

**CITY OF BALDWIN  
SHERBURNE COUNTY  
STATE OF MINNESOTA**

**ORDINANCE NO. 2025-04**

**AN ORDINANCE RELATING TO THE REGULATION AND REGISTRATION OF  
CANNABIS RETAIL BUSINESSES AND LOWER-POTENCY HEMP EDIBLE RETAIL  
BUSINESSES**

The City Council of the City of Baldwin hereby ordains:

**SECTION 1. ADMINISTRATION**

**Subsection 1.1: Findings and Purpose.** The City Council of the City of Baldwin makes the following legislative findings: The purpose of this ordinance is to implement the provisions of Minnesota Statutes, Chapter 342, which authorizes the City Council of the City of Baldwin to protect the public health, safety, welfare of City of Baldwin residents by regulating cannabis and lower-potency hemp edible businesses within the legal boundaries of City of Baldwin. The City Council of the City of Baldwin finds and concludes that the proposed provisions are appropriate and lawful regulations for City of Baldwin, that they are in the public interest and for the public good.

**Subsection 1.2. Authority.** The City Council of the City of Baldwin 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. § 342.27, regarding the general requirements of state-licensed cannabis retail businesses.
- (D) Minn. Stat. § 394.21, regarding the authority of a local authority to adopt zoning ordinances.

**Subsection 1.3. Jurisdiction.** This ordinance shall be applicable to all places within the legal boundaries of City of Baldwin.

**Subsection 1.4. Severability.** If any section or portion of this Ordinance shall be found unconstitutional or otherwise invalid or unenforceable by a court of competent jurisdiction, that

finding shall not serve to invalidate or affect the validity and enforceability of any other section or provision of this Ordinance.

**Subsection 1.5. Administration and Enforcement.** City of Baldwin in coordination with local law enforcement agencies 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 public nuisance. Violations of this ordinance can occur regardless of whether or not a permit is required for a regulated activity listed in this ordinance. All rights and remedies accruing to the City, at law or in equity, in preventing and abating public nuisances accrue with respect to violations occurring hereunder are available to the City and are not deemed cumulative.

**Subsection 1.6. Definitions and Interpretations.** Except as may otherwise be provided or clearly implied by context, all terms shall be given their commonly accepted definitions. The singular shall include the plural and the plural shall include the singular. The masculine shall include the feminine and neuter, and vice-versa. The term “shall” mean mandatory and the term “may” mean permissive.

The definitions set forth in Minn. Stat. § 342.01 are hereby adopted and incorporated into this ordinance, as amended from time to time. The following terms shall have these definitions given to them:

- (A) “Cannabis Retail Business” means a retail location and the retail location(s) of 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.
- (B) “Cannabis Retailer” means 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.
- (C) “Daycare” means an individual, childcare center, or facility licensed with the Minnesota Department of Human Services to provide for the care of a child in a location outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.
- (D) “Residential Treatment Facility” means a 24-hour-a-day program for persons under the treatment supervision of a mental health professional or substance use disorder professional, in a community residential setting other than an acute care hospital or regional treatment center inpatient unit, that must be licensed as a residential treatment program by the State of Minnesota.
- (E) “Retail Registration” means an approved registration issued by City of Baldwin to a state- licensed cannabis retail business. A retail registration is presumed to be “active” until the State License and operating privileges conferred by the Minnesota Office of Cannabis Management are revoked or otherwise expire as determined by the Minnesota Office of Cannabis Management.

- (F) “School” means a public school including elementary, middle, and secondary school as defined under Minn. Stat. § 120A.05 or a nonpublic school that must meet the reporting requirements under Minn. Stat. § 120A.24.
- (G) “State License” means an approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.
- (H) “The City” means City of Baldwin.

The provisions of this Ordinance shall be considered minimum requirements and shall be liberally construed in favor of the City of Baldwin and shall not be deemed a limitation or repeal of any other powers granted by Minnesota Statutes.

## **SECTION 2. REQUIREMENTS FOR CANNABIS RETAIL BUSINESSES**

**Subsection 2.1. Hours of Operation for Retail Businesses.** A cannabis retail business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products, excluding lower-potency hemp edible retail businesses, may not:

- (A) Sell cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products for any period between 10:00 p.m. and 8:00 a.m. the following day, or between 8:00 a.m. and 10:00 a.m. on Sundays.
- (B) Be open to the public or sell any other products at times when the cannabis business is prohibited from selling cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products.
- (C) Except that a microbusiness with both a retail endorsement and an on-site consumption endorsement at a single location may be open to the public to engage in lawful on-site consumption and retail sale operations between the hours of 10:00 p.m. and 12:00 a.m. the following day.

**Subsection 2.2. Advertising.** All cannabis retail businesses must comply with Minn. Stat. § 342.64 and are permitted to erect up to two fixed signs on the exterior of the building or property of the business not to exceed a maximum of eight (8) square feet in sign area per sign.

**Subsection 2.3. Prohibitions on Price Discounting and Coupons.** No cannabis retail business shall accept or redeem any coupon, price promotion, or other instrument or mechanism, whether in paper, digital, electronic, mobile, or any other form, that provides any licensed products to a consumer or patient at no cost or at a price that is less than the non-discounted, standard price listed by a retailer on the item or on any related shelving, posting, advertising, or display at the location where the item is sold or offered for sale, including all applicable taxes.

**Subsection 2.4. Access to Cannabis Retail Business.** A cannabis retail business license holder

shall allow any law enforcement officials, Auditor/Treasurer's, or Health and Human Services' designee to enter the premises during regular business hours for the purpose of determining compliance with this Ordinance, Minnesota Statute Chapter 342, and/or any other applicable law, regulation, or ordinance.

### **SECTION 3. REGISTRATION OF CANNABIS RETAIL BUSINESSES**

City of Baldwin shall be the cannabis retail business registration and compliance check authority for its jurisdiction.

**Subsection 3.1. Consent to registering of Cannabis Retail Businesses.** No individual or entity may operate a state-licensed cannabis retail business within City of Baldwin without first registering with the City. 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.

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.

**Subsection 3.2. Compliance Checks Prior to Retail Registration.** Prior to issuance of a cannabis retail business registration, City of Baldwin may conduct a preliminary compliance check to ensure compliance with this ordinance that is established pursuant to Minn. Stat. § 342.13.

#### **Subsection 3.3. Limiting of Registrations**

- (A) **City Limit for Registrations** –City of Baldwin limits the number of registrations within City of Baldwin for licensed cannabis retailers, cannabis mezzobusinesses with a retail operations endorsement, and cannabis microbusinesses with a retail operations endorsement to no more than one for every 12,500 residents of City of Baldwin as determined by the most recent Minnesota State Demographer estimate.
- (B) **Countywide Limit for Registrations** – City of Baldwin shall not register state-licensed cannabis retail businesses in City of Baldwin if Sherburne County already has one active cannabis retail registration for every 12,500 residents within Sherburne County as determined by the most recent Minnesota State Demographer estimate.
- (C) **Exception** - This subsection does not apply to lower-potency hemp edible retail businesses, medical combination businesses operating a retail location, or municipal cannabis retail businesses within City of Baldwin, and registrations for these businesses are not included the calculations for registration limits.

#### **Subsection 3.4. Registration & Application Procedure**

- (A) **Fees**

City of Baldwin shall not charge an application fee. See Minn. Stat. § 342.22, subd. 2(b).

A registration fee, as established in City of Baldwin'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 City of Baldwin 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.

**(B) Application Submittal**

City of Baldwin 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 Baldwin, and shall provide a completed copy of the form to the City of Baldwin clerk. 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; and
- 2) The applicant shall include with the form:
  - i. The application fee as required in Section 3.4.A above;
  - ii. A copy of a valid state license or written notice of OCM license preapproval;
  - iii. Verification that applicant is current on all applicable property taxes and assessments at the location where the retail establishment is located;
  - iv. A copy of the documentation showing compliance with state fire and building codes, if applicable to the business; and
  - v. A certificate of insurance
- 3) Once an application is considered complete, the City of Baldwin clerk shall inform the applicant as such, process the application fees, review the application, and either approve or deny the application.
- 4) Failure to submit all required information and documentation within 30 days of the initial registration application submission will result in a denial of the application.

- 5) Once an application is complete it shall be reviewed in the order in which it was received. If City of Baldwin does not issue a registration because of the limits pursuant to Section 3.3 the application will be placed on a waitlist so long as the applicant maintains a valid state license or written notice of OCM license preapproval. When a registration becomes available City of Baldwin shall review the waitlist for applicants in the order they were received.

The application fee shall be non-refundable once processed.

**(C) Application Processing Procedure**

- 1) City of Baldwin shall process all cannabis retail registration applications in accordance with applicable state law, including but not limited to Minn. Stat. §§ 342.12(h) and 342.13(i), and the provisions of this Ordinance.
  - i. Application Submissions and Queue Placement - Applications will be processed only when the statutory caps, as established under Minn. Stat. §§ 342.12(h) and 342.13(i) and invoked herein by this Ordinance, have not been reached. If an applicable statutory cap is reached, the City of Baldwin will not process applications until a State License is revoked or deemed expired by the State of Minnesota Office of Cannabis Management, thereby lowering the number of active registrations below the applicable statutory cap. Any new applications received by the City while the City is not registering cannabis businesses pursuant to this Ordinance and its invocation of an applicable statutory cap will be placed in a waiting queue maintained by the City of Baldwin clerk.
  - ii. Processing Order - Applications will be processed in the order in which the City of Baldwin clerk receives a complete copy of the application. The official processing date will be the date the City of Baldwin clerk determines that the application is complete.
  - iii. Incomplete Applications - If an application is deemed incomplete by the City of Baldwin clerk, the application will not be placed in the waiting queue, and the applicant will be notified of the deficiencies. If the applicant chooses to resubmit the application after addressing the deficiencies, the resubmission will be treated as a new application, and the processing date will reflect the date the City of Baldwin clerk receives the resubmitted complete application.
  - iv. Registration Preference - Preference will be given to actively registered cannabis retailers over applicants in the waiting queue. An applicant in the waiting queue will only be considered for processing if there are no eligible actively registered cannabis retailers applying for renewal or re-registration at the time their application is considered, and if the statutory caps referred to in Section 3.4(C).1.i have not been reached.
  - v. Suspending Registration for Failure to Renew - If an actively

registered cannabis retailer does not re-register annually concurrent with State License renewal, for purposes of calculating the statutory caps set forth in Minn. Stat. §§ 342.13(h) and 342.13(i), the City of Baldwin will deem such registration active until the State License and operating privileges conferred by the Minnesota Office of Cannabis Management are revoked or otherwise expire as determined by the Minnesota Office of Cannabis Management. At such time, within the context of Minn. Stat. § 342.13(h) the City of Baldwin clerk will process the next application in the waiting queue, and the vacancy will be filled in accordance with the order of applications.

**(D) Application Approval**

- 2) 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 3.3.
- 3) 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.
- 4) A state-licensed cannabis retail business application that meets the requirements of this ordinance shall be approved, except as provided in clause (1) above.

**(E) Annual Compliance Checks**

City of Baldwin in coordination with local law enforcement shall complete at minimum one unannounced age verification compliance check per calendar year of every cannabis retail business that City of Baldwin registers, to assess if the business meets age verification requirements, as required under Minn. Stat. § 342.22 Subd. 4 and Minn. Stat. § 342.24, Subd. 1 and this Ordinance. They shall also verify compliance with all other provisions of this ordinance, as established pursuant to Minn. Stat. § 342.13.

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.

Compliance with age verification checks constitutes a reasonable restriction on the manner of operation for a cannabis retail business. The following are violations of an age verification compliance check:

- 1) Employment of or contracting with an individual under 21 years of age if the individual's scope of work involves handling cannabis plants, cannabis flowers, artificially derived cannabinoids, or cannabinoid products.
- 2) Allowing an individual under 21 years of age to enter the business premises

- unless the individual is a person enrolled in the Registry Program.
- 3) Selling or giving cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to an individual under 21 years of age unless the individual is enrolled in the Registry Program and the cannabis business holds a medical cannabis retail endorsement.

Any failures under this section must be reported to the Office of Cannabis Management and may result in a registration suspension or other civil or criminal penalty or remedy.

**(F) Location Change**

If a state-licensed cannabis retail business seeks to move to a new location still within the legal boundaries of City of Baldwin, it shall notify City of Baldwin of the proposed location change and submit necessary information to meet all the criteria in Section 3.4.B. Relocation of a registered cannabis retail business does not extend or otherwise modify the registration term. City of Baldwin does not allow relocation of a state-licensed cannabis retail business from outside of City of Baldwin in City of Baldwin if the number of active cannabis retail registrations within the entirety of the county meets or exceeds one for every 12,500 residents based on the entire population of the county as a whole or if the number of active cannabis retail registrations within City of Baldwin meets or exceeds one for every 12,500 residents in City of Baldwin.

**(G) Registrations Non-Transferrable**

A retail registration issued under this Ordinance may not be transferred to another person, entity, or license holder. Minn. Stat. § 342.22, subd. 3(d). A retail registration shall terminate if the registered license holder:

- 1) Sells, assigns, transfers, or otherwise disposes of the license issued under Minn. Stat. Ch. 342; or
- 2) Sells, assigns, transfers, or otherwise disposes of more than 51% of the ownership, controlling interest, or stock in the entity that held the license issued under Minn. Stat. Ch. 342; or
- 3) Dissolves the entity that held the license issued under Minn. Stat. Ch. 342.

**(H) Registration Mistakenly Issued or Renewed**

If a registration is mistakenly issued or renewed to any person or entity, for any reason, including but not limited to the submission of false or misleading information by the license holder or applicant, the registration will be suspended upon the discovery of ineligibility for registration under this ordinance or state or other local law, ordinance or other regulation. Any suspension will comply with the requirements of Minn. Stat. § 342.22, Subd. 5, as amended from time to time.

**(I) License Holder Responsibility**

Every cannabis retail business license holder is responsible for conduct on the licensed premises and any sale of cannabis, hemp, or products containing cannabis or hemp by an employee is the act of the License Holder for the purposes of all



provisions of this Ordinance except enforcement of criminal penalties.

**Subsection 3.5. Renewal of Registration.** A cannabis retailer who has been awarded a retail registration by City of Baldwin is required to maintain the registration in an active status by renewing it annually. City of Baldwin shall renew an annual registration of a state-licensed cannabis retail business, for City of Baldwin, 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 City of Baldwin.

A cannabis retail registration issued under this Ordinance shall not be transferred. See Section 3.4.F above.

(A) **Renewal Fees**

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

(B) **Renewal Application**

The application for renewal of a retail registration shall include but is not limited to items required under Section 3.4.B of this ordinance.

**Subsection 3.6. Suspension of Registration**

(A) **When Suspension is Warranted**

City of Baldwin may suspend a cannabis retail business's registration if the business is registered by City of Baldwin and it violates an ordinance of City of Baldwin pursuant to Minn. Stat. § 342.13 (time, place, or manner of the operation of the cannabis business) or poses an immediate threat to the health or safety of the public.

City of Baldwin may issue the license holder a written warning if the violation is the first within 24 months and it does not pose an immediate threat to the health or safety of the public.

(B) **Notifications**

- 1) License Holder - City of Baldwin shall immediately notify the cannabis retail business in writing of the grounds for the suspension and that any sale to a customer or patient while the suspension is in effect is cause for a civil penalty.
- 2) OCM - City of Baldwin shall immediately notify the OCM in writing of the grounds for the suspension. OCM will provide City of Baldwin and the cannabis business retailer a response to the complaint within seven calendar days and perform any necessary inspections within 30 calendar days.

(C) **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. If a retail cannabis retailer's registration is suspended, such suspension is temporary and therefore the retail registration is still considered "active". However, the business may not make sales to customers or patients if their registration is suspended.

City of Baldwin may reinstate a registration if it determines that the violation(s) have been resolved.

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

### **Subsection 3.7. Civil Penalties for Registration Violation**

**(A) Violation**

No cannabis retailer, cannabis mezzobusiness, cannabis microbusiness, medical cannabis combination business, or lower-potency hemp edible retailer may make any sale to a customer or patient without a valid retail registration with City of Baldwin and a valid license with any applicable endorsement from OCM. Subject to Minn. Stat. § 342.22, subd. 5(e) City of Baldwin may impose a civil penalty, as specified in City of Baldwin's Fee Schedule, for said registration violation, not to exceed \$2,000 per unlawful sale, in addition to any other authorized penalties or consequences.

**(B) Notice**

No civil penalty shall take effect until the retail license holder has received notice personally or by certified mail of the alleged violation and of the opportunity for a hearing before the City Council. Such notice must be in writing and must identify the alleged violation(s), the sanction, and advise the recipient that they have a right to request a hearing before the City Council within 10 business days of receipt of the notice or such right shall terminate.

**(C) Appeal Rights**

A license holder who received notice of a civil penalty must submit a request for a hearing to challenge the allegation within 10 calendar days of the date they receive the notice. Failure to submit a timely request for a hearing shall result in a waiver of all appeal rights, and the civil penalty will be implemented on the 11<sup>th</sup> day after the date the notice was received by the license holder. If there is a timely request for a hearing on the civil penalty, the penalty shall be stayed pending the resolution of the appeal process.

**(D) Appeal Hearing**

If the license holder timely requests a hearing on the civil penalty, a hearing shall be scheduled, the time and place of which shall be provided to the license holder. The hearing shall be held within 30 calendar days of the date the request for hearing was received, when practicable.

- 1) The records of City of Baldwin, OCM, any police reports relating to the violation, and all reliable hearsay shall be admissible for consideration by the hearing officer without further foundation.
  - 2) City of Baldwin may be represented by the City Attorney. The alleged violator may be represented by private legal counsel. The alleged violator does not have the right to an attorney at public expense.
  - 3) At the hearing, both the alleged violator and City of Baldwin may present the testimony of witnesses, cross-examine witnesses, and present documentary evidence.
  - 4) The burden of proof shall be upon City of Baldwin. The standard of proof shall be a preponderance of the evidence.
  - 5) The scope of the hearing may include whether violation(s) occurred and the appropriate sanction.
- (E) **Hearing Officer**  
The City of Baldwin City Council may act as the hearing officer or may appoint an independent hearing officer.
- (F) **Decision**  
The hearing officer shall prepare written findings and submit them to the City of Baldwin City Council, unless the City of Baldwin City Council is the hearing officer in which case they shall prepare written findings, within 30 calendar days of the close of the hearing. The findings shall state whether or not a violation occurred, and if the violation is found a civil penalty of \$2,000 per violation shall be assessed. The findings shall be served by first class U.S. mail on the license holder and City of Baldwin.
- (G) **Costs**  
If a civil penalty is upheld by the hearing officer or the City of Baldwin City Council, City of Baldwin's actual expenses in holding the hearing must be paid by the license holder who requested the hearing. City of Baldwin may require the license holder deposit \$200 prior to the hearing date to be used toward actual expenses in the event a civil penalty is upheld.
- (H) **Further Appeals**  
Appeals of any decision made by the City of Baldwin City Council shall be filed by a petition for a writ of certiorari to the Court of Appeals and served on all parties not more than 30 days after the date the findings were issued.

## **SECTION 4. ENFORCEMENT**

**Subsection 4.1. Civil Remedies.** In the event of a violation or threatened violation of this Ordinance, City of Baldwin, in addition to other remedies, may initiate civil court actions or civil administrative proceedings to prevent, restrain, correct, or abate such violations or threatened violations. Any such remedies shall not be cumulative. It shall be the duty of the City Attorney

to review evidence of such violations, or threatened violations, and take such action as may be warranted and necessary.

**Subsection 4.2. Criminal Penalties.** Every cannabis retail business license holder is required to follow and comply with all general operational requirements and prohibitions and retail sales laws and regulations imposed by the State of Minnesota. Any cannabis retail business license holder, or an employee thereof, who sells, gives, or furnishes to another, a product containing cannabis or hemp which does not comply with state law or regulations, shall constitute a violation of this Ordinance. Such violation shall be a misdemeanor, and conviction thereof, shall be punished by a fine not to exceed \$1,000 or by imprisonment for up to 90 days, or both. If a more serious criminal penalty is set forth in state law, the state penalty shall apply.

**Subsection 4.3. Other Penalties.** Nothing in this Ordinance shall prohibit City of Baldwin from enforcing any other applicable state or federal law in addition to or instead of any civil or criminal enforcement remedy that may be sought under this Ordinance.

**SECTION 5. EFFECTIVE DATE.** This ordinance shall take effect upon its passage and publication.

Approved and adopted by the City of Baldwin City Council this 3<sup>rd</sup> day of February, 2025.

CITY OF BALDWIN

Jay Swanson, Mayor

Attested by:

Joan Heinen, Clerk