

**CITY OF SCANLON
ORDINANCE 238
Cannabis Ordinance**

Section 1	Administration
Section 2	Registration of Cannabis Business
Section 3	Requirements for a Cannabis Business (Time, Place, Manner)
Section 4	Temporary Cannabis Events
Section 5	Lower Potency Hemp Edibles

**AN ORDINANCE OF THE CITY OF SCANLON
TO REGULATE CANNABIS BUSINESSES**

The city council of the City of Scanlon hereby ordains:

Section 1. Administration

1.1 Findings and Purpose

City council makes the following legislative findings:

The purpose of this ordinance is to implement the provisions of Minnesota Statutes, chapter 342, which authorizes the city council to protect the public health, safety, welfare of the City of Scanlon residents by regulating cannabis businesses within the legal boundaries of the City of Scanlon.

1.2 Authority & Jurisdiction

City council has the authority to adopt this ordinance pursuant to Minn. Stat. 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses, which shall be applicable within the legal boundaries of the City of Scanlon.

1.3 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.

1.4 Enforcement

The Cloquet Police Department is responsible for the administration and enforcement of this ordinance. 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 law. Violations of this ordinance can occur regardless of whether or not a permit is required for a regulated activity listed in this ordinance.

1.5 Definitions

1. Unless otherwise noted in this section, words and phrases contained in Minn. Stat. 342.01 and the rules promulgated pursuant to any of these acts, shall have the same meaning in this ordinance.
2. **Cannabis Retail Business:** A retail location and the retail location(s) of a mezzo business with a retail operations endorsement, microbusiness with a retail

operations endorsement, medical combination business operating a retail location, excluding lower-potency hemp edible retailers.

3. **Cannabis Retailer:** Any person, partnership, firm, corporation, or association, foreign or domestic, selling cannabis product to a consumer and not for the purpose of resale in any form.
4. **Lower-potency Hemp Edible:** As defined under Minn. Stat. 342.01 subd. 50.
5. **Office of Cannabis Management:** Minnesota Office of Cannabis Management, referred to as "OCM" in this ordinance.
6. **Preliminary License Approval:** OCM pre-approval for a cannabis business license for applicants who qualify under Minn. Stat. 342.17.
7. **Retail Registration:** An approved registration issued by the City of Scanlon to a state-licensed cannabis retail business.
8. **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

2.1 Consent to registering of Cannabis Businesses

No individual or entity may operate a state-licensed cannabis retail business in the City of Scanlon without first registering with the City of Scanlon.

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.

2.2 Compliance Checks Prior to Retail Registration

Prior to issuance of a cannabis retail business registration, the City of Scanlon shall conduct a preliminary compliance check to ensure compliance with local ordinances.

Pursuant to Minn. Stat. 342, within 30 days of receiving a copy of a state license application from OCM, the City of Scanlon 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.

2.3 Registration & Application Procedure

2.3.1 Fees.

A registration fee, as established in the City of Scanlon's fee schedule, shall be charged to applicants depending on the type of retail business license applied for. An initial retail registration fee shall not exceed \$125.

Any renewal retail registration fee imposed by the City of Scanlon shall be charged at the time of the second renewal and each subsequent renewal thereafter. A renewal retail registration fee shall not exceed \$125.

A medical combination business operating an adult-use retail location may only be charged a single registration fee, not to exceed the lesser of an initial retail registration fee or half the amount of an initial state license fee as stated above.

2.3.2 Application Submittal.

2.3.2 *Application Submittal.*

The City of Scanlon shall issue a retail registration to a state-licensed cannabis retail business that adheres to the requirements of Minn. Stat. 342.22.

- (A) An applicant for a retail registration shall fill out an application form, as provided by the City of Scanlon. 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. The address and parcel ID for the property which the retail registration is sought;
 - iv. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minn. Stat. 342.13.
 - v. Legal business name;
 - vi. Type of business entity;
 - vii. Names and addresses of all owners with 5% or greater interest in the business;
 - viii. Federal tax number.

- (B) The applicant shall include with the form:
 - i. the registration fee as required in Section 2.3.1 above;
 - ii. a copy of a valid state license or written notice of OCM license pre-approval;
 - iii. Site plan (floor plan, sales area, storage areas, secure product area, entrance/exits);
 - iv. Security plan (video surveillance coverage, alarm system, controlled entry procedures, inventory controls, employee access limitations);
 - v. Operations plan (hours of operation, staffing plan, customer flow, parking plan, delivery and unloading plan);

- (C) Once an application is considered complete, the City Clerk shall inform the applicant as such, process the application fees, and forward the application to the City Council for approval or denial.

- (D) The application fee shall be non-refundable once processed.

2.3.3 *Application Approval*

- (A) 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.

- (B) 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.

- (C) A state-licensed cannabis retail business application that meets the requirements of this ordinance shall be approved.

2.3.4 *Annual Compliance Checks.*

The Cloquet Police Department shall complete at minimum one compliance check per calendar year of every cannabis business to assess if the business meets age verification requirements, as required under Minn. Stat. 342.22 Subd. 4(b) and Minn. Stat. 342.24 and this ordinance.

The Cloquet Police Department shall conduct at minimum one unannounced age verification compliance check at least once per calendar year.

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.

Any failures under this section must be reported to the Office of Cannabis Management.

2.3.5 *Location Change*

A state-licensed cannabis retail business shall be required to submit a new application for registration under Section 2.3.2 if it seeks to move to a new location still within the legal boundaries of the City of Scanlon.

2.4 *Renewal of Registration*

The City of Scanlon shall renew an annual registration of a state-licensed cannabis retail business at the same time OCM renews the cannabis retail business' license.

A state-licensed cannabis retail business shall apply to renew registration on a form established by the City of Scanlon.

A cannabis retail registration issued under this ordinance shall not be transferred.

2.4.1 *Renewal Fees.*

The City of Scanlon may charge a renewal fee for the registration starting at the second renewal, as established in the City of Scanlon's fee schedule.

2.4.2 *Renewal Application.*

The application for renewal of a retail registration shall include, but is not limited to:

- Items required under Section 2.3.2 of this Ordinance.

2.5 *Suspension of Registration*

2.5.1 *When Suspension is Warranted.*

The City of Scanlon may suspend a cannabis retail business's registration if it violates the ordinance of the City of Scanlon or poses an immediate threat to the health or safety of the public. The City of Scanlon shall immediately notify the cannabis retail business in writing the grounds for the suspension.

2.5.2 *Notification to OCM.*

The City of Scanlon shall immediately notify the OCM in writing the grounds for the suspension. OCM will provide the City of Scanlon and cannabis business retailer

a response to the complaint within seven calendar days and perform any necessary inspections within 30 calendar days.

2.5.3 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 City of Scanlon may reinstate a registration if it determines that the violations have been resolved and the OCM has reinstated.

The City of Scanlon shall reinstate a registration if OCM determines that the violation(s) have been resolved.

2.5.4 Civil Penalties.

Subject to Minn. Stat. 342.22, subd. 5(e) the City of Scanlon may impose a civil penalty, as specified in the City of Scanlon's Fee Schedule, for license and registration violations, not to exceed \$2,000.

2.6 Limiting of Registrations

The City of Scanlon shall limit the number of Cannabis Retail Business Registrations to no fewer than one registration for every 1,200 residents within the Scanlon city limits. The City of Scanlon shall limit the number of cannabis retail businesses to one (1).

The City of Scanlon may limit the number of Lower-Potency Hemp Retail Business Registrations to no fewer than one registration for every 1,200 residents within Scanlon city limits. The City of Scanlon shall limit the number of lower-potency hemp retail business registrations to five (5).

Section 3. Requirements of Cannabis Business

3.1 Minimum Buffer Requirements

Cannabis businesses must abide by the buffer requirements as established within the Scanlon Zoning Ordinance pursuant to 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.

3.2 Zoning and Land Use

Cannabis businesses must abide by the zoning and land use restriction as established within the Scanlon Zoning Ordinance pursuant to Minn. Stat. 462.357, regarding the authority of a local authority to adopt zoning ordinances.

3.3 Hours of Operation

3.3.1 Cannabis Businesses

Cannabis businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products between regular business hours, seven days a week.

3.3.2. Lower-Potency Hemp Edible Retailer

Lower-potency hemp edible retailers are limited to the retail sale of lower-potency hemp edibles, or hemp-derived consumer products Monday - Saturday between the hours of 8 a.m. and 1 a.m. the following day and Sunday between the hours of 10 a.m. and 1 a.m. the following day.

3.4 Advertising

Cannabis businesses are permitted to erect up to 2 fixed signs on the exterior of the building or property of the business, unless otherwise limited by the City of Scanlon's sign ordinance.

Section 4. Temporary Cannabis Events

4.1 Permit Required for Temporary Cannabis Events

4.1.1 Permit Required.

A permit is required to be issued and approved by the City of Scanlon prior to holding a Temporary Cannabis Event.

4.1.2 Registration & Application Procedure

A registration fee, as established in City of the Scanlon's fee schedule, shall be charged to applicants for Temporary Cannabis Event Permits.

4.1.3 Application Submittal & Review.

The City of Scanlon shall require an application for Temporary Cannabis Event Permits.

(A) An applicant for a Temporary Cannabis Event Permit shall fill out an application form, as provided by the City of Scanlon. 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;

(B) The applicant shall include with the form:

- i. the application fee as required in Section 4.1.2;
- ii. a copy of the OCM cannabis event license application, submitted pursuant to 342.39 subd. 2.

The application shall be submitted to the city clerk, or other designee for review. If the designee determines that a submitted application is incomplete, they shall return the application to the applicant with the notice of deficiencies.

(C) Once an application is considered complete, the designee shall inform the applicant as such, process the application fees, and forward the application to the city council for approval or denial.

(D) The application fee shall be non-refundable once processed.

(E) The application for a Temporary Cannabis Event Permit shall meet the following standards:

- i. There shall be a designated consumption area approved by the city

which is out of view of the public and not accessible by individuals under the age of 21.

- ii. The sale or consumption of alcohol is prohibited within a cannabis event area.
- iii. The event organizer shall provide a written security plan and indicate the number of licensed security personnel that will be on duty during all hours of the event.
- iv. The organizer shall provide a sanitation and waste disposal plan. Cannabis waste shall be disposed of in accordance with cannabis waste regulations and shall not be placed in general trash receptacles.
- v. Noise and lighting levels shall comply with city and state regulations so as not to create a public nuisance.
- vi. The organizer shall provide a parking plan to minimize traffic congestion and ensure emergency vehicle access.
- vii. The organizer shall display visible signage to discourage impaired driving.
- viii. The event organizer shall submit the event plan to the city's police chief, the fire chief of the fire district, and manager of the ambulance district not less than 30 days prior to the event and cooperate in developing an emergency response plan.
- ix. The organizer shall restrict entry to the event to the maximum crowd capacity for the event location as approved by the fire chief.
- x. City officials, including police, fire and code enforcement officers, and health inspectors shall have a right of entry at all times during the event to ensure compliance with city ordinance and state law.

(G)A request for a Temporary Cannabis Event that meets the requirements of this Section shall be approved.

(H)A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. The city of Scanlon shall notify the applicant of the standards not met and basis for denial.

Temporary cannabis events shall only be held at a licensed Cannabis Retail Business.

Temporary cannabis events shall only be held between the hours of 10am and 9pm and are limited to a single day.

Section 5. Lower-Potency Hemp Edibles

5.1 Sale of Low-Potency Hemp Edibles

The sale of Low-Potency Edibles is permitted, subject to the conditions within this Section.

5.1.1 Age Requirements.

The sale of Low-Potency Edibles is permitted only in places that admit persons 21 years of age or older.

5.1.2 Storage of Product.

Low-Potency Edibles shall be sold behind a counter and stored in a locked case.


5.1.3 Exceptions

This Section does not apply to Low-Potency Edible beverages.

Section 6. Effective Date. This ordinance shall take effect and be in force from and after its passage and publication in accordance with law.

Passed this 13th day of May, 2026.

CITY OF SCANLON

By: 
His Mayor

ATTEST:

By: 
City Clerk

Published this 14 day of may, 2026.

City of Scanlon
2801 Dewey Ave
Scanlon, MN 55720
cityclerk@cityofscanlon.com

RETAIL REGISTRATION OF CANNABIS BUSINESS

Registration Fees	
Microbusiness (with retail endorsement)	N/A
Mezzo business (with retail endorsement)	\$ 500.00
Retailer	\$ 500.00
Lower-Potency Hemp Edible	\$ 125.00

Applicant Information:

Name:	
Address:	
Phone:	E-Mail Address:

Business Information

Name:	
Address:	
Phone:	Email:
MN Tax ID Number/Tax ID Number (EIN):	OCM License Number (attach copy of license)
Is this business current on all property taxes and assessments: Yes No	

I hereby state that all information here is true and correct and that I shall comply with all provisions of the ordinances of the City of Scanlon and laws of the state of Minnesota and their amendments.

Authorized Signature

Date

City of Scanlon
2801 Dewey Ave
Scanlon, MN 55720
cityclerk@cityofscanlon.com

SUPPLEMENTAL INFORMATION RETAIL REGISTRATION FORM

This form is to be completed by each of the following:

- All people that have an interest of five (5) percent or more in the business.

Please list all owners and show the interest held by each:

Name:	Address & Phone	Interest Held (%)

GOVERNMENT DATA PRACTICES ACT - CLASSIFICATION WARNING: The data you supply on this form will be used to process the license you are applying for. You are not legally required to provide this data, but we will not be able to process the license without it. Some of the data will be classified as public data if and when the license is granted. Private financial information is classified as private data and will be available to governmental personnel and other governmental agencies whose access is necessary to perform their official duties.