ORDINANCE NO. 20231019-01

CITY OF LINDSTROM CHISAGO COUNTY, MINNESOTA

AN INTERIM ORDINANCE PROHIBITING THE OPERATION OF CANNABIS BUSINESSES

THE CITY COUNCIL OF LINDSTROM ORDAINS:

SECTION 1. FINDINGS AND PURPOSE.

- A. By enacting 2023 Session Laws Chapter 63, the Minnesota Legislature enacted Minn. Stat. ch. 342, legalizing adult-use cannabis and permitting the operation of cannabis businesses and the sale of cannabis flower and cannabis products for human consumption. This law creates a new agency, the Office of Cannabis Management, to regulate the sales of cannabis products.
- B. The new law does enact some requirements for production, labeling, and testing, and sale of cannabis products at the state government level. However, the new law creates uncertainty that will need to be resolved by the passage of further regulations by the Office of Cannabis Management.
- C. The new law establishes that cannabis businesses are subject to a new local registration system and must comply with local zoning code. The new law provides no guidance on how cities are to zone the new businesses, leaving it to local control.
- D. Pursuant to Minn. Stat. § 342.13, the City is authorized to adopt an interim ordinance prohibiting the operation of a cannabis business in order to protect the planning process and the health, safety, and welfare of its citizens. Under Minn. Stat. § 342.13, such ordinance may remain in effect until January 1, 2025.
- E. Pursuant to its general police powers, including but not limited to, Minn. Stat. § 412.221, subd. 32, the City may enact regulations regarding to promote the health, safety, order, convenience, and the general welfare of the City. This power permits the City to implement a moratorium to study the selling, testing, manufacturing, and distributing of cannabis products to determine if regulations are necessary for the sake of good order of the City.
- F. The City Council finds that it is necessary to study the application of 2023 Session Laws Chapter 63, and the products, uses, and businesses related thereto, in order to assess the necessity for and efficacy of regulations and restrictions relating to the selling, testing, manufacturing, and distributing of cannabis flower and cannabis products including through zoning ordinances, in order to protect the public health, safety, and welfare of its residents.

SECTION 2. DEFINITIONS: The following terms when used in this ordinance shall mean:

Official controls. "Official controls" or "controls" means ordinances and regulations which control the physical development of the city or any part thereof or any detail thereof and implement the general objectives of the comprehensive plan. Official controls include ordinances establishing zoning, subdivision controls, site plan regulations, sanitary codes, building codes, and official maps.

Cannabis Business. "Cannabis Business" has the meaning given in Minn. Stat. § 342.01, subd. 14, as amended.

Cannabis Flower. "Cannabis Flower" has the meaning given in Minn. Stat. § 342.01, subd. 16, as amended.

Cannabis Product. has the meaning given in Minn. Stat. § 342.01, subd. 20, as amended.

SECTION 3. INTENT AND AUTHORIZATION:

- A. It is the intent of this ordinance to allow the City of Lindstrom time to complete a study concerning adoption of revisions of the City's official controls for the manufacturing, testing, distributing, and selling of Cannabis Flower and Cannabis Products, and the operation of Cannabis Businesses.
- B. City staff is directed and authorized to conduct a study of the City's official controls that may need to be adopted or amended to protect the public health, safety, and welfare as they relate to the manufacturing, testing, distributing, and selling of Cannabis Flower and Cannabis Products, and the operation of Cannabis Businesses.

SECTION 4. MORATORIUM.

A. Pending the completion of the above referenced study and the adoption of appropriate official controls, the following is prohibited within the City:

The commercial manufacturing, distributing, and selling of Cannabis Flower and Cannabis Products, and the operation of any Cannabis Business.

- B. The City shall not issue any license, permission, or permit related to the manufacture, distribution, or sale of Cannabis Flower, Cannabis Product, or the operation of any Cannabis Business.
- C. This moratorium does not apply to the selling, testing, manufacturing, or distributing of Cannabis Products or Cannabis Flower or the operation of Cannabis Businesses related to the Medical Cannabis Program as administered by the Minnesota Department of Health, provided that such activity is done in accordance with the regulations and laws of Minnesota regarding Medical Cannabis.

<u>SECTION 5</u>. ENFORCEMENT. The City may enforce this Ordinance by mandamus, injunctive relief, or other appropriate civil remedy in any court of competent jurisdiction. The City

Council hereby authorizes the City Administrator, in consultation with the City Attorney, to initiate any legal action deemed necessary to secure compliance with this Ordinance. A violation of this Ordinance is also subject to the City's general penalty in City Code § 10.99.

<u>SECTION 6.</u> EFFECTIVE DATE AND TERM. This ordinance shall take effect immediately upon its passage and publication and shall remain in effect until January 1, 2025, or until the adoption of the official controls being studied, whichever occurs first.

ADOPTED this 19th day of October, 2023, by the City Council of the City of Lindstrom, Minnesota.

CITY OF LINDSTROM

Judy Chartrand, Mayor

Daniel Undem, City Administrator