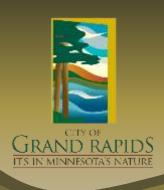


### Zoning for Cannabis Cultivation, Processing/Extraction, Manufacturing, and Wholesale Distribution

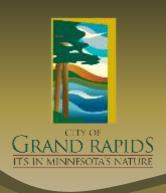
**Grand Rapids Planning Commission** 

**October 2, 2025** 



#### **OVERVIEW**

- Cannabis Law Minnesota Statutes Chapter 342: established a regulatory framework for the state's new cannabis industry under the Office of Cannabis Management (OCM).
- Provides for the licensing, inspection, and regulation of cannabis businesses: a municipality may establish zoning for retail and production uses and limit number of retailers it allows based on population.
- City Council established zoning for retail cannabis operations in October 2024. With OCM
  beginning to grant licenses for businesses involved in cannabis production (cultivation,
  processing/extraction, manufacturing, and wholesale activities) now is time to consider zoning for
  this use.
- \*A municipality may not limit the number of licensed producers.



#### **CONSIDERATIONS**

- <u>Characteristics of Cannabis Production Uses</u>: include high water and energy usage, volume of waste generated, odor, and the potential need for transportation to and from facilities.
- <u>Security Needs</u>: OCM requires security measures for cannabis businesses including alarm systems, video surveillance, lighting, locks, and response protocol.

\* OCM prohibits all licensed activities in a dwelling.



#### **OCM Guidance:**

OCM's A Guide for Local Governments aligns cannabis production uses with Industrial zoning.

Table 1: Cannabis and hemp business activities

Endorsed Activity	License Type Eligible to Do Endorsed Activity	Description of Activity	Comparable Districts	Municipal Considerations
Cultivation	Cultivator     Meziobusiness     Microbusiness     Medical     carnebis     combination	"Cultivation" means any activity involving the planning, growing, harvesting, drying, curring, drying, curring, grading, or trimming of cannable flower, hemp plants, or hemp plant parts.	Indoor: industrial, commercial, production Outdoor: agricultural	Odor     Potential need for transportation from facility     Waste, water, and energy usage     Security
Cannelis manufacturing, processing, extraction	Manufacturer     Mezzobusiness     Medical     cannabis     combination	This group of endorsed activities turn raw, chied cannabis parts into other types of cannabis products, e.g. editors, or topicals.	Indoor: industrial, commercial, production	Odor     Potental need for transportation from facility     Whate, water, and energy usage     Security
Hemp manufacturing	LPHE manufacturer	These businesses convert hemp into LPHE products.	indoor industrial, commercial, production	Odor     Weste, water, and energy
Wholesale	Wholesale     Cultivator     Manufacturer     Mezobusiness     Microbusiness     Medical     cannabil     combination     Lifett     wholesaler	This activity and license type allows a business to purchase from a business growing or menufacturing cannable or cannable products and sell to a cannable business engaged in visual.	Indoor industrial, commercial, production	Need for transportation from facility     Security

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Comprehensive Plan: Goals & Objectives related to Land Use (Chapter 4 Land Use)

Goal 2: Promote commercial development that serves local and regional markets.

a. Recognize distinct classes of commercial development that serve different markets are compatible within different land use and transportation contexts.



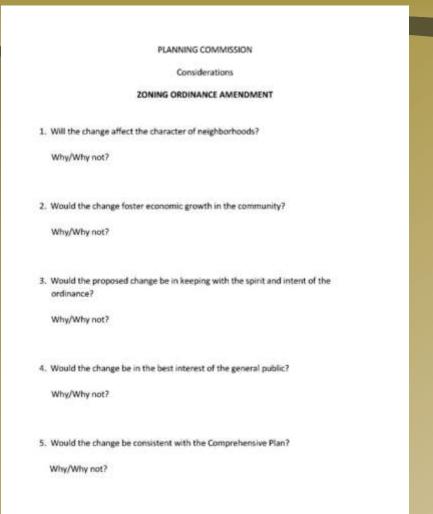
#### **Text Amendment Recommendations**

- 1. Amend 30-421 Definitions to include: Production licensed cannabis, means businesses licensed by the Office of Cannabis (OCM) for cultivation, processing / extraction, manufacturing, and wholesale activities.
- 2. Amend 30-512 Table 1 Permitted Uses to include production licensed cannabis as a permitted use in I-1, SI-1, I-2, and SI-2 zones.
- 3. Amend 14-187(a) to include: Production licensed cannabis businesses shall be located in Industrial Business Park, Shoreland Industrial Business Park, General Industrial Park, or Shoreland General Industrial Park zoning districts as defined in the City of Grand Rapids Zoning ordinance.



### Planning Commission Text Amendment Considerations:

# Recommendation to Council





### **Questions?**