

**CITY OF NEVIS
HUBBARD COUNTY
STATE OF MINNESOTA**

ORDINANCE NO. 57

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

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

Sec. 1. Definitions

The words, terms and phrases, when used in this ordinance, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Applicant: An entity with a license or endorsement issued by the OCM that is applying for an initial registration or for registration renewal.

The Act: Minnesota Statutes, Chapter 342, as it may be amended from time to time.

Cannabis Business: The same meaning as defined in Minnesota Statutes, section 342.01.

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

Day Care Facilities: The same meaning as “Day Care Facilities” in Section 10-040 of the Nevis City Zoning Ordinance, as it may be amended from time to time.

Office of Cannabis Management (OCM): The State of Minnesota Office of Cannabis Management.

Park Feature: The same meaning as “Park Feature” in Section 10-040 of the Nevis City Zoning Ordinance, as it may be amended from time to time.

Potential Licensee: An entity that has not received a license from the OCM and is seeking a pre-license certification.

Residential Treatment Facility: The same meaning as “Residential Treatment Facility” in Section 10-040 of the Nevis City Zoning Ordinance, as it may be amended from time to time.

Retailer: Every business that is licensed under the Act and required to register with the city under Minnesota Statutes, section 342.22, including cannabis retailers and lower-potency hemp edible retailers.

School: The same meaning as “School” in Section 10-040 of the Nevis City Zoning Ordinance, as it may be amended from time to time.

Sec. 2. Certification of cannabis businesses license application

The city administrator is authorized to certify whether a proposed cannabis business complies with the city’s zoning ordinances, this ordinance, and if applicable, with state fire code and building code pursuant to Minnesota Statutes, section 342.13.

Potential licensees are responsible for obtaining all necessary zoning approvals prior to the city receiving the request for certification from the OCM. If a potential licensee fails to obtain necessary zoning approvals prior to the city receiving a request for certification, the city will inform the OCM that the potential licensee does not meet zoning and land use laws. If, at the time the city receives a request for zoning certification, there are no further intended alterations to the building where the business is to be conducted, the city will also certify compliance with building and fire code regulations, provided that the potential licensee has obtained inspections prior the city’s receipt of a request for certification from the OCM. Building and fire code inspections will be valid for one year from completion.

Sec. 3. Retailer Registrations

(A) *Retailer Registration Required.* Before making retail sales to customers or patients, a retailer must register with the city. Making retail sales to customers or patients without an active registration is prohibited. 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.

(B) *Retailer Registration Limits.*

- (1) The city will issue one cannabis retailer registration.
- (2) If the number of registrations available within the city decreases based on Hubbard County reaching the one per 12,500 threshold, businesses with current registrations will be allowed to maintain and renew their registrations but no new registration will be issued.
- (3) Registrations issued to businesses with a license preapproval will count toward the city’s registration limit.
- (4) 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.

(C) Processing Registrations.

- (1) Applications will be processed on a first-come, first-served basis based on the city receiving a complete application. Applications will be considered complete when all materials in Section 3 (D) are received by the city and include all required information and the fee described in Section 3 (D)(5) and as adopted in the city's fee schedule is received.
- (2) The date a certification under Section 2 above is issued will have no impact on the applicant's registration processing.

(D) Application. 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 administrator, but must include or be accompanied by:

- (1) Name of the property owner
- (2) Name of the applicant
- (3) Address and parcel ID for the property for which the registration is sought
- (4) Certification that the applicant complies with the requirements of this ordinance
- (5) *Fee Required.* At the time of initial application, and prior to the city's consideration of any renewal application, each Retailer must pay the applicable fee as established in the city's fee schedule. Initial registration fees and renewal registration fees are nonrefundable.
- (6) Proof of taxes, assessments, utility charges or other financial claims of the city or the state are current.
- (7) A copy of a valid state license or written notice of OCM license preapproval

(E) Preliminary Compliance Check. Prior to issuing any retail registration, the city may conduct a preliminary compliance check to ensure compliance with this ordinance and any other regulations established pursuant to Minnesota Statutes, section 342.13.

(F) Reasons for Denial. The city shall not issue a registration or renewal if any of the following conditions are true:

- (1) The applicant has not submitted a complete application.
- (2) The applicant does not comply with the requirements of this ordinance.
- (3) The applicant does not comply with applicable zoning and land use regulations.

- (4) The applicant is found to not comply with the requirements of the Act or this ordinance at the preliminary compliance check.
 - (5) The applicant or property owner is not current on all property taxes and assessments at the location where the retailer is located.
 - (6) The maximum number of registrations, pursuant to Section 121.005 (B), have been issued by the city or within the County.
 - (7) The applicant does not have a valid license from the OCM.
- (G) *Issuing the Registration or Renewal.* The city shall issue the registration or renewal if the Retailer meets the requirements of this ordinance, including that none of the reasons for denial in Section 3(F) are true.
- (H) *Nontransferable.* A registration issued by the city is not transferable to another person, entity, or location.
- (I) *Registration Enforcement.*
- (1) Generally. The City Council may suspend a registration under this ordinance on a finding that the registered business has failed to comply with the requirements of this ordinance or any applicable statute or regulation.
 - (2) Notice and Right to Hearing. Prior to suspending any registration under this ordinance, the city shall provide the registered business with written notice of the alleged violations and inform the registered business of his or her right to a hearing on the alleged violation.
 - (a) Notice shall be delivered in person or by regular mail to the address of the registered business and shall inform the registered business of its right to a hearing. The notice will indicate that a hearing will be scheduled at the next city council meeting unless the registered business provides written notice that it does not wish to appeal the determination. .
 - (b) The registered business will be given an opportunity for a hearing before the city council before final action to fine or suspend a registration. Provided, the registered business has not submitted written notice that prior to the hearing that it does not wish to appeal the determination. 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 fine or suspend the registration only upon written findings.

- (3) Emergency. If, in the discretion of the city, a registered 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 part (2) of this subsection (I).
- (4) 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 determines the violations have been resolved.

Sec. 4. Compliance Checks

The city shall complete at minimum one compliance check per calendar year of every registered business to assess if the business meets age verification requirements, as required under the Act and any applicable cannabis or hemp regulations adopted by the city.

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 failed compliance check under this section are a basis for enforcement action and must be reported to the OCM.

Sec. 5. Hours of operation

Cannabis Retailers may only make retail sales of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products pursuant to the hours established in Minnesota Statutes, section 342.27, subd. 7 (a).

Sec. 6. Distance requirements

- (A) The city prohibits the establishment and operation of a cannabis retailer within the buffer zones established in the City of Nevis Zoning Ordinance, sections 35-020 and Section 45-020.
- (B) The buffers in this Section 6 will be measured from the potential licensee's proposed business location based on the location of schools, day care facilities, residential treatment facilities, and park features on the date the city receives the request from the OCM for certification pursuant to Section 2. Buffer distances will be measured from the shortest line between the parcel on which the cannabis retailer is to be located and the parcel containing a school, day care facility, or residential treatment facility or the city-established boundary of a park feature.

- (C) Nothing in this section shall prohibit a cannabis business from continuing to lawfully operate at the same location if a school, day care, or park feature subsequently establishes within the buffer.

Sec. 7. Cannabis business complaints.

The city administrator is authorized to make complaints to the OCM related to any cannabis businesses the city believes is in violation of the act or the administrative rules adopted pursuant thereto. The city administrator is also authorized to file a complaint against a cannabis business that poses an immediate threat to the health or safety of the public and request immediate action by the OCM.

Sec. 8. Penalties administration and enforcement.

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. 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.

Violation of this ordinance shall be grounds for enforcement against any business license issued by the City of Nevis. Nothing herein shall be interpreted to preclude the city from pursuing any remedy in addition or as an alternative to criminal prosecution, in law or equity, to enforce and prevent violations of this ordinance.

Sec. 9. 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 10. Fee Schedule Update. The City of Nevis Fee Schedule is hereby updated to include the following new section:

Cannabis and Hemp Businesses

Cannabis Microbusiness – Initial Registration	\$0
Cannabis Microbusiness – Renewal	\$500
Cannabis Mezzobusiness – Initial Registration	\$500
Cannabis Mezzobusiness – Renewal	\$1,000
Cannabis Retailer – Initial Registration	\$500

Cannabis Retailer – Renewal	\$1,000
Lower-Potency Hemp Edible – Initial Registration	\$125
Lower-Potency Hemp Edible – Renewal	\$125
Medical Cannabis Combination Business – Initial Registration	\$500
Medical Cannabis Combination Business – Renewal	\$1,000
Sale Without Valid Registration (Minn. Stat. 342.22 5(e))	\$2,000 per violation

Sec. 11. Effective Date. This ordinance shall become effective from and after its passage and publication.

ADOPTED by the City Council of the City of Nevis, Minnesota this 12th day of May, 2025.

Mayor, Sue Gray

ATTEST:

Dawn Veit, City Administrator