

City of Blaine
Second Reading
Ordinance: ORD 25-2573

Ordinance Adopting Chapter 7 Regulating Adult Use Cannabis Businesses

THE CITY OF BLAINE DOES ORDAIN: (Added portions are underscored and deleted portions are shown in overstrike.)

CHAPTER 7 – ADULT-USE CANNABIS

ARTICLE I – ADMINISTRATION

Section 7.1 Findings and Purpose

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

The City of Blaine 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.

Section 7.2 Authority and Jurisdiction

The City of Blaine has the authority to adopt this ordinance pursuant to:

1. 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.
2. Minn. Stat. 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
3. Minn. Stat. 152.0263, Subd. 5, regarding the use of cannabis in public places.
4. Minn. Stat. 462.357, regarding the authority of a local authority to adopt zoning ordinances.

Section 7.3 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.

Section 7.4 Enforcement

The 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.

Section 7.5 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.
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 Blaine 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.

Sections 7.6-7.15 RESERVED

ARTICLE II – REGISTRATION OF CANNABIS BUSINESS

Section 7.16 Consent to Registering of Cannabis Business

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

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.

Section 7.17 Compliance Checks Prior to Retail Registration

Prior to issuance of a cannabis retail business registration, the City of Blaine 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 Blaine 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 7.18 Registration Fees

A registration fee, as established in the city's 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 Blaine 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.

Section 7.19 Registration Application

The City of Blaine 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 Blaine). 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. The applicant shall include with the form;
 - vi. the registration fee as required in Section 7.17;
 - vii. a copy of a valid state license or written notice of OCM license preapproval;
2. Once an application is considered complete, the City of Blaine shall inform the applicant as such, process the application fees, and forward the application to the City Clerk's office for approval or denial.
 3. The application fee shall be non-refundable once processed.

Section 7.20 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 7.25.
2. 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.
3. A state-licensed cannabis retail business application that meets the requirements of this ordinance shall be approved.

Section 7.21 Annual Compliance Checks

The City of Blaine 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.

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.

Section 7.22 Location Change

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

Section 7.23 Renewal of Registration

The City of Blaine 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 Clerk's office.

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

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

Section 7.24 Suspension of Registration

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

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

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 Blaine may reinstate a registration if it determines that the violations have been resolved.

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

Section 7.25 Limiting of Registrations

The City of Blaine shall limit the number of cannabis retail businesses to no fewer than one registration for every 12,500 residents as determined by annual population estimates determined by the Metropolitan Council.

Sections 7.26-7.35 RESERVED

ARTICLE III – REQUIREMENTS FOR CANNABIS BUSINESS

Section 7.36 Minimum Buffer Requirements

The operation of a cannabis business shall be prohibited within the following distances of the uses listed below. Distance shall be measured from the property line of the uses listed below and building wall of the cannabis business.

- 1,000 feet of a school
- 500 feet of a daycare
- 500 feet of a residential treatment facility
- 500 feet 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 7.36 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.

Section 7.37 Hours of Operation

Cannabis businesses are limited to retail sales of cannabis, cannabis flower, cannabis products or hemp-derived consumer projects between the hours of 10am-9pm, seven-days a week.

Section. 7.38 Temporary Cannabis Events

Temporary cannabis events shall not be permitted within the City of Blaine.

INTRODUCED and read in full this 6th day of January, 2025.

PASSED by the City Council of the City of Blaine this 22nd day of January, 2025.