



## Legislation Text

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File #: Ord. 1076, Version: 1

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City Council Meeting Date: April 15, 2025

To: Mayor and City Council

From: Lynette Peterson, City Clerk  
Ben Martig, City Administrator

First Reading of Ordinance No. 1076 Amending Chapter 30 - Health and Sanitation of the City Code Regarding Regulation of Cannabis Businesses, Lower-Potency Hemp Edible Retailers, and Events.

### Action Requested:

The City Council is asked to consider the first reading of Ordinance No. 1076 amending Chapter 30 - Health And Sanitation of the City Code Regarding Regulation of Cannabis Businesses, Lower-Potency Hemp, Edible Retailers and Events.

### Summary Report:

A new law enacted at the end of the 2023 legislative session and amended during the 2024 legislative session legalized adult-use cannabis in Minnesota and established a regulatory framework over the cannabis industry. Staff has been researching and collecting information related to local regulatory authority, law enforcement, taxing, and employment. There are limited local control regulation options related to cannabis businesses. However, there are provisions that require City Code updates and, with new licensing beginning in 2025 by the State Office of Cannabis Management and required City registration of retail businesses, it would be timely for the City to consider some local regulations in areas.

Staff has been meeting with the City Attorney and Northfield ASAP representatives to review current Cannabis rules and regulations. The City Attorney's office has drafted an ordinance for consideration regarding the regulation and registration of cannabis retail businesses, lower-potency hemp edible retailers, and temporary cannabis events. A copy of the proposed ordinance is attached (Attachment 1). This ordinance will repeal and replace the edible cannabinoid ordinance the City adopted following changes to the law in 2022.

The proposed ordinance sets forth the procedure required for cannabis retail businesses and lower-potency hemp edible retailers to apply for registration with the City prior to making sales in the City. The ordinance also sets forth operating standards consistent with those in State law, as well as penalties and fines in the event of violations of the ordinance. Finally, the ordinance includes the procedure cannabis event organizers must follow to apply for temporary cannabis event permits from the City in order to host a temporary cannabis event.

Associate City Attorney David Assaf will present the ordinance and will be available during the meeting to answer questions. An ordinance will be forthcoming from Community Development in May amending the portions of the Land Development Code related to cannabis and hemp businesses. Attached is a hyperlink from the League of Minnesota Cities with some initial Frequently Asked Questions that will give you some initial

background (Attachment 2). A Guide for Local Governments on Adult-Use Cannabis is also attached from the Minnesota Office of Cannabis Management (Attachment 3).

#### Alternative Options:

Council could choose not to amend the ordinance.

The City Council could consider the following items:

1. Limitations of retail registrations: the City must allow registration of at least two cannabis retail businesses per State law. This is the most restrictive option for the City, but the City could choose to allow more.
2. Hours of operation for cannabis retail businesses: the ordinance is presently drafted to allow for retail sales between 10 a.m. and 10 p.m., Monday through Sunday. Under State law, cannabis retail businesses may operate between 8:00 a.m. to 2:00 a.m. the following day, unless a city adopts an ordinance limiting those hours. Under Minn. Stat. § 342.27, subd. 7, “A city or county may adopt an ordinance to prohibit sales for any period between 9:00 p.m. and 2:00 a.m. the following day or between 8:00 a.m. and 10:00 a.m. on the days of Monday through Saturday.” Sales on Sunday are already required to start at 10:00 a.m. at the earliest. The hours of operation discussed in this section apply only to cannabis retail businesses and will not apply to those businesses operating pursuant to a lower-potency hemp edible retailer license.
3. Operating hours of temporary cannabis events: the ordinance is presently drafted to match the hours of retail sales.
4. On-site consumption at temporary cannabis events: this is currently permitted in the ordinance, but the City could choose to limit on-site consumption at temporary cannabis events.

#### Financial Impacts:

A resolution regarding updated fees and fines will be forthcoming with the second reading of the Ordinance on May 6, 2025.

#### Tentative Timelines:

9/10/2024	City Council discuss at work session
11/19/2024	City Council discuss at work session
4/15/2025	City Council Consider/Approve First Reading of Ordinance
5/6/2025	City Council Consider/Approve Second Reading of Ordinance
5/6/2025	City Council considers Resolution Setting Fees and Penalties related to ordinance
5/14/2025	Summary Ordinance Published in Northfield News
6/13/2025	Ordinance takes effect