ORDINANCE NO. O-25-43 AN ORDINANCE AMENDING TITLE XI, BUSINESS REGULTATIONS TO ADD CHAPTER 113 REGULATION OF CANNABIS AND HEMP BUSINESSES AND EVENTS

THE CITY COUNCIL OF THE CITY OF JENKINS DOES ORDAIN THAT:

SECTION 1. Jenkins City Code, Title XI –Business Regulations, is hereby amended to add Chapter 113 – Cannabis And Hemp Businesses And Events, as follows:

Section 113.01. <u>ADMINISTRATION</u>.

- 1. <u>Findings and Purpose.</u> The City of Jenkins City Council makes the following legislative findings:
 - A. The purpose of this ordinance is to implement the provisions of Minnesota Statutes, Chapter 342, which authorizes the City of Jenkins to protect the public health, safety, and welfare of Jenkins residents by regulating cannabis businesses within the legal boundaries of Jenkins.
 - B. City Council finds and concludes that the proposed provisions are appropriate and lawful land use regulations for the City of Jenkins, 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.
- 2. <u>State Law Adopted.</u> Except as further restricted or regulated by this Chapter, the provisions of Minnesota Statutes, Chapter 342, relating to cannabis and hemp regulation and the corresponding state rules with respect to the same are hereby adopted and made a part of this Chapter as if set out herein in full. Whenever there is an inconsistency between the provisions of Minnesota Statutes, Chapter 342, as amended, and the provisions of this Chapter, the more restrictive provision shall govern, unless preempted by state law.
- 3. <u>Authority and Jurisdiction</u>. The City of Jenkins 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.

This Chapter shall be applicable to the legal boundaries of the City.

- 4. <u>Severability.</u> 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.
- 5. <u>Enforcement.</u> The City of Jenkins 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.

Section 113.02. DEFINITIONS.

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.

- 1. <u>Cannabis Retail Businesses.</u> A cannabis retailer 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, excluding lower-potency hemp edible retailers.
- 2. <u>Cannabis Retailer.</u> 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.
- 3. <u>Daycare</u>. 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.
- 4. Lower-potency Hemp Edible. As defined under Minn. Stat. § 342.01 subd. 50.
- 5. <u>Lower-potency Hemp Edible Retailer.</u> A person or entity licensed or authorized to acquire, possess, transfer, sell, dispense, or distribute lower-potency hemp edible products and related supplies and products pursuant to Minn. Stat. § 342.44.
- 6. <u>Office of Cannabis Management.</u> Minnesota Office of Cannabis Management, referred to as "OCM" in this ordinance.

- 7. <u>Place of Public Accommodation</u>. 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.
- 8. <u>Preliminary License Approval.</u> OCM pre-approval for a cannabis business license for applicants who qualify under Minn. Stat. § 342.17.
- 9. <u>Public Place</u>. 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.
- 10. Residential Treatment Facility. As defined under Minn. Stat. § 245.462 subd. 23.
- 11. <u>Retail Registration:</u> An approved registration issued by the City of Jenkins to a state-licensed cannabis retail business.
- 12. <u>School.</u> 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.
- 13. <u>State License</u>. An approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.

Section 113.03. REGISTRATION OF CANNABIS BUSINESSES REQUIRED

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

Section 113.04. PRE-LICENSE STATE APPLICATION RESPONSE REQUIRED

Pursuant to Minn. Stat. Ch. 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.

Section 113.05. PRELIMINARY INSPECTION PRIOR TO RETAIL REGISTRATION

Prior to issuance of a cannabis retail business registration, the City shall conduct a preliminary inspection to ensure compliance with local ordinances.

Section 113.06. <u>REGISTRATION FEES</u>

1. Fees.

- A. The City shall not charge an application fee.
- B. A registration fee, as established in the City of Jenkins' fee schedule, shall be charged to applicants depending on the type of retail business license applied for.
- C. An initial retail registration fee shall not exceed \$500 or half the amount of an initial state license fee under Minn. Stat. § 342.11, whichever is less. The initial registration fee shall include the initial retail registration fee and the first annual renewal fee.
- D. Any renewal retail registration fee imposed by the City 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.
- E. 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.

Section 113.07. APPLICATION

- 1. An applicant for a retail registration shall fill out a registration form, as provided by the City. 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. The address and parcel ID for the property which the retail registration is sought;
 - D. Certification that the applicant complies with the requirements of this Chapter and the Land Use and Zoning Regulations established by the City pursuant to Minn. Stat. § 342.13.
- 2. The applicant shall include with the form:
 - A. the registration fee as required in Section 113.06.
 - B. a copy of a valid state license or written notice of OCM license

preapproval.

- 3. Once an application is considered complete, the City Clerk shall inform the applicant as such, process the registration fees, and forward the registration to the OCM and City Clerk for approval or denial.
- 4. The registration fee shall be non-refundable once processed.

Section 113.08. APPLICATION APPROVAL AND BASIS FOR DENIAL

- 1. A state-licensed cannabis retail business registration shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under Section 113.13.
- 2. A state-licensed cannabis retail business registration shall not be approved or renewed if the applicant is unable to meet the requirements of this Chapter or any applicable provisions of the Jenkins City Code.
- 3. The applicant does not have a valid license issued by the OCM.
- 4. The applicant fails to provide any information required on the application or provides inaccurate, false or misleading information.
- 5. The fee for the registration or registration renewal has not been paid.
- 6. The applicant has otherwise failed a preliminary inspection or compliance check completed by the city.

Section 113.09. <u>ANNUAL COMPLIANCE CHECKS.</u>

- 1. The Pequot Lakes Police Department shall complete at minimum one compliance check per calendar year of every cannabis retail 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 Chapter.
- 2. The Pequot Lakes Police Department shall conduct at minimum one unannounced age verification compliance check at least once per calendar year.
- 3. 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.

4. Any failures under this section must be reported to the Office of Cannabis Management.

Section 113.10. <u>LOCATION CHANGE</u>

If a state-licensed cannabis retail business seeks to move to a new location still within the legal boundaries of the City, it shall notify the City of the proposed location change and submit necessary information to meet all the criteria in this paragraph.

Section 113.11. NON-TRANSFER

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

Section 113.12. RENEWAL OF REGISTRATION

- 1. <u>Renewal Required.</u> 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 state-licensed cannabis retail business shall apply to renew registration on a form established by the City.
- 2. <u>Renewal Fees.</u> The City may charge a renewal fee for the registration starting at the second renewal, as established in the City's fee schedule.
- 3. <u>Renewal Application.</u> The application for renewal of a retail registration shall include, but is not limited to, the items required under Section 113.07 of this Ordinance.

Section 113.13. <u>LIMITING OF REGISTRATIONS</u>

- 1. If Crow Wing County 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.
- 2. In no event shall the City issue more than one (1) cannabis retail business registration within the City, first come/first served.

Section 113.14. <u>REQUIREMENTS FOR CANNABIS BUSINESSES</u>

- 1. <u>Minimum Buffer Requirements.</u>
 - A. The City shall prohibit the operation of a cannabis business if the property line is adjoining to a school or licensed daycare.
 - B. Pursuant to Minn. Stat. § 462.367 subd. 14, nothing in this Section shall

prohibit an active cannabis business or a cannabis business seeking registration from continuing operation at the same site if a school/daycare/residential treatment facility/attraction within a public park that is regularly used by minors moves within the minimum buffer zone.

- 2. <u>Hours of Operation.</u> Cannabis businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, or lower-potency hemp edibles between the hours of 10:00 a.m. and 10:00 p.m,
- 3. Signage and Building Conditions.
 - A. Cannabis retail businesses are required to have plans to prevent the visibility of cannabis to individuals outside the retail location.
 - B. Cannabis retail businesses are permitted a sign on the exterior of the building or property of the business, unless otherwise limited by the City's sign ordinance. Businesses must follow the City of Jenkins sign ordinance.

Section113.15. SUSPENSION OF REGISTRATION

- 1. <u>When Suspension is Warranted.</u> The City may suspend a cannabis retail business's registration if it violates this Chapter or poses an immediate threat to the health or safety of the public. The City shall immediately notify the cannabis retail business in writing the grounds for the suspension.
- 2. <u>Notification to OCM.</u> The City shall immediately 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 30 calendar days.
- 3. <u>Length of Suspension.</u> 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.

Section 113.16 REGISTRATION VIOLATIONS AND PENALTY

Any state-licensed cannabis retail business or lower-potency hemp edible retailer that sells to a customer or patient without valid retail registration shall incur a civil penalty of up to \$2,000 for each violation, as set forth in the City's fee schedule.

Section 113.17. **LOWER-POTENCY HEMP EDIBLE RETAILERS**

1. <u>Registration Required.</u> The sale of lower-potency hemp edibles is permitted, subject to compliance with the retail registration requirements in this Chapter and the specific terms of this Section for a retail registration for a lower-potency hemp edible retailer.

- 2. <u>Application.</u> The procedures for and content of an application for a retail registration for a lower-potency hemp edible retailer under this chapter shall be as provided in Section 113.07 of this Chapter.
- 3. <u>Fees.</u> Registration fees for a retail registration for a lower-potency hemp edible retailer shall be as provided in Section 113.06 of this Chapter.
- 4. <u>Renewal.</u> The procedures for and content of a renewal application for a retail registration for a lower-potency hemp edible retailer under this chapter shall be as provided in Section 113.12 of this Chapter. Renewal fees shall be as set forth in Section of this Chapter.
- 5. <u>Basis for Denial.</u> The registration application for a lower-potency hemp edible retailer shall be denied for any of the reasons provided in Section 113.08 of this Chapter.
- 6. <u>Zoning Districts.</u> Lower-potency hemp edible retailers must comply with the Land Use and Zoning Regulations established by the City pursuant to Minn. Stat. § 342.13.
- 7. <u>Compliance Checks.</u> The procedure for each annual compliance check shall be as provided in Section 113.09.
- 8. Additional Standards.
 - A. <u>Age Requirements.</u> The sale of lower-potency hemp edibles is permitted only in places that admit persons 21 years of age or older.
 - B. <u>Storage of Product.</u> Lower-potency hemp edibles shall be sold behind a counter, and stored in a locked case.
- 9. <u>Suspension.</u> The procedures for imposing suspensions on lower-potency hemp edible retailers for violations of this Chapter shall be as provided in Section 113.15 of this Chapter.

Section 113.18. TEMPORARY CANNABIS EVENTS

- 1. <u>License or Permit Required.</u> A license or permit issued by the City is required prior to holding a temporary cannabis event.
- 2. <u>Fee.</u> A temporary cannabis event fee, as established in the City's fee schedule, shall be charged to applicants for temporary cannabis events.
- 3. <u>Registration and Application Procedure.</u> The City shall require an application for temporary cannabis events.
 - A. An applicant for a retail registration shall fill out an application form, as provided by the City. 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; and
- (3) The location of the temporary cannabis event.
- B. The applicant shall include with the form:
 - (1) the application fee as required in Section 113.06 (B);
 - (2) a copy of the OCM cannabis event license application, submitted pursuant to 342.39 subd. 2.
- C. 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.
- D. Once an application is considered complete, the designee shall inform the applicant as such, process the application fees, and forward the application to the City Council for approval or denial.
- E. The application fee shall be non-refundable once processed.
- 4. <u>Standards.</u> The application for a license for a Temporary Cannabis Event shall meet the following standards:
 - A. <u>Location.</u> Temporary cannabis events shall only be held on private property.
 - B. <u>Hours.</u> Temporary cannabis events shall only be held between the hours of 12:00 p.m. and 10:00 p.m.
 - C. <u>On-Site Consumption.</u> On-site consumption of cannabis flower, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, or any combination of those items, if approved by the city, must be limited to the designated area approved by the city and, if located in an outdoor area, must be surrounded by commercial grade fencing.
- 5. <u>Basis for Denial.</u> A request for a temporary 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 113.19. USE IN PUBLIC PLACES

1. No person shall use cannabis flower, cannabis products, or lower-potency hemp

edibles 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.

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SECTION 2. This ordinance shall take eff Passed by the City Council of the City of Jenkins,	0 1	age and publication day of	on. , 2025.
ATTEST:	Andrew J. Rudlang	g, Mayor	
Krista A. Okerman, City Clerk-Treasurer			

150.038 Land Use Matrix

"Use	AG	RR	R-1	R-2	RS	P	C-1	C-2	I-1
Cannabis Cultivation	CUP	Е	Е	Е	Е	Е	CUP/AC	CUP/AC	CUP
Cannabis Manufacturer	Е	Е	Е	Е	Е	Е	CUP/AC	CUP/AC	P
Hemp Manufacturer	Е	Е	Е	Е	Е	Е	CUP/AC	CUP/AC	P
Wholesale	CUP	Е	Е	Е	Е	Е	CUP/AC	CUP/AC	P
Cannabis Delivery	Е	Е	Е	Е	Е	Е	CUP	CUP	P
Events	P	Е	Е	Е	Е	Е	P	P	P

Notes to table:

- A Allowed without a permit
- P Permit required
- C Conditional use
- I Interim
- E Excluded
- AC Accessory use
- * Livestock allowed (A) on RR parcels greater than 10 acres.
- ** Livestock, small allowed (A) on R-1 parcels greater than 1 acre.

FEES

Commercial Cannabis Initial Registration fee	\$500.00
Commerical Cannabis Renewal Fee.	
Temporary Cannabis Event Fee	\$

- + Initial retail registration fee shall not exceed \$500 or half of the amount of an initial state license fee under Minn. Stat. 342.11, whichever is less.
- + 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 or half the amount of a renewal state license fee under Minn. Stat. 342.11, whichever is less.

Administrative Fines

Offense	Statute/Code	Penalty
Abandoned or Inoperable Vehicles Violation	Zoning Ordinance	\$100
Animal Husbandry Violation	Zoning Ordinance	\$100
Construction Materials	Zoning Ordinance	\$100
Dog Ordinance – No/Expired Vaccinations	City Code	\$50
Dog Ordinance Violations – all other sections	City Code	\$75
Exterior Storage	Zoning Code	\$100
Fence Standards Violation	Zoning Code	\$100
Garbage-Refuse-Debris Violation	Zoning Ordinance	\$100
Lawn/Noxious Weeds Violation	Zoning Ordinance	\$100
Property Maintenance Violation	Zoning Ordinance	\$100
Public Nuisance	Zoning Ordinance	\$50
Building Standards Violation	Zoning Ordinance	\$250
Sign Standards Violation	Zoning Ordinance	\$100
Visual/Negative Impact Violation	Zoning Ordinance	\$100
Cannabis/Low potency hemp retail sales	Zoning Code	\$2,000/ each
without valid registration		violation