CITY OF COTTAGE GROVE, MINNESOTA ORDINANCE NO. 1075

AN INTERIM ORDINANCE PROHIBITING THE ESTABLISHMENT OF ADULT USE CANNABIS BUSINESSES AND UNLICENSED CBD BUSINESSES

The City Council of the City of Cottage Grove, Washington County, Minnesota, does hereby ordain as follows:

WHEREAS, during the 2023 legislative session, the Minnesota Legislature passed a package of laws, Chapter 63—H.F.No.100 of the Minnesota 2023 Regular Session, that legalize adult-use cannabis in Minnesota and establish a regulatory framework for the cannabis industry (collectively "2023 Cannabis Laws"); and

WHEREAS, as a part of the 2023 Cannabis Laws, the Office of Cannabis Management ("OCM") was created with responsibilities that include issuing licenses for cannabis businesses and drafting and approving the related rules and procedures; and

WHEREAS, Minn. Stat. § 342.10, part of the 2023 Cannabis Laws, lists 16 different types of cannabis business licenses, including licenses for the growing, manufacturing, selling, transporting of cannabis and cannabis events ("Cannabis Business Licenses"); and

WHEREAS, OCM will not be prepared to issue Cannabis Business Licenses until approximately January 2025 and many details related to the Cannabis Business Licenses are yet to be determined; and

WHEREAS, the OCM has also been tasked with developing model ordinances for local governments for reasonable restrictions on time, place and manner of the operation of a cannabis business, the forms and procedures for the retail registration required by local governments, and the model policies and procedures for cannabis business compliance checks; it is unclear when those documents can be expected; and

WHEREAS, the 2023 Cannabis Laws includes a provision, Minn. Stat. § 342.13(e), that authorizes the City to adopt an interim ordinance to regulate, restrict, or prohibit the operation of a cannabis business within the City until January 1, 2025, for the purpose of conducting studies or holding a hearing to consider adoption of reasonable restrictions on the time, place and manner of the operation of a cannabis business to protect the planning process and the health, safety and welfare of its citizens; and

WHEREAS, the City Council held a public hearing on the proposed interim ordinance on August 16, 2023; and

WHEREAS, the Cottage Grove City Council has determined that an interim ordinance to prohibit the operation of unlicensed CBD cannabis businesses and illegal adult use cannabis businesses is necessary and appropriate to give City Staff the time to study reasonable restrictions on the time, place and manner of the operation of all cannabis retail businesses to protect the planning process and the health, safety and welfare of its citizens.

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NOW, THEREFORE, pursuant to Minnesota Statutes § 342.13(e):

The City Council of the City of Cottage Grove does ordain:

SECTION 1. NEW CANNABIS BUSINESSES PROHIBITED. No business, person or entity may open and operate a cannabis business that would require a Cannabis Business License under the 2023 Cannabis Laws until either the City Council modifies its ordinances regulating all such cannabis uses, or until the Council rescinds this Interim Ordinance, or January 1, 2025, whichever occurs first.

SECTION 2. EXISTING CBD BUSINESSES. Businesses, persons, or entities that have an existing CBD license from the City pursuant to City Code Section 41-10 and 11-8-2, or as may be amended, are authorized to continue to sell CBD products, as defined therein, until their business license expires and is not renewed or until this Interim Ordinance expires or terminates pursuant to Section 1. This provision does not prevent any business from applying for a new CBD license pursuant to City Code or any licensed CBD business from renewing its business license.

SECTION 3. CONDUCT STUDY AND MAKE RECOMMENDATION. City Staff is directed to conduct a study to gather information, analyze the model ordinances and policies from the OCM when they become available, and make a recommendation to the City Council regarding reasonable restrictions on the time, place and manner of the operation of cannabis retail businesses.

<u>SECTION 4.</u> SUMMARY PUBLICATION. Pursuant to Minnesota Statutes Section 412.191, in the case of a lengthy ordinance, a summary may be published. While a copy of the entire ordinance is available without cost at the office of the City Clerk, the following summary is approved by the City Council and shall be published in lieu of publishing the entire ordinance.

The City will be undergoing a study regarding cannabis businesses to determine if regulations are appropriate. Except as provided in City Code 41-10 and 11-8-2, no business, person or entity may open and operate a cannabis business or CBD business that until the City adopts regulations regarding these uses, or determines no regulations are necessary and rescinds the interim ordinance or until January 1, 2025, whichever occurs first.

SECTION 5. EFFECTIVE DATE. This ordinance shall be in full force and effect from and after its passage and publication according to law.

Passed this 16th day of August, 2023.

Myron Bailey, Mayor

Attest:

Tamara Anderson, City Clerk

Published in the St. Paul Pioneer Press on July 31st, 2023.

AFFIDAVIT OF PUBLICATION STATE OF MINNESOTA COUNTY OF RAMSEY

Kayla Tsuchiya, being duly sworn on oath, says: that she is, and during all times herein state has been, Inside Sales Representative of Northwest Publication, LLC., Publisher of the newspaper known as the Saint Paul Pioneer Press, a newspaper of General circulation within the City of St. Paul and the surrounding Counties of Minnesota and Wisconsin including Ramsey and Kanabec.

That the notice hereto attached was cut from the columns of said newspaper and was printed and published therein on the following date(s):

Monday, August 21, 2023

Newspaper Ref./AD Number#: _71507141

Client/Advertiser: City of Cottage Grove

AFFIANT SIGNATURE

Subscribed and sworn to before me this 21st day of August, 2023

Barbara Lynn Regal

barbara regal (Aug 21, 2023 11:13 CDT)

NOTARY PUBLIC

Washington County, MN My commission expires January 31, 2027



The City will be undergoing a study regarding cannabis businesses to determine if regulations are appropriate. Except as provided in City Code 3-13 and 11-8-2, no business, person or entity may open and operate a cannabis business or CBD business that until the City adopts regulations regarding these uses, or determines no regulations are necessary and rescinds the interim ordinance or until January 1, 2025, whichever occurs first.

