



COTTAGE GROVE PLANNING COMMISSION
12800 RAVINE PARKWAY SOUTH
COTTAGE GROVE, MN 55016
COUNCIL CHAMBER - 7:00 PM

November 24, 2025

- 1 Call to Order
- 2 Roll Call
- 3 Approval of the Agenda
- 4 Open Forum
- 5 Chair's Explanation of the Hearing Process
- 6 Public Hearing and Applications
 - A 95th Street Low-Potency Cannabis Warehouse - Case CUP2025-029
Discussion: Michael Weis and Andrew Turner, on behalf of Banks Distro LLC, have applied for a Conditional Use Permit (CUP) for a low potency hemp edible warehouse and wholesale operation at 7769 95th Street South.
 - B MoonSoon Low Potency Cannabis - Case CUP2025-028
Discussion: Giza Inc. dba MoonSoon Tobacco, applied for a Conditional Use Permit (CUP) to sell low potency hemp edibles at their existing business at 7584 80th Street South.
 - C Yellow Tree Apartments - Cases PUD2025-030 & SP2025-030
*Discussion: **CONTINUE TO DECEMBER 15, 2025, PLANNING COMMISSION MEETING.** Yellow Tree Development has applied for a Planned Unit Development (PUD) and Site Plan Review of a proposed 186-unit apartment building to be located north of East Point Douglas Road and west of Hardwood Avenue.*
- 7 Approval of Minutes
 - A October 27, 2025 Planning Commission Minutes
- 8 Reports
 - A Recap of November 5 and 19, 2025, City Council Meetings
 - B Response to Planning Commission Inquiries - None
 - C Planning Commission Requests
- 9 Adjournment

STAFF REPORT CASE: CUP2025-029

ITEM: 6.1

PUBLIC MEETING DATE: 11/24/25 TENTATIVE COUNCIL REVIEW DATE: 12/3/25

APPLICATION

APPLICANT: Michael Weis and Andrew Turner, on behalf of Banks Distro LLC

REQUEST: A Conditional Use Permit for a low-potency hemp warehouse and wholesale operation.

SITE DATA

LOCATION: 7769 95th Street South

ZONING: I-1, General Industry

GUIDED LAND USE: Industrial

LAND USE OF ADJACENT PROPERTIES:	<u>CURRENT</u>	<u>GUIDED</u>
NORTH:	Industrial	Industrial
EAST:	Industrial	Industrial
SOUTH:	Industrial	Industrial
WEST:	Industrial	Industrial

SIZE: N/A

DENSITY: N/A

RECOMMENDATION

Approval, subject to the conditions stipulated in this staff report.



COTTAGE GROVE PLANNING DIVISION

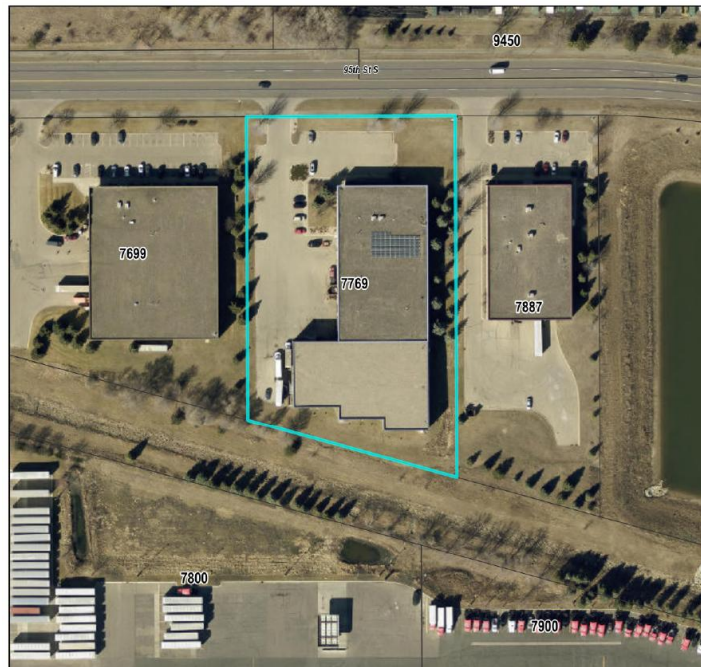
Planning Staff Contact: Samantha Pierret, Senior Planner; 651-458-2825; spierret@cottagegrovemn.gov

Application Accepted: 10/29/2025 60-Day Review Deadline: 12/28/2025

Planning Staff Report
Banks Distro LLC, Lower Potency Hemp Edible
Warehouse/Wholesale
Planning Case CUP2025-019
November 24, 2025

Proposal

Michael Weis and Andrew Turner, on behalf of Banks Distro LLC (Applicant) have submitted an application for a Conditional Use Permit (CUP) for a low potency hemp edible warehouse and wholesale operation at 7769 95th Street South.



Location Map

Review Schedule

Application Received: October 29, 2025
Application Accepted: October 29, 2025
Planning Commission Meeting: November 24, 2025
Tentative City Council Meeting: December 3, 2025
60-Day Review Deadline: December 28, 2025

Background

The State of Minnesota legalized recreational cannabis use and sales in 2023 under Statute 342. The Office of Cannabis Management (OCM) oversaw the preparation of cannabis rules from 2023 to 2025. The City of Cottage Grove Zoning Ordinance was updated in 2024 to add cannabis uses and regulations including regulations for cannabis and low potency hemp edible warehouse and wholesale operations. All businesses in the lower potency hemp edible

marketplace must obtain proper licensure and registration with the State of Minnesota as well as local permits and registration with the City of Cottage Grove.

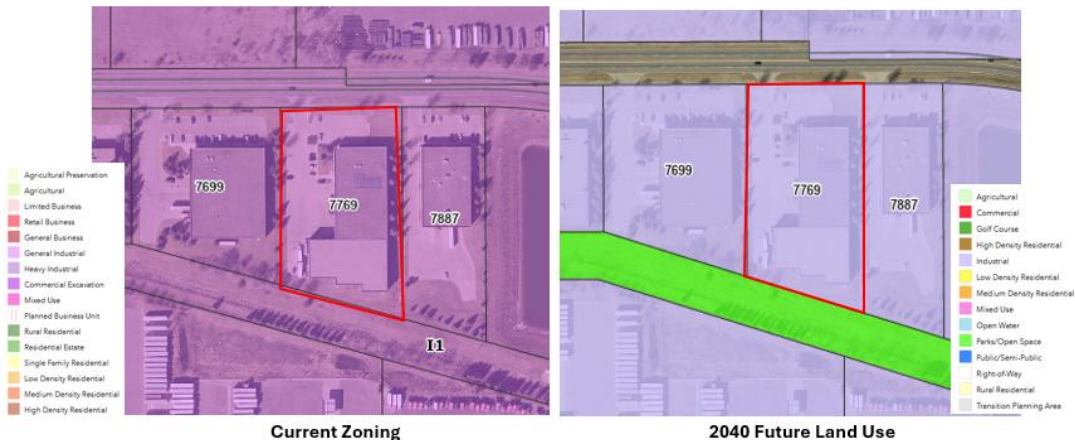
The Applicant currently leases space in Hudson, Wisconsin, where they warehouse and wholesale low potency hemp edibles. The State of Minnesota requires low potency hemp and cannabis businesses operating in Minnesota to have a physical location in Minnesota. The Applicant has proposed to lease space in the existing building at 7769 95th Street for low potency hemp warehousing and wholesaling. The Applicant would begin operations in a 1,520 square foot portion of the building, utilizing the space to store products. There will be the opportunity to expand into 2,010 square feet of the warehouse area in the future for a total leased area of 3,530 square feet. The property owner (Sangrita Holdings LLC) has acknowledged the Applicant’s request.

Planning Considerations

Comprehensive Plan and Zoning

The property is currently zoned I-1, General Industrial. The General Industrial District is intended to provide a district which is appropriate for manufacturing, compounding, processing, packaging or treatment of products. The property is currently guided for industrial use in the 2040 Comprehensive Plan. Lower Potency Hemp Edible Wholesale and Warehousing activities are allowed with a Conditional Use Permit in the I-1, General Industrial District. All cannabis uses and lower potency hemp edible uses must comply with Title 11-4-18 of the City Zoning Code.

The Applicant has indicated they may manufacture low-potency hemp products on site in the future. Low-potency hemp edible manufacturing is a conditional use in the I-1 District. A new conditional use permit and local registration would be required for low-potency hemp edible manufacturing to take place on site.



Conditional Use Permit

When evaluating any conditional use permit application, the Planning Commission shall consider the following findings:

1. *Compliance with and effect upon the Comprehensive Plan, including public facilities and capital improvement plans.*

2. *The establishment, maintenance or operation of the conditional use will promote and enhance the general public welfare and will not be detrimental to or endanger the public health, safety, morals or comfort.*
3. *The conditional use will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted, nor substantially diminish and impair property values within the neighborhood.*
4. *The establishment of the conditional use will not impede the normal and orderly development and improvement of surrounding property for uses permitted in the district.*
5. *Adequate public facilities and services are available or can be reasonably provided to accommodate the use which is proposed.*
6. *The conditional use shall, in all other respects, conform to the applicable regulations of the district in which it is located.*
7. *The conditional use complies with the general and specific performance standards as specified by the Zoning Code.*

The use as a low potency hemp edible warehouse and wholesale business is consistent with the findings above as described in the following report.

State Licensing Process

The Office of Cannabis Management (OCM) has a separate registration and licensing process for lower potency hemp edible warehouse and wholesale businesses. All cannabis and low-potency hemp edible businesses must obtain local approvals and registrations and pass an OCM inspection before beginning operations. OCM has instructed the Applicant to apply for a “manufacturers license” through the state. OCM has indicated that although the Applicant will not be manufacturing products on site at this time, this is the appropriate license type that the Applicant should obtain from the state.

State Statute 342.455 includes standards business owners must adhere to, including security and building standards. These standards are overseen by the OCM, and property inspections are conducted by OCM.

Title 11-4-18

F.1. No exterior storage is allowed, including storage of products in semis or trailers that are parked outside of an enclosed building.

The Applicant has not proposed exterior storage, and no exterior storage will be allowed on site.

F.2. All mechanical, odor suppression equipment and trash enclosures must comply with City Code Sections 11-3-8 and 11-3-9.

The business will operate within an existing building where mechanical equipment and trash enclosures meet City standards. No new mechanical equipment is proposed and any changes to mechanical equipment or trash enclosures must be reviewed by Planning staff in compliance with City Code. No odor suppression equipment is required as the Applicant is not processing or manufacturing cannabis products. If cannabis manufacturing or processing occurs on site in the

future, a new Conditional Use Permit would be required and appropriate odor suppression equipment must be installed.

G.1. Hours of operation for retail sales of cannabis or lower-potency hemp edible products are permitted from 10:00 a.m. to 10:00 p.m., seven days a week.

Retail sales are prohibited in industrial districts. No retail sales are proposed on site.

G.2. On-sale intoxicating liquor establishments and off-sale exclusive liquor stores with a current lower-potency hemp edible city registration and a state license may sell lower-potency hemp edible beverages but no other lower-potency hemp edible products.

The business is not an on-sale or off-sale liquor establishment and will not conduct retail sales.

G.3. No cannabis or lower-potency hemp edible use is allowed as part of an Adult Use Establishment, as defined in City Code Section 3-14-2.

The business is not an Adult Use Establishment as defined.

G.4. No retail sales are allowed in the Agricultural or Industrial zoning districts.

No retail sales are proposed as the property is zoned I-1, General Industrial District.

G.5. No on-site consumption is allowed in the Agricultural or Industrial zoning district.

No on-site consumption is proposed.

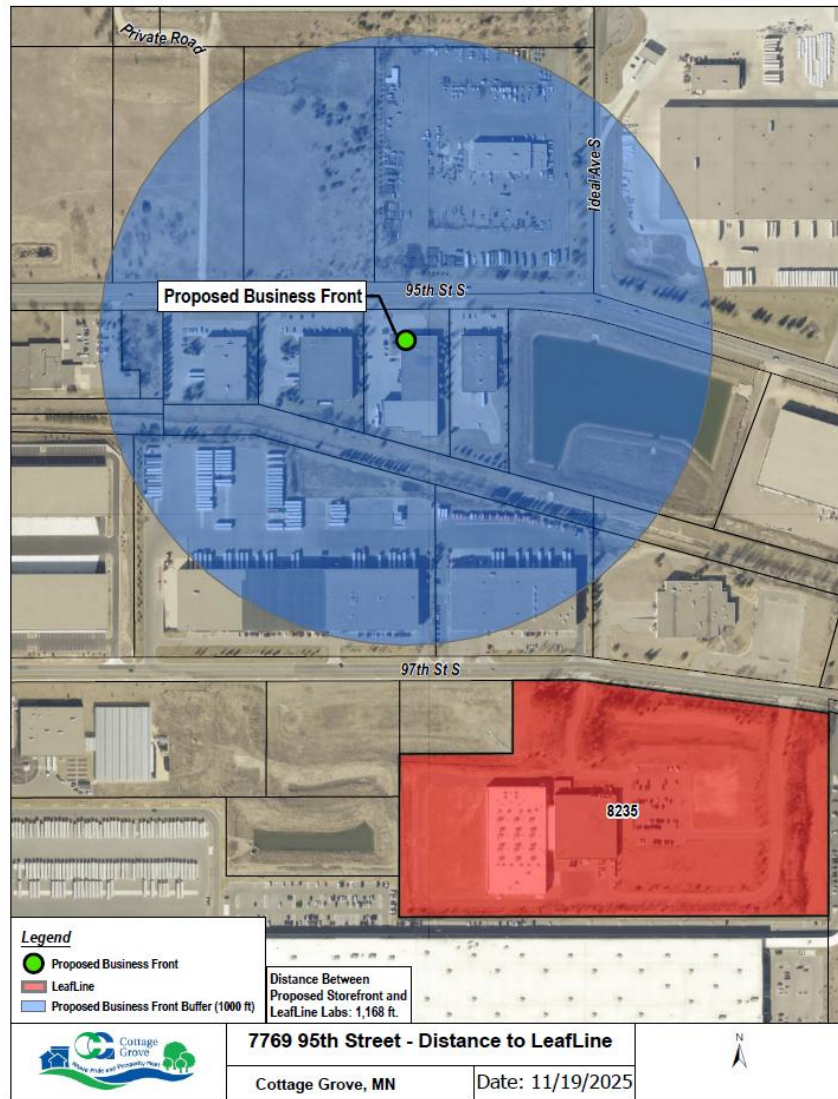
G.6. Cannabis and lower-potency hemp edible uses shall not violate federal laws, state laws, or any provisions of City Code. Cannabis and lower-potency hemp edible uses shall not be a public nuisance or violate Chapter 4, Section 8 regarding odors. The city may impose odor suppression or odor mitigation conditions as part of the conditional use permit.

The business will not be manufacturing or growing cannabis products that would cause an odor at this time. Any future manufacturing operations would require separate conditional use permit approval and odor mitigation would be considered in conjunction with that request.

G.7. Distance Regulations: Distances from a cannabis use or lower-potency hemp edible use are measured from the storefront of a cannabis or lower-potency hemp edible retail use to the property line of all other cannabis or lower-potency hemp edible uses.

a. There must be at least 1,000 feet between each cannabis or lower-potency hemp edible use.

The business in question is over 1,000 feet from any other cannabis or lower-potency hemp edible uses.



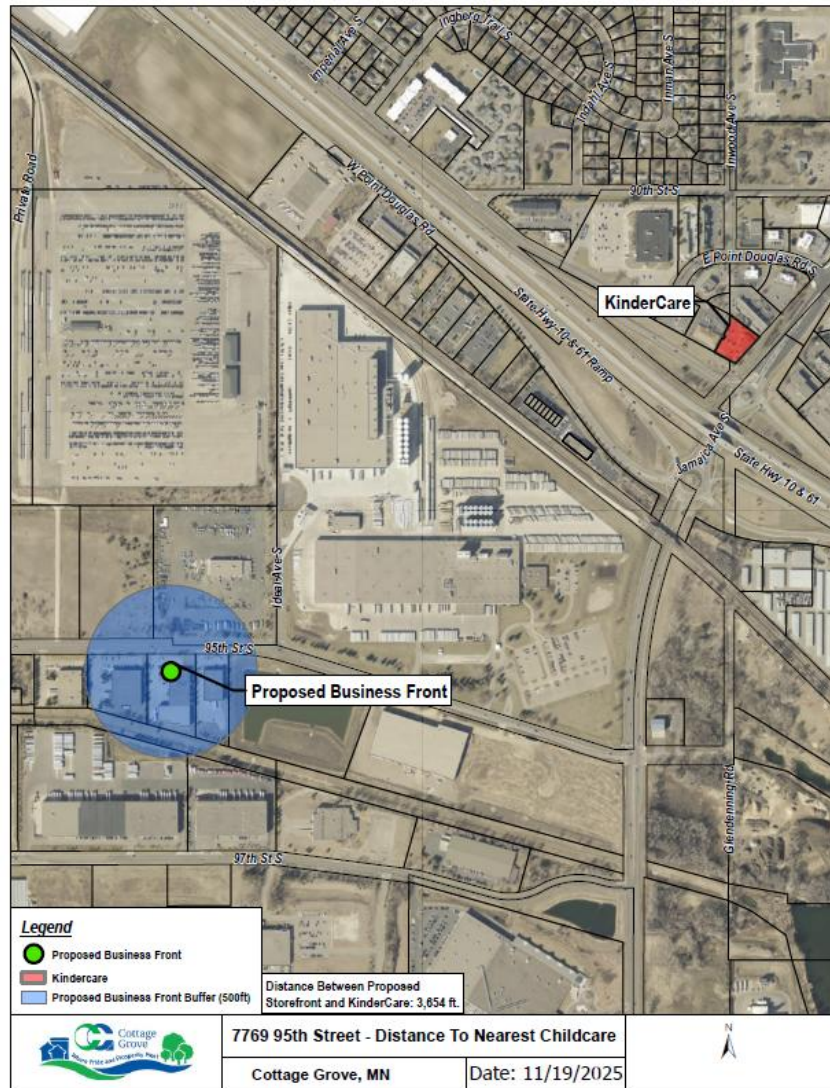
- b. The location of all cannabis uses must comply with the following:
1. More than 1,000 feet from a school as measured from property line of the school to the cannabis business.

The property is over 1,000 feet from both Armstrong Elementary School and Pine Hill Elementary School.



2. More than 500 feet from a day care that is in the B1, B2, B3, PB, or MU zoning district as measured from property line of the day care to the cannabis business.

The property is over 500 feet from KinderCare at 8453 East Point Douglas Road.

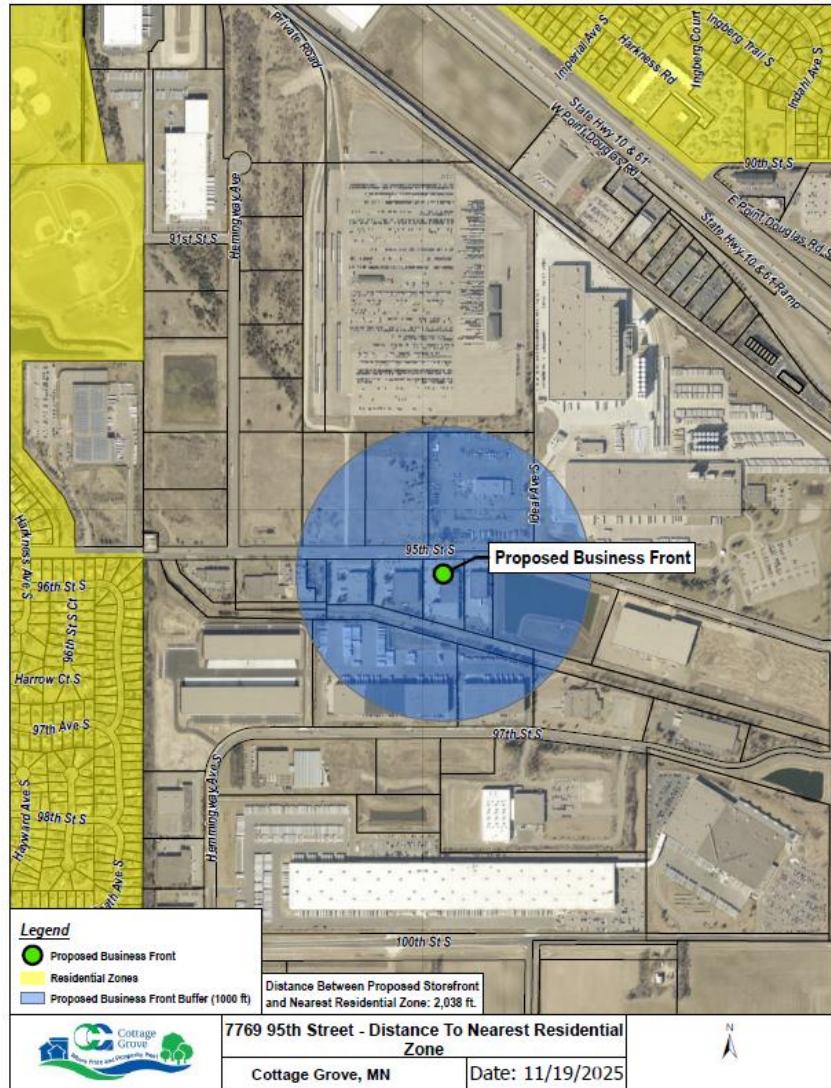


3. More than 500 feet from a residential treatment facility, as measured from the property line of the facility to the cannabis business.

There are no residential treatment facilities within 500 feet of the property.

4. More than 500 feet from an attraction within a public park that is regularly used by minors, such as, but not limited to a playground, athletic field, athletic court, picnic area or permanent restrooms, pavilion or park building, disc golf features, as measured from the location of the public park attraction to the cannabis business.

The property is over 500 feet from the nearest park features in Hamlet Park.



G.8. Signs must comply with the standards in City Code Title 12 for the relevant zoning district in which the use is located except for the following:

- a. No cannabis business shall have more than two signs.
- b. Blinking, moving, and flashing signs that are visible from the exterior of the building are prohibited.
- c. No lower-potency hemp edible use shall advertise the lower-potency hemp edible products on more than one exterior sign.
- d. No interior sign shall be visible from the exterior of the building.

G.9. Cannabis uses must meet the minimum parking requirements for each type of use as stated in City Code 11-3-4.

Wholesale businesses, storage and warehouse establishments must have one space for each 2,000 square feet of floor area. Offices must have one space for every 250 square feet of floor area. The applicant has the option to lease up to 3,530 total square feet of space to be used for warehousing and a small office area therefore 3 parking spaces are required on site for the use. There are currently 40 parking stalls on site shared with all building tenants plus three truck

docks for truck parking. Vehicular traffic on site generated by the low potency hemp edible warehousing/wholesaling would be limited to five employees and two to three trucks a month.

G.10. A security plan must be submitted to and approved by the Director of Public Safety to address security issues in order to protect the public health, safety, and welfare. The security plan must include, but is not limited to, addressing issues surrounding parking, traffic, securing of monetary transactions, building security and alarm systems both internal and external, screening, lighting, window and door placement, landscaping, age verification devices, and hours of operation.

The Applicant has submitted a security plan to the Director of Public Safety for review.

Public Hearing Notices

The public hearing notice for the November 24, 2025, Planning Commission meeting was published in the *Saint Paul Pioneer Press* and mailed on November 12, 2025, to 7 property owners that are within 500 feet of the proposed project. Staff has not received any comments at the time of writing the report.

Recommendation

That the Planning Commission recommend that the City Council approve a conditional use permit for a Lower Potency Hemp Edible Warehouse and Wholesale operation at 7769 95th Street South, subject to the following conditions:

1. A City of Cottage Grove Low Potency Hemp Edible registration must be approved prior to storing product on site.
2. The business shall maintain registration and licensure with the State of Minnesota Office of Cannabis Management.
3. Signage is not approved with this Conditional Use Permit. Any proposed new signage shall meet the requirements of the City's Sign Ordinance and require a separate building permit.
4. Prior to any low-potency hemp edible manufacturing, processing, or other non-warehouse/non-wholesale operations occurring on site, a new conditional use permit and a new local registration must be approved.

Prepared by:

Samantha Pierret, AICP
Senior Planner

Attachments:
Application and Submittal Materials

Private Road

Ideal Ave S




Proposed Business Front

95th St S

97th St S

8235

Legend

-  Proposed Business Front
-  LeafLine
-  Proposed Business Front Buffer (1000 ft)

Distance Between
Proposed Storefront and
LeafLine Labs: 1,168 ft.



7769 95th Street - Distance to LeafLine

Cottage Grove, MN

Date: 11/19/2025





KinderCare

Proposed Business Front

Legend

- Proposed Business Front
- KinderCare
- Proposed Business Front Buffer (500ft)

Distance Between Proposed Storefront and KinderCare: 3,654 ft.



7769 95th Street - Distance To Nearest Childcare

Cottage Grove, MN Date: 11/19/2025





Legend

-  Proposed Business Front
-  Hamlet Park Ballfields
-  Proposed Business Front Buffer (500ft)

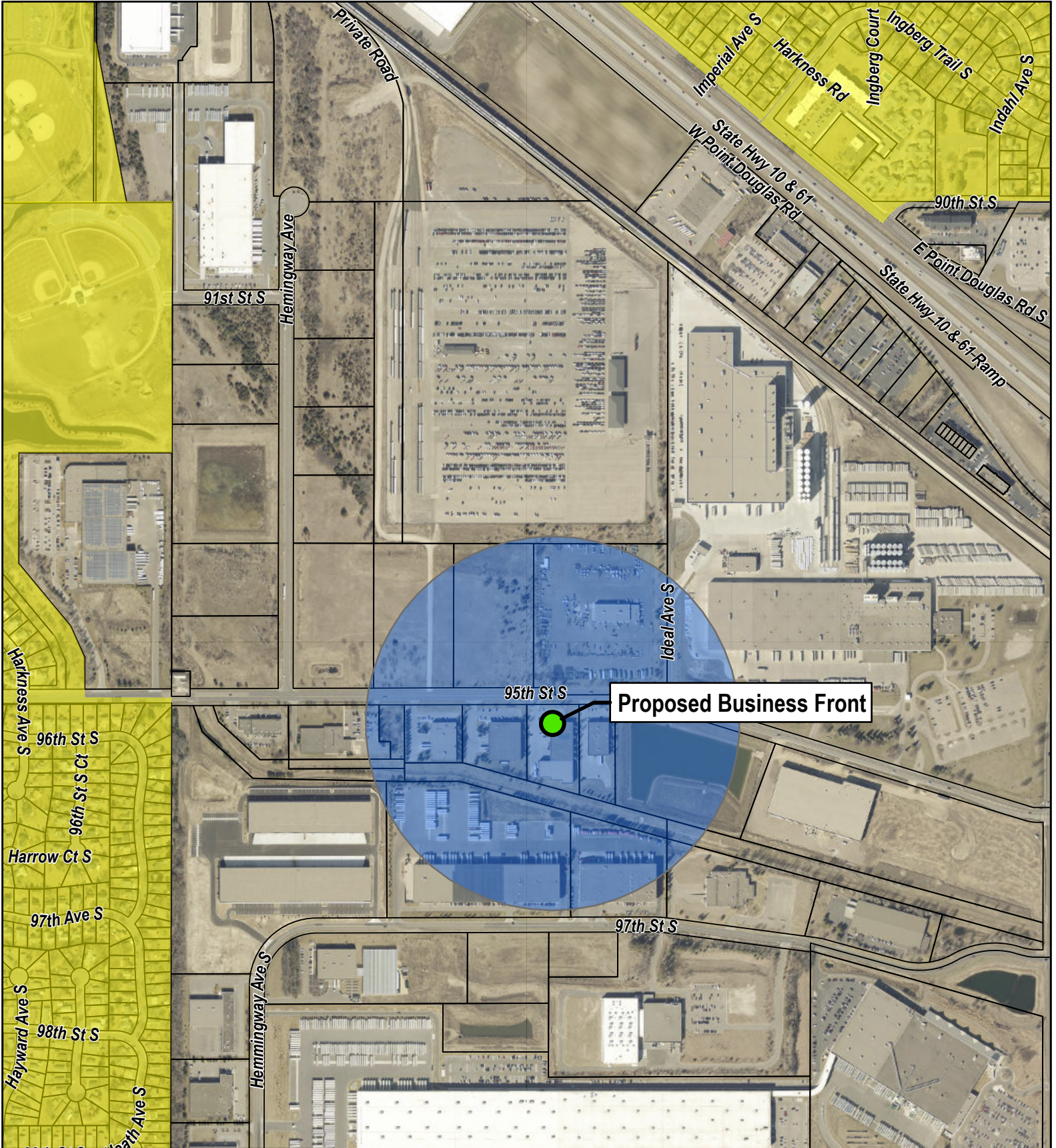
Distance Between Proposed Storefront and Park Attraction: 3,373 ft.




7769 95th Street - Distance to Nearest Park Attraction

Cottage Grove, MN Date: 11/19/2025





- Legend**
-  Proposed Business Front
 -  Residential Zones
 -  Proposed Business Front Buffer (1000 ft)

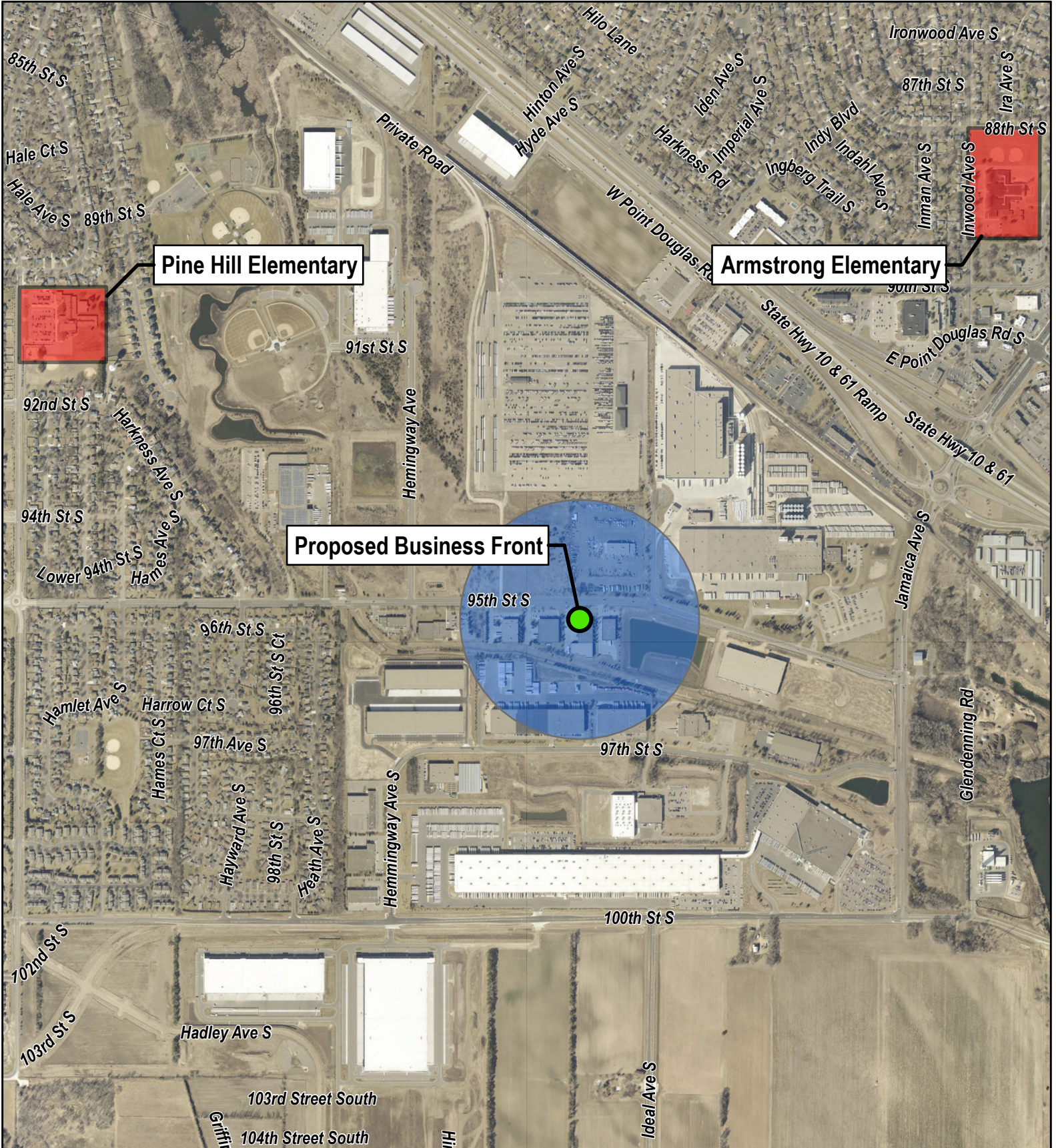
Distance Between Proposed Storefront and Nearest Residential Zone: 2,038 ft.

7769 95th Street - Distance To Nearest Residential Zone

Cottage Grove, MN

Date: 11/19/2025








Proposed Business Front

Pine Hill Elementary

Armstrong Elementary

- Legend**
-  Proposed Business Front
 -  Nearest Schools
 -  Proposed Business Front Buffer (1000 ft)

Distance Between Proposed Storefront and Pine Hill Elementary: 4,503 ft.

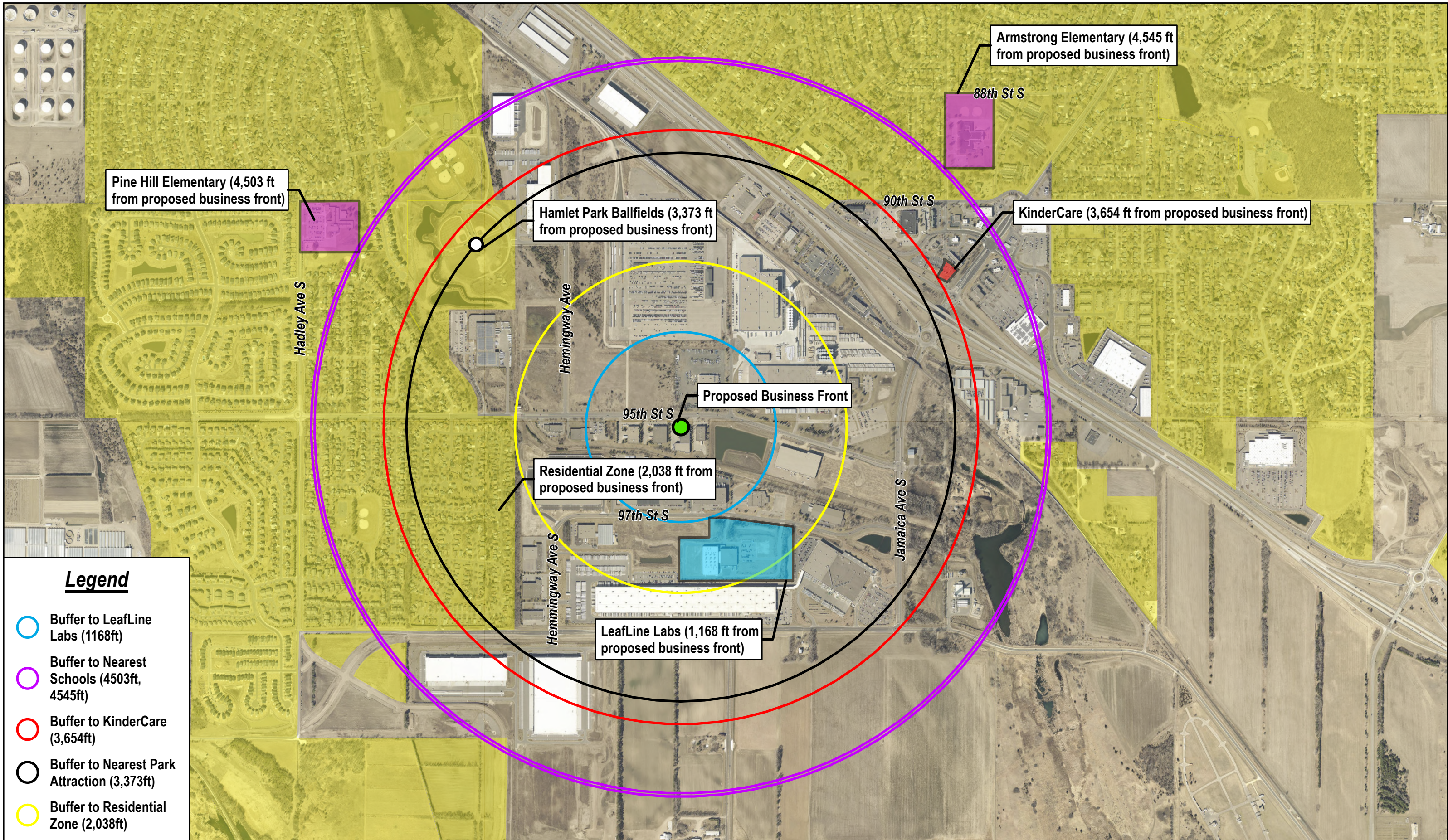
Distance Between Proposed Storefront and Armstrong Elementary: 4,545 ft.

7769 95th Street - Distance To Nearest School

Cottage Grove, MN

Date: 11/19/2025

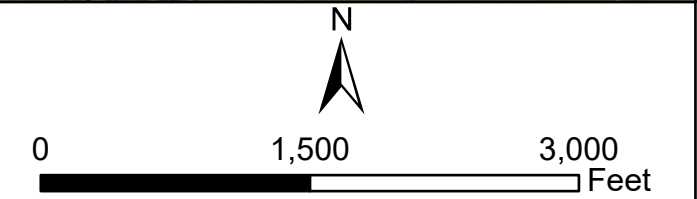




7769 95th Street - Overall Buffers

Cottage Grove, MN

Date: 11/19/2025



**CONDITIONAL USE PERMIT / INTERIM CONDITIONAL USE PERMIT
RESPONSE TO ORDINANCE CRITERIA**

In order to aid in the review process, please give a **DETAILED** response to the following ordinance criteria on this form or on separate exhibits. Your ability to meet the criteria is what the Planning Commission/City Council is required, in part, to base their review, so be specific.

A. Will the use be in conformity with the City's Comprehensive Plan and with the purpose, intent, and applicable standards of the Zoning Ordinance? EXPLAIN.

yes

B. The use shall be located, designed, maintained and operated to be compatible with the existing or intended character of that zoning district in which it is located. How does the proposed use fit these criteria?

Industrial use

C. The use shall not depreciate values of surrounding property. Explain effects of the proposed use on surrounding property values.

NO EFFECTS

D. The use shall not be hazardous, detrimental or disturbing to present and potential surrounding land uses due to noises, glare, smoke, dust, odor, fumes, water pollution vibration, general unsightliness or other nuisances. Explain effects of proposed use. -

not processing anything that would make an odor.

E. The use shall generate only minimal vehicular traffic on local streets as defined by the Transportation Element of the Comprehensive Plan. The use shall not create traffic congestion, unsafe access, or parking needs that will cause inconveniences to the adjoining properties. Explain the transportation needs for the proposed use.

2 or 3 Trucks a month - Employees 5

F. The use shall be served adequately by essential public services such as streets, police, fire protection and utilities. Explain how the proposed use will be served.

NO EFFECTS

G. The use shall not create excessive additional requirements at public cost for public facilities and services and shall not be detrimental to the economic welfare of the City. Justify this statement.

N/A

H. The use shall preserve and incorporate the site's important natural and scenic features into the development of adjacent vacant land. Will these criteria be met?

NONE

I. The use shall cause minimal adverse environmental effects. List any effects.

NONE

Banks Distro, LLC Information requested.

Site Address: 7769 95th St S, Cottage Grove, MN 54016

Primary Contact: Michael Weis 612-806-2898

At this point we are just distributing our products which are manufactured by other licensed hemp companies. We are not intending to start manufacturing in this facility until further notice. We will notify Cottage Grove when we plan to expand our advised space and start manufacturing and get appropriate approvals when needed.

Fire & Smoke Detection System: Sprinkler System and Ceiling Detectors already installed

We will also be installing additional Carbon Monoxide Detectors in our space.

Enclosed Toilets: Yes, see site diagram

Hand Washing Facilities: Inside our space

Product Storage/Waste Storage/Chemical Storage: On site disposal facilities, Storage will be in our space, see floor plan

Ventilation and Filtration Systems: Installed Hepa Filter on chemistry table in our area

Planned Square Feet of Space: 1520 Sq Ft, and room to expand when we grow our business.

Manufacturing Equipment: We are only doing wholesale at this time but will be expanding to manufacturing in the future. We have to register as a manufacturer to the OCM in order for us to sell our product to registered hemp businesses.

All Points of ingress and egress: see floor plan

Windows and Doors with identification to locks: no windows in our space. Doors will have door locks.

Alarm Systems: ADT Will be installed.

Video Surveillance: We will be installing private video surveillance for our space.

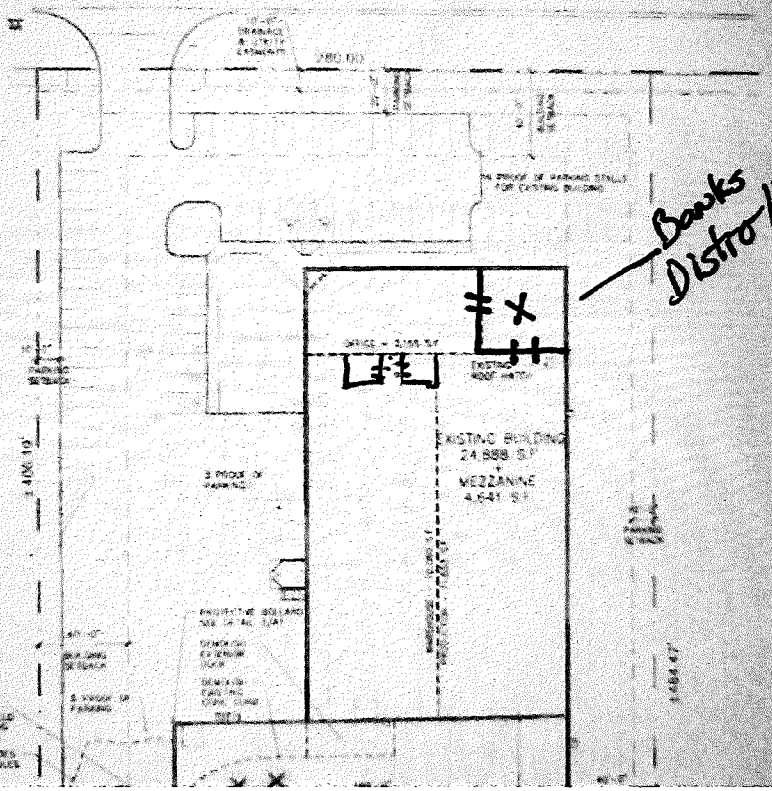
Lighting: Standard ceiling lights.

Lock Keypads: Door to our space will have keypad for entry.

95th STREET SO

7' DIA.
20' DIA.
3' DIA.
2' DIA.
4' DIA.
6' DIA.
8' DIA.
10' DIA.
12' DIA.
14' DIA.
16' DIA.
18' DIA.
20' DIA.

4" x 8" W/ FILL W/ CONC ROAD TOP
 PAINT BOLLARD
 30 LB FELT JOINT MATERIAL TOP
 CONC SLAB
 SHOW HOPE FUTURE WITH CONCRETE W/ FILL W/ CONC ROAD TOP AT 20 FT A.P.
 LIGHT SHOW HOPE W/ APPROX 2 FT HANDLES



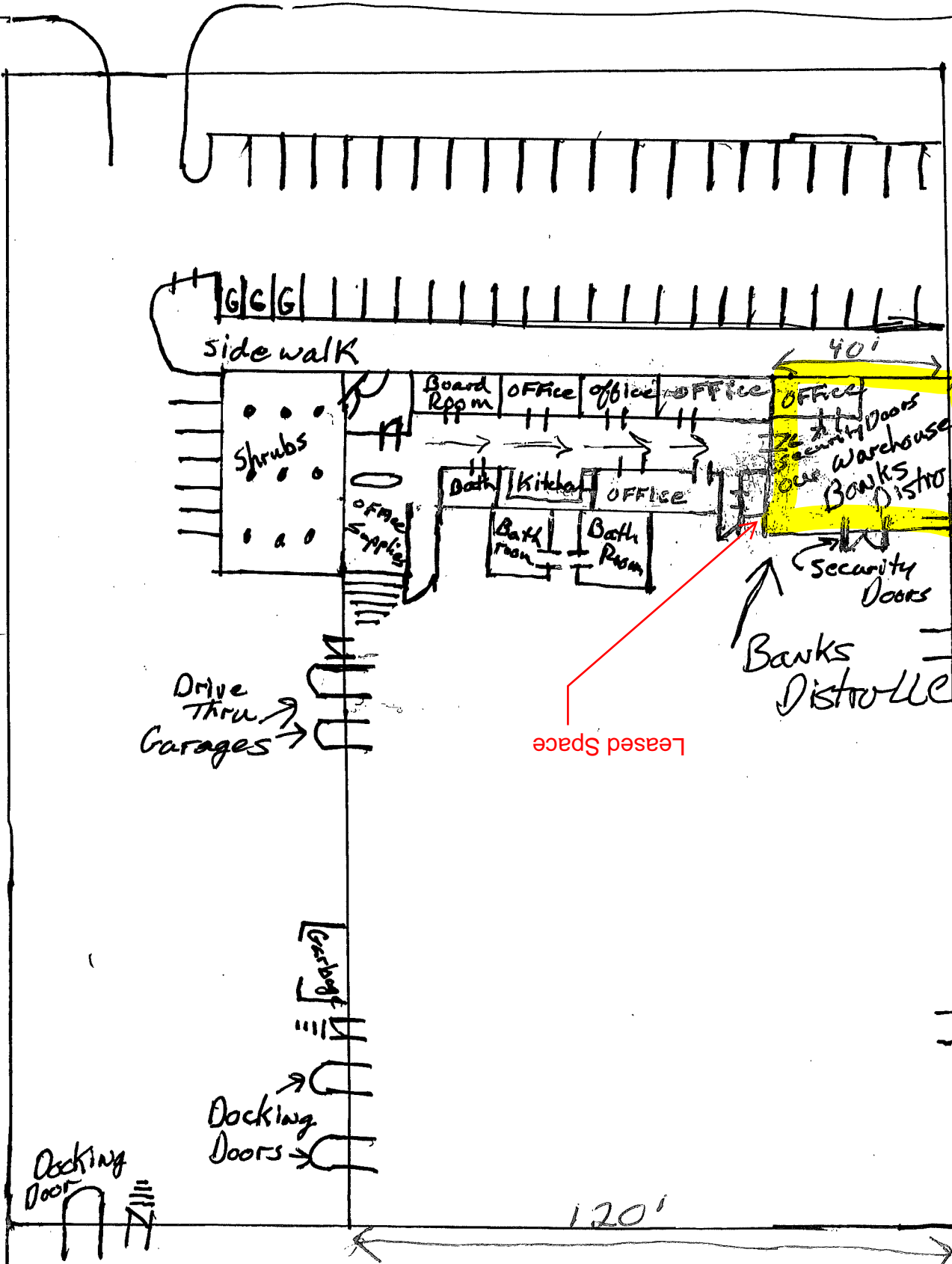
Banks Distro LLC

LAUFERT ARCHITECTS
 400 Grand Avenue
 St. Paul, MN 55102
 Phone: 612-224-1111
 Fax: 612-224-1112
 www.laufert.com

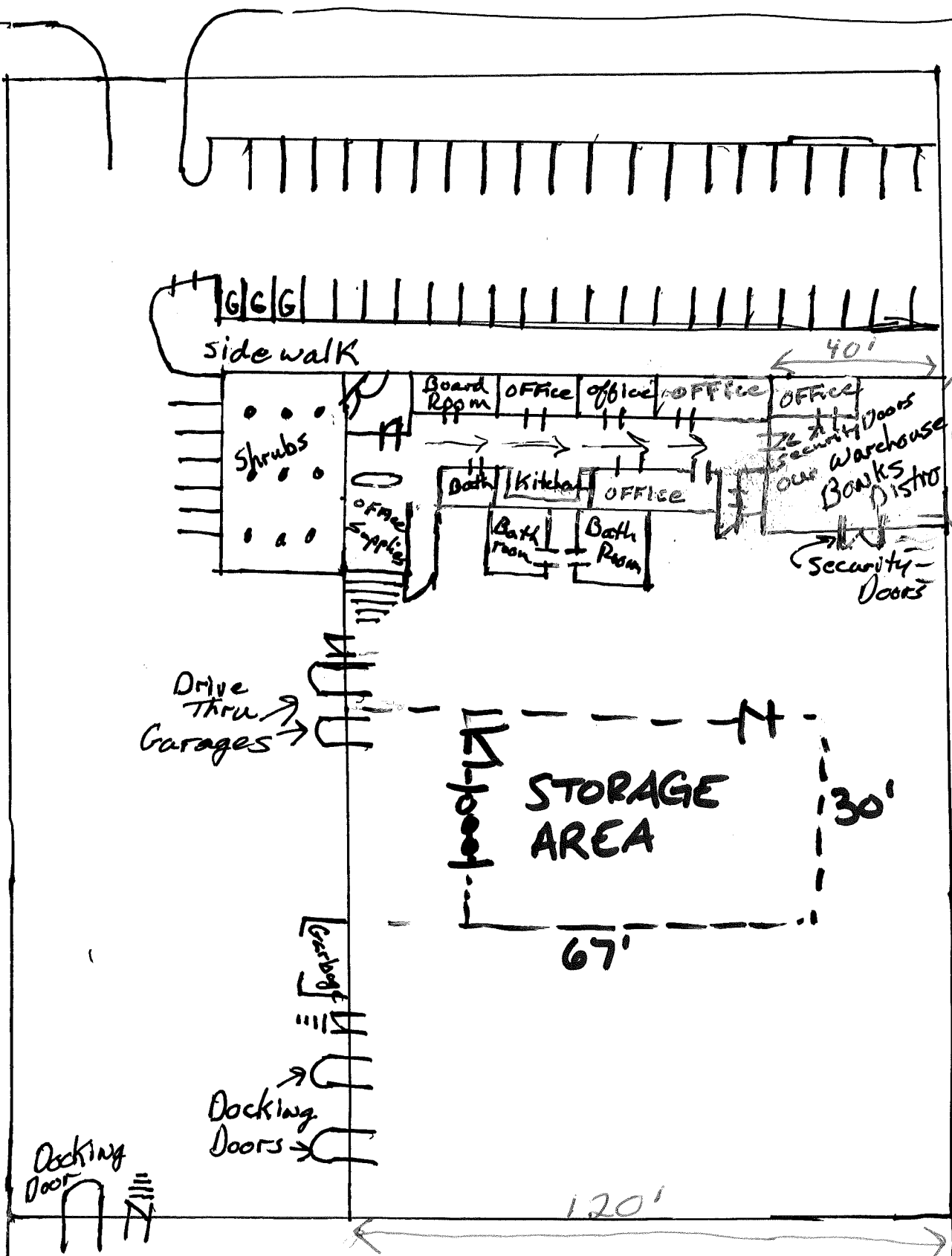
PROJECT SPECIFICATION
 THESE PLANS HAVE BEEN PREPARED BY LAUFERT ARCHITECTS FOR THE PROJECT DESCRIBED HEREIN. THE CLIENT HAS REVIEWED AND APPROVED THESE PLANS FOR CONSTRUCTION.

VANGUARD CONSTRUCTION INC.
 2000 W. 10th Street - Suite 100
 St. Paul, MN 55108
 Phone: 612-224-1111
 Fax: 612-224-1112
 www.vanguardconstruction.com

NOVATIVE CHEMICAL CORP
 Cottage Grove, Minnesota

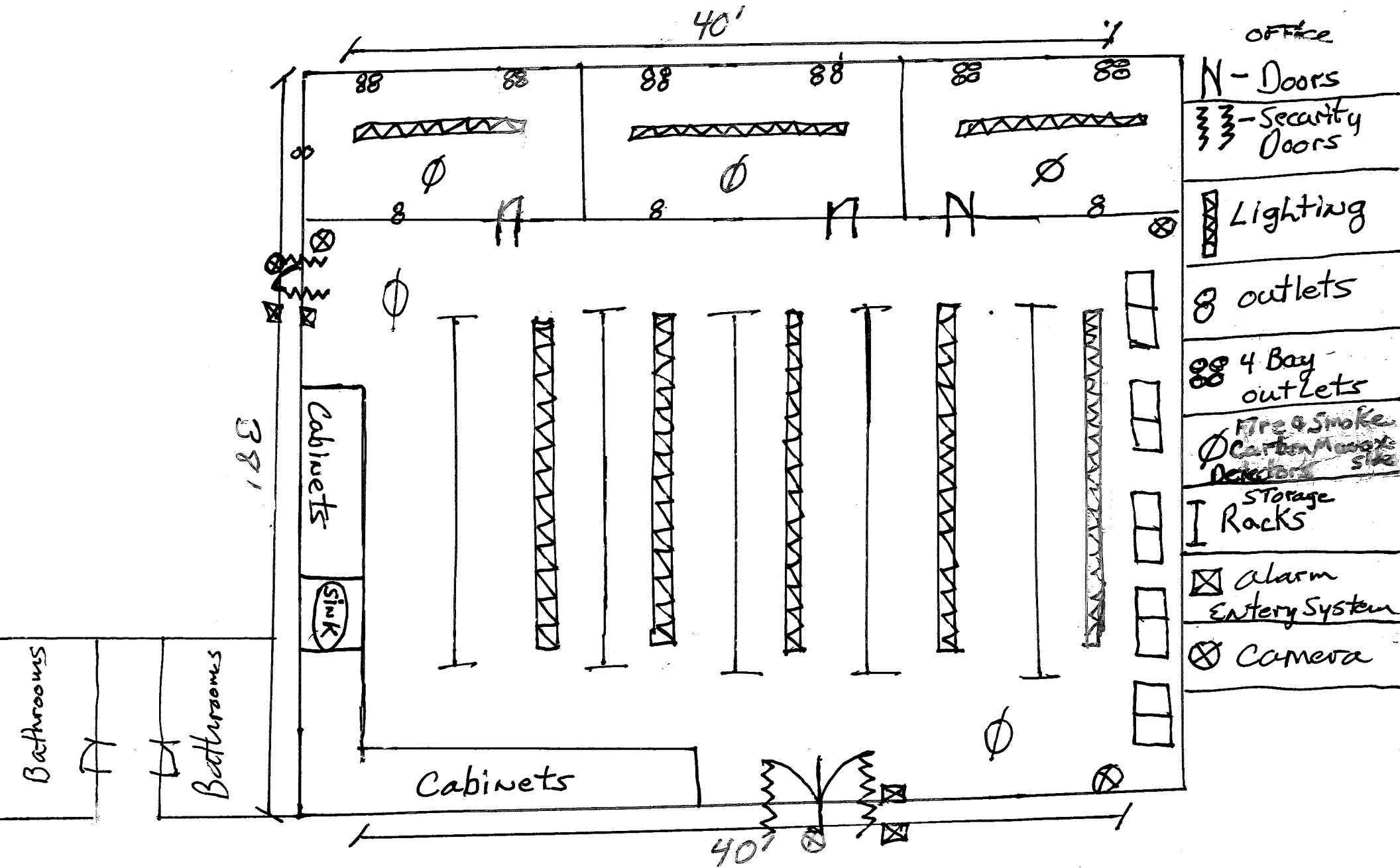


769 95th Street S, Cottage Grove, MN



7169 95th Street S. Cottage Grove, MN 55016

Mexican Food Distro



← Hallway or walk through →

STAFF REPORT CASE: CUP2025-028

ITEM: 6.2

PUBLIC MEETING DATE: 11/24/25 TENTATIVE COUNCIL REVIEW DATE: 12/3/25

APPLICATION

APPLICANT: Giza Inc (dba MoonSoon Tobacco)

REQUEST: A Conditional Use Permit (CUP) to sell low potency hemp edibles at their existing business.

SITE DATA

LOCATION: 7584 80th Street South, Suite #201

ZONING: MU, Mixed-Use Business District

GUIDED LAND USE: Mixed Use

LAND USE OF ADJACENT PROPERTIES:

NORTH:

EAST:

SOUTH:

WEST:

CURRENT

Mixed-Use

Mixed-Use

Residential

Mixed-Use

GUIDED

Mixed-Use

Mixed-Use

Low-Density Res.

Mixed-Use

SIZE: N/A

DENSITY: N/A

RECOMMENDATION

Approval, subject to the conditions stipulated in this staff report.



COTTAGE GROVE PLANNING DIVISION

Planning Staff Contact: Samantha Pierret, Senior Planner; 651-458-2825; spierret@cottagegrovemn.gov

Application Accepted: 10/29/2025 60-Day Review Deadline: 12/28/2025

Planning Staff Report

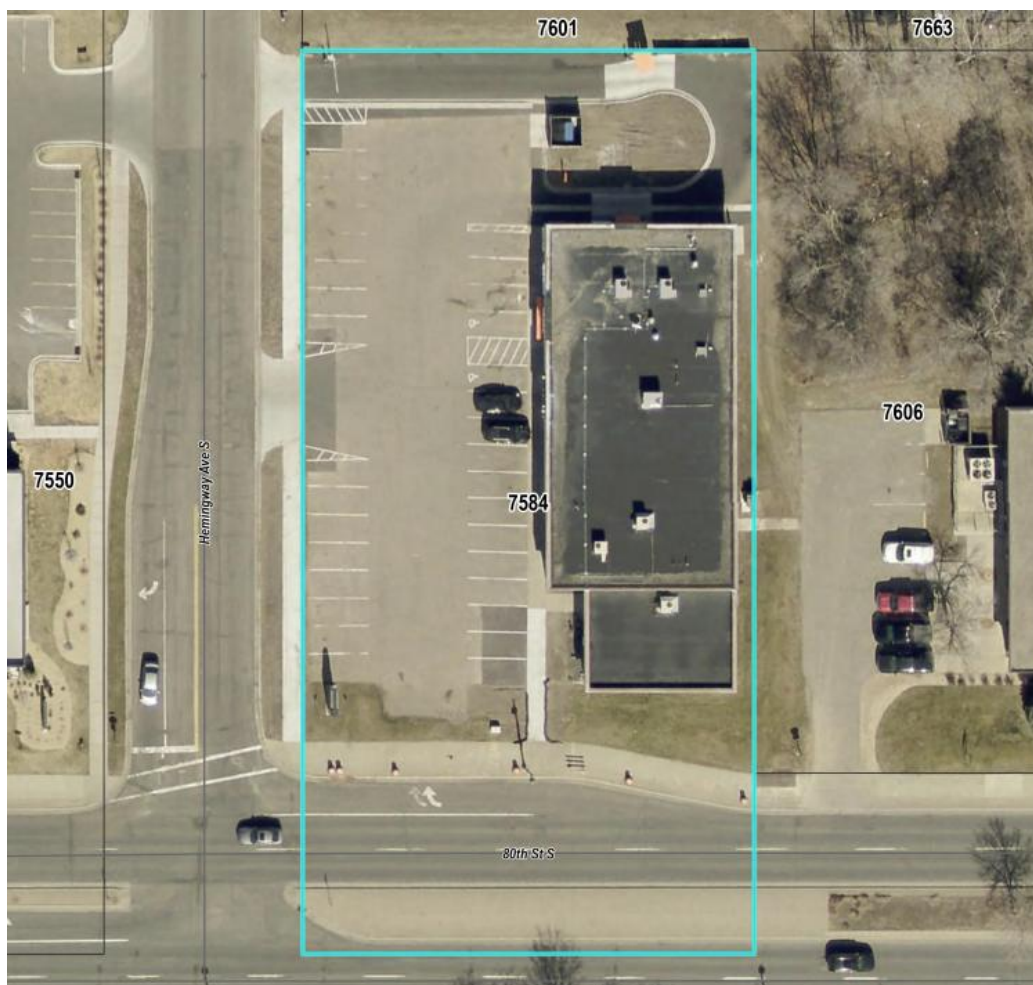
MoonSoon Tobacco Lower Potency Hemp Edible Retailer

Planning Case CUP 2025-028

November 24, 2025

Proposal

Giza Inc. (dba MoonSoon Tobacco) (Applicant) has submitted an application for a Conditional Use Permit (CUP) to sell low potency hemp edibles at their existing business at 7584 80th Street South, Suite #201.



Location Map

Review Schedule

Application Received: October 21, 2025
Application Accepted: October 29, 2025
Planning Commission Meeting: November 24, 2025
Tentative City Council Meeting: December 17, 2025
60-Day Review Deadline: December 28, 2025

Background

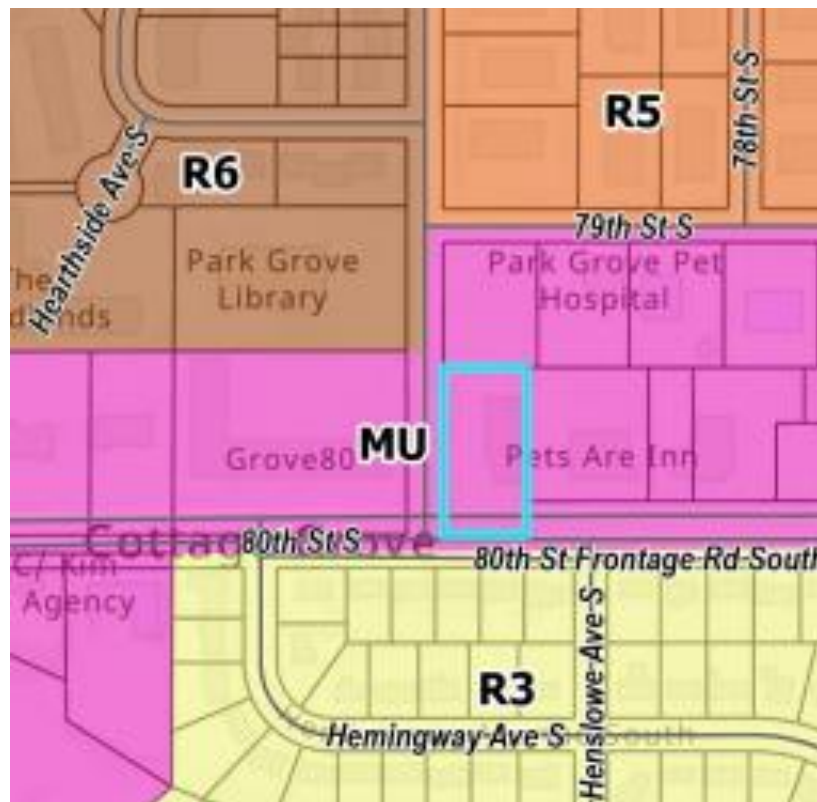
The State of Minnesota legalized recreational cannabis use and sales in 2023 under Statute 342. The Office of Cannabis Management (OCM) oversaw the preparation of cannabis rules from 2023 to 2025. The City of Cottage Grove Zoning Ordinance was updated in 2024 to add cannabis uses and regulations including regulations for low potency hemp edible retail sales. All businesses in the cannabis and lower potency hemp edible retail sales market must obtain proper licensure with the State of Minnesota as well as local permits and registration with the City of Cottage Grove.

The Applicant currently leases space in the existing building on site and operates a tobacco shop, MoonSoon Tobacco. The property owner, Hemingway Retail, LLC, has acknowledged the Applicant's request to sell Low Potency Hemp Edibles on site.

Planning Considerations

Comprehensive Plan and Zoning

The property is currently zoned MU, Mixed-Use District. The Mixed-Use District is intended to provide flexibility to allow complementary uses that support one another, including high density residential, commercial services and retail, employment opportunities, and transit. The property is currently guided for Mixed-Use in the 2040 Comprehensive Plan. Lower Potency Hemp Edible Retail Sales are allowed with a Conditional Use Permit in the MU, Mixed-Use District. All cannabis uses and lower potency hemp edible retail sales must comply with Title 11-4-18 of the City Zoning Code.



Zoning Map Detail

Conditional Use Permit

When evaluating any conditional use permit application, the Planning Commission shall consider the following findings:

- 1. Compliance with and effect upon the Comprehensive Plan, including public facilities and capital improvement plans.*
- 2. The establishment, maintenance or operation of the conditional use will promote and enhance the general public welfare and will not be detrimental to or endanger the public health, safety, morals or comfort.*
- 3. The conditional use will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted, nor substantially diminish and impair property values within the neighborhood.*
- 4. The establishment of the conditional use will not impede the normal and orderly development and improvement of surrounding property for uses permitted in the district.*
- 5. Adequate public facilities and services are available or can be reasonably provided to accommodate the use which is proposed.*
- 6. The conditional use shall, in all other respects, conform to the applicable regulations of the district in which it is located.*
- 7. The conditional use complies with the general and specific performance standards as specified by the Zoning Code.*

The use as a low potency hemp edible retailer is consistent with the findings above as described in this report.

State Licensing Process

The OCM has a separate registration and licensing process for lower potency hemp edible retailers. As of October 2025, businesses must obtain state licensure to sell lower-potency hemp edibles. Once licensed, the business still must obtain local permits and registration and pass an OCM inspection before beginning sales.

State Statute 342.46 includes several standards business owners must adhere to, including age verification standards, display and storage standards, allowable products that may be sold, building condition requirements, and on-site consumption standards. These standards are overseen by the OCM, and age verification compliance checks are performed by local law enforcement as required by statute.

Title 11-4-18

G.1. Hours of operation for retail sales of cannabis or lower-potency hemp edible products are permitted from 10:00 a.m. to 10:00 p.m., seven days a week.

Lower Potency Hemp Edible sales will be restricted to between 10:00 a.m. and 10:00 p.m. to comply with this requirement. The store hours of operation are 8:00 a.m. to 9:00 p.m. seven days a week.

G.2. On-sale intoxicating liquor establishments and off-sale exclusive liquor stores with a current lower-potency hemp edible city registration and a state license may sell lower-potency hemp edible beverages but no other lower-potency hemp edible products.

The business is not an on-sale or off-sale liquor establishment.

G.3. No cannabis or lower-potency hemp edible use is allowed as part of an Adult Use Establishment, as defined in City Code Section 3-14-2.

The business is not an Adult Use Establishment as defined.

G.4. No retail sales are allowed in the Agricultural or Industrial zoning districts.

The property is not within an Agricultural or Industrial zoning district. The property is zoned MU, Mixed-Use District.

G.5. No on-site consumption is allowed in the Agricultural or Industrial zoning district.

The property is not within an Agricultural or Industrial zoning district. The property is zoned MU, Mixed Use District. On-site consumption is only allowed by the OCM with an on-site consumption endorsement. The Applicant is not seeking a consumption endorsement.

G.6. Cannabis and lower-potency hemp edible uses shall not violate federal laws, state laws, or any provisions of City Code. Cannabis and lower-potency hemp edible uses shall not be a public nuisance or violate Chapter 4, Section 8 regarding odors. The city may impose odor suppression or odor mitigation conditions as part of the conditional use permit.

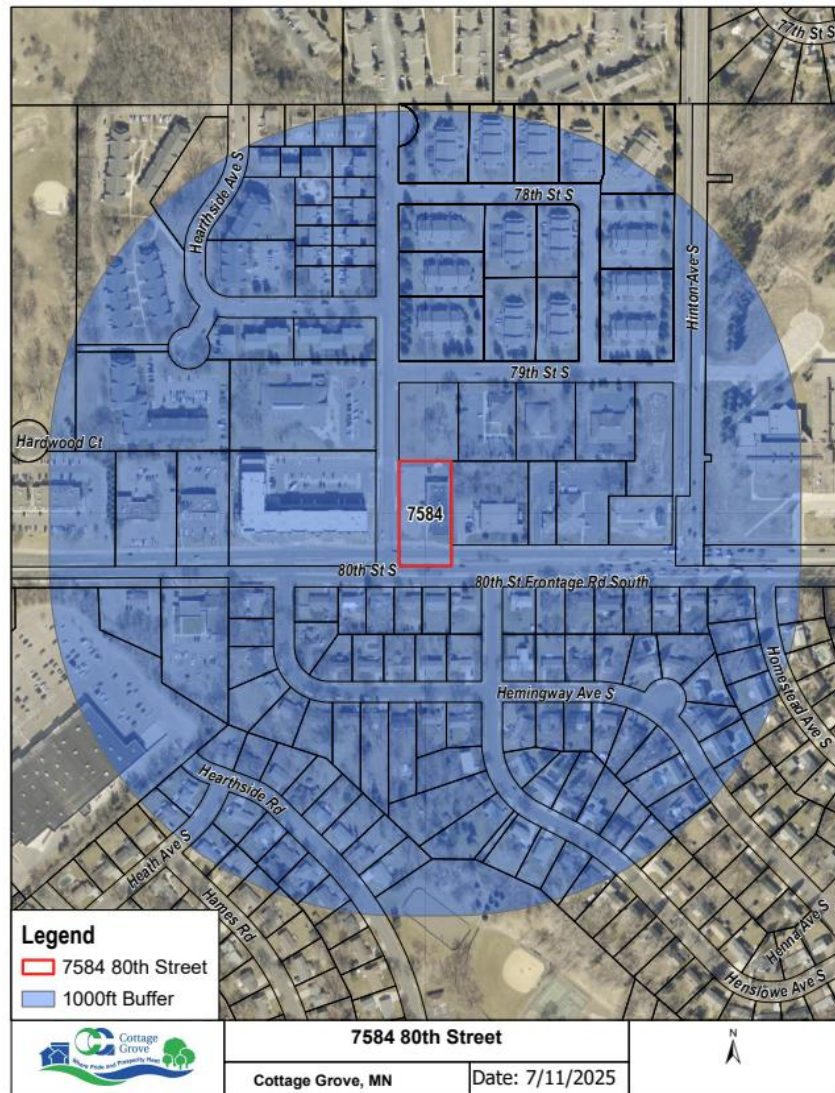
Cottage Grove Public Safety reviewed calls for service at MoonSoon Tobacco since January 2023. There have been limited calls for service, including a couple of business alarms, which are consistent with other businesses in the community. Cottage Grove Public Safety conducts biannual compliance checks at all establishments licensed to sell tobacco and THC products. This practice is also required as part of the 2023 cannabis legislation. MoonSoon Tobacco did fail one compliance check on October 28, 2025. The City Council imposed the scheduled penalty for the first violation in a 36-month period of a \$300.00 fine. MoonSoon tobacco has been cooperative with Public Safety. MoonSoon Tobacco is committed to working with police compliance officers to ensure training for all employees. Public Safety does not have areas of concern issuing the conditional use permit or local registrations for cannabis sales to this business.

The business will not be manufacturing or growing cannabis products that would cause an odor.

G.7. Distance Regulations: Distances from a cannabis use or lower-potency hemp edible use are measured from the storefront of a cannabis or lower-potency hemp edible retail use to the property line of all other cannabis or lower-potency hemp edible uses.

a. There must be at least 1,000 feet between each cannabis or lower-potency hemp edible use.

The business in question is over 1,000 feet from any other lower-potency hemp edible retail uses.



1000-Foot Buffer Map

G.8. Signs must comply with the standards in City Code Title 12 for the relevant zoning district in which the use is located except for the following:

- a. No cannabis business shall have more than two signs.
- b. Blinking, moving, and flashing signs that are visible from the exterior of the building are prohibited.
- c. No lower-potency hemp edible use shall advertise the lower-potency hemp edible products on more than one exterior sign.
- d. No interior sign shall be visible from the exterior of the building.

G.9. Cannabis uses must meet the minimum parking requirements for each type of use as stated in City Code 11-3-4.

Retail establishments must have one space for each 200 square feet of floor area. The business in question shares a parking lot with two other storefronts, including a coffee shop (Dunkin) and

dance studio. The Applicant currently leases 1,807 square feet, approximately 1,355 of which is the retail space; therefore, seven parking spaces are needed. Parking was evaluated in 2022 when Dunkin added a drive-thru operation to the building. It was determined with that application that a total of 30 spaces were required onsite, with 33 spaces being provided. No expansion to the retail space area or parking areas are proposed with this application.

G.10. A security plan must be submitted to and approved by the Director of Public Safety to address security issues in order to protect the public health, safety, and welfare. The security plan must include, but is not limited to, addressing issues surrounding parking, traffic, securing of monetary transactions, building security and alarm systems both internal and external, screening, lighting, window and door placement, landscaping, age verification devices, and hours of operation.

The Applicant has submitted a security plan to the Director of Public Safety for review.

Public Hearing Notices

The public hearing notice for the November 24, 2025, Planning Commission meeting was published in the *Saint Paul Pioneer Press* and mailed on November 12, 2025, to 81 property owners/residents that are within 500 feet of the proposed project. Staff have not received any comments at the time of writing the report.

Recommendation

That the Planning Commission recommend that the City Council approve a conditional use permit for a Lower Potency Hemp Edible Retailer at 7584 80th Street South, Suite #201:

1. A City of Cottage Grove Low Potency Hemp Edible Retailer registration must be approved prior to conducting sales on site.
2. The business shall maintain registration and licensure with the State of Minnesota Office of Cannabis Management.
3. Signage is not approved with this Conditional Use Permit. Any proposed new signage shall meet the requirements of the City's Sign Ordinance and require a separate building permit.
4. Sale of Low Potency Hemp products shall only occur during the hours of 10:00 a.m. to 10:00 p.m. Point of Sale technology shall be programmed to limit the sale of Low Potency products to the permitted time only. The applicant shall provide sale reports if requested by staff.

Prepared by:

Kelly Becker
Associate Planner

Samantha Pierret, AICP
Senior Planner

Attachments:

Security Plan

Security Plan for LPHE-R License

MoonSoon Tobacco

7584 80th St S. Suite 201, Cottage Grove, MN 55016

Store Hours of Operation: 8 a.m. to 9 p.m., seven days a week.

LPHE Consumption: On-site consumption of LPHE is prohibited.

LPHE Sales: Restricted to between 10 a.m. and 10 p.m.

Compliance and Operational Efficiency

MoonSoon Tobacco ensures compliance with regulations and maintains operational efficiency through comprehensive procedures for managing LPHE products, inventory, age verification, product security, and sales protocols.

Product Storage: All LPHE products are stored 6 inches off the floor on display cases and shelves. They are organized in vacuum-sealed packs or airtight, UV-protected glass containers within bins or boxes designated exclusively for LPHE products. Products are sorted by product type or batch number. LPHE liquids are kept in a dedicated cooler or refrigerator to preserve quality.

Inventory Management: Secure, non-state software tracks LPHE products from receipt to sale or disposal. Each product batch is assigned a unique Stock Keeping Unit (SKU) or internal tracking number, including supplier details, receipt date, and batch or lot numbers. The system provides real-time tracking through storage, display, and point of sale, ensuring precise inventory oversight.

Sales Restrictions: Sales of LPHE products are restricted to individuals 21 years of age or older and not visibly intoxicated. Sales are permitted only between 10 a.m. and 10 p.m. Signs are posted at the store entrance and interior indicating the 21+ age requirement. Valid IDs, per statutory guidelines, are scanned and verified through the point-of-sale system before any sale. Staff are trained to validate IDs and identify signs of intoxication, prohibiting sales to visibly intoxicated individuals.

Product Security: All LPHE products on the sales floor, except beverages, are secured behind the counter or in locked display cases. No products are left unlocked or accessible outside designated storage areas. To enhance security, the premises are equipped with an alarm system featuring a panic button and security cameras to monitor activity, ensuring compliance with security protocols and preventing unauthorized access.

Ramadan Hussein
MoonSoon Tobacco
10/21/2025

STAFF REPORT CASE: PUD/SP2025-030

ITEM: 6.3

PUBLIC MEETING DATE: 12/15/25

TENTATIVE COUNCIL REVIEW DATE: TBD

APPLICATION

APPLICANT: Yellow Tree Development

REQUEST: A Planned Unit Development (PUD) and Site Plan Review of a proposed 186-unit apartment building.

SITE DATA

LOCATION: North of East Point Douglas Road and west of Hardwood Avenue

ZONING: M-U, Mixed Use

GUIDED LAND USE: Mixed Use

LAND USE OF ADJACENT PROPERTIES:

NORTH:

EAST:

SOUTH:

WEST:

CURRENT

Park/Open Space

Commercial

High Density Res.

High Density Res.

GUIDED

Park/Open Space

Mixed Use within 300'

High Density Res.

High Density Res.

SIZE: 186 Units on 6.12 Acres

DENSITY: 37.2 Units Per Acre

RECOMMENDATION

Continue to December 15, 2025, Planning Commission Meeting



COTTAGE GROVE PLANNING DIVISION

Planning Staff Contact: Samantha Pierret, Senior Planner; 651-458-2825; spierret@cottagegrovemn.gov

Application Accepted: 10/29/25 60-Day Review Deadline: 12/28/25 120-Day Review Deadline: 2/26/26

Request to Continue Consideration Yellow Tree Apartments Planning Case Nos. SP2025-030 & PUD2025-030 November 24, 2025

Proposal

Yellow Tree Development (Applicant) is requesting approval of a Site Plan and Planned Unit Development on two parcels totaling 6.12 acres of land zoned MU, Mixed Use District, located north of East Point Douglas Road, west of Hardwood Avenue, and behind the Legends Apartments and Kohl's. The Applicant is proposing to construct a 186-unit market-rate apartment building on site.



Site Location

Review Schedule

Application Accepted: October 29, 2025

60-Day Review Deadline: December 28, 2025

Extended 60-Day Review Deadline: February 26, 2026

Continuing Consideration

The Applicant submitted preliminary plans for the proposed development on October 29, 2025. City staff and consultant Bolton & Menk have reviewed the plans and continue to work with the developer on various items that must be addressed to ensure the development meets City

standards. An existing conservation easement and a trail easement in favor of the Minnesota Land Trust restrict developable area on the parcel. Upon review, it was discovered the Applicant's site plan must be amended to avoid impacting the existing trail easement, which is not amendable per the Land Trust.

The Applicant will be purchasing Outlot B of Frattalone's Southpoint Ridge from the City of Cottage Grove for driveway access to the site while the structure and parking area are proposed to be located on Outlot D of the Everwood plat. These properties must be platted to combine them. The additional time will give the Applicant time to prepare a preliminary and final plat for consideration concurrently with the site plan and planned unit development.

The Applicant is also pursuing tax abatement for the project. The timeline extension will also provide time for tax abatement processes to occur concurrently with site plan, planned unit development, and plat consideration by the City Council.

As allowed by Statute 15.99, staff is extending the 60-day review timeline to give the Applicant time to revise plans, prepare plat documents, and proceed through the tax abatement processes. Public hearing notices were sent on November 12, 2025, and the public hearing notice was published in the St. Paul Pioneer Press.

Recommendation

That the Planning Commission recommend continuing the public hearing for the Yellow Tree Apartments application to the December 15, 2025, Planning Commission meeting.

Prepared by:

Samantha Pierret, AICP
Senior Planner



COTTAGE GROVE PLANNING COMMISSION
12800 Ravine Parkway South
Cottage Grove, MN 55016

October 27, 2025

COUNCIL CHAMBER - 7:00 P.M.

The Regular Meeting of the Planning Commission was held in the Council Chamber and telecast on Local Government Cable Channel 16.

1. CALL TO ORDER

Frazier called the Planning Commission meeting to order at 7:00 p.m.

2. ROLL CALL

Pradeep Bhat-Here; Ken Brittain-Here; Jessica Fisher-Here; Evan Frazier-Here; Eric Knable-Here; John Stechmann-Here; Terrence Woodman-Excused, Absent.

Members Absent: Terrence Woodman

Staff Present: Emily Schmitz, Community Development Director; Paul Sponholz, City Engineer; Crystal Raleigh, Assistant City Engineer; Zac Dockter, Parks and Recreation Director; Dave Thiede, City Council Liaison.

3. APPROVAL OF AGENDA

Brittain made a motion to approve the agenda. Stechmann seconded. The motion was approved unanimously (6-to-0 vote).

4. OPEN FORUM

Frazier opened the Open Forum and asked if anyone wished to address the Planning Commission on any non-agenda item. No one spoke. Frazier closed the Open Forum.

5. CHAIR'S EXPLANATION OF THE PUBLIC HEARING PROCESS

Frazier explained the purpose of the Planning Commission, which serves in an advisory capacity to the City Council, and that the City Council makes all final decisions. In addition, he explained the process of conducting a public hearing and requested that any person wishing to speak should go to the podium and state their full name and address for the public record.

6. PUBLIC HEARINGS AND APPLICATIONS

A. Capital Improvement Program 2026-2030 - Case CP2025-027

The City of Cottage Grove has applied for a Comprehensive Plan Amendment to amend the Capital Improvement Program (CIP) for 2026-2030.

Raleigh summarized the staff report and recommended approval. Dockter answered questions regarding parks and park facilities.

Frazier asked if there were any questions for staff.

Brittain said it's kind of hard to tell from the picture, but asked if on the back side of the Kingston Park Building, where the actual playground is, will there still be a shelter-type area, kind of open but protection from the rain, giving some shade; that's there currently, and the building might have it but you can't really see the other side. Does that question make sense? So, on the back side, is there going to be some shade protection area where you can sit and watch the kids play, or is that gone with this new building style? Dockter replied so, the building itself will not have shade around it. So, the back side of the building that you're referencing right now, the back of the image here, that will be access to both the men's and women's bathrooms, which are considerably larger bathrooms than they are today. Right now, we have a plan for three shelters, to go in between the playground and the building. So, there will be three independent shelters; at one point, we had the awning connected to the building, and between cost and functionality, we kind of decided that, particularly with individual programming or rentals, to be able to have the three shelters servicing separate programs would be a good idea. So, that's what we transitioned to. Brittain replied okay, thank you.

Bhat said so, I do see there's a tennis court replacement on Highlands Park on the agenda, but it's two-or-three years down the line; but if you look at the tennis courts at that place, its already really bad. So, any chance that you will move some of these projects up? Dockter replied so we do analyze all of our courts every year, so, yes, there's a possibility that could move. It wouldn't move up to 2026, but again, we'll look at them again in the spring and see how things have shifted; and then we either repair as best we can or we shift projects, and sometimes we shift projects entirely. It doesn't have to be a court for a court, it might be you know what? This playground's doing okay, this court's not doing okay, we have to flip those things. So, we look at all that. But if you have specific concerns when you see things, I tell people let us know because we inspect things, we get out there, but sometimes it's amazing how quickly sometimes pavement can go from safe and fine to oh, my gosh, the crack opened up. So, let us know. Bhat replied thank you, one more question. So, the two Zambonis at the Ice Arena will actually be replaced? Dockter replied yes, we actually have three ice sheets there, so we have one unit per rink, that services each rink. So, the two that are there now are both coming up on their 20-year life expectancy, so we'll replace those. And they do have a little resale value, so we'll get some resale value out of those, too. Bhat replied okay, thank you.

Knable asked for the Woodridge playground surface, is any equipment being swapped out during that as well? Dockter replied that would be in 2030, the \$500,000? Knable replied yeah. Dockter said, no, that's just the safety resurfacing. Mindboggling, isn't it? So, actually, we just invested into that maybe two months ago; they came in and they put a binder on it, like a thick binder. They did a lot of patching to fix a lot of the bad spots, and then they put a binder on it. So, we're hoping that carries us another five-to-seven years, but I had to put something in there to get it on the table. Knable said thank you.

Frazier asked if there were any further questions about parks and park facilities; none were asked. Frazier thanked Dockter, and Dockter replied all right, good night.

Frazier asked if there were any questions about the second half of the presentation.

Brittain said you mentioned Mill and Overlay, you mentioned Total Reconstruction, is there also just an overlay, does that still get used, or? Raleigh replied yes, our Streets crew does what they call a thin overlay, and that's a project that they do based on what they're seeing out in the field and some PASER ratings that we do annually. It's just we do this internally with our own staff and funds from that Roadway Maintenance Fund are used to fund the materials that are used, but our own staff is able to provide that thin overlay. Brittain asked do you recall how long the thin overlay is supposed to extend the life of the road before it needs to be worked on? Raleigh replied sure, it's a relatively newer thing that we've been doing, but we've been getting five, six years out of those thin overlays. They've been a really great tool in the toolbox when it comes to Pavement Management. Brittain said okay, and in regards to those three things, is the Total Reconstruct the only thing that gets assessed, or are there any assessments involved with the Mill and Overlay? Raleigh replied great question, Commissioner Brittain, the only assessments come with the Pavement Management Projects or if there's a big reconstruct, like the 80th Street project, that also has some assessments involved; but Mill and Overlay is definitely not assessed and those thin overlays are also not assessed. Brittain replied okay, thank you, so that was that question. On a different note, you showed a light for the Ravine Parkway connecting your east Ravine Park entrance. So, up at the top of the hill, County Road 19 and East Point Douglas. Raleigh said yes, at the Shoppes at Cottage View? Brittain replied yes, right there. So, you've got a signalized intersection or a signalized stopping point right at the park entrance, correct? Raleigh replied that is correct. Brittain asked so is there concern that causing cars heading north to stop on that because that's a pretty reasonable grade approaching this; in icy conditions, I'd be concerned that you might have some issues with actually causing a vehicle to stop there and then get going again. Is there not a concern with that? Raleigh replied sure, this is super conceptual at this stage. I don't know that that close and the grades coming to an intersection certainly haven't been looked at with this project yet. So, we're pretty far out there, but in general, expected traffic volumes are kind of warranting a

signal there but that could change, too. Brittain said a roundabout, and Raleigh said it could be a roundabout, I wouldn't put it past us. Brittain said thank you, I would love that. Brittain said all right, third thing, the water softener. Just out of curiosity, I use way more water on my yard annually than I do not on my yard. So, when you're talking about softening water, is it to the level that I currently soften my own water to, or is it to some other level of reduced hardness from where we exist now? I'm just curious at how this water that's going to go on peoples' yards is going to be softened, if it gets done, and how does that process take into consideration that water usage? Raleigh replied Commissioner Brittain, that's a fantastic question that I wish I could answer. I do not have those types of details on the water softening, do you? The person she asked replied no. Raleigh said I'll have to get back with you, I'm going to check with Ryan Burfeind on that. Brittain said well, in the past, it seemed like that was more of a long-term dream, and this seemed a little bit more real. So, I just figured I'd ask because it was seeming a little more real than it has in the past. Raleigh replied yeah, in the couple years I've been here, it's been the last thing on the CIP; so, it's just something that hangs out there, at the end, and I don't know if it's any more real this year than it was in other years. But we are making room for it and planning for it to happen some day, but the level of softening I can't answer right now. Brittain replied okay, thank you.

Stechmann said just a brief question about the project planned for 80th Street next year, the overlay project. My recollection is that a portion of it, \$5 million, was planned to be paid by Federal grants. Has the City done any contingency planning in case that money suddenly becomes unavailable? Raleigh replied great question, and I am going to ask our City Engineer to see if he knows about that. Paul Sponholz, City Engineer, replied I wouldn't say that we've got any contingency plans, but every indication that we've gotten from the Feds at this time, it is there is no change in it, so we are moving forward with those plans. They keep telling us it's still okay, so we're moving forward that way. Stechmann said sounds good, thank you.

Bhat asked can you explain to me one more time what's the difference between Pavement Management against other road construction? Raleigh asked Bhat, Pavement Management or Mill and Overlay construction, which he confirmed. Raleigh replied so, Pavement Management is a much more comprehensive reconstruct of the roadway. So, in Pavement Management, we're taking all the pavement off, we're reconstructing the gravel base, recompacting it and bringing it back up. Also, once we have the pavement off, we are fixing any utilities that might have issues in the roadway, and we're also redoing curb and gutter along the side of the road, and any sidewalk that might need replacement in that neighborhood would get done at that time. Whereas with a Mill and Overlay, we're strictly stripping off the top two inches of pavement and repaving it. So, there are no utility adjustments or curb and gutter or anything in a Mill and Overlay project. Bhat said okay, thank you.

Frazier asked if there were any other questions for Raleigh, there were none, so Frazier thanked Raleigh.

Frazier opened the Public Hearing. No one spoke. Frazier closed the Public Hearing.

Frazier asked if there were any further comments by the commission.

Brittain said I'd just like to say great job. I mean, of the hundreds of pages in the packet, that was very well summarized and easy to understand. So, thank you for all the hard work. It makes it pretty clear that the value that these projects have and what's actually being done where in a very understandable format, so thank you.

Frazier said I'm just going to add my thanks. I know this is, a lot of the stuff stays the same every year and a lot of the dream kind of projects stay at the end of the project. It's always interesting to see how things move up, as needs kind of vary for the City and what's going to get funded and what's not, because obviously there's a lot of things we'd like to do, but it's what do we need to do to make sure that we're providing services that the people who live here expect. And, so, thank you for all of your work on that project, the two of you here, as well as the many other people who are not here who put together that presentation.

Brittain made a motion to approve the Comprehensive Plan Amendment to amend the Capital Improvement Program (CIP) for 2026-2030. Knable seconded. The motion was approved unanimously (6-to-0 vote).

7. PRESENTATION

A. Draft 2025 East Ravine Alternative Urban Areawide Review (AUAR) Update

Schmitz provided a presentation on the East Ravine AUAR Update.

8. APPROVAL OF MINUTES

A. Approval of the September 22, 2025, Planning Commission Meeting Minutes

Fisher made a motion to approve the September 22, 2025, Planning Commission Meeting Minutes. Bhat seconded. Motion passed unanimously (6-to-0 vote).

9. REPORTS

A. RECAP OF OCTOBER 2025 CITY COUNCIL MEETINGS

Schmitz summarized the actions taken at the October 1 and October 15, 2025, City Council Meetings. She said with that, Council Member Dave Thiede is here with you this evening if you have any additional questions for him tonight.

Council Member Thiede said just to add a couple, somewhat significant things: You might have heard that Cedarhurst and Bellagala, they were having some issues and possible uncertainty of Federal funds, etc., so they had sent a note and said that they needed to back out of the deal. We are working with them on a couple different possibilities to kind of keep that in play because we pretty much all feel that that was a very good plan for that area, and I think it's one that the people around the neighborhood also liked. So, just to let you know, that is kind of continuing and we're doing some work with the owners on other possibilities. I know Director Schmitz has been relatively close to that project also. We did get a proposal at the Furber House, the new owners out there are proceeding with some plans to actually get that house fixed up, which would be nice. They do plan to use it for people who are having weddings and things like that, to kind of be like a rental, an Airbnb. So, that is also good news. Council Member Thiede asked if commissioners had any questions on other things that might be going on; I was going to mention as we were talking through the CIP, most of you are kind of veterans to that, too, you've been around for a while, and some of that is a wish list. There are some things that definitely need to happen, but there are some that definitely tend to get pushed out until we figure out how to get different financing. I remember some of the first times I saw it and I saw all that money, and I was like well, where the heck are we gonna come up with all that money? Well, you know, it's not all just us, we see how some of it is funded by Washington County, some of it is State funding, some of it are the grants and things like that. So, I'm usually asking a lot of questions on where the heck is the money going to come from, as when it's sitting out there in the public record with that much money on it, sometimes people start getting all wild about it. So, I'm pretty certain you guys all understand that kind of stuff.

Frazier asked if there were questions for Council Member Thiede.

Fisher said so, I've been seeing a lot more like e-bikes and e-scooters and small people that should not be riding them or driving them around. I've almost hit children driving these, like I'm just wondering, I actually said to my husband somebody is going to die on one of these things because kids take them, they don't know the rules of the road, they just don't know any better. So, I'm wondering if the City of Cottage Grove has any sort of plan or has considered or has started talking about if there's any sort of regulation or rules or something that we can do; I'm just afraid that a kid's going to get killed, like it's almost a daily occurrence on the social media platforms, somebody's been hit somewhere. I just feel like it's a huge danger in our community now, and I'm just curious to know how the City can help make some guidelines because these are new things, right, that we haven't had for very long, and so nobody knows how to behave themselves with them yet. So, how do we provide a framework for people? Council Member Thiede replied we are going to have more of that discussion, that topic has come up, and it's been recognized as something that we need to address because it is becoming more prevalent. You know, the first thing I'm thinking is that gees, they should be pedaling their bikes. Fisher said well, I was coming east on 80th in my neighborhood, I live on the west side of the highway, and there's the onramp to Highway 61, and they didn't even look, you know? It's just somebody's going to get killed, it's just a matter of time, and it's scary as a mom, you know, to think about, because we didn't have any of that stuff. There's no way to prevent it without some framework, so. Council Member Thiede replied I think that's going to come to like the Planning Commission, besides the Council having, I think we're scheduling a workshop on that soon. Fisher replied so, there are things that are starting to form with that? Council Member Thiede replied right. Fisher said, okay, thank you.

Frazier asked if there were any other questions for Council Member Thiede, none were asked. Frazier told Council Member Thiede all right, thank you for being here.

B. RESPONSE TO PLANNING COMMISSION INQUIRIES

Frazier said we had one request last meeting, and I think we resolved that, so I'll consider that resolved.

C. PLANNING COMMISSION REQUESTS

Frazier asked if there were any requests for staff tonight, and there were none.

10. ADJOURNMENT

Stechmann made a motion to adjourn the meeting. Fisher seconded. Motion passed unanimously (6-to-0 vote). The meeting was adjourned at 7:51 p.m.