

ORDINANCE NO. 2024-09
AN ORDINANCE AMENDMENT REGARDING
REGULATION OF CANNABIS BUSINESSES

The City Council Of Edina Ordains:

Section 1. Chapter 12, Article XIII of the Edina City Code is created to read as

follows: ARTICLE XIII: SALE OF CANNABIS: REGISTRATION

DIVISION I. GENERALLY

Sec. 12-565: Administration

(a) Findings and Purpose

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

(b) Authority & Jurisdiction

The City of Edina has the authority to adopt this ordinance, including but not limited to:

- i. 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.
- ii. Minn. Stat. 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses
- iii. Minn. Stat. 152.0263, Subd. 5, regarding the use of cannabis in public places.

Ordinance shall be applicable to the legal boundaries of Edina.

Sec. 12-566: 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.

Sec. 12-567: Enforcement

The Edina City Manager or designee 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.

Sec. 12-568: 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. *Cannabis Retail Businesses*: A Cannabis Retailer location, and the retail location(s) of a mezzobusiness with a retail operations endorsement, microbusiness with a retail operations endorsement, medical combination business operating a retail location, excluding lower-potency hemp edible retailers as regulated in Article XII of Edina City Code.
2. *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.
3. *Daycare*: A location licensed with the Minnesota Department of Human Services to provide the care of a child 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. *Office of Cannabis Management*: Minnesota Office of Cannabis Management, referred to as "OCM" in this ordinance.
6. *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.
7. *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.
8. *Retail Registration*: An approved registration issued by the City of Edina to a state- licensed cannabis retail business.
9. *State License*: An approved license issued by the State of Minnesota's OCM to a cannabis retail business.

DIVISION 2: REGISTRATION OF CANNABIS BUSINESSES

Sec. 12-569: Consent to registering of Cannabis Businesses

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

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 \$2000 for each violation.

Sec. 12-570: Compliance Checks Prior to Retail Registration

Prior to issuance of a cannabis retail business registration, the City of Edina shall conduct a preliminary compliance check to ensure that the business is in compliance with the applicable

operation requirements and the limits on the types of cannabis flower, cannabis products, lower- potency hemp edibles, and hemp-derived consumer products that may be sold.

Pursuant to Minn. Stat. 342, within 30 days of receiving a copy of a state license application from OCM, the City of Edina 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.

Sec. 12-571: Registration & Application Procedure

(a) Fees.

The registration fee for cannabis businesses is established in Edina City Code Section 2-724 and shall be charged to applicants depending on the type of cannabis businesses.

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.

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. The renewal retail registration fee imposed by the City of Edina shall be charged at the time of the second renewal and each subsequent renewal thereafter.

A cannabis business with a cannabis retailer license and a medical cannabis retailer license for the same location shall be charged a single registration fee, in the amount of a single retail registration fee, defined under this section, for the adult-use retail business.

(b) Application Submittal.

The City of Edina shall issue a retail registration to a state-licensed cannabis retail business that adheres to the requirements of Minn. Stat. 342.22.

1. An applicant for a retail registration shall fill out an application form, as provided by the City of Edina. Said form shall include, but is not limited to:
 - i. Full name of the property owner and applicant;
 - ii. Direct 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. Any other addresses associated with the business;
 - v. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minn. Stat. 342.13.
2. The applicant shall include with the form:
 - i. the registration fee as required in Edina City Code Section 2-724;
 - ii. a copy of a valid state license or written notice of OCM license preapproval;
3. Once an application is considered complete, the Edina City Manager or designee shall process the application and notify the applicant of approval or denial.
4. The registration fee shall be non-refundable once processed.

(c) Application Approval

1. A state-licensed cannabis retail business application shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under Section 12-574.
2. A state-licensed cannabis retail business application shall not be approved or

renewed if the applicant is unable to meet the requirements of Edina City Code

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

(d) Annual Compliance Checks.

The City of Edina shall conduct at minimum one unannounced age verification compliance check at licensed cannabis businesses 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 under the direct supervision of a law enforcement officer or an employee of the local unit of government.

Nothing in this Section shall limit the ability of the City of Edina to conduct further announced or unannounced compliance checks relating to any requirement of a business's license, registration, or lawful operation.

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

(e) Location Change

Any business registered with the City of Edina under this Section shall be required to submit a new application for registration under Section 12-571(b) if it seeks to move to a new location still within the legal boundaries of the City of Edina.

Sec. 12-572: Renewal of Registration

The City of Edina 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 in a form established by the City of Edina.

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

1. Renewal Fees.

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

2. Renewal Application.

The application for renewal of a retail registration shall include, but is not limited to, the items required under Section 12-571(b) of this Ordinance.

Sec. 12-573: Suspension of Registration

1. When Suspension is Warranted.

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

2. Notification to OCM.

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

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 Edina City Manager or designee shall determine the appropriate length of suspension. For the first violation, the presumptive suspension shall be seven (7) days. For a second violation found within an eighteen (18) month period, the presumptive suspension shall be fourteen (14) days. For a third and all subsequent violations within an eighteen (18) month period, the presumptive suspension shall be thirty (30) days. Nothing in this section shall prevent the Edina City Manager or designee from deviating from the presumptive suspension length based on the specific circumstances of a given violation, including but not limited to the severity of the violation, whether the violation was knowing or intentional, and the degree of risk to the public health caused by the violation.

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

4. Civil Penalties.

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

Sec. 12-574: Limiting of Registrations

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

If Hennepin County has one active cannabis retail businesses registration for every 12,500 residents, the City of Edina shall not be required to register additional state-licensed cannabis retail businesses.

DIVISION III: REQUIREMENTS OF CANNABIS BUSINESS

Section 12-575: Hours of Operation

Cannabis businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products between the hours of 10 a.m. and 10 p.m. Monday through Sunday.

DIVISION IV: TEMPORARY CANNABIS EVENTS

Section 12-576: Permit Required for Temporary Cannabis Events

(a) *Permit Required.*

A permit is required to be issued and approved by City of Edina prior to holding a Temporary Cannabis Event.

(b) *Registration & Application Procedure*

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

(c) *Application Submittal & Review.*

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

1. An applicant for a retail registration shall fill out an application form as provided by the City of Edina. Said form shall include, but is not limited to:
 - i. The location of the proposed event;
 - ii. Full name of the property owner and applicant;
 - iii. Address, email address, and telephone number of the applicant;
2. The applicant shall include with the form:
 - i. The application fee as required in Section 12-571;
 - ii. A copy of the OCM cannabis event license application, submitted pursuant to 342.39 subd. 2.

The application shall be submitted to the Edina City Manager or 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.

3. Once an application is considered complete, the designee shall inform the applicant as such, process the application fees, and submit the application to the Edina City Council for approval or denial.
4. The application fee shall be non-refundable once processed.
5. The application for a permit for a Temporary Cannabis Event shall meet the following standards:
 - a) Security by Edina PD or approved security company by Police Chief
 - b) Drawing showing the premises with proposed signage (placement, size, graphics, wording)
 - c) Proposed capacity of the premises
 - d) If outdoor, barricade around the entire property, type of barricade material, if indoor, schematic plan showing same controls
 - e) Location & number of access points
 - f) Explanation how the premises will be secure to prevent underage use
6. A request for a Temporary Cannabis Event that meets the requirements of this Section shall be approved.
7. A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. The City of Edina shall notify the applicant of the standards not met and basis for denial.

DIVISION V: 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.

Section 2. Chapter 2, Article VIII, Division 2 of the Edina City Code: Fees, Charges, and Funds, is amended to include the following:

12-571	Initial Retail Registration – Cannabis Businesses	\$500.00 or half the amount of an initial tate license fee under Minn. Stat. 342.11, whichever is less	Per Location
12-571	Renewal Retail Registration – Cannabis Businesses	\$1000.00 or half the amount of an initial tate license fee under Minn. Stat. 342.11, whichever is less	Per Location
12-575	Temporary Cannabis Event Permit Registration Fee	\$500.00 or half the amount of an initial tate license fee under Minn. Stat. 342.11, whichever is less	Per Event

Section 3. This ordinance is effective

immediately. First Reading: 11/19/24

Second Reading: Waived

Published:

ATTEST:

Sharon Allison, City Clerk

James B. Hovland, Mayor

Please publish in the Edina Sun Current on:

Send two affidavits of publication.

Bill to Edina City Clerk