



City of Robbinsdale

CITY COUNCIL WORK SESSION

January 10, 2023

**After the Robbinsdale Economic Development Authority (REDA) Meeting that
takes place at 7:00 p.m.**

**Robbinsdale City Hall
4100 Lakeview Avenue North**

A G E N D A

1. CITY COUNCIL WORK SESSION CALLED TO ORDER BY MAYOR PRO TEM
2. ROLL CALL: Parisian, Webb, Wagner, Mayor Blonigan
3. Discussion: Lakeview Terrace Farmer's Market Strategic Planning – Chaz Sandifer
4. Discussion: Robbinsdale Ordinance to regulate the sale of legalized adult-use of
any product that contains tetrahydrocannabinol (THC)
 - a. Analysis (Attachment 1) 2
 - b. Licensing language (Attachment 2) 3-8
 - c. Licensure form for the sales of THC products (Attachment 3) 9
 - d. Sample zoning language (Attachment 4) 10-11
5. Discussion: Problem Properties
6. Discussion: Employee Handbook Updates (Attachment 5) 12
7. ADJOURNMENT



TO: Mayor and City Council

FROM: Tim Sandvik, City Manager

DATE: January 10, 2023

RE: Robbinsdale Ordinance to regulate the sale of legalized adult-use of any product that contains tetrahydrocannabinol (THC)

Analysis:

On August 10, the City Council directed staff to pursue licensing and zoning considerations in response the new legislation concerning the sale of cannabinoid products. In November, Council heard a first reading of zoning ordinance updates, and subsequently heard a first reading for licensure ordinance updates in December. Staff has advertised a second reading of both items, and

Staff has prepared the proposed zoning and licensure language (as was reviewed at the first readings) for final discussion. Using direction from Council, the proposed language addresses a variety of concerns, to include updating/creating new definitions, license requirements, process for application and issuance, basis for denial(s), terms, and other requirements to maintain compliance.

At the January 17, 2023 City Council meeting, it is staff's intention to gain Council approval of Licensure ordinance updates, zoning ordinance updates, and to repeal an emergency ordinance that placed a moratorium on THC sales. Staff will introduce the item and respond to Council's questions, comments, and concerns.

Tim Sandvik, City Manager

1160.01 – Findings and Purpose

The purpose of the Section is to regulate the sale of legalized adult-use of any product that contains tetrahydrocannabinol and that meets the requirements to be sold for human or animal consumption under Minnesota Statutes, section 151.72 (“THC products”) for the following reasons:

- (a) The City recognizes that, based on the most reliable and up-to-date scientific evidence, the rapid introduction of newly legalized adult-use THC products, presents a significant potential threat to the public health, safety, and welfare of the residents of Robbinsdale, and particularly to youth.
- (b) The City has the opportunity to be proactive and make decisions that will mitigate this threat and reduce exposure of young people to the products or to the marketing of these products and improve compliance among THC product retailers with laws prohibiting the sale or marketing of THC products to minors.
- (c) A local regulatory system for THC product retailers is appropriate to ensure that retailers comply with THC product laws and business standards of the City of Robbinsdale to protect the health, safety, and welfare of our youth and most vulnerable residents.
- (d) Minnesota Statutes § 151.72 requires THC product retailers to check the identification of purchasers to verify that they are at least 21 years of age, comply with certain packaging and labeling requirements to protect children and youth, and meet certain potency and serving size requirements.
- (e) State law authorizes the Board of Pharmacy to adopt product and testing standards in part to curb the illegal sale and distribution of THC products and ensure the safety and compliance of commercially available THC products in the state of Minnesota.
- (f) State law does not preempt the authority of a local jurisdiction to adopt and enforce local ordinances to regulate THC product businesses including, but not limited to, local zoning and land use requirements and business license requirements.
- (g) A requirement for a THC product retailer license will not unduly burden legitimate business activities of retailers who sell or distribute THC products to adults but will allow the City of Robbinsdale to regulate the operation of lawful businesses to discourage violations of state and local THC product-related laws.

In making these findings and enacting this ordinance, it is the intent of the Robbinsdale City Council to ensure responsible THC product retailing, allowing legal sale and access without promoting increases in use, and to discourage violations of THC product-related laws, especially those which prohibit or discourage the marketing, sale or distribution of THC products to youth under 21 years of age.

1160.02 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:

Cannabinoid Products License means the license issued by the city that allows a business to sell licensed products.

Compliance checks means 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 section. Compliance checks shall involve the use of persons under the age of 21 as authorized by this section. Compliance checks shall also mean the use of persons under the age of 21 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.

Exclusive Liquor Store means an establishment that meets the definition of exclusive liquor store in Minnesota Statutes, section 340A.101, subdivision 10.

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. Retail establishments shall include, but not be limited to, grocery stores, convenience stores, and restaurants. Retail establishments shall not include home occupations.

Sale means any transfer of goods for money, trade, barter, or other consideration.

Self-service merchandising means open displays of licensed products in any manner where any person shall have access to the licensed product 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 product between the customer and the licensee or employee.

Licensed Product means any product that contains more than trace amounts of tetrahydrocannabinol (“THC”) and that meets the requirements to be sold for human or animal consumption under Minnesota Statutes, section 151.72.

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

1160.03 License Required

No person shall directly, by coin machine, or otherwise, keep for retail sale, sell at retail, or otherwise furnishing, any licensed products at any place in the city unless they have obtained a Cannabinoid Products License.

1160.04 Application and Issuance

Application for such license shall be made to the city clerk and shall state the full name and address of the applicant, the location of the building to be occupied by the applicant in the conduct of the business, the kind of business to be conducted, and such other information as the city clerk may require. The application shall be presented to the city council for its consideration, and if granted by the council, a license will be issued by the city clerk upon payment of the required fee.

1160.05 Basis for denial of license.

(a) Grounds for denying the issuance or renewal of a license include, but are not limited to, the following:

- (1) The applicant is under 21 years of age.
- (2) The applicant has been convicted within the past five 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 suspended or revoked within the preceding 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 a license.
- (6) Applicant is acting as an agent or pass through for another person or entity whose prior acts violated subsections (a) 1, 2, 3, or 4 above or who is otherwise prohibited from holding a license under any applicable rule or law.
- (7) The applicant is an exclusive liquor store.
- (8) The applicant does not meet all applicable zoning requirements.

(b) 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.

(c) If a license is mistakenly issued or renewed to a person, it may be revoked upon the discovery that the person was ineligible for the license under this ordinance. Notice of the revocation will be given to the person along with information on the right to appeal.

1160.06 License fee.

The fee for a license will be \$500 (five hundred dollars and no cents). Fees must be paid at the office of the city clerk before the issuance of a license. The city clerk, building inspector, or other person authorized to issue a permit for which the payment of a fee is required under the provisions of this code may not issue a license until the fee has been paid. Except as otherwise provided in this code, a license fee once paid will not be refunded.

1160.07 Term

The issuance of license is a privilege and does not entitle the holder to an automatic renewal of the license. Licenses expire annually on December 31. Licenses are not transferable. License renewal is subject to the license provisions described in section 1005 Licensing Procedures.

1160.08 License displayed

The license must be kept conspicuously posted on the premises for which the license is issued and must be exhibited to any person upon request.

1160.09 Location

(a) A license will not be issued to a movable place of business. Only fixed-location businesses are eligible to be licensed and separate licenses are required for each location.

1160.10. Prohibited acts.

(a) In general.

(1) No person shall sell or offer to sell any licensed product:

(i) By means of any type of vending machine.

(ii) By means of self-service merchandising.

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

(2) No person shall sell or offer for sale a product containing THC that does not meet all the requirements of Minnesota Statutes, section 151.72, subdivision 3.

(b) Legal Age. No person shall sell any licensed product to any person under the age of 21.

(1) Age verification. Licensees shall verify by means of government issued photographic identification that the purchaser is at least 21 years of age. Verification is not required for a person over the age of 30. That the person appeared to be 30 years of age or older does not constitute a defense to a violation of this subsection.

(2) Signage. 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. The required signage, which will be provided to the licensee by the City, must be posted in a manner that is clearly visible to anyone who is or is considering making a purchase.

(c) Samples Prohibited. No person shall distribute samples of any licensed product free of charge or at a nominal cost.

1160.11 Other illegal acts.

(a) Illegal procurement.

It shall be a violation of this section for any person 21 years of age or older to purchase or otherwise obtain licensed products on behalf of a person under the age of 21.

(b) Use of false identification.

It shall be a violation of this section for any person to attempt to disguise their true age by the use of a false form of identification, whether the identification is that of another person or one 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.

(c) Storage.

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.

1160.12 Responsibility.

All licensees are responsible for the actions of their employees in regard to the sale, offer to sell, and furnishing of licensed products on the licensed premises. The sale, offer to sell, or furnishing of any licensed product by an employee shall be considered an act of the licensee. Nothing in this section shall be construed as prohibiting the City from also subjecting the employee to any civil penalties that the City deems to be appropriate under this ordinance, state or federal law, or other applicable law or regulation.

1160.13 Compliance Checks and Inspections.

All premises licensed under this subdivision shall be open to inspection by the City during regular business hours. From time to time, but at least once per year, the City shall conduct compliance checks.

No person used in compliance checks shall attempt to use a false identification misrepresenting their age. All persons lawfully engaged in a compliance check shall answer all questions about their age asked by the licensee or their employee, and produce any identification, if any exists, for which they are asked. The City will conduct a compliance check that involves the participation of a person at least 18 years of age, but under the age of 21 to enter the licensed premises to attempt to purchase the licensed products. Persons used for the purpose of compliance checks shall be supervised by law enforcement or other designated personnel. Nothing in this article 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.

Additionally, from time to time, the City will conduct inspections to determine compliance with any or all other aspects of this ordinance.

1160.14 Violations and Penalty

(a) Administrative Civil Penalties—Individuals. If a person who is not a licensee is found to have violated this article, the person shall be charged an administrative penalty as follows:

(1) First Violation. The Council shall impose a civil fine not to exceed \$50.00.

(2) Second Violation Within 12 months. The Council shall impose a civil fine not to exceed \$100.00.

(3) Third Violation Within 12 months. The Council shall impose a civil fine not to exceed \$150.00.

(b) Same—Licensee. If a licensee or an employee of a licensee is found to have violated this article, the licensee shall be charged an administrative penalty as follows:

(1) First Violation. The Council shall impose a civil fine of \$500.00 and suspend the license for not less than 1 day.

(2) Second Violation Within 36 Months. The Council shall impose a civil fine of \$1,000.00 and suspend the license for not less than 3 consecutive days.

(3) Third Violation Within 36 Months. The Council shall impose a civil fine of \$2,000.00 and suspend the license for not less than 10 consecutive days.

(4) Fourth Violation Within 36 Months. The Council shall revoke the license for at least one year.

(c) Administrative Penalty Procedures. Notwithstanding anything to the contrary in this section:

(1) Any of the administrative civil penalties set forth in this section that may be imposed by the Council, may in the alternative be imposed by an administrative citation

(2) If one of the foregoing penalties is imposed by an action of the Council, no penalty shall take effect until the licensee or person has received notice (served personally or by mail) of the alleged violation and of the opportunity for a hearing before the Council, and such notice must be in writing and must provide that a right to a hearing before the Council must be requested within 10 business days of receipt of the notice or such right shall terminate.

(d) Misdemeanor Prosecution. Nothing in this section shall prohibit the City from seeking prosecution as a misdemeanor for any alleged violation of this article.

1160.15 Severability

If any section or provision of this ordinance is held invalid, such invalidity will not affect other sections or provisions that can be given force and effect without the invalidated section or provision.

1160.16. Exceptions and defenses.

Nothing in this chapter shall prevent the providing of a THC product to a person under the age of 21 as part of a lawfully recognized religious, spiritual, or cultural ceremony. It shall be an affirmative defense to the violation of this ordinance for a person to have reasonably relied upon proof of age.

1160.17 Effective Date

This ordinance becomes effective upon passage and publication.

SALES of TETRAHYDROCANNABINOL (THC) PRODUCTS

Office of the City Clerk

City of Robbinsdale

LICENSE APPLICATION**Fee: \$500/year**

I, _____, hereby make application for a Cannabinoid Products License, subject to provisions of City Ordinances, Section 1160. I do hereby swear that the several answers and statements, and any attached information set forth by me in this application are true.

The City Ordinance requires that the data requested in this application must be submitted in order for the City to determine your eligibility for the license. Refusal to provide the data may result in an automatic denial of the requested license. The data provided shall be classified in accordance with the Minnesota Government Data Practices Act. The City Staff shall investigate the data provided. A recommendation for approval or denial, based upon the applicant's eligibility is determined by the provisions of the licensing ordinance and other applicable laws, shall be forwarded to the City Council for final determination. Access to the data provided shall be by officials and employees of the City engaged in administering or monitoring the provisions of the licensing ordinance; and also as allowed for by the Minnesota Government Data Practices Act.

PLEASE PRINT OR TYPE

(Provide in full the first, middle and last names where requested)

Applicants Full Name & Title		Trade Name or D.B.A.	
Business Address		City	State Zip
Driver's License No./State Issued	Date of Birth	Residence Phone No.	Business Phone No.
2nd Contact Person	2nd Contact Business Phone No.	Type of Establishment	
Describe the display and sale of THC (use an additional piece of paper if necessary)			
Will vending machines be used?		Will customers have free access to displays, or will the dispensing of THC be self-serve?	
Describe how your establishment will prevent sales of THC products to minors			

_____ General/Public Liability Certificate of Insurance of not less than \$1,500,000 combined single limit

_____ MN Tax/Workers' Compensation Forms

Applicant Signature: _____

Date: _____

RECOMMENDATION OF DEPARTMENT HEADS (Initial your approval. Give reason for denial on separate memorandum.)

	<u>APPROVE</u>	<u>CONDITIONS?</u>	<u>DENY/MEMO ATTACHED</u>
_____ Building Official	_____	_____	_____
_____ City Planner	_____	_____	_____

The City of Robbinsdale distributes general city information and notices through an electronic notification system. As an applicant for a new business license, or renewal of an existing business license, you can sign up to receive notices through the city's electronic notification system on the city's website at www.robbsdalemn.com/enews. This would include receiving notifications of any proposed ordinances at least ten days before the City Council of Robbinsdale conducts a final vote on the proposed ordinance.

Member _____ moved and Member _____ seconded a motion that the following Ordinance, which was given its first reading on November 15, 2022 be given its second reading this 17th day of January 2023 and that it be adopted.

ORDINANCE NO. 22-10

AN ORDINANCE AMENDING ZONING CODE SECTIONS 505.09, 520.03 AND 521.01 OF THE CITY CODE FOR THE REGULATION OF THC OR CANNABINOID PRODUCTS

THE CITY COUNCIL OF THE CITY OF ROBBINSDALE DOES ORDAIN:

- 1) That the following Sections are hereby amended with new language added shown in bold and underlined:

Zoning Code Section 505.09. Definitions

Subd. 119. “THC or Cannabinoid Products” means any product that contains more than trace amounts of tetrahydrocannabinol and that meets the requirements to be sold for human or animal consumption under Minnesota Statutes, section 151.72, as may be amended from time to time. Licensed product does not include medical cannabis as defined in Minnesota Statutes, section 152.22, subdivision 6, as may be amended from time to time.

520.03. B-2 limited commercial district

(x) retail and restaurant establishments that sell THC products, as defined in City Code subject to licensing requirements of Section 12XX.XX of the City Code.

521.01. DD-1 – downtown district

Subd. 2. Permitted uses

(a) retail including, but not limited to, the sale of hardware, paint and wallpaper, meat market, bakery, grocery food items, gifts, flowers, drug store/pharmacy, books, hobby supplies, jewelry, antiques, new wearing apparel, pets and pet supplies, marine tropical fish sales and service, **THC products, as defined in City Code subject to licensing requirements of Section 12XX.XX of the City Code** and craft shops making articles exclusively for sale at retail on the premises.

(c) food retail services including, but not limited to, restaurant, delicatessen, coffee shop, ice cream shop, **THC products, as defined in City Code subject to licensing requirements of Section 12XX.XX of the City Code**, and convenience food establishment, excluding those establishments that provide drive-through window service.

- 2) That the following summary clearly informs the public of the intent and effect of the ordinance and is approved for publication:

Sections 505.09, Definitions, 520.03, B-2 Limited Community Business and 521.01, DD-1 Downtown are amended to allow the retail sale and service of THC or Cannabinoid products as allowed by Minnesota State Statutes and in accordance with City license requirements.

First Reading: YEAS: Webb, Backen, Selman, Mayor Blonigan
NAYS: None

Second Reading: YEAS:
NAYS:

PASSED AND ADOPTED BY THE CITY COUNCIL THIS 17TH DAY OF JANUARY, 2023.

William A. Blonigan, Mayor

ATTEST:

Dustin Leslie, City Clerk
(SEAL)



TO: Mayor and City Council

FROM: Tim Sandvik, City Manager

DATE: January 10, 2023

RE: Employee Handbook Updates

Background:

Staff is looking to better understand Council's direction on updating the Employee Handbook. In recent history, Council has approved, via Consent Items, updates to the handbook, like: title changes, jurisdictional references (eg when statute is updated, properly reflect those updates), and clarifying language (eg in 2021 there were language updates to holiday pay for those required to work).

The City Manager desires to make updates in a number of areas. While some smaller changes (eg dress code) will be easier, more significant changes (eg paid parental leave) will be more complicated to implement.

At this time, before considerable work is done to better understand these proposed changes, staff is looking to understand Council's priorities and desired involvement.

Tim Sandvik, City Manager