

New Prague Police Department

City of New Prague In the Counties of Scott & Le Sueur

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Tim Applen, Chief of Police

MEMORANDUM

To: Honorable Mayor, Charles Nickolay; Members of the City Council, Shawn

Ryan, Maggie Bass, Bruce Wolf, Rik Seiler and

City Administrator, Joshua Tetzlaff

From: Tim Applen, Chief of Police/Emergency Manager

Date: Wednesday, August 13, 2025

Subject: License Application for THC Establishment License - Anna Tobacco New

Prague LLC; DBA – Anna Tobacco & Smoke Shop New Prague

Mr. Mohibullah Zahed submitted a license application for Tetrahydrocannabinol (THC) Establishment License to the city for a new THC license, Anna Tobacco New Prague LLC – DBA Anna Tobacco & Smoke Shop New Prague. The desired location of the business is 410 Main St W. As part of the license application process and in accordance with New Prague City Ordinance 121.03(C) License Required; an investigation of the application is conducted.

I completed an investigation with the information provided in the application. During the course of the investigation, I contacted the Minnesota Office of Cannabis Management (OCM). I learned of violations that occurred at a location owned and operated by Mr. Mohibullah Zahed, the business name was Anna Tobacco & Smoke Shop located in Chaska, Minnesota. I completed a data request to the MN OCM to gain additional information on the violations and to obtain the Administrative Order issued by the State. I received the data request response from the OCM. Mr. Zahed also provided a copy of the administrative order, after it was requested. The following violations were administered to Anna Tobacco & Smoke Shop in violation of MN Statute 151.72 on September 24, 2024.

1. Citation: Minnesota Statutes, section 151.72 Subd. 6(a)(6)

Finding: The Regulated Party, Anna Tobacco & Smoke Shop offered for sale products extracted from hemp containing more than .03% of any THC, which is prohibited. These violations were dated December 22, 2023, and May 29, 2024.

2. Citation: Minnesota Statutes, section 151.72 Subd 3(c)(2)

Finding: The Regulated Party, Anna Tobacco & Smoke Shop offered for sale products containing intoxicating hemp-derived cannabinoids which are intended to affect the structure or function of the bodies of humans or other animals. These violations were dated December 22, 2023, and May 29, 2024.

3. Citation: Minnesota Statutes, section 151.72 Subd 5a(f) and 6(a)(6)

Finding: The Regulated Party, Anna Tobacco & Smoke Shop offered for sale edible cannabinoid products, not intended to be consumed as beverages, in packages containing THC in excess of the 50 milligram per package limit. These violations were dated December 22, 2023, and May 29, 2024.

OCM determined the penalty by considering several factors. OCM performed two inspections within a five-month period which revealed serious and/or repeat violations. An administrative penalty of \$6000 was assessed to Anna Tobacco & Smoke Shop.

The violations identified resulting in the administrative penalty prohibiting the issuance of a THC license in accordance with New Prague City Ordinance 121.03(I)(2) which states;

The applicant has been convicted within the past five years of a violation of any provisions of this chapter or a violation of a federal, state, or local law, ordinance provision, or other regulation relating to licensed products, but not including possession or sale of license products.

Recommendation: Deny License Application for Tetrahydrocannabinol (THC) Establishment License to Anna Tobacco New Prague; DBA – Anna Tobacco & Smoke Shop New Prague as violations prohibiting licensure in accordance with New Prague City Ordinance 121.03 were identified.