

GENERAL INFORMATION

Applicant: Pack, LLC (DBA Marawanna) (applicant)
8200 Grand, LLC (owner)

Location: 8200 Grand Avenue South

Request: Conditional Use Permit for a cannabis manufacturing facility in an existing industrial building

Existing Land Use and Zoning: Office/warehouse building; zoned I-3 General Industrial

Surrounding Land Use and Zoning: North – Office building; zoned I-3
South – Industrial flex building; zoned I-3
East – Parking lot; zoned I-3
West – Single-family residential; zoned R-1

Comprehensive Plan Designation: Industrial

CHRONOLOGY

Planning Commission 01/15/2026 Public hearing scheduled

DEADLINE FOR AGENCY ACTION

Application Date: 11/06/2025
60 Days: 01/25/2026
Extension Letter Mailed: No
120 Days: 03/26/2026
Applicable Deadline: 01/25/2026

STAFF CONTACT

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PROPOSAL

The proposed facility at 8200 Grand Ave South (Suite #300) would be used exclusively for cannabis product manufacturing, packaging, and storage. The proposed facility would occupy approximately 4,350 square feet in the northern portion of an approximately 20,700 square-foot industrial building. Planned activities include:

- Infusion and production of edible products such as gummies, chocolate, and beverages;
- Production of cannabis vapes;
- Production of cannabis pre-rolls;
- Packaging and labeling in compliance with Minnesota Office of Cannabis Management (OCM) requirements;
- Secured storage of raw cannabis material and finished goods; and
- Distribution of finished products to licensed dispensaries and retail partners.

Direct retail sales to the public are not planned. The facility would have secure access and limited external traffic. Hours of operation are planned to occur during standard business hours but could be expanded depending on demand. A preliminary plan for odor mitigation has been submitted.

BACKGROUND

On September 20th, 2024, City Council approved Ordinance #2024-21, creating the use type “cannabis manufacturer”. Cannabis manufacturer is defined as “An establishment engaged in the purchase, acceptance, manufacturing, packaging, and sale of cannabis, hemp, or products derived therefrom, that has a valid, approved license issued by the State of Minnesota.” In the I-3 zoning district, the cannabis manufacturer use is listed as conditional, therefore a Conditional Use Permit application to the Planning Commission is required.

ANALYSIS

Land Use

The proposed cannabis manufacturing facility is a conditional use in the I-3 zoning district. As an industrial use, the proposed facility is consistent with the Industrial land use designation in the Comprehensive Plan. The facility is not anticipated to have any hazardous materials.

Code Compliance

Subject to compliance with the conditions of approval, the use is not in conflict with City Code provisions. There are no use-specific standards for cannabis manufacturing facilities.

Site Design

The tenant is proposing to occupy a space in an existing building. No exterior modifications to the site are proposed.

Building Design

The tenant is proposing to occupy a space in an existing building. No exterior modifications to the building are proposed. Building permits would be required to remodel existing spaces to accommodate the new tenant and make the necessary HVAC improvements. The tenant is proposing to install an odor mitigation system for the facility. Given the proximity to residential uses to the west, staff is recommending that the CUP include conditions of approval related to odor mitigation. Staff would recommend that the City’s Building Official approve the odor mitigation system prior to the issuance of any building or other trade permits. In addition, a condition is recommended that installation of the approved system be verified prior to occupancy and operation of the business.

Access, Circulation, and Parking

The site has two driveways to Grand Avenue South, with parking areas on the east and southern portions of the site. There is adequate internal circulation.

The tenant is proposing to use an existing parking lot that serves the business within the building. There is 4,250 square feet of tenant space being occupied for this use, which requires nine parking spaces. Table 3 provide a parking analysis for the full building.

Table 3: City Code Required Parking Analysis

Use	Code requirement	Unit or number	Required
General manufacturing	1 space per 500 square feet of gross floor area	9,080 square feet	18
Office	One space per 285 square feet	2,345 square feet	8
Warehouse	One space per 1,000 square feet	9,028 square feet	9
Parking Required			35
Parking Provided			39

Landscaping, Screening and Lighting

Conditional Use Permit approval requires that site landscaping meets city code requirements or the approved plan of record for the property. The property owner must verify compliance with the approved plan of record, or the owner/applicant would have the option of adding a proportional amount of landscaping to the site based on the size of the tenant space in relation to the overall building. A condition of approval is recommended that requires a landscaping plan be provided and approved by the Planning Manager prior to building permit issuance.

Conditional Use Permit approval of the application requires that the parking lot lighting is brought up to city code requirements for the proposed tenant space. The applicant previously made exterior lighting improvements to the site in 2019 as part of a parking lot project. No further lighting modifications are anticipated to meet Code requirements for the proposed use.

Stormwater Management

The proposed use will be located within an existing building. No exterior changes that affect stormwater discharge are proposed with this application.

Utilities

The subject property will be served by City water and sewer services. No discharge of manufacturing related materials into City sewer systems is anticipated.

Traffic Analysis

No significant impacts to the adjacent traffic patterns due to this building addition have been identified. The site is served by two driveways to Grand Avenue South, with close proximity to West 82nd Street, a collector roadway. There is adequate capacity on these roadways to serve the proposed use.

Fire Prevention and Public Safety

Emergency vehicle access must meet or exceed the minimum standards of the Fire Code. The tenant space must be sprinklered. The property and building(s) address and building numbers shall be clearly visible from the entry point into the property. The building and/or tenant address shall be a minimum of four inches, be Arabic numbers or alphabetical letters with a minimum stroke width of .5 inches and contrasting to the background. All exterior doors that allow access to the interior of the tenant space shall be numbered in a sequential order starting with the main entrance (public entrance) as number 1 and continue in a clockwise manner. The numbering plan will be approved by the Police and Fire Departments.

Any changes made to the current plans, including building location, access road, water supply and addressing, shall be reviewed by the Fire Department to ensure continued compliance with the Fire Code.

The facility will include comprehensive security systems with cameras, alarms, and restricted access entry points.

Status of Enforcement Orders

The property is not subject to any open enforcement orders.

OUTREACH

Outreach/Notification

- Mailed Notice (10-day notice – 500 foot buffer)
- Newspaper Notice (10-day notice – 01/01/26 Sun Current)
- Public Hearing Notice Online
- E-Subscribe Group Notification

Staff has received three emails of correspondence from neighboring residents expressing concerns about neighborhood impacts, including odor and safety. The correspondence items are attached to the staff report for consideration by the Planning Commission.

FINDINGS

Required Conditional Use Permit Findings - Section 21.501.04(e)(1-5)

Required Finding	Finding Outcome/Discussion
(1) The proposed use is not in conflict with the Comprehensive Plan.	Finding Made – There is no conflict between the proposed use and the Comprehensive Plan. The proposed cannabis manufacturing facility is consistent with the Comprehensive Plan’s Industrial designation.
(2) The proposed use is not in conflict with any adopted district plan for the area.	Finding Made – The proposed use is not located within any adopted district plan.
(3) The proposed use is not in conflict with city code provisions.	Finding Made – Subject to compliance with the conditions of approval, the use is not in conflict with City Code provisions.
(4) The proposed use will not create an excessive burden on parks, schools, streets, and other public facilities and utilities which serve or are proposed to serve the planned development.	Finding Made – The proposed cannabis manufacturing facility is not expected to generate increased traffic or noticeably impact surrounding streets. Its size and scale will not place an excessive burden on parks, schools, streets, or public utilities, such as the sanitary sewer or water systems.
(5) The proposed use will not be injurious to the surrounding neighborhood or otherwise harm the public health, safety and welfare.	Finding Made – The proposed cannabis manufacturing facility is compatible with existing uses within the multi-tenant industrial building. The use is not anticipated to generate a large volume of traffic or disturbance to the area. Any impacts related to odor from the manufacturing facility can be mitigated with an odor mitigation system. Subject to the conditions of approval, the use is not anticipated to be injurious to the surrounding neighborhood or harm the public health, safety or welfare.

RECOMMENDATION

Note the Planning Commission has final approval authority on this Conditional Use Permit application unless an appeal to the City Council is received by 4:30 p.m. on January 20th.

Staff recommends approval through the following motion:

In Case #PL202500181, having been able to make the required findings, I move to adopt a resolution approving a Conditional Use Permit for a cannabis manufacturing facility at 8200 Grand Avenue South, subject to the conditions and Code requirements listed in the resolution.