

July 29, 2024

Emily Hestbech, City Planner
City of Bloomington
1800 West Old Shakopee Road
Bloomington, Minnesota 55431

Via Email
Ehestbech@bloomingtonmn.gov

Re: Vireo – Comment Letter on Draft Adult Use Cannabis Draft Ordinance

Dear Ms. Hestbech:

We represent Vireo Health of Minnesota, LLC (“Vireo”), the operator of eight medical marijuana dispensaries in Minnesota, which operate under the Green Goods name, including one location in the City of Bloomington (“City”). This letter provides comments regarding the staff report and draft ordinance (“Draft Ordinance”) language presented to the City Council concerning cannabis zoning and licensing, which occurred on June 17, 2024.

In addition to its medical marijuana dispensaries, Vireo also owns and operates a cultivation and manufacturing facility in Otsego, Minnesota. Vireo intends to expand its product offerings and will grow, manufacture, and sell both medical cannabis and adult-use recreational cannabis under the Medical Cannabis Combination Business license. Vireo’s only operations in the City will continue to be a retail dispensary located at 5232 West 84th Street (“Existing Dispensary”). On behalf of Vireo, we offer the following comments regarding the Draft Ordinance language.

Distinguish Use Regulations from License Type

Under the Draft Ordinance, the Medical Cannabis Combination Business license is grouped with Cannabis Mezzobusiness, and Cannabis Microbusiness licenses, all of which are classified as a “Cannabis Combination Business.” However, it is important to distinguish the license type from the land uses categories. Each of the three licenses classified as a “Cannabis Combination Business” authorizes different and distinct activities.

Vireo will operate under a Medical Cannabis Combination license, which allows Vireo to conduct cultivation, manufacturing, and retail sales of both medical and adult-use recreational cannabis. However, there is no requirement that these activities occur on the same site. Vireo’s cultivation and manufacturing operations will continue to be based in Otsego, and its only operations within the City will be retail sales. The Draft Ordinance would combine all activities into a single use category and only allow a “Cannabis Combination Business” to be located in the Transitional Industrial (TI) District, which assumes that the facility will be operating as a cultivation and manufacturing site. Vireo intends to only operate its retail location within the City. As it is currently written, the Draft Ordinance would preclude Vireo’s Existing Dispensary. We ask that the Draft Ordinance be amended to reflect and acknowledge that a Medical Cannabis Combination Business license authorizes multiple land uses, including agricultural, manufacturing, and retail activities, each of which should be regulated accordingly.

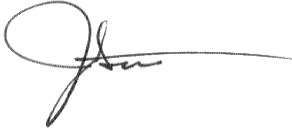
Recognition of Existing Retail Facility

The City is contemplating limiting the number of retailer licenses to one per every 12,500 residents in the City, which would allow up to seven licenses. Vireo currently operates an existing retail location within the City at 5232 W 84th Street. Vireo intends to continue to operate in at this location. Accordingly, Vireo requests that the City consider adopting ordinance language that will ensure Vireo can continue to operate at this existing location without the risk of being affected by any newly adopted license cap.

Vireo is an established provider of medical cannabis to your community and one of two existing licensed medical cannabis manufacturer/retailers in the state. If Vireo can be of assistance with providing information or expertise during the City's drafting of this ordinance, please do not hesitate to contact me.

Please contact me with any questions about this letter or the information contained within.

Sincerely,



Jacob W. Steen, for
Larkin Hoffman

Direct Dial: 952-896-3239

Direct Fax: 952-842-1738

Email: jsteen@larkinhoffman.com

cc: Amber Shimpa (ambershimpa@vireohealth.com)
Regina Simonson (reginasimonsen@vireohealth.com)



July 29, 2024

The Honorable Tim Busse, Mayor of Bloomington
and Members of the Bloomington City Council
Bloomington Civic Plaza
1800 W. Old Shakopee Road
Bloomington, MN 55431

Dear Mayor Busse and Members of the City Council,

On behalf of the Advisory Board of Health, we would like to urge the City Council to focus on youth health as you think about cannabis policies. We are focused on mental health and concerned about the trends we see in the community. The data we have been presented and see around cannabis raises those concerns, especially for our youth.

During our Board's May meeting, we reviewed a research presentation by the University of Minnesota School of Public Health's Cannabis Research Center (CRC). The research highlighted how the use of cannabis by individuals under the age of 21 can increase the risk of serious long-term health concerns. These include, but are not limited to, problems with brain development that can harm thinking, learning, and memory skills, development of a cannabis use disorder, mental health issues, progression to other substances, and poisoning among young children. Being over the age of 21 does not remove the risk of such disorders, but youth are especially susceptible given their still-developing brains: approximately 10.7% of youth will develop a cannabis use disorder after 12 months of using the substance compared to 6.4% of adults. After 36 months, these numbers increase to 20.1% and 10.9%, respectively.¹

Colorado law requires evidence statements and reviews of health impacts of cannabis from the Colorado Department of Public Health and Environment and an appointed panel of experts. Their evidence statements are detailed, current, and incorporate their experience. Their conclusion on adolescent and young adult health related to cannabis use is as follows:

“Adolescent and young adults who use marijuana are more likely to experience psychotic symptoms as adults (such as hallucinations, paranoia, and delusional beliefs), future psychotic disorders (such as schizophrenia) and suicidal thoughts or attempting suicide. Evidence shows that adolescents who use marijuana are more likely to not graduate high school or attain a college degree, can become addicted to marijuana, and that treatment for marijuana addiction can decrease use and dependence.”²

Colorado put in place strict rules for preventing those under 21 from accessing cannabis, making it a felony to provide retail cannabis to someone under 21 and prohibiting anyone under 21 from entering a

¹ Volkow ND, Han B, Einstein EB, Compton WM. Prevalence of Substance Use Disorders by Time Since First Substance Use Among Young People in the US. *JAMA Pediatr.* 2021;175(6):640–643.

² (Colorado Department of Public Health and Environment (CDPHE), 2024)
<https://marijuanahealthreport.colorado.gov/literature-review/evidence-statements>

cannabis retailer. However, the CRC noted how Minnesota is unique when compared to the policies of other states and how that creates some challenges when looking to protect youth from the health impacts of cannabis. In Minnesota, zoning is one of the only tools local governments have to limit youth access to cannabis retailers. It is anticipated that cannabis will be similar to alcohol and tobacco, where retail density is strongly correlated with access and youth initiation.

The Board therefore considered the potential impact of zoning policies under the new Minnesota law, which permits buffer zones for cannabis sales of up to 1,000 feet at schools, and 500 feet for day care centers, residential treatment facilities, group homes, sports fields, and playgrounds frequented by minors as a means of preventing youth exposure and access to cannabis. With all cities and counties in the state of Minnesota currently working to implement their own set of policies simultaneously, the City of Bloomington does not have any in-state peer cities to consult with on prior experience with cannabis. Thus, Bloomington Public Health has reached out to similar-sized cities in other states with zoning ordinances, receiving responses from cities in California, Connecticut, Michigan, Massachusetts, Ohio, Maine, and Washington. All reported the success of their respective ordinances, finding no evidence of elevated cannabis use among youth. These findings are in general agreement with reported nationwide trends as an increasing number of states have legalized both medical and recreational cannabis use.³ It was based on this info and the health concerns for youth that the Advisory Board of Health provided the recommendation for a buffer of 1,000 feet for schools, 500 feet for treatment facilities and 300 feet for sports fields and playgrounds frequented by minors.

The Advisory Board of Health looks forward to continuing to work with City Council on ways to protect our future, the youth of our community.

Sincerely,

Andrea Puckett

Andrea Puckett
Chair, Advisory Board of Health

³ Coley RL, Carey N, Kruzik C, Hawkins SS, Baum CF. Recreational Cannabis Legalization, Retail Sales, and Adolescent Substance Use Through 2021. *JAMA Pediatr.* 2024;178(6):622–625.