

Lake of the Woods County Cannabis Ordinance



Adoption Date: December 17, 2024

Effective Date: January 1, 2025

AN ORDINANCE OF LAKE OF THE WOODS COUNTY TO REGULATE CANNABIS BUSINESSES

Section 1	Administration
Section 2	Registration of Cannabis Business
Section 3	Requirements for a Cannabis Business
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The Lake of the Woods County Board of Commissioner hereby ordains:

Section 1. Administration

1.1 Findings and Purpose

The purpose of this ordinance is to implement the provisions of Minnesota Statutes chapter 342, which authorizes Lake of the Woods County, herein referred to as “County” to protect the public health, safety, and welfare of County residents by regulating cannabis businesses within the legal boundaries of the County.

The County finds and concludes that the proposed provisions are appropriate and lawful land use regulations for Lake of the Woods County, that the ordinance and 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.

1.2 Authority and Jurisdiction

The County has the authority to adopt this ordinance pursuant to:

- a) Minnesota Statute §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 a cannabis business.
- b) Minnesota Statute §342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- c) Minnesota Statute §152.0263, Subd. 5, regarding the use of cannabis in public places.
- d) Minnesota Statute §462.357, regarding the authority of a local unit of government to adopt zoning ordinances.

- e) Minnesota Statute §394, regarding the authority of a local unit of government to adopt zoning ordinances.

All townships located within the County are considered unorganized townships. The County Board of Commissioners act as the Board members for said unorganized townships. The provisions of this Ordinance shall apply to all incorporated and unincorporated land in the County, including all unorganized townships.

One or more cities in the County have delegated cannabis retail registration authority to the County. Those cities may adopt ordinances under Sections 2.6, 3, and 4, if the County has not adopted conflicting provisions.

1.3 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.

1.4 Enforcement

The Lake of the Woods County Sheriff's Department 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.

1.5 Definitions

Unless otherwise noted in this section, words and phrases contained in Minnesota Statute §342.01 and the rules promulgated pursuant to any of these acts, shall have the same meanings in this ordinance.

Cannabis Cultivation: A cannabis business licensed by the state to grow cannabis plants within the approved amount of space from seed or immature plant; harvest cannabis flower from mature plant; package and label immature plants, seedlings, 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 of Cannabis Management.

Cannabis Retail Businesses: 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, excluding lower-potency hemp edible retailers.

Cannabis Retailer: Any person; partnership; firm; and, corporation or association, foreign or domestic, selling cannabis product to a consumer and not for the purpose of resale in any form.

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.

Lower-Potency Hemp Edible: As defined under Minnesota Statute §342.01 subd. 50.

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

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.

Preliminary License Approval: OCM pre-approved for a cannabis business license for applicants who qualify under Minnesota Statute §342.17.

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 establishments; hospitals; nursing homes; auditoriums; arenas; gyms; meeting rooms; common areas of rental apartment buildings, and other places of public accommodation.

Residential Treatment Facility: As defined under Minnesota Statute §245.462, subd. 23.

Retail Registration: An approved registration issued by a local unit of government to a state-licensed cannabis retail business.

School: A public school as defined under Minnesota Statute §120A.05, or a nonpublic school that must meet the reporting requirements under Minnesota Statute §120A.24.

State License: An approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.

Section 2. Registration of Cannabis Businesses

2.1 Consent to Registering of Cannabis Businesses

A city may delegate their registration authority to the County; therefore, no individual or entity may operate a state-licensed cannabis retail business within cities that have delegated their authority to the County, without first registering with the County. For those cities, the County will consult with the applicable city prior to registering the business. A city can still adopt specific requirements regarding zoning, buffers, and use in public places, provided said requirements are not in conflict with an ordinance adopted under the delegated authority granted to the County.

Any state-licensed cannabis retail business that sells to a customer or patient without a valid retail registration shall incur a civil penalty of up to \$2,000.00 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.

2.2 Compliance Checks Prior to Retail Registration

Prior to issuance of a cannabis retail business registration, the County shall conduct a preliminary compliance check to ensure compliance with County Ordinances.

Pursuant to Minnesota Statute Chapter 342, within thirty (30) days of receiving a copy of a state license application from OCM, the County 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.

2.3 Registration & Application Procedure

2.3.1 Fees

A registration fee, as established in the County'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 one-half (½) the amount of the initial state license fee under Minnesota Statute §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 County 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 one-half (½) the amount of the renewal state license fee under Minnesota Statute §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.

2.3.2 Application Submittal

The County 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 County. Said form shall include, but is not limited to:
 - a. Full name of the property owner and applicant;
 - b. Address, email address, and telephone number of the applicant;
 - c. The address and parcel ID for the property which the retail registration is sought;
 - d. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minnesota Statute §342.13;
 - e. Any other information as required by the County.
2. The applicant shall include the following with the form:
 - a. The non-refundable registration fee as required in Section 2.3.1;
 - b. A copy of a valid State license or written notice of OCM license preapproval;
 - c. Any other information as required by the County.
3. Once a complete application is received, the County shall inform the applicant as such, process the application fees, and forward the application to the Lake of the Woods County Board of Commissioners for consideration.

2.3.3 Application Approval

1. 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.
2. A state-licensed cannabis retail business application that meets the requirements of this ordinance shall be approved.

2.3.4 Annual Compliance Checks

The County shall complete the following:

1. A minimum of one compliance check per calendar year of every cannabis business to assess if the business meets age verification requirements, as required under Minnesota Statute §342.22, Subd. 4(b)

and Minnesota Statute §342.24 and the provisions of this ordinance.

2. A minimum of one unannounced age verification compliance check at least once per calendar year.
 - a. 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, shall 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.
3. Any compliance failures under this section must be reported to the OCM.

2.3.5 Location Change

A state-licensed cannabis retail business shall be required to submit a new application for registration under Section 2.3.2 if it seeks to move to a new location still within the legal boundaries of the County.

2.4 Renewal of Registration

The County 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 County.

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

2.4.1 Renewal Fees

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

2.4.2 Renewal Application

The application for renewal of a retail registration shall include, but is not limited to, the items required under Section 2.3.2 of this Ordinance.

2.5 Suspension of Registration

2.5.1 When Suspension is Warranted

The County may suspend a cannabis retail business' registration if it violates the provisions of this ordinance and/or poses an immediate threat to the health or safety of the public. The County shall immediately notify the cannabis retail business in writing the grounds for the suspension.

2.5.2 Notification to OCM

The County shall immediately notify the OCM in writing the grounds for the suspension. OCM will provide the County and cannabis business retailer a response to the complaint within seven (7) calendar days and perform any necessary inspections within thirty (30) calendar days.

2.5.3 Length of Suspension

The suspension of a cannabis retail business registration may be for up to thirty (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 County shall reinstate a registration if OCM determines that the violation(s) have been resolved.

2.5.4 Civil Penalties

Subject to Minnesota Statute §342.22, subd. 5(e) the County may impose a civil penalty, as specified in the County's Fee Schedule, for registration violations, not to exceed \$2,000.

2.6 Limiting of Registrations

The County shall limit the number of cannabis retail businesses to no fewer than one registration for every 12,500 residents within Lake of the Woods County.

Section 3. Requirements for Cannabis Businesses

3.1 Minimum Buffer Requirements

The County shall prohibit the operation of a cannabis business, as follows:

- Within one thousand (1,000) feet of a school
 - This shall include all property owned by any school district
- Within five hundred (500) feet of a daycare
- Within five hundred (500) feet of a residential treatment facility
- Within five hundred (500) feet of an attraction within a public park that is regularly used by minors, including playgrounds, athletic fields, indoor or outdoor skating/hockey rinks, skateboard parks, etc.

All distances referenced above shall be measured by the shortest line between the property line of the space to be occupied by the proposed cannabis business to the nearest property line of the locations identified in Section 3.1 above.

Pursuant to Minnesota Statute §462.357, subd. 1e or Minnesota Statute §394.36, subd. 1, nothing in Section 3.1 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(s) identified above.

3.2 Zoning and Land Use

The following tables show the permitted, conditional, interim, and non-permitted uses for Cannabis-related businesses within each Zoning District in the County. Uses identified with a (P) are permitted provided that all the requirements of this Ordinance are complied with. Uses identified with a (C) are allowed provided that the landowner meets the specific conditions for that use as prescribed in this Ordinance, and obtains a conditional use permit. Uses identified with an (I) are allowed provided that the landowner meets the specified conditions for that use as prescribed in this Ordinance, and obtains an interim use permit. Uses which are identified as (N) non-permitted, or those uses which are not identified in a particular zoning district, are not allowed. If applicable, cannabis-related businesses must adhere to any applicable zoning requirements enacted and regulated by cities located in the County.

3.3 Hours of Operation

Cannabis businesses 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. and 9:00 p.m.

3.4 Advertising

Cannabis businesses are permitted to erect up to two (2) fixed signs on the exterior of the building or property of the business, provided that each sign is non-illuminated and less than thirty-two (32) square feet.

Section 4. Temporary Cannabis Events

4.1 Permit Required for Temporary Cannabis Events

4.1.1 Permit Required

A permit is required by the County prior to holding a Temporary Cannabis Event and must meet the requirements of the Lake of the Woods County Large Event Ordinance, which is hereby incorporated by reference.

4.1.2 Registration & Application Procedure

An application fee, as established in the County's fee schedule, shall be charged to applicant for Temporary Cannabis Events.

4.1.3 Application Submittal & Review

The County shall require an application for Temporary Cannabis Events.

1. The applicant for a Temporary Cannabis Event shall fill out an application form, as provided by the County. Said application form shall include, but is not limited to:
 - a. Full name of the property owner and applicant;
 - b. Address, email address, and telephone number of the applicant;
 - c. Any other information required by the County.
2. The applicant shall include the following with the application form:
 - a. The application fee as required in (Section 4.1.2);
 - b. A copy of the OCM cannabis event license application, submitted pursuant to Minnesota Statute §342.39, subd. 2.
3. The application shall be submitted to the County. If it is determined that a submitted application is incomplete, the County shall return the application to the applicant with the notice of deficiencies.
4. Once an application is considered complete, the County shall inform the applicant as such, process the application fees, and approve or deny the application.

5. The application fee is non-refundable.
6. A request for a Temporary Cannabis Event that meets the requirements of this Section, and the Lake of the Woods County Large Event Ordinance, shall be approved.
7. A request for a Temporary Cannabis Event that does not meet the requirements of this Section, and the Lake of the Woods County Large Event Ordinance, shall be denied. The County shall notify the applicant of the standards not met and basis for denial.
8. Temporary cannabis events shall only be held between the hours of 10:00 a.m. and 9:00 p.m.

4.1.4 Use of Public Property

The County shall not register any temporary cannabis event which seeks to host a temporary cannabis event on any property owned or operated by the County or any of its subdivisions. This prohibition includes: any park or trail, public street, county highway, or any public sidewalk, or any building owned or operated by the County or any of its subdivisions.

The County shall not register any temporary cannabis event which seeks to host a temporary cannabis event on any property owned or operated by any city which has delegated registration authority of cannabis businesses and temporary cannabis to the County. This prohibition includes: any park or trail, public street, county highway, or any public sidewalk, or any building owned or operated by the city or any of its subdivisions.

4.1.5 On-Site Consumption

On-site consumption of cannabis during a temporary cannabis event which occurs at a place of public accommodation is permitted, provided the place of public accommodation allows such use.

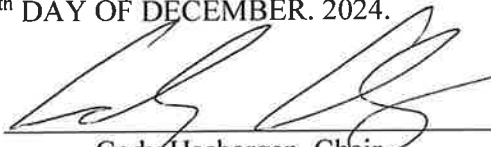
Section 5. Use in Public Places

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.

Section 6. Effective Date

This ordinance shall be in full force and effective immediately from and after its passage and publication as required by law.

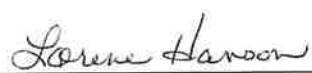
THIS ORDINANCE IS HERBY ADOPTED BY THE BOARD OF COMMISSIONERS OF LAKE OF THE WOODS COUNTY THIS 17th DAY OF DECEMBER, 2024.



Cody Hasbargen, Chair
Lake of the Woods County Board of Commissioners

December 17, 2024
Date


ATTEST:



Lorene Hanson
Lake of the Woods County Auditor/Treasurer

I certify that this is a true and complete copy of the original hereof which is on file and of record in the office of the County Auditor/Treasurer, Lake of the Woods County, Minnesota.

Dated at Baudette, Minnesota, December 17, 2024.



Lorene Hanson
Lake of the Woods County Auditor/Treasurer

