



August 28, 2024

TO: Saint Paul City Council

FROM: Nellie Jerome, City Planner; and Tony Johnson, Senior City Planner

SUBJECT: Adult-Use Cannabis Glossary and License Summary Table

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## BACKGROUND

The Adult-Use Cannabis Zoning Study is coming before City Council for review. This study is limited to zoning regulations which focus on where cannabis-related uses may be located in Saint Paul. The State of Minnesota's Office of Cannabis Management (OCM) will be responsible for licensing cannabis-related businesses and checking compliance with State operating regulations. As a new state agency, the department is in the process of getting set-up to be fully operational and begin issuing licenses in 2025. Licenses will be limited the first 2 years as the industry begins to become established in the state.

The schedule of this zoning study is intended to be completed ahead of OCM's licensing approvals, to allow businesses ample time to find appropriate locations. Practically, once licenses are allowed, OCM will review cannabis business license applications and will confirm with local governments that the proposed business location's zoning will allow the use. There may be other regulatory aspects of legalizing adult-use cannabis brought before City Council by others in the future, such as business registration processes, taxes, etc., but these are outside the scope of this study and would be guided by other departments. Generally, this study and the proposed zoning code amendments will:

- Regulate lower potency hemp (THC concentration of less than 0.3%) derived THC product sales as general retail, which is allowed in business, mixed-use, and industrial districts.
- Regulate cannabis (THC concentration of more than 0.3%) sales as "cannabis retail", which is allowed in business, mixed-use, and industrial districts.
- Allow limited cultivation and product production (under 15,000 sq. ft.) in mixed-use, commercial, industrial districts.
- Allow industrial scale cultivation and production (over 15,000 sq. ft.) in industrial districts.

As a new industry, there are many new terms that are mentioned in the zoning study. To ease your review and assist with questions from your constituents, we are providing a glossary of cannabis-related terms and a licensing summary table, below, as a supplement to the Planning Commission report.

## GLOSSARY

The Adult-Use Cannabis Ordinance, as well as MN Session Law Chapter 63, which legalized adult-use cannabis, contain numerous terms and definitions unique to the cannabis and hemp industry. Staff have included the most common ones here, for easy reference.

- **Accessory use:** operations or uses that are allowed but are not the main use of a piece of land. For example, a florist would be a main commercial use but would be allowed to have a production greenhouse on the property as their accessory use.
- **Cannabinoid:** Any of the chemical constituents of hemp plants or cannabis plants such as THC or CBD that are naturally occurring and act on the brain receptors. tetrahydrocannabinol (THC) and cannabidiol (CBD) are most common and are in cannabis and low-dose hemp edibles, as well as other products.
- **Cannabis flower:** This is the dried parts of the cannabis plant that are traditionally smoked.
- **Cannabis cultivation:** Growing cannabis plants generally, but includes planting, harvesting, drying, curing, grading, or trimming of cannabis plants, cannabis flower, hemp plants, or hemp plant parts
- **Cannabis product manufacturing:** commercial-scale production of edibles or other consumer products with cannabis concentrate, THC, and similar ingredients.
- **Cannabis plant:** Cannabis plants that are cultivated for higher-potency products. Cannabis plants have a THC concentration of more than 0.3%.
- **Cannabis product:** Smokable or edible cannabis products, like vapes or drinks, that are higher potency, not including cannabis flower or plant parts
- **Cannabis retail:** public sales of cannabis products, flower, or plant parts
- **Edible cannabis product:** High-potency cannabis edibles like candy or drinks hat comes from a cannabis plant instead of a hemp plant.
- **Hemp plant:** Cannabis plants that are cultivated for lower-potency products or fibers. Hemp plants have a THC concentration of less than 0.3%.
- **Lower-potency hemp edible (hemp derived edible):** Candy, drinks, or other foods with 5mg or less of THC per serving that comes from a hemp plant instead of a cannabis plant.
- **Medical cannabis:** cannabis products in certain forms (pills, liquids, edibles) that are provided to patients in the State's medical registry program. Medical Cannabis is not included in this zoning study.
- **Office of Cannabis Management:** New State agency started in 2023 that is responsible for overseeing the new cannabis industry in Minnesota.
- **Outdoor advertising:** Printed, digital, or posted cannabis advertising that can be seen by anyone who is outdoors.
- **State cannabis license:** any business involved in cannabis manufacture, cultivation, transport, or sales must be licensed by OCM and must follow state regulations related to maintaining that license.
- **Volatile solvents:** Some cannabis and help products are made by extracting things like TCH and CBD from cannabis or hemp plants, and volatile solvents are sometimes used in this process. They include butane, hexane, and propane.

LICENSE SUMMARY TABLE							
State License Type (included in zoning study)	What Activities Are Allowed						Where They May Operate
	Sell to customers	Sell to cannabis/hemp businesses	Grow cannabis	Make cannabis/hemp products	Sell for on-site consumption	Transport cannabis products	Test cannabis products
							Zoning Districts
Cannabis cultivator		X	X				Industrial (IT-12)
Cannabis delivery service						X	Business Districts (B3-B5), Industrial (IT-12), and Ford (F5-F6).
Cannabis manufacturer		X		X			Industrial (IT-12)
Cannabis mezzobusiness	X	X	X	X			<b>Cultivation and Production:</b> Traditional Neighborhood (T2-T4), Business (B3 and B5), Ford (F3 – F6), and Industrial (IT – 12). <b>Retail Sales:</b> Traditional Neighborhood (T2 – T4), Business (B1 – B5), Ford (F2 -F6), Industrial (IT – 12)
Cannabis microbusiness	X	X	X	X	X		<b>Cultivation and Production:</b> Traditional Neighborhood (T2-T4), Business (B3 and B5), Ford (F3 – F6), and Industrial (IT – 12). <b>Retail Sales/On-Site Consumption:</b> Traditional Neighborhood (T2 – T4), Business (B1 – B5), Ford (F2 -F6), Industrial (IT – 12)
Cannabis retailer	X						Traditional Neighborhood (T2 – T4), Business (B1 – B5), Ford (F2 -F6), Industrial (IT – 12)
Cannabis transporter						X	Business (B3-B5), Industrial (IT-12), and Ford (F5-F6).
Cannabis testing facility							X All business (OS-B5), All traditional neighborhood (T1 - T4), Industrial (IT-12), Ford (F2 - F6).
Cannabis wholesaler		X					Industrial (IT-12)
Lower-potency hemp edible manufacturer		X		X			Traditional Neighborhood (T2-T4), Business (B3 and B5), Ford (F3 – F6), and Industrial (IT – 12).
Lower-potency hemp edible retailer	X				X		Traditional Neighborhood Districts (T2 – T4), Business Districts (B1 – B5), Ford Districts (F2 -F6), Industrial Districts (IT – 12)
Medical cannabis combination business	X	X	X	X			<b>Retail Sales:</b> Traditional Neighborhood (T2 – T4), Business (B1 – B5), Ford (F2 -F6), Industrial (IT – 12). <b>Cultivation and production:</b> Industrial (IT-12)
Medical cannabis cultivator		X	X				Industrial (IT-12)
Medical cannabis processor		X		X			Industrial (IT-12)
Medical cannabis retailer	X						Traditional Neighborhood (T2 – T4), Business (B1 – B5), Ford (F2 -F6), Industrial (IT – 12)