

**CITY OF HOLDINGFORD, MINNESOTA
ORDINANCE NO. 24-12-9-2**

**AN ORDINANCE AMENDING THE HOLDINGFORD CITY CODE
PERTAINING TO CANNABIS AND HEMP BUSINESSES**

THE CITY COUNCIL OF THE CITY OF HOLDINGFORD, MINNESOTA DOES HEREBY
ORDAIN:

SECTION 1. Title XI of the Holdingford City Code is hereby amended by adding a new Chapter
118 as follows:

**CHAPTER 118
CANNABIS AND HEMP BUSINESSES**

118.01. Findings and Purpose. The purpose of this chapter is to protect the public health, safety,
welfare in the City by implementing regulations pursuant to Minnesota Statutes, chapter 342, as it
may be amended from time to time, related to cannabis and hemp businesses within the City. The
City finds and concludes that these regulations are appropriate and lawful, that the proposed
provisions will promote the community's interest in reasonable stability in the development and
redevelopment of the City for now and in the future, and that the regulations are in the public
interest and for the public good.

118.03. Definitions. The following words, terms and phrases, when used in this chapter, shall
have the following meanings ascribed to them, except where the context clearly indicates a
different meaning:

Applicant means an entity that is applying for an initial registration or for registration
renewal under this chapter.

The Act means Minnesota Statutes, chapter 342, as is may be amended from time to time.

Cannabis Business shall have the meaning ascribed in Minnesota Statutes, section 342.01
and generally includes any business licensed by OCM, but pursuant to law shall not include
lower-potency hemp edible retailers or lower-potency hemp edible manufacturers.

Cannabis Retailer means a business with a cannabis retailer license or cannabis retail
endorsement from OCM.

Retailer means every business that is licensed under the Act and required to register with
the City under Minnesota Statutes, section 342.22 including cannabis businesses and lower-
potency hemp edible retailers.

OCM means the Minnesota Office of Cannabis Management.

118.05. Certification of Cannabis Businesses License Application. The City Clerk-Treasurer or their designee is authorized to certify whether a proposed Cannabis Business complies with the City's zoning ordinances, this section, and, if applicable, state fire code and building code pursuant to Minnesota Statutes, section 342.13.

118.07. Registration of Cannabis Retailers and Lower-Potency Hemp Edible Retailers.

Subd. 1. Retail Registration Required. Before making retail sales to customers or patients in the City, a Retailer must register with the City. Making retail sales to customers or patients without an active registration is prohibited.

Subd. 2. Civil Penalties. Subject to Minnesota Statutes, section 342.22, subd. 5(e) the City may impose a civil penalty, as specified in the City's Fee Schedule, for making a sale to a customer or patient without a valid registration from the City and a valid license from the OCM.

Subd. 3. Fee Required.

- (a) At the time of initial application, and prior to the City's consideration of any renewal application, each Retailer must submit, as established in the City's fee schedule, the following fees:
 - (i) At the time of initial registration:
 - (1) An initial registration fee.
 - (2) The renewal fee for the second year of operation.
 - (ii) At the time of the first annual renewal (prior to the second year of operation), no fee will be due.
 - (iii) At the time of the second annual renewal, and each year thereafter, the renewal fee must be paid prior to the city at the time of renewal request and prior to issuance of any renewal registration.
 - (iv) Initial registration fees and renewal registration fees are nonrefundable.

Subd. 4. Processing Registrations.

- (a) Applications will be processed on a first-come, first-served basis based on the City receiving a complete application and payment of all fees.
- (b) The date a certification under section 118.05 is issued will have no impact on the applicant's registration processing.
- (c) An application will be considered complete when all material in Subd. 5 below is received by the City and includes all required information and the fee described in Subd. 3 is received. If the City Clerk-Treasurer, or their designee, determines that an application is incomplete, they shall notify an applicant.
- (d) Once an application is considered complete, the City Clerk-Treasurer shall inform the applicant as such, process the application fees, and approve or deny the application.
- (e) Preliminary Compliance Check. The City may conduct a preliminary compliance check to ensure compliance with this chapter and any other regulations established pursuant to Minnesota Statutes, section 342.13.

- (f) An application for annual registration renewal shall be submitted at least 30 days prior to expiration.

Subd. 5. Application Requirements. The applicant must submit a registration application or renewal form provided by the City. The form may be amended from time to time by the City Clerk-Treasurer, or their designee, but must include or be accompanied by:

- (a) Name of the property owner;
- (b) Name of the applicant;
- (c) Address and parcel ID for the property for which the registration is sought;
- (d) Certification that the applicant complies with the requirements of this chapter;
- (e) The fees as described in Subd. 3 of this section;
- (f) Proof of taxes, assessments, utility charges or other financial claims of the city or the state are current; and
- (g) A copy of a valid state license or written notice of OCM license preapproval.

Subd. 6. Limitations on Cannabis Retailer Registrations.

- (a) The City will issue no more than one Cannabis Retailer registration for every 12,500 residents in the City, except that the City will not issue any Cannabis Retailer registrations if there is one registration for every 12,500 residents in Stearns County.
- (b) If the number of registrations available within the City decreases based on the County reaching the one for every 12,500 threshold or the City's population decreases below a previous threshold, businesses with current registrations will be allowed to maintain and renew their registrations but no new registration will be issued.
- (c) Registrations issued to businesses with a license preapproval will count toward the City's registration limit.
- (d) Businesses operating under a tribal compact entered into under Minnesota Statutes, section 3.9224 or 3.9228 and tribally issued licenses and registrations are counted towards the City's registration limit and the County registration limit.

Subd. 7. Reasons for Denial. The City shall not issue a registration or renewal if any of the following conditions are true:

- (a) The applicant has not submitted a complete application.
- (b) The applicant does not comply with the requirements of this chapter.
- (c) The applicant does not comply with applicable zoning and land use regulations.
- (d) The applicant is found to not comply with the requirements of the Act or this chapter at the preliminary compliance check.
- (e) The applicant is seeking Cannabis Retailer registration and the maximum number of Cannabis Retailer registrations pursuant to section 118.07, subd. 6 have been issued by the City or the County.
- (f) The applicant does not have a valid license from the OCM.

Subd. 8. Issuing the Registration or Renewal. The City shall issue the registration or renewal if the Retailer meets the requirements of this section, including that none of the reasons for denial in Subd. 7 are true.

Subd. 9. Expiration of Registration. A registration shall expire annually. An applicant may request renewal of a registration as described herein.

Subd. 10. Nontransferable. A registration is not transferable.

Subd. 11. Location Change. A registered business that wishes to move locations within the City must submit the new proposed location to the City as part of a new application for registration, including a certification that the location meets all zoning requirements. Such change will be approved provided that it complies with this section and there are no other grounds for denial as described in Subd. 7.

Subd. 12. Registration Enforcement.

- (a) Generally. The City Clerk-Treasurer may suspend a registration under this chapter on a finding that the business has failed to comply with the requirements of this section or any applicable statute or regulation.
- (b) Notice and Right to Hearing. Prior to suspending any registration under this chapter, the City Clerk-Treasurer shall provide the business with written notice of the alleged violations and inform the business of their right to a hearing on the alleged violation.
 - (i) Notice shall be delivered in person or by regular mail to the address of the business and shall inform the business of its right to a hearing. The notice will indicate that a response must be submitted within ten (10) business days of receipt of the notice, or the right to a hearing will be waived.
 - (ii) The business will be given an opportunity for a hearing before the City Council before final action to suspend a registration, provided, the business has submitted a written application for appeal within 10 business days after the notice was served. The City Council shall give due regard to the frequency and seriousness of the violations, the ease with which such violations could have been cured or avoided and good faith efforts to comply and shall issue a decision to suspend the registration only upon written findings.
 - (iii) If no request for a hearing is received within ten (10) days following the service of the notice, the suspension shall be effective.
- (c) Emergency. If, in the discretion of the City's law enforcement agency, a business poses an imminent threat to the health or safety of the public, the City may immediately suspend the registration and provide notice of the right to hold a subsequent hearing as prescribed in Subd. 12(b)(ii) of this section.
- (d) Notice to OCM. In the case of suspension, the City Clerk-Treasurer shall provide any such notice required by statute or rule.
- (e) Term of Suspension. The retail registration suspension must be for up to 30 days unless the OCM suspends the license and operating privilege of the business for a longer period or revokes its license.
- (f) Reinstatement. The City may reinstate a registration if it determines that the violations have been resolved. The City shall reinstate a registration if the OCM orders reinstatement.

118.09. Compliance Checks. The City shall complete, at minimum, one compliance check per calendar year of every registered Retailer 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 any applicable cannabis or hemp regulations adopted by the City.

The City shall conduct a minimum of at least one unannounced age verification compliance check 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 City. Any failures under this section are a basis for enforcement action and must be reported to the OCM.

118.11. Hours of Operation. Cannabis Retailers are limited to retail sale of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products between the hours of 10:00 a.m.-9:00 p.m. daily.

118.13. Administration and Enforcement

Any violation of the provisions of this chapter or failure to comply with any of its requirements constitutes a misdemeanor and is punishable as defined by law. Each day each violation continues or exists, constitutes a separate offense. Violations of this ordinance can occur regardless of whether or not a permit is required for a regulated activity listed in this ordinance.

118.15. Severability

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

118.17. Temporary Cannabis Event Standards. The following standards apply to any temporary cannabis event held in the City by a licensed Cannabis Event Organizer, as defined and provided for in the Act.

- (a) Temporary cannabis events are prohibited on City property.
- (b) Temporary cannabis events shall not occur upon property zoned for residential purposes.
- (c) Temporary cannabis events shall only be held between the hours of 10 a.m. to 9 p.m.
- (d) Pursuant to Minnesota Statutes, section 342.40. subd. 8, the City prohibits on-site consumption of cannabis and hemp products at temporary cannabis events.
- (e) Temporary cannabis events must occur inside a building.
- (f) Temporary cannabis events shall be located a minimum of 1000 feet from any school as measured from the building in which the event is located to the property line of the school.
- (g) Temporary cannabis events shall be located a minimum of 500 feet from any daycare or residential treatment facility as measured from the building in which the event is located to the property line of the property on which the daycare or residential treatment facility is located.

- (h) Temporary cannabis events shall be located at least 500 feet from any attraction within a public park that is regularly used by minors, including, but not limited to, a playground or athletic field, measured from the building in which the event is located to the attraction.
- (i) The organizer shall meet the requirements of Minnesota Statutes, section 342.40 regarding security and limited access to the event.

SECTION 2. The city's official fee schedule is hereby amended by adding the following registration fees, which city staff is hereby authorized to incorporate said fee into the fee schedule:

Initial Cannabis/Hemp Retail Registration	Amount
Cannabis Retailer	\$500
Cannabis Mezzobusiness	\$500
Cannabis Microbusiness	No Fee
Lower-Potency Hemp Edible Retailer	\$125
Medical Cannabis Combination Business	\$500
Renewal Cannabis/Hemp Retail Registration	Amount
Cannabis Retailer	\$1,000
Cannabis Mezzobusiness	\$1,000
Cannabis Microbusiness	\$500
Lower-Potency Hemp Edible Retailer	\$125
Medical Cannabis Combination Business	\$1,000

SECTION 3. Chapter 151, Section 2 of the Holdingford Zoning Ordinance is hereby amended by adding the following new definitions and renumbering the respective subdivisions accordingly:

Subd. XX. Cannabis Cultivation. A business with a cannabis cultivator license, medical cannabis cultivator license, or cultivation endorsement from the OCM.

Subd. XX. Cannabis Delivery. A business with a cannabis delivery service license or delivery service endorsement from the OCM.

Subd. XX. Cannabis Manufacturing. A business with a cannabis manufacturer license or manufacturing endorsement from the OCM.

Subd. XX. Cannabis Processing. A business with a medical cannabis processor license or processing endorsement from the OCM.

Subd. XX. Cannabis Retail. A business with a cannabis retailer license or medical cannabis retailer license from the OCM and the retail location(s) of a cannabis mezzobusiness with a retail operations endorsement, cannabis microbusiness with a retail operations endorsement, or cannabis medical combination business operating a retail location. Cannabis Retail shall exclude lower-potency hemp edible retail businesses.

Subd. XX. Cannabis Testing. A business with a cannabis testing facility license or testing endorsement from the OCM.

Subd. XX. Cannabis Transportation. A business with a cannabis transporter or cannabis delivery service license or transportation endorsement from OCM.

Subd. XX. Cannabis Wholesaling. A business with a cannabis wholesaler license or wholesaling endorsement from the OCM.

Subd. XX. Lower Potency Hemp Edible Manufacturer. A business with a lower-potency hemp edible manufacturer license from the OCM.

Subd. XX. Lower Potency Hemp Edible Retailer. A retail location with a lower-potency hemp edible retailer license from the OCM, including on-site consumption as allowed by State of Minnesota regulations.

Subd. XX. Office of Cannabis Management (OCM). The State of Minnesota Office of Cannabis Management.

Subd. XX. Park Feature. An attraction within a public park that is regularly used by minors, including, but not limited to, a playground or athletic field.

Subd. XX. Residential Treatment Facility. A residential facility providing mental health, alcohol, or drug treatment services established or operated in accordance with Minnesota Rules,

SECTION 4. Chapter 151, Section 8, Subd. 2 of the Holdingford Zoning Ordinance, which contains a list of permitted uses in the City's Central Business District, is hereby amended by adding the double-underlined language as follows:

Subd. 2. Permitted Uses. The following are permitted uses:

- A. Antique stores, appliance and furniture stores, bakeries, barber shops, bars and taverns, business offices, clinics, clothing and apparel stores, drug stores, financial institutions, florists, gift stores, grocery stores, hardware stores, hobby shops, meat markets, music stores, newspaper offices and press rooms, optical stores, packaged beverage stores, professional offices, restaurants, self service and pick up laundry and dry cleaning establishments, sporting goods stores, and variety stores.
- B. Other commercial uses determined by the City Council to be of the same general character as the permitted uses.
- C. Government and cultural uses, such as, fire and police stations, public parking lots, community centers, and libraries.
- D. Cannabis retail, provided, however, that such use must be at least 1,000 feet from any property containing a school and 500 feet from any park feature or property containing a daycare or residential treatment facility.
- E. Lower potency hemp edible retailer.

SECTION 5. Chapter 151, Section 10, Subd. 2 of the Holdingford Zoning Ordinance, which contains a list of permitted uses in the City's Limited Industrial District, is hereby amended by adding the double-underlined language as follows:

Subd. 2. Permitted Uses. The following are permitted uses:

- A. Warehousing, wholesaling and distribution operations.
- B. Research Facilities.
- C. Light manufacturing and assembly.
- D. Grain elevators and grain and feed milling.
- E. Public Utility structures and government buildings.
- F. Other industrial uses determined by the City Council to be of the same general character as the permitted uses.
- G. Cannabis cultivation, cannabis delivery, cannabis manufacturing, cannabis processing,


cannabis testing, cannabis transportation, cannabis wholesaling, and lower-potency hemp edible manufacturer. All cannabis and hemp cultivation, manufacturing, processing, testing, and storage activities shall occur entirely inside of an enclosed structure and shall otherwise comply with any odor requirements promulgated by the Minnesota Pollution Control Agency.

SECTION 6. This ordinance shall take effect following its adoption and publication in accordance with law.


Adopted by the Holdingford City Council on this 9th day of December, 2024.

CITY OF HOLDINGFORD:

ATTEST:



Nicky Lahr, City Clerk/Treasurer



Eric Berscheid, Mayor