

Ordinance No. 24-____

The Olmsted County Board of Commissioners does ordain as follows:

AN ORDINANCE AMENDING SECTION 2.02, SECTION 4.02, SECTION 5.00, SECTION 7.00, SECTION, 8.02, SECTION 8.04, SECTION 8.06, SECTION 8.08 AND SECTION 10.02, AND ADDING SECTION 10.54 IN CHAPTER 1400 OF THE OLMSTED COUNTY CODE OF ORDINANCES – ZONING ORDINANCE

Section 2.02 is hereby amended and reenacted to read as follows:

SECTION 2.02. RULES, WORD USAGE:

Cannabis business. In accordance with MN Statutes Section 342.01 Subdivision 14, "cannabis business" means any of the following licenses by the State of Minnesota:

- 1) Cannabis Microbusiness;
- 2) Cannabis Mezzobusiness;
- 3) Cannabis Cultivator;
- 4) Cannabis Manufacturer;
- 5) Cannabis Retailer;
- 6) Cannabis Wholesaler;
- 7) Cannabis Transporter;
- 8) Cannabis Testing Facility;
- 9) Cannabis Delivery Service;
- 10) Medical Cannabis Combination Business.

Cannabis Cultivation. Includes license types: cannabis cultivator, cannabis mezzobusiness, cannabis microbusiness and medical cannabis combination business, means in accordance with MN Statute 342.01 Subdivision 27, any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis plants, cannabis flower, hemp plants, or hemp plant parts.

Cannabis Manufacturing, Processing, Extraction. Includes MN Cannabis

License types: cannabis manufacturer, cannabis mezzobusiness, cannabis, microbusiness, medical cannabis combination and means a business or activity that turns raw, dried cannabis and cannabis parts into other types of cannabis products such as but not limited to edibles or topicals.

Cannabis Microbusiness: A MN Cannabis License type issued pursuant to MN Statutes Section 342.28 which permits cultivation of cannabis, manufacturing of cannabis products and hemp products, and packaging such products for sale to customers or another licensed cannabis business and which may operate a single retail location.

Cannabis Medical Combination Business: A MN Cannabis License type issued pursuant to MN Statutes Section 342.515 which permits the cultivation and manufacturing of cannabis and hemp products, and packaging such products for sale to customers, patients, or another licensed cannabis business. Medical cannabis combination businesses may operate up to one retail location in each congressional district.

Cannabis Mezzobusiness: A MN Cannabis License type in issued pursuant to MN Statutes Section 342.29 which permits cultivation of cannabis, manufacturing of cannabis and hemp products, and packaging of such products for sale to customers or another licensed cannabis business and which may operate up to three retail locations.

Cannabis Retail: A MN Cannabis License type issued pursuant to MN Statutes Section 342.32 and which includes the following types of cannabis businesses: cannabis retailer, cannabis mezzobusiness, cannabis microbusiness, and medical cannabis combination. This license type allows these businesses to sell cannabis and cannabis products directly to consumers.

Cannabis Transporter: A MN Cannabis License type issued pursuant to MN Statutes Section 342.35. A cannabis transporter license entitles the license holder to transport immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, cannabis wholesalers, lower-potency hemp edible manufacturers, and industrial hemp growers to cannabis microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, cannabis testing facilities, cannabis wholesalers, cannabis retailers, lower-potency hemp edible retailers, and medical cannabis combination businesses and perform other actions approved by the Office of Cannabis Management.

Cannabis Testing Facility: A MN Cannabis License type issued pursuant to MN Statutes Section 342.37. A cannabis testing facility license entitles the license holder to obtain and test immature cannabis plants and seedlings, cannabis

flower, cannabis products, hemp plant parts, hemp concentrate, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, cannabis wholesalers, lower-potency hemp edible manufacturers, medical cannabis combination businesses, and industrial hemp growers.

Cannabis Wholesale: A MN Cannabis License type issued pursuant to MN Statutes Section 342.33 and 342.34 and which includes the following types of cannabis businesses: cannabis wholesale, cannabis cultivator, cannabis manufacturer, cannabis mezzobusiness, cannabis microbusiness, and medical cannabis combination. This license type allows a business to purchase from a business growing or manufacturing cannabis or cannabis products and sell to a cannabis business engaged in retail operations.

Section 4.02 is hereby amended and reenacted to read as follows:

SECTION 4.02 Conditional Use/Interim Use

The purpose of a conditional/interim use is to permit a use that would not be appropriate generally but may be allowed with appropriate restrictions upon a finding that 1) certain conditions as detailed in the zoning ordinance exist, and 2) the use or development conforms to the Comprehensive Plan, and 3) is compatible with the existing area.

An "interim use" is a temporary use of property until a particular date, until the occurrence of a particular event, or until zoning regulations no longer permit it.

A conditional/interim use is allowed only after a petition for a permit has been approved by the Planning Advisory Commission, except when there is an appeal to the Commission decision; then, only after the approval of the County Board of Commissioners.

- A. **Criteria for Granting Conditional Uses:** In granting a conditional use, the Planning Advisory Commission shall consider the effect of the proposed use on the Comprehensive Plan and upon the health, safety, and general welfare of occupants of surrounding lands. Among other things, the Commission shall consider the following:
1. The proposed use will not be injurious to the use and enjoyment of other property in the neighborhood and will not significantly diminish or impair the values of such property.
 2. The proposed use will not impede the normal and orderly development and improvements of the surrounding property.

3. Adequate utilities, parking, drainage, and other necessary facilities will be provided.
4. Adequate ingress and egress will be provided to minimize traffic congestion in the public streets.
5. Based on a transportation impact analysis, if required under Section 10.48 of this Ordinance, or (if the requirement for a transportation impact analysis has been waived) considering the recommendation of the responsible road authority engineer as defined in that Section, either:
 - a. The traffic generated by the proposed use can be safely accommodated on existing or planned street systems and the existing public roads providing access to the site will not need to be upgraded or improved by the Township or County or other affected jurisdictions in order to handle the additional traffic generated by the use; or
 - b. A road use agreement has been entered into specifying responsibility for improving and maintaining the roads of affected jurisdictions including remediation of damaged roads and specification of designated haul routes to limit heavy vehicle traffic to structurally adequate corridors.
6. Adequate measures have been taken or proposed to prevent or control offensive odor, fumes, dust, noise, vibration, or lighting which would otherwise disturb the use of neighboring property.
7. The special criteria or requirements indicated in Article X, General Regulations, are complied with.
8. The water and sanitary systems are or would be adequate to prevent disease, contamination, and unsanitary conditions.
9. When deciding on a conditional use to the A 1, A 2, A 3, and A 4 Agricultural Districts, the following additional factors shall be considered.
 - a. The amount of prime agricultural land with a crop equivalent rating of 60 or above that would be taken out of production as a result of the use.
 - b. The need for new public roads or the need for improvement to existing public roads is minimal.

B. Criteria for Granting Interim Uses: Zoning regulations permit the County Board to allow interim uses. The regulations may set conditions on interim uses. The Planning Advisory Commission acting on behalf of the County Board may grant permission for an interim use of property if:

1. The use conforms to the zoning regulations and meets the requirements of Section 4.02 Subdivision A;

2. The date or event that will terminate the use can be identified with certainty;
3. Permission of the use will not impose additional costs on the public if it is necessary for the public to take the property in the future; and
4. The user agrees to any conditions that the Planning Advisory Commission deems appropriate for permission of the use.

C. Additional Conditions: In permitting a new conditional or interim use or the alteration of an existing conditional or interim use, the Planning Advisory Commission may impose, in addition to those standards and requirements expressly specified by this ordinance, additional conditions which the Planning Advisory Commission considers necessary to protect the best interest of the surrounding area or the County as a whole. These conditions may include, but are not limited to the following:

1. Increasing the required lot size or yard dimension.
2. Limiting the height, size, or location of buildings.
3. Controlling the location and number of vehicle access points.
4. Increasing the street width.
5. Increasing the number of required off street parking spaces.
6. Limiting the number, size, location, or lighting of signs.
7. Requiring diking, fencing, screening, landscaping, or other facilities to protect adjacent or nearby property.
8. Designating sites for open space.
9. Limiting the hours of operation.
10. Limiting the length of time for which the interim use may exist.
11. Limitations on the natural vegetation to be removed or the requirement that additional vegetation be planted.
12. Special provisions for the location, design, and use of structures, sewage treatment systems, and vehicle parking areas.
13. Limiting the interim use to the current landowner.

D. Required Exhibits: The following exhibits shall be required unless waived by the Zoning Administrator:

1. A completed application form.
2. An accurate boundary description of the property.

3. A development plan of the property showing the existing or proposed buildings, streets, access roads, driveways, parking spaces and signs.
4. Landscaping and screening plans.
5. Drainage Plan.

E. Conditional/Interim Use Procedures: The procedures for a property owner to obtain a conditional/interim use are as follows:

1. The applicant shall obtain the application and necessary forms from the Olmsted County Planning Department.
2. The applicant shall return the application to the Olmsted County Planning Department along with the required exhibits and pay the fee established by the Board for processing the conditional/interim use procedures (See Appendix A).
3. The Zoning Administrator shall transmit a certified copy of an approved conditional/interim use, along with the legal description of the property, to the County Recorder for recording except when the Commission's decision is being appealed.
4. A conditional use permit shall remain in effect for so long as the conditions of the permit are observed or complied with.
5. No application for conditional/interim use shall be reconsidered by the Planning Advisory Commission within the one (1) year period following a denial of such request, except the Commission may permit a new application if, in the opinion of the Commission, new evidence or a change of circumstances warrant it.
6. Should no construction or use begin within one year from the date of approval, or should the approved conditional/interim use be discontinued for a period of one year, the conditional/interim use shall be void.

Section 5.00 is hereby amended and reenacted to read as follows:

SECTION 5.00 A-1 AGRICULTURAL PROTECTION DISTRICT

Shall be amended as follows:

A. Permitted Uses:

3. General farming, including the raising of crops (including cannabis), livestock, poultry, dairying, horticulture, apiculture, viticulture, sod farming, forestry, and similar agriculturally related uses, except animal feedlots.

Section 7.00 is hereby amended and reenacted to read as follows::

SECTION 7.00 RURAL SERVICE CENTERS

B. Conditional Uses: (also see Section 4.02, Conditional/Interim Use)

1. One mobile home per lot.
2. Private or quasi-public facilities including but not limited to schools, churches, cemeteries, and community buildings.
3. Public utility buildings such as substations, transformer stations, and regulator stations, without service or storage yards.
4. **Certain commercial uses including:** Drug and gift stores, gasoline service stations, grocery and other food stores, hardware, feed and seed stores, building material, lawn and garden supply stores and nurseries, offices, governmental buildings, restaurants and taverns.
5. **Certain industrial uses including:** Creamery, grain elevator, meat locker, welding shop, and auto body shop.
6. Accessory structures and uses customarily incidental to any of the above conditional uses when located on the same property.
7. Small non-utility wind energy conversion system.
8. Solar energy farm (photovoltaic systems).
9. Compost, Commercial Small Facility

C. Interim Uses: (also see Section 4.02, Conditional/Interim Use)

1. **Certain commercial uses including:** cannabis retailers, medical cannabis combination business.

Section 8.02 is hereby amended and reenacted to read as follows:

SECTION 8.02 COMMERCIAL SERVICE DISTRICT (CS)

C. Interim Use: (Also see Section 4.02, Conditional/Interim Use)

1. Cannabis Retailer
2. Cannabis Transporter
3. Medical Cannabis Combination Business
4. Cannabis Microbusiness

5. Cannabis Mezzobusiness
6. Cannabis Delivery Service
7. Accessory structures and uses customarily incidental to any of the above Interim Uses when located upon the same property.

Section 8.04 is hereby amended and reenacted to read as follows:

SECTION 8.04 HIGHWAY COMMERCIAL DISTRICT (HC)

A. Permitted Uses:

1. **Retail Trade:**

- a) Apparel and accessory stores.
- b) Building materials and hardware stores.
- c) Furniture, home furnishing, antique and appliance stores.
- d) Gasoline service stations and car washes.
- e) Lawn and garden supply stores and nurseries.
- f) Marine, motor vehicle and mobile home dealers and supply stores.
- g) Restaurants and other eating establishments not serving alcoholic beverages.
- h) Auction barns or sales facilities.
- i) Other retail stores including cannabis retailer.

2. **Services:**

- a) Business services, including advertising agencies, cleaning and maintenance services, and similar uses.
- b) Educational facilities.
- c) Government buildings.
- d) Attorney, finance, insurance, real estate, engineering and other office uses.
- e) Doctor, Dentist, veterinarian, and other health care facilities.
- f) Motor vehicle, body shops, welding and other repair services.
- g) Personal services, including barber shops, beauty shops, reducing salons, photographic shop, laundry, dry cleaners, funeral services and other similar uses; except saunas, massage parlors and similar uses.

- h) Moving and storage uses.
- i) Motels and hotels.
- j) Home improvement trades, including electricians, plumbers, building contractor shops and services, and other similar uses.
- k) **Entertainment, Adult:** Adult bookstores, adult motion picture theaters, adult mini-motion picture theaters, adult massage parlors, adult saunas, adult companionship establishments, adult health clubs, adult cabarets, adult novelty businesses, adult motion picture arcades, adult modeling studios, adult hotel or motel, adult body painting studios, and other adult establishments, located at least 1000 feet from:
 - i. Any existing Residential Zoning District
 - ii. Any areas designated for Future Residential Development on any Urban Services Area Land Use Plan
 - iii. Any Church, School, Or Youth Facility
 - iv. Any other Adult Establishment;
 - v. For the purposes of this Section this distance shall be a horizontal measurement from the nearest existing residential district boundary, church, school, youth facility or another establishment to the nearest point of the proposed adult establishment.
- 3. One Dwelling Unit, when included as an integral part of the principal building or one mobile home occupied by the owner or his employee.
- 4. Recreational Uses Including Athletic Clubs, Tennis Or Racquet Ball Clubs, Bowling Alleys, Dance Halls, Theaters, Roller Or Ice Skating Rinks, Golf Driving Ranges, and other similar uses.
- 5. Storage And Wholesale Trade including cannabis wholesaler.
- 6. Accessory Structures and Uses customarily incidental to any of the above permitted uses when located upon the same property.

B. Conditional Use: (See Section 4.02, Conditional/Interim Use.)

- 1. Any permitted retail or service use over ten thousand (10,000) square feet of floor area.
- 2. Amusement Parks and race track services.
- 3. Taverns and other facilities serving alcoholic beverages.
- 4. Telecommunication towers and transmitters including radio, television, and commercial wireless telecommunications.

5. Accessory structures and uses customarily incidental to any of the above conditional uses when located upon the same property.
6. Small non-utility wind energy conversion system.
7. Solar energy farm (photovoltaic systems).
8. Compost, Commercial Small Facility

C. **Interim Use:** (See Section 4.02, Conditional/Interim Use)

1. Cannabis Testing Facility
2. Cannabis Transporter
3. Cannabis Delivery Service
4. Cannabis Mezzobusiness
5. Cannabis Microbusiness
6. Accessory structures and uses customarily incidental to any of the above Interim Uses when located upon the same property

Section 8.06 is hereby amended and reenacted to read as follows:

SECTION 8.06 INDUSTRIAL DISTRICT (I)

A. **Permitted Uses:**

1. Automobile service stations.
2. Business services; including advertising, disinfecting, and exterminating services, employment agencies.
3. Miscellaneous services; including engineering, architectural, surveying services, accounting, auditing, insurance companies, bookkeeping and labor unions.
4. Manufacturing, compounding and treatment of materials, goods or products from previously prepared materials (including cannabis manufacturer).
5. Motor freight and air transportation facilities (including cannabis transporter).
6. Moving and storage companies.
7. Printing and publishing companies.

8. Warehousing.
9. Wholesale trade (including cannabis wholesaler).
10. One dwelling unit, when included as an integral part of the principal building or one mobile home to be occupied by the owner or his employee.
11. Accessory structures and uses customarily incidental to any of the above permitted uses.

B. Conditional Uses: (see Section 4.02, Conditional Uses)

1. Body shops.
2. Building material sales storage yards.
3. Contractors' equipment rental or storage yards.
4. Public utility service buildings and yards, electrical transformer stations, substations, and gas regulator stations.
5. The manufacturing of concrete, cement, lime, gypsum or plaster.
6. Distillation of bone, coal, petroleum, refuse, grain or wood.
7. The manufacturing or storage of explosive products.
8. The manufacturing or storage of fertilizers, sulphurous, sulphuric, nitric, carbolic, hydrochloric acids or other corrosive acids or chemicals.
9. Grain elevators.
10. Garbage, offal, dead animals, refuse, rancid fats, incineration, glue manufacturing where the processes include the refining or recovery of products from animal refuse or offal.
11. Livestock sales, stock yards, slaughtering of and processing of animal and fowl.
12. Petroleum and asphalt refining and manufacturing.
13. Smelting or refining of materials from ores.
14. Steam and board hammers; and forging presses.
15. Storing, curing, and tanning of raw, green or salted hides and skins.
16. Recycling facilities, auto salvage and junk yards.
17. Other manufacturing and industrial uses.
18. Accessory structures and uses when located upon the same property.

19. Telecommunications towers and transmitters including radio, television, and commercial wireless telecommunications.
20. Small non-utility wind energy conversion system.
21. Solar energy farm (photovoltaic systems).
22. Compost, Commercial Small Facility
23. Compost, State of Minnesota Permitted Facility

C. Interim Uses

1. Cannabis testing facility
2. Accessory structures and uses customarily incidental to any of the above Interim Uses when located upon the same property.

Section 8.08 is hereby amended and reenacted to read as follows:

SECTION 8.08 MEDICAL INSTITUTIONAL DISTRICT (MI)

C. Interim Use: (See Section 4.02, Conditional/Interim Use)

1. Medical Cannabis Combination Business
2. Accessory structures and uses customarily incidental to any of the above Interim Uses when located upon the same property.

Section 10.02 is hereby amended and reenacted to read as follows:

SECTION 10.02 HOME BUSINESSES

- A. In any zoning district where home businesses are authorized, a home business shall comply with the following regulations:
1. Said use shall occupy an area no more than twenty five (25%) percent of the total floor area of the dwelling.
 2. No home business shall require interior or exterior alterations of the dwelling exceeding 25% of the estimated building value as determined by the most current Olmsted County property records. No home business shall create emissions, surface or groundwater discharges, odor, dust, noise, electrical disturbances, glare, or vibrations exceeding the standards of the Minnesota Pollution Control Agency as specified in Minnesota Rules.

3. Any parking generated by the conduct of the home occupation shall be provided for off the street, outside the required front yard and side street side yard.
4. Notwithstanding any other provision to the contrary, no adult establishment shall be allowed as a home occupation in any district.
5. All exterior lighting standards in Article 10.16 as well as those for parcels located in Commercial zoning districts found in Article 10.16, Subdivision E, Subdivision 2.
6. Cannabis businesses shall not be considered incidental or accessory to the use of the property and are not permitted in any zoning district as a home occupation.

Section 10.54 is hereby amended and reenacted to read as follows:

SECTION 10.54 CANNABIS BUSINESSES

- A. Location Criteria- No cannabis business (including cultivation) may be located within any of the following distances:
 1. 1,000 feet of any educational institution or school, college or university, as defined in Section 2152.07 the Olmsted County Public Ordinance Regulating the Use of Cannabis and Cannabis Derived Products in Public Places.
 2. 500 feet of a licensed day care facility,
 3. 500 feet of a residential treatment facility,
 4. 500 feet of a public park, or playground that is regularly used by minors including a playground or athletic field,
 5. Or on any property owned by Olmsted County
- B. Cannabis Cultivation: Cannabis cultivation is only permitted in accordance with the requirements set forth in Minnesota Statutes Section 342.25 and associated Minnesota Rules and located on properties zoned Agricultural specifically A-1 Agricultural Protection District, A-2 Agricultural Protection District or A-3 Agricultural District except that indoor cultivation is permitted in association with cannabis mezzobusiness and cannabis microbusiness locations.
 1. Cannabis cultivation is not considered an accessory use incidental to the primary use of the property.
 2. Cannabis plants may only be grown for personal use in accordance with Minnesota Statutes Section 342.09 Subd. 2 on properties with any zoning classification that authorizes a dwelling.

These zoning text amendments to the County Zoning Ordinance shall take effect August 24, 2024.

ADOPTED by the Olmsted County Board of Commissioners this ____ day of _____, 2024.

OLMSTED COUNTY BOARD OF
COMMISSIONERS

Sheila Kiscaden, Chairperson, County
Board of Commissioners

ATTEST

Lisa Morris-Helmstetler,
Deputy Clerk to the County Board

Commented [CT1]: The changes can't take effect until a summary of the changes has been published in the PB which can't happen until Saturday August 24.