DENMARK TOWNSHIP
WASHINGTON COUNTY, MINNESOTA
Ordinance No. 2025-_____

AN ORDINANCE AMENDING THE DENMARK TOWNSHIP DEVELOPMENT CODE REGARDING CANNABIS BUSINESSES

The Board of Supervisors of the Town of Denmark ordains:

Article I. **Cannabis Businesses**. Chapter Two, Part 3 of Denmark Development Code is amended by adding a new Section 8 as follows:

SECTION 8. CANNABIS BUSINESSES

8.1. Purpose. The purpose of this Section is to protect the public health, safety, welfare of the Town's residents, and to promote the community's interest in reasonable stability in zoning, by regulating cannabis businesses within the legal boundaries of the Town. This Section does not regulate those who grow, process, or research industrial hemp pursuant to a license issued under Minnesota Statutes, chapter 18K, or others who grow hemp that are not required to obtain a license under Minnesota Statutes, chapter 342.

8.2. Authority. The Town is authorized by Minnesota Statutes, section 342.13(c) to adopt reasonable restrictions on the time, place, and manner of the operation of a cannabis business, including the adoption of zoning regulations under Minnesota Statutes, section 462.357. The Town is also authorized to register cannabis businesses under Minnesota Statutes, section 342.22 and to regulate the use of cannabis in public places under Minnesota Statutes, section 152.0263, subdivision 5. The intent of this section is to comply with the provisions of Minnesota Statutes, chapter 342 and the rules promulgated thereunder. References to statutes shall include any amendments made to those sections and includes any successor provisions.

8.3. Definitions. For the purpose of this Section, the following terms shall have the meaning given them in this subsection. Any term not defined in this subsection shall have the meaning given the term in Minnesota Statutes, section 342.01, or in the rules promulgated by the Minnesota Office of Cannabis Management, including any amendments made thereto.

(1) Adult-Use Cannabis Product: Has the meaning given the term in Minnesota Statutes, section 342.01, subdivision 4.

(2) Cannabis Business: Has the meaning given the term in Minnesota Statutes, section 342.01, subdivision 14, and includes all businesses listed thereunder. For the purposes of this section, the term also includes hemp manufacturers and hemp retailers.

(3) Cannabis Cultivator: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.30, or such other law as may apply, to cultivate cannabis.

(4) Cannabis Event Organizer: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.39, or such other law as may apply, to hold temporary cannabis events.

(5) Cannabis Manufacturer: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.31, or such other law as may apply, to manufacture cannabis.

(6) Cannabis Wholesaler: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.33, or such other law as may apply, to sell cannabis at wholesale.

(7) Cannabis Retailer: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.32, or such other law as may apply, to sell cannabis at retail.

(8) Cannabis Testing Facility: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.37, or such other law as may apply, to test cannabis.

(9) Cannabis Transporter: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.35, or such other law as may apply, to transport cannabis.

(10) Cannabis Deliverer: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.41, or such other law as may apply, to sell deliver cannabis.

(11) 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.

(12) Hemp Manufacturer: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.43, or such other law as may apply, to manufacture lower-potency hemp edibles.

(13) Hemp Retailer: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.43, or such other law as may apply, to sell lower-potency hemp edibles at retail.

(14) Lower-Potency Hemp Edible: Has the same meaning given the term in Minnesota Statutes, section 342.01, subdivision 50.

(15) Medical Cannabis Combination Business: A cannabis business licensed or endorsed by the Office of Cannabis Management under Minnesota Statutes, section 342.515, or such other law as may apply, to cultivate, manufacture, package, and sell cannabis.

(16) Office of Cannabis Management: The Minnesota Office of Cannabis Management, which has the powers and duties set out in Minnesota Statutes, section 342.02.

(17) 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.

(18) 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.

(19) Residential Treatment Facility: Has the meaning given the term in Minnesota Statutes, section 245.462, subdivision 23.

(20) School: A public school as defined under Minnesota Statutes, section 120A.05, or a nonpublic school that must meets the reporting requirements under Minnesota Statutes, section 120A.24.

8.4. Allowed Uses.

(1) Zoning Districts. Notwithstanding anything to the contrary in this Development Code, the following uses are allowed in the identified zoning districts with the issuance of an interim use permit.

Use	**Zoning District**
Cannabis Retailer	Commercial Industrial (CI)
Hemp Retailer	Commercial Industrial (CI)
Cannabis Cultivator	Agricultural Preserves (AP) & Agriculture (A2)
Cannabis Manufacturer	Commercial Industrial (CI)
Hemp Manufacturer	Commercial Industrial (CI)
Cannabis Wholesaler	Commercial Industrial (CI)
Cannabis Testing Facility	Commercial Industrial (CI)
Cannabis Transporter	Commercial Industrial (CI)
Cannabis Deliverer	Commercial Industrial (CI)
Cannabis Event Organizer	Agriculture (A2)

Medical Cannabis Combination Business	[Based on the Type of Use]

(2) Medical Cannabis Combination Business. A medical cannabis combination business shall, for the purposes of determining in which zoning districts the particular cannabis business may be located, be classified as a cannabis cultivator, cannabis manufacturer, and/or a cannabis retailer depending on the scope of its operations.

8.5. Permit Required. No cannabis business shall operate within the Town without first obtaining an interim use permit from the Town in accordance with Chapter One, Section 11.

8.6. Buffer Zones.

(1) Buffer Distances. Except as provided below, no cannabis business shall be located or operate within:

(A) 1,000 feet of a school;

(B) 500 feet of a residential treatment facility;

(C) 500 feet of a daycare facility; or

(D) 500 feet of an attraction within a public park that is regularly used by minors including, but not limited to, playgrounds and athletic fields.

(2) Nonconforming. A cannabis business lawfully established and operating in a location may continue to operate as a lawful nonconforming use if a school, residential treatment facility, daycare facility, or park is established within the required buffer distance. A cannabis business that becomes nonconforming is subject to the restrictions in Minnesota Statutes, section 462.357, subdivision 1e.

8.7. Performance Standards. Cannabis businesses shall comply with the performance standards and restrictions set out in this Section and with all other applicable Minnesota and local laws, rules, regulations, and ordinances.

(1) Licensing. No cannabis business may operate within the Town unless it licensed by the Office of Cannabis Management, and then only to the extent allowed by the licenses and endorsements issued to the cannabis business.

(2) Registration. No cannabis business may operate within the Town unless it is currently registered with the County, if registration of the particular type of cannabis business is required under Minnesota Statutes, section 342.22. If the County acts to suspend the registration the cannabis business shall cease all activities associated with registered business until the registration is reinstated. If

the County acts to cancel a registration, the cannabis business shall cease all activities associated with the registered business.

(3) Town Development Code. Every cannabis business shall comply with all applicable requirements of this Development Code.

(4) Building Code. Cannabis businesses shall comply with all applicable building and fire codes.

(5) Hours of Operation. No cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may sell cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products outside of the hours of operation established by the County. If the County does not establish specific hours of operation, the hours established in Minnesota Statutes, section 342.27, subdivision 7 shall apply.

(6) Retail Sales. Any cannabis business licensed or endorsed to sell cannabis or lower-potency hemp edibles at retail shall comply with the following:

(A) The owner shall include a copy of the operating plan required under Minnesota Statutes, section 342.32, subdivision 3 as part of the application materials for an interim use permit for the cannabis business; and

(B) Comply with the prohibitions contained in Minnesota Statutes, section 342.27, subdivision 12 including, but not limited to, not operating a drive-through window, not dispensing products using a vending machine, and not making sales when the cannabis business knows that any required security or statewide monitoring system is not operational.

(C) All parking areas, loading areas and access drives to parking and loading areas shall be durable and dustless.

(7) Cannabis Cultivation. Any cannabis business licensed or endorsed to cultivate cannabis shall comply with the following:

(A) The owner shall include a copy of the operating plan required under Minnesota Statutes, section 342.30, subdivision 3 as part of the application materials for an interim use permit for the cannabis business; and

(B) Comply with the requirements in Minnesota Statutes, section 342.25 and all applicable rules established for such operations.

(8) Lower-Potency Hemp Edibles. The sale of lower-potency hemp edibles are subject to the restrictions and requirements of this subsection.

(A) The sale of lower-potency hemp edibles is only allowed in places that limit admission to persons 21 years of age and older.

(B) Lower-potency hemp edibles shall be stored in a locked case and may only be sold behind a counter.

(9) Prohibitions. No cannabis business shall operate in a manner that violates, or fails to comply with, the provisions of Minnesota Statutes, chapter 342, such other laws as may apply, and the following:

(A) No cannabis flower, cannabis products, or hemp-derived consumer products in a manner that involves the inhalation of smoke, aerosol, or vapor shall be used at any location where smoking is prohibited under Minnesota Statutes, section 144.414; and

(B) No cannabis business authorized to sell at retail shall sell any cannabis flower or cannabis products in violation of any of the prohibitions in Minnesota Statutes, section 342.27, subdivision 12.

8.8. Cannabis Event Permit. No cannabis event may occur within the Town unless the event organizer first obtains a cannabis event permit from the Town and complies with the requirements of this subsection and all applicable laws.

(1) Consumption Prohibited. The consumption of adult-use cannabis products at a cannabis event is prohibited.

(2) Permit Required. A cannabis business licensed by the Office of Cannabis Management to conduct temporary cannabis events may only conduct an event in a zoning district in which the use is allowed, and then only upon obtaining a cannabis event permit from the Town.

(3) Application Process. Unless the interim use permit issued to a cannabis event organizer indicates otherwise, the following procedure shall apply for seeking a cannabis event permit for an event. A separate cannabis event permit is required for each event.

(A) The applicant must complete and submit the Town's cannabis event permit application form together with the applicable fee at least 60 days before the start of the proposed event. Incomplete applications will be returned to the applicant without processing. If the proposed cannabis event constitutes a special event under the Town's regulations, the applicant is required to follow the applicable requirements to obtain a special events license or permit, and such approval shall also constitute the cannabis event permit for the particular event.

(B) If approved, the cannabis event permit shall, at a minimum, indicate the event location, dates (not to exceed four days), daily operating hours, and the specific restrictions or requirements placed on the event. The types of restrictions and requirements placed on an event will vary depending on the anticipated size and may include, but are not limited to, traffic routing, parking, security, sanitation facilities, garbage, first aid, limitations on amplified music and public address systems, insurance coverages, and maximum attendance.

(4) Enforcement. The Town may suspend or revoke a cannabis event permit if the event organizer fails to comply with the conditions placed on the permit in any material way after being informed of the violation and the need to correct it. The Town may deny issuing a permit to an event organizer that failed to comply with any cannabis event permit issued within the preceding three years.

8.9. Public Use of Cannabis. 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 a cannabis business licensed by the Office of Cannabis Management for on-site consumption.

ARTICLE II. Incorporation of Amendments. The Town Attorney and Town Clerk-Treasurer are hereby authorized and directed to incorporate the amendments made by this ordinance, and any previous amendments that have not been incorporated, into the Development Code, including updating the table of contents and making non-substantive corrections as may be needed. Such updated document shall constitute the Town's official Denmark Township Development Code.

ARTICLE III. Effective Date. This Ordinance is effective on the first day of publication of an approved summary.

Adopted this 6th day of January 2025.

BY THE TOWN BOARD

_____
John Strohfus, Chairperson

Attest:_____
Jessica Maurer, Clerk-Treasurer

New material is shown in double underlining and deleted material is shown in ~~strikeout~~.