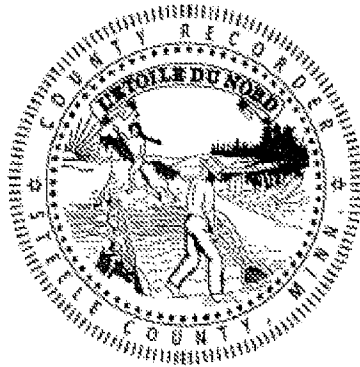


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OFFICE OF THE COUNTY RECORDER
STEELE COUNTY, MINNESOTA
CERTIFIED, FILED, AND/OR RECORDED ON
12/23/2024 12:46 PM
PAGES: 12 FEES: 0.00
RICK G. KVIEN
STEELE COUNTY RECORDER
BY: MELISSA T

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Document Type: ORDINANCE

Rick Kvien, Steele County Recorder and Registrar of Titles

Steele County Recorder
630 Florence Avenue
PO Box 890
Owatonna, MN 55060

Ordinance Number 42

ORDINANCE REGULATING CANNABIS BUSINESSES

The County Board of Steele County Ordains:

Section 1: Administration

Section 2: Registration of Cannabis Businesses

Section 3: Requirements for Cannabis Businesses

Section 4: Temporary Cannabis Events

Section 5: Local Government as a Cannabis Retailer

Section 6: Effective Date

Section 1: Administration

101. Findings and Purpose. Steele County makes the following findings:

The purpose of this Ordinance is to implement the provisions of Minnesota Statutes Chapter 342, which authorizes Steele County to protect the public health, safety, and welfare of its residents by regulating cannabis businesses within the legal boundaries of Steele County.

Steele County finds and concludes that the proposed provisions are appropriate and lawful land use regulations for Steele County, that the proposed amendments will promote the community's interest in reasonable stability in zoning for now and in the future, and that the proposed provisions are in the public interest and for the public good.

102. Authority & Jurisdiction

(a) Steele County has the authority to adopt this Ordinance pursuant to:

- i. MINN. STAT. § 342.13(c), regarding the authority of a local unit of government to adopt reasonable restrictions of the time, place, and manner of the operation of a cannabis business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses.
- ii. MINN. STAT. § 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower- potency hemp edible retail businesses.
- iii. MINN. STAT. § 152.0263, subd. 5, regarding the use of cannabis in public places.
- iv. MINN. STAT. § 394.21, regarding the authority of a local authority to adopt zoning ordinances.

(b) For Steele County jurisdictions subject to county zoning per the Steele County Zoning Ordinance section 401 Steele County will be the registration authority for those jurisdictions unless that jurisdiction opts out of county zoning.

- (c) For Steele County incorporated cities that have not opted into county zoning per the Steele County Zoning Ordinance, those jurisdictions may request that Steele County be the registration authority only through the following procedure:
- i. The jurisdiction submits a letter of interest and a copy of the jurisdiction's cannabis-related zoning ordinances or regulations to the Steele County Property Tax and Elections Director.
 - ii. The Steele County Property Tax and Elections Director shall review the letter and the jurisdiction's submitted ordinances and regulations.
 - iii. If the Steele County Property Tax and Elections Director agrees to be the registration authority for the jurisdiction, delegation of registration will become effective upon receipt of the jurisdiction's delegation opt-in resolution.
 - iv. The jurisdiction must agree to indemnify Steele County, including all costs and attorney's fees, in the event of any legal action arising from the interpretation or application of the jurisdiction's cannabis-related zoning ordinances or regulations, representations of whether a cannabis business complies or does not comply with the jurisdiction's cannabis-related zoning ordinances or regulations, or the jurisdiction's officer's or employee's negligence with respect to the application of the jurisdiction's zoning ordinances or regulations concerning cannabis.
 - v. Once the above requirements are completed, the Steele County Property Tax and Elections Director will provide registration on behalf of the local jurisdiction.
- (d) Delegating registration authority to Steele County in such a manner does not opt a jurisdiction into Steele County zoning. Cities or townships who have delegated registration authority to Steele County may adopt ordinances under paragraph 206, and Sections 3 and 4 below if Steele County has not adopted conflicting provisions.
- (e) Jurisdictions delegating registration authority to Steele County must inform the Steele County Property Tax and Elections Director of any cannabis-related ordinances or regulations passed after delegating registration authority to Steele County. The Steele County Property Tax and Elections Director has the sole discretion whether to act as the registration authority for a jurisdiction. The Steele County Property Tax and Elections Director also has the discretion to terminate its registration authority for a jurisdiction.

103. Severability

If any section, clause, provision, or portion of this Ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this Ordinance shall not be affected thereby.

104. Enforcement

The Steele County Property Tax and Elections Director or his/her designee is responsible for the administration and enforcement of this Ordinance (except for compliance checks conducted by the Steele County Sheriff's Office under paragraph 203.d.). Any violation of the provisions of this Ordinance or failure to comply with any of its requirements constitutes a misdemeanor and is punishable as defined by Minnesota law. Violations of this Ordinance can occur regardless

of whether a permit is required for a regulated activity listed in this Ordinance.

104. Definitions

- (a) Unless otherwise noted in this Section, words and phrases contained in MINN. STAT. § 42.01 and the rules promulgated pursuant to any of these acts shall have the same meanings in this Ordinance.
- (b) *Cannabis Cultivation*: A cannabis business licensed to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant. Cultivation includes harvesting cannabis flower from mature plants, packaging and labeling immature plants and seedlings and cannabis flower for sale to other cannabis businesses, transporting cannabis flower to a cannabis manufacturer located on the same premises, and performing other actions described in MINN. STAT. § 342.01 subd. 27 and approved by the Office of Cannabis Management.
- (c) *Cannabis Retail Business*: A retail location of a cannabis retailer, a cannabis mezzobusiness with a retail operations endorsement, a cannabis microbusiness with a retail operations endorsement, a medical cannabis retailer, or a medical combination business. This definition excludes lower-potency hemp edible retailers unless otherwise noted in this Ordinance.
- (d) *Cannabis Retailer*: Any person, partnership, firm, corporation, or association, foreign or domestic, selling cannabis product(s) to a consumer and not for the purpose of resale in any form.
- (e) *Daycare*: A location licensed with the Minnesota Department of Human Services to provide the care of a child in a residence outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.
- (f) *Lower-potency Hemp Edible*: As defined under MINN. STAT. § 342.01 subd. 50.
- (g) *Office of Cannabis Management*: Minnesota Office of Cannabis Management, referred to as "OCM" in this Ordinance.
- (h) *Preliminary License Approval*: OCM pre-approval for a cannabis business license for applicants who qualify under MINN. STAT. § 342.17.
- (i) *Residential Treatment Facility*: As defined under MINN. STAT. § 245.462 subd. 23.
- (j) *Retail Registration*: An approved registration issued by Steele County to a state- licensed cannabis retail business.
- (k) *School*: A public school as defined under MINN. STAT. § 120A.05 or a nonpublic school that must meet the reporting requirements under MINN. STAT. § 120A.24.

- (l) *State License*: An approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.

Section 2: Registration of Cannabis Businesses

201. Consent to registering of Cannabis Businesses

- (a) For the jurisdictions covered by this Ordinance (paragraph 102), no individual or entity may operate a state-licensed cannabis retail business within Steele County without first registering with Steele County.
- (b) Any state-licensed cannabis retail business that sells to a customer or patient without valid retail registration shall incur a civil penalty of up to \$2,000 for each violation per MINN. STAT. § 342.22 subd. 5(e).
- (c) This Section does not apply to a cannabis retail business operated by a Minnesota Tribal government in Indian country, as defined in United States Code, title 18, section 1151.

202. Compliance Checks Prior to Retail Registration

Prior to issuance of a cannabis retail business registration, Steele County shall conduct a preliminary compliance check to ensure compliance with local ordinances. Per MINN. STAT. § 342.13(f), within 30 days of receiving a copy of a state license application from OCM, Steele County shall certify on a form provided by OCM whether a proposed cannabis retail business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code. If a jurisdiction that has delegated registration authority to Steele County receives a state license application from OCM, that jurisdiction shall immediately forward the application to the Steele County Property Tax and Elections Director.

203. Registration & Application Procedure

- (a) Fees.
 - 1. Steele County shall not charge an application fee.
 - 2. A registration fee, as established in Steele County's fee schedule, shall be charged to applicants depending on the type of retail business license applied for.
 - 3. An initial retail registration fee shall not exceed \$500 or half the amount of an initial state license fee under MINN. STAT. § 342.11, whichever is less. The initial registration fee shall include the initial retail registration fee and the first annual renewal fee.
 - 4. Any renewal retail registration fee imposed by Steele County shall be charged at the time of the second renewal and each subsequent renewal thereafter.
 - 5. A renewal retail registration fee shall not exceed \$1,000 or half the amount of a renewal state license fee under MINN. STAT. § 342.11, whichever is less.
 - 6. A medical combination business operating an adult-use retail location may only be

charged a single registration fee, not to exceed the lesser of a single retail registration fee, defined under this Section, of the adult-use retail business.

7. All fees collected by Steele County will be retained by Steele County.

(b) Application Submittal.

Steele County shall issue a retail registration to a state-licensed cannabis retail business that adheres to the requirements of MINN. STAT. § 342.22.

1. An applicant for a retail registration shall fill out an application form, as provided by the Steele County Property Tax and Elections Director. Said form shall include, but is not limited to:
 - a. Full name of the property owner and applicant;
 - b. Address, email address, and telephone number of the applicant;
 - c. The address and parcel ID for the property which the retail registration is sought; and
 - d. Certification that the applicant complies with the requirements of local ordinances, including those established pursuant to MINN. STAT. § 342.13.
2. The applicant shall include with the form:
 - a. the registration fee as required in paragraph 201; and
 - b. a copy of a valid state license or written notice of OCM license preapproval.
3. Once an application is considered complete, the Steele County Property Tax and Elections Director shall inform the applicant as such, process the application fees, and review the application for approval or denial.
4. The application fee shall be non-refundable once processed.

(c) Application Approval

1. A state-licensed cannabis retail business application shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under section 2.6.
2. A state-licensed cannabis retail business application shall not be approved or renewed if the applicant is unable to meet the requirements of this Ordinance.
3. A state-licensed cannabis retail business application that meets the requirements of this Ordinance shall be approved.

(d) Annual Compliance Checks.

1. The Steele County Sheriff's Office shall complete at minimum one compliance check

per calendar year of every cannabis business with a Steele County issued retail registration to assess if the business meets age verification requirements, as required under MINN. STAT. § 342.22 subd. 4(b), MINN. STAT. § 342.24, and this Ordinance.

2. The Steele County Sheriff's Office shall conduct at minimum one unannounced age verification compliance check at least once per calendar year.
 3. Age verification compliance checks shall involve persons at least 17 years of age but under the age of 21 who, with the prior written consent of a parent or guardian if the person is under the age of 18, attempt to purchase adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a law enforcement officer or an employee of the local unit of government.
 4. Any failures under this Section must be reported to the Office of Cannabis Management.
- (e) Location Change. A state-licensed cannabis retail business shall be required to submit a new application for registration under paragraph 203 above if it seeks to move to a new location still within the legal boundaries of Steele County.

204. Renewal of Registration

- (a) The Steele County Property Tax and Elections Director shall renew an annual registration of a state-licensed cannabis retail business at the same time OCM renews the cannabis retail business' license.
- (b) A state-licensed cannabis retail business shall apply to renew registration on a form established by the Steele County Property Tax and Elections Director.
- (c) A cannabis retail registration issued under this ordinance shall not be transferred.
- (d) Renewal Fees. The Steele County Property Tax and Elections Director shall charge a renewal fee for the registration starting at the second renewal, as established in Steele County's fee schedule.
- (e) Renewal Application. The application for renewal of a retail registration shall include, but is not limited to, items required under section 203.b. of this Ordinance.

205. Suspension of Registration

- (a) When Suspension is Warranted.

The Steele County Property Tax and Elections Director may suspend a cannabis retail business's registration if it violates this Ordinance or poses an immediate threat to the health or safety of the public. The Steele County Property Tax and Elections Director shall immediately notify the cannabis retail business in writing the grounds for the suspension.

- (b) Notification to OCM.

The Steele County Property Tax and Elections Director shall immediately notify the OCM in writing the grounds for the suspension. OCM will provide the Steele County Property Tax and Elections Director and cannabis business retailer a response to the complaint within seven calendar days and perform any necessary inspections within 30 calendar days.

(c) Length of Suspension.

The suspension of a cannabis retail business registration may be for up to 30 calendar days, unless OCM suspends the license for a longer period. The business may not make sales to customers if their registration is suspended.

The Steele County Property Tax and Elections Director may reinstate a registration if it determines that the violations have been resolved.

The Steele County Property Tax and Elections Director shall reinstate a registration if OCM determines that the violation(s) have been resolved.

(d) Civil Penalties.

Subject to MINN. STAT. 342.22, subd. 5(e) the Steele County Property Tax and Elections Director may impose a civil penalty, as specified in Steele County's Fee Schedule, for registration violations, not to exceed \$2,000.

206. Limiting of Registrations

- (a) If Steele County has one active cannabis retail business registration for every 12,500 residents as determined annually by Minnesota State Demographic Center, the Steele County Property Tax and Elections Director shall not register additional state-licensed cannabis retail businesses. For purposes of determining the number of cannabis retail business registrations for Steele County, if a number under 12,500 remains after applying the 12,500 increments to Steele County's population, that fractional amount is also accorded one active cannabis retail business registration. By way of example, the most recent population calculation for Steele County as of the date of adoption is 37,422. Based on this population, the maximum number of active business registrations in the county is three (3) registrations. This limitation does not include a Minnesota Tribal government operating a cannabis retailer in Indian country, as defined in United States Code, title 18, section 1151, within Steele County.
- (b) In applying this limitation, cannabis retail business applications will be prioritized based upon the date the application is received by the Steele County Property Tax and Elections Director. Applications will be reviewed in the order the applications were received, starting with the earliest received. Incomplete applications or those not following the requirements of this Ordinance will be removed from the order. If applications are received on the same day and those applications outnumber the maximum number of registrations allowed, a committee with the Steele County Property Tax and Elections Director, Steele County Administrator, Steele County Finance Director, the Steele County Sheriff, and the Owatonna Community Development Director as members will select which application(s) to accept. The decision shall be based upon factors such as completeness, feasibility of the proposal, safety, community needs, and distance from

other cannabis retailers.

Section 3: Requirements for Cannabis Businesses

301. Minimum Buffer Requirements

- (a) A cannabis business shall not operate within 1,000 feet of a school. A cannabis business shall not operate within 500 feet of a day care.
- (b) A cannabis business shall not operate within 500 feet of a residential treatment facility.
- (c) A cannabis business shall not operate within 500 feet of a public park that is regularly used by minors, including a playground or athletic field and the Steele County Free Fair grounds.
- (d) A cannabis retail business shall not operate within 1,000 feet of another cannabis retail business.
- (e) All setback distances referenced above will be measured from the property lines for the parcel on which the above-described use is located. Per MINN. STAT. § 462.357 subd. 1e, nothing in paragraph 301 shall prohibit an active cannabis business or a cannabis business seeking registration from continuing operation at the same site if a (school/daycare/residential treatment facility/attraction within a public park that is regularly used by minors) moves within the minimum buffer zone.

302. Hours of Operation

Cannabis businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, or hemp-derived consumer products between the hours of 10:00 a.m. and 9:00 p.m., seven days a week.

303. Insurance

No individual or entity may operate a state-licensed cannabis business within the city without first presenting a Certificate of Insurance to the City Administrator's Office as evidence of the following coverages for the location which shall meet the following minimum Limits of Liability:

- (a) Commercial General Liability (CGL)
 - i. 1.5 million each occurrence;
 - ii. \$3 million General Aggregate; and
 - iii. \$3 million Products and Completed Operations aggregate (or Product Liability)
- (b) Workers' Compensation Insurance:
 - i. As required by Minnesota state law;
 - ii. Employer's Liability Insurance;
 - \$500,000 per accident
 - \$500,000 disease policy limit
 - \$500,000 disease each employee

(c) Commercial Auto Insurance:

- i. \$1 million combined single limit including coverage for hired and non-owned vehicles.

303. Advertising

- (a) This Section applies only to areas of Steele County that are covered by the Steele County Zoning Ordinance, including jurisdictions that have opted into Steele County zoning. Jurisdictions that have requested Steele County to register cannabis businesses but have not opted into Steele County zoning must certify to the Steele County Property Tax and Elections Director that a proposed cannabis business complies with its sign requirements.
- (b) Cannabis businesses are permitted to erect up to two fixed signs on the exterior of the building or property of the business. Signs must comply with the requirements of the Steele County Zoning Ordinance, section 1514.

Section 4: Temporary Cannabis Events

401. License or Permit Required for Temporary Cannabis Events

(a) License Required.

A license or permit is required to be issued and approved by the Steele County Property Tax and Elections Director prior to holding a Temporary Cannabis Event.

(b) Registration & Application Procedure

A registration fee, as established in Steele County's fee schedule, shall be charged to applicants for Temporary Cannabis Events.

(c) Application Submittal & Review.

The Steele County Property Tax and Elections Director shall require an application for Temporary Cannabis Events.

1. An applicant shall fill out an application form, as provided by the Steele County Property Tax and Elections Director. Said form shall include, but is not limited to:
 - i. Full name of the property owner and applicant; and
 - ii. Address, email address, and telephone number of the applicant.
2. The applicant shall include with the form:
 - i. The application fee as required in section 4.1.2; and
 - ii. A copy of the OCM cannabis event license application, submitted pursuant to MINN. STAT. § 342.39 subd. 2.
3. The application shall be submitted to the Steele County Property Tax and Elections Director. If the application is deficient with respect to the above requirements, the

Steele County Property Tax and Elections Director shall return the application with a notice of the deficiencies.

4. Once an application is considered complete, the Steele County Property Tax and Elections Director shall inform the applicant as such, process the application fees, and forward the application to the Steele County Sheriff's Office for final approval. The Steele County Sheriff may deny an application if the applicant has not sufficiently planned or detailed feasible safety and security plans.
5. The application fee shall be non-refundable once processed.
6. The application for a license for a Temporary Cannabis Event shall meet the following standards:
 - i. Except for low-potency cannabis edibles, onsite consumption is prohibited.
 - ii. Temporary cannabis events shall only be held between the hours of 10:00 a.m. and 9:00 p.m.
 - iii. Temporary cannabis events are prohibited in residential districts.
 - iv. Temporary cannabis events must comply with the buffer requirements described in section 3.1
 - v. Temporary cannabis events must comply with all requirements detailed in MINN. STAT. § 342.40. The application shall include a detailed plan addressing the requirements of MINN. STAT. § 342.40, subs. 3, 4, 5, 6, 7 and 8.
7. A request for a Temporary Cannabis Event that meets the requirements of this Section shall be approved.
8. A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. The Steele County Property Tax and Elections Director shall notify the applicant of the standards not met and basis for denial.

Section 5: Local Government as a Cannabis Retailer

501. A municipality may establish, own, and operate a municipal cannabis retail business subject to the restrictions in this Ordinance.

502. A municipal cannabis retail store shall not be included in any limitation of the number of registered cannabis retail businesses under paragraph 206.

503. A municipal cannabis retail store shall be subject to all same rental license requirements and procedures applicable to all other applicants.

Section 6: Effective Date

This Ordinance shall be in full force and effect from and after its passage and publication.

Passed and adopted this 12 day of December, 2024, with the following vote:
Aye 5; No 0; Absent; 0.

Approved and signed this 12 day of December, 2024.

James Rabbe
Steele County Board Chair

ATTEST:
Brian Z
Steele County Administrator

Approved as to Form and Legality
Robert J. [Signature]
Steele County Attorney

Published in the Owatonna People's Press on January 9, 2025.

Recorded with the Steele County Recorder on Dec 23, 2024.

Document # A000454990

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA) ss
COUNTY OF

I do solemnly swear that the notice, as per the proof, was published in the edition of the

Owatonna People's Press

with the known office of issue being located in the county of:

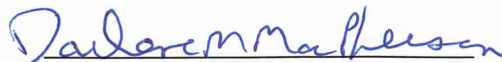
with additional circulation in the counties of:
Steele
and has full knowledge of the facts stated below:

- (A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02.
- (B) This Public Notice was printed and published in said newspaper(s) once each week, for 1 successive week(s); the first insertion being on 11/27/2024 and the last insertion being on 11/27/2024.

MORTGAGE FORECLOSURE NOTICES
Pursuant to Minnesota Stat. §580.033 relating to the publication of mortgage foreclosure notices: The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.

By: 
Designated Agent

Subscribed and sworn to or affirmed before me on 11/27/2024


Notary Public



Rate Information:

(1) Lowest classified rate paid by commercial users for comparable space:

\$999.99 per column inch

Ad ID 1436426

NOTICE OF PUBLIC HEARING STEELE COUNTY ORDINANCE REGULATING CANNABIS BUSINESSES

NOTICE IS HEREBY GIVEN that the Steele County Board of Commissioners will conduct a public hearing regarding the adoption of an Ordinance Regulating Cannabis Businesses, an ordinance establishing a registration process and regulating the rules and consequences of violating applicable Minnesota Statutes and local zoning codes related to cannabis businesses. The public hearing will take place as part of the regular County Board meeting on Tuesday, December 12, 2024, at 5:15 p.m., or as soon thereafter as the matter may be heard, in the Boardroom of the Steele County Administration Center, 630 Florence Avenue, Owatonna, MN.

All interested persons may appear and be heard at the public hearing or may file their written comments prior to the hearing date with the County Administrator at 630 Florence Ave, Owatonna, MN 55060 or Renae.Fry@steelecountymn.gov. The draft ordinance is accessible on the county web site at www.SteeleCountyMN.gov, or a copy of the ordinance can be obtained by contacting the County Administrator at (507) 444-7431 or Renae.Fry@steelecountymn.gov

Renae Fry
Steele County Administrator

Published in the
Owatonna Peoples Press
November 27, 2024
1436426

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA) ss
COUNTY OF

I do solemnly swear that the notice, as per the proof, was published in the edition of the

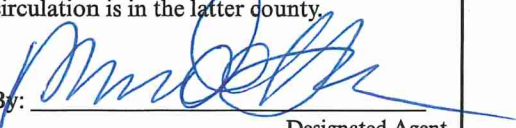
Owatonna People's Press

with the known office of issue being located in the county of:

with additional circulation in the counties of:
Steele
and has full knowledge of the facts stated below:

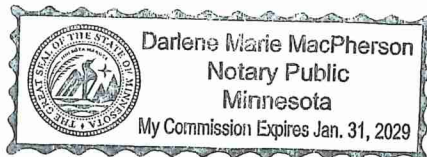
- (A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02.
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By: 
Designated Agent

Subscribed and sworn to or affirmed before me on 01/09/2025


Notary Public



Rate Information:

(1) Lowest classified rate paid by commercial users for comparable space:
\$999.99 per column inch

Ad ID 1442308

**STEELE COUNTY
ORDINANCE NUMBER 42**

ORDINANCE REGULATING CANNABIS BUSINESSES

Section 1: Administration

Section 2: Registration of Cannabis Businesses

Section 3: Requirements for Cannabis Businesses

Section 4: Temporary Cannabis Events

Section 5: Local Government as a Cannabis Retailer

Section 6: Effective Date

Section 1: Administration

101. Findings and Purpose. Steele County makes the following findings:

The purpose of this Ordinance is to implement the provisions of Minnesota Statutes Chapter 342, which authorizes Steele County to protect the public health, safety, and welfare of its residents by regulating cannabis businesses within the legal boundaries of Steele County.

Steele County finds and concludes that the proposed provisions are appropriate and lawful land use regulations for Steele County, that the proposed amendments will promote the community's interest in reasonable stability in zoning for now and in the future, and that the proposed provisions are in the public interest and for the public good.

102. Authority & Jurisdiction

- (a) Steele County has the authority to adopt this Ordinance pursuant to:
 - i. MINN. STAT. § 342.13(c), regarding the authority of a local unit of government to adopt reasonable restrictions of the time, place, and manner of the operation of a cannabis business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses.
 - ii. MINN. STAT. § 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
 - iii. MINN. STAT. § 152.0263, subd. 5, regarding the use of cannabis in public places.
 - iv. MINN. STAT. § 394.21, regarding the authority of a local authority to adopt zoning ordinances.
- (b) For Steele County jurisdictions subject to county zoning per the Steele County Zoning Ordinance section 401 Steele County will be the registration authority for those jurisdictions unless that jurisdiction opts out of county zoning.
- (c) For Steele County incorporated cities that have not opted into county zoning per the Steele County Zoning Ordinance, those jurisdictions may request that Steele County be the registration authority only through the following procedure:
 - i. The jurisdiction submits a letter of interest and a copy of the jurisdiction's cannabis-related zoning ordinances or regulations to the Steele County Property Tax and Elections Director.
 - ii. The Steele County Property Tax and Elections Director shall review the letter and the jurisdiction's submitted ordinances and regulations.
 - iii. If the Steele County Property Tax and Elections Director agrees to be the registration authority for the jurisdiction, delegation of registration will become effective upon receipt of the jurisdiction's delegation opt-in resolution.
 - iv. The jurisdiction must agree to indemnify Steele County, including all costs and attorney's fees, in the event of any legal action arising from the interpretation or application of the jurisdiction's cannabis-related zoning ordinances or regulations, representations of whether a cannabis business complies or does not comply with the jurisdiction's cannabis-related zoning ordinances or regulations, or the jurisdiction's officer's or employee's negligence with respect to the application of the jurisdiction's zoning ordinances or regulations concerning cannabis.
 - v. Once the above requirements are completed, the Steele County Property Tax and Elections Director will provide registration on behalf of the local jurisdiction.
- (d) Delegating registration authority to Steele County in such a manner does not opt a jurisdiction into Steele County zoning. Cities or townships who have delegated registration authority to Steele County may adopt ordinances under paragraph 206, and Sections 3 and 4 below if Steele County has not adopted conflicting provisions.
- (e) Jurisdictions delegating registration authority to Steele County must inform the Steele County Property Tax and Elections Director of any cannabis-related ordinances or regulations passed after delegating registration authority to Steele County. The Steele County Property Tax and Elections Director has the sole discretion whether to act as the registration authority for a jurisdiction. The Steele County Property Tax and Elections Director also has the discretion to terminate its registration authority for a jurisdiction.

103. Severability

If any section, clause, provision, or portion of this Ordinance is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this Ordinance shall not be affected thereby.

104. Enforcement

The Steele County Property Tax and Elections Director or his/her designee is responsible for the administration and enforcement of this Ordinance (except for compliance checks conducted by the Steele County Sheriff's Office under paragraph 203.d.). Any violation of the provisions of this Ordinance or failure to comply with any of its requirements constitutes a misdemeanor and is punishable as defined by Minnesota law. Violations of this Ordinance can occur regardless of whether a permit is required for a regulated activity listed in this Ordinance.

104. Definitions

- (a) Unless otherwise noted in this Section, words and phrases contained in MINN. STAT. § 42.01 and the rules promulgated pursuant to any of these acts shall have the same meanings in this Ordinance.
- (b) Cannabis Cultivation: A cannabis business licensed to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant. Cultivation includes harvesting cannabis flower from mature plants, packaging and labeling immature plants and seedlings and cannabis flower for sale to other cannabis businesses, transporting cannabis flower to a cannabis manufacturer located on the same premises, and performing other actions described in MINN. STAT. § 342.01 subd. 27 and approved by the Office of Cannabis Management.
- (c) Cannabis Retail Business: A retail location of a cannabis retailer, a cannabis mezzobusiness with a retail operations endorsement, a cannabis microbusiness with a retail operations endorsement, a medical cannabis retailer, or a medical combination business. This definition excludes lower-potency hemp edible retailers unless otherwise noted in this Ordinance.
- (d) Cannabis Retailer: Any person, partnership, firm, corporation, or association, foreign or domestic, selling cannabis product(s) to a consumer and not for the purpose of resale in any form.
- (e) Daycare: A location licensed with the Minnesota Department of Human Services to provide the care of a child in a residence outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.
- (f) Lower-potency Hemp Edible: As defined under MINN. STAT. § 342.01 subd. 50.
- (g) Office of Cannabis Management: Minnesota Office of Cannabis Management, referred to as "OCM" in this Ordinance.
- (h) Preliminary License Approval: OCM pre-approval for a cannabis business license for applicants who qualify under MINN. STAT. § 342.17.
- (i) Residential Treatment Facility: As defined under MINN. STAT. § 245.462 subd. 23.
- (j) Retail Registration: An approved registration issued by Steele County to a state-licensed cannabis retail business.
- (k) School: A public school as defined under MINN. STAT. § 120A.05 or a nonpublic school that must meet the reporting requirements under MINN. STAT. § 120A.24.
- (l) State License: An approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.

Section 2: Registration of Cannabis Businesses

201. Consent to registering of Cannabis Businesses

- (a) For the jurisdictions covered by this Ordinance (paragraph 102), no individual or entity may operate a state-licensed cannabis retail business within Steele County without first registering with Steele County.
- (b) Any state-licensed cannabis retail business that sells to a customer or patient without valid retail registration shall incur a civil penalty of up to \$2,000 for each violation per MINN. STAT. § 342.22 subd. 5(e).
- (c) This Section does not apply to a cannabis retail business operated by a Minnesota Tribal government in Indian country, as defined in United States Code, title 18, section 1151.202. Compliance Checks Prior to Retail Registration Prior to issuance of a cannabis retail business registration, Steele County shall conduct a preliminary compliance check to ensure compliance with local ordinances. Per MINN. STAT. § 342.13(f), within 30 days of receiving a copy of a state license application from OCM, Steele County shall certify on a form provided by OCM whether a proposed cannabis retail business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code. If a jurisdiction that has delegated registration authority to Steele County receives a state license application from OCM, that jurisdiction shall immediately forward the application to the Steele County Property Tax and Elections Director.

203. Registration & Application Procedure

- (a) Fees.
 1. Steele County shall not charge an application fee.
 2. A registration fee, as established in Steele County's fee schedule, shall be charged to applicants depending on the type of retail business license applied for.
 3. An initial retail registration fee shall not exceed \$500 or half the amount of an initial state license fee under MINN. STAT. § 342.11, whichever is less. The initial registration fee shall include the initial retail registration fee and the first annual renewal fee.
 4. Any renewal retail registration fee imposed by Steele County shall be charged at the time of the second renewal and each subsequent renewal thereafter.
 5. A renewal retail registration fee shall not exceed \$1,000 or half the amount of a renewal state license fee under MINN. STAT. § 342.11, whichever is less.
 6. A medical combination business operating an adult-use retail location may only be charged a single registration fee, not to exceed the lesser of a single retail registration fee, defined under this Section, of the adult-use retail business.
 7. All fees collected by Steele County will be retained by Steele County.
- (b) Application Submittal. Steele County shall issue a retail registration to a state-licensed cannabis retail business that adheres to the requirements of MINN. STAT. § 342.22.

1. An applicant for a retail registration shall fill out an application form, as provided by the Steele County Property Tax and Elections Director. Said form shall include, but is not limited to:
 - a. Full name of the property owner and applicant;
 - b. Address, email address, and telephone number of the applicant;
 - c. The address and parcel ID for the property which the retail registration is sought; and

- d. Certification that the applicant complies with the requirements of local ordinances, including those established pursuant to MINN. STAT. § 342.13.

2. The applicant shall include with the form:

- a. the registration fee as required in paragraph 201; and
 - b. a copy of a valid state license or written notice of OCM license preapproval.
3. Once an application is considered complete, the Steele County Property Tax and Elections Director shall inform the applicant as such, process the application fees, and review the application for approval or denial.
4. The application fee shall be non-refundable once processed.

(c) Application Approval

1. A state-licensed cannabis retail business application shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under section 2.6.
2. A state-licensed cannabis retail business application shall not be approved or renewed if the applicant is unable to meet the requirements of this Ordinance.
3. A state-licensed cannabis retail business application that meets the requirements of this Ordinance shall be approved.

(d) Annual Compliance Checks.

1. The Steele County Sheriff's Office shall complete at minimum one compliance check per calendar year of every cannabis business with a Steele County issued retail registration to assess if the business meets age verification requirements, as required under MINN. STAT. § 342.22 subd. 4(b), MINN. STAT. § 342.24, and this Ordinance.
 2. The Steele County Sheriff's Office shall conduct at minimum one unannounced age verification compliance check at least once per calendar year.
 3. Age verification compliance checks shall involve persons at least 17 years of age but under the age of 21 who, with the prior written consent of a parent or guardian if the person is under the age of 18, attempt to purchase adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a law enforcement officer or an employee of the local unit of government.
 4. Any failures under this Section must be reported to the Office of Cannabis Management.
- (e) Location Change. A state-licensed cannabis retail business shall be required to submit a new application for registration under paragraph 203 above if it seeks to move to a new location still within the legal boundaries of Steele County.

204. Renewal of Registration

- (a) The Steele County Property Tax and Elections Director shall renew an annual registration of a state-licensed cannabis retail business at the same time OCM renews the cannabis retail business' license.
- (b) A state-licensed cannabis retail business shall apply to renew registration on a form established by the Steele County Property Tax and Elections Director.
- (c) A cannabis retail registration issued under this ordinance shall not be transferred.
- (d) Renewal Fees. The Steele County Property Tax and Elections Director shall charge a renewal fee for the registration starting at the second renewal, as established in Steele County's fee schedule.
- (e) Renewal Application. The application for renewal of a retail registration shall include, but is not limited to, items required under section 203.b. of this Ordinance.

205. Suspension of Registration

- (a) When Suspension is Warranted. The Steele County Property Tax and Elections Director may suspend a cannabis retail business's registration if it violates this Ordinance or poses an immediate threat to the health or safety of the public. The Steele County Property Tax and Elections Director shall immediately notify the cannabis retail business in writing the grounds for the suspension.
- (b) Notification to OCM. The Steele County Property Tax and Elections Director shall immediately notify the OCM in writing the grounds for the suspension. OCM will provide the Steele County Property Tax and Elections Director and cannabis business retailer a response to the complaint within seven calendar days and perform any necessary inspections within 30 calendar days.
- (c) Length of Suspension. The suspension of a cannabis retail business registration may be for up to 30 calendar days, unless OCM suspends the license for a longer period. The business may not make sales to customers if their registration is suspended. The Steele County Property Tax and Elections Director may reinstate a registration if it determines that the violations have been resolved. The Steele County Property Tax and Elections Director shall reinstate a registration if OCM determines that the violation(s) have been resolved.
- (d) Civil Penalties. Subject to MINN. STAT. 342.22, subd. 5(e) the Steele County Property Tax and Elections Director may impose a civil penalty, as specified in Steele County's Fee Schedule, for registration violations, not to exceed \$2,000.

206. Limiting of Registrations

- (a) If Steele County has one active cannabis retail business registration for every 12,500 residents as determined annually by Minnesota State Demographic Center, the Steele County Property Tax and Elections Director shall not register additional state-licensed cannabis retail businesses.

Continued on next page

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA) ss
COUNTY OF

I do solemnly swear that the notice, as per the proof, was published in the edition of the

Owatonna People's Press

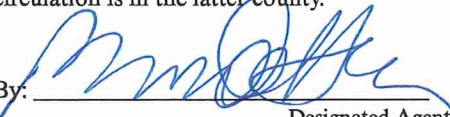
with the known office of issue being located in the county of:

with additional circulation in the counties of:
Steele

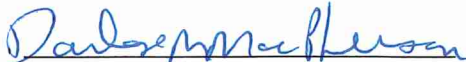
and has full knowledge of the facts stated below:

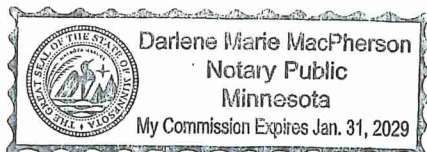
- (A) The newspaper has complied with all of the requirements constituting qualification as a qualified newspaper as provided by Minn. Stat. §331A.02.
- (B) This Public Notice was printed and published in said newspaper(s) once each week, for 1 successive week(s); the first insertion being on 01/09/2025 and the last insertion being on 01/09/2025.

MORTGAGE FORECLOSURE NOTICES
Pursuant to Minnesota Stat. §580.033 relating to the publication of mortgage foreclosure notices: The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.

By: 
Designated Agent

Subscribed and sworn to or affirmed before me on 01/09/2025


Notary Public



Rate Information:

(1) Lowest classified rate paid by commercial users for comparable space:
\$999.99 per column inch

Ad ID 1442355

**STEELE COUNTY
ORDINANCE NUMBER 42**

ORDINANCE REGULATING CANNABIS BUSINESSES

Section 1: Administration

Section 2: Registration of Cannabis Businesses

Section 3: Requirements for Cannabis Businesses

Section 4: Temporary Cannabis Events

Section 5: Local Government as a Cannabis Retailer

Section 6: Effective Date

206. Limiting of Registrations

(a) *continued...*

For purposes of determining the number of cannabis retail business registrations for Steele County, if a number under 12,500 remains after applying the 12,500 increments to Steele County's population, that fractional amount is also accorded one active cannabis retail business registration. By way of example, the most recent population calculation for Steele County as of the date of adoption is 37,422. Based on this population, the maximum number of active business registrations in the county is three (3) registrations. This limitation does not include a Minnesota Tribal government operating a cannabis retailer in Indian country, as defined in United States Code, title 18, section 1151, within Steele County.

- (b) In applying this limitation, cannabis retail business applications will be prioritized based upon the date the application is received by the Steele County Property Tax and Elections Director. Applications will be reviewed in the order the applications were received, starting with the earliest received. Incomplete applications or those not following the requirements of this Ordinance will be removed from the order. If applications are received on the same day and those applications outnumber the maximum number of registrations allowed, a committee with the Steele County Property Tax and Elections Director, Steele County Administrator, Steele County Finance Director, the Steele County Sheriff, and the Owatonna Community Development Director as members will select which application(s) to accept. The decision shall be based upon factors such as completeness, feasibility of the proposal, safety, community needs, and distance from other cannabis retailers.

Section 3: Requirements for Cannabis Businesses

301. Minimum Buffer Requirements

- (a) A cannabis business shall not operate within 1,000 feet of a school.
A cannabis business shall not operate within 500 feet of a day care.
- (b) A cannabis business shall not operate within 500 feet of a residential treatment facility.
- (c) A cannabis business shall not operate within 500 feet of a public park that is regularly used by minors, including a playground or athletic field and the Steele County Free Fair grounds.
- (d) A cannabis retail business shall not operate within 1,000 feet of a other cannabis retail business.
- (e) All setback distances referenced above will be measured from the property lines for the parcel on which the above-described use is located. Per MINN. STAT. § 462.357 subd. 1e, nothing in paragraph 301 shall prohibit an active cannabis business or a cannabis business seeking registration from continuing operation at the same site if a (school/daycare/residential treatment facility/attraction within a public park that is regularly used by minors) moves within the minimum buffer zone.

302. Hours of Operation

Cannabis businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, or hemp-derived consumer products between the hours of 10:00 a.m. and 9:00 p.m., seven days a week.

303. Insurance

No individual or entity may operate a state-licensed cannabis business within the city without first presenting a Certificate of Insurance to the City Administrator's Office as evidence of the following coverages for the location which shall meet the following minimum Limits of Liability:

- (a) Commercial General Liability (CGL)
- 1.5 million each occurrence;
 - \$3 million General Aggregate; and
 - \$3 million Products and Completed Operations aggregate (or Product Liability)
- (b) Workers' Compensation Insurance:
- As required by Minnesota state law;
 - Employer's Liability Insurance:
 - \$500,000 per accident
 - \$500,000 disease policy limit
 - \$500,000 disease each employee
- (c) Commercial Auto Insurance:
- \$1 million combined single limit including coverage for hired and non-owned vehicles.

303. Advertising

- (a) This Section applies only to areas of Steele County that are covered by the Steele County Zoning Ordinance, including jurisdictions that have opted into Steele County zoning. Jurisdictions that have requested Steele County to register cannabis businesses but have not opted into Steele County zoning must certify to the Steele County Property Tax and Elections Director that a proposed cannabis business complies with its sign requirements.

- (b) Cannabis businesses are permitted to erect up to two fixed signs on the exterior of the building or property of the business. Signs must comply with the requirements of the Steele County Zoning Ordinance, section 1514.

Section 4: Temporary Cannabis Events

401. License or Permit Required for Temporary Cannabis Events

- (a) License Required.
A license or permit is required to be issued and approved by the Steele County Property Tax and Elections Director prior to holding a Temporary Cannabis Event.
- (b) Registration & Application Procedure
A registration fee, as established in Steele County's fee schedule, shall be charged to applicants for Temporary Cannabis Events.
- (c) Application Submittal & Review.
The Steele County Property Tax and Elections Director shall require an application for Temporary Cannabis Events.

- An applicant shall fill out an application form, as provided by the Steele County Property Tax and Elections Director. Said form shall include, but is not limited to:
 - Full name of the property owner and applicant; and
 - Address, email address, and telephone number of the applicant.
- The applicant shall include with the form:
 - The application fee as required in section 4.1.2; and
 - A copy of the OCM cannabis event license application, submitted pursuant to MINN. STAT. § 342.39 subd. 2.
- The application shall be submitted to the Steele County Property Tax and Elections Director. If the application is deficient with respect to the above requirements, the Steele County Property Tax and Elections Director shall return the application with a notice of the deficiencies.
- Once an application is considered complete, the Steele County Property Tax and Elections Director shall inform the applicant as such, process the application fees, and forward the application to the Steele County Sheriff's Office for final approval. The Steele County Sheriff may deny an application if the applicant has not sufficiently planned or detailed feasible safety and security plans.
- The application fee shall be non-refundable once processed.
- The application for a license for a Temporary Cannabis Event shall meet the following standards:
 - Except for low-potency cannabis edibles, onsite consumption is prohibited.
 - Temporary cannabis events shall only be held between the hours of 10:00 a.m. and 9:00 p.m.
 - Temporary cannabis events are prohibited in residential districts.
 - Temporary cannabis events must comply with the buffer requirements described in section 3.1
 - Temporary cannabis events must comply with all requirements detailed in MINN. STAT. § 342.40. The application shall include a detailed plan addressing the requirements of MINN. STAT. § 342.40, subds. 3, 4, 5, 6, 7 and 8.
- A request for a Temporary Cannabis Event that meets the requirements of this Section shall be approved.
- A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. The Steele County Property Tax and Elections Director shall notify the applicant of the standards not met and basis for denial.

Section 5: Local Government as a Cannabis Retailer

501. A municipality may establish, own, and operate a municipal cannabis retail business subject to the restrictions in this Ordinance.

502. A municipal cannabis retail store shall not be included in any limitation of the number of registered cannabis retail businesses under paragraph 206.

503. A municipal cannabis retail store shall be subject to all same rental license requirements and procedures applicable to all other applicants.

Section 6: Effective Date

This Ordinance shall be in full force and effect from and after its passage and publication.

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