



CARVER COUNTY PLANNING COMMISSION

Regular Meeting – **June 17, 2025, 7:00 PM**

Commissioners' Meeting Room

2nd Floor Human Services Bldg

Government Center – Chaska, Mn

AGENDA

1. **Convene**

1.1. Call to Order

1.2. Pledge of Allegiance

1.3. Attendance

1.4. Agenda review and adoption

1.5. Approve Minutes from May 20, 2025**2-12**

2. **Agenda**

2.1. File #20250027 - Public hearing on application by Charles Levine
for an Interim Use Permit.

(Cannabis Business - Microbusiness)

Laketown Township**13-34**

3. **Other Business**

4. **Adjourn**

COUNTY OF CARVER
PUBLIC SERVICES DIVISION
Department of Land Management

June 9, 2025

TO: Carver County Planning Commission & Laketown Town Board

FROM: The Land Management Department

SUBJECT: Application for an Interim Use Permit (Cannabis Business)

FILE #: PZ20250027

OWNER: Levine Farm LLC

APPLICANT: Charles Levine

SITE ADDRESS: 8420 County Rd 10 E, Waconia, MN 55387

PERMIT TYPE: Interim Use Permit for a Cannabis Business

PURSUANT TO: Carver County Code: Section 152.079 (D)

LEGAL DESCRIPTION: See attached Exhibit "A"

PARCEL #: 07-029-0700

BACKGROUND:

1. Charlie Levine owns and resides on an approximate 178.2-acre parcel located in the Northeast Quarter (NE¼) & North Half (N½) of Southeast Quarter (SE¼) of Section 29, Laketown Township. The property is homesteaded and includes a residence, several accessory and agricultural buildings, as well as a structure used for manufacturing hemp cannabinoid and ingredient manufacturing. The site is situated within the Agriculture Zoning District, the Shoreland Overlay District of an unnamed Minnesota Department of Natural Resources (MNDNR) Protected Watercourse and lies in the Carver County Water Management Organization (CCWMO) – Carver Creek watershed.
2. The 2023 adoption of MN State Statute legalizing recreational cannabis business activities (i.e., cultivation, processing, manufacturing, sales, etc.) in Minnesota prompted Carver County to implement reasonable land use controls for cannabis businesses in unincorporated areas (townships). In 2024, the County adopted Cannabis Zoning Code standards that classified cannabis businesses as an Interim Use within the Agriculture Zoning District. The applicant now seeks to operate a Cannabis Microbusiness on the subject property.

Mr. Levine currently operates Laketown Farms LLC, a hemp cultivation and processing business on the property, made legal under the Minnesota Legislative Farm Bill of 2018. This business includes an extraction lab for manufacturing hemp-derived cannabinoids and ingredients and has been recognized as a farming activity not requiring a separate Conditional Use Permit (CUP) or Interim Use Permit (IUP). This IUP application proposes to expand the existing operations to include cannabis cultivation, extraction, concentration, production, and manufacturing of cannabis products.

3. On June 4, 2025, the applicant applied for, and received, a variance (PZ20250026) to be allowed to operate a Cannabis Business within the Shoreland Overlay District of a DNR Protected Watercourse and on land enrolled in the Metropolitan Agricultural Preserve program.
4. The applicant is now requesting an Interim Use Permit to operate a cannabis business on the property in accordance with Section 152.079 (D) of the Carver County Zoning Code, which reads as follows:

§ 152.079 CONDITIONAL/INTERIM USES—ACTIVITIES CENTERED AROUND A HOME OR A HOME/FARM COMBINATION.

(A) Minimum criteria for issuance of permit:

- (1) Minimum five-acre lot size, unless another size is specified under a particular provision;
- (2) Sewage can be managed in accordance with Chapter 52 of this code of ordinances;
- (3) Land is not subject to the land use restrictions of an AG preserve covenant;
- (4) The activity shall be located on a hard surfaced (blacktop or concrete) road unless written approval for location on a township road is given by the affected township or townships. The town board may condition its approval of access to a gravel road on agreements with the applicant regarding dust control, maintenance, or similar issues. The terms of the agreement shall be such that the agreement is in force so long as the permit is in effect;
- (5) There is a single-family home on the parcel occupied as a homestead by a principal of the activity; or a single-family home will be constructed or homesteaded before the CUP for the activity is issued;
- (6) The scale and operational characteristics of the proposed activity shall be such that it can be operated on the proposed site and within the current levels of support services and infrastructure. Activities that will have service needs—traffic capacity or roads, waste disposal or management, fire or police protection, sewage disposal—that will exceed those available in the area should locate in municipalities where the services are available.

(B) Minimum conditions:

- (1) Permit shall be subject to administrative review or compliance review as set by the permit. A change in ownership, operations or operator shall be cause for the permit to be reviewed to determine whether an application for an amendment or similar consideration is necessary.
- (2) The activity must operate in conformance with the approved site plan and operational plan and other provisions of this chapter. The operational plan and site plan shall become part of the permit.
- (3) Outside storage is prohibited unless the storage area is adequately screened from nearby roads and residences.
- (4) The operational plan and site plan shall become part of the permit.
- (5) The applicant must submit a copy of workers' compensation insurance or sign an affidavit stating that he or she will not have any employees.
- (6) All buildings utilized by the operation must meet the State Building Code.

(D) Activities allowed as an interim use. Cannabis business, lower-potency hemp edible manufacturer.

- (1) The business must adhere to all applicable state cannabis ordinances, Office of Cannabis Management license standards and county cannabis registration requirements established by ordinance. The license standards include, but are not limited to, Office of Cannabis Management rules regarding security, standard operating procedures, wastewater, odor and filtration, solid waste disposal, water standards, and energy use.
- (2) The business operational area shall not be within 1,000 feet of the nearest property line of a parcel containing a school, church, day care, residential treatment facility, or an attraction within a public park that is regularly used by minors, including a playground or athletic field; or within 500 feet of a neighboring residence not on the same parcel of property existing at the time of application for the permit.
- (3) All exterior lights on a parcel with a cannabis business shall be shielded or use a hood and lens that cast light downward to minimize the amount of light cast onto adjacent properties or upward into the night sky.
- (4) All outdoor growing areas shall be surrounded by a commercial grade fence at least six feet in height.
- (5) The operational area of the business shall not be located within the Shoreland Overlay District or the Floodplain Overlay District.
- (6) These standards do not apply to cannabis retailer, lower-potency hemp edible retailer, medical cannabis cultivator, medical cannabis combination business, medical cannabis retailer, and cannabis testing facility license holders. The land use standards for these cannabis businesses are regulated by §§ 152.080 and 152.098.

(Am. Ord. 58-2007, passed 3-27-07; Am. Ord. 70-2010, passed 1-25-11; Am. Ord. 97-2021, passed 7-20-21; Am. Ord. 108-2024, passed 11-19-24)

STAFF ANALYSIS:

1. The proposed location for the cannabis business is a rural area of Laketown Township, situated on a large agricultural parcel accessed via a township cartway. Although the applicant currently operates a hemp processing business on the property—which did not require a Conditional or Interim Use Permit (CUP/IUP) for a home-based business—the County's cannabis zoning code requires an IUP for any business involving cannabis activities. Mr. Levine has received preliminary license approval from the Office of Cannabis Management (OCM). However, he must obtain approval from the local land use authority (Carver County) before receiving a Cannabis Microbusiness permit from the state.

2. In a press release dated June 4, 2025, the OCM provides guidance for local government on zoning compliance certification. They stated:

“The Office of Cannabis Management (OCM) advises applicants with preliminary approval to initiate early communication with local governments before submitting site registration information. These early conversations help applicants understand local zoning, fire, and building code requirements—such as permit types or specific construction materials—which can influence their decision on a final location. While OCM does not notify local governments when an applicant reaches preliminary approval, municipalities should anticipate outreach from applicants and treat them as serious candidates who have passed significant licensing steps, including a background check.”

“Applicants with preliminary approval are not yet tied to a site and must still secure a location, ensure compliance with local regulations, and pass a pre-licensure inspection. OCM strongly recommends that applicants delay site registration until they have completed these steps and are within 90 days of opening. If submitted prematurely, site registrations can be withdrawn and resubmitted once local compliance is achieved. Importantly, if a local government cannot certify a site, the applicant does not lose their preliminary approval but must either resolve compliance issues or choose an alternate location. Applicants must receive final OCM authorization within 18 months of preliminary approval under Minnesota law – Chapter 342.”

The OCM maintains strict oversight of cannabis businesses through state regulations, with enforcement authority across all areas of operation. These requirements encompass a wide range of standards, including general operations, recordkeeping, security protocols, and transportation procedures.

3. The applicant submitted a narrative (dated May 13, 2025) detailing the proposed operation. The business will engage in the cultivation, extraction and concentration, and production of adult-use cannabis products. No retail operations are proposed at this site. Mr. Levine explains that a licensed industrial hemp operation has been active on the property for eight years, operating within an approximately 1,600-square-foot structure. The proposed cannabis production would take place within the same structure, which was originally adapted for commercial use when Mr. Levine obtained a hemp production permit in 2017. He notes, *“An entry vestibule will need to be added to the existing facility to comply with OCM rules and regulations.”*

Hours of operation would be Monday through Saturday, from 7:00 AM to 6:00 PM. Staffing would vary seasonally, with between two (2) and eight (8) employees on-site. There would be no public access to the facility and no exterior storage. The operational area, located on a 178-acre property, would be screened by existing trees, additional proposed vegetation, and the site's natural distance from neighboring properties and public view. The operational area is more than a quarter mile from any residences on adjacent parcels and would have controlled access.

In an email dated June 4, 2025, Mr. Levine provided additional information regarding the operation. There is no work vehicles dedicated to the business. Vehicle traffic to the site is estimated at 2–3 employee vehicles per day and 0–1 delivery vehicle per week. No signage is proposed for the business.

4. Mr. Levine has also submitted a copy of his state cannabis microbusiness license application (i.e., 126-page document), dated April 29, 2025. The application outlines standards for inventory tracking, secure storage of plants, products, and waste, as required for all cannabis licensees. The narrative includes measures to prevent unauthorized access to areas where cannabis is grown or stored, restrict access to product sample displays, define video surveillance retention periods, and establish protocols for employee training and accountability.

Although no sales are proposed on the property, the application also notes that age verification will be required for all cannabis product orders to ensure sales are limited to individuals 21 years of age or older.

Regarding wastewater management, the application states: *“The existing septic and mound system provides a compliant, self-sufficient wastewater solution that meets both operational needs and Minnesota regulatory standards for cannabis manufacturing facilities.”* Water service is provided by a well on-site. A carbon filter exhaust system will be installed to help manage odors and improve overall air quality within the cannabis processing structure.

5. The submitted site plan (dated May 13, 2025) shows the layout of buildings and features on the property. County staff has also created a GIS aerial photography map (dated June 9, 2025) depicting how the use of the property. The cannabis production facility, located near the creek and labeled “The Shop,” is depicted along with the fenced 1-acre cannabis cultivation area to the northeast, labeled “Outdoor Cultivation Field.” The outdoor cultivation area would be enclosed by a 6-foot-tall commercial-grade fence. Lighting for the cultivation area must comply with County standards, which require fixtures to be shielded or fitted with hoods and lenses that direct light downward, minimizing light spill onto adjacent properties and upward into the night sky. In addition, both the building and cultivation areas involved in the operation would implement high-security clearance measures to restrict unauthorized access.

The vestibule addition to the production facility appears to comply with the required 100-foot setback from the creek; final setback compliance will be verified during the building permit application review process. Other existing structures on the farm are also labeled on the site plan.

The applicant submitted supplemental documentation, including a floor plan of “The Shop” and an elevation drawing of the proposed expansion. The expansion includes the entry vestibule, a walk-in cooler, and a milling room. Additional site details are provided, showing the location and dimensions of the proposed outdoor cultivation field, which is located outside the designated shoreland area.

6. Lori Brinkman, Senior Environmentalist with Carver County Environmental Services, reviewed the application materials and, in an email dated June 6, 2025, stated, *“the wastewater at the property is currently serviced by 3 different systems. A design has been submitted to condense wastewater management into one mound treatment system. Further evaluation is required by Carver County SSTS staff to gather information regarding wastewater flows from the business including gallons per day for proper system sizing, and waste strength. Process wastewater is generally high strength and therefore should not be dispersed into soil treatment areas designed for residential strength waste.”*
7. As part of the recent variance application review, Tim Sundby, Water Resources Supervisor with the Carver County Planning & Water Department, reviewed the proposal and, in an email dated May 14, 2025, stated that the area of disturbance appears to be less than one acre. Therefore, a stormwater permit is not required.
8. The Laketown Town Board reviewed the application request at their May 12, 2025, meeting and recommended approval. Their statement read:

“The Board supports the applicant’s ability to expand the existing hemp operation (manufacturing and cultivation) by adding one acre for cannabis cultivation on their 178-acre property. The applicant is currently in the licensing process under the new State of Minnesota cannabis rules. The Board supports the proposed plan.”

The motion passed with a 3–0 vote in favor.

PLANNING COMMISSION CONSIDERATION:

If the Planning Commission recommends approval of the Interim Use Permit application for a Cannabis Business pursuant to Carver County Code Section 152.079 (D) on the parcel legally described in Exhibit A, the following conditions should be considered part of the permit:

1. The permit is subject to administrative review. The Permittee shall homestead and occupy the property. This permit is not transferable to another individual, property owner, or property. Any change in property or business ownership shall terminate the permit.
2. The permit is valid only for the duration of the Permittee’s license issued by the Office of Cannabis Management (OCM). Failure to obtain or maintain a valid OCM license shall constitute a violation of this permit and may result in revocation by the County Board.

3. The operation shall substantially conform to the submitted operational plan (dated May 13, 2025), site plans (dated May 13, 2025), and email correspondence (dated June 4, 2025). These documents shall be attached to and incorporated as part of this permit. The operation hours shall generally follow 7:00 AM to 6:00 PM, Monday through Saturday.
4. The Permittee must comply with the conditions of the approved variance (PZ20250026) allowing operation of the cannabis business within a Shoreland Overlay District and on land enrolled in the Metropolitan Agricultural Preserve Program until the current enrollment ceases in 2032.
5. All structures associated with the cannabis operation must comply with the Minnesota State Building Code and Office of Cannabis Management regulations. The proposed expansion to the shop building is subject to review and approval by the Carver County Building Official and will require appropriate building permits. Any future structures intended for business use shall also require prior review and permitting before commencing construction.
6. All business-related trucks, equipment, and supplies shall be stored within approved structures or within the defined operational area. Any expansion of this area will be considered an expansion of the use and may require a review by the Land Management Department to determine if an amended Interim Use Permit is necessary or new OCM permit is required.
7. The Permittee shall comply with all Laketown Township access requirements. No parking shall be allowed within the public right-of-way.
8. Permittee shall maintain the Non-generator's Certificate or contact the Environmental Services Department to determine if a Hazardous Waste Generator License is required.
9. Any grading and/or filling activity on the property shall comply with the Carver County Water Management Organization (CCWMO) and, if applicable, the Wetland Conservation Act (WCA). Site improvements must adhere to Chapter 153 – Water Resource Management. Stormwater review and approval are required prior to the issuance of construction or building permits.
10. The Permittee shall obtain a MN DNR Water Appropriations Permit if the operation of the business requires withdrawing more than 10,000 gallons of water per day or 1 million gallons per year.
11. The Permittee shall comply with all applicable County and State regulations, including but not limited to:
 - Chapter 50 – Solid Waste Management
 - Chapter 51 – Hazardous Water Management
 - Chapter 52 – Subsurface Sewage Treatment Systems
 - Chapter 152 – Zoning Code
 - Chapter 153 – Water Resource Management
 - Chapter 154 – Sign Regulations
 - Office of Cannabis Management
 - Minnesota State Building Code
 - Any other applicable local, state, and federal regulations
12. The Permittee shall submit a Certificate of Workers' Compensation Insurance and/or an appropriate affidavit (if no employees are involved) to the Land Management Department. This documentation must be maintained for the duration of the Interim Use Permit.

OR

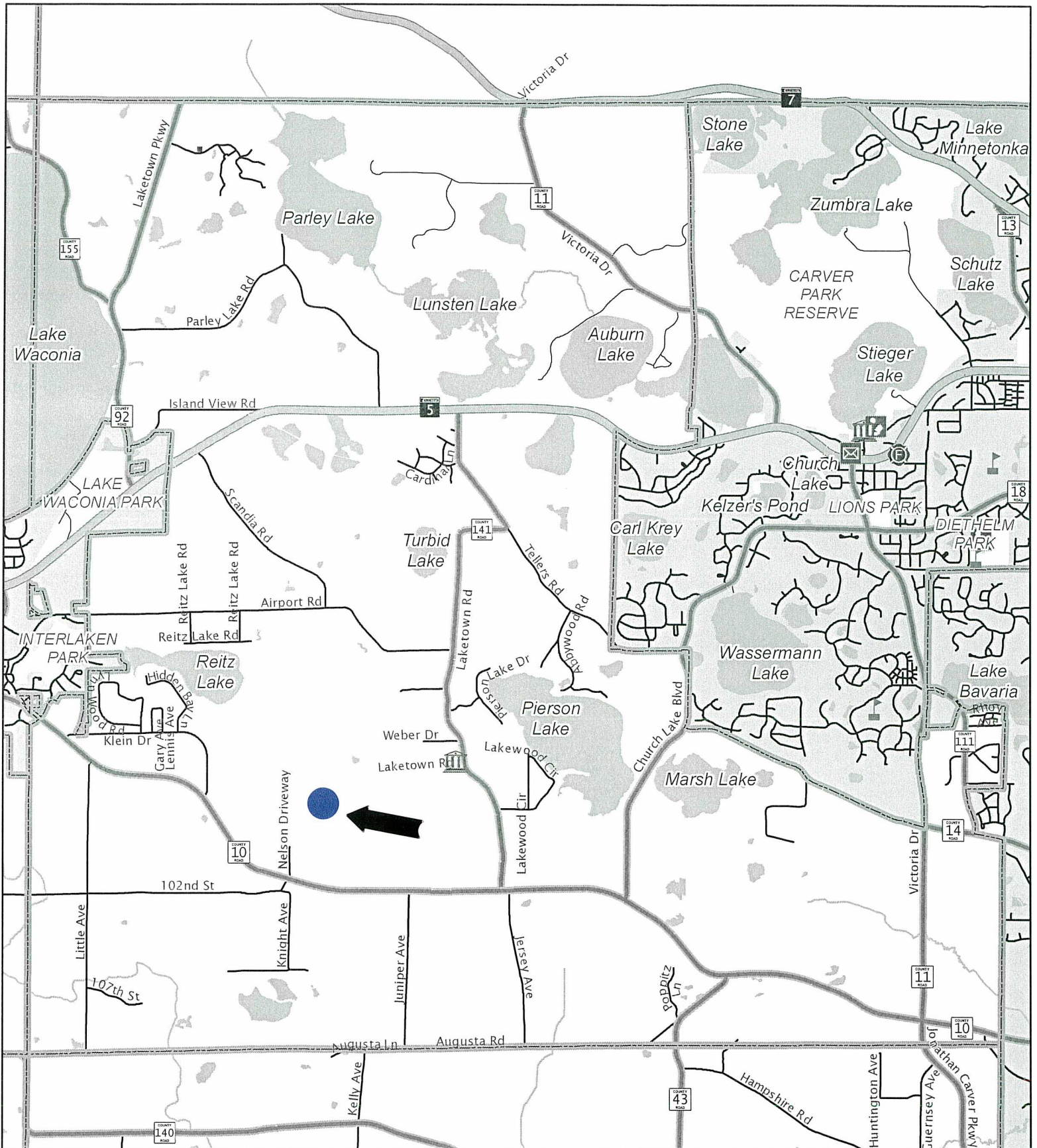
If the Planning Commission recommends denial of the permit application, the deficiencies found in Section 152.251 (Required Findings) of the Carver County Zoning Code, should be referenced, as follows:

§ 152.251 REQUIRED FINDINGS.

An order for the issuance of a CUP or IUP can be adopted only if all the following are found as fact. Any conditions imposed by the permit or actions required as part of the order shall be considered in making findings:

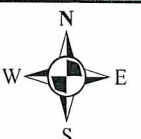
- (A) The conditional or interim use is permitted as a permitted conditional or interim use within the zoning district and meets all requirements of this chapter and any other county, regional, state, or federal laws, ordinances, rules, or regulations.
- (B) The conditional or interim use will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted.
- (C) The establishment of a conditional or interim use will not impede the normal and orderly development and improvement of surrounding vacant property for uses predominant in the area.
- (D) The effects of the proposed use will not be detrimental to the health, safety, and welfare of Carver County or to the occupants of the immediate neighborhood.
- (E) That adequate utilities, access roads, drainage and other facilities have been or are being provided.
- (F) That adequate measures have been or will be taken to provide sufficient off-street parking and loading space to serve the proposed use if these measures are applicable.
- (G) That adequate measures have been or will be taken to prevent or control offensive odor, fumes, dust, noise, and vibration, so that none of these will constitute a nuisance if these measures are applicable.
- (H) The use or development conforms to the County Comprehensive Plan.
- (I) The use or development is compatible with the land uses in the neighborhood.
- (J) A public hearing was held pursuant to § [152.285](#) and M.S. § 394.26, as it may be amended from time to time.

LAKETOWN TOWNSHIP

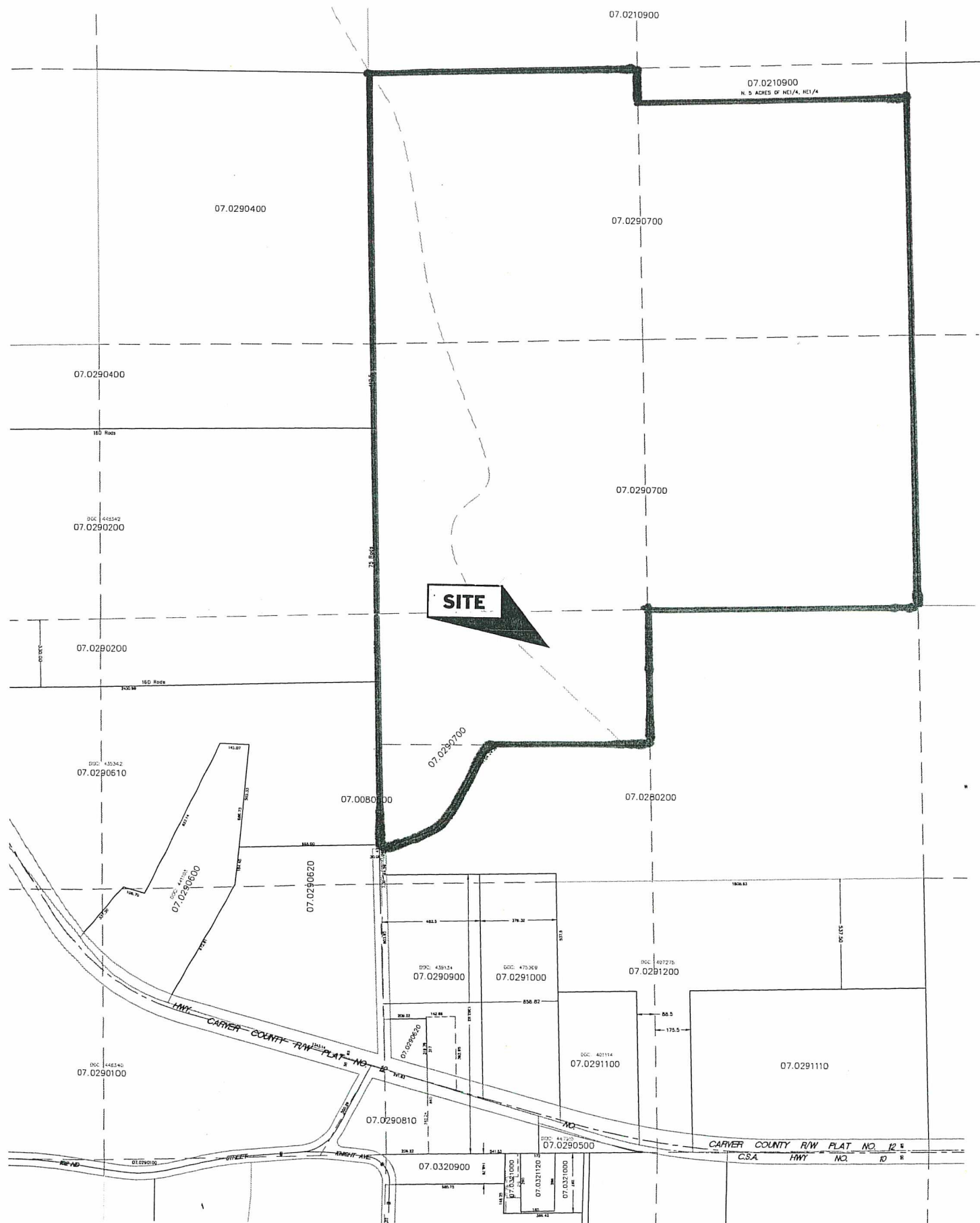


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0 1 2 Miles



SEC. 29, T.116, R.24



Project Narrative – Interim Use Permit Application

Laketown Farms, LLC

8420 County Road 10 E, Waconia, MN 55387

received May 13, 2025

To the Planning Commission,

Laketown Farms, LLC is requesting a Interim Use Permit (IUP) to authorize the continued use and expansion of our agricultural property for regulated **cannabis manufacturing and cultivation** activities, in accordance with recently adopted state statutes. These operations will take place at our existing farm location, which has served as a **licensed industrial hemp production and processing site for the past eight years**.

Our proposed activities include **outdoor cannabis cultivation on approximately one acre**, as well as **manufacturing within our existing food-grade processing facility** known as “The Shop.” This building is a 40' x 40' insulated steel structure that has been used for oil extraction and seed processing under the Minnesota Department of Agriculture’s industrial hemp program. The building is commercially built upon receiving the appropriate building permits in 2017 for hemp production and fully equipped with commercial electric service, a certified septic system, potable well water, and on-site security infrastructure. An entry vestibule will need to be added to the existing facility to comply with OCM rules and regulations.

Hours of operation will be from **7:00 AM to 6:00 PM**, Monday through Saturday. Staffing will range from **2 to 8 employees**, depending on seasonal needs. Employees will access the property using **Nelson’s Cartway**, a private road connected to **County Road 10 E**. This is the only point of ingress and egress.

All regulated products will be securely stored indoors, and no public access to the property will be allowed. There will be **no retail activity** or customer interaction at this location. The outdoor cultivation area will be enclosed by fencing with controlled access, and the manufacturing space is already outfitted with security and access control systems. All cannabis materials will be handled in compliance with state regulations, including storage, waste disposal, and tracking protocols.

We do not anticipate any adverse impact to neighboring properties. The property is **178 acres in size**, with the cultivation and processing areas located more than a half-mile from any adjacent residence. **Discreet signage** may be installed for emergency identification purposes only, but no promotional or retail signage is proposed.

Thank you for your consideration. We look forward to continuing our long-standing role in the Waconia agricultural community as we transition from hemp to regulated cannabis operations under the guidance of state law.

Sincerely,

Charles Levine

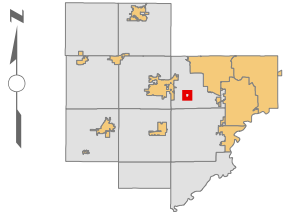
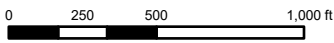
Owner, Laketown Farms, LLC

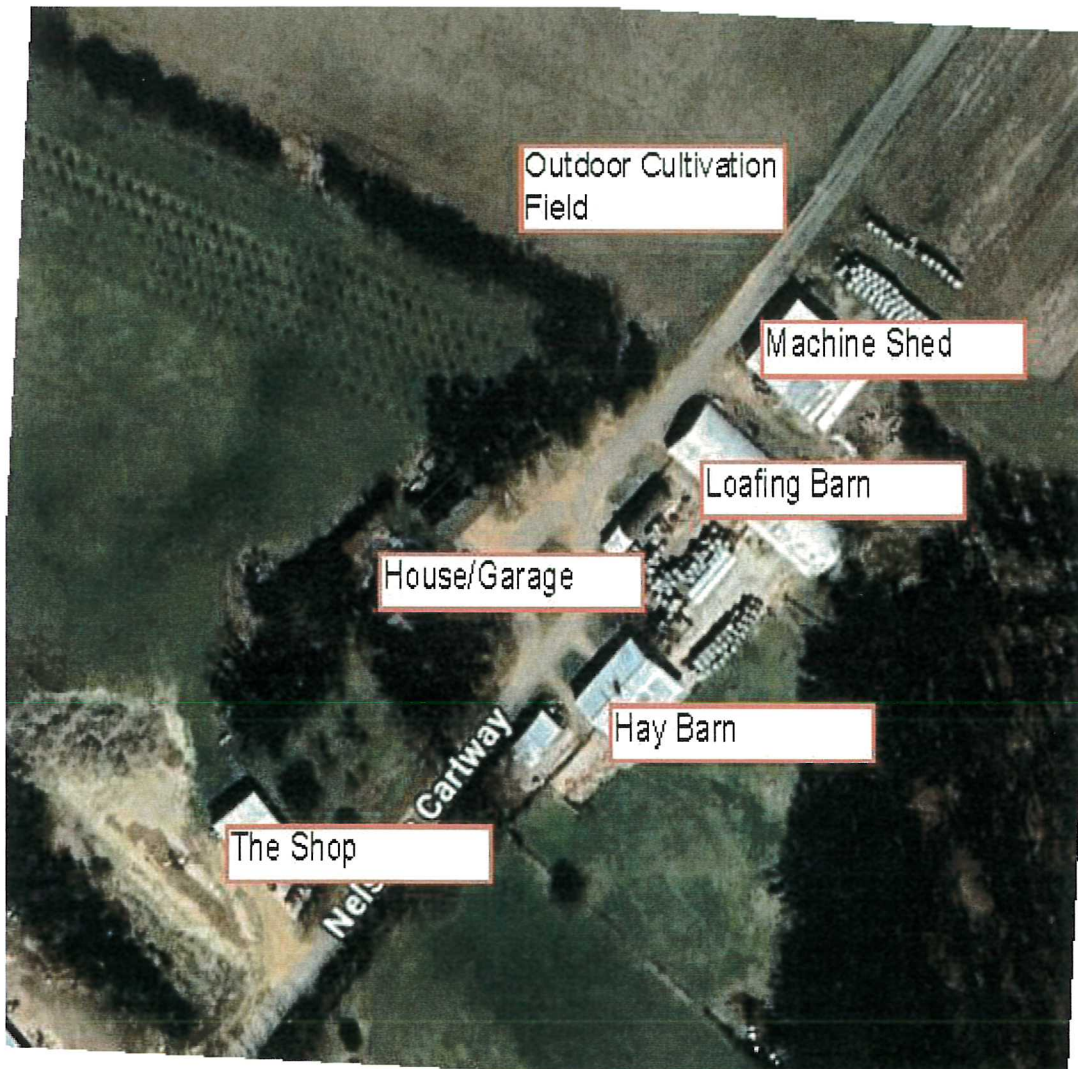
LEVINE PROPERTY - IUP LAND USE SITE PLAN (6-9-25)



Date: 6/9/2025

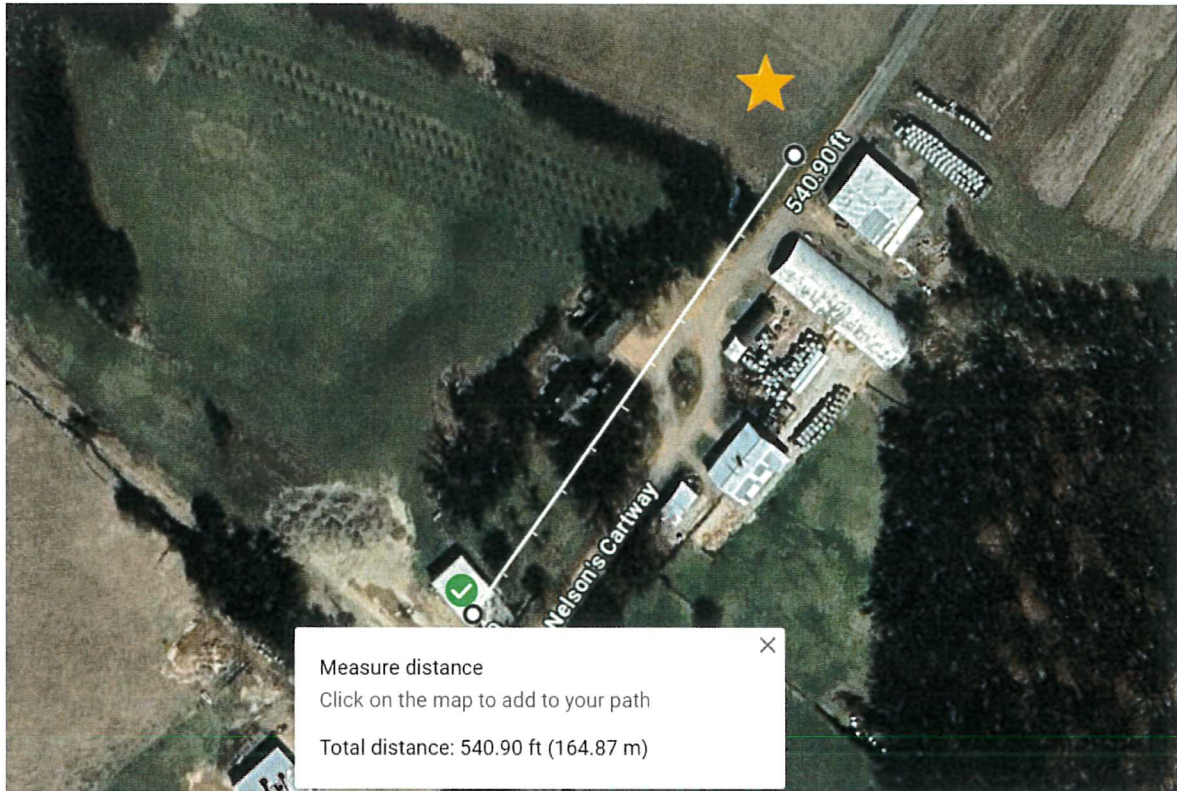
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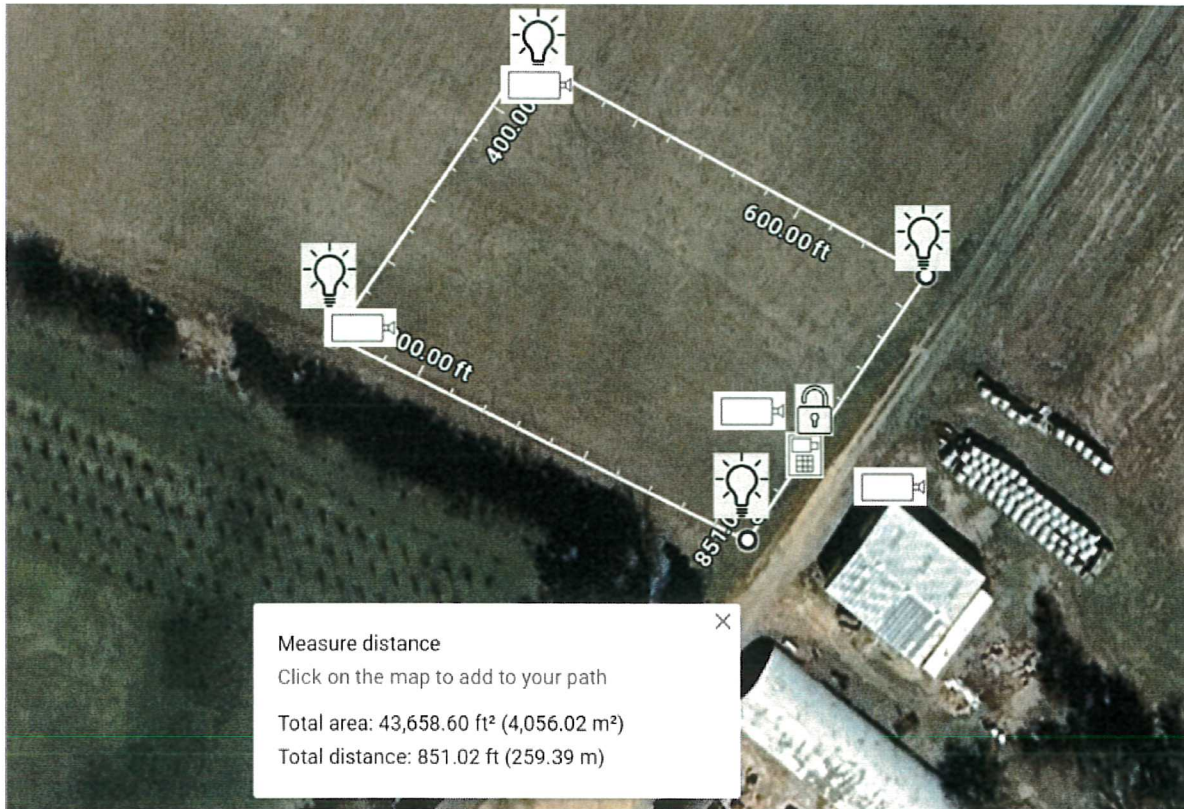


Farm layout

received May 13, 2025



Distance from the manufacturing facility to proposed outdoor cultivation field.



Proposed Outdoor Cultivation Field

received May 13, 2025



Township Presentation & Recommendation Form

PARCEL #	070290700	Permit #	IL-PZ20250027
Owner's Name:	Charles Levine	Owner's Mailing Address:	8420 County road 10 E
City:	Waconia	Owner State:	MN
		Owner Zip:	55387
Applicant (if other than owner):		Site Address:	8420 County Road 10 E, Waconia MN, 55387

Type of Request:	☐ CUP	☒ IUP	☐ Preliminary Plat	☐ Final Plat	☐ Variance	☐ Appeal
Description of Request:						
To operate - continued use & expansion to include 1 acre cannabis - at existing agricultural hemp farm.						
Date of County Public Hearing:			Date of Township Meeting:			
6-17-25			05-12-25			

Actions:

Township Action Taken:

- ☒ Recommends approval and use of the Township Road (if applicable) with the following comments:
- ☐ Recommends denial for the following reasons:
- ☐ No recommendation, but will comment on the request at the Planning Commission or Board of Adjustment hearing:

Board considered request of IUP at 05-12-25 meeting. Board supports applicant in being able to expand existing hemp operation (manufacturing & cultivating) to add 1 acre for cannabis on their 178 acre property. In licensing process with new State of MN Cannabis rules. Support proposed plan.

****Important:** I understand that I must appear at the Town Board meeting to present my request and obtain their recommendation prior to appearing before the County Planning Commission or Board of Adjustment.

Charles Levine

Date 5/4/25

Signature of Applicant

Sharon Kuyke Town Clerk

Date 05-12-25

Signature of Township Official



COUNTY OF CARVER
State of Minnesota

FILE #: PZ20250026

OWNER: Levine Farm LLC

APPLICANT: Charles Levine

SITE ADDRESS: 8420 County Rd 10 E, Waconia, MN 55387

VARIANCE TYPE: Allow a Cannabis Business in Shoreland and on land enrolled in the Agricultural Preserve Program

PURSUANT TO: Carver County Code: Section 152.079 (A)(3) & (C)(10)(b)

LEGAL DESCRIPTION: See attached Exhibit "A"

PARCEL #: 07-029-0700

Drafted by: Land Management

Return to: Land Management

BOARD OF ADJUSTMENT FINDINGS OF FACT AND ORDER

A public hearing was held on this matter on June 4, 2025, by the Carver County Board of Adjustment. Upon the evidence presented at said hearing by the applicant and other persons named and all the files, records, and proceedings herein, the Board makes the following:

FINDINGS OF FACT

1. Charlie Levine owns and resides on an approximate 178.2-acre parcel located in the Northeast Quarter (NE¼) & North Half (N½) of Southeast Quarter (SE¼) of Section 29, Laketown Township. The property is homesteaded and includes a residence, several accessory and agricultural buildings, as well as a structure used for manufacturing hemp cannabinoid and ingredient manufacturing. The site is situated within the Agriculture Zoning District, the Shoreland Overlay District of an unnamed Minnesota Department of Natural Resources (MNDNR) Protected Watercourse and lies in the Carver County Water Management Organization (CCWMO) – Carver Creek watershed.
2. The applicant is requesting a variance to allow the operation of a Cannabis Business (specifically, a Cannabis Microbusiness) on land located within the Shoreland Overlay District and enrolled in the Metropolitan Agricultural Preserve program, which strictly limits non-agricultural business uses. If approved, this variance would allow the applicant to apply for an Interim Use Permit (IUP) to operate the Cannabis business at this location. According to Sections 152.079(A)(3) and (C)(10)(b) of the County Zoning Code, a Cannabis Business may not have its operational area within a shoreland district. Additionally, commercial activity associated with a Home/Farm-Based business is prohibited on land enrolled in the Metropolitan Agricultural Preserve program. Therefore, a variance has been requested to allow the business under these circumstances.
3. In 1982, the Legislature passed the Metropolitan Agricultural Preserve Act. The program is designed to encourage the protection of farmland from premature conversion to non-agricultural uses. Participation is strictly voluntary; the landowner must actively enroll in the program. Most land in Carver County outside of incorporated cities is eligible, provided it meets additional detailed criteria. A landowner enters the program by placing a restrictive covenant on the property—through this covenant, the landowner agrees to certain land-use restrictions in exchange for specific benefits.

4. The applicant seeks to operate a business permitted as an interim use, identified as “Activities Centered Around a Home or a Home/Farm Combination.” However, such uses are restricted from operating cannabis businesses on land enrolled in the Agricultural Preserve program, a condition that applies to all home/farm-based businesses within the Agricultural Zoning District. Additionally, when the County adopted its Cannabis Ordinance standards in 2024, it included a stipulation prohibiting cannabis businesses from operating in shoreland areas. This restriction is similar to those placed on new Contractor’s Yards and Feedlots. The proposed operational area for Mr. Levine’s cannabis business is located within a designated Shoreland area—defined in this case as land within 300 feet of a DNR-protected waterway. If approved, the requested variances would allow the applicant to proceed with applying for an Interim Use Permit (IUP), which would be reviewed by the County Planning Commission, to operate a Cannabis Microbusiness on the property.
5. Mr. Levine has submitted a narrative, dated May 4, 2025, outlining the context of the variance request and providing detailed justification. The applicant currently operates a hemp cultivation and processing business on the property, made legal by the 2018 Farm Bill. Following that change in federal regulations, the business—which includes an extraction lab for manufacturing hemp-derived cannabinoids and ingredients—was recognized as a farming activity. However, according to the narrative, the Carver County Zoning Code prohibits Conditional Use Permit (CUP) or Interim Use Permit (IUP) businesses on land enrolled in the Agricultural Preserve program. Mr. Levine asserts that this regulation *“places our long-standing, compliant business at risk of being shut down simply due to a regulatory technicality, not because of any physical incompatibility or land-use conflict.”*

The applicant identifies a practical difficulty in relocating the business outside the shoreland area or to land not enrolled in the Agricultural Preserve program, stating: *“The practical difficulty stems from the fact that the site has already been developed as a specialized agricultural manufacturing facility. We have made significant investments in equipment, security, infrastructure, and regulatory compliance based on the longstanding assumption that cannabis would be regulated similarly to hemp. The terms of the current ordinance, if applied rigidly, would create unnecessary and disproportionate economic harm to our farm without protecting any broader land use interest.”*

As a proposed solution, Mr. Levine states: *“Once the Ag Preserve ceases in 7 years, Laketown Farms, LLC would not be allowed to re-enroll into the program after the recorded expiration date, May 17, 2032.”*

6. The 2023 adoption of state regulations legalizing recreational cannabis cultivation, processing, and sales in Minnesota prompted Carver County to implement reasonable land use controls for cannabis businesses in unincorporated areas (townships). The State’s Cannabis Ordinance also extended regulatory requirements to low-potency hemp products, incorporating them into the broader cannabis regulatory framework. As a result, these products were no longer classified solely as agricultural businesses.
7. To maintain consistency with other Conditional Use Permit (CUP) and Interim Use Permit (IUP) commercial operations within the Agricultural Zoning District, the County adopted similar requirements for cannabis businesses. These requirements address factors such as setbacks, access from County roads, and include a provision that prohibits the operational area from being located on land subject to Agricultural Preserve covenants. The relevant covenant states:

The land herein described shall be kept in agricultural use. Agricultural use, as used herein, means the production for sale of livestock, dairy animals, dairy products, poultry or poultry products, fur-bearing animals, horticultural or nursery stock, fruit, vegetables, forage, grains, or bees and apiary products. Wetlands, pasture, and woodlands accompanying land in agricultural use shall be deemed to be an agricultural use.

Unaware that the County was considering applying this restriction to cannabis businesses, Mr. Levine enrolled the property in the Agricultural Preserve program on May 17, 2024, several months before the Cannabis Ordinance was adopted in November 2024.

8. In addition, recognizing the anticipated scale and intensity of cannabis operations, the County prohibited such businesses from operating in Shoreland areas. Mr. Levine proposes to locate the cannabis microbusiness in the same structure where he currently operates his hemp business. He has applied for an Interim Use Permit (IUP), which is scheduled for review by the County Planning Commission on June 17, 2025.

9. The variance site plan, dated May 19, 2025, identifies the location of the existing hemp processing building, which is also the proposed site for the Cannabis Microbusiness processing facility. The building is approximately 30 years old. The proposed outdoor cultivation area is located to the northeast of the building and outside of the shoreland overlay area. Areas shaded in green on the plan indicate land designated as Shoreland. The site plan also identifies a designated area for worker and delivery vehicle parking.
10. Based on the approval of the variance request, the applicant intends to proceed with a Planning Commission review for an Interim Use Permit (IUP) to establish a Cannabis Microbusiness in accordance with the Zoning Code. The variance narrative outlines the primary cultivation and manufacturing activities, which include a one-acre outdoor grow area and the continued use of a food-grade lab ("The Shop") for cannabis extraction and product manufacturing. This facility includes a walk-in cooler and a milling room.

According to the submitted IUP narrative, the approximately 1,600-square-foot building is currently used for oil extraction and seed processing related to industrial hemp. Proposed hours of operation are Monday through Saturday, from 7:00 AM to 6:00 PM. Staffing would vary seasonally, with between 2 and 8 employees on-site. No retail activity is proposed. Access to the property is provided via a township cartway. Mr. Levine proposes an expansion of the building's front vestibule to comply with state permitting requirements. The IUP narrative and site plan will be reviewed by the Planning Commission as part of the IUP application process. The operational area on the 178-acre property would be screened by existing trees, additional proposed vegetation, and the site's natural distance from neighboring properties and public view. The operational area is located more than a quarter-mile from any residences on adjacent parcels.

11. Jacob McLain, Senior Environmentalist with Carver County Environmental Services, reviewed the application materials and, in an email dated May 14, 2025, stated: *"We would require a compliance inspection on the holding tank that services the processing lab, since it is located in Shoreland, and they are adding on to the building."*
12. Tim Sundby, Water Resources Supervisor with Carver County Planning & Water Department, reviewed the application materials and in an email dated May 14, 2025, stated that the area of disturbance appears to be less than one acre; therefore, a stormwater permit is not required.
13. The plight of the landowner is a result of circumstances created by previously established language passed through the State Legislation under the 2018 Farm Bill. That allowed Mr. Levine as a farming activity to grow, process, and manufacture hemp derived products from the property. This activity was viewed by Carver County as a farming activity and allowed him to utilize an existing accessory structure only through a building permit process. Keep in mind that each variance application is evaluated based on its individual merits, the uniqueness of the property, and the reasons provided by the applicant.
14. The granting of the variance does not appear to conflict with the intent of the Comprehensive Plan or County Ordinances and is not expected to alter the character of the neighborhood.
15. The neighborhood consists primarily of agricultural uses and scattered residences. Granting the variance is not anticipated to materially or adversely affect the health or safety of persons residing or working adjacent to the property, nor should it be detrimental to the public welfare or injurious to property or improvements in the surrounding area.
16. The Laketown Town Board reviewed the application request during their May 12, 2025, meeting and recommended approval, stating: *"The Board supports the applicant's ability to expand the existing hemp operation (manufacturing and cultivation) by adding one acre for cannabis cultivation on their 178-acre property. The applicant is currently in the licensing process under the new State of Minnesota Cannabis rules. The Board supports the proposed plan."* The recommendation was approved with a unanimous 3-0 vote.
17. The Land Management Department received a letter of support from Stephen Hilk (dated June 4, 2025), a voicemail expressing support from Gary Klein on June 4, 2025, and a letter of opposition from Jeffrey Klein (dated June 4, 2025).

18. During the June 4, 2025, public hearing, the Board of Adjustment heard comments from two neighboring property owners in support of Mr. Levine's business venture and variance request. The Board also received comments from a neighbor opposing the request, citing concerns about potential trespassing on adjacent properties, as well as lighting and odor associated with the proposed cannabis operation. The Board determined that these concerns would be more appropriately addressed by the Carver County Planning Commission at their scheduled agenda meeting.
19. The Board of Adjustment has considered all the factors required by Section 152.215 of the Carver County Code and finds that the grounds for a variance are hereby satisfied.

ORDER #PZ20250026

IT IS HEREBY ORDERED: That the application of Charles Levine for a variance to allow a Cannabis Microbusiness operational area in the Shoreland Overlay District and on land enrolled in the Agricultural Preserve program pursuant to Sections 152.079 (A)(3) & (C)(10)(b) of the County Code for property legally described on the attached Exhibit "A", is hereby **approved**. The Board of Adjustment further orders approval with the following conditions:

1. An Interim Use Permit (IUP) application for a Cannabis Microbusiness shall be submitted, reviewed, and approved. If the County Board denies the IUP application, the variance shall become null and void. The Cannabis Microbusiness and the property must comply with all other applicable requirements of the Carver County Zoning Code and the Minnesota State Building Code.
2. If the future IUP application is approved, the operational area shall not encroach upon any required setbacks within the Shoreland Overlay District.
3. Upon expiration of the current Agricultural Preserve program enrollment on May 17, 2032, the property shall not be re-enrolled in the program while the Cannabis Microbusiness or any other Home/Farm-based business operates on the site.
4. No additional Home/Farm-based commercial activities shall be conducted on the property.

Gerald BRUNER

Gerald BRUNER (Jun 6, 2025 16:26 CDT)

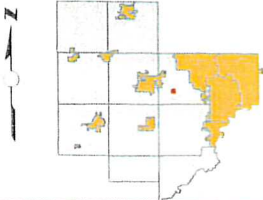
Gerald Bruner, Chairman
Carver County Board of Adjustment

LEVINE VARIANCE SITE PLAN



Date: 5/19/2025
This map was created using Carver County's Geographic Information Systems (GIS), it is a compilation of information and data from various City, County, State, and Federal offices. This map is not a surveyed or legally recorded map and is intended to be used as a reference. Carver County is not responsible for any inaccuracies contained herein.

Area shaded green is in Shoreland



Laketown Farms Site Plan

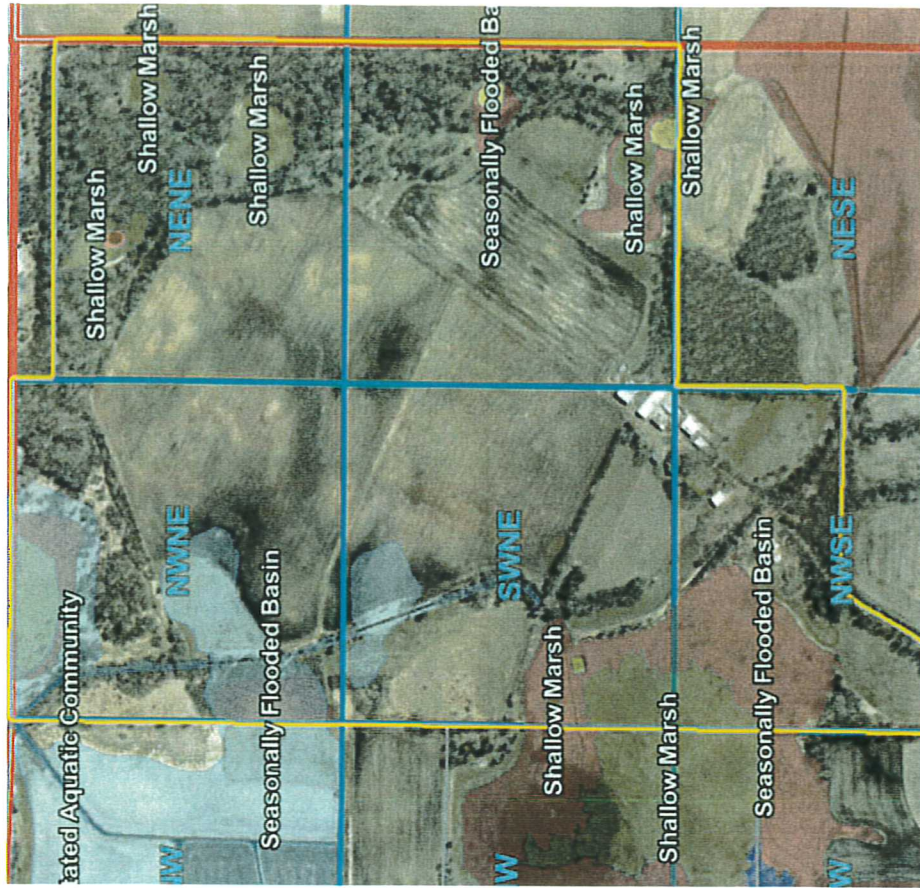


EXHIBIT "A" – LEGAL DESCRIPTION

PID NUMBER: 07-029-0700

File# IU-PZ20250026

**APPLICANT/OWNER: Levine Farm, LLC
(Charles Levine, President)**

* * * * *

The West Half of the Northeast Quarter (W $\frac{1}{2}$ of NE $\frac{1}{4}$), containing 80 acres.

ALSO, The Southeast Quarter of the Northeast Quarter (SE $\frac{1}{4}$ of NE $\frac{1}{4}$), containing 40 acres.

ALSO The North Half of the Northwest Quarter of the Southeast Quarter (N $\frac{1}{2}$ of NW $\frac{1}{4}$ of SE $\frac{1}{4}$), containing 20 acres.

ALSO The Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$ of NE $\frac{1}{4}$) EXCEPTING THEREFROM the North 5 acres, all in Section 29, Township 116, Range 24, Carver County, Minnesota, containing in all 175 acres, more or less, according to the United States Government Survey thereof.

AND ALSO All that part of the South Half of the Northwest Quarter of the Southeast Quarter of Section 29, Township 116, Range 24, Carver County, Minnesota, lying Northwesterly of a line described as follows: Commencing at the Southwest corner of said South Half; thence on an assumed bearing of North 1 degree 22 minutes 25 seconds West along the West line of said South Half, a distance of 44.65 feet to the North line of the South 1362.92 feet of the West 858.82 feet of the Southeast Quarter of said Section 29; thence North 89 degrees 02 minutes 57 seconds East along the North line of said South 1362.82 feet, a distance of 7.00 feet to the point of beginning of the centerline to be described, thence North 3 degrees 33 minutes 49 seconds West, a distance of 44.59 feet; thence North 10 degrees 36 minutes 44 seconds East, a distance of 71.04 feet; thence North 54 degrees 40 minutes 01 seconds East, a distance of 78.07 feet; thence North 73 degrees 28 minutes 08 seconds East, a distance of 51.74 feet; thence North 68 degrees 05 minutes 20 seconds East, a distance of 126.27 feet; thence North 50 degrees 30 minutes 30 seconds East, a distance of 77.20 feet; thence North 34 degrees 42 minutes 29 seconds East, a distance of 94.81 feet; thence North 27 degrees 36 minutes 11 seconds East, a distance of 230.21 feet; thence North 36 degrees 39 minutes 28 seconds East, a distance of 71.04 feet; thence North 45 degrees 44 minutes 54 seconds East, a distance of 24.32 feet to the North line of said South Half of the Northwest Quarter of the Southeast Quarter and there terminating.

DRAFTED BY: Carver County Land Management Department