or heard by minors.**

**§ 9. ENFORCEMENT.**

The City of Dassel shall complete at least one compliance check per calendar year of every cannabis business and dispensary to assess if the business meets age verification requirements under Minn. Stat. § 342.22 Subd.4(b) and Minn. Stat. § 342.24 and this Ordinance.

The City of Dassel shall also conduct at least one unannounced age verification compliance check 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 age 18, shall attempt to purchase adult-use cannabis products, lower potency hemp edibles, or hemp-derived products, all under the direct supervision of a law enforcement officer or an employee of the City.

The City of Dassel 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.

The City may also enforce this Ordinance by mandamus, injunction, or other appropriate equitable or civil remedy in any court of competent jurisdiction.

A violation of this Ordinance is also subject to the City's general penalties prescribed in the City Code and may further result in the city reporting violations to the OCM if relevant to OCM licensing or other authorized proceedings.

The City Council hereby authorizes City staff and consultants to initiate any legal action on behalf of the City deemed necessary to secure compliance with this Ordinance.

(or consider a case by case as determined by Mayor or by City Council?)

**§ 10. SEVERABILITY.**

Every section, provision, and part of this Ordinance is declared severable from every other section, provision, and part. If any section, provision, or part of this Ordinance is held to be invalid by a court of competent jurisdiction, such judgment shall not invalidate any other section, provision, or part of this Ordinance.

**§ 11. EFFECTIVE DATE AND TERM.**

This Ordinance shall become effective on the first day of publication after adoption. and shall remain in effect until the City Council expressly repeals it.

Motion by \_\_\_\_\_, seconded by \_\_\_\_\_ and unanimously adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

**BY ORDER OF THE CITY COUNCIL**

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**Mayor**

**ATTEST:**

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**Administrator, City of Dassel**

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