

**CITY OF LAKE ELMO
COUNTY OF WASHINGTON
STATE OF MINNESOTA**

ORDINANCE NO. 2024-21

**AN ORDINANCE AMENDING THE LAKE ELMO CITY CODE TITLE 1 AND 105 TO REGULATE
CANNABIS BUSINESSES**

SECTION 1. The City Council of the City of Lake Elmo hereby amends Title 1, General Provisions; Chapter 1.08: Definitions by changing the following section (Proposed language is underlined; deleted language is shown with ~~strikethrough~~):

Cannabis business means a business licensed by the Office of Cannabis Management (OCM) as a cannabis business as defined by Minnesota Statutes, section 342.01.

Cannabis cultivation means a cannabis business that conducts an operation pursuant to Minnesota Statutes, section 342.30, as it may be amended.

Cannabis delivery means a cannabis business that conducts an operation pursuant to Minnesota Statutes, section 342.42, as it may be amended.

Cannabis event means a temporary cannabis event lasting no more than four days operating pursuant to Minnesota Statutes, section 342.39, as it may be amended.

Cannabis mezzobusiness means a cannabis business that conducts an operation pursuant to Minnesota Statutes, section 342.29, as it may be amended.

Cannabis microbusiness means a cannabis business that conducts an operation pursuant to Minnesota Statutes, section 342.28, as it may be amended.

Cannabis sales means the sale of cannabis plants and seedlings, adult-use cannabis flower, and adult use cannabis products directly to consumers pursuant to Minnesota Statutes, section 342.27.

Cannabis manufacturing means a cannabis business that conducts an operation pursuant to Minnesota Statutes, section 342.31, as it may be amended.

Commercial outdoor cannabis cultivation see “Cannabis cultivation”.

Commercial indoor cannabis cultivation see “Cannabis cultivation”.

Hemp business means a business licensed by the Office of Cannabis Management (OCM) as a hemp business as defined by Minnesota Statutes, section 342.01.

Lower-potency hemp edible manufacturing means a hemp business that conducts an operation pursuant to Minnesota Statute Section 342.45, as it may be amended.

Lower-potency hemp edible sales means a hemp business that conducts an operation pursuant to Minnesota Statute Section 342.46, as it may be amended.

Residential Treatment Facility means any facility licensed or regulated by the Minnesota Department of Human Services that provides 24-hour-a-day care, lodging, or supervision outside a person’s home and which also provides chemical dependency or mental health services.

SECTION 2. The City Council of the City of Lake Elmo hereby amends Title 105, Chapter 105.12 Zoning Code, Section 620, Table 9-1: Permitted, Conditional and Interim Uses, Rural Districts (Proposed language is underlined):

	RT	A	RR	RS	RE	Standard
Agricultural and Related Uses:						
<u>Commercial outdoor cannabis cultivation</u>	=	<u>C</u>	<u>C</u>	=	=	<u>105.12.1490</u>

SECTION 3. The City Council of the City of Lake Elmo hereby amends Title 105, Chapter 105.12 Zoning Code, Section 780, Table 11-1: Permitted and Conditional Uses, Village Districts, (Proposed language is underlined):

	V-LDR	V-MDR	V-HDR	VMX	Standard
Accessory Uses:					
<u>Lower-potency hemp edible sales</u>	<u>N</u>	=	=	<u>P</u>	<u>105.12.1490</u>

SECTION 4. The City Council of the City of Lake Elmo hereby amends Title 105, Chapter 105.12 Zoning Code, Section 870, Table 14-1: Permitted, Conditional and Interim Uses, Mixed-Use Commercial and Mixed-Use Business Park Districts (Proposed language is underlined):

	MU-C	MU-BP	Standard
Sales of Merchandise:			
<u>Cannabis event, temporary</u>	<u>P</u>	=	<u>105.12.1490</u>
<u>Cannabis manufacturing</u>	=	=	<u>105.12.1490</u>
<u>Cannabis mezzobusiness</u>	=	=	<u>105.12.1490</u>
<u>Cannabis microbusiness</u>	=	=	<u>105.12.1490</u>
<u>Cannabis sales</u>	<u>C</u>	=	<u>105.12.1490</u>
<u>Cannabis wholesaling</u>	=	=	<u>105.12.1490</u>
<u>Lower-potency hemp edible sales</u>	<u>C</u>	=	<u>105.12.1490</u>
Industrial and Manufacturing Uses:			
<u>Commercial indoor cannabis cultivation</u>	=	=	<u>105.12.1490</u>
<u>Commercial outdoor cannabis cultivation</u>	=	=	<u>105.12.1490</u>
<u>Lower-potency hemp edible manufacturing</u>	=	=	<u>105.12.1490</u>
Accessory Uses:			
<u>Cannabis delivery</u>	<u>C</u>	=	<u>105.12.1490</u>

SECTION 5. The City Council of the City of Lake Elmo hereby amends Title 105, Chapter 105.12 Zoning Code, Section 920, Table 12-1: Permitted, Conditional and Interim Uses, (Proposed language is underlined):

	LC	CC	C	BP	Standard
Sales of Merchandise:					
<u>Cannabis event, temporary</u>	=	=	<u>P</u>	<u>P</u>	<u>105.12.1490</u>
<u>Cannabis manufacturing</u>	=	=	=	<u>C</u>	<u>105.12.1490</u>
<u>Cannabis mezzobusiness</u>	=	=	=	<u>C</u>	<u>105.12.1490</u>
<u>Cannabis microbusiness</u>	=	=	=	<u>C</u>	<u>105.12.1490</u>
<u>Cannabis sales</u>	=	=	<u>C</u>	<u>C</u>	<u>105.12.1490</u>
<u>Cannabis wholesaling</u>	=	=	=	<u>C</u>	<u>105.12.1490</u>
<u>Lower-potency hemp edible sales</u>	=	=	<u>C</u>	<u>C</u>	<u>105.12.1490</u>
Industrial and Manufacturing Uses:					
<u>Commercial indoor cannabis cultivation</u>	=	=	=	<u>C</u>	<u>105.12.1490</u>
<u>Commercial outdoor cannabis cultivation</u>	=	=	=	<u>C</u>	<u>105.12.1490</u>
<u>Lower-potency hemp edible manufacturing</u>	=	=	=	<u>C</u>	<u>105.12.1490</u>
Accessory Uses:					
<u>Cannabis delivery</u>	=	=	<u>C</u>	<u>C</u>	<u>105.12.1490</u>

SECTION 6. The City Council of the City of Lake Elmo hereby amends Title 105, General Provisions; Chapter 105.12 Zoning Code, Article XXI, Design and Performance Standards, Restrictions on Nuisance and Hazardous Activities by renumbering Section 1490, Penalty, to 1500.

SECTION 7. The City Council of the City of Lake Elmo hereby amends Title 105, General Provisions; Chapter 105.12 Zoning Code, Article XXI, Design and Performance Standards, Restrictions on Nuisance and Hazardous Activities by adding a section 1490 (Proposed language is underlined):

(a) Applicability. The standards within this subsection shall apply to the following uses:

- (1) Cannabis Events, Temporary
- (2) Cannabis Manufacturing
- (3) Cannabis, Mezzobusiness
- (4) Cannabis, Microbusiness
- (5) Cannabis Sales
- (6) Cannabis Wholesaling
- (7) Commercial indoor cannabis cultivation
- (8) Commercial outdoor cannabis cultivation
- (9) Lower-Potency Hemp Edible Manufacturing
- (10) Lower-Potency Hemp Edible Sales

(b) Buffers

- (1) Any cannabis business must be setback 1,000 feet from schools as established by Minnesota Statute Section 342.13(c)

- (2) Any cannabis business must be setback 500 feet from a day care center as established by Minnesota Statute Section 342.13(c)
- (3) Any cannabis business must be setback 500 feet from a residential treatment facility as established by Minnesota Statute Section 342.13(c)
- (4) Any cannabis business must be setback 500 feet from an attraction within a public park that is regularly used by minors, including a playground or athletic field.

(c) Minimum Development Standards

- (1) Must be licensed by the State of Minnesota and in compliance with the standards set by Minnesota Statutes, Minnesota Rules, and the Office of Cannabis Management.
- (2) All facilities or sites with an associated cannabis business shall be secured as required by Minnesota Statutes, Minnesota Rules, and the Office of Cannabis Management.
- (3) Outdoor storage beyond the daily parking of vehicles is prohibited.
- (4) All operations related to a cannabis business, including but not limited to manufacturing, storage, and sales must occur within a fully enclosed building or facility meeting applicable requirements of the Lake Elmo Design Standards Manual.
- (5) The facility shall not produce noxious or nuisance causing odors, subject to the following conditions:
 - a. The facility shall be ventilated so that all odors cannot be detected by a person with a normal sense of smell at the exterior of the facility or at any adjoining use or property.
 - b. Growing cannabis must comply with all applicable laws and shall not produce noxious or dangerous gases or odors or otherwise create a danger to any person or entity in or near the facilities.
 - c. An odor maintenance plan must be submitted to the City and approved by the City.
 - d. At the City Council's discretion, the applicant may be required to provide plans that show appropriate odor control systems so as not to produce any noxious or dangerous gases or odors or create any dangers to any person or entity in or near the facility.
- (6) All mechanical, odor suppression equipment, and trash enclosures must be screened.
- (7) Lighting
 - a. All site lighting must meet City Code requirements. All light fixtures must be downward directed with cut-offs and be architecturally designed to match the overall design of the building.
 - b. The specifications of all light fixtures must be provided to the City with the application for a conditional use permit.
 - c. A photometric plan must be submitted to the City with the application for a conditional use permit indicating light measure at the property line.
- (8) Water and Wastewater
 - a. Management of wastewater shall be in accordance with the Minnesota Statutes, Minnesota Rules, standards set by the Office of Cannabis Management, standards set by the Minnesota Pollution Control Agency, and local ordinances. Where multiple standards exist, the more restrictive of the standards shall apply.
 - b. Water use within the site shall be designed to maximize the amount of water reuse possible.
- (9) Signs
 - a. Signs shall be in compliance with the Minnesota Statutes, Minnesota Rules, standards set by the Office of Cannabis Management and the City Code. Whenever a more restrictive standard exists, the more restrictive standard shall apply.

(d) Commercial outdoor cannabis cultivation – Commercial Cannabis businesses may only be permitted as follows:

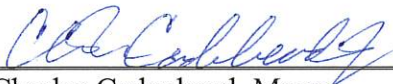
- (1) Minimum qualifying criteria:
 - a. Minimum of 20 contiguous acres are available for plants.
 - b. Any cannabis plants must be setback at least 200 feet from property lines.
 - c. No cannabis plants may be visible from the right-of-way.

- (2) Exemptions
 - a. Commercial outdoor cannabis cultivation is exempt from LEC 105.12.1490(c)(4) through LEC 105.12.1490(c)(6) but must still comply with all other requirements as applicable.
- (e) Temporary Cannabis Events – In Business and Industrial Districts, a Temporary Cannabis Event may only be permitted as follows:
 - (1) License or Permit Required for Temporary Cannabis Events. A license or permit is required to be issued and approved by the City of Lake Elmo prior to holding a Temporary Cannabis Event.
 - (2) Registration & Application Procedure. A registration fee, as established in the City of Lake Elmo's fee schedule, shall be charged to applicants for Temporary Cannabis Events.
 - (3) Application Submittal & Review. The City of Lake Elmo shall require an application for Temporary Cannabis Events.
 - (4) An applicant for a Temporary Cannabis Event shall fill out an application form, as provided by the City of Lake Elmo. 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. A site plan including the location of the event, the set-up, location of parking, dates of the proposed event, hours of operation, lighting, signage, and any other information deemed necessary by the City.
 - (5) The applicant shall include with the form:
 - a. The application fee as established in the City of Lake Elmo's fee schedule.
 - b. A copy of the Office of Cannabis Management cannabis event license application, submitted pursuant to Minnesota Statutes 342.39 subd. 2.
 - (6) The application shall be submitted to the City for review. If the City determines that a submitted application is incomplete, they shall return the application to the applicant with the notice of deficiencies.
 - (7) Once an application is considered complete, the City shall inform the applicant as such, process the application fees, and forward the application to the City Council for approval or denial.
 - (8) The application fee shall be non-refundable once processed.
 - (9) The application for a license for a Temporary Cannabis Event shall meet the following standards:
 - a. Must be licensed by the State of Minnesota and in compliance with the standards set by the Office of Cannabis Management.
 - b. Temporary Cannabis Events may only be held at approved Cannabis Mezzobusiness, Cannabis Microbusiness, and Cannabis Retail Locations.
 - c. Temporary Cannabis Events must be held indoors.
 - d. Temporary Cannabis Events must last no more than four consecutive calendar days.
 - e. No more than four Temporary Cannabis Events may be conducted at a single location in a calendar year.
 - f. Hours of operation for a Temporary Cannabis Event are limited to 10:00 AM to 5:00 PM.
 - (10) A request for a Temporary Cannabis Event that meets the requirements of this Section shall be approved.
 - (11) A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. The City shall notify the applicant of the standards not met and basis for denial.

SECTION 8. Effective Date. This ordinance shall become effective immediately upon adoption and publication in the official newspaper of the City of Lake Elmo.

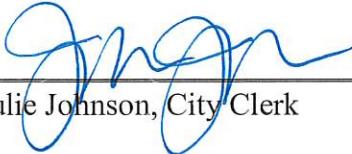
SECTION 9. Adoption Date. This Ordinance 2024-21 was adopted on this 3rd day of December 2024, by a vote of 5 Ayes and 0 Nays.

LAKE ELMO CITY COUNCIL



Charles Cadenhead, Mayor

ATTEST:



Julie Johnson, City Clerk

This Ordinance 2024-21 was published on the 20th day of December, 2024.