

ORDINANCE NO. 2024-____

AN ORDINANCE CREATING NEW ZONING USES AND OTHER ZONING REGULATIONS APPLICABLE TO CANNABIS BUSINESSES, THEREBY AMENDING CHAPTERS 19 AND 21 OF THE CITY CODE

The City Council for the City of Bloomington, Minnesota, ordains:

Section 1. That Chapter 19 of the City Code is hereby amended by deleting those words within brackets and ~~[stricken through]~~ and adding those words that are underlined, to read as follows:

CHAPTER 19: ZONING

ARTICLE I: GENERAL PROVISIONS

DIVISION B: DEFINITIONS

§ 19.03 DEFINITIONS.

CANNABIS COMBINATION BUSINESS. A business establishment engaged in a combination of two or more of the following activities on a single property: cultivation, manufacturing, purchasing, processing, packaging, or sale of cannabis, medical cannabis, or hemp, or products derived therefrom, that has a valid, approved license issued by the State of Minnesota. The size and type of the combination business is determined by the State license type, mezzobusiness, microbusiness, or medical cannabis combination business, as defined in M.S. Chapter 342.

CANNABIS MANUFACTURER. 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.

CANNABIS TESTING FACILITY. An establishment engaged in obtaining and testing cannabis and hemp, or products derived therefrom, that has a valid, approved license issued by the State of Minnesota.

LOW POTENCY HEMP EDIBLE MANUFACTURER. An establishment engaged in the purchase, making, manufacturing, packaging, labeling, and selling of lower-potency hemp products, that has a valid, approved license issued by the State of Minnesota.

~~[**MEDICAL MARIJUANA.** Any species of the genus cannabis plant, or any mixture or preparation of them, including whole plant extracts and resins and is delivered in the form of (1) liquid, but not limited to oil; (2) pill; (3) vaporized delivery method with use of liquid or oil, but which does not require the use of dried leaves or plant form that has been approved the Commissioner of the Minnesota Department of Health under M.S. § 152.25, as it may be amended from time to time.]~~

~~[**MEDICAL MARIJUANA DISTRIBUTION FACILITY.** An establishment engaged in the sale of medical marijuana that is validly registered and approved by the State of Minnesota.]~~

ARTICLE III: ZONING DISTRICT MAP, ZONING DISTRICTS AND DISTRICT USES

§ 19.31.01 REGIONAL COMMERCIAL (CR-1) DISTRICTS.

(d) *Conditional uses.*

(8) Vehicle rental accessory to Class I motor vehicle sales subject to the regulations set forth in § 19.63.07(e);

(9) Reserved~~[Medical marijuana distribution facility];~~

(10) Major commercial golf facility;

ARTICLE IIIA: ADDITIONAL ZONING DISTRICTS

§ 19.40.07 COMMERCIAL SERVICE DISTRICTS CS-0.5 AND CS-1.

(d) *Conditional uses.*

(23) Taproom/cocktail room; ~~[and]~~

(24) Craft and micro-brewery/distillery/winery[-]; and

(25) Cannabis manufacturing in the CS-0.5 District

§ 19.40.08 COMMERCIAL OFFICE DISTRICT CO-1.

(d) *Conditional uses.*

(18) Taproom/cocktail room;[~~and~~]

(19) Craft and microbrewery/distillery/winery[~~;~~]; and

(20) Cannabis testing facility.

Section 2. That Chapter 21 of the City Code is hereby amended by deleting those words within brackets and [~~stricken through~~] and adding those words that are underlined, to read as follows:

CHAPTER 21: ZONING AND LAND DEVELOPMENT

ARTICLE II: DISTRICTS AND USES

DIVISION H: USES

§ 21.209 USE TABLES

(d) *Neighborhood and Freeway Commercial Zoning Districts.*

Use Type	Zoning District								References; See Listed Section	
	B-1	B-2	B-4	C-1	C-2	C-3	C-4	C-5		

Medical Facilities										

[Medical marijuana distribution facility]		[C]	[C]		[C]	[C]		[C]	[14.267, 21.302.22]	

(e) *Industrial Zoning districts.*

Use Type	Zoning District							References; See Listed Section
	IT	I-1	I-2	I-3	IP	TI	FD-2	

Technology and Manufacturing								
Cannabis combination business						C		Chapter 14, Article IV, Division L
Cannabis manufacturer		C	C	C	C	C	C	Chapter 14, Article IV, Division L
Cannabis testing facility	C	C	C	C	C	C	C	Chapter 14, Article IV, Division L
Craft and micro-brewery/distillery/winery	P		P	P	P	P	P	Chapter 13 Article III, Chapter 14 Article I, 21.302.29

(f) *Specialized zoning districts.*

Use Type	Zoning District		References See Listed Section
	CX-2	LX	

Medical Facilities			

[Medical marijuana distribution facility]	G	G	[14.267, 21.301.22]

Technology and Manufacturing			
Cannabis testing facility	C	C	

ARTICLE III: DEVELOPMENT STANDARDS

DIVISION A: GENERAL STANDARDS

§ 21.301.06 PARKING AND LOADING.

(d) *Number of off-street parking spaces required.*

(1) The minimum number of off-street parking spaces provided within a development must meet the provisions of this subsection (d), varying by land use as provided in the following table. If more than one land use is present on a site, the required parking is determined by adding together the required number of parking spaces for each use.

If the number of off-street parking spaces results in a fraction, each fraction of one-half or more will constitute another space required. A lesser number of constructed off-street parking spaces may be allowed through flexibility measures (see subsection (e) below). The requirements for off-street surface parking space dimensions are set forth in subsection (c) above.

Minimum Off-Street Parking Requirements		

NONRESIDENTIAL		

Office	General, medical or dental [and medical marijuana distribution facilities]	1 space per 285 square feet of gross floor area
	High intensity/call centers and telemarketing	1 space per 165 square feet of gross floor area

DIVISION B: USE STANDARDS

~~[§ 21.302.22 MEDICAL MARIJUANA DISTRIBUTION FACILITIES.~~

~~—(a) *Purpose.* To provide patients registered with the Minnesota Department of Health's medical cannabis program access to medical marijuana while reducing the potential negative impacts of medical marijuana distribution facilities on the public health, safety, and general welfare of the community.~~

~~—(b) *Standards.*~~

~~—(1) *Prohibited activities.*~~

~~—(A) Distribution facilities must not distribute any other product or substance except for medical marijuana.~~

~~—(B) No cultivation, harvesting, manufacturing, packaging, processing, or sampling of medical marijuana or any other substance may occur on the distribution facility site.~~

~~—(C) The sale and distribution of non-medical marijuana is prohibited.~~

~~—(2) *Separation from sensitive uses.* No distribution facility may be located:~~

~~—(A) Within 1,000 feet of an existing school (K-12). Distances will be measured in a straight line without regard to intervening structures or objects from the distribution facility's site boundaries to the closest point of the property lines of the K-12 school.~~

~~—(3) *Limitation on the number of distribution facilities.*~~

~~—(A) No new conditional use permit for a distribution facility may be approved that would increase the number of distribution facilities in the city to more than one per each 100,000 inhabitants or fraction thereof residing in the city according to the most recent~~

decennial U.S. Census data. However, this section of code shall not be construed to vest in any holder of a conditional use permit for a distribution facility the right to hold a semi-exclusive operation in that the City Council reserves the right, by properly adopted ordinance, to increase the number of distribution facilities at any time.

—(4) *Restricted access to the building.* Distribution facilities must be equipped with an electronic controlled access that limits access to the building to authorized individuals, tracks personnel entry and exit times, locks down the distribution facility in the event of a security threat, stores data for retrieval, remains operational during a power outage and is capable of remote administration. Distribution facility operators must submit the controlled access system data to the Bloomington Police Department upon request.

—(5) *Building location.* Distribution facilities must be located in a highly visible permanent building that is situated so that all public points of access to the distribution facility are visible from the street.

—(6) *Lighting.* The distribution facility site must meet the lighting standards for retail and service oriented uses (see § 21.301.07).

—(7) *Exterior signage.* Signs must not include images of cannabis or cannabis smoking paraphernalia, colloquial references to cannabis, names of cannabis plant strains, or medical symbols that bear a reasonable resemblance to established medical associations.

—(8) *Conditional use permit submittal requirements.* In addition to the submittal requirements stated in § 21.501.04, the following materials must also be submitted to the issuing authority as part of a distribution facility conditional use permit application:

—(A) *Operating documents.* Distribution facility operators must submit documents that describe operational and management practices including:

—(i) Security measures to deter and prevent theft of medical marijuana.

—(ii) Disposal methods for all waste material.

—(iii) Response plans for measures to be taken in the event of a security breach at a distribution facility, or while medical marijuana is in route to a distribution facility.

—(iv) Proposed product delivery plan.

—(v) Other information deemed necessary and requested by the issuing authority.

—(9) *Licensing.* The distribution facility must receive required local, state and federal licenses prior to operation and must maintain required licenses at all times.

—(c) *Penalty.* A violation of this Article shall be a misdemeanor under Minnesota law. Civil administrative penalties shall be subject to assessment against the property pursuant to § 12.15 of the City Charter and § 1.19 of the city code. However, nothing herein shall be construed to limit the city's other available legal remedies including without limitation the revocation and suspension of any city issued license or permit

associated with the property or civil injunctive actions. In addition, violations or failure to pay civil fines may result in future license or permit ineligibility.]

§ 21.302.22 MEDICAL AND ADULT-USE CANNABIS BUSINESSES.

- (a) Purpose. M.S. Chapter 342 authorizes the recreational use and sale of adult-use cannabis and lower-potency hemp products and permits municipalities to regulate, but not prohibit, such use or sale. The purpose of this section is to regulate the land use aspects of cannabis businesses, as authorized by state law, to provide access to cannabis businesses while minimizing potential negative impacts of cannabis businesses on the health, safety, and welfare of the community.
- (b) Adoption of state laws and regulations. For the purpose of regulating cannabis businesses, as that term is defined in M.S. 342.01, subd. 14, as it may be amended from time to time, the city hereby adopts M.S. Chapter 342 and administrative rules adopted by the Minnesota Office of Cannabis Management pursuant to its rulemaking authority under state law.
- (c) Applicable use classification and parking category by state license type.

<u>State License Type</u>	<u>Zoning Use Types*</u>	<u>Parking Category</u>
<u>Cannabis Cultivator</u>	<u>Agriculture, Indoor</u>	<u>General manufacturing</u>
<u>Cannabis Event Organizer</u>	<u>Entertainment and recreation special events</u>	<u>Other</u>
<u>Cannabis Manufacturer</u>	<u>Cannabis Manufacturer</u>	<u>General manufacturing</u>
<u>Medical Cannabis Combination Business</u>	<u>Dependent upon on-site activities, uses may include: Cannabis Combination Business, Agriculture, Indoor, Cannabis Manufacturer, Retail Sales and Service</u>	<u>Retail Sales and/or Service in combination with: General manufacturing</u>
<u>Cannabis Mezzobusiness</u>	<u>Dependent upon on-site activities, uses</u>	<u>Retail Sales and/or Service in combination with: General manufacturing</u>

<u>State License Type</u>	<u>Zoning Use Types*</u>	<u>Parking Category</u>
	may include: <u>Cannabis Combination Business, Agriculture, Indoor, Cannabis Manufacturer, Retail Sales and Service</u>	
<u>Cannabis Microbusiness</u>	<u>Dependent upon on-site activities, uses may include: Cannabis Combination Business, Agriculture, Indoor, Cannabis Manufacturer, Retail Sales and Service</u>	<u>Retail Sales and/or Service in combination with: General manufacturing</u>
<u>Cannabis Retailer</u>	<u>Retail Sales and Services</u>	<u>Retail Sales and/or Service</u>
<u>Cannabis Testing Facility</u>	<u>Cannabis Testing Facility</u>	<u>Other</u>
<u>Cannabis Wholesaler</u>	<u>Wholesaling</u>	<u>Wholesale Establishments</u>
Note: <u>*Regardless of the state license type, the zoning use type will be determined by the Issuing Authority based on the principal and accessory use(s) occurring at a specific site.</u>		

(d) Reserved.

(e) Licensing. The cannabis business must receive required local, state and federal licenses and registrations, as applicable, prior to operation and must maintain required licenses and registrations, as applicable, at all times as according to § 14.276-14.286, Chapter 14, Article IV, Division L.

(f) *Penalty.* Violation of any provision of this section all be a misdemeanor. Civil penalties may also be issued pursuant to § 12.15 of the City Charter and § 1.19 of this city code. However, nothing in this chapter shall be construed to limit the city's other available legal remedies for any violation of the law, including without limitation, criminal, civil and injunctive actions.

§ 21.302.29 BREWERIES, BREWPUBS, DISTILLERIES, TAPROOMS, COCKTAIL ROOMS, WINERIES.

(a) *Standards.* The following standards are applicable to breweries, distilleries, taprooms, cocktail rooms, and wineries.

(11) The infusion of low potency hemp or cannabis during the production of beverages is considered customarily incidental to the uses in this section and is not considered to be a separate manufacturing use.

ARTICLE V: ADMINISTRATION AND NONCONFORMITY

DIVISION A: APPROVALS AND PERMITS

§ 21.501.04 CONDITIONAL USE PERMITS.

(d) *Review and approval.* Conditional use permit applications must be reviewed and acted upon by the Planning Commission, except for the uses listed in subsection (d)(1) below, which must be reviewed by the Planning Commission and acted upon by the City Council. If the Planning Commission action results in a tie vote, the conditional use permit application is automatically sent to the City Council for their final action.

(1) *City Council review.* Because of higher potential to negatively impact surrounding property, the following use types must be reviewed by the Planning Commission and acted upon by the City Council when a conditional use permit is required by the underlying zoning district.

(P) [~~Medical marijuana distribution facilities~~]Reserved;

Passed and adopted this 30th day of September, 2024.

Mayor

ATTEST:

APPROVED:

Secretary to the Council

City Attorney