City Council Item

March 10, 2025

Item	Adopt Ordinance XXX: Amending Chapter 1, Chapter 11, and Chapter 20 of Chanhassen City Code regarding the regulation of Cannabis Businesses	
File No.		**Item No:** D.16
Agenda Section	**CONSENT AGENDA**	
Prepared By	Rachel Jeske, Planner	
Reviewed By	Laurie Hokkanen	

SUGGESTED ACTION

"The Chanhassen City Council adopts the ordinance amending Chapter 1, Chapter 11, and Chapter 20 of Chanhassen City Code regarding the regulation of Cannabis Businesses as proposed and approves the Summary Ordinance for publication."

Motion Type	Majority Vote of the entire Council
Strategic Priority	Development & Redevelopment

SUMMARY

City staff, in partnership with the City Attorney's office, has drafted an ordinance regulating cannabis sales and manufacturing for review and adoption by the City Council. The proposed ordinance is drafted treating the zoning of retail cannabis and hemp businesses the same way in which the sale of liquor and tobacco are regulated, with the addition of buffers for cannabis retail businesses.

BACKGROUND

The draft ordinance has been discussed at a City Council work session on October 28, an Economic Development Commission Meeting on November 12, a Planning Commission work session on November 19, and a Planning Commission public hearing on December 3. The City Council agreed with the suggested zoning districts proposed for the various types of cannabis and hemp businesses in the draft ordinance presented on October 28. The City Council requested additional feedback on

additional topics from the Planning Commission and Economic Development Commission; they also hoped to gain feedback from the public hearing process associated with an amendment to the zoning ordinance.

The Economic Development Commission and Planning Commission both expressed a unanimous desire to regulate the zoning of cannabis and hemp retail businesses the same way liquor and tobacco stores are regulated through zoning and to rely on Minnesota State Statute for the regulation on hours of operation of cannabis businesses.

On December 9, the City Council tabled the item and requested that staff create a draft ordinance with the addition of buffers from retail cannabis businesses as well as potentially buffers for retail liquor stores and retail tobacco stores for the City Council to consider at their next meeting.

On February 28, the City Council gave direction to city staff to bring forward for adoption an Ordinance regulating Cannabis which included a 500' buffer for retail cannabis licensed facilities from schools and residential treatment facilities. The City Council also directed staff to prepare an ordinance that would require the same buffering for retail liquor businesses as well as retail tobacco stores. City staff will be bringing the liquor and tobacco ordinance separately for approval in order to adhere to public notice requirements.

DISCUSSION

BUDGET

RECOMMENDATION

Staff recommends that the City Council adopts the attached ordinance amending Chapter 1, Chapter 11, and Chapter 20 of Chanhassen City Code regarding the regulation of Cannabis Businesses as proposed and approves the Summary Ordinance for publication.

ATTACHMENTS

Ordinance - Cannabis Zoning Ordinance
Summary of Ordinance - Cannabis