



PLANNING COMMISSION MEETING AGENDA

City of New Prague

Wednesday, October 23, 2024 at 6:30 PM

City Hall Council Chambers - 118 Central Ave N

1. CALL TO ORDER

2. APPROVAL OF MINUTES

- [a.](#) September 25, 2024, Planning Meeting Minutes

3. OLD BUSINESS

- [a.](#) None

4. NEW BUSINESS

- [a.](#) Request for Conditional Use Permit #C5-2024 - Health Care Facility Addition located at 301 2nd St. NE
Mayo Clinic Health Systems New Prague - Applicant
(Public Hearing Required)
- [b.](#) Zoning Ordinance Amendments - Cannabis Related Amendments
City of New Prague - Applicant
(Public Hearing Required)

5. MISCELLANEOUS

- [a.](#) Monthly Business Updates

6. ADJOURNMENT

*Anyone speaking to the Planning Commission
shall state their name and address for the record.
Thank you.*

THE PURPOSE OF THE ZONING ORDINANCE IS TO PROMOTE THE HEALTH, SAFETY, ORDER, CONVENIENCE AND GENERAL WELFARE, BY REGULATING THE USE OF LAND, THE LOCATION AND USE OF BUILDINGS AND THE ARRANGEMENT OF BUILDINGS ON LOTS, AND THE DENSITY OF POPULATION IN THE CITY OF NEW PRAGUE.

Meeting Minutes
New Prague Planning Commission
Wednesday, September 25th, 2024

1. Call Meeting to Order

The meeting was called to order at 6:32 p.m. by Chair Dan Meyer with the following members present: Brandon Pike, Ann Gengel. Absent were Jason Bentson and Shawn Ryan.

City Staff Present: Ken Ondich – Planning / Community Development Director and Kyra Chapman – Planner

2. Approval of Meeting Minutes
A. August 28th, 2024 Regular Meeting

A motion was made by Pike, seconded by Gengel, to approve the August 28th regular meeting minutes. Motion carried (3-0).

3. OLD BUSINESS

A. None.

4. NEW BUSINESS

A. Comprehensive Plan Public Hearing – MSA

Clarie Stickler, MSA Associate Planner, introduced New Prague’s draft Comprehensive Plan. The Comprehensive Plan was based on feedback from business owners, residents, staff, and the Steering Committee to develop a high-level plan for the community over the next 20-30 years. The Steering Committee consisted of various members from different boards and commissions and met a total of six times. The Comprehensive Plan consists of five chapters and three appendixes on Community Profile, the Small Area Plan (City Center site) and the Sanitary Sewer Feasibility Study. Based on public feedback, commonly noted strengths included rural character, school district, friendly & welcoming community, and proximity to Twin Cities whereas the most-suggested comments were related to park & recreation updates, expand retail shopping opportunities, decrease taxes & fees, and increase employment opportunities. The shape of the Future Land Use map was influenced by the Sanitary Sewer Feasibility Study. Although, land use is not the same as zoning, the Comprehensive Plan did offer ways in which land use categories could fit in certain districts.

Gengel inquired about the plan for the Cedar Lake connection.

Stickler stated that that has been identified as a long-term goal. As per the request of the Steering Committee meeting, it was loosely added to the Future Land Use map so it will not be forgotten. No study has been done but the Comprehensive Plan does suggest starting a preliminary study.

Planning/Community Development Director Ondich added that staff met with Scott County Parks and Recreation, who said they would not lead a corridor study but would like to be a partner in that. Hopefully the County will have some comments regarding that for the Comprehensive Plan. The city has received a comment letter from Helena township. The city does not have immediate plans to annex land shown in the future land use map unless a property owner requests it. There is an orderly annexation agreement from 1978 with Helena Township for a defined area.

A motion was made by Pike, seconded by Gengel to open the public hearing (3-0). The public hearing opened at 6:53 pm.

Jesse Westall from 285 Lucy St, asked why the township is hearing about the Comprehensive Plan now. The 2010-2020 population in New Prague grew 10%. From 2021 to 2022, the population grew 1.2%. The growth rate does not justify the huge increase in land. Recently there have been discussions on tax abatement for a 54-unit apartment with another 155-unit apartment pending. If tax abatements are necessary, it is forcing growth in the city that does not justify the huge increase in land. Westall wanted to know why the city is considering a 15-year tax abatement and then access residents for street reconstruction improvements. He wanted to know why some lots are included in the map whereas other are excluded. He suggested following Sand Creek (like the 2015 plan had) or north of Redwing Ave. Currently there is a development outside of city limits with city utilities. Westall asked why there are households with mound systems in place that had the connection to the sewer. Before Lucy St is included in the plan, more established development and growth needs to be seen. Some explanation is needed for page 59-60 and 60/63. Pages 59-60 discusses annexation within 0-3 years and pages 60/63, it says continue to work with counties and surrounding townships to limit large rural residential development around New Prague and in the township. He doesn't understand why the city intends to do a \$36 million sewer project when they cannot build a police station. He does not want his property to be included in the Comprehensive Plan because it is the beginning of annexation. His development has mound systems with alternate sites for another system if needed according to Scott County specs.

Planning/Community Development Director Ondich stated that the action plans from 0-3 years was to start discussions and talks with the townships about the 1978 orderly annexation agreement, which does not go near Lucy St nor is there any intention to go near it. The Sanitary Sewer Study found in the appendix is for 100 years of planning. There is no intention to get sewer out to Lucy St or outlying areas any time soon. If the area leading up to Lucy St was fully built out, the city wanted to make sure there were routes, and lift stations to eventually get there. The Sanitary Sewer lines were based on the topography and elevations to mark the boundaries and followed lot lines. No other reason besides physical limits and gravity. Regarding the one comment on limiting rural residential, that was prevent impeding future roadway development or extension of utilities. Abatement discussions are not part of today's

meeting since there are council, county, and school board meetings. Regarding hearing about this now, staff do not know the communication in which the townships have with their residents. Over the past year and a half, information about the Comprehensive Plan has been on the website, KCHK radio, New Prague Times, city newsletter, and open houses.

A motion was made by Pike, seconded by Gengel, to close the public hearing at 7:02 pm (3-0).

B. Request for Interim Use Permit #I2-2024 – Exterior Storage at Former Mill Located at 100 2nd Ave SW

Planning/Community Development Director Ondich explained that New Prague Mill, LLC is requesting approval for I2-2024 (originally C3-2024) to allow exterior storage of vehicles and recreational equipment at the former mill at 100 2nd Ave SW. The tenants of the building have been approved for conditional uses and variances such as C5-2023 to allow a firing range, and I1-2024 to allow a religious institution. The applicant is currently requesting to utilize 28,000 sq ft of covered railroad spur between the mill building and grain bins for exterior storage of vehicles and recreational equipment for 3 years (10/7/2027). The New Prague Mill, LLC has spent over \$750,000 on the property for heat, water, sprinkler, insulation, demolition and internal improvements. There have been several costs incurred with limited investment returns. The proposed project would act as a temporary revenue base. Exterior storage is specifically listed as conditional use in the I1-Light Industrial District. Since the Comprehensive Plan guides this property as Downtown Flex, staff would rather have this listed as an interim use permit. Staff have concerns about the current appearance of the site. Since Main Street is an arterial road, there should be an 8’ tall screening measures for fencing and/or combination of vegetation. Additionally, staff recommend the removal the existing chain link fence because it is unsightly and the fenced in areas do not need to be secured.

Meyer asked what would happen in 2027 if they would need to continue their business.

Planning / Community Development Director Ondich stated that they could reopen their interim use permit before the deadline to see if the city would be amendable to extend that time period.

Gengel inquired about the moving of Mach Lumber.

Planning / Community Development Ondich explained that it is the staff’s recommendation to clean up the site and make it look more orderly. It was a condition listed in the conditional use permit for Urban Flea Market in 2023.

A motion was made by Pike, seconded by Gengel to open the public hearing at 7:23 pm. Motion passed (3-0).

Bill Gibson, one of the owners of New Prague Mill, LLC, explained that this proposed project will help fund more improvements to the mill. A lot of money has been put into the mill but there hasn’t been much return. The rent for offices in the building is \$800 but a \$50,000 ADA

ramp had to be installed. The mill is trying to be a good steward of the community and sensitive of historical significance by making use of the building. Some kids have trespassed and vandalized the property.

Planning / Community Development Director Ondich mentioned that staff is recommending that fencing be limited to the area that is being utilized rather than entire property.

Pike stated that it's harder to plant vegetation in gravel or to uproot planted vegetation. Trees are often not mature when they are first planted, especially if the plans for the site may change. He recommended that condition number 5 should be changed to remove the requirement for vegetation and create a more descriptive requirement for fencing. For example, the condition could say that an 8' tall fence with slats is required.

Rick Kahn, one of the owners of New Prague Mill, LLC, suggested that swing gates could be installed on both sides so that the area can still be utilized for access. He also suggested that they could have Mach Lumber move their items stored in the open under the canopy near the "B" Mill and that they could also screen this area.

A motion was made by Pike, seconded by Gengel to close the public hearing (3-0). The public hearing closed at 7:37 pm.

A motion was made by Pike, seconded by Gengel to approved I2-2024 with amendments to remove the requirement or combination thereof for vegetation in condition 5 and that items may be no taller than the fence as well as amend the exterior storage area to include the canopy area near the "B" mill as discussed at the meeting on 9/25/24. The following findings can be seen below:

- A. The proposed interim use for a designated exterior storage area will utilize property in a reasonable and temporary manner considering its current I-1 Light Industrial Zoning, but which is guided as "downtown flex" in the 2024 Comprehensive Plan Update and of which exact requirements have not yet been determined.
- B. The proposed designated exterior storage area is acceptable in that it is utilizing a former railroad spur area of a former industrial use, but which will be rezoned, likely to "downtown flex" within the next couple of years and noting that the use is limited to 3 years from the date of approval.
- C. The proposed designated exterior storage area will not hinder permanent development of the site as it is utilizing an underutilized canopy covered rail spur and is anticipated to become "downtown flex" in the 2024 Comprehensive Plan which will lead to continued redevelopment of the site.
- D. The proposed designated exterior storage area will not adversely impact implementation of the Comprehensive Plan as it is anticipated to become "downtown flex" in the 2024 Comprehensive Plan and this use is only considered for up to 3 years.
- E. The proposed designated exterior storage area will not be injurious to the surrounding neighborhoods or otherwise harm the public health, safety and welfare

- as it is utilizing an underutilized canopy covered rail spur which will be screened from the view of Main Street.
- F. The proposed designated exterior storage area will not create an excessive burden on existing parks, schools, streets and other public facilities as it is limited in size and period of use to no more than 3 years.
 - G. Adequate utilities, access roads, drainage and necessary facilities exist for the proposed designated exterior storage area and a condition is suggested to address maintenance issues with 2nd Street SW should they become a concern.
 - H. The proposed designated exterior storage area shall cease to operate at the site on 10/7/2027.
 - I. The proposed designated exterior storage area will not impose additional costs on the public if it is necessary for the public to take the property in the future.

And with the following conditions:

1. The proposed exterior storage under the canopy shall cease operations within 3 years from the date of approval of this Interim Use Permit which is October 7, 2027.
2. Exterior storage is allowed underneath the approximately 28,000 sq. ft. canopy area which is located over the railroad spur in the area depicted as well as underneath the 36' x 44' canopy depicted on the Site Map Dated 9/30/24 on file with the Planning Department. Items in the 36' x 44' area cannot be taller than the screening fence. Other areas of existing exterior storage on the site must be moved to these designated areas.
3. Only rail cars are allowed to be parked on the southernmost area of the spur line without a canopy as noted on the Site Map Dated 9/30/24 on file with the Planning Department.
4. The perimeter chain link fence must be moved/removed from areas where the site is actively being used and can only remain in areas not being actively rented.
5. Screening of at least 8' tall is required on the north end of the exterior storage area between the two building walls to screen the area from the view of Main Street. Screening must consist of a fence that provides for 80% opacity year-round.
6. The Public Works Director may, at their sole discretion, invoice the property owner for extraneous maintenance to the gravel section of 2nd Street SW related to traffic generated by the use.
7. A 6' access aisle must be maintained through the exterior storage area to ensure access to all doors that abut the storage area for fire access.
8. If the exterior storage area is ever completely fenced, the applicant must provide a knock box to hold a key for access by the Police/Fire Department.
9. Dust control measures must be used on the exterior storage area and all access roads to ensure adjacent properties are protected from dust during susceptible conditions.
10. Items stored on the site are limited to be no taller than the height of a motorized RV (approximately 14' tall), with the exception of railcars which are allowed to exceed said height.
11. All recommendations of MnDOT must be complied with prior to utilization of the site for exterior storage.
12. All building and site signs must conform to Section 718 of the Zoning Ordinance which require a permit under a separate permit process.
13. All lighting must conform to Section 704 of the Zoning Ordinance.

- 14. Except as otherwise authorized by the Zoning Ordinance, this interim use shall conform to this Ordinance as if it were established as a conditional use.
- 15. In the event of a public taking of property after the interim use is established, the property owner shall not be entitled to compensation for any increase in value attributable to the interim use.
- 16. The applicant shall reimburse the city for all fees and costs it incurs for processing, reviewing, and acting on the application approved herein, including but necessarily limited to any fees charged by the city’s professional consultants in accordance with established rates
- 17. The property shall be subject to all requirements of the New Prague City Code and shall otherwise comply with all other applicable federal, state, and local laws, rules, and regulations.

Motion passed (3-0).

C. Request for Conditional Use Permit #C4-2024 – Outdoor Seating at Sugar Rose Bakeshop located at 120 Main St W

Planner Chapman explained that earlier this summer Sugar Rose Bakeshop at 120 Main St W received a violation letter, requesting the removal of their chairs on the sidewalk in front of their building. Outdoor seating for eating and drinking is listed as conditional use in the B1-Central Business District. There are also tables and chairs on the side of the property but that is designated for the temporary tenants that reside on the top floor. Conditional use permits are not required for dwelling units. Sugar Rose Bakeshop intends to place four chairs and two tables in front of their property on the sidewalk of Main St W. Sugar Rose Bakeshop owns 1’ 8” north of their building into the sidewalk and the sidewalk is approximately 12’ 9” wide. The proposed bistro chairs have a width of 21.7” and the tables have a diameter of 20.5”. The proposed patio furniture would be encroaching in the right of way of Main St W and TH 19, which MnDOT has jurisdiction. MnDOT was okay with the proposed plans as long as the applicant maintains a clear path for pedestrian accessible route (PAR) through the area (minimum of 6’ width).

A motion was made by Pike, seconded by Gengel to open the public hearing at 7:48 pm (3-0).

A motion was made by Pike, seconded by Gengel to close the public hearing at 7:48 pm (3-0).

A motion was made by Pike, seconded by Gengel to recommend approval of C4-2024 to city council with the following findings:

- A. The proposed patio area will not create an excessive burden on existing parks, schools, streets and other public facilities which serve or are proposed to serve the area, as the additional area will only accommodate outdoor seating.
- B. The proposed outdoor furniture will only be located in the front of the building far away from single family residential homes and which is compatible with adjacent residential apartments and will not cause a depreciation in their value.

- C. The proposed patio and site will improve the front appearance of the building and will not adversely affect adjacent residential apartments.
- D. The proposed outdoor dining area is reasonably related to the overall needs of the City and existing land use as the proposed outdoor seating area is specifically listed as a Conditional Use in the B-1 Central Business Zoning District.
- E. The proposed outdoor seating area is specifically listed as a Conditional Use in the B-1 District and therefore is consistent with the purposes of the zoning ordinance.
- F. The proposed outdoor seating area is not in conflict with the Comprehensive Plan of the City because it is located in the B-1 District in which patios are listed as a Conditional Use.
- G. Th proposed outdoor patio will not cause traffic hazards or congestion as it provides only 4 seats and no off-street parking is required for any uses in the B-1 district.
- H. Adequate utilities, access roads, drainage and necessary facilities have been provided.

And the following conditions:

- 1. Approval is subject to the site plan dated 9/4/24 on file with the New Prague Planning Department which complies with the requirements of Section 733 of the Zoning Ordinance.
- 2. Plans must continue to follow MnDOT’s comments dated 9/9/2024.
- 3. Outdoor furniture must be removed during winter months when snow removal would be expected to be occurring.

Motion carried (3-0).

D. Request for Variance #V8-2024 – 5’ Tall Fence at 1232 Olivia Street SE

Planner Chapman explained that the fence at 1232 Olivia Street SE has a 5’ tall fence that is installed in their side and backyard, which is not meeting the Zoning Ordinance requirements for height. The Zoning Ordinance does not allow fences to exceed 4’ tall if they are erected in front of the rear corner of the home. The west front/side fence is located near the porch and is exceeding 4’ tall. The Zoning Ordinance also states that fences may not exceed 4’ tall when located less than 30’ from the road right of way. This also applies to the backyard of a home as it’s less than 30’ from the street right way (sidewalk and CSAH 29). Staff recommend that the 5’ tall fence should be moved so it is behind the rear west corner of the house.

Meyer suggested that the fence should remain where it currently is.

Pike inquired if the applicants have asked their neighbors.

Christine Shaw from 1232 Olivia St SE stated that they spoke with their neighbors east of them at 1234 Olivia St SE when they were first installing the fence. The neighbors did not want them to connect to the fence since they have children and the Shaws have dogs. As a result, they put the fence two feet away from the neighbor’s fence and with enough width to fit their mower between the two fences.

Mike Shaw from 1232 Olivia St SE explained that he had put \$12,000 into the fence. He had found and exposed all the property pins. When he had read the Zoning Ordinance requirements on fencing, he had misinterpreted its meaning.

A motion was made by Pike, seconded by Gengel to recommend approval of V8-2024 to City Council with the removal of condition G and the following remaining findings:

- A. The variance is in harmony with the general purposes and intent of the Ordinance because the RL-90 Single Family Residential Zoning District allows fences to be constructed as a permitted use.
- B. The proposed variance is consistent with the comprehensive plan because fences are allowed as a permitted use in the RL-90 Single Family Residential Zoning District.
- C. The applicant proposes to use the property in a reasonable manner by having a 5' tall fence in their side and backyard.
- D. Unique circumstances apply to the property in that it is a through lot abutting a road on two sides (front and rear) with the roadway along the rear yard being a County Road.
- E. The variance does not alter the essential character of the neighborhood because there are adjacent properties that have tall fences that were grandfathered in or similarly received fence height variances such as 1214 Olivia St SE (V1-2018) and 1110 Olivia St SE (V2-2018).
- F. The variance requested is the minimum variance which would alleviate the practical difficulties because it would contain their dogs and prevent the removal of the existing fence.

Motion passed (3-0).

E. Subdivision Ordinance Amendment Requiring Sidewalks on Both Sides of All New Streets

Planning / Community Development Director Ondich introduced the proposed subdivision amendment to require sidewalks on both sides of all streets for new developments. During public open houses and survey results from the Comprehensive Plan, several people have asked for more trail and sidewalk connectivity. The subdivision ordinance currently requires one sidewalk to be built on one side of the street. The subdivision ordinance has not been amended since July 2011, meaning it has not been amended since the last Comprehensive Plan. At the last Planning Commission meeting, members asked if cul-de-sacs or short stub roads needed sidewalks. Based on research on other cities, some require sidewalks without any exception,

whereas others provide exception for less dense areas (under 3 dwelling units per net acre) or on short cul-de-sacs (less than 300').

Gengel asked what would be an example of that exception in New Prague.

Planning / Community Development Director Ondich replied that Prague Court would be a good example.

City Administrator Tetzlaff mentioned that with his planning experience in Colorado, it was common to require sidewalks on both sides of streets. There were usually more complaints about putting in sidewalks in old neighbors than new developments.

Pike noted that lots of sidewalks in New Prague dead end or have gaps. He shared his concern about new sidewalk developments connecting with old dead ending sidewalks.

Planning / Community Development Director Ondich stated that he had met with the School District about the Safe Routes to School Grant. The School District noted that there was no other possible way they could have done their walkability policy (busing standards) without sidewalks. Sidewalks also give refuge out of the street for pickups and from other traffic.

A motion was made by Pike, seconded by Gengel to open the public hearing at 8:32pm (3-0).

A motion was made by Pike, seconded by Gengel to close the public hearing at 8:32pm (3-0).

Pike stated that the city should be thoughtful for sidewalk connections to old parts of town.

A motion was made by Pike, seconded by Gengel to forward a positive recommendation to City Council on the sidewalk subdivision ordinance amendment. Motion passed (3-0).

5. Miscellaneous

A. Monthly Business Updates

Planning / Community Development Director Ondich introduced the business updates. He stated that Scooters Coffee opened on September 20th. No new home permits were issued in August. There are continued discussions on abatement on the 54-apartment complex with the city, school district, and county. Abatement wouldn't take taxes away from anyone, but it's delaying the taxes and rebating them back. There will be a public hearing on the October 7th, City Council meeting to discuss abatement for the 155 unit-apartment complex.

B. Cannabis Ordinance Amendments Update

Planning / Community Development Director Ondich explained that by January 1, 2025, cities must have a zoning ordinance amendment in place regarding cannabis related businesses. The city attorney is currently drafting up plans for a model ordinance. The state

does allow cities to do buffers for cannabis businesses. However, it cannot be too restrictive that it would prevent cannabis retail.

6. Adjournment

A motion was made by Pike, seconded by Gengel, to adjourn the meeting at 8:47 pm. Motion carried (3-0).

Respectfully submitted,



Kyra J. Chapman
Planner



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phone: 952-758-4401 fax: 952-758-1149

MEMORANDUM

TO: PLANNING COMMISSION
FROM: KEN ONDICH – PLANNING / COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: REQUEST FOR CONDITIONAL USE PERMIT #C5-2024 TO ALLOW FOR AN EXPANSION OF A HEALTH CARE FACILITY AT 301 2ND STREET NE AS PROPOSED BY MAYO CLINIC HEALTH SYSTEM.
DATE: 10/16/24

Background / History

Mayo Clinic Health System is proposing a 6,400 sq. ft. addition on the east side of their existing campus which would be attached to the existing building and would be used primarily for Oncology and Infusion Services. The proposed addition requires a conditional use permit to be issued because the facility is located in the RL-70 Single Family Zoning District where Healthcare Facilities are allowed by conditional use.

As further background, the hospital has a long history in the City, beginning with the New Prague Community Hospital which was founded in 1924 and was located at 305 4th Ave. SW (now known as the Harvey Manor). In 1952, Queen of Peace Hospital was established at the current facility location and expanded over the years. In 2011, Queen of Peace merged with Mayo Clinic Health System and many internal remodeling and improvement projects have happened since that time.



Legal Description

Lots 1 through 10, Block 8, St. Wenceslaus Addition, according to the recorded plat thereof, City of New Prague, Scott County, Minnesota.

Zoning

The property is currently zoned RL70, single family residential. Health Care Facilities are guided to this district and allowed by conditional use permit.

Adjacent zoning and land uses include:

North – Single-Family Homes, Row Homes and St. Wenceslaus Cemetery (Zoned RL-70 Single Family Residential, RM Medium Density Residential and RL-84 Single Family Residential)

South – St. Wenceslaus Church and School and Main Street and downtown commercial properties (Zoned RL-70 and RL-84 Single Family Residential and B-1 Central Business District)

East – Queens Court, Peace Center and Single-Family Homes (Zoned RL-70 Single Family Residential and RM Medium Density Residential)

West – Single-Family Homes (Zoned RL-84 Single Family Residential)

Density / Lot Size

The minimum lot size in the RL70 district is 9,000 square feet and the property far exceeds the minimum requirement (which was set for single family residential homes).

Setbacks (structure)

The required building setbacks in the RL70 district are 25’ from the front, 30’ from the rear, and 7’ from the sides. The proposed building addition meets all required setbacks.

Parking / Transportation / Landscaping

The total parking available to Mayo is 212 parking spaces in seven different parking lots (see Parking Map), plus any available on street parking areas (mainly in front of the building on 2nd Street NE. The only patient parking lot is the 100-space lot immediately south of 2nd Street NE. All other lots are for staff parking (112 spaces). Staff suggests that the patient parking lot south of 2nd Street NE be signed as patient parking only and not to be used by staff.

The hospital plus the proposed addition is just over 48,000 sq. ft.

The Zoning Ordinance contains parking requirements as follows:

Health Care Facilities (Hospitals) – 1 Per Bed and 1 Per Employee on the largest shift and spaces as needed for associated clinics. (Clinics require 1 space per 150 sq. ft. of floor area).

Mayo does not have a breakdown of each department by square footage or number of employees and instead considers the building as a hospital “campus” and aggregate totals. The hospital has 19 beds and 100 employees daily within all functions of the campus, which would require 119 parking

spaces in the most conservative reading of the ordinance. Even if breaking out the new oncology area as a clinic, that would add 43 required parking spaces. This still only equates to 162 required parking spaces while they provide 212 spaces. It is notable that they do currently provide Oncology and Infusion services within the campus today, so this isn't an entirely new demand at the site and is really just an expansion (care is currently 3 days a week and the new addition allows for 5 days per week). Upon full utilization of the addition, daily visits would be 15-20 office visits and 25-30 infusion visits five days a week, which is not a large increase over existing activity at the campus. Based on the preceding information, staff believes parking meets the minimum requirements of the zoning ordinance and new parking is proposed or required.

Access to the site, which exists today, is by 2nd Street NE, Columbus Ave. N. and 3rd Street NW. No changes to access are proposed for vehicle traffic.

Patients would access the new addition through the existing "Specialty Clinic" entrance which is the eastern most entrance along 2nd Street NE.

Section 738 of the Zoning Ordinance outlines the process by which Traffic Impact Studies would be required. The proposed addition does not trigger a traffic impact study as it is only 6,400 sq. ft. while 22,000 sq. ft. of medical space would trigger the need for a study.

Specific design requirements for parking areas are detailed in Section 717 of the Zoning Ordinance, should any additional parking be added in the future.

Refuse

Section 703 of the Zoning Ordinance states that all waste material shall be kept in an enclosed building and contained in a closed container designed for such purposes and that all dumpsters, garbage containers, or refuse bins shall be screened from view if stored outside. The screening shall be made of wood fencing material, brick or a combination thereof with a minimum height of 5 feet and have a latching mechanism for the doors when not in use.

There does not appear to be any new outside refuse area on the site plan as proposed.

Signage/Lighting

All lighting must conform to Section 704 of the Zoning Ordinance. It states the following:

In all districts, any lighting used to illuminate an off street parking area, sign, or other; structure, shall be arranged so as to deflect light away from any adjoining residential zone or from the public streets. Direct or sky reflected glare, whether from floodlights or from high temperature processes such as combustion or welding, shall be hooded or controlled in some manner so as not to light adjacent property. Bare incandescent light bulbs shall not be permitted in view of adjacent property or public right of way. Any light or combination of lights which cast light on a public street shall not exceed one (1) foot candle (meter reading) as measured from the centerline of said street. Any light or combination of lights which cast light on residential property shall not exceed 0.4 candles (meter reading) as measured from said property.

No lighting plans have been submitted at this time, but any lighting shall comply with Section 704 concerning Glare.

All signage must conform to Section 718 of the Zoning Ordinance which limits building signage to 12 sq. ft. per surface and also limits free standing signs to no more than 32 sq. ft. in size. No sign plans have been submitted at this time.

Building Appearance / Landscaping/ Screening

While there are no building design requirements for health care facilities in the RL-70 Single Family Zoning District, staff does wish to provide comment about the building appearance which staff believes would meet the City’s B-2 Community Commercial Design Requirements as the addition includes large amounts of windows, glass fiber reinforced concrete, architectural louvers, etc. Staff believes the appearance fits in well with the existing building and its lowered height as it approaches Columbus Ave. N. helps blend into the neighborhood.

Screening is required for institutional uses across the street from residential uses, but only in cases where it’s not considered to be the “front” as determined by the zoning administrator. Staff considered this to be a “front” along Columbus Ave. N. That said, they are proposing significant landscaping including 5 new trees (replacing one that was removed this fall), along with numerous shrubs, ornamental grasses and perennial flowers. Staff believes the landscaping and appearance of the east side of the campus is vastly improved with the building addition and proposed landscaping.

Floodplain Information/Wetlands

FIRM panel #27079C0087E, effective July 17, 2024, indicates the property is located in an unshaded Zone X, areas determined to be outside of a 500-year floodplain.

Drainage

Civil engineering plans were reviewed by the City Engineer (Chris Knutson of S.E.H., Inc.) to ensure compliance with the City’s storm water requirements. Comments are provided later in this report.

WAC/SAC Charges

According to the Met Council SAC Manual which was adopted by the City to determine future WAC/SAC charges for new uses the following is noted:

- Each WAC Unit: \$1,800
- Each SAC Unit: \$7,150
- Total: \$8,950 for each unit

Clinic Areas (where 50% ore more of the exam rooms have sinks) within Hospitals are charged WAC/SAC based on one of the following criteria:

2,150 sq. ft. = 1 Unit

The size of the addition is 6,400 sq. ft., however, approximately 1,500 sq. ft. of the addition is a mechanical room and not used as clinic space or support space to the clinic use. Therefore, staff calculates WAC/SAC as follows:

4,900 sq. ft. at 2,150 sq. ft. per unit = 2.28 units owed.

WAC = \$4,104

SAC = \$16,302

Park Land Dedication

Park land dedication was already satisfied with the platting of the property and therefore no additional park land dedication will be required with the building permit.

Public Works and Engineering Comments

The City Engineer, Chris Knutson, received a set of plans and provided comments in an e-mail dated 10/15/24 as follows with additional comments supplemented by Public Works Director Matt Rynda:

1. No material storage, construction trailers, or overnight construction vehicle parking allowed on city streets, sidewalks, or boulevards unless approved by the City of New Prague.
2. No construction vehicles shall park on city streets unless approved by the City of New Prague and all construction vehicles should park in one of Mayo's own parking lots.
3. Sidewalk closure along Columbus Avenue N shall be allowed with the following conditions:
 - a. Closure occurs north of existing crosswalk on north side of 2nd ST NE and south of existing crosswalk on south side of 3rd ST NE.
 - b. Sidewalk closure shall meet requirements of MN MUTCD including detour signage and audible warnings.
 - c. Construction fencing shall be on the east side of existing sidewalk to allow snow storage within the boulevard.
 - d. Closure shall be removed as soon as possible and within 7 days of being directed by the City of New Prague.
 - e. No storage of materials, equipment, or vehicles shall be allowed on sidewalk within fenced area.
 - f. Provide updated traffic control plan depicting sidewalk closure and detour to east side of street.
4. Connection into the existing storm catch basin shall be completed while leaving the curb and pavement in-place. They'll need to patch in the sidewalk with 4" concrete and drilled/grouted reinforcement bars. The storm pipe will have to be RCP where it is in the right of way, between structure STMH6 and the existing catch basin. HDPE is not allowed; PVC or PP may also be considered with appropriate grout rings and pipe bedding per MnDOT flexible pipe installation requirements. All utility work needs to be inspected by the City of New Prague.
5. Information on how they'll dewater the site during construction. Since it is below grade, they'll likely need to pump into a settlement structure prior to any discharge to city storm sewer.
6. On north side of building, a HP is noted as EL. 993.02 and drains toward an intake CBMH2 with a rim elevation 993.36. This appears to be an error or the site will hold water there.
7. Developer shall document the condition of streets, sidewalks, and boulevards adjacent to the project area prior to starting construction through video and/or photos. Damage to these

areas shall be repaired at no cost to the city and to the satisfaction of City public works and engineer.

Utilities Department Comments

Utilities General Manager, Bruce Reimers, has been provided a set of plans but at the time of writing this report, no comments have been received.

Building Official Comments

The Building Official, Scott Sasse, noted that the building permit review is being handled by the State of Minnesota and inspections have not been delegated to the City.

Police Department Comments

Police Chief Tim Applen noted that he does not have any concerns with the addition.

DNR Comments

N/A.

County Highway Department Comments

N/A.

MnDOT Comments

N/A

CUP Requirements

Section 505 of the Zoning Ordinance states that when granting a conditional use permit the City Council shall make the following findings:

- A. The use will not create an excessive burden on existing parks, schools, streets and other public facilities which serve or are proposed to serve the area. (The proposed addition will not create an excessive burden on existing parks, schools, streets and other public facilities which serve the area because it will simply be an expansion of services already provided for at the site.)
- B. The use will be sufficiently compatible or separated by distance or screened from adjacent residentially zoned or used land so that existing homes will not be depreciated in value and there will be no deterrence to development of vacant land. (The proposed addition is sufficiently separated by distance from any residentially zoned or used land as the addition is located along Columbus Ave. N. and uses immediately across the street to the east are the Peace Center and Queens Court which are owned and operated by Mayo and therefore existing homes will not be depreciated in value and there will be no deterrence to development of vacant land.)
- C. The structure and site shall have an appearance that will not have an adverse effect upon adjacent residential properties. (See finding above.)
- D. The use, in the opinion of the City Council, is reasonably related to the overall needs of the City and to the existing land use. (The proposed addition is reasonably related to the overall needs of the City as it will provide a necessary expanded availability of oncology and infusion services already offered at the site.)

- E. The use is consistent with the purposes of the Zoning Ordinance and the purposes of the zoning district in which the applicant intends to locate the proposed use (The proposed addition is consistent with the purposes of the Zoning Ordinance and zoning district in that the use as a health care facility is specifically guided to the RL70 district as a conditional use.)
- F. The use is not in conflict with the Comprehensive Plan of the City. (The proposed addition use is not in conflict with the Comprehensive Plan of the City because the Comprehensive Plan designates this property as being guided to residential zoning, and health care facilities are guided to the RL-70 zoning district as a conditional use.)
- G. The use will not cause traffic hazard or congestion. (The proposed addition will not drastically change the site as it operates today as it will only provide two additional days of oncology and infusion services beyond that is offered currently and therefore will not cause any traffic hazard or congestion with ample parking already existing.)
- H. Adequate utilities, access roads, drainage and necessary facilities have been or will be provided. (Adequate utilities and access roads have been provided to the site.)

Staff Recommendation

Staff recommends approval of the request for Conditional Use Permit #C5-2024 to allow an addition to an existing health care facility at 301 2nd Street NE, as proposed by Mayo Clinic Health System, for the following reasons:

- A. The proposed addition will not create an excessive burden on existing parks, schools, streets and other public facilities which serve the area because it will simply be an expansion of services already provided for at the site.
- B. The proposed addition is sufficiently separated by distance from any residentially zoned or used land as the addition is located along Columbus Ave. N. and uses immediately across the street to the east are the Peace Center and Queens Court which are owned and operated by Mayo and therefore existing homes will not be depreciated in value and there will be no deterrence to development of vacant land.
- C. The proposed addition is reasonably related to the overall needs of the City as it will provide a necessary expanded availability of oncology and infusion services already offered at the site.
- D. The proposed addition is consistent with the purposes of the Zoning Ordinance and zoning district in that the use as a health care facility is specifically guided to the RL70 district as a conditional use.
- E. The proposed addition use is not in conflict with the Comprehensive Plan of the City because the Comprehensive Plan designates this property as being guided to residential zoning, and health care facilities are guided to the RL-70 zoning district as a conditional use.
- F. The proposed addition will not drastically change the site as it operates today as it will only provide two additional days of oncology and infusion services beyond that is offered currently and therefore will not cause any traffic hazard or congestion with ample parking already existing.
- G. Adequate utilities and access roads have been provided to the site.

And with the following conditions:

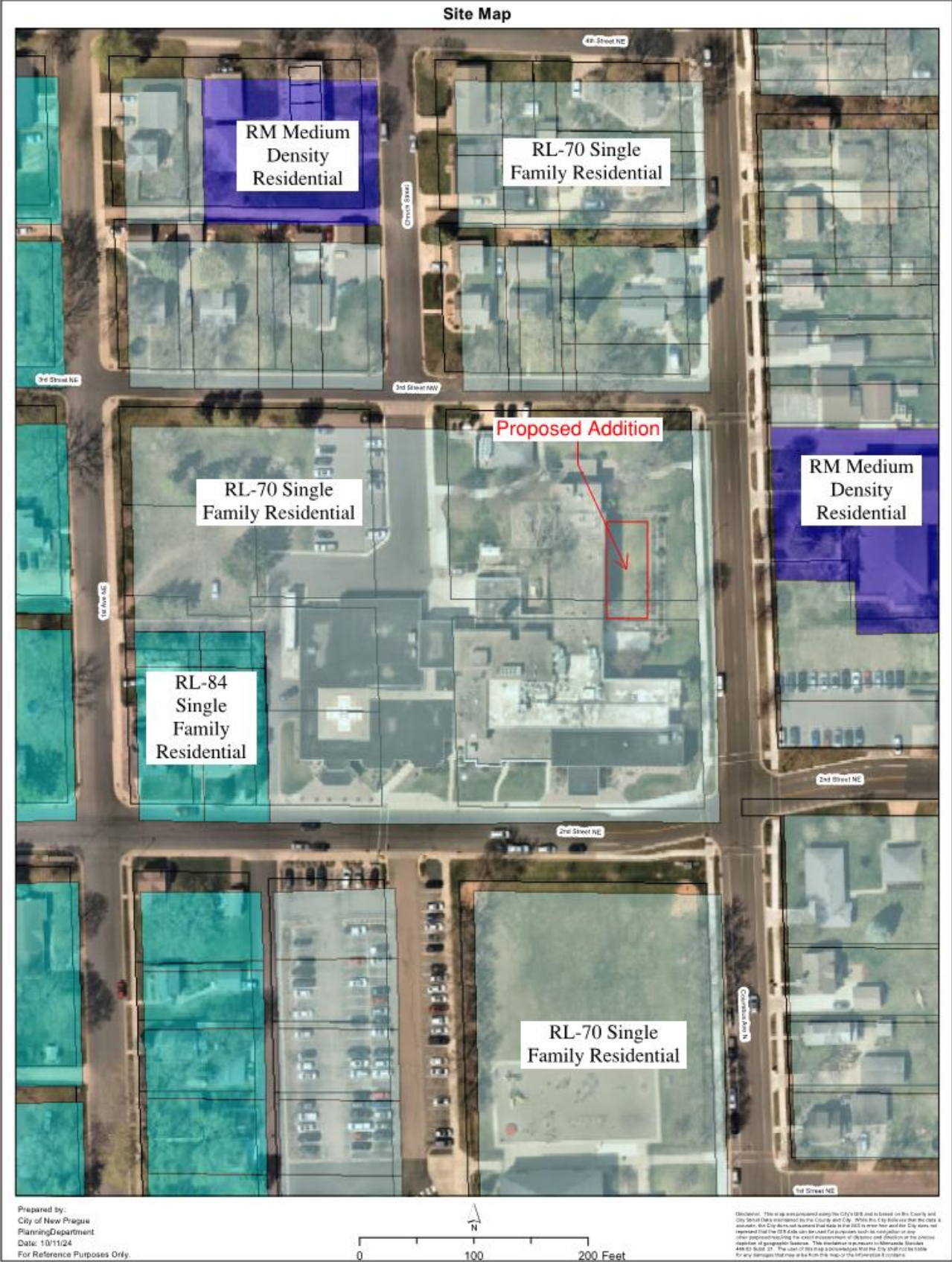
1. Development of the site must be in general accordance with the plan set dated 8/7/2024 which is on file with the New Prague Planning Department.
2. The parking lot south of 2nd Street NE shall be signed as patient parking only and not to be used by staff.
3. All signs must conform to Section 718 of the Zoning Ordinance which requires a permit under a separate permit process.
4. All lighting must conform to Section 704 of the Zoning Ordinance.
5. All dumpsters, garbage containers or refuse bins provided on the site outside of a building shall be screened from view in accordance with Section 703 of the Zoning Ordinance.
6. All recommendations of the New Prague Public Works Department, Utilities Department and City Engineer must be complied with prior to construction.
7. The plans must meet Minnesota Building Codes and Minnesota Fire Codes prior to construction.
8. The applicant shall reimburse the city for all fees and costs it incurs for processing, reviewing, and acting on the application approved herein, including but necessarily limited to any fees charged by the city's professional consultants in accordance with established rates.
9. The property shall be subject to all requirements of the New Prague City Code and shall otherwise comply with all other applicable federal, state, and local laws, rules, and regulations.

Attachments

1. Site Map Aerial – Dated 10/11/24
2. Site Map Aerial – Zoning Detail – Dated 10/11/24
3. Parking Lot Areas and Stall Count Map – Dated 11/17/21
4. Construction Plans, Site Plans and Elevations and Renderings – Dated 8/7/24
5. Photos – Dated 10/11/24



Mayo – Oncology Addition – RL70 Zoning District
 10/23/24 Planning Commission Meeting
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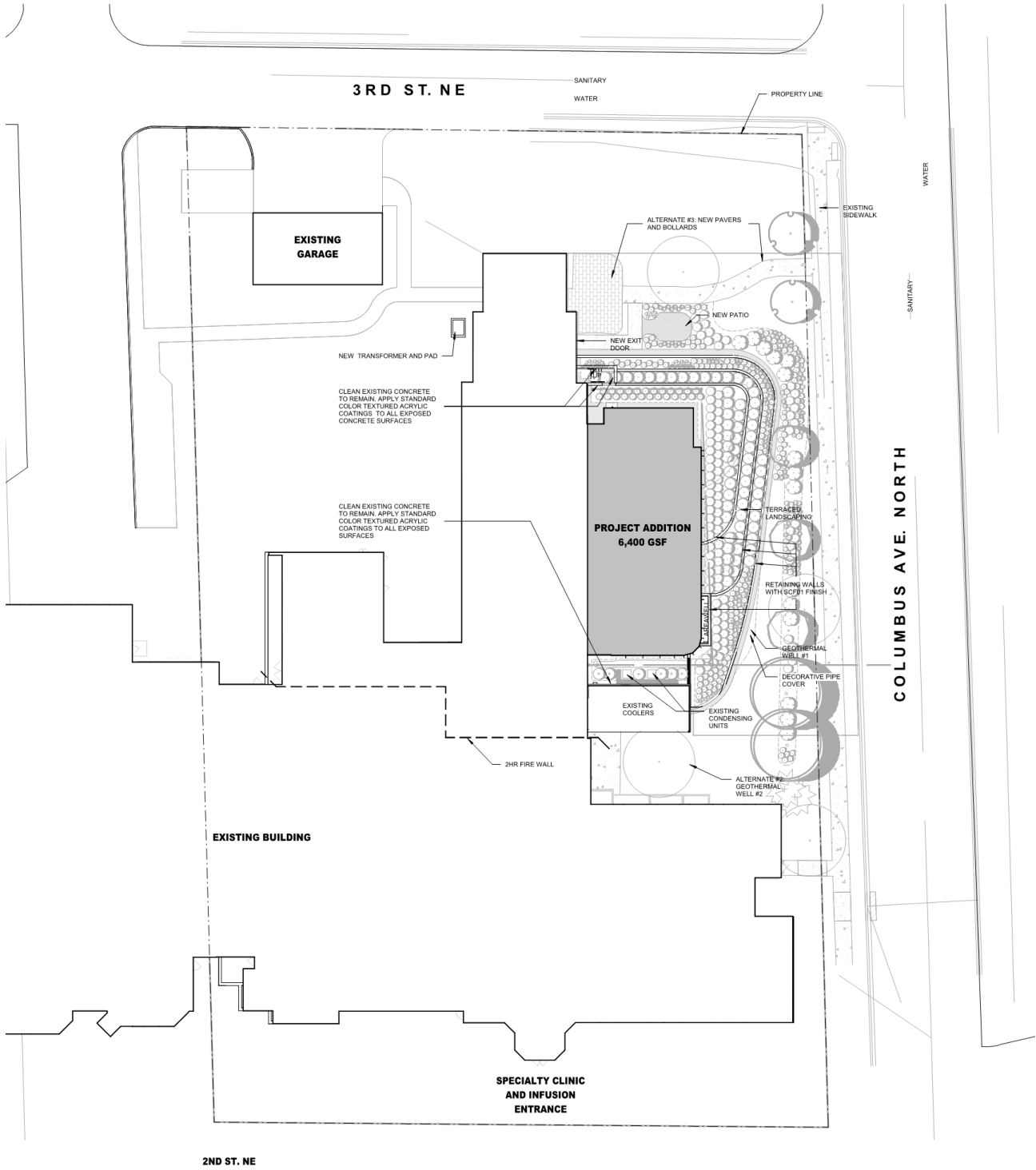


Mayo – Oncology Addition – RL70 Zoning District
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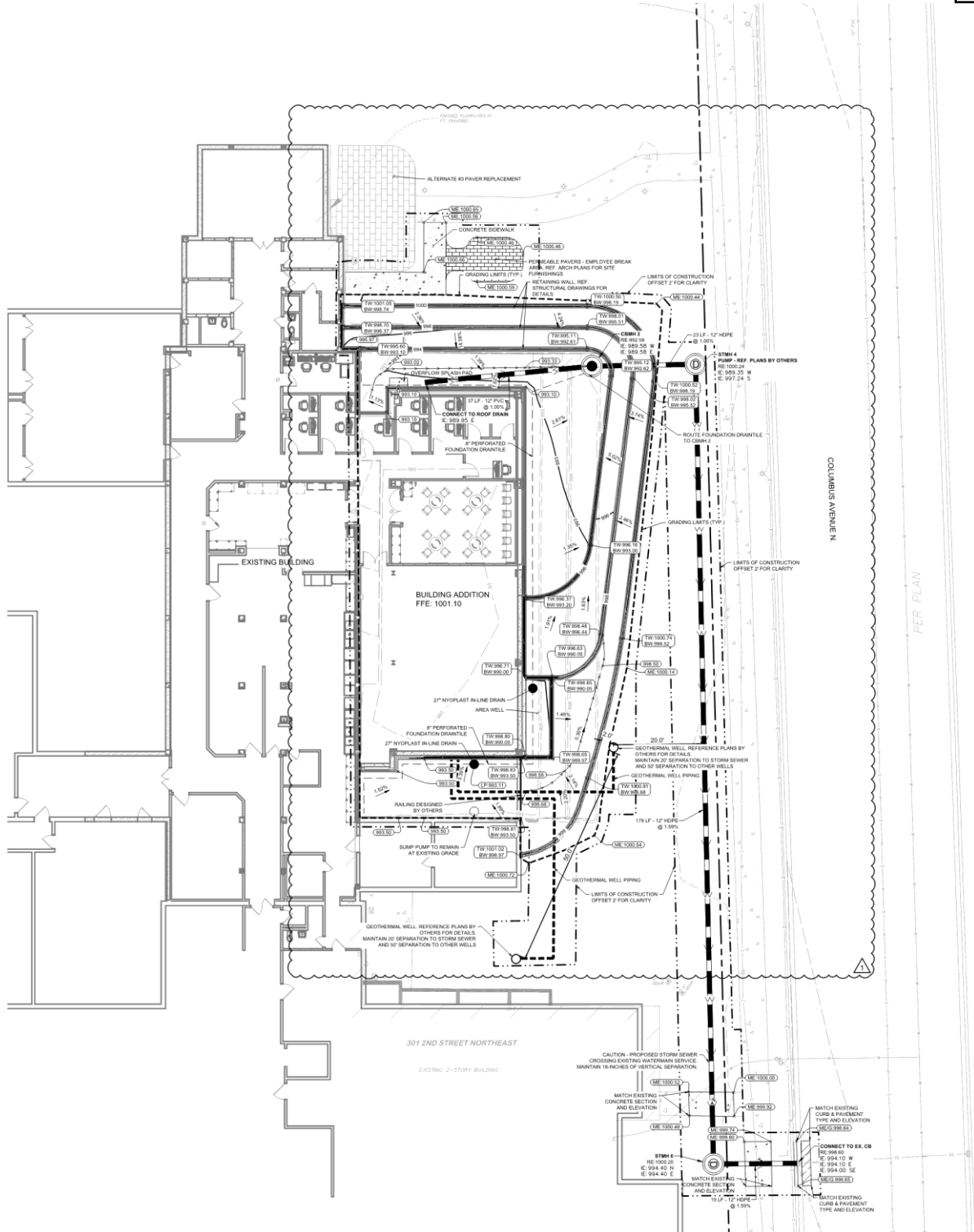


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Mayo – Oncology Addition – RL70 Zoning District
10/23/24 Planning Commission Meeting
Page 11 of 23



General Site Plan



Site and Grading Plan

HKS
 ARCHITECT
 1000 PENTAGON CENTER, SUITE 1000
 ARLINGTON, VA 22202
 (703) 907-7000
ENGINEER, STRUCTURAL
 1000 PENTAGON CENTER, SUITE 1000
 ARLINGTON, VA 22202
 (703) 907-7000
ENGINEER, CIVIL
 1000 PENTAGON CENTER, SUITE 1000
 ARLINGTON, VA 22202
 (703) 907-7000
ENGINEER, MEP
 1000 PENTAGON CENTER, SUITE 1000
 ARLINGTON, VA 22202
 (703) 907-7000

**MAYO CLINIC NEW PRAGUE
 ONCOLOGY & INFUSION EXPANSION**

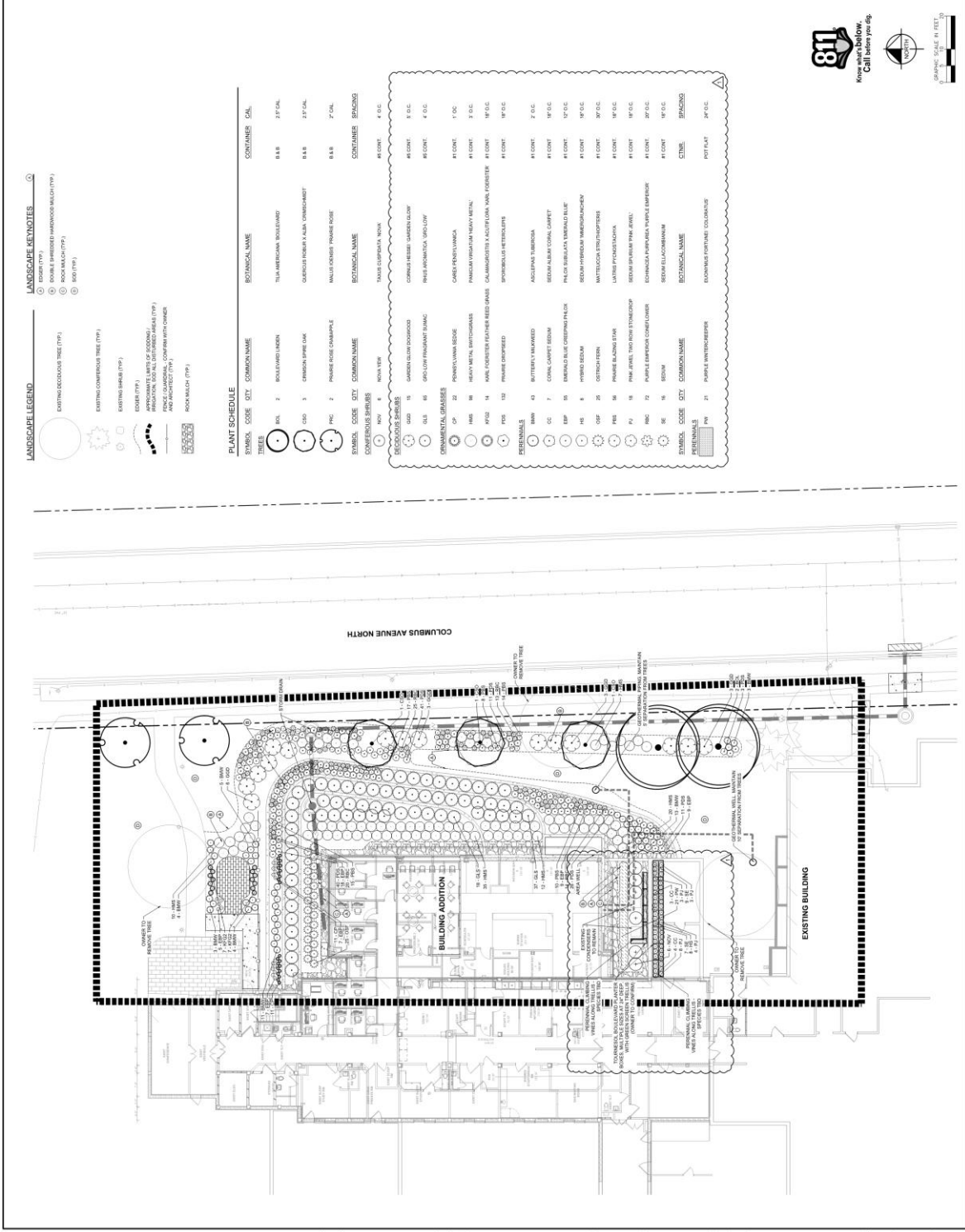


10/23/24

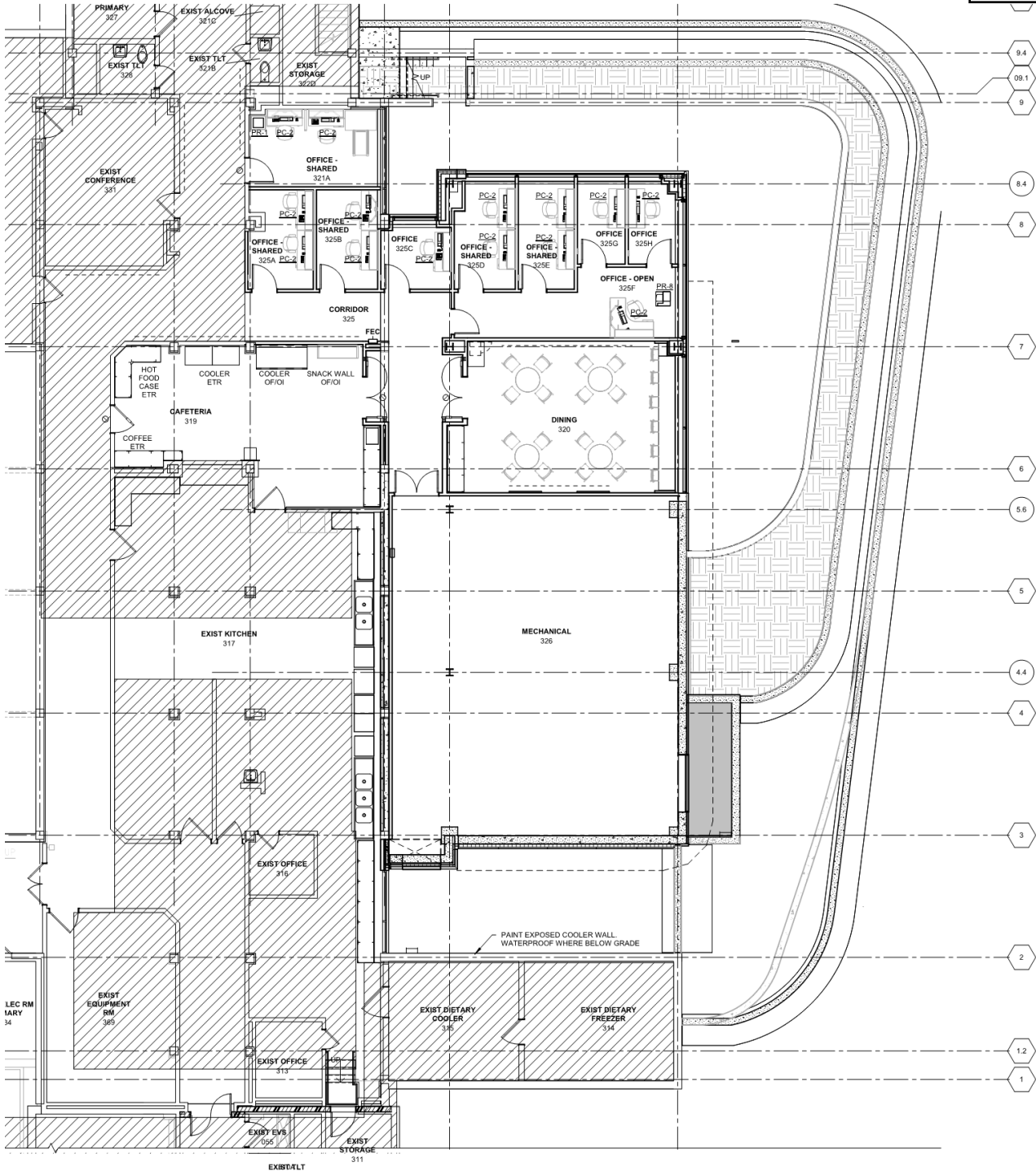
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 MAYO
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JULY 9, 2024
LANDSCAPE PLAN

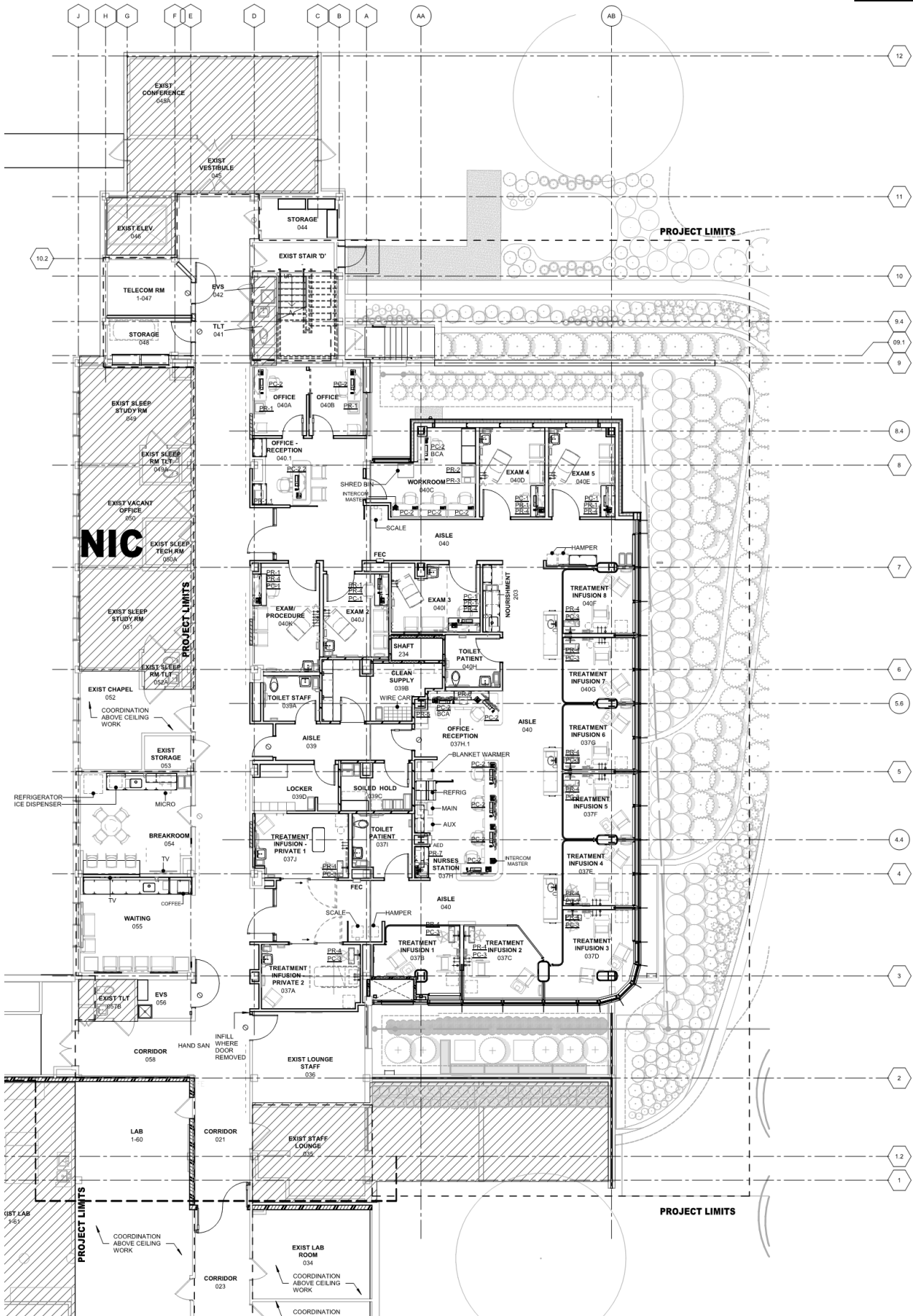
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Landscaping Plan



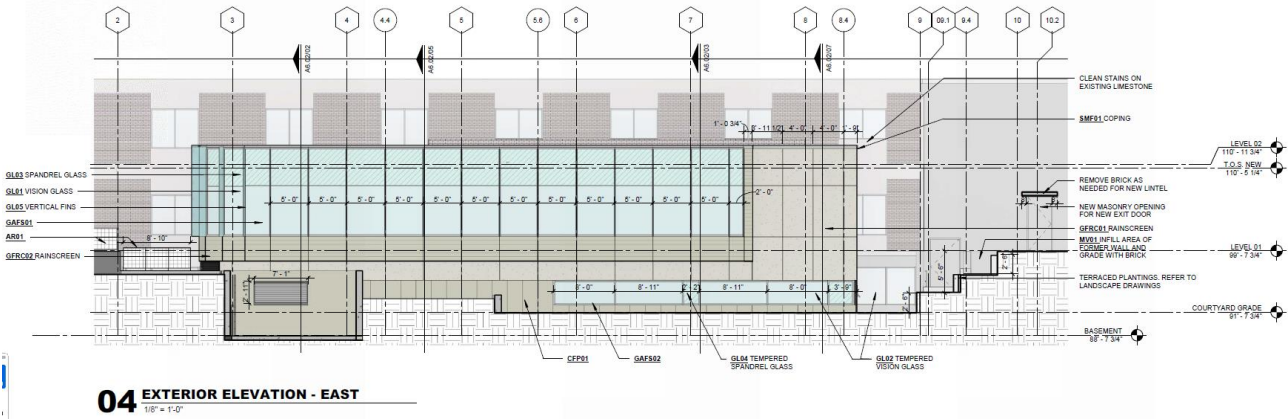
Basement Floor Plan



First Floor Plan



Exterior Rendering





03 3D RENDERING INFUSION 1

NTS *FOR DESIGN INTENT ONLY; NOT FOR CONSTRUCTION*



05 3D RENDERING NURSE STATION

NTS *FOR DESIGN INTENT ONLY; NOT FOR CONSTRUCTION*



02 3D RENDERING INFUSION ENTRY

NTS 'FOR DESIGN INTENT ONLY; NOT FOR CONSTRUCTION'



04 3D RENDERING INFUSION 2

NTS 'FOR DESIGN INTENT ONLY; NOT FOR CONSTRUCTION'



Looking NW from Columbus Ave. N. at the location of proposed building addition.



Looking SW from Columbus Ave. N. at the location of the proposed building addition.



Looking at the east side of Columbus Ave. N. at Queens Court building which is across the street from the proposed addition.



Looking North along Columbus Ave. N. at the crossing from Queens Court and staff parking area.



Looking south along Columbus Ave. N. at intersection with 2nd Street NE – crossing leads from staff parking



Looking NW from intersection of 2nd Street NE



Looking NE from 2nd Street NE at main entrances (patient parking lot on south side of 2nd Street NE).



Looking North from the south edge of the 100 space patient parking lot.



118 Central Avenue North, New Prague, MN 56071
phone: 952-758-4401 fax: 952-758-1149

MEMORANDUM

TO: PLANNING COMMISSION
FROM: KEN ONDICH, PLANNING / COMMUNITY DEVELOPMENT DIRECTOR
KYRA CHAPMAN, PLANNER
SUBJECT: REVIEW OF ORDINANCE FOR AMENDING VARIOUS SECTIONS OF THE ZONING ORDINANCE RELATED TO CANNABIS
DATE: OCTOBER 17, 2024

The City of New Prague currently has a moratorium in place, prohibiting all cannabis businesses from operating in city limits until January 1, 2025, or until the city adopts an ordinance, whichever comes first. The moratorium does not apply to low potency THC edibles, which is already addressed in the City Code.

Municipalities may initiate buffers, limit hours of operation, and regulate zoning when it comes to cannabis businesses. However, local governments may not initiate outright bans on cannabis business or operational limitations exceeding the state law. Minimally the state law requires that at least one cannabis retail location must be allowed per 12,500 residents. In the City Code, staff is recommending a cap of two cannabis retail businesses in city limits based on earlier feedback from the City Council.

Under state law, cities may choose to initiate buffers, prohibiting the operation of cannabis businesses. The state may allow a maximum buffer of 1,000 feet from a school, or 500 feet from a daycare, residential treatment facility, or amenities in a public park that is commonly used by children. To determine if buffers should be added to the ordinance, staff created three maps illustrating a 250-foot, 500-foot, and 1,000-foot buffer. After consideration, staff are in opposition to imposing buffers because it would be complicated to delineate, and it prevents most business from happening downtown, where most of the city’s commerce occurs.

Over the past several months, staff have been in communication with the city’s law firm, Kennedy & Graven, to draft a model Zoning Ordinance and City Code. The purpose of this meeting is to specifically discuss amendments to the Zoning Ordinance regarding cannabis. Attached to this document is also the City Code amendment for reference purposes.

City Staff Comments

Police Department and Planning / Community Development Department are in agreement that cannabis should be treated similarly to alcohol, therefore staff recommend having the same hours of operation and precluding buffers.

Proposed Zoning Ordinance Language-

Staff suggests establishing cannabis business retail sales as a permitted use in the B-1, B-2, and B-3 District. In the I-1 Light Industrial District, staff is recommending requiring conditional use permits for cannabis businesses related to cultivation, manufacturing, testing, transportation, wholesaling, retail, event organizer, or lower-potency hemp edible manufacturer. The proposed amendment would also include language that states that the accessory cannabis retail space in the I-1 Light Industrial District is limited to 30% of the gross floor area or 5,000 sq ft, whichever comes first. Cannabis retail sales in the I-1 Light Industrial District would also count towards the two-cannabis retailer cap.

Amendments are shown as follows: ~~struck out~~ and added.

The following will be added to Section 302 Definitions:

Cannabis business has the same meaning as M.S. §342.01.

Cannabis cultivation business means a business with a cannabis cultivator license, medical cannabis cultivator license, or cultivation endorsement from the State of Minnesota Office of Cannabis Management.

Cannabis delivery business means a business with a cannabis delivery service license or delivery service endorsement from the State of Minnesota Office of Cannabis Management.

Cannabis event organizer means a business with a cannabis event organizer license or event organization endorsement from the State of Minnesota Office of Cannabis Management.

Cannabis manufacturing business means a business with a cannabis manufacturer license, or manufacturing endorsement from the State of Minnesota Office of Cannabis Management.

Cannabis retail business means a business with a cannabis retailer license, medical cannabis retailer license, lower-potency hemp edible retailer license, or retail endorsement from the State of Minnesota Office of Cannabis Management.

Cannabis testing business means a business with a cannabis testing facility license or testing endorsement from the State of Minnesota Office of Cannabis Management.

Cannabis transportation business means a business with a cannabis transporter license or transportation endorsement from the State of Minnesota Office of Cannabis Management.

Cannabis wholesaling business means a business with a cannabis wholesaler license or wholesaling endorsement from the State of Minnesota Office of Cannabis Management.

Lower-potency hemp edible retailer means a business with a lower-potency hemp edible retailer license from the Office of Cannabis Management.

Lower-potency hemp edible manufacturer means a business with a lower-potency hemp edible manufacturer license from the Office of Cannabis Management.

SECTION 2. The City of New Prague Zoning Ordinance is hereby amended by adding the double-underlined language to Zoning Code, section 714 – Home Occupations, as follows:

6. Cannabis businesses and hemp businesses shall not be permitted as home occupations.

SECTION 3: The City of New Prague Zoning Ordinance is hereby amended by adding the double underlined language to Zoning Code, section 608 – B-1 Central Business District, (2) – Permitted Uses as follows:

T. Cannabis retail business

SECTION 4: The City of New Prague Zoning Ordinance is hereby amended by adding the double underlined language to Zoning Code, section 609 – B-2 Community Commercial District, (2) – Permitted Uses as follows:

Q. Cannabis retail business

SECTION 5: The City of New Prague Zoning Ordinance is hereby amended by adding the double underlined language to Zoning Code, section 610 – B-3 Highway Commercial District, (2) – Permitted Uses, as follows:

R. Cannabis retail business

SECTION 6: The City of New Prague Zoning Ordinance is hereby amended by adding the double underlined language to Zoning Code, section 611 – I-1 Light Industrial District, (4) – Conditional Uses as follows:

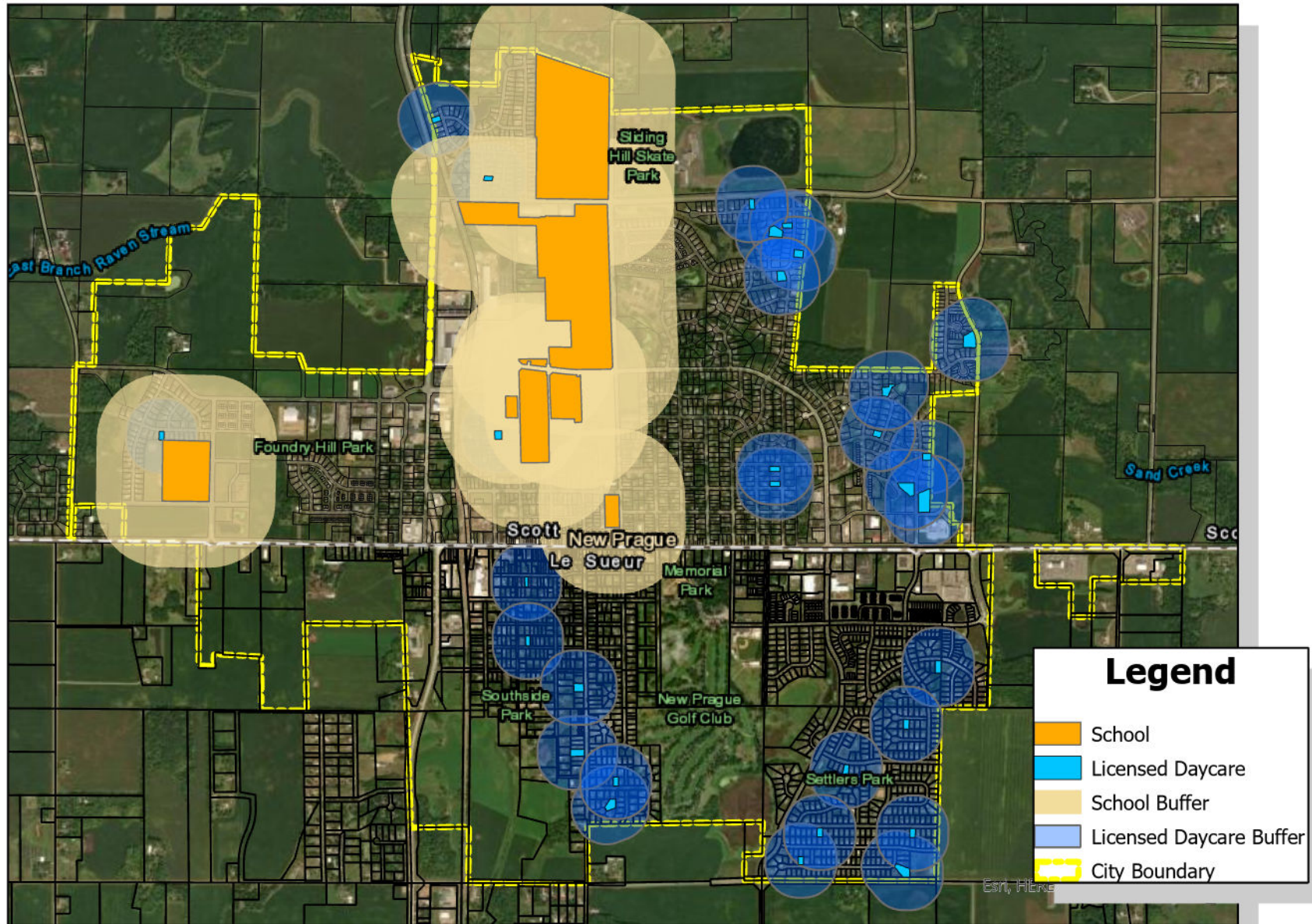
N. Cannabis cultivation business, cannabis manufacturing business, cannabis wholesaling business, cannabis testing business, cannabis retail business, cannabis event organizer, and lower-potency hemp edible manufacturer. Cannabis retail businesses may not exceed 30% of the gross floor area of the building or 5,000 sq ft; whichever comes first.

Recommendation

Staff recommends that the Planning Commission to hold the required public hearing on October 23rd, 2024 to gather public input and to forward a recommendation on the proposed amendment to the City Council for consideration at their meeting on November 4th, 2024.

Minnesota Maximum Cannabis Buffer Zones - 1000' from Schools and 500' from Licensed Daycares in New Prague

Section 4, Item b.



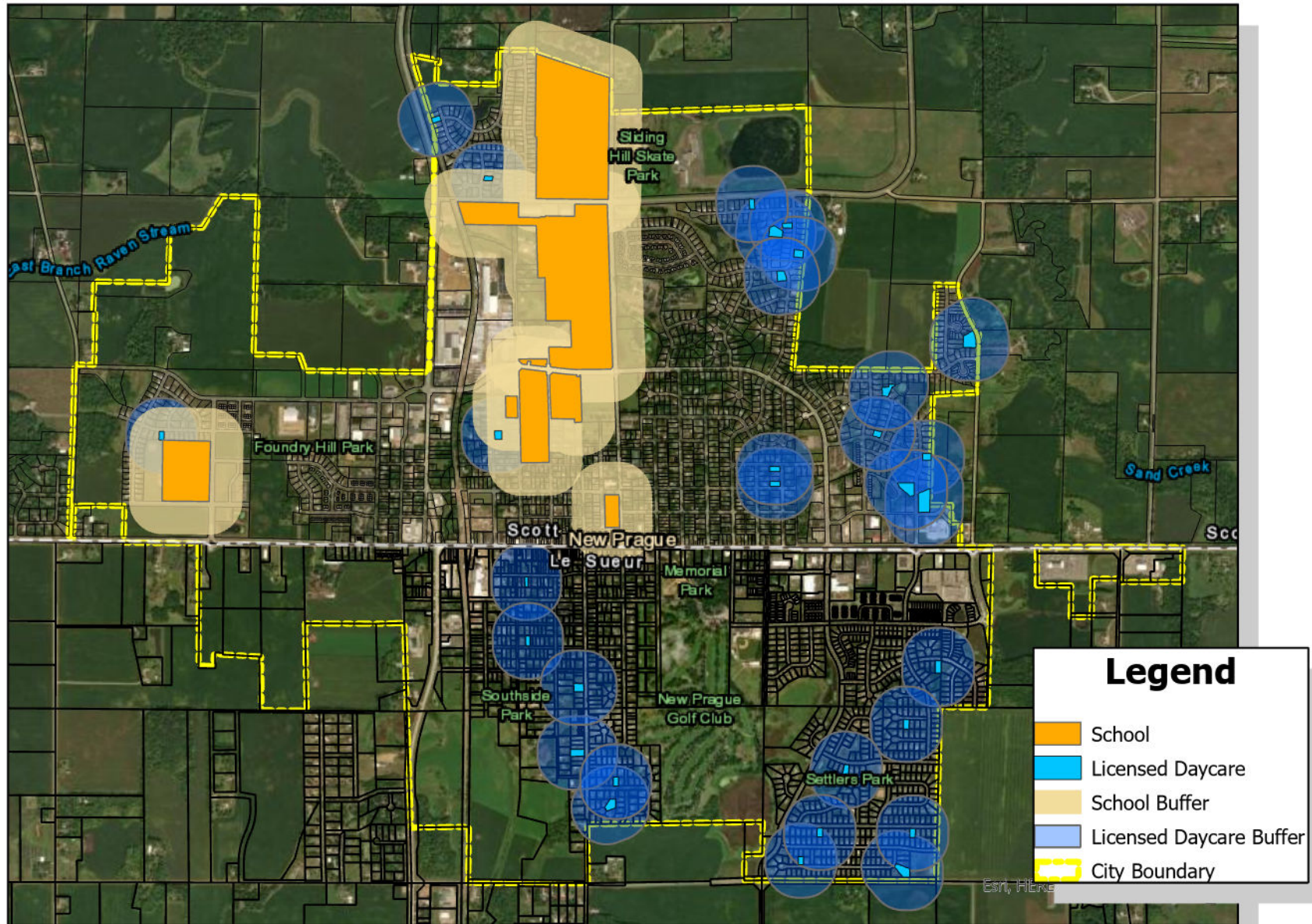
Prepared by:
 City of New Prague
 Planning Department
 Date: 9/30/24
 For Reference Purposes Only.



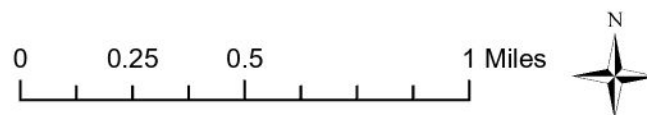
Disclaimer: This map was prepared using the City's GIS and is based on the County and City Street Data maintained by the County and City. While the City believes that the data is accurate, the City does not warrant that data is error free and the City does not represent that the GIS data can be used for purposes such as navigation or any other purpose requiring the exact measurement of distance and direction or the precise depiction of geographic features. This disclaimer is pursuant to Minnesota Statutes 466.03 Subd. 21. The user of this map acknowledges that the City shall not be liable for any damages that may arise from this map or the information it contains.

Minnesota Maximum Cannabis Buffer Zones - 500' from Schools and Licensed Daycares in New Prague

Section 4, Item b.



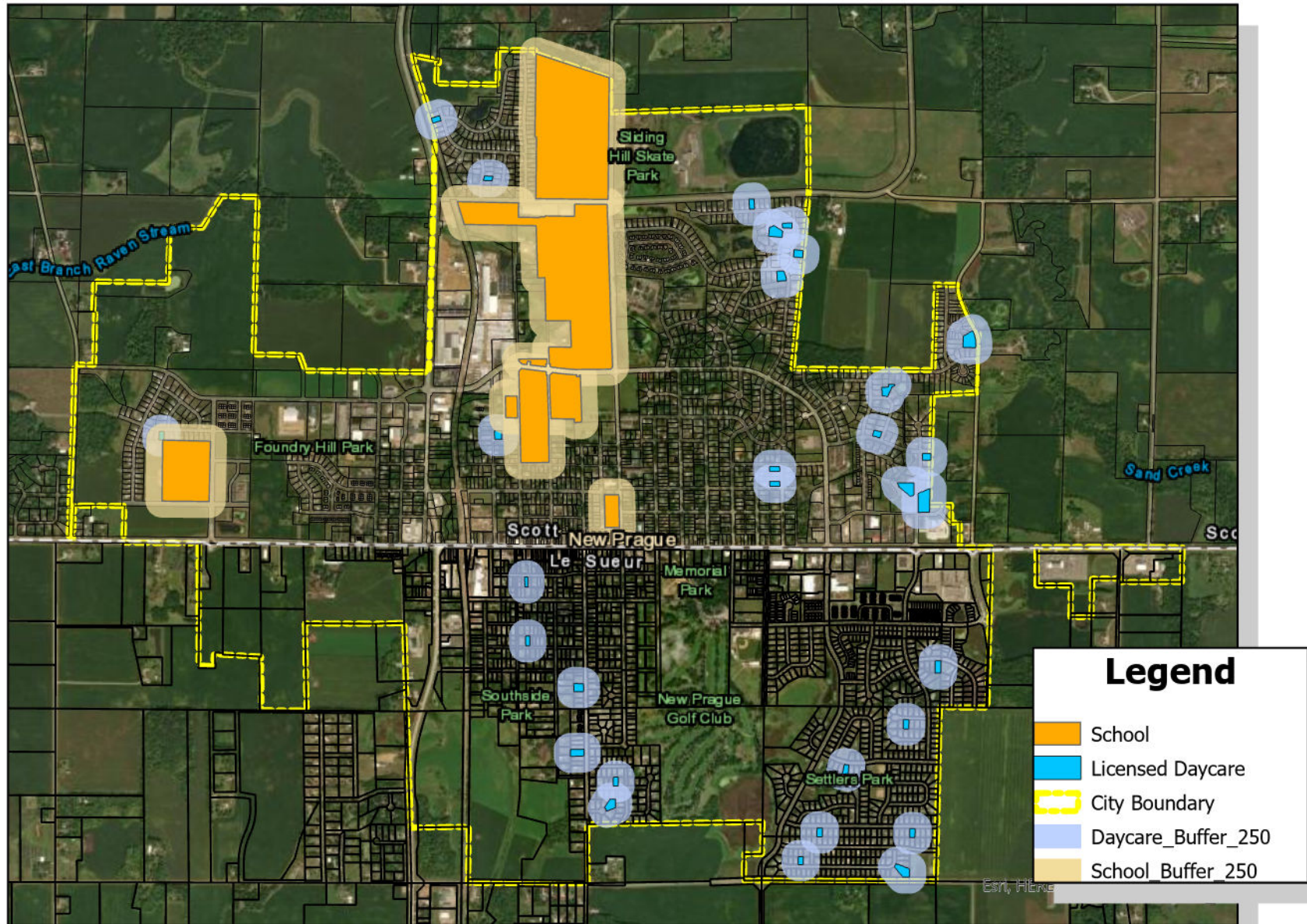
Prepared by:
 City of New Prague
 Planning Department
 Date: 9/30/24
 For Reference Purposes Only.



Disclaimer: This map was prepared using the City's GIS and is based on the County and City Street Data maintained by the County and City. While the City believes that the data is accurate, the City does not warrant that data is error free and the City does not represent that the GIS data can be used for purposes such as navigation or any other purpose requiring the exact measurement of distance and direction or the precise depiction of geographic features. This disclaimer is pursuant to Minnesota Statutes 466.03 Subd. 21. The user of this map acknowledges that the City shall not be liable for any damages that may arise from this map or the information it contains.

Minnesota Maximum Cannabis Buffer Zones - 250' from Schools and Licensed Daycares in New Prague

Section 4, Item b.



Prepared by:
 City of New Prague
 Planning Department
 Date: 10/07/24
 For Reference Purposes Only.



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ORDINANCE NO. _____
CITY OF NEW PRAGUE

AN ORDINANCE A _____

THE CITY COUNCIL OF THE CITY OF NEW PRAGUE, SCOTT AND LESUEUR,
COUNTIES, MINNESOTA ORDAINS:

SECTION 1. :

Tetrahydrocannabinol Products

- 121.01 Findings and purpose
- 121.02 Definitions
- 121.03 License required
- 121.04 License fee
- 121.05 Prohibited sales
- 121.06 Mobile sales
- 121.07 Compliance checks
- 121.08 Responsibility
- 121.09 Administrative penalties
- 121.10 Administrative penalty procedure

Cannabis and Hemp Businesses

- 121.11 Findings and Purpose
- 121.12 Definitions
- 121.13 Pre-License Certification of Cannabis Businesses
- 121.14 Retailer Registration
- 121.15 Registration Enforcement.
- 121.16 Compliance Checks
- 121.17 Advertising
- 121.18 Hours of Operation
- 121.19 Distances from Certain Properties
- 121.20 Temporary Cannabis Events
- 121.21 Penalties Administration and Enforcement
- 121.22 Administrative Penalties and Administrative Penalties Procedure

SECTION 2: Chapter 121 of the City Code of the City of New Prague is hereby amended by adding the double-underlined language as follows:

121.03 License Required

(A) No person shall sell or offer to sell any licensed product without having obtained a license to do so from the city. However, businesses that have received a license to sell lower-potency hemp edibles, as defined in M.S. § 342.01, from the Minnesota Office of Cannabis Management and have registered with the city pursuant to City Code, § 121.11-121.22, are not required to obtain a city license to sell lower-potency hemp edibles.

SECTION 3: Chapter 121 of the City Code of the City of New Prague is hereby amended by adding new sections 121.11-121.22 language as follows:

121.11 Findings and Purpose

The City of New Prague makes the following legislative findings:

(A) The purpose of this chapter is to protect the public health, safety, welfare in the city by implementing regulations pursuant to M.S. Ch. 342 related to cannabis and hemp businesses within the city.

(B) In making these findings and enacting this chapter, it is the intent of the City Council to ensure responsible product retailing, allowing legal sale and access without promoting increases in use, and to discourage violations of cannabis and hemp related laws.

(C) The city finds and concludes that these regulations are appropriate and lawful, that the proposed amendments will promote the community's interest in reasonable stability in the development and redevelopment of the city for now and in the future, and that the regulations are in the public interest and for the public good.

121.12 Definitions

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Applicant means an entity with a license issued by the OCM that is applying for an initial registration or for registration renewal.

The Act means M.S. Ch. 342, as is may be amended from time to time.

Cannabis Business has the same meaning as defined in M.S. § 342.01

Cannabis Retailer means a business with a cannabis retailer license or cannabis retail endorsement from OCM.

Hemp Business shall have the definition in M.S. § 342.01

Lower-Potency Hemp Retailer means every lower-potency hemp edible retail business that is licensed under the Act and required to register with the City under Minnesota Statutes, section 342.22.

OCM means the Minnesota Office of Cannabis Management.

Potential Licensee means an applicant that has not received a license from the OCM.

Retailer means every business that is licensed under the Act and required to register with the City under M.S. § 342.22. Including cannabis businesses and lower-potency hemp edible retailers.

121.13 Pre-License Certification of Cannabis Businesses

(A) The City Administrator is authorized to certify whether a proposed Cannabis Business complies with the city’s zoning ordinances, this chapter, and if applicable, with state fire code and building code pursuant to M.S. § 342.13.

(B) Potential licensees are responsible for requesting and scheduling any inspections related to building and fire code. Potential licensees may contact the city to have inspections conducted prior to the city receiving the request for certification from the OCM. Building and fire code inspections will be valid for XX days from completion. If a potential licensee is not able to have any building or fire code inspection complete within the 30 days allowed under the statute, the city will not certify the application.

(C) If the potential licensee requires a conditional use permit or other zoning approval, the potential licensee must have obtained such an approval prior to the city receiving a request for zoning certification. Failure to obtain the required approval will result in the city informing the OCM that the potential licensee has not met local zoning code requirements.

(D) For retailers, receiving a pre-license certification does not ensure the retailer will receive a registration under § 122.14.

121.14 Retailer Registration

(A) *Retail Registration Required.* Before making retail sales to customers or patients, a retailer must register with the city. Making retail sales to customers or patients without an active registration is prohibited.

(B) *Civil Penalties.* Subject to M.S. § 342.22, subd. 5(e) the city may impose a civil penalty, as specified in the city’s fee schedule, for making a sale to a customer or patient without a valid registration from the city and a valid license from the OCM.

(C) *Timeline for Approval.* Applications will be considered complete when all materials in § 121.14 (F) are received by the city, including payment of the required application fee. If the city determines that the application is incomplete, it shall notify the applicant of the deficiencies.

(D) *Processing Registrations.*

(1) Applications will be processed on a first-come, first-served basis based on the city receiving a complete application and payment of all fees.

(2) The date a certification under § 122.13 is issued will have no impact on the applicant’s registration processing and is not an indication that the retail registration limit in § 122.14 (E) has been met.

(3) 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 [insert authority] for approval or denial.

(E) *Retail Registration Limits.*

The city will issue two registrations to cannabis retailers in the city.

(F) *Application.* The applicant must submit a registration application or renewal form provided by the city. The form may be amended from time to time by the City Administrator, but must include or be accompanied by:

- (1) Name of the property owner
- (2) Name of the applicant
- (3) Address and parcel ID for the property for which the registration is sought
- (4) Certification that the applicant complies with the requirements of this chapter
- (5) *Fee Required.* At the time of initial application, and prior to the city’s consideration of any renewal application, each retailer must pay, as established in the city’s fee schedule, the following fees:

- (a) At the time of initial registration:
 - i. An initial registration fee. The initial registration fee will pay for the costs of registration and the cost of the first year of operation.
 - ii. The renewal fee for the second year of operation.
- (b) At the time of the first annual renewal (prior to the second year of operation), no fee will be due.
- (c) At the time of the second annual renewal, and each year thereafter, the renewal fee must be paid prior to the city issuing any renewal registration.
- (d) Initial registration fee and renewal registration fees are nonrefundable.

- (6) Proof of taxes, assessments, utility charges of other financial claims of the city of the state are current.
- (7) A copy of a valid state license or written notice of OCM license preapproval.

(G) *Preliminary Compliance Check.* The City shall conduct a preliminary compliance check on every retailer to ensure compliance with this chapter and any other regulations established

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pursuant to M.S. § 342.13. The preliminary compliance check must be complete prior to the city issuing the retail registration.

(H) *Reasons for Denial.* The City shall not issue a registration or renewal if any of the following conditions are true:

- (1) The applicant has not submitted a complete application.
- (2) The applicant does not comply with the requirements of this chapter.
- (3) The applicant does not comply with applicable zoning and land use regulations.
- (4) The applicant is found to not comply with the requirements of the Act or this chapter at the preliminary compliance check.
- (5) The maximum number of registrations, pursuant to § 122.14 (E), have been issued by the city or the applicable county.
- (6) The applicant does not have a valid license or license preapproval from the OCM.

(I) *Issuing the Registration or Renewal.* The city shall issue the registration or renewal if the retailer meets the requirements of this chapter, including that none of the reasons for denial in § 122.14 (H) are true.

(J) *Nontransferable.* A registration is not transferable to another person, entity, or location.

121.15 Registration Enforcement.

(A) *Generally.* The City Council may impose a fine or suspend a registration under this chapter on a finding that the registered business has failed to comply with the requirements of this chapter or any applicable statute or regulation.

(B) *Notice and Right to Hearing.* Prior to imposing a fine or suspending any registration any registration under this chapter, the city shall provide the registered business with written notice of the alleged violations and inform the registered business of its right to a hearing on the alleged violation.

1. Notice shall be delivered in person or by regular mail to the address of the registered business and shall inform the registered business of its right to a hearing. The notice will indicate that a response must be submitted within ten (10) business days of receipt of the notice, or the right to a hearing will be waived.
2. The registered business will be given an opportunity for a hearing before the city's [HEARING OFFICER] before final action to fine or suspend a registration. Provided, the registered business has submitted a written application for appeal within ten (10) business days after the notice was served.

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The [HEARING OFFICER] shall give due regard to the frequency and seriousness of the violations, the ease with which such violations could have been cured or avoided and good faith efforts to comply and shall issue a decision to fine, suspend, revoke, or not renew the registration only upon written findings. Within ten (10) business days of the [HEARING OFFICER’S] order, the decision may be appealed to the City Council.

- 3. If no request for a hearing is received within ten (10) days following the service of the notice, the matter shall be submitted to the City Council for imposition of the fine and/or suspension.

(C) *Emergency.* If, in the discretion of the city, a registered business poses an imminent threat to the health or safety of the public, the City Administrator may immediately suspend the registration and provide notice of the right to hold a subsequent hearing as prescribed in part (B) of this section.

(D) *Reinstatement.* The city may reinstate a registration if it determines that the violations have been resolved. The city shall reinstate a registration if the OCM determines the violations have been resolved.

121.16 Compliance Checks

The City shall complete at minimum one compliance check per calendar year of every registered business to assess if the business meets age verification requirements, as required under M.S. § 342.22, subd. 4(b) and M.S. § 342.24 and any applicable cannabis or hemp regulations adopted by the city.

The city shall conduct at minimum of at least one unannounced age verification compliance check 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 or an employee of the city.

Any failures under this section are a basis for enforcement action and must be reported to the OCM.

121.17 Advertising.

Signage is subject to the City’s sign code and M.S. 342.62, subd. 4.

121.18 Hours of Operation.

Cannabis Retailers are prohibited from engaging in the retail sale of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products between the hours of 1:00am -8:00am Monday-Saturday and 1:00am-10:00am on Sunday.

121.19 Temporary Cannabis Events.

- (A) Cannabis event organizers receive a permit from the city to hold a temporary cannabis event within the city. Cannabis event organizers must apply for the permit on a form provided by the city and pay an application fee as established in the city's fee schedule.
- (B) Temporary cannabis events are subject to all applicable requirements of the City Code, including under Chapter 95 – Regulations Pertaining to Large Assemblies.
- (C) Temporary cannabis events are prohibited on city property.
- (D) No more than three temporary cannabis events may occur at a single location in the same calendar year.

121.21 Penalties Administration and Enforcement

Any violation of the provisions of this chapter or failure to comply with any of its requirements constitutes a misdemeanor and is punishable as defined by law. Each day each violation continues or exists, constitutes a separate offense. Violations of this ordinance can occur regardless of whether or not a permit is required for a regulated activity listed in this ordinance. Violations may also be addressed using the administrative penalties process in §121.22

Violation of this chapter shall be grounds for enforcement against any business license issued by the City.

121.22 Administrative Penalties and Administrative Penalty Procedure

(A) If a retailer or employee of a retailer fails a compliance check or violates any other provision of this chapter, the business shall be charged an administrative penalty of \$300. An administrative penalty of \$600 shall be imposed for a second violation at the same location within 36 months after the initial violation. For a third or any subsequent violation at the same location within 36 months after the initial violation, an administrative penalty of \$1,000 shall be imposed.

(B) An individual who makes a retail sale in to a person under the age of 21 years, resulting in a failed compliance check, that individual shall be charged an administrative penalty of \$50.

(C) *Procedure.*

(1) Upon discovery of a suspected violation under this chapter, the alleged violator shall be issued, either personally or by mail, a citation that sets forth the alleged violation and the administrative penalty for the violation, and informs the alleged violator of his or her right to be heard on the accusation.

(2) If, within twenty (20) days after receipt of a citation, a person accused of violating this chapter so requests, a hearing shall be scheduled, the time and place of which shall be provided to the accused violator.

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(3) The City Council, or any other person as the Council may by resolution designate, shall serve as the hearing officer.

(4) If the hearing officer determines that a violation of this chapter did occur, that decision, along with the hearing officer's reasons for finding a violation and the penalty to be imposed under this section, shall be recorded in writing, a copy of which shall be provided to the accused violator. Likewise, if the hearing officer finds that no violation occurred or finds grounds for not imposing any penalty, the findings shall be recorded and a copy provided to the accused violator.

(5) Appeals of any decision made by the hearing officer shall be filed in the district court for the county in which the violator resides in accordance with applicable laws.

(6) Nothing in this section shall prohibit the city from seeking prosecution as a criminal offense for any alleged violation of this chapter and shall not prohibit the city from taking action under the Act.

(7) Each violation shall constitute a separate offense, and for violations that are ongoing by their nature, each day that such violation continues shall constitute a separate offense.

SECTION 4. INTERIM ORDINANCE TERMINATION. Upon the Effective Date of this Ordinance, _____ Interim Ordinance shall automatically terminate.

SECTION 5. EFFECTIVE DATE. This ordinance shall take effect following its passage and publication in accordance with state law.

October 2024 EDA Business Updates:

- **2 new home permits** were issued in September (2 single family homes and 0 townhome units). 7 residential home permits have been issued so far in 2024 (7 single family, 0 townhomes, 0 apartment units).
- **Smoke and Fire**, located at 825 1st Street SE, notified their employees on 9/24/24 that they were closing their doors for good.
- Possible Tax Abatement discussions among the City/School/Le Sueur County have continued for the Ebert Companies proposed **54-unit apartment building** at 102 Chalupsky Ave. SE. Pending the outcome of the tax abatement discussions, they are still hoping to break ground this fall.
- Possible Tax Abatement discussions are scheduled to continue at the City Council meeting on 10/7/24 for the Yellow Tree Development proposed **155-unit apartment building** near Raven Stream Village Elementary School.
- Adoption of the new **Comprehensive Plan** is tentatively scheduled to occur at the October 21st, 2024 City Council meeting.