

CITY OF CARLOS

ORDINANCE #2025-10-09-02

AN ORDINANCE AMENDING THE CARLOS CITY CODE TITLE XI, CHAPTER 118 REGARDING CANNABIS EVENT REGULATIONS

The City Council of the City of Carlos, Douglas County, Minnesota hereby ordains (new material is underlined; deleted material is lined out; sections which are not proposed to be amended are omitted, sections which are only proposed to be re-numbered are only set forth below as to their numbers and title):

SECTION 1. Amendment. The City of Carlos City Code, Section 118.30, Purpose and Findings, shall be added as follows.

a. **Purpose and Findings.** The City of Carlos makes the following legislative findings:

The purpose of this ordinance amendment is to implement the provisions of Minnesota Statutes Chapter 342, which authorizes the City of Carlos to protect the public health, safety, welfare of Carlos residents by regulating cannabis events within the legal boundaries of Carlos.

The City of Carlos finds and concludes that the provisions are appropriate and lawful event regulations for the City of Carlos that will promote the community's interest for now and in the future and that the provisions are in the public interest and for the public good.

b. **Authority and Jurisdiction.** The City of Carlos has the authority to adopt this ordinance pursuant to:

- (1) 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 of operation of cannabis business.
- (2) Minn. Stat. §342.22 regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- (3) Minn. Stat. §152.0263 Subd. 5, regarding the use of cannabis in public places.

SECTION 2. Amendment. The City of Carlos City Code, Section 118.31, Definitions, shall be added as follows.

CANNABIS CULTIVATION. A cannabis business licensed to grow cannabis plants within the approved amount of space from seed or immature plant, harvest cannabis

flower from mature plant, package and label immature plants and seedlings and cannabis flower for sale to other cannabis businesses, transport cannabis flower to a cannabis manufacturer located on the same premises, and perform other actions approved by the Minnesota Office of Cannabis Management. See Minn. Stat. §342.30.

CANNABIS EVENT. A temporary cannabis event operating pursuant to Minnesota Statute 342.39, as it may be amended.

CANNABIS RETAIL BUSINESS. A retail location and the retail location(s) of a mezzobusiness with a retail operations endorsement, microbusiness with a retail operations endorsement, medical combination businesses operating a retail location, and excluding lower-potency hemp edible retailers.

MEZZOBUSINESS. A business that can cultivate cannabis (up to 15,000 square feet) and manufacture cannabis products and hemp products and package such for sale to customers or another licenses cannabis business. A microbusiness may also operate up to three retail locations. See Minn Stat. §342.29

MICROBUSINESS. A business that can cultivate cannabis (up to 5,000 square feet) and manufacture cannabis products and hemp products and package such for sale to customers or another licenses cannabis business. A microbusiness may also operate a single retail location. See Minn. Stat. §342.28.

OFFICE OF CANNABIS MANAGEMENT. The Minnesota Office of Cannabis Management, referred to as “OCM” in this Ordinance.

SECTION 3. Amendment. The City of Carlos City Code, Section 118.32, Permit Required, shall be added as follows.

A permit is required to be issued and approved by the City of Carlos prior to holding a cannabis event. For Penalty, see ‘ 118.99.

SECTION 4. Amendment. The City of Carlos City Code, Section 118.33, Application for Permit, shall be added as follows.

- a. Registration & Application Procedure. A registration fee, as established in fee schedule of the City of Carlos, shall be charged to applicants for cannabis events.
- b. Application Submittal & Review. The City of Carlos shall require an application for cannabis events.
- c. An applicant for a cannabis event shall fill out an application form, as provided by the City of Carlos. Said form shall include, but is not limited to:
 - i. Full name of the property owner and applicant;

- ii. Address, email address, and telephone number of the applicant;
- iii. A site plan including the location of the event, the set-up, location of parking, dates of the proposed event, hours of operation, lighting, signage, and any other information deemed necessary by the City.
- d. The applicant shall include with the form:
 - i. The application fee as established in the fee schedule of the City of Carlos.
 - ii. A copy of the OCM cannabis event license application, submitted pursuant to Minnesota Statute 342.39 subd. 2.
- e. The application shall be submitted to the City for review. If the City determines that a submitted application is incomplete, they shall return the application to the applicant with the notice of deficiencies.
- f. Once an application is considered complete, the City shall inform the applicant as such, process the application fees, and forward the application to the City Council for approval or denial.
- g. The application fee shall be non-refundable once processed.

SECTION 5. Amendment. The City of Carlos City Code, Section 118.34, Issuance of Permit and Conditions, shall be added as follows.

- a. Standards. The application for a permit for a cannabis event shall meet the following standards:
 - i. Cannabis events must be licensed by the State of Minnesota and in compliance with the standards set by OCM.
 - ii. Cannabis events may only be permitted in Commercial and Industrial Zoning Districts.
 - iii. Cannabis events may only be held at approved cannabis cultivation, cannabis mezzobusiness, cannabis microbusiness and cannabis retail business locations.
 - iv. Cannabis events must last no more than four consecutive calendar days.
 - v. Unless approved by the City Council, no cannabis event may take place outdoors.
 - vi. No more than one cannabis event may be conducted at a single location in a calendar year.
 - vii. Hours of operation for a cannabis event are limited to 10:00 AM to 9:00 PM, Monday through Sunday.
 - viii. On-site consumption of cannabis flower and cannabis products shall be prohibited at all registered cannabis events. Exceptions include an employee who is in the Registry Program to consume medical cannabis flower and medical cannabinoid products; and the consumption of lower-potency hemp edibles in locations currently licensed for liquor sales.


- b. A request for a cannabis event that meets the requirements of this Section shall be approved.
- c. A request for a cannabis event that does not meet the requirements of this Section shall be denied. The City shall notify the applicant of the standards not met and basis for denial.

Section 7. Effective Date. This ordinance becomes effective upon its passage and publication according to law.

This ordinance is subject to amendment by Carlos City Council action.

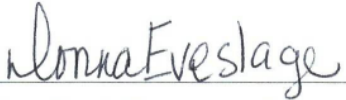
Passed by the council this 9 Day of October, 2025.

Signed:

A handwritten signature in black ink, appearing to read "R. Berghoff", written over a horizontal line.

Mayor Ronna Berghoff

Attest:

A handwritten signature in black ink, appearing to read "Donna Eveslage", written over a horizontal line.

City Clerk/Treasurer Donna Eveslage