STATE OF MINNESOTA
IN COURT OF APPEALS
A24-1936

In re Calm Waters Cannabis Co., et al.,
Petitioners,

Cristina Aranguiz, et al.,
Respondents,

Green Leaf MN, et al.,
Respondents,

Hendo Industries, LLC, et al.,
Respondents,

vs.

Minnesota Office of Cannabis Management, et al.,
Respondents.

Filed June 2, 2025
Writ denied; motion denied
Frisch, Chief Judge

Ramsey County District Court
File Nos. 62-CV-24-7403, 62-CV-24-7411, 62-CV-24-7412, 62-CV-24-7413

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Considered and decided by Frisch, Chief Judge; Smith, Tracy M., Judge; and Bratvold, Judge.

SYLLABUS

A district court does not exceed its authority by granting temporary injunctive relief in an action in which claims are asserted relating to a state agency's quasi-judicial decisions where it appears that the district court can adjudicate at least some of the claims without inquiring into the validity of the quasi-judicial decisions.

OPINION

FRISCH, Chief Judge

Petitioners, who successfully applied to participate in a preapproval lottery for cannabis business licenses, jointly seek a writ of prohibition to preclude the district court from enforcing an order that enjoined respondent Minnesota Office of Cannabis Management (OCM) from conducting that lottery. The district court issued the order in four actions brought by individuals and entities whose preapproval applications were denied by OCM. Petitioners assert that the district court lacked jurisdiction to enjoin OCM from conducting the lottery because OCM's decisions denying preapproval applications are subject to our exclusive certiorari jurisdiction. We ordered briefing and oral argument on the petition, and we granted temporary relief, staying the district court's order and proceedings in the four actions while we considered the petition. We now dissolve the stay and deny the petition because petitioners have not demonstrated that the district court

exceeded its authority in enjoining OCM from conducting the lottery or that they lacked any other adequate remedy to challenge the order.

FACTS

In 2023, Minnesota legalized adult use of cannabis and established OCM to regulate the cannabis industry, including by issuing cannabis business licenses. *See* 2023 Minn. Laws ch. 63, art. 1, at 2685-798 (codified as amended at Minn. Stat. §§ 342.01-.82 (2024) (chapter 342)). In 2024, the legislature authorized OCM to issue a limited number of license preapprovals and directed it to hold a lottery if it received applications exceeding the number of license preapprovals available. *See* 2024 Minn. Laws ch. 121, art. 2, § 148, at 2143-48. The prohibition petition before us stems from actions taken by OCM to implement the license preapproval process and resulting litigation in the district court. The petitioners in this matter are seven applicants who were approved for participation in the preapproval lottery; we refer to them as petitioners or the qualified applicants. In addition to OCM, the respondents in this matter are nine individuals and entities whose preapproval applications were denied by OCM and who individually or collectively initiated four separate district court actions against OCM; we refer to these respondents as the denied applicants.

To provide context for our discussion of OCM's actions and the resulting litigation, we begin with an overview of the pertinent laws.

Chapter 342: Standard Licensing Cycle

Chapter 342 authorizes OCM to issue 13 types of cannabis business licenses but caps the number of some types of licenses that may be issued before July 1, 2026.[1] Minn. Stat. §§ 342.10, .14, subd. 1b. OCM must issue at least half of the licenses in each capped category to "social equity applicants." Minn. Stat. § 342.14, subd. 1b(d). Seven categories of individuals qualify as social equity applicants, including those with past convictions for possession or sale of cannabis or marijuana, military veterans, residents of neighborhoods that were disproportionately affected by past cannabis enforcement or are otherwise disadvantaged, and certain farmers. Minn. Stat. § 342.17(a)(1)-(7). A business entity may qualify as a social equity applicant if at least 65 percent of its controlling membership meets the designated criteria. *Id.* (b).

Under chapter 342, OCM is required to "establish procedures for the processing of cannabis licenses." Minn. Stat. § 342.14, subd. 1. Section 342.14 sets forth guidelines for what OCM refers to as a "standard licensing cycle." That cycle involves an application window followed by two lotteries, the first for social equity applicants only, and the second for all applicants, including social equity applicants not selected in the first lottery. *Id.*, subds. 2, 4. Upon selection in a lottery and passing a background check, an applicant

[1] The license types are (1) cannabis microbusiness; (2) cannabis mezzobusiness; (3) cannabis cultivator; (4) cannabis manufacturer; (5) cannabis retailer; (6) cannabis wholesaler; (7) cannabis transporter; (8) cannabis testing facility; (9) cannabis event organizer; (10) cannabis delivery service; (11) lower-potency hemp edible manufacturer; (12) lower-potency hemp edible retailer; and (13) medical cannabis combination business. Minn. Stat. § 342.10. There are caps on pre-July 1, 2026 licenses for cultivators, manufacturers, retailers, and mezzobusinesses. Minn. Stat. § 342.14, subd. 1b.

obtains preliminary approval for a license. *Id.*, subd. 5. Within 18 months of notice of preliminary approval, an applicant must complete their application by providing more specific information regarding planned business operations to obtain a final license. *Id.*, subd. 6.

2024 Legislation: Social Equity Preapproval Procedure

In 2024, the legislature passed a session law with additional provisions related to cannabis licensing. 2024 Minn. Laws ch. 121, art. 2, § 148, at 2143-48. The 2024 legislation provides that "[p]rior to the adoption of initial rules . . . [OCM] may establish a license preapproval process for [social equity] applicants."[2] 2024 Minn. Laws ch. 121, art. 2, § 148, subd. 1(a), at 2143. The 2024 legislation authorizes OCM to issue a limited number of license preapprovals. *Id.*, subd. 1(b), at 2143-44. A license preapproval will remain valid for 18 months after the adoption of initial rules and serve as evidence that OCM "has determined that the applicant is qualified to hold a license of the type for which the license preapproval is issued." *Id.*, subd. 8(a), at 2146. And, upon request, OCM will be required to "provide confirmation of the license preapproval to third parties to assist the person in taking the steps necessary to prepare for business operations." *Id.*, subd. 8(b), at 2146.

[2] OCM is authorized to adopt rules to implement chapter 342. *See* Minn. Stat. § 342.02, subd. 5 (authorizing OCM to adopt rules and authorizing expedited rulemaking for initial rules noticed before July 1, 2025). OCM recently adopted initial rules. *See* 49 Minn. Reg. 1143, 1143-50 (Apr. 14, 2025) (adopting rules to be codified at Minn. R. 9810.0100-.5000 (2025)). But those rules were not in effect at the time of the events underlying this matter. Presumably because of the limited window during which OCM could establish the licensing preapproval process, the provisions of the 2024 legislation governing that process are not designated to be codified in chapter 342.

The 2024 legislation thus provides for an application and lottery process for social equity *preapproval* that is similar to the procedure for *preliminary approval* set forth in chapter 342, and authorized OCM to establish that preapproval process limited to social equity applicants before adoption of initial rules. *Id.*, subds. 1(a), at 2143, 8, at 2146. The 2024 legislation required OCM to begin accepting license preapproval applications by July 24, 2024, and end the application period on August 12, 2024, but it does not include a deadline for conducting the social equity preapproval lottery. *Id.*, subd. 3(b), at 2144.

OCM's Preapproval Process and the Underlying Actions

Consistent with the 2024 legislation, OCM began the social equity preapproval process in June 2024 and accepted applications between July 24 and August 12, 2024. As required by the 2024 legislation, OCM conducted an initial review process and denied applications that it determined were incomplete or failed to meet certain statutory requirements. *Id.*, subd. 5, at 2144-45. Applicants whose applications were not denied during the review became "qualified applicants." *Id.* OCM identified 648 qualified applicants, including petitioners, and announced that, on November 26, 2024, it would hold a preapproval lottery to determine which qualified applicants would receive license preapprovals.

Days before OCM's lottery announcement, the denied applicants brought four separate actions against OCM and its executive director in district court (the underlying actions). The underlying actions asserted various claims that challenged OCM's procedure and its decisions in denying their applications. After the lottery announcement, but before

the scheduled date for the lottery, the denied applicants moved for temporary injunctive relief.

On November 25, 2024, the district court held an emergency hearing. The same day, the district court filed an order applicable to each of the underlying actions. The November 25 order directs the denied applicants to "seek review of the OCM's application decisions by writ of certiorari to the Court of Appeals" and directs OCM to "stay the social equity lottery pending a decision from the Court of Appeals." In support of the order, the district court stated:

> Based on counsel's arguments, the court finds good cause to stay the social equity lottery and to allow plaintiffs to file certiorari pursuant to Minn. Stat. § 606.01. The court is mindful of the separation of powers implications here and does not make this decision lightly. *See Williams v. Smith*, 820 N.W.2d 807, 813 (Minn. 2012). But given the extraordinary circumstances presented by the timing of OCM's application decisions and the filing of these cases, a fair and reasoned decision by the Court of Appeals is not possible without a stay of the lottery.[3]

Although the November 25 order purports to "stay" the lottery, the order was entered in response to the denied applicants' motions for temporary injunctive relief, and it, in effect, temporarily enjoined OCM from holding the preapproval lottery.[4]

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[3] On the same day the district court issued the order, a fifth action was filed. *See* Complaint & Petition for Writ of Mandamus, *Arrigoni v. Minn. Off. of Cannabis Mgmt.*, No. 62-CV-24-7439 (Minn. Dist. Ct. Nov. 25, 2024). On December 16, 2024, the district court issued an order providing that "[u]ntil and unless the Court of Appeals says otherwise, parties challenging any of OCM's decisions must file a writ of certiorari for review in that court." *Arrigoni*, No. 62-CV-24-7439 (Minn. Dist. Ct. Dec. 16, 2024) (order).

[4] OCM agreed at oral argument that the November 25 order is an order for injunctive relief. And we note that the order is distinct from an order staying an agency's quasi-judicial

On December 11, 2024, OCM issued a press release announcing that, "[t]o avoid further delay and risks to social equity, OCM is ending the license preapproval process and moving forward with opening a standard licensing cycle for both social equity and general applicants beginning early next year."[5] The same day, the qualified applicants initiated this matter by filing a joint petition for a writ of prohibition.

Proceedings on the Prohibition Petition

In the petition, the qualified applicants assert that the district court lacked subject-matter jurisdiction to enter the November 25 order and ask us to issue a peremptory writ to preclude the district court from enforcing the order. The petition alternatively requests that we grant temporary relief and order briefing on the petition. The qualified applicants subsequently moved to expedite this matter, requesting that we grant the petition "as soon as reasonably possible" so that they could challenge OCM's decision not to proceed with the preapproval process by filing in district court a petition for a writ of mandamus to require OCM to hold the preapproval lottery. In its response to the prohibition petition, OCM asserts that this matter is moot but "nevertheless requests that the Court grant the writ of prohibition to provide all parties with clarity on the appropriate

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decision pending a certiorari appeal. *See* Minn. R. Civ. App. P. 108.02. A party seeking that relief must first request it from the agency and then may seek our review of the agency's decision. *Id.* And here, an order staying OCM's quasi-judicial decisions to deny license preapproval applications would not have stayed the lottery.

[5] *Minnesota Office of Cannabis Management announces next steps for cannabis licensing process*, Minn. Off. of Cannabis Mgmt. (Dec. 11, 2024), https://mn.gov/ocm/media/news-releases/#/detail/appId/1/id/660604 [https://perma.cc/2B25-RKFW].

forum for litigating OCM licensing decisions." Of the denied applicants, only respondents Cristina Aranguiz and Jodi Connolly filed a response to the petition.[6]

On January 14, 2025, we filed a special term order that granted temporary relief and directed briefing and oral argument on the petition. *See* Minn. R. Civ. App. P. 120.03. We granted petitioners' motion to expedite, setting an accelerated briefing schedule and time frame for oral argument. We identified a question of mootness that had arisen because of OCM's intervening decision not to proceed with the social equity preapproval process. And we stated that "the petition raises a significant issue regarding district court jurisdiction over claims that relate to quasi-judicial decisions," citing *Zweber v. Credit River Township*, 882 N.W.2d 605, 611 (Minn. 2016). We directed the parties to file formal briefs that addressed:

> a. whether the petition is moot, and if so, whether any exception to the mootness doctrine applies;
>
> b. whether the district court had subject-matter jurisdiction with respect to each asserted claim in the four separately filed actions; and
>
> c. any other issue pertinent to the petition and responses.

[6] In their response to the petition, Aranguiz and Connolly argued that the petition matter is moot and should be dismissed. Based on subsequent developments, Aranguiz and Connolly argued in their brief that the matter is not moot, and we address that argument in our analysis below. We also note that Aranguiz and Connolly, consistent with the November 25 order, filed separate petitions for certiorari review of OCM's decisions denying their preapproval applications. Their certiorari appeals have been consolidated and are pending for decision by another panel of this court. None of the other denied applicants (plaintiffs in the underlying actions) filed certiorari appeals, but another six certiorari appeals were filed by entities that are not parties to the underlying actions but that had submitted applications denied by OCM. Two of those appeals have since been voluntarily dismissed, and the remaining four are stayed pending the district court's decision in a related mandamus action that we discuss further below.

Following briefing and oral argument, the matter was submitted for decision.

The Mandamus Action

On January 31, 2025, after we issued our order temporarily staying the November 25 order and directing briefing in this matter, a nonprofit organization called Qualified Applicants for a Preapproval Lottery (QA)[7] filed a petition for a writ of mandamus in district court. *See* Petition for Alternative Writ of Mandamus, *Qualified Applicants for a Preapproval Lottery v. Minn. Off. of Cannabis Mgmt.*, No. 62-CV-25-810 (Minn. Dist. Ct. Jan. 31, 2025) (the mandamus action).[8] By statute, "[t]he district court has exclusive original jurisdiction in all cases of mandamus," except that we have jurisdiction to issue a writ directed to the district court and the supreme court has jurisdiction to issue a writ directed to us. Minn. Stat. § 586.11 (2024). On April 4, 2025, the district court issued an alternative writ of mandamus to require OCM to "conduct a preapproval lottery pursuant to [the 2024 legislation]" or show cause for its failure to do so. On April 21, 2025, OCM noticed a motion to dismiss the alternative writ, which was heard by the district court on May 6, 2025. *See Ly v. Harpstead*, 16 N.W.3d 788, 802 (Minn. App. 2025) (holding that

[7] Petitioners' brief states that "[s]ome of the Petitioners" have petitioned for a writ of mandamus in the district court," citing the case number for the mandamus action.

[8] We take judicial notice of the filings in the mandamus action. *See* Minn. R. Evid. 201; *Smisek v. Comm'r of Pub. Safety*, 400 N.W.2d 766, 768 (Minn. App. 1987) (taking judicial notice on appeal of district court order in a related proceeding). And we necessarily consider developments after the prohibition petition was filed in determining whether this matter is moot. *See In re Application of Minnegasco*, 565 N.W.2d 706, 710 (Minn. 1997) (considering an event occurring during the pendency of appeal in determining whether the action was moot).

"upon issuance of an alternative writ of mandamus, the defendant in a mandamus proceeding may elect to move to dismiss or answer the petition"), *rev. denied* (Minn. Apr. 15, 2025). Should the district court deny the motion to dismiss the petition, OCM will have the opportunity to answer the petition. *See id.* at 802-03 (clarifying that the defendant in a mandamus proceeding may answer the petition following denial of its motion to dismiss).

With this legal and procedural context in mind, we turn to the issues raised in this prohibition matter.

ISSUES

I. Is this prohibition matter moot?

II. Have petitioners satisfied the requirements for issuance of a writ of prohibition?

ANALYSIS

The qualified applicants jointly seek a writ of prohibition to preclude the district court from enforcing the November 25 order, which temporarily enjoins OCM from holding the license preapproval lottery. The substantive issue before us is whether the qualified applicants have satisfied the requirements for issuance of a writ of prohibition. But as noted above, an issue has arisen as to whether this matter is moot. We first address that threshold justiciability issue and then, because we determine the matter is not moot, we turn to the merits of the prohibition petition.

I. This matter is not moot because we could still grant effective relief.

"A moot case is nonjusticiable." *Snell v. Walz*, 985 N.W.2d 277, 283 (Minn. 2023). And mootness occurs "when a decision on the merits is no longer necessary or an award

of effective relief is no longer possible." *Id.* (quotation omitted). When a case is moot, dismissal is appropriate unless an exception to the mootness doctrine applies. *Minnegasco*, 565 N.W.2d at 710. Conversely, "[a]n issue is not moot if a party could be afforded effectual relief." *Hous. & Redevelopment Auth. ex rel. City of Richfield v. Walser Auto Sales, Inc.*, 641 N.W.2d 885, 888 (Minn. 2002) (*Walser*). A matter is not moot even if we cannot grant all of the originally requested relief, so long as we can grant some effective relief. *See id.* at 891 (holding that a condemnation appeal was not mooted by transfer of title and physical changes to the property because the court could still compel return of all or part of the property); *cf. Sprenger v. Jacobs*, 305 N.W.2d 747, 748 (Minn. 1981) (dismissing appeal as moot because "decision on the merits here would accomplish nothing"). Mootness presents an issue of law. *Snell*, 985 N.W.2d at 283.

We directed the parties to brief the issue of mootness after OCM announced that it would end the license preapproval process. The parties disagree about whether the matter is moot. Petitioners argue that the petition is not moot because "[t]here remains a live controversy as to OCM's ability to cancel the preapproval lottery, which will be addressed in the pending writ of mandamus action." Because of the pendency of the mandamus action, petitioners assert, "the relief [they seek in this matter] may still be effective." Aranguiz and Connolly similarly assert that the matter is not moot because "[t]he mandamus action raises the risk that OCM may be forced to reverse its prior cancellation of the lottery even if it would not make that choice on its own[, a]nd if a writ of mandamus issued before this court decides [their] certiorari appeals, [they] likely would be denied

meaningful review of OCM's licensing denials."[9] OCM, on the other hand, argues that the matter is moot because "no court can grant effectual relief to the qualified preapproval applicants who no longer benefit from preapproval licensing decisions."[10]

We conclude that a live controversy exists as to whether the district court had subject-matter jurisdiction to issue the November 25 order enjoining the lottery. Absent the uncertainty regarding OCM's authority to end the preapproval process, this matter might have become moot. But QA initiated the mandamus action to challenge OCM's authority and to require OCM to hold the lottery. And we could grant effective relief here by granting the writ so that the injunctive relief granted by the district court in the November 25 order would not preclude or delay any relief that the district court may determine is appropriate in the mandamus action. In other words, if we granted the writ, petitioners would be free to pursue their petition for a writ of mandamus without concerns that such a writ would contravene the November 25 order. Because we could grant

[9] Aranguiz and Connolly alternatively argue that the matter is not moot because OCM has communicated that certain license preapproval denials will remain denied for purposes of the planned standard licensing cycle, and they move to supplement the record with a January 7, 2025 letter from OCM. Because we conclude that the appeal is not moot on other grounds, we do not reach this alternative argument and therefore deny the motion to supplement the record as unnecessary. *Cf. Drewitz v. Motorwerks, Inc.*, 728 N.W.2d 231, 233 n.2 (Minn. 2007) (denying motion to strike as moot after not considering challenged parts of brief).

[10] OCM nevertheless urges us to reach the merits of the petition, arguing that the mootness exception for functionally justiciable issues applies. Petitioners and Aranguiz and Connolly also advance arguments regarding mootness exceptions. Because we conclude that the matter is not moot, we do not reach these arguments.

petitioners some effective relief, this matter is not moot. *See Walser*, 641 N.W.2d at 888, 891.

II. Petitioners have not satisfied the requirements for issuance of a writ of prohibition.

"A writ of prohibition is an extraordinary remedy and is only used in extraordinary cases." *Underdahl v. Comm'r of Pub. Safety* (*In re Comm'r of Pub. Safety*), 735 N.W.2d 706, 710 (Minn. 2007). "A writ of prohibition will issue when [1] the court exercises, or is about to exercise, judicial power, [2] the exercise of such power is unauthorized by law, and [3] the result will be an injury for which there is no other adequate remedy." *Klapmeier v. Cirrus Indus., Inc.*, 900 N.W.2d 386, 392 (Minn. 2017). "[T]hese three elements are essential and . . . if the relator fails to establish any one of them the writ must be denied." *Smith v. Tuman*, 114 N.W.2d 73, 77 (Minn. 1962). Here, there is no dispute that the district court exercised judicial power when it issued the November 25 order enjoining OCM from holding the preapproval lottery. We thus focus on the second and third prohibition requirements, analyzing first whether petitioners have demonstrated that the district court exceeded its authority and second whether they have demonstrated that they lack any other adequate remedy. *See Klapmeier*, 900 N.W.2d at 392.

A. Petitioners have not demonstrated that the district court exceeded its authority by issuing the November 25 order.

Petitioners and OCM both assert that the district court exceeded its authority by issuing the November 25 order because it lacked subject-matter jurisdiction to review OCM's quasi-judicial decisions to deny license preapproval applications. We review

de novo a district court's decision to exercise subject-matter jurisdiction.[11] *Rued v. Comm'r of Hum. Servs.*, 13 N.W.3d 42, 47 (Minn. 2024).

"Subject matter jurisdiction refers to a court's authority to hear and determine cases that are presented to it," and "generally depends on the scope of the constitutional and statutory grant of authority to the court." *Id.* at 46 (quotation omitted). In Minnesota, "[a] district court is a court of general jurisdiction that has, with limited exceptions, the power to hear all types of civil cases." *Anderson v. County of Lyon*, 784 N.W.2d 77, 80 (Minn. App. 2010); *see also* Minn. Const. art. VI, § 3; Minn. Stat. § 484.01, subd. 1(1) (2024).

One exception to the district court's otherwise broad jurisdiction applies in relation to quasi-judicial decisions by state agencies and local governmental entities. Generally, the district court has jurisdiction over claims challenging legislative decisions, and we have certiorari jurisdiction to review quasi-judicial decisions when no other avenue of review is provided for by statute or rule.[12] *Zweber*, 882 N.W.2d at 608-09; *see also In re Haymes*, 444 N.W.2d 257, 259 (Minn. 1989); Minn. Stat. §§ 480A.06, subd. 3, 606.01 (2024). But even when an agency has made a quasi-judicial decision, the district court may have jurisdiction to adjudicate derivative claims, so long as the resolution of such claims does

[11] The parties suggest that the district court issued the order after acknowledging that it lacked subject-matter jurisdiction. We do not read the November 25 order to disclaim subject-matter jurisdiction. And the district court's exercise of subject-matter jurisdiction is inherent in its issuance of the order.

[12] The "three indicia" of a quasi-judicial decision are: "(1) investigation into a disputed claim and weighing of evidentiary facts; (2) application of those facts to a prescribed standard; and (3) a binding decision regarding the disputed claim." *Lancaster v. Dep't of Hum. Servs.*, 18 N.W.3d 80, 83 (Minn. 2025) (quotation omitted).

not require "inquiry into the validity of [the] quasi-judicial decision." *Zweber*, 882 N.W.2d at 611.

In *Zweber*, the supreme court explained that a claim requires an inquiry into the validity of a quasi-judicial decision "[w]hen the underlying basis of the claim requires review of a[n agency's] quasi-judicial decision to determine its validity—that is, whether the decision was unreasonable, arbitrary, or capricious."[13] *Id.* at 610 (quotation omitted). When that test is met, our certiorari jurisdiction is exclusive. *Id.* Conversely, "[i]f resolution of the claim does not depend on the validity of the quasi-judicial decision, then the party may raise the claim by filing an action in a district court." *Id.* In explaining the scope of district court jurisdiction in *Zweber*, the supreme court rejected a test that we had applied, which required that a claim be "separate and distinct" from a quasi-judicial decision in order for the district court to have jurisdiction. *Id.* at 609-10 (declining to adopt test from *City of Minneapolis v. Meldahl*, 607 N.W.2d 168, 172 (Minn. App. 2000)). The supreme court stated that "the presence of overlap is not enough; the claims themselves need not be completely separate and distinct for the district court to have jurisdiction over them." *Id.* at 612.

Based on the principles set forth in *Zweber*, we directed the parties to brief "whether the district court had subject-matter jurisdiction with respect to each asserted claim in the four separately filed actions." The parties did not do so, instead repeating the blanket

[13] *Zweber* involved a quasi-judicial decision by a township, rather than a state agency. *See Zweber*, 882 N.W.2d at 607-08. But we discern nothing in *Zweber* that would limit its application to local government decisions, nor have the parties argued such a limitation.

assertions set forth in the petition and responses regarding the relationship of the underlying actions to OCM's quasi-judicial decisions. Based on our own de novo review of the complaints in the four underlying actions, we cannot conclude that the district court was wholly without subject-matter jurisdiction over the claims asserted in the underlying actions.[14]

One or more denied applicants commenced each of the underlying actions. And each of the claims asserted by the denied applicants relates to OCM's denial of their license preapproval applications. We agree that OCM's individual decisions to deny applications are quasi-judicial decisions and thus subject to our exclusive certiorari review. Indeed, certiorari appeals by a number of denied applicants are currently pending in our court. But the existence of a quasi-judicial decision does not end our inquiry because, under *Zweber*, mere relationship to a quasi-judicial decision is not enough to preclude the assertion of claims in district court. *Zweber*, 882 N.W.2d at 612. Rather, the district court is without jurisdiction only if adjudication of the claims would require a district court to "inquire into the validity of [the] quasi-judicial decision." *Id.* at 611. Thus, we hold that a district court

[14] At oral argument, petitioners and OCM urged that the denied applicants forfeited any argument that the district court had subject-matter jurisdiction under the principles set forth in *Zweber* by failing to make those arguments to us. But it is petitioners and OCM who ask us to grant the extraordinary relief of a writ of prohibition, which cannot issue unless we conclude that the district court exceeded its authority. *See Klapmeier*, 900 N.W.2d at 392; *Smith*, 114 N.W.2d at 77. To determine whether the district court lacked subject-matter jurisdiction, and thus exceeded its authority, we must consider the pertinent legal authorities. *See State v. Hannuksela*, 452 N.W.2d 668, 673 n.7 (Minn. 1990) (explaining that "it is the responsibility of appellate courts to decide cases in accordance with law, and that responsibility is not to be diluted by counsel's oversights, lack of research, failure to specify issues or to cite relevant authorities" (quotation omitted)).

does not exceed its authority by granting temporary injunctive relief in an action in which claims are asserted relating to a state agency's quasi-judicial decisions where it appears that the district court can adjudicate at least some of the claims without inquiring into the validity of the quasi-judicial decisions.

Applying this ruling here, we acknowledge that some of the claims in the underlying actions fall within our exclusive certiorari jurisdiction. Most clearly, claims requesting reversal of OCM's decisions to deny individual applications would require the district court to inquire into the validity of those quasi-judicial decisions, and thus fall outside of its subject-matter jurisdiction. *See id*. But a number of claims in the underlying actions assert broader challenges to the overall process employed by OCM in implementing the cannabis licensing scheme—which are not claims unique to any individual application—and request relief that does not appear to require the district court to inquire into the validity of individual quasi-judicial decisions.

Each of the complaints contain broad challenges to the overall procedures employed by OCM. At least some of these claims do not appear to require inquiry into the validity of OCM's quasi-judicial decisions. For instance, one complaint alleges that OCM's overall process "disregarded the statutory require[ments] for preapproving social equity applicants to deny Plaintiff's preapproval application, and in doing so has violated Plaintiff's procedural and substantive due process rights." The complaint seeks a judgment "[h]olding that OCM's actions violated Plaintiff's right to due process" and "enjo[ining] the OCM from conducting the lottery until Plaintiff's dispute has been resolved on the merits." This claim and the relief sought can be read not as a challenge to the specific

denial of an individual application but instead as a challenge to the overall process employed by OCM as failing to comply with statutory and due-process requirements. Another complaint similarly alleges that OCM failed to comply with statutory requirements, asserts due-process and equal-protection claims, and seeks relief including "a writ of mandamus requiring the OCM to issue a deficiency notice to Plaintiff identifying the alleged deficiencies in its preapproval application and allowing it a reasonable time to cure those alleged deficiencies" and "[enjoining] OCM from conducting the lottery until Plaintiff's dispute has been resolved on the merits." The remaining complaints can be read to set forth similar, broad challenges to the practices employed by OCM in its processing of applications.

At oral argument, OCM argued that the district court cannot have jurisdiction over the denied applicants' process-related claims because this court can address—and has addressed—process-related arguments in certiorari appeals from licensing decisions. This argument is not persuasive because it employs the "separate and distinct" analysis that the supreme court rejected in *Zweber*. 882 N.W.2d at 610. Our ability to address process-related arguments in a certiorari appeal does not foreclose the district court's subject-matter jurisdiction to consider those arguments in the context of claims that are otherwise properly before it. *Zweber* anticipates this type of overlap. *Id.* at 612.

Because at least some of the claims in the four underlying actions, as pleaded, appear to fall within the district court's subject-matter jurisdiction, we cannot conclude that the district court exceeded its authority in issuing the November 25 order enjoining OCM from holding the preapproval lottery. But we emphasize the limitations of this conclusion. In

this proceeding seeking a writ of prohibition, we do not review the district court's exercise of discretion in issuing the injunctive relief, as we otherwise would in an appeal from the order. *Compare Klapmeier*, 900 N.W.2d at 392 (identifying requirements for prohibition), *with First & First, LLC v. Chadco of Duluth, LLC*, 999 N.W.2d 553, 557 (Minn. App. 2023) (stating standard of review in a temporary-injunction appeal). For this reason, we do not address petitioners' and OCM's arguments, including those advanced during oral argument, regarding the propriety of the injunctive relief or the merits of the denied applicants' claims in the underlying actions. In addition, our conclusion regarding the district court's subject-matter jurisdiction is based on the denied applicants' pleadings and tied to the procedural posture at which we address the issue. We express no opinion regarding any future issue that may arise implicating the district court's subject-matter jurisdiction under *Zweber* following further development of the record. We merely conclude that, at this juncture, petitioners have not demonstrated that the district court lacks subject-matter jurisdiction over all of the denied applicants' claims.

On the basis of this conclusion alone, we must deny the qualified applicants' petition for a writ of prohibition. *See Smith*, 114 N.W.2d at 77. But in the interest of completeness, we turn to whether petitioners have demonstrated the absence of another adequate remedy. *See id.*

B. Petitioners have not demonstrated that they lack an adequate remedy other than a writ of prohibition.

A writ of prohibition "issues only in extreme cases where the law affords no other adequate remedy by motion, trial, appeal, certiorari, or otherwise." *Minneapolis Star &*

Trib. Co. v. Schumacher, 392 N.W.2d 197, 208 (Minn. 1986) (quotation omitted). Petitioners argue that, as nonparties to the underlying actions, they have "no adequate remedy . . . absent a petition for writ of prohibition," relying on our decision in *State v. King (In re Program to Aid Victims of Sexual Assault)*, 943 N.W.2d 673, 676 (Minn. App. 2020) (*PAVSA*). We are unpersuaded.

In *PAVSA*, we granted a petition for a writ of prohibition, reasoning in part that the petitioner, as "a nonparty to the *criminal* proceeding, [did] not have an ordinary remedy by appeal." 943 N.W.2d at 676 (emphasis added). But the underlying actions are *civil* proceedings, and petitioners identify nothing precluding them from seeking to intervene in any or all of those four actions under the rules of civil procedure. *See* Minn. R. Civ. P. 24.01-.03 (governing intervention in civil actions). Petitioners argue that they did not become aware of the underlying actions in time to intervene before the district court issued the November 25 order and that the district court might have determined that they did not have an interest sufficient to support intervention. But they do not explain why they could not have sought to intervene following the November 25 order, when their interests were more clearly implicated, to seek relief from the district court or appeal the order.[15] *See, e.g.*, *Channel 10, Inc. v. Indep. Sch. Dist. No. 709*, 215 N.W.2d 814, 829 (Minn. 1974) (explaining that "courts have the inherent power to amend, modify, or vacate an injunction where the circumstances have changed and it is just and equitable to do so"); *Halverson*

[15] Petitioners acknowledged at oral argument that they can still seek to intervene in the underlying actions and indicated that they would do so if we deny their petition for a writ of prohibition.

ex rel. Halverson v. Taflin, 617 N.W.2d 448, 450 (Minn. App. 2000) (determining that, while a post-order motion for intervention "ordinarily weighs against intervention," the motion was not untimely under specific facts of case). And we are not persuaded that a motion in district court or an appeal, particularly if expedited, could not provide an adequate remedy. *See* Minn. R. Civ. App. P. 102, 126.02; Minn. App. Spec. R. Prac. 1 (allowing us to expedite an appeal for good cause).

Thus, we conclude that petitioners have not demonstrated the third requirement for a writ of prohibition to issue—that the November 25 order resulted in an injury for which there was no other adequate remedy. *See Klapmeier*, 900 N.W.2d at 392. The failure to demonstrate the absence of another adequate remedy is an additional and independent basis to deny the petition for a writ of prohibition.

DECISION

We conclude that this matter is not moot, and we hold that a district court does not exceed its authority by granting temporary injunctive relief in an action in which claims are asserted relating to a state agency's quasi-judicial decisions where it appears that the district court can adjudicate at least some of the claims without inquiring into the validity of the quasi-judicial decisions. Because it appears that the district court could adjudicate at least some of the claims in each of the underlying actions without inquiring into the validity of OCM's quasi-judicial decisions to deny individual license preapproval applications, petitioners have not demonstrated that the district court exceeded its authority in issuing the November 25 order. Petitioners also have not demonstrated that they lacked any other adequate remedy for injury caused by the order. We therefore dissolve our stay

of the November 25 order and the underlying actions, and we deny the joint petition for a writ of prohibition. In so doing, we express no opinion on the merits of the district court's decision to grant injunctive relief. Nor should this opinion be construed to limit the district court's authority to modify or vacate the November 25 order or to resolve the pending mandamus matter. *See* Minn. Stat. § 586.11 (2024) (governing district court's mandamus jurisdiction); *Channel 10, Inc.*, 215 N.W.2d at 829 (explaining that "courts have the inherent power to amend, modify, or vacate an injunction where the circumstances have changed and it is just and equitable to do so").

Writ denied; motion denied.