

ORDINANCE 26-

ORDINANCE AMENDING CHAPTER 5 - CANNABIS and CHAPTER 12, ARTICLE XII - TOBACCO

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CHAPTER 12. ARTICLE XII. TOBACCO¹

Sec. 12.396. Purpose.

Tobacco. Because the city recognizes that many persons under twenty-one (21) years of age purchase or otherwise obtain, possess, and use tobacco, tobacco products, and tobacco-related devices, and such sales, possession, and use are violations of both state and federal laws, and because studies, which are hereby accepted and adopted, have shown that most smokers begin smoking before they have reached twenty-one (21) years of age and that those persons who reach twenty-one (21) years of age without having started smoking are significantly less likely to begin smoking; and because smoking has been shown to be the cause of several serious health problems which subsequently place a financial burden on all levels of government; this article shall be intended to regulate the sale, possession, and use of tobacco, tobacco products, and tobacco-related devices for the purpose of enforcing and furthering existing laws, to protect persons under twenty-one (21) years of age against the serious effects associated with the illegal use of tobacco, tobacco products, and tobacco-related devices, and to further the official public policy of the state in regard to preventing young people from starting to smoke as stated in Minn. Stats. § 144.391.

Sec. 12.397. Definitions and interpretations.

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

Compliance checks mean the system the city uses to investigate and ensure that those authorized to sell licensed products are following and complying with the requirements of this article. Compliance checks shall involve the use of persons under twenty-one (21) years of age as authorized by this article. The term "compliance checks" also means the use of underage persons who attempt to purchase licensed products for educational, research, and training purposes as authorized by state and federal laws. Compliance checks may also be conducted by other units of government for the purpose of enforcing appropriate federal, state, or local laws and regulations relating to licensed products.

Electronic delivery device or *electronic cigarette* means any product containing or delivering nicotine, lobelia, or any other substance intended for human consumption that can be used by a

Deleted: Edible cannabinoid products: The state legislature adopted Minn. Stats. § 151.72, making it legal to sell certain edibles and beverages infused with tetrahydrocannabinol (THC), the cannabis ingredient extracted from hemp. It is vital to ensure that edible cannabinoid products are sold in accordance with state law. The United States Surgeon General has issued an advisory to alert the public to the known and potential harms to developing brains posed by the increasing availability of highly potent tetrahydrocannabinol in multiple, concentrated forms, and the reasons for concerns with the increasing use of such chemicals by pregnant women, adolescents, and youth. The National Academies of Science, Engineering, and Medicine notes that the growing acceptance, accessibility, and use of tetrahydrocannabinol and its derivatives have raised important public health concerns, while the lack of aggregated knowledge of tetrahydrocannabinol's health effects has led to uncertainty about the impact of its use. The state has recognized the danger of cannabis use among youth by prohibiting the sale of edible cannabinoid products to those under age twenty-one (21) (Minn. Stats. § 151.72, subd. 3(c) and by requiring that edibles be packaged without appeal to children and in child-resistant containers (Minn. Stats. § 151.72, subd. 5a(b)). Research has demonstrated that local tobacco retail ordinances dramatically reduce youth access to cigarettes and, therefore, provide a useful model for preventing sales to youth of cannabis products. ¶

¹State law reference(s)—Municipal cigarette license, Minn. Stats. §§ 461.12—461.15.

person to simulate smoking in the delivery of nicotine or any other substance through inhalation of vapor from the product. The term "electronic delivery device" includes any component part of a product, whether or not marketed or sold separately. The term "electronic delivery device" does not include any product that has been approved or certified by the United States Food and Drug Administration for sale as a tobacco-cessation product, as a tobacco-dependence product, or for other medical purposes, and is marketed and sold for such an approved purpose. Nicotine or lobelia delivery devices means any product containing or delivering nicotine or lobelia intended for human consumption, or any part of such a product, that is not tobacco as defined in this section, not including any product that has been approved or otherwise certified for legal sale by the United States Food and Drug Administration for tobacco use cessation, harm reduction, or for other medical purposes, and is being marketed and sold solely for that approved purpose.

Edible cannabinoid product means a product or substance defined as an "Edible Cannabinoid Product under Minn. Stats. § 151.72.

Exclusive liquor store means an establishment that meets the definition of exclusive liquor store in Minn. Stats. § 340A.101, subd. 10.

Individually wrapped tobacco and tobacco products mean the practice of selling any tobacco or tobacco product wrapped individually for sale. The term "individually wrapped tobacco and tobacco products" includes, but is not limited to, single cigarette packs, single bags or cans of loose tobacco in any form, and single cans or other packaging of snuff or chewing tobacco. Cartons or other packaging containing more than a single pack or other container as described in this article shall not be considered individually packaged.

Loosies means the common term used to refer to a single or individually packaged cigarette.

Licensed products mean the term that collectively refers to any tobacco, tobacco-related device, electronic delivery device, or nicotine or lobelia delivery product. This term also includes any lawful edible cannabinoid product.

Moveable place of business means any form of business operated out of a truck, van, automobile, or other type of vehicle or transportable shelter and not a fixed address store front or other permanent type of structure authorized for sales transactions.

Retail establishment means any place of business where licensed products are available for sale to the general public. The term "retail establishments" includes, but is not limited to, grocery stores, convenience stores, restaurants, bars, tobacco products shops, CBD stores, and liquor establishments.

Sell or sale means any transfer of goods for money, trade, barter, or other consideration, including any provision of goods for free as part of a sale of other goods or services.

Smoke shop and tobacco store means any premises dedicated to the display, sale distribution, delivery, offering, furnishing, or marketing of tobacco products, or tobacco paraphernalia; provided, however that any grocery store, supermarket, convenience store or similar retail use that only sells conventional cigars, cigarettes or tobacco as an ancillary sale shall not be defined as a "smoke shop and tobacco store" and shall not be subject to the restrictions in this chapter.

Self-service merchandising means open displays of licensed products in any manner where any person shall have access to the licensed products, without the assistance or intervention of the licensee or the licensee's employee. The assistance or intervention shall entail the actual physical exchange of the licensed products between the customer and the licensee or employee. The term "self-service merchandising" does not include vending machines.

Tobacco or tobacco products means cigarettes and any product containing, made, or derived from tobacco, nicotine, or lobelia, that is intended for human consumption, whether chewed, smoked, absorbed, dissolved, inhaled, snorted, sniffed, or ingested by any other means, or any component, part, or accessory of a tobacco product, including, but not limited to, cigars; cheroots; stogies; perique; granulated, plug cut, crimp cut, ready rubbed, and other smoking tobacco; snuff; snuff flour; cavendish; plug and twist tobacco; fine cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco; and other kinds and forms of tobacco. The term "tobacco" or "tobacco products" excludes any tobacco product that has been approved by the United States Food and Drug Administration for sale as a tobacco-cessation product, as a tobacco-dependence product, or for other medical purposes, and is being marketed and sold solely for such an approved purpose.

Tobacco-related devices means any tobacco product as well as a pipe, rolling papers, electronic delivery device, nicotine or lobelia delivery device, or other device intentionally designated or intended to be used in a manner which enables the chewing, sniffing, vaping, or smoking of tobacco or tobacco products.

Underage person means any natural person who has not yet reached twenty-one (21) years of age.

Vending machine means any mechanical, electric or electronic, or other type of device which dispenses licensed products upon the insertion of money, tokens, or other form of payment directly into the machine by the person seeking to purchase the licensed products.

(Sec. 12.398. License.

(a) *Required.* No person shall sell or offer to sell any licensed product without first having obtained a license to do so from the city or other statutory governmental licensing entity. There shall be a separate license for selling tobacco products/tobacco related devices, and for selling edible cannabinoid products. Each such license shall identify the premises upon which the licensed products will be sold. All sales of licensed products shall occur within the licensed premises. Every licensee under this section shall be responsible for the acts or omissions regulated under this section.

(b) *Application.* An application for a license to sell tobacco, tobacco products, tobacco related devices or nicotine or lobelia delivery device, shall be made on a form provided by the city. The application shall contain the full name of the applicant, the applicant's residential and business addresses and telephone numbers, the name of the business for which the license is sought, and any additional information the city deems necessary. Upon receipt of a completed application, the city shall determine whether an application is complete. In the event the application is incomplete, he shall return the application to the applicant with notice of the information necessary to make the application complete.

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1) All applicants:

- a. Whether the applicant/owner is an individual, corporation, partnership, or other form of organization;
- b. Full name, physical and email address, date and place of birth, and telephone number of the applicant, all owners and operators, including the designated on-site manager or agent of the applicant;
- c. The address of the premises where the retail establishment is to be located, in which the retail services are provided, and if the applicant does not own the premises, a copy of the lease agreement to occupy the premises;
- d. Statement of whether all taxes and special assessments due and owing on the premises on which the applicant proposes to operate the business are current, and if taxes are delinquent, the years for which the taxes on the premises are delinquent (this information is required by the applicant only if the applicant or other entity in which the applicant has an interest has the legal duty to pay said property taxes or assessments due and owing);
- e. The name of the business if the business is to be operated under a name or designation other than the name of the applicant. This shall be accompanied by a certified copy of the certificate required by Minn. Stats. §§ 333.01 and 333.02;
- f. Proof of general liability insurance;
- g. The applicant shall produce at time of filing application the applicant's proof of identification, which may be established only by one of the following:
 - 1. A valid driver's license or identification card issued by Minnesota, or another state, and including the photograph and date of birth of the licensee;
 - 2. A valid passport issued by the United States; or
 - 3. In the case of a foreign national with a valid passport.

For purposes of proof of identification, the "applicant" shall mean the on-site manager or agent for a retail establishment filing the application and the natural person signing the application for a tobacco sales license;

- h. The application shall identify the full name, physical and email address, date of birth, and telephone number of the natural person, designated by the applicant as the tobacco sales business's on-site manager or agent, along with the notarized written consent of such a person to: (1) take full responsibility for the conduct of the license premises operation; and (2) serve as agent for service of notices and other process relating to the licenses;
- i. With respect to the owner, operator, or any person who has a five percent financial interest in the proposed licensed tobacco sales business and the

appointed on-site manager or agent of the applicant, information as to all criminal convictions of any state, county, or local law or regulation;

- j. Proof of Workers' Compensation Insurance as required by Minnesota law; and
- k. Form REV185b, Authorization to Release Business Tax Information
- l. Information as to all criminal conviction(s) of any state, county, or local law or regulation;
- m. Such other information as the city shall require.

(2) Individual(s) (sole proprietor):

- a. The full name, physical and email address, date of birth, and telephone number of the applicant;
- b. Whether the applicant and on-site manager or agent have ever used or have been known by a name other than his or her name on the application, and if so, the name or names used and information concerning dates and places were used;
- c. Whether the applicant is a United States citizen or is legally permitted to be in the United States, and providing proof thereof;
- d. Whether the applicant and on-site manager or agent have ever been engaged in the operation of tobacco sales. If so, they shall furnish information as to the name, place, and length of time of the involvement in such an establishment; and
- g. Such other information as the city shall require.

(3) Partnerships:

- a. The full name(s), physical and email address(s), date of birth, financial interest of all general partners, and all of the information concerning each general partner that is required of applicants in provision (2) of this section;
- b. The full names(s), physical and email addresses, date of birth, and telephone number of the manager partner(s) and the interest of each managing partner in the business;
- c. A copy of the partnership agreement shall be submitted with the application. The license shall be issued in the name of the partnership; and
- d. Such other information as the city shall require.

(4) Corporations and other organizations:

- a. The name of the corporation or business firm, and if incorporated, the state of incorporation;

b. A copy of the certificate of incorporation shall be attached to the application. If the applicant is a foreign corporation, a certificate of authority as required by Minn. Stats. § 303.06, shall be attached;

c. The name of the manager(s), proprietor(s) or other agents(s) in charge of the business and all of the information concerning each manager, proprietor, or agent that is required of applicants in provision (2) of this section;

d. A list of all persons who own or have a five percent or more interest in the corporation or organization or who are officers of said corporation or organization, together with their physical and email addresses and all the information regarding such persons as is required in paragraph (2) of this section; and

e. Such other information as the city shall require.

(c) *Action.* The city may either approve or deny the license, or may delay action for such reasonable period of time as necessary to complete any investigation of the application or the applicant, as is deemed necessary. If the city shall approve the license, the city shall issue the license to the applicant. If the city denies the license, notice of the denial shall be given to the applicant along with notice of the applicant's right to appeal the decision to the hearings officer.

(d) *Term.* All licenses issued under this section shall be valid for one (1) calendar year from the first day of August until the last day of July of each succeeding year.

(e) *Revocation or suspension.* Any license issued under this section may be revoked or suspended as provided in sections 12.407 and 12.408.

(f) *Transfers.* All licenses issued under this section shall be valid only on the premises for which the license was issued and only for the person to whom the license was issued.

(g) *Moveable place of business.* No license shall be issued to a movable place of business. Only fixed-location businesses shall be eligible to be licensed under this section.

(h) *Display.* All licenses shall be posted and displayed in plain view of the general public on the licensed premises.

(i) *Renewals.* The renewal of a license issued under this section shall be handled in the same manner as the original application. The request for a renewal shall be made at least thirty (30) days but no more than sixty (60) days before the expiration of the current license.

(j) *Issuance privilege.* The issuance of a license issued under this section shall be considered a privilege and not an absolute right of the applicant and shall not entitle the holder to an automatic renewal of the license.

(k) *Limited number of smoke shop and tobacco stores.* The City of Albert reserves the right to restrict the number of smoke shop and tobacco stores.

(1) No more than four (4) smoke shop and tobacco stores shall be licensed within the City of Albert Lea.

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(2) No more than one (1) license for a smoke shop or tobacco store shall be granted to a sole owner or person with a financial interest of 10% or greater in any partnership, corporation or other organization.

(I) A currently licensed smoke shop or tobacco store may be sold to another owner and continue operating in the same location.

Sec. 12.399. Fees.

No license shall be issued under this article until the appropriate license fee shall be paid in full. The fee for a license under this section shall be as established in the annual fee schedule.

(Code 1997, § 22-434; Ord. No. 41, 3d, § 2, 5-8-2000; Ord. No. 22-080, 10-10-2022)

Sec. 12.400. Basis for denial of license.

The following shall be grounds for denying the issuance or renewal of a license under this article; however, except as may otherwise be provided by law, the existence of any particular ground for denial does not mean that the city must deny the license. If a license is mistakenly issued or renewed to a person, it shall be revoked upon the discovery that the person was ineligible for the license under this section:

- (1) The applicant is under twenty-one (21) years of age.
- (2) The applicant has been convicted within the past five (5) years of any violation of a federal, state, or local law, ordinance provision, or other regulation relating to licensed products.
- (3) The applicant has had a license to sell licensed products revoked within the preceding twelve (12) months of the date of application.
- (4) The applicant fails to provide any information required on the application, or provides false or misleading information.
- (5) The applicant is prohibited by federal, state, or other local law, ordinance, or other regulation from holding such a license.
- (6) Exclusive liquor store. No license shall be issued to an exclusive liquor store as defined in Minn. Stats. § 340A.101, subd. 10.

Sec. 12.401. Prohibited sales.

It shall be a violation of this article for any person to sell or offer to sell any licensed product:

- (1) To any person under twenty-one (21) years of age. Licensees must verify by means of government-issued photographic identification that purchaser is at least twenty-one (21) years of age.
- (2) By means of any type of vending machine, except as may otherwise be provided in this section.

(3) Contraband under the authority granted to the commissioner of revenue (Minnesota Statutes Chapter 297F)

(4) By means of self-service methods whereby the customer does not need to make a verbal or written request to an employee of the licensed premises to receive the licensed product, and whereby there is not a physical exchange of the licensed product between the licensee or the licensee's employee and the customer.

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(5) By means of loosies as defined in section 12.397.

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(6) Containing opium, morphine, jimson weed, bella donna, strychnos, cocaine, marijuana, or other deleterious, hallucinogenic, toxic, or controlled substances except nicotine and other substances found naturally in tobacco or added as part of an otherwise lawful manufacturing process. It is not the intention of this provision to ban the sale of lawfully manufactured cigarettes or other tobacco products. It is further not the intention of this provision to ban the sale of lawfully manufactured and packaged edible cannabinoid products as allowed under state law.

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(7) By any other means, to any other person, or in any other manner or form prohibited by federal, state, or other local law, ordinance provision, or other regulation.

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(8) Notice of the legal sales age and age verification requirement must be posted prominently and in plain view at all times at each location where licensed products are offered for sale and must be posted in a manner that is clearly visible to anyone who is or is considering making a purchase.

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Sec. 12.402. Vending machines.

It shall be unlawful for any person licensed under this article to allow the sale of licensed products by means of a vending machine unless persons under twenty-one (21) years of age are at all times prohibited from entering the licensed establishment.

Sec. 12.403. Self-service sales.

It shall be unlawful for a licensee under this article to allow the sale of licensed products by any means where by the customer may have access to such items without having to request the item from the licensee or the licensee's employee and whereby there is not a physical exchange of the licensed product between the licensee or his clerk and the customer. All licensed products shall either be stored behind a counter or other area not freely accessible to customers, or in a case or other storage unit not left open and accessible to the general public.

Sec. 12.404. Responsibility.

All licensees under this article shall be responsible for the actions of their employees regarding the sale of licensed products, and the sale of such an item by an employee shall be considered a sale by the licensee. Nothing in this section shall be construed as prohibiting the city from also subjecting the clerk to whatever penalties are appropriate under this article, state or federal law, or other applicable law or regulation.

Sec. 12.405. Compliance checks and inspections.

All licensed premises shall be open to inspection by the city police department or other authorized city official during regular business hours. From time to time, but at least once per year, the city shall conduct compliance checks by engaging, with the written consent of their parents or guardians, minors over fifteen (15) years of age but less than eighteen (18) years of age, to enter the licensed premises to attempt to purchase licensed products. Persons who are over eighteen (18) years of age but less than twenty-one (21) years of age may also be used for compliance checks. Minors and persons who are over eighteen (18) years of age but less than twenty-one (21) years of age used for compliance checks shall be supervised by designated law enforcement officers or other designated city personnel. Minors and persons who are over eighteen (18) years of age but less than twenty-one (21) years of age used for compliance checks shall not be guilty of the unlawful purchase or attempted purchase, nor the unlawful possession of licensed products when such items are obtained or attempted to be obtained as a part of the compliance check. No minor or person who is over eighteen (18) years of age but less than twenty-one (21) years of age used in compliance checks shall attempt to use a false identification misrepresenting the person's age, and all persons lawfully engaged in a compliance check shall answer all questions about the underage person's age asked by the licensee or his employee and shall produce any identification, if any exists, for which he is asked. Nothing in this section shall prohibit compliance checks authorized by state or federal laws for educational, research, or training purposes, or required for the enforcement of a particular state or federal law.

Sec. 12.406. Other illegal acts.

Unless otherwise provided, the following acts shall be a violation of this article:

- (1) *Illegal sales.* It shall be a violation of this article for any person to sell or otherwise provide any licensed products to any underage person.
- (2) *Illegal possession.* It shall be a violation of this article for any person under twenty-one (21) years of age to have in his possession any licensed products. This subsection shall not apply to underage persons lawfully involved in a compliance check.
- (3) *Illegal use.* It shall be a violation of this article for any person under twenty-one (21) years of age to consume or otherwise use any edible cannabinoid product.
- (4) *Illegal procurement.* It shall be a violation of this article for any person under twenty-one (21) years of age to purchase or attempt to purchase or otherwise obtain any edible cannabinoid product. It shall be a violation of this article for any person to purchase or otherwise obtain those items on behalf of a person under twenty-one (21) years of age. It shall further be a violation for any person to coerce or attempt to coerce a minor to illegally purchase or otherwise obtain or use any licensed product. This subsection shall not apply to minors lawfully involved in a compliance check.
- (5) *Use of false identification.* It shall be a violation of this article for any person under twenty-one (21) years of age to attempt to disguise his true age by the use of a false form of identification, whether the identification is that of another person or one (1) on

which the age of the person has been modified or tampered with to represent an age older than the actual age of the person.

- (6) A business establishment that offers for sale edible cannabinoid products with non-cannabinoid products shall ensure that all packages of the products are separated, displayed, and offered for sale only:
 - a. Behind a checkout counter where the public is not permitted; or
 - b. Inside a locked display case;
- (7) A business establishment that offers for sale edible cannabinoid products as its primary business shall ensure that an attending employee:
 - a. Is able to monitor the product; or
 - b. Will ask for identification upon entry to ensure no person under the age of twenty-one (21) has access; or
 - c. Keep all products secured as prescribed in section 12.406(6).
- (8) No person may sell an edible cannabinoid product to a person under the age of twenty-one (21) years.
- (9) No person may sell an edible cannabinoid product in a package or container that is labelled or packaged in a manner inconsistent with Minn. Stats. §151.72 (2022).

Sec. 12.407. Violations.

- (a) *Notice.* Upon discovery of a suspected violation, the alleged violator shall be issued, either personally or by mail, a citation that sets forth the alleged violation and which shall inform the alleged violator of his right to be heard on the accusation.
- (b) *Hearings.* If a person accused of violating this article so requests, a hearing shall be scheduled, the time and place of which shall be published and provided to the accused violator. A hearing may also be requested to challenge any confiscation of licensed products as "contraband" as defined under state law.
- (c) *Hearing officer.* The city manager shall serve as the hearing officer.
- (d) *Decision.* If the hearing officer determines that a violation of this article did occur, that decision, along with the hearing officer's reasons for finding a violation and the penalty to be imposed under section 12.408, shall be recorded in writing, a copy of which shall be provided to the accused violator. Likewise, if the hearing officer finds that no violation occurred or finds grounds for not imposing any penalty, such findings shall be recorded and a copy provided to the acquitted accused violator.
- (e) *Appeals.* Appeals of any decision made by the hearing officer shall be filed in the district court for the jurisdiction of the county in which the alleged violation occurred.
- (f) *Misdemeanor prosecution.* Nothing in this section shall prohibit the city from seeking prosecution as a misdemeanor for any alleged violation of this article. If the city elects to seek misdemeanor prosecution, no administrative penalty shall be imposed.

(g) *Continued violation.* Each violation, and every day in which a violation occurs or continues, shall constitute a separate offense.

Sec. 12.408. Penalties.

(a) *Licensees.* Any licensee found to have violated this article, or whose employee shall have violated this article, shall be charged an administrative fine of three hundred dollars (\$300.00) for a first violation of this article; six hundred dollars (\$600.00) for a second offense at the same licensed premises within a thirty-six (36) month period; and one thousand dollars (\$1,000.00) for a third or subsequent offense at the same location within a thirty-six (36) month period. In addition, after the third offense, the license shall be suspended for not less than seven (7) days and may be revoked.

(b) *Other individuals.* An individual who sells, gives, or otherwise furnishes licensed products to a person under the age of twenty-one (21) years may be charged an administrative penalty of fifty dollars (\$50.00). No penalty may be imposed until the individual has received notice, served personally or by mail, of the alleged violation and an opportunity for a hearing before a person authorized by the licensing authority to conduct the hearing. A decision that a violation has occurred must be in writing.

(c) *Misdemeanor.* Nothing in this section shall prohibit the city from seeking prosecution as a misdemeanor for any violation of this article.

(d) *Statutory penalties.* If the administrative penalties authorized to be imposed by Minn. Stats. § 461.12, as it may be amended from time to time, differ from those established in this section, then the statutory penalties shall prevail.

Sec. 12.409. Exceptions and defenses.

(a) Nothing in this article shall prevent the providing of tobacco, tobacco products, or tobacco-related devices to a person under twenty-one (21) years of age as part of a lawfully recognized religious, spiritual, or cultural ceremony.

(b) It shall be an affirmative defense to the violation of this article for a person to have reasonably relied on proof of age as described by state law.

(c) The penalties in this article do not apply to a person under twenty-one (21) years of age who purchases or attempts to purchase licensed products while under the direct supervision of a responsible adult for training, education, research, or enforcement purposes.

Secs. 12.410—12.431. Reserved.

Introduced by Councilor

AN ORDINANCE AMENDING CHAPTER 5 CANNABIS PRODUCTS
ARTICLE I. ADMINISTRATION

THE CITY COUNCIL OF ALBERT LEA, MINNESOTA ORDAINS:

Chapter 5 Cannabis Products, Article I. Administration is hereby amended to read as follows:

Sec. 5.001. Findings and purpose.

The City of Albert Lea makes the following legislative findings:

The purpose of this chapter is to implement the provisions of Minn. Stats. §342, which authorizes the city to protect the public health, safety, and welfare of the city residents by regulating cannabis businesses within the legal jurisdiction of the city.

The city finds and concludes that the proposed provisions are appropriate and lawful regulations for the city. The proposed amendments will promote the community's interest in reasonable stability in cannabis administration, and the proposed provisions are in the public interest and for the public good.

Sec. 5.002. Authority and jurisdiction.

The city has the authority to adopt this chapter pursuant to:

- (1) Minn. Stats. § 342.13(c), regarding the authority of a local unit of government to adopt reasonable restrictions on the time, place, and manner of the operation of a cannabis business, provided that such restrictions do not prohibit the establishment or operation of cannabis businesses.
- (2) Minn. Stats. § 342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- (3) Minn. Stats. § 152.0263, subd. 5, regarding the use of cannabis in public places.
- (4) Minn. Stats. § 462.357, regarding the authority of a local authority to adopt zoning ordinances.

Ordinance shall be applicable to the legal jurisdiction of the City of Albert Lea.

Sec. 5.003. Severability.

If any section, clause, provision, or portion of this chapter is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this chapter shall not be affected thereby.

Sec. 5.004. Enforcement.

The city is responsible for the administration and enforcement of this chapter. Any violation of the provisions of this chapter or failure to comply with any of its requirements constitutes a

misdemeanor and is punishable as defined by law. Violations of this chapter can occur regardless of whether or not a permit is required for a regulated activity listed in this chapter.

Sec. 5.005. Zoning and land use.

Refer to Chapter 50 within the municipal code for all zoning requirements for licensed cannabis related businesses and services. Qualification on meeting setback requirements shall be determined as of the date of original application submittal to the State.

Sec. 5.006. Definitions.

Unless otherwise noted in this section, words and phrases contained in Minn. Stats. § 342-Deleted: 01 and the rules promulgated pursuant to any of these acts shall have the same meanings in this chapter.

Cannabis cultivation means a cannabis business licensed to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant, harvest cannabis flower from mature plant, package and label immature plants and seedlings and cannabis flower for sale to other cannabis businesses, transport cannabis flower to a cannabis manufacturer located on the same premises, and perform other actions approved by the office.

Cannabis event organizer means a person, cooperative, or business holding a cannabis event organizer license with the Office of Cannabis Management (OCM) or the "office".

Cannabis retail businesses mean a retail location and the retail location(s) of a mezzobusiness with a retail operations endorsement, microbusinesses with a retail operations endorsement, medical combination businesses operating a retail location, and lower-potency hemp edible retailers.

Cannabis retailer means any person, partnership, firm, corporation, or association, foreign or domestic, selling cannabis products to a consumer and not for the purpose of resale in any form.

Daycare means a location licensed with the Minnesota Department of Human Services to provide the care of a child in a residence outside the child's own home for gain or otherwise, on a regular basis, for any part of a twenty-four (24) hour day.

Intoxicating cannabinoid means a cannabinoid, including an artificially derived cannabinoid, that when introduced into the human body impairs the central nervous system or impairs the human auditory, visual, or mental processes. Intoxicating cannabinoids include, but are not limited to, any tetrahydrocannabinol.

Lower-potency hemp edible (LPHE) shall mean as defined under Minn. Stats. § 342-Deleted: 01 subd. 50.

Office of cannabis management means the Minnesota Office of Cannabis Management, referred to as "OCM" in this section.

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Ownership means any person or entity holding a financial interest of ten percent (10%) or more in a cannabis business, or exercising control over the operations, management, or decision-making of the business. Ownership includes, but is not limited to:

- Individuals or entities listed on the business's formation documents (e.g., articles of incorporation, operating agreements).
- Persons with authority to direct, manage, or influence day-to-day operations.
- Shareholders, members, partners, or other stakeholders with voting rights or profit-sharing interests.
- Any person or entity that will assume such roles through a proposed transfer, sale, or restructuring.

The city may consider indirect ownership or control, such as through trusts, holding companies, or contractual arrangements, as ownership subject to licensing requirements.

Place of public accommodation means a business, accommodation, refreshment, entertainment, recreation, or transportation facility of any kind, whether licensed or not, whose goods, services, facilities, privileges, advantages or accommodations are extended, offered, sold, or otherwise made available to the public.

Preliminary license approval means OCM pre-approval for a cannabis business license for applicants who qualify under Minn. Stats. § 342.17.

Public place means a public park or trail, public street or sidewalk; any enclosed, indoor area used by the general public, including, but not limited to, restaurants; bars; any other food or liquor establishment; hospitals; nursing homes; auditoriums; arenas; gyms; meeting rooms; common areas of rental apartment buildings, and other places of public accommodation.

Residential treatment facility shall mean as defined under Minn. Stats. § 245.462 subd. 23.

Retail registration means an approved registration issued by the city to a state-licensed cannabis retail business.

School means a public school as defined under Minn. Stats. § 120A.05 or a nonpublic school that must meet the reporting requirements under Minn. Stats. § 120A.24.

State license means an approved license issued by the State of Minnesota's Office of Cannabis Management to a cannabis retail business.

Secs. 5.007—50.020. Reserved.

ARTICLE II. REGISTRATION OF ALL CANNABIS BUSINESSES

Sec. 5.021. Consent to the registration of cannabis businesses.

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(a) No individual or entity may operate a state-licensed cannabis business within the City of Albert Lea without first registering with the City of Albert Lea.

- (b) Any state-licensed cannabis retail business that sells to a customer or patient without valid retail registration shall incur a civil penalty of up to two thousand dollars (\$2,000.00) for each violation.

Sec. 5.022. Compliance checks prior to retail registration.

- (a) Prior to issuance of a cannabis retail business registration, the City of Albert Lea shall conduct a preliminary compliance check to ensure compliance with local ordinances and state laws.
- (b) Pursuant to Minn. Stats. §342, within thirty (30) days of receiving a copy of a state license application from OCM, the City of Albert Lea shall certify on a form provided by OCM whether a proposed cannabis retail business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

Sec. 5.023 – Premises Covered by Registration

Unless otherwise authorized by this Code, the registration for the business is only effective for the compact and contiguous space specified in the approved registration application.

Sec. 5.024. Prohibited Acts.

The owner or operator of a registered business is responsible for the conduct of their place of business and the conditions of order in it. The act of an employee of the premises is deemed the act of the owner or operator as well, and the owner or operator is responsible for all penalties provided by this chapter equally with the employee.

- a) It shall be unlawful for any person to sell, purchase, obtain or otherwise provide any product to any person under the age of twenty-one (21), including cannabinoids derived from hemp.
- b) It shall be unlawful for any person under the age of twenty-one (21), to possess any product. This chapter shall not apply to persons under the age of twenty-one (21) lawfully involved in a compliance check, including cannabinoids derived from hemp.
- c) It shall be unlawful for any person under the age of twenty-one (21) to use or consume any product unless it is legally authorized medical cannabis.
- d) It shall be unlawful for any person under the age of twenty-one (21) to attempt to disguise the person's true age by the use of a false form of identification, whether the identification is that of another person or one in which the age of the person has been modified or tampered with, to represent an age older than the actual age of the person, to purchase any product.
- e) No product may be sold to an obviously intoxicated person or to a person under the influence of a controlled substance.
- f) No one under the age of twenty-one (21) shall sell products.
- g) Products cannot be sold in vending machines, through a drive-through window or as part of a home occupation.

- h) On-site consumption is prohibited at lower-potency hemp edible retail and cannabis retail businesses, except for lower-potency hemp products that are consumed as a beverage at an on-sale liquor establishment.
- i) It shall be unlawful to sell, purchase, obtain, possess, or provide products with Delta-10 THC.
- j) No products shall be visible from the exterior of the building.

Sec. 5.025. Registration and application procedure.

(a) *Fees.*

- (1) The City of Albert Lea shall not charge an application fee.
- (2) A registration fee, as established in the City of Albert Lea's fee schedule, shall be charged to applicants depending on the type of retail business license applied for.
- (3) Initial registration fees shall not exceed the permitted amount of an initial state license fee under Minn. Stats. § 342.11. The initial registration fee shall include the initial retail registration fee and the first annual renewal fee.
- (4) Any renewal retail registration fee imposed by the City of Albert Lea shall be charged at the time of the second renewal and each subsequent renewal thereafter.
- (5) Renewal registration fees shall not exceed the permitted amount of a renewal state license fee under Minn. Stats. § 342.11, whichever is less.

(b) *Application submittal.* The city shall issue a retail registration to a state-licensed cannabis retail business that adheres to the requirements of Minn. Stats. § 342.22.

- (1) An applicant for a retail registration shall fill out an application form, as provided by the city. Said form shall include, but is not limited to:
 - a. Full name of the property owner and business owner (applicant), and business manager;
 - b. Address, email address, and telephone number of the owner, applicant, and manager;
 - c. The address and parcel ID for the property for which the retail registration is sought;
 - d. Certification that the applicant complies with the requirements of local ordinances established pursuant to Minn. Stats. § 342.13; and
 - e. Acknowledgement that the applicant is aware of zoning and design requirements for their business and has access to such requirements online or shall be given a printed copy upon request.

(2) The applicant shall include with the form:

- a. The application and fee as required in this section;
- b. A copy of a valid state license or official notice from the OCM that the license is preapproved; and
- c. Proof of state-required insurance.

(3) Once an application is considered complete, the city shall inform the applicant as such, process the application fees, and forward the application to the city council for approval or denial.

(4) Prior to applicant submittal, both the applicant and the property owner of applicants' place of business must be current on all state, county and local taxes and assessments.

(5) The application fee shall be non-refundable once received.

(6) The complete application shall be submitted 10 calendar days before the next Council meeting. If later than 10 days prior, the application shall be held over to the following Council meeting

(7) Once the maximum number of permitted cannabis retail establishments within the City has been reached, any additional cannabis retail applications received prior to reaching the maximum limit shall not be held or maintained on file for more than 30 days. Applications that remain pending after 30 days due to the unavailability of an open retail license shall be considered expired and will be closed without further action. Applicants may reapply when a retail license becomes available

(c) *Application approval.*

- (1) A state-licensed cannabis retail business application shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under section 5.028.
- (2) The City shall not accept incomplete, placeholder, or otherwise deficient cannabis registration applications. Submission of an application that does not meet all requirements established by this ordinance shall not constitute receipt of a complete application. It shall not trigger any statutory or regulatory timelines, including the 60-day action requirement. Only applications determined by the City to be complete in all respects shall be deemed officially received for purposes of commencing the review period.
- (3) A state-licensed cannabis retail business application shall not be approved or renewed if the applicant is unable to meet the requirements of this chapter.
- (4) Applicants for a state-licensed cannabis retail establishment shall demonstrate the capacity to effectively operate a retail business, as evidenced by prior experience, business plans, or other relevant documentation, including but not limited to financial statements, communications showing employment acceptance, commitments from suppliers, and all other documents that demonstrate a readiness and ability to operate.

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(5) A state-licensed cannabis retail business application shall not be approved without first undergoing a background check.

The chief of police is responsible for the background checks prior to the city issuing a cannabis registration.

The applicant for a cannabis registration and its employees must provide the appropriate authority with the applicant's signed, written informed consent to conduct a background check. The city is authorized to query the Minnesota criminal history repository for records on the applicant. If the city conducts a national criminal history records check, the appropriate authority must obtain the applicant's fingerprints and forward them, along with the required fee, to the superintendent of the Bureau of Criminal Apprehension. The superintendent may exchange the fingerprints with the Federal Bureau of Investigation for purposes of obtaining the applicant's national criminal history record information. The superintendent shall return the results of the national criminal history records check to the appropriate authority for the purpose of determining if the applicant is qualified to receive a license.

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(6) No person shall transfer, assign, or otherwise change ownership of any cannabis business licensed under this ordinance without first obtaining written approval from the City. Before any change in ownership, whether direct or indirect, partial or complete, the proposed new owner(s) must submit a registration application to the City and receive formal approval. Any attempt to operate a cannabis business under new ownership without such approval shall constitute a violation of this ordinance and may result in suspension, revocation, or other enforcement actions as deemed appropriate by the City

(7) Applications for cannabis retail business licenses will not be accepted if the number of issued licenses has reached the maximum permitted by this ordinance.

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(d) Annual Certification of Ownership.

(1) Each licensed cannabis business shall submit an annual certification affirming that no change in ownership, control interest, or management structure has occurred during the preceding calendar year. The certification shall be submitted on a form provided by the City.

(2) As part of the annual certification, the City may require the licensee to provide documentation sufficient to verify the accuracy of the ownership statement. Such documentation may include, but is not limited to, federal and state tax returns, organization filings, updated capitalization tables, or other financial records demonstrating continuity of ownership.

(3) Failure to submit the required certification of supporting documentation, or submission of false or misleading information, shall constitute a violation of this ordinance and may result in suspension, non-renewal, or revocation of the cannabis business license.

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(e) Annual compliance checks.

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- (1) The City of Albert Lea shall complete at a minimum one (1) compliance check per calendar year of every cannabis business to assess if the business meets age verification requirements, as required under [Minn. Stats. § 342.22, subd. 4(b) and Minn. Stats. § 342.24] and this/these [chapter/section/ordinances].
- (2) The city shall conduct at a minimum one (1) unannounced age verification compliance check at least once per calendar year. Age verification compliance checks shall involve persons at least seventeen (17) years of age but under the age of twenty-one (21) who, with the prior written consent of a parent or guardian if the person is under the age of eighteen (18), attempt to purchase adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a law enforcement officer or an employee of the local unit of government.
- (3) Any failures under this section shall be reported to the Office of Cannabis Management.

(f) Location change. A state-licensed cannabis retail business shall be required to submit a new application for registration under this section if it seeks to move to a new location still within the legal boundaries of the City of Albert Lea.

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Sec. 5.026. Renewal of registration.

- (a) The City of Albert Lea shall renew an annual registration of a state-licensed cannabis retail business substantially concurrent with OCM renewal of the cannabis retail business's license.
- (b) A state-licensed cannabis retail business shall apply to renew registration on a form established by the city.
- (c) Renewal fees. The city may charge a renewal fee for the registration starting at the second renewal, as established in the City of Albert Lea's fee schedule.
- (d) Renewal application. The application for renewal of a retail registration shall include, but is not limited to:
 - (1) Items required under section 5.043 of this chapter.
 - (2) Listing any prior violations of local ordinances in the past two (2) years with a brief explanation.

Sec. 5.027. Suspension of registration.

- (a) *When suspension is warranted.* The city may suspend a cannabis retail business's registration if it violates the ordinance of the city or poses an immediate threat to the health or safety of the public. The city shall immediately notify the cannabis retail business in writing the grounds for the suspension.

- (b) *Notification to OCM.* The city shall immediately notify the OCM in writing the grounds for the suspension. OCM will provide the city and cannabis business retailer a response to the complaint within seven (7) calendar days and perform any necessary inspections within thirty (30) calendar days.
- (c) *Length of suspension.* The suspension of a cannabis retail business registration may be for up to thirty (30) calendar days, unless OCM suspends the license for a longer period. The business may not make sales to customers if its registration is suspended.
The city may reinstate a registration if it determines that the violations have been resolved.
- (d) *Civil penalties.* Subject to Minn. Stats. § 342.22, subd. 5(e) the city may impose a civil penalty, as specified in the city's fee schedule, for registration violations.

Sec. 5.028. Limiting registrations.

The city shall limit the number of cannabis retailer businesses:

- (1) The City of Albert Lea shall limit the number of cannabis retail businesses to no fewer than one (1) registration for every twelve thousand five hundred (12,500) residents within the City of Albert Lea.
- (2) If the city has one (1) active cannabis retail business registration for every twelve thousand five hundred (12,500) residents, the city shall not be required to register additional state-licensed cannabis retail businesses.
- (3) The City of Albert Lea shall limit the number of cannabis retail businesses to (??).
- (4) Approval of license registration for the relocation of an existing retail cannabis business within city boundaries shall not be counted as long as neither location is operational at the same time.
- (5) Applications shall not be accepted including application fees if the registration limit has been met.
- (6) Cannabis retail licenses are limited in City boundaries to one license registration per owner as defined in Section 5.006. No person may own more than one cannabis retail business within the city boundaries.

Sec. 5.029. Hours of operation.

No cannabis retail business may operate outside the hours of:

- (1) 10:00 a.m. to 9:00 p.m. on Sundays;
- (2) 8:00 a.m. to 10:00 p.m. on Monday through Saturday;
- (3) And shall be closed:
 - a. All day Thanksgiving Day;
 - b. After 8:00 p.m. on Christmas Eve, December 24;
 - c. All day Christmas Day, December 25.

Sec. 5.030. Rejection or Amendment of Application.

The city may reject, return, or inquire for clarification on an application if it appears incomplete or inconsistent. In the event the application is rejected, returned, or held for correction and clarification, the application will not be considered officially submitted.

Sec. 5.031. Denial and Revocation of Registration

In addition to the Office of Cannabis Management's list of disqualifications, the City may deny or revoke registration if:

- (1) The application violates local limitations on registrations.
- (2) The applicant is not operational 180 days after Council approval
- (3) The applicant has violated local ordinances or state laws related to cannabis business operations.
- (4) The applicant is past due on property taxes, assessments, or municipal utilities.
- (5) The applicant has successfully relocated their cannabis business, rendering the previous license non-compliant with registration restrictions.
- (6) Applicant has not met all requirements as outlined in Section 5.025.
- (7) Demonstrate the applicant's inability and unwillingness to follow and uphold state and local laws.
- (8) There shall be no reasonable doubt as to the applicant's ability to protect the public health, safety, and welfare of the city residents. Reasons for doubt include but are not limited to:
 - a. Displayed disregard towards public intoxication, serving minors or operating motor vehicles while intoxicated.
 - b. Displayed history or connection to a history of abuse, stalking, bullying, restraining order violations or other actions indicating strong potential for abuse by the applicant or on the applicant's behalf.
 - c. Violation of zoning and code enforcement.
 - d. Maintaining a public nuisance through business management, property management or individual behavior.
 - e. Actions by the applicant that prompt legal protection of minors, the delinquency of minors, or other actions that may cause concern about the safety of minors.
 - f. History of debt collections and failure to pay taxes, utilities, bills, fines or other obligations.
 - g. Applicant who is not of good moral character and repute

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Sec. 5.032. Selection Criteria

- (1) The City of Albert Lea will evaluate and register cannabis business applications *contingent upon submission of a complete application and full payment of all applicable fees. An application is deemed complete once all materials outlined in Section 5.025, including all required documentation, have been received and verified by the City.*
- (2) The applicant must not have a history in the last 24 months of being past due on property taxes, development agreements, local development loans, assessments, or municipal utilities.
- (3) The applicant is not in current violation of local ordinances or state laws
- (4) The City shall evaluate the application and approve if the application has not met the reasons for disqualification or rejection in Sections 5.030 and 5.031.
- (5) If there are more applicants than registration openings under Section 5.028, the City may make a qualitative decision based on demonstrable and greater ability to operate without violation of local and state laws.

Secs. 5.033—5.040. Reserved.

ARTICLE III. LOWER-POTENCY HEMP PRODUCTS

Sec. 5.041. Low-potency hemp retail.

The sale of low-potency products, as regulated by state statute and licensed by the Office of Cannabis Management, requires a state license and a local retail registration

- (1) A state-licensed low-potency hemp retail business shall apply to renew registration on a form established by the city.
- (2) A low-potency retail registration issued under this section shall not be transferred.
- (3) The city may charge a fee for the registration, as established in the City of Albert Lea's fee schedule.

Sec. 5.042. Zoning and land use.

Retail sales of low-potency cannabis products cannot exceed more than five (5) percent of the retail products available as measured by existing utilized shelf or display space, to not be classified as cannabis retail for zoning purposes only. Refer to chapter 50 within the municipal code for all zoning requirements for licensed cannabis cultivation, retail, wholesale, manufacturing or services.

Sec. 5.043. Additional standards.

- (a) *Sales within liquor store.* The sale of low-potency edibles and hemp beverages are permitted in off-sale liquor stores.
- (b) *Age requirements.* The sale of low-potency edibles and hemp beverages is permitted without internal display restrictions in places that admit only persons twenty-one (21) years of age or older.

- (c) *Under twenty-one (21) beverage display.* In permitted locations without age restrictions, low-potency hemp beverages shall be sold from cases and displays designated as twenty-one (21) years and older.
- (d) *Under twenty-one (21) edible display.* In permitted locations without age restrictions, low-potency edibles shall be sold behind a counter and stored in a locked case at non cannabis retail licensed establishments.

Secs. 5.044—5.060. Reserved.

ARTICLE IV. TEMPORARY CANNABIS EVENTS

Sec. 5.061. State license required.

- (a) A cannabis event organizer license entitles the license holder to organize a temporary cannabis event lasting no more than four (4) days. Before obtaining a local license and events permit, a license holder must show proof of a current state license as a cannabis event organizer.
- (b) A license or permit is required to be issued and approved by the city before holding a temporary cannabis event that will sell or allow intoxicating cannabinoid products.

Sec. 5.062. Registration and application procedure.

All events require a minimum of thirty (30) days' notice to review event plans for compliance with Minn. Stats. § 342.40. Any application less than thirty (30) days' notice shall be automatically rejected. Each event shall have a fee charged to the cannabis event organizer only. The rate shall be established in the city's fee schedule.

Applicants shall provide, but may not be limited to provide the following:

- (1) Plans for security to general public safety, security for cannabis workers, security of intoxicating cannabinoid product displays, and storage security of intoxicating cannabinoid products.
- (2) Plans on how to restrict access to intoxicating products to minors and verify age at the time of sale.
- (3) Plans on how waste will be disposed of properly.
- (4) Details on how sales take place in an established retail space and how sales are recorded for tax collection.
- (5) Full list of all vendors with a brief explanation of what they are providing/selling, and their license number/information.

Sec. 5.063. Application submittal and review.

The city shall require an application for temporary cannabis events.

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- (1) An applicant for a retail registration shall fill out an application form, as provided by the city. Said form shall include, but is not limited to:
 - a. Full name of the property owner and business owner (applicant), and business manager; and
 - b. Address, email address, and telephone number of the owner, applicant, and manager.
- (2) The applicant shall include with the form:
 - a. The application fee as required in section 5.062;
 - b. A copy of the OCM cannabis event license application, submitted pursuant to 342.39 subd. 2.;
 - c. Copies of plans, vendor lists, and other documents meeting the standards in section 5.062; and
 - d. Proof of state-required insurance.

The application shall be submitted to the city designee for review no less than thirty (30) days before the event. If the designee determines that a submitted application is incomplete, they shall return the application to the applicant with a notice of deficiencies.

- (3) Once an application is considered complete, the designee shall inform the applicant as such, process the application fees, and forward the application to the city council for approval or denial.
- (4) The application fee shall be non-refundable once processed.

A temporary cannabis event shall comply with the following standards:

- a. The event organizer and all participating vendors must be current on all state, county, and local taxes, including but not limited to sales tax.
- b. The event organizer and all participating vendors shall have no prior violations of this chapter, nor any prior violations related to the sale of intoxicating cannabinoids, tobacco, or alcohol to a minor.

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Denial of Temporary Cannabis Event Request

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A request for a temporary cannabis event that does not meet the requirements of this section shall be denied. If an individual vendor has a documented history of noncompliance with the standards of this chapter, that vendor may be denied participation without requiring denial

of the entire event. The City shall provide written notice to the applicant identifying the unmet standards and the basis for denial.

Consumption Restrictions

A. General Restrictions

1. Cannabis consumption is permitted only within the designated event area approved by the City.
2. Consumption outside the designated area, including sidewalks, parking lots, public rights-of-way, and adjacent businesses, is prohibited.
3. All consumption must comply with Minnesota Statutes Chapter 342, including restrictions on public consumption and impairment.

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B. Smoking and Vaping Restrictions

1. Smoking or vaping cannabis is prohibited inside any enclosed building unless the structure qualifies for an exemption under the Minnesota Clean Indoor Air Act.
2. Outdoor smoking or vaping areas shall:
 - o Be clearly marked and physically separated from non-consumption areas
 - o Maintain adequate ventilation and odor-mitigation measures
 - o Be located at least 25 feet from building entrances, operable windows, or air intakes
3. Event organizers shall implement reasonable odor-control practices to prevent nuisance conditions affecting nearby properties.

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C. Edible and Beverage Consumption

1. Edible cannabis products and cannabis beverages may be consumed only within the designated event area.
2. No edible or beverage cannabis product may exceed state-regulated serving sizes or packaging requirements.

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D. Impairment and Overconsumption

1. Event staff shall monitor attendees for signs of impairment and must refuse entry or continued participation to any individual who appears excessively intoxicated.
2. No person may operate a motor vehicle after consuming cannabis at the event in violation of Minnesota DWI laws. Event organizers shall promote safe transportation options.

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E. Prohibited Conduct

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The following activities are strictly prohibited at all cannabis events:

- Providing or distributing cannabis to any person under 21
- Consumption by event staff while on duty
- Consumption by vendors or contractors unless off duty and outside restricted areas
- Any cannabis sales without a separate state-issued license
- Consumption in violation of state public-use restrictions

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• Consumption by vendors or contractors unless off duty and outside restricted areas

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• Any cannabis sales without a separate state-issued license

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• Consumption in violation of state public-use restrictions

F. Private Event Exceptions

For private cannabis events not open to the public:

1. Consumption must occur only within the designated private event area.
2. Smoking or vaping indoors remains prohibited unless the location qualifies for an exemption under state law.
3. Private events shall not create odors, noise, or other nuisances detectable beyond the property line.

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(6) A request for a temporary cannabis event that does not meet the requirements of this section shall be denied. If a vendor has a history of not complying with the standards of this chapter, that vendor may be denied participation without full denial of the event. The city shall notify the applicant of the standards not met and the basis for denial.

(7) Temporary cannabis events may only be held at:

- a. Convention centers;
- b. Fairgrounds;
- c. Non-residential private property that meets setback and zoning requirements;
- d. Locations of registered cannabis businesses; and
- e. All other locations must have pre-approved city council approval.

(8) Temporary cannabis events shall only be held between the hours of:

- a. 10:00 a.m. to 9:00 p.m. on Sundays;
- b. 8:00 a.m. to 10:00 p.m. on Monday through Saturday;

(9) Temporary cannabis events shall not be held the following days:

- a. January 1st.
- b. July 3rd.

Deleted: a. Prohibition of smoking at any event located within protection areas [REDACTED] ¶
b. Prohibition of vaping at any event located within protection areas [REDACTED] ¶
c. Organizer shall not allow the serving of intoxicating cannabis products to impaired or intoxicated individuals. ¶
d. Organizer shall not allow excessive intoxicated behavior of any group or individual, and may be held liable for any damages. ¶
e. Organizer and vendors must be current on all state, county, and local taxes, including but not limited to sales tax. ¶
f. Organizer and vendors shall not have any prior violations of this chapter or the sale of intoxicating cannabinoid, tobacco, alcohol, or sexually oriented products to a minor. ¶

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- c. July 4th.
- d. Thanksgiving Day.
- e. December 24th.
- f. December 25th.
- g. December 31st.

Secs. 5.064—5.080. Reserved.

That the motion for the adoption of the foregoing ordinance was duly seconded by Councilor , and upon a vote being taken thereon, the following voted in favor thereof: Councilors Christensen, Baker, Olson, Van Beek, Anderson, and Mayor Murray;

And the following voted against the same: None. Mayor Murray declared the ordinance passed.

Introduced and read the first time on the 9th day of February, 2026

Mayor Rich Murray

Filed and attested this 10th day of February, 2026

Secretary of the Council