

**ORDINANCE NO 2024-03
CITY OF EMILY
COUNTY OF CROW WING
STATE OF MINNESOTA**

**AN INTERIM ORDINANCE AUTHORIZING A STUDY AND IMPOSING A
MORATORIUM ON THE OPERATION OF CANNABIS BUSINESSES
(CULTIVATION, PROCESSING, AND DISTRIBUTION)
IN THE CITY OF EMILY**

The City Council of the City of Emily, Crow Wing County, State of Minnesota does hereby ordain:

I. Findings of Fact.

A prohibition on the operation of Cannabis Businesses is necessary to ensure that the City has sufficient time to study potential regulations that will protect the health and safety of the residents of Emily.

- A. The Minnesota Legislature enacted, and the Governor signed, 2023 Minnesota Session Laws, Chapter 63-H.F. No. 100 (“Act”), which is comprehensive legislation relating to Cannabis including, but not limited to, the establishment of the Office of Cannabis Management (“OCM”), legalizing and limiting the possession and use of cannabis and certain hemp products for adults, providing for licensing, inspection, and regulation of Cannabis Businesses and hemp businesses; taxing the sale of cannabis flower, cannabis products, and certain hemp products, and amending criminal penalties.
- B. The Act provides local units of government certain authority related to Cannabis Businesses, which does not include lower potency hemp edible manufacturers and retailers, including the authority to (1) require local registration of certain Cannabis Businesses operating retail establishments, (2) adopt reasonable restriction on time, place, and manner of the operation of Cannabis Businesses, provided that such restrictions do not prohibit the establishment or operation of Cannabis Businesses, (3) limit the number of certain Cannabis Businesses based on population of the community, and (4) prohibit the operation of a Cannabis Business within 1,000 feet of a school, or 500 feet of a daycare, residential treatment facility, or an attraction within a public park that is regularly used by minors, including a playground or athletic fields.
- C. The Act directs the OCM to establish additional rules and regulations relating to the operation of Cannabis Businesses. The City will benefit from reviewing and analyzing the OCM’s model ordinances, rules and regulations before making any decisions related to the operation of Cannabis Businesses in the City.
- D. Section 342.13 established by the Act contains provision that allows for a City Council that plans to conduct studies or is considering adoption or amendment of reasonable restrictions on the time, place, and manner of the operation of a Cannabis Business, to

hold a hearing on and adopt an interim ordinance for the purpose of protecting the planning process and the health, safety, and welfare of its citizens until January 1, 2025.

- E. Minnesota Legislature adopted the Conference Committee Report on HF 4757. HF 4757 requires the Office of Cannabis Management (OCM) to begin accepting applications for social equity applicants on July 24, 2024, with applications closing on August 12, 2024. A successful social equity applicant will gain preapproval to operate a cannabis business. HF 4757 allows businesses that have received preapproval to immediately begin cultivating cannabis if the business complies with local zoning ordinances, complies with state fire and building codes, and complies with Minnesota rules related to medical cannabis.
- F. Given the uncertainty regarding the model ordinance to be developed by the OCM and the broad scope of the changes to Minnesota law brought about by the Act, the City desires to adopt an interim ordinance for the purpose of protecting the planning process and the health, safety, and welfare of its citizens and to conduct a study for the purpose of considering the adoption or amendment of reasonable restrictions on the time, place and the manner of the operation of Cannabis Businesses (cultivation, processing, and distribution) as well as the other regulations local units of government may adopt under the Act.

II. Scope.

The City Council hereby authorizes and directs the Planning Commission to consider the proper regulations to be put in place regarding reasonable restrictions on the time, place and the manner of the operation of Cannabis Businesses (cultivation, processing, and distribution) within the City. The Planning Commission will then make a recommendation to the City Council about whether the City should amend its zoning, business-licensing, or other general Code provisions related to the manner of the operation of Cannabis Businesses to better protect the residents of Emily.

III. Moratorium.

In accordance with the findings set forth herein, a moratorium is established as follows:

- A. No business, person or entity may operate a Cannabis Business (cultivate, process, or distribute cannabis) for a period up to December 31, 2024, or until the Council repeals this Ordinance, whichever occurs first.
- B. During the term of this Ordinance, the City staff will not issue any license or permit, nor will it accept or process any applications for uses related to the operation of Cannabis Businesses (cultivation, processing, or distribution).
- C. The moratorium established by this Ordinance does not apply to the sale, testing, manufacturing, or distribution of THC products.

D. The moratorium established by this Ordinance shall be in effect from and after its passage and shall remain effective until December 31, 2024, unless further amended by order of this City Council.

IV. Enforcement.

Any person, firm, entity, partnership, or corporation who violates any provisions of this Interim Ordinance shall be guilty of a misdemeanor as defined by state law and subject to a fine or imprisonment in jail for a period not to exceed 90 days, or both, and in either case, costs of prosecution. Alternatively, the City may enforce violations of this Interim Ordinance through civil remedies. In all cases where the City is enforcing compliance with this Interim Ordinance and the enforcement does not involve criminal prosecution, the offending party shall be required to reimburse the City for the City's attorney's fees and costs associated with enforcing the offending party's compliance with this Interim Ordinance.

V. Validity.

The validity of any word, sentence, section, clause, paragraph, part or provision of this Interim Ordinance shall not affect the validity of any other part of this Interim Ordinance which can be given effect without such invalid part or parts.

VI. Summary.

That the following summary clearly informs the public of the intent and effect of the Ordinance and is approved for publication: "The purpose of this Ordinance is to authorize a study related to the manner of the operation of Cannabis Businesses (cultivation, processing, and distribution). The Planning Commission will then make a recommendation to the City Council about whether the City should amend its zoning, business-licensing, or other general Code provisions related to the manner of the operation of Cannabis Businesses to better protect the residents of Emily. During the term of this Ordinance, no business, person, or entity may operate a Cannabis Business (cultivate, process, or distribute cannabis) as established by Conference Committee Report on HF 4757 Section 151."

VII. Effective Date.

This Interim Ordinance shall take effect upon adoption and publication as required by State law.

Passed this _____ day of _____, 2024 by a _____ths vote.

Tracy Jones, Mayor

Attest:

Cari Johnson, City Clerk/Treasurer