ORDINANCE NO. 213
CITY OF MOTLEY
COUNTIES OF MORRISON & CASS
STATE OF MINNESOTA

AN ORDINANCE REPEALING ORDIANANCE NO. 205 AND REPLACING IT WITH NEW REGUALTIONS FOR LICENSED HEMP BUSINESSES

The City Council of Motley hereby ordains that Ordinance No. 205 is repealed and Section 117 of the City of Motley Code is hereby replaced by the following:

Chapter 117 HEMP BUSINESSES

Section 117.01 Administration

A. Findings and Purpose

The City of Motley makes the following legislative findings:

1. The purpose of this ordinance is to implement the provisions of Minnesota Statutes, chapter 342, which authorizes City of Motley to protect the public health, safety, welfare of City of Motley residents by regulating Hemp business licenses within the legal boundaries of the City of Motley.

2. City of Motley finds and concludes that the proposed provisions are appropriate and lawful land use regulations for the City of Motley, 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.

B. Authority & Jurisdiction

City of Motley has the authority to adopt this ordinance pursuant to:

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

Ordinance 213 shall be applicable to the legal boundaries of the City of Motley.

C. Delegation of Cannabis Retail Registration

City of Motley has delegated cannabis retail registration authority to Morrison County and Cass County. However, the City of Motley retains registration authority

over lower-potency hemp edible retailer licenses.

D. 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.

E. Enforcement

The City of Motley 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.

F. 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. Lower-potency Hemp Edible: As defined under Minn. Stat. 342.01 subd. 50.
3. Lower-potency hemp retailer: A hemp business, as defined in Minn. Stat. 342.01, Subd. 34, that holds a valid lower-potency hemp edible retail license.
4. Office of Cannabis Management: Minnesota Office of Cannabis Management, referred to as "OCM" in this ordinance.
5. 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.
6. Preliminary License Approval: OCM pre-approval for a cannabis business license for applicants who qualify under Minn. Stat. 342.17.
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 either Morrison County or Cass County to a state-licensed cannabis retail business.
9. State License: An approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.

Section 117.02 Registration of Lower-Potency Hemp Edible Retailers

A. Consent to registering of Lower-Potency Hemp Edible Retailers

1. No individual or entity may operate a state-licensed lower-potency hemp edible retail business within the City of Motley without first registering with the City of Motley.

2. Any state-licensed lower-potency hemp edible 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.

3. Notwithstanding the foregoing provisions, the state shall not issue a license to any lower-potency hemp edible retailer 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.

B. Compliance Checks Prior to Retail Registration

1. Prior to issuance of a lower-potency hemp edible retail business registration, the City of Motley shall conduct a preliminary compliance check to ensure compliance with local ordinances.

2. Pursuant to Minn. Stat. 342, within 30 days of receiving a copy of a state license application from OCM, City of Motley shall certify on a form provided by OCM whether a proposed lower-potency hemp edible retail business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

C. Registration & Application Procedure

a) Fees.

I. City of Motley shall not charge an application fee.

II. A registration fee, as established in the City of Motley's fee schedule, shall be charged to applicants depending on the type of retail business license applied for.

III. 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.

IV. Any renewal retail registration fee imposed by the City of Motley shall be charged at the time of each subsequent renewal.

V. 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.

VI. 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.

b) Application Submittal.

The City of Motley shall issue a retail registration to a state-issued lower-

potency hemp edible retail business that adheres to the requirements of Minn. Stat. 342.22.

I. An applicant for a retail registration shall fill out an application form, as provided by the City of Motley. 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.

II. The applicant shall include with the form:
   i. The registration fee as required in Section 117.02(C)(a);
   ii. A copy of a valid state license or written notice of OCM license preapproval;

III. Once an application is considered complete, the City of Motley shall inform the applicant as such, process the registration fees, and forward the application to the City Council for approval or denial.

IV. The registration fee shall be non-refundable once processed.

c) Application Approval

I. Registration of a lower-potency hemp edible retail business will be in effect and only so long as the following requirements are met:
   i. The applicant holds a valid license of license preapproval issued to the retail business by the Office of Cannabis Management;
   ii. The applicant paid the total sum of the initial registration fee in the amount required by the city's fee schedule;
   iii. During a preliminary compliance check, the retail business is found to be in compliance with the zoning and performance standards for hemp businesses established in the land use code; and
   iv. The retail business is current on all property taxes and assessments for the property on which the business is located.

II. A retail registration application shall not be approved or renewed if the applicant is unable to meet the requirements of this ordinance.

III. A state-licensed lower-potency hemp edible retail business application that meets the requirements of this ordinance shall be approved.

d) Annual Compliance Checks.

I. The City of Motley shall complete at minimum one compliance check per calendar year of every lower-potency hemp edible retail business to assess if the business meets age verification requirements, as required under Minn. Stat. 342.22 Subd. 4(b) and this Chapter.

II. The City of Motley shall conduct at minimum one unannounced age verification compliance check at least once per calendar year, as required

under Minn. Stat. 342.22 Subd. 4(b).

III. 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.

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

e) Location Change

a) A state-licensed lower-potency hemp edible retail business shall be required to submit a new application for registration under Section 117.02(C) if it seeks to move to a new location still within the legal boundaries of the City of Motley.

D. Renewal of Registration

a) General

I. The City of Motley shall renew an annual registration of a state-licensed lower-potency hemp edible retail business on July 1st of each year.

II. A state-licensed lower-potency hemp edible retail business shall apply to renew registration on a form established by the City of Motley.

III. A lower-potency hemp edible retail registration issued under this ordinance shall not be transferred.

b) Renewal Fees.

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

c) Renewal Application.

The application for renewal of a retail registration shall include, but is not limited to items required under Section 117.02(C)(b) of this Ordinance.

E. Suspension of Registration

a) When Suspension is Warranted.

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

b) Notification to OCM.

The City of Motley shall immediately notify the OCM in writing the grounds for the suspension. OCM will provide the City of Motley and lower-potency hemp edible retailer a response to the complaint within seven calendar days and perform any necessary inspections within 30 calendar days.

c) Length of Suspension.

I. The suspension of a lower-potency hemp edible 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.

II. The City of Motley may reinstate a registration if it determines that the violations have been resolved.

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

d) Civil Penalties.

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

Section 117.03 Requirements for Hemp Businesses

A. Zoning and Land Use

A hemp business licensed or endorsed by the OCM must be in compliance with the City's Zoning Code.

B. Hours of Operation
Lower-potency hemp edible retailers are limited to retail sale of lower-potency hemp edibles, or hemp-derived consumer products between the hours of 10:00 a.m. and 9:00 p.m.

C. Additional Requirements

1. Age Requirements.

2. The sale of Low-Potency Edibles is permitted only in places that admit persons 21 years of age or older. Prior to initiating a sale, an employee of the lower-potency hemp edible retailer must verify that the customer is at least 21 years of age.

3. Beverages.

4. The sale of Low-Potency Hemp Beverages is permitted in places that meet requirements of this Section.

5. *Storage of Product.*

6. Low-Potency Edibles shall be sold behind a checkout counter where the public is not permitted and stored in a locked case.

D. Advertising

Lower-potency hemp edible retailers are permitted to erect up to two fixed signs on the exterior of the building or property of the business, unless otherwise limited by the City of Motley's sign ordinances.

Section 117.04 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.

This Ordinance shall be in full force and effect from and after its passage and publication

by the City Council of the City of Motley on this 13th day of April 2026

CITY OF MOTLEY:

Pat O'Regan
Mayor

ATTEST:

Tami Brotherton
Clerk-Treasurer