



CITY OF  
**LONG LAKE**

## **Planning Commission Agenda Report**

### **City of Long Lake**

450 Virginia Avenue, PO Box 606

Long Lake, MN 55356

**MEETING DATE / December 10, 2024**

**SUBJECT:** Public Hearing: Zoning Ordinance Amendments Related to Cannabis and Lower Potency Hemp Edible Businesses

**Prepared By:** Hannah Rybak, City Planner

**Report Date:** 12/04/2024

### **Recommended Planning Commission Action**

Upon conclusion of the public hearing and Commission review/discussion, staff recommends the following:

Motion to recommend that the City Council adopt the draft ordinance amending the Zoning Ordinance related to cannabis and lower potency hemp edible businesses.

### **Overview / Background**

The State of Minnesota has passed a law allowing adult-use cannabis. This law also allows cannabis businesses to operate within Minnesota. This law also governs lower potency hemp edibles. The state established the Office of Cannabis Management (OCM) that is tasked with overseeing the rollout of cannabis in Minnesota, and also licensing businesses.

The state has given cities the ability to place reasonable restrictions on cannabis related to time, place and manner. Cities may choose to register cannabis businesses (not license; the state licenses cannabis businesses). Responsibility for compliance checks is another function of the registration authority. The state has also specified type and maximum size of buffers that cities enact, to separate cannabis businesses from uses such as schools, daycares, park attractions regularly used by minors, and residential treatment facilities.

Outside of registration authority, the City may adopt reasonable regulations for cannabis businesses within the Zoning Ordinance. If a license holder would like to open a cannabis businesses within a city, the OCM will send a request for zoning compliance to that city. The city has 30 days to respond to the request, informing the OCM whether the proposed business location is in an acceptable zoning district.

The City Council held a work session, where cannabis-related zoning was discussed. Staff has prepared the recommendations in this report based on the discussion with the City Council and research. Some items to note:

- Based on population, the City of Long Lake is required to allow at least one cannabis retail business.
- Given that the City has only 30 days to respond to a zoning compliance check, it is not recommended that the City allow cannabis businesses as a conditional use. Instead, it is recommended that any standards that the City would like to impose on cannabis businesses be stated as requirements in the Zoning Ordinance.
- The City Council reviewed a concept buffer map and determined that they would like to impose buffers on all cannabis businesses.
- The City Council supports allowing a cannabis retail business in the B-2 General Business District.
- The City Council supports allowing non-retail cannabis businesses in the I-1 and I-2 Industrial Districts.
- The City Council would like temporary cannabis events to be permitted only where cannabis retail is permitted.

## **Definitions**

Staff has included recommended definitions to add to Section 2: Definitions, related to cannabis businesses.

## **Buffer Map**

The State has specified features that cities may buffer cannabis businesses from, and the maximum width that each buffer may be. The attached buffer map illustrates the maximum allowable buffers from relevant uses in Long Lake. The City Council would like to adopt the maximum buffers. There are two early education/daycare facilities that are located just outside of Long Lake, in Orono. The City Council would like to include buffers from these facilities as well.

### **1000- foot school buffer:**

- Minnesota Preparation Academy TRIP School - 2465 Wayzata Boulevard W

### **500-foot park feature buffer:**

- Holbrook Park - 310 Harrington Drive - playground, ball field, skating rinks, basketball court
- Nelson Lakeside Park - 1860 Symes Street - playground
- Dexter Park - 585 Dexter Drive - playground, basketball court
- Hardin Park - 141 Glenmoor Lane - tennis courts, basketball court, playground

### **500-foot daycare buffer:**

- Children's Workshop Montessori - 2190 Wayzata Boulevard (Orono)
- Little Acorns Learning Center & Childcare – 2060 Wayzata Boulevard (Orono)

## **Lower Potency Hemp Edible Retail**

The new state law will also apply to lower potency hemp edibles, which are currently legal under a previous state law. Lower potency hemp edibles are commonly sold at smoke shops and gas stations and are also sold at liquor stores and some restaurants, as beverages. Currently there are no zoning regulations specific to lower potency hemp edibles. Staff recommends allowing the sale of lower potency hemp edibles in a broader range of commercial zoning districts, so that establishments that are currently selling these products won't be impacted if they are not in the Zoning District where cannabis retail is permitted.

§10-603 limits the total number of independent lower potency hemp edible retailers to five, within the City of Long Lake.

Tex amendments related to lower potency hemp edibles would include:

- Adding "Lower-Potency Hemp Edible Retailers, compliant with Long Lake Code §10-603, G" as a permitted principal use in the B-1, B-2A and VC-1 Districts
- Adding "Sales of lower-potency hemp edibles, compliant with Long Lake Code §10-603, G, accessory to a legal restaurant business" as an accessory use in the B-3 Lakeshore Business District.

## **Cannabis Retail**

The City must designate at least one zoning district where cannabis retail businesses may locate. Staff recommends allowing cannabis retail as a permitted use in the B-2 General Business District. This location is desirable because there are two existing strip malls (Long Lake Town Center and Creek Ridge Shopping Center) located within the B-2 District. This district is the most appropriate location for a retail business.

Text amendments related to cannabis retail would include:

- Adding “Cannabis, retail compliant with Long Lake Code §10-603-604” as a permitted use to Section 14: Regulations for “B-2” General Business District.
- Adding relevant regulations related to cannabis retail to “Subd. 26 Cannabis Businesses” in Section 19: General Building and Performance Requirements.
- Adding “Temporary cannabis events, compliant with Long Lake Code §10-603-604” as a permitted use to Section 14: Regulations for “B-2” General Business District.

### **Non-Retail Cannabis Businesses**

Non-retail cannabis businesses would include operations such as cultivation, manufacturing, processing, warehousing, wholesale, and transportation. These items are all industrial in nature. The City must designate at least one zoning district where these businesses can operate. Staff recommends both the I-1 and I-2 Industrial Districts. Long Lake’s two industrial districts are nearly identical in allowable uses. The area functions as one industrial district, thus the recommendation to allow non-retail cannabis businesses in both districts.

Text amendments related to non-retail cannabis businesses would include:

- Adding “Cannabis, state licensed businesses with no retail component” as a permitted use to Sections 16 & 16A: Regulations for I-1 & I-2 Industrial Zoning District, respectively.
- Adding standards for non-retail cannabis businesses in Sections 16 & 16A. Standards would place requirements on things such as waste container storage, odor/vapor control, security etc.

### **Overview of Draft Amendments**

#### **General Performance Standards for Cannabis and Hemp Business Activities**

- Limit retail establishments from operating between the hours of 10:00 am and 9:00 pm.
- Require establishments to implement comprehensive security measures.
- Require adequate ventilation systems to ensure no odor is detectible outside or from adjacent property
- Prohibit the operation of a cannabis business within 1,000 feet of a school or within 500 feet of a day care, residential treatment facility or an attraction within a public park that is regularly used by minors, including a playground or athletic field.
- Require signage to be consistent with the sign ordinance, and may not depict cannabis leaves, slang terms for cannabis, or appeal to minors (State rule).
- Require a cannabis business to be conducted entirely within a principal structure and all outdoor storage is prohibited.

#### **Standards for Cannabis Businesses in the I-1 & I-2 Industrial Districts:**

- Require business to be conducted entirely within a principal structure.
- Require waste containers to be stored within a principal or accessory building.
- Require all on-site consumption of cannabis (in a microbusiness licensed facility only) to be entirely indoors.
- Require sufficient measures and means of preventing any gas, vapors, odors, smoke, debris, dust, fluids or other substances from exiting a cannabis business.
- Stipulate that cannabis cultivation shall not be perceptible from the exterior of the building in which cultivation occurs.
- Require site, ventilation and security plans to be compliant with applicable state regulations.
- Provide minimum security requirements.

### **Supporting Information**

- Buffer Map
- Draft Ordinance – Amending the Zoning Ordinance
- Draft Ordinance – Amending Chapter 10 - Business and Product Regulation