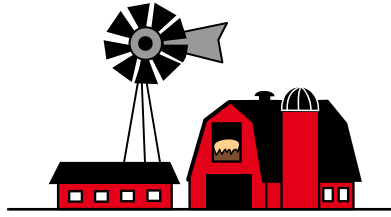


TOWNSHIP COOPERATIVE PLANNING ASSOCIATION

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-- TCPA --

Date: 5/7/2025

To: Oronoco Town Board

RE: Oronoco Township Cannabis Ordinance

Meeting: Monday, May 12, 2025, after 5:30 pm - Oronoco Town Hall, 115 2nd St NW, Oronoco, MN.

Request: To establish a standalone zoning ordinance regarding cannabis operations in Oronoco Township.

Enclosures:

1. Proposed Oronoco Township Cannabis Ordinance.

Background:

Minnesota's cannabis law, passed in 2023, established a regulatory framework for the state's new cannabis industry. Minnesota is the 23rd state in the nation to legalize adult-use cannabis.

The Office of Cannabis Management (OCM), a state office created by this new law, is tasked with several duties including providing for the licensing, inspection, and regulation of cannabis and hemp businesses. At the time of this writing, the OCM has not finalized these procedures, nor have state rules been adopted to regulate the emerging cannabis market. The OCM anticipates finalization of these procedures and rules before the end of Q1 2025.

Olmsted County passed Resolution 24-125 on September 17, 2024, amending several sections of Chapter 1400, Olmsted County Zoning Ordinance, to include provisions for cannabis related activities.

Olmsted County adopted Ordinance 24-08 on November 21, 2024, amending and reenacting several sections of chapter 2150, Olmsted County Code of Ordinances, to regulate the use and display and sale of cannabis and cannabis derived products in the county.

Pursuant to Minn. Stat. 342.13(c), the township has the authority 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. The proposed cannabis ordinance exercises this authority and further restricts cannabis related activities allowed by state and county laws.

Oronoco Township Planning Commission held a public hearing on April 21, 2025, reviewed the proposed ordinance, took public comment, and has recommended approval of the proposed ordinance.

Amendment Findings: (staff recommended findings in *italic*)

1. The proposal is consistent with the policies of the Olmsted County General Land Use Plan.

The proposed Cannabis Ordinance is consistent with the goals and policies of the Olmsted County General Land Use Plan. The intent of the proposed ordinance is to abide by state and county requirements while adding reasonable restrictions to ensure responsible growth of cannabis related activities.

2. The amendment is in the public interest.

The proposed ordinance provides the township an opportunity to protect their constituents by restricting uses that may negatively impact the use and enjoyment of neighboring properties.

3. The proposed development is timely based on surrounding land uses, proximity to development, and the availability and adequacy of infrastructure.

This finding does not pertain to this ordinance.

4. Proximity to development, and the availability and adequacy of infrastructure.

This finding does not pertain to this ordinance.

5. The proposal permits land uses within the proposed district that are appropriate on the property and compatible with adjacent uses and the neighborhood.

This finding does not pertain to this ordinance.

6. The proposal does not result in spot zoning.

This finding does not pertain to this ordinance.

7. The proposal is consistent with a General Development Plan for the area, if one exists.

This finding does not pertain to this ordinance.

Conclusion:

TCPA staff considers the proposed ordinance consistent with County regulations and recommends consideration and adoption of said ordinance.

Oronoco Township Cannabis Ordinance

Olmsted County, Minnesota

Adopted 5/12/2025
Effective xx/xx/xxxx

1 Administration

1.1 Findings and Purpose

Oronoco Township makes the following legislative findings:

The purpose of this ordinance is to implement the provisions of Minnesota Statutes, chapter 342, which authorizes Oronoco Township to protect the public health, safety, and welfare of Oronoco Township residents by regulating cannabis businesses within the legal boundaries of Oronoco Township.

Oronoco Township finds and concludes that the proposed provisions are appropriate and lawful land use regulations for Oronoco Township, that the proposed amendments will promote the community's interest by creating reasonable zoning regulation for the present and future, and that the proposed provisions are in the public interest and for the public good.

On September 17, 2024, Olmsted County Board of Commissioners adopted an amendment to Chapter 1400 of the Olmsted County Code of Ordinances to include language regarding cannabis related activities. Oronoco Township shall adhere to those regulations and further restricts cannabis related activities with this ordinance.

1.2 Authority & Jurisdiction

Oronoco Township has the authority to adopt this ordinance pursuant to:

1. 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.
2. Minn. Stat. 462.357, regarding the authority of a local authority to adopt zoning ordinances.

This ordinance shall be applicable to the legal boundaries of Oronoco Township.

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

Oronoco Township is responsible for the enforcement of this zoning 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.

Applicants seeking permitting for cannabis related activities are also subject to regulations identified in Olmsted County Code of Ordinances Chapter 2150. The Director of Olmsted County Public Health Services (Director) and the Olmsted County Sheriff (Sheriff) shall be jointly responsible for the administration and enforcement of Olmsted County Code of Ordinances Chapter 2150, as identified in section 2158.

1.5 Definitions

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 meaning in this ordinance.

1.5.1 Cannabis Business

In accordance with MN Statutes Section 342.01 Subdivision 14, "cannabis business" means any of the following licenses by the State of Minnesota:

1. Cannabis Microbusiness;
2. Cannabis Mezzobusiness;
3. Cannabis Cultivator;
4. Cannabis Manufacturer;
5. Cannabis Retailer;
6. Cannabis Wholesaler;
7. Cannabis Transporter;
8. Cannabis Testing Facility;
9. Cannabis Delivery Service;
10. Medical Cannabis Combination Business.

1.5.2 Cannabis Microbusiness

A MN Cannabis License type issued pursuant to MN Statutes Section 342.28 which permits cultivation of cannabis, manufacturing of cannabis products and hemp products, and packaging such products for sale to customers or another licensed cannabis business and which may operate a single retail location.

1.5.3 Cannabis Mezzobusiness

A MN Cannabis License type in issued pursuant to MN Statutes Section 342.29 which permits cultivation of cannabis, manufacturing of cannabis and hemp products, and packaging of such products for sale to customers or another licensed cannabis business and which may operate up to three retail locations.

1.5.4 Cannabis Cultivation

Includes license types: cannabis cultivator, cannabis mezzobusiness, cannabis microbusiness and medical cannabis combination business, means in accordance with MN Statute 342.01 Subdivision 27, any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis plants, cannabis flower, hemp plants, or hemp plant parts.

1.5.5 Cannabis Manufacturing, Processing, Extraction

Includes MN Cannabis License types: cannabis manufacturer, cannabis mezzobusiness, cannabis microbusiness, medical cannabis combination and means a business or activity that turns raw, dried cannabis and cannabis parts into other types of cannabis products such as but not limited to edibles or topicals.

1.5.6 Cannabis Retail

A MN Cannabis License type issued pursuant to MN Statutes Section 342.32 and which includes the following types of cannabis businesses: cannabis retailer, cannabis mezzobusiness, cannabis microbusiness, and medical cannabis combination. This license type allows these businesses to sell cannabis and cannabis products directly to consumers.

1.5.7 Cannabis Wholesale

A MN Cannabis License type issued pursuant to MN Statutes Section 342.33 and 342.34 and which includes the following types of cannabis businesses: cannabis wholesale, cannabis cultivator, cannabis manufacturer, cannabis mezzobusiness, cannabis microbusiness, and medical cannabis combination. This license type allows a business to purchase from a business growing or manufacturing cannabis or cannabis products and sell to a cannabis business engaged in retail operations.

1.5.8 Cannabis Transporter

A MN Cannabis License type issued pursuant to MN Statutes Section 342.35. A cannabis transporter license entitles the license holder to transport immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, cannabis wholesalers, lower potency hemp edible manufacturers, and industrial hemp growers to cannabis microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, cannabis testing facilities, cannabis wholesalers, cannabis retailers, lower potency hemp edible retailers, and medical cannabis combination businesses and perform other actions approved by the Office of Cannabis Management.

1.5.9 Cannabis Testing Facility

A MN Cannabis License type issued pursuant to MN Statutes Section 342.37. A cannabis testing facility license entitles the license holder to obtain and test immature cannabis plants and seedlings, cannabis flower, cannabis products, hemp plant parts, hemp concentrate, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, cannabis wholesalers, lower-potency hemp edible manufacturers, medical cannabis combination businesses, and industrial hemp growers.

1.5.10 Cannabis Delivery Service

A MN Cannabis License type issued pursuant to MN Statutes Section 342.41. A cannabis delivery service license entitles the license holder to purchase cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products from licensed cannabis microbusinesses with a retail endorsement, cannabis mezzobusinesses with a retail endorsement, cannabis retailers, medical cannabis retailers, and medical cannabis combination businesses; transport and deliver cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumable products to customers; and perform other actions approved by the office.

1.5.11 Daycare

"Daycare" means 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.

1.5.12 Medical Cannabis Combination Business

A MN Cannabis License type issued pursuant to MN Statutes Section 342.515 which permits the cultivation and manufacturing of cannabis and hemp products, and packaging such products for sale to customers, patients, or another licensed cannabis business. Medical cannabis combination businesses may operate up to one retail location in each congressional district.

1.5.13 Place of public accommodation

"Place of public accommodation" means a business, refreshment, entertainment, recreation, or transportation facility of any kind, whose goods, services, facilities, privileges, advantages, or accommodations are extended, offered, sold, or otherwise made available to the public.

"A public place" or "a place of public accommodation" does not include the following:

1. A private residence, including the individual's curtilage or yard.
2. A private property, not generally accessible by the public, (unless the individual is explicitly prohibited from consuming cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products) on the property by the owner of the property.
3. On the premises of an establishment or event licensed to permit on-site consumption.

1.5.14 Preliminary License Approval

"Preliminary License Approval" means the Office of Cannabis Management pre-approval for a cannabis business license for applicants who qualify under Minn. Stat. Section 342.17.

1.5.15 Residential Treatment Facility

"Residential Treatment Facility" is defined in Minnesota Statutes Section 245.462, Subd. 23.

1.5.16 State License

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

2 Registration of Cannabis Retail Business

All Cannabis Retail Businesses must comply with Olmsted County Code of Ordinances Section 2155: Registration of Cannabis Businesses. Local Zoning approval is contingent upon appropriately registering with Olmsted County Health Department.

3 Requirements for a Cannabis Business

3.1 General Zoning Regulations

3.1.1 Location Criteria

No cannabis business may be located within the following buffer distances, as measured from the nearest property line:

1. 1,000 feet of an educational institution or school, college or university, as defined in Chapter 2150, Olmsted County Code of Ordinances.
2. 500 feet of a licensed daycare facility,
3. 500 feet of a residential treatment facility,
4. 500 feet of a public park or playground,
5. Upon any county or township property

3.1.2 Existing Cannabis Businesses

Pursuant to Minn. Stat. 462.357 Subd. 1e, 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, public parks, or playground moves within the minimum buffer zone.

3.1.3 Compliance with Minnesota State Rules

All cannabis business operations must follow Minnesota Rules 9810.

3.1.4 Rural Service Center District (RSD)

All cannabis business operations are prohibited in Rural Service Center Districts.

3.1.5 Outdoor Cultivation

All Cannabis business operations including cultivation must be done indoors in an enclosed facility. Outdoor cultivation is prohibited.

3.1.6 Interim Use Permit Required

All Cannabis businesses must be granted an interim use permit per section 4 of Oronoco Township Zoning Ordinance.

3.2 Zoning and Land Use

3.2.1 Cultivation

Cannabis Businesses licensed or endorsed for cultivation are permitted with an interim use permit in the following zoning districts:

1. A-1 Agricultural Protection District;
2. A-2 Agricultural Protection District;
3. A-3 Agricultural Protection District;

Cannabis cultivation is prohibited in all other zoning districts, including A-4 Agricultural Protection District.

In no case is cannabis or medical cannabis cultivation considered incidental to the primary use of the property and may only be grown for personal use in accordance with Minnesota Statutes Section 342.09, Subd. 2 on all other zoned parcels where a dwelling is located.

3.2.2 Cannabis Manufacturer

Cannabis businesses licensed or endorsed for cannabis manufacturer are permitted with an interim use permit in the following zoning districts:

1. Industrial District

3.2.3 Wholesale

Cannabis businesses licensed or endorsed for cannabis wholesale are permitted with an interim use permit in the following zoning districts:

1. Commercial Districts
2. Industrial Districts

3.2.4 Cannabis Retail

Cannabis businesses licensed or endorsed for cannabis retail are permitted with an interim use permit in the following zoning districts:

1. Commercial Districts

3.2.5 Cannabis Transportation

Cannabis businesses licensed or endorsed for cannabis transportation are permitted with an interim use permit in the following zoning districts:

1. Commercial Districts

3.2.6 Cannabis Delivery

Cannabis businesses licensed or endorsed for cannabis delivery are permitted with an interim use permit in the following zoning districts:

1. Commercial Districts

3.2.7 Medical Cannabis Combination Business

Cannabis businesses holding a medical cannabis combination business license are permitted with an interim use permit in the following zoning districts:

1. Commercial Service District

3.3 Advertising

Cannabis Businesses are permitted to erect up to two fixed signs, no larger than 2'x4', on the exterior of the building or property of the business, unless otherwise limited by Oronoco Township's sign ordinances.

3.4 Hours of Operation

Cannabis businesses are limited to retail sales of cannabis products between the hours of 10 a.m. – 9 p.m.

4 Temporary Cannabis Events

Temporary Cannabis Events are prohibited in Oronoco Township.

5 Use of Cannabis in Public

All public use of cannabis within Oronoco Township shall be regulated and enforced by Olmsted County. The use of cannabis products in public places shall adhere to the rules and restrictions set forth in Olmsted County Code of Ordinances Chapter 2150.