



City of Mayer

Workshop Agenda for the City Council

Tuesday, November 12th, 2024 – After Council Meeting

Opening Items

1. Call Meeting to Order

Workshop Discussion Items

2. 2025 Budget Update
3. Review of Utility Billing Practices: Late Fee Calculation Method and Waiver of Late Fees During Due Date Transition
4. Review of Cannabis Ordinance Final Draft

Adjournment

5. Adjourn Meeting

**City of Mayer
Ordinance 247**

An Ordinance of the City of Mayer to Regulate Cannabis Businesses

This Ordinance creates Chapter 115 under Title XI: Business Regulations entitled
Cannabis Businesses

The City Council of the City of Mayer hereby ordains:

Section 1. Administration

Findings and Purpose

The City of Mayer 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 Mayer to protect the public health, safety, welfare of their residents by regulating cannabis businesses within the legal boundaries of the city.

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

Authority & Jurisdiction

The City of Mayer 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.

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.

Enforcement

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

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 the City of Mayer or Carver 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 2. Registration of Cannabis Businesses

Delegation of Registration Authority to Carver County

The City of Mayer may choose to delegate or resume registration authority to and from Carver County at their discretion. Delegating or resuming registration authority must be completed by City Council adopting a resolution to said effect. The adopted resolution must then be transferred to Carver County after adoption.

The limit of cannabis retail businesses shall be no fewer than one registration for every 12,500 residents within Mayer city limits. This provision shall survive and be in effect whether registration authority resides with the City of Mayer or Carver County

Should the City of Mayer choose to delegate registration authority to Carver County, the remainder of Section 2 of this ordinance is no longer in effect until such time when registration authority is resumed.

Consent to Registering of Cannabis Businesses

No individual or entity may operate a state-licensed cannabis retail business within the City of Mayer 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 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.

Compliance Checks Prior to Retail Registration

Prior to issuance of a cannabis retail business registration, the City of Mayer 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 Mayer 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.

Registration & Application Procedure

The City of Mayer shall not charge an application fee.

A registration fee, as established in the City of Mayer 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 Mayer 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.

Application Submittal

The City of Mayer 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 Mayer. Said form shall include, but is not limited to:
 1. Full name of the property owner and applicant;
 2. Address, email address, and telephone number of the applicant;
 3. The address and parcel ID for the property which the retail registration is sought;
 4. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minn. Stat. 342.13.
- B. The applicant shall include with the form:
 1. The registration fee;
 2. A copy of a valid state license or written notice of OCM license preapproval;

- C. 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 Council for approval or denial;
- D. The application fee shall be non-refundable once processed.

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 this section.
- 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.

Annual Compliance Checks

The Carver County Sheriff's Office 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 Carver County Sheriff's Office 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.

Location Change

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

Renewal of Registration

The City of Mayer 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 Mayer.

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

Renewal Fees

The City of Mayer may charge a renewal fee for the registration starting at the second renewal, as established in City of Mayer's Fee Schedule.

Renewal Application

The application for renewal of a retail registration shall include, but is not limited to, the items required under Application Submittal of this ordinance.

Suspension of Registration

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

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

Length of Suspension

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

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

The City of Mayer may reinstate a registration if it determines that the violations have been resolved.

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

Civil Penalties

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

Limiting of Registrations

The City of Mayer shall limit the number of cannabis retail businesses to no fewer than one registration for every 12,500 residents within city limits.

Section 3. Requirements for Cannabis Businesses

Minimum Buffer Requirements

Buffer distances shall be measured from the property line of the proposed cannabis business to the property line of the protected use. The buffer distance for a property platted as a condominium shall be measured from the parent parcel property line to the property line of the protected use. A cannabis business is prohibited from operating within the following buffer distances of the stated locations:

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

Pursuant to Minn. Stat. 462.357 subd. 1e, nothing in Section 3 shall prohibit an active cannabis business or a cannabis business seeking registration from continuing operation at the same site if a school, day care, residential treatment facility, attraction within a public park that is regularly used by minors moves within the minimum buffer zone.

Zoning and Land Use

Cannabis Cultivation.

Cannabis businesses licensed or endorsed for cultivation are permitted as an interim use permit in the following zoning districts:

- (A) Agricultural District
- (C/I) Commercial/Industrial District

Cannabis Manufacturer.

Cannabis businesses licensed or endorsed for cannabis manufacturer are permitted as an interim use permit in the following zoning districts:

- (C/I) Commercial/Industrial District

Hemp Manufacturer.

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

- (C/I) Commercial/Industrial District

Wholesale.

Cannabis businesses licensed or endorsed for wholesale are permitted as an interim use permit in the following zoning districts:

- (C/I) Commercial/Industrial District

Cannabis Retail.

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

- (C-1) General Commerce District
- (C-2) Central Business District
- (C/I) Commercial/Industrial District

Cannabis Transportation.

Cannabis businesses licensed or endorsed for transportation are permitted as an interim use permit in the following zoning districts:

- (C/I) Commercial/Industrial District

Cannabis Delivery.

Cannabis businesses licensed or endorsed for delivery are permitted as an interim use permit in the following zoning districts:

- (C-1) Central Commerce District
- (C/I) Commercial/Industrial District

All Other Uses Related to Cannabis or Hemp.

All other uses related to cannabis or hemp are not permitted until such time as the Planning Commission and City Council have taken up the matter for consideration.

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 as those hours prescribed for off-sale liquor sales, as amended from time to time.

Advertising

Cannabis businesses shall follow the City's sign regulations contained in City Code Chapter 152.

Section 4. Temporary Cannabis Events

License Required

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

Registration & Application Procedure

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

Application Submittal & Review

The City of Mayer shall require an application for Temporary Cannabis Events.

- A. An applicant for a Temporary Cannabis Event shall fill out an application form, as provided by the City of Mayer. Said form shall include, but is not limited to:
 1. Full name of the property owner and applicant;
 2. Address, email address, and telephone number of the applicant;
 3. Address where the Temporary Cannabis Event will be located.
- B. The applicant shall include with the form:
 1. The application fee;
 2. A copy of the OCM cannabis event license application, submitted pursuant to Minnesota Statutes 342.39 subd. 2.
- C. The application for a license for a Temporary Cannabis Event shall meet the following standards:
 1. Except for low-potency cannabis edibles, onsite consumption is prohibited.
 2. Temporary Cannabis Events shall only be held between the hours of 10:00 a.m. and 9:00 p.m.
 3. Temporary Cannabis Events are prohibited in residential districts.
 4. Temporary Cannabis Events must comply with the buffer requirements described in Section 3.
 5. Temporary Cannabis Events must comply with all requirements detailed in Minnesota Statutes §342.40. The application shall include a detailed plan addressing the requirements of Minnesota Statutes §342.40, subs. 3, 4, 5, 6, 7, and 8.

The application shall be submitted to the City Clerk for review. If the application is incomplete, they shall return the application to the applicant with the notice of deficiencies.

- D. 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.
- E. The application fee shall be non-refundable once processed.
- 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 Mayer shall notify the applicant of the standards not met and basis for denial.

Section 5. Local Government as a Cannabis Retailer

The City of Mayer may establish, own, and operate one municipal cannabis retail business subject to the restrictions in this chapter.

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

The City of Mayer shall be subject to all of the same rental license requirements and procedures applicable to all other applicants.

Adopted by the City Council of the City of Mayer this ____ day of _____, 2024.

Attest:

Mayor

City Clerk