

Ordinance No. 115: Cannabis

AN ORDINANCE OF THE CITY OF MADELIA TO REGULATE CANNABIS BUSINESSES

The City Council of Madelia hereby ordains:

Section 1. Administration

1.1 Findings and Purpose

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

The City of Madelia finds and concludes that the proposed provisions are appropriate and lawful land use regulations for Madelia, that the proposed amendments will promote the community's interest in reasonable stability in zoning for now and in the future, and that the proposed provisions are in the public interest and for the public good.

1.2 Authority & Jurisdiction

The City of Madelia 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.

Ordinance shall be applicable to the legal boundaries of the City of Madelia.

1.3 Severability

If any section, clause, provision, or portion of this ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this ordinance shall not be affected thereby.

1.4 Enforcement

The City 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.

1.5 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.

- a) 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.
- b) 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.
- c) 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.
- d) 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.
- e) Lower-potency Hemp Edible: As defined under Minn. Stat. 342.01 subd. 50.
- f) Office of Cannabis Management: Minnesota Office of Cannabis Management, referred to as "OCM" in this ordinance.
- g) 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.
- h) Preliminary License Approval: OCM pre-approval for a cannabis business license for applicants who qualify under Minn. Stat. 342.17.
- i) 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.
- j) Residential Treatment Facility: As defined under Minn. Stat. 245.462 subd. 23.
- k) Retail Registration: An approved registration issued by the City of Madelia to a state licensed cannabis retail business.
- l) 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.
- m) 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

2.1 Consent to registering of Cannabis Businesses

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

Any state-licensed cannabis retail business that sells to a customer or patient without valid

retail registration shall incur a civil penalty for each violation, as established in City of Madelia's fee schedule.

Notwithstanding the foregoing provisions, the state shall not issue a license to any cannabis business to operate in Indian country, as defined in United States Code, title 18, section 1151, of a Minnesota Tribal government without the consent of the Tribal government.

2.2 Compliance Checks Prior to Retail Registration

Pursuant to Minn. Stat. 342, within 30 days of receiving a copy of a state license application from OCM, the City of Madelia shall certify on a form provided by OCM whether a proposed cannabis retail business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

2.3 Registration & Application Procedure

2.3.1 Fees.

The City of Madelia shall not charge an application fee.

A registration fee, as established in City of Madelia's fee schedule, shall be charged to applicants depending on the type of retail business license applied for.

Any renewal retail registration fee imposed by the City of Madelia, as established in the City of Madelia's fee schedule, shall be charged at the time of the second renewal and each subsequent renewal thereafter.

A medical combination business operating an adult-use retail location may only be charged a single registration fee, not to exceed the lesser of a single retail registration fee, defined under this section, of the adult-use retail business.

2.3.2 Application Submittal.

The City of Madelia 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 Madelia. Said form shall include, but is not limited to:

- i. Full name of the property owner and applicant;
- ii. Address, email address, and telephone number of the applicant;
- iii. The address and parcel ID for the property which the retail registration is sought;
- iv. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minn. Stat. 342.13.
- v. Any other information the City deems reasonably necessary to evaluate compliance with City ordinances.

(B) The applicant shall include with the form:

- i. the registration fee as required in Section 2.3.1;
- ii. a copy of a valid state license or written notice of OCM license preapproval.

(C) Once an application is considered complete, the City Administrator or their designee shall inform the applicant as such, process the application fees, and forward the application to the Madelia City Council for approval or denial.

(D) The application fee shall be non-refundable once processed.

2.3.3 Application Approval

A state-licensed cannabis retail business application shall be approved if it complies with all provisions of this ordinance. Applications that do not meet these requirements shall be denied.

2.3.4 Annual Compliance Checks.

The City shall complete at minimum one compliance check per calendar year of every cannabis retail business with a valid retail registration to assess the business's compliance with age verification requirements in applicable law as well as compliance with this section, the City zoning code, the state fire code and building code, and all other applicable City ordinances.

Age verification compliance checks shall involve persons at least 17 years of age but under the age of 21 who, with the prior written consent of a parent or guardian if the person is under the age of 18, attempt to purchase adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a law enforcement officer or an employee of the local unit of government.

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

2.3.5 Location Change

If a state-licensed cannabis retail business intends to relocate within the legal boundaries of the City of Madelia, it must notify the City of the proposed new location and submit all necessary information to determine whether the new site complies with the requirements of this ordinance.

2.4 Renewal of Registration

The City of Madelia 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 Madelia.

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

2.4.1 Renewal Fees.

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

2.4.2 Renewal Application.

The application for renewal of a retail registration shall include, but is not limited to items required under Section 2.3.2 of this Ordinance.

2.5 Suspension of Registration

2.5.1 When Suspension is Warranted.

The City of Madelia may suspend a cannabis retail business's registration if it violates the ordinance of the City of Madelia or poses an immediate threat to the health or

safety of the public. The City of Madelia shall immediately notify the cannabis retail business in writing the grounds for the suspension.

2.5.2 Notification to OCM.

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

2.5.3 Length of Suspension.

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

The City may reinstate a retail registration if it determines that the violation(s) has been resolved. The City shall reinstate a registration if the OCM determines that the violation(s) has been resolved. The City may wait for a determination from the OCM with regard to the violation(s) before reinstating a registration issued by the City.

2.5.4 Civil Penalties.

Subject to Minn. Stat. 342.22, subd. 5(e) the City of Madelia may impose a civil penalty, as specified in the City of Madelia's Fee Schedule, for registration violations.

Section 3. Requirements for Cannabis Businesses

3.1 Minimum Buffer Requirements

The City shall prohibit the operation of a cannabis business within 200 feet of a school, as measured in a straight line from the nearest lot line of the cannabis business to the nearest lot line of the school.

The City shall prohibit the operation of a cannabis business within 200 feet of a day care, as measured in a straight line from the nearest lot line of the cannabis business to the nearest lot line of the day care.

The City shall prohibit the operation of a cannabis business within 200 feet of a residential treatment facility, as measured in a straight line from the nearest lot line of the cannabis business to the nearest lot line of the residential treatment facility.

The City shall prohibit the operation of a cannabis business within 200 feet of an attraction within a public park that is regularly used by minors, including a playground or athletic field, as measured in a straight line from the nearest lot line of the cannabis business to the nearest lot line of the public park.

Pursuant to Minn. Stat. 462.357 subd. 1e, nothing in Section 3.1 shall prohibit an active cannabis business or a cannabis business seeking registration from continuing operation at the same site if a school, daycare, residential treatment facility, attraction within a public park that is regularly used by minors moves within the minimum buffer zone.

3.2 Zoning and Land Use

3.2.1. Cultivation.

Cannabis businesses licensed or endorsed for cultivation are permitted as a (type of use) in the following zoning districts:

- Industrial

3.2.1. Cannabis Manufacturer.

Cannabis businesses licensed or endorsed for cannabis manufacturer are permitted as a (type of use) in the following zoning districts:

- Industrial

3.2.1. Hemp Manufacturer.

Businesses licensed or endorsed for low-potency hemp edible manufacturers permitted as a (type of use) in the following zoning districts:

- Industrial

3.2.1. Wholesale.

Cannabis businesses licensed or endorsed for wholesale are permitted as a (type of use) in the following zoning districts:

- Industrial

3.2.1. Cannabis Retail.

Cannabis businesses licensed or endorsed for cannabis retail are permitted as a (type of use) in the following zoning districts:

- Commercial (C-1)
- Commercial (C-2)

3.2.1. Cannabis Transportation.

Cannabis businesses licensed or endorsed for transportation are permitted as a (type of use) in the following zoning districts:

- Industrial

3.2.1. Cannabis Delivery.

Cannabis businesses licensed or endorsed for delivery are permitted as a (type of use) in the following zoning districts:

- Industrial

3.3 Hours of Operation

A cannabis business with a license or endorsement for retail activity may not sell between 2 a.m. and 8 a.m. on the days of Monday through Saturday and between 2 a.m. and 10 a.m. on Sunday.

Section 4. Temporary Cannabis Events

4.1 License or Permit Required for Temporary Cannabis Events

4.1.1 License Required.

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

4.1.2 Registration & Application Procedure

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

4.1.3 Application Submittal & Review.

The City of Madelia 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 Madelia. Said form shall include, but is not limited to:
 - i. Full name of the property owner and applicant;
 - ii. Address, email address, and telephone number of the applicant;
 - iii. Date(s) and time(s) of proposed Temporary Cannabis Event;
 - iv. Address of proposed Temporary Cannabis Event;
 - v. Any other information requested by the City as deemed reasonably necessary in order to determine the nature of the Temporary Cannabis Event and any services required.

- (B) The applicant shall include with the form:
 - i. the registration fee as required in (Section 4.1.2);
 - ii. Certificate of Liability Insurance

The application shall be submitted to the City of Madelia, or its designee for review. If the designee determines that a submitted application is incomplete, they shall return the application to the applicant with the notice of deficiencies.

- (C) Once an application is considered complete, the designee shall inform the applicant as such, process the registration fees, and forward the application to the City Council for approval or denial.

- (D) The registration fee shall be non-refundable once processed.

- (E) The application for a license for a Temporary Cannabis Event shall meet the following standards:
 - i. A Temporary Cannabis Event shall only be held between the hours of 8 am and 10 pm.
 - ii. No Temporary Cannabis Event shall be held within 200 feet of a school, day care, or residential treatment facility as measured in a straight line from the nearest lot line of the property where the Temporary Cannabis Event is located to the nearest lot line of the school, daycare, or residential treatment facility.

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

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

Section 5. Lower-Potency Hemp Edibles

5.1 Sale of Low-Potency Hemp Edibles

The sale of Low-Potency Edibles is permitted, subject to the conditions within this Section.

5.2 Zoning Districts

Low-Potency Edibles businesses are permitted as a (type of use) in the following zoning districts:

- Commercial (C-1)
- Commercial (C-2)

5.3 Additional Standards

5.3.1 Sales within Municipal Liquor Store.

The sale of Low-Potency Edibles is permitted in a Municipal Liquor Store.

5.3.2 Beverages.

The sale of Low-Potency Hemp Beverages is permitted in places that meet requirements of this Section.

5.3.3 Storage of Product.

Low-Potency Edibles shall be sold behind a counter, and stored in a locked case.

Section 6. Local Government as a Cannabis Retailer

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

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

Section 7. Use in Public Places

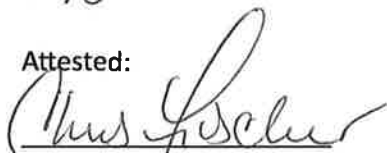
No person shall use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a public place or a place of public accommodation unless the premises is an establishment or an event licensed to permit on-site consumption of adult-use.

Passed by the City Council of Madelia, Minnesota this 28th day of July, 2025.



Mayor

Attested:



City Administrator