

ORDINANCE NO. 2023-01

AN EMERGENCY INTERIM ORDINANCE PROHIBITING THE  
ESTABLISHMENT OF NEW USES OR THE EXPANSION OF EXISTING USES  
RELATED TO SALES, TESTING, MANUFACTURING AND DISTRIBUTION OF  
THC PRODUCTS  
FOR THE CITY OF LAKE SHORE  
COUNTY OF CASS  
STATE OF MINNESOTA

The City Council of the City of Lake Shore, County of Cass, State of Minnesota does hereby ordain:

**I. Findings of Fact.**

The following ordinance is necessary for the immediate preservation of the public peace, health, morals, safety, and welfare because of the inherent risk of injury to persons related to the recently legalized sale of edible cannabinoid products containing Tetrahydrocannabinol (THC). A prohibition on the establishment of new uses or the expansion of existing uses related to the sale of such products 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 Lake Shore. There is insufficient time to complete the ordinary procedure for introduction and adoption of a city ordinance as required by City Code.

- A. The Minnesota Legislature recently amended Minn. Stat. § 151.72 relating to the sale of certain cannabinoid products. The new law permits the sale of edible cannabinoid products, provided that a product sold for human or animal consumption does not contain more than 0.3% of tetrahydrocannabinol and an edible cannabinoid product does not contain an amount of any tetrahydrocannabinol that exceeds more than five milligrams of any tetrahydrocannabinol in a single serving, or more than a total of 50 milligrams of any tetrahydrocannabinol per package ("THC Products"). Sales of THC Products became legal on July 1, 2022.
- B. The new law allows sales and establishes some labeling and testing requirements, but it does not establish any licensing criteria or parameters for compliance by retailers. The new law does not prohibit local regulation.
- C. Minn. Stat. § 462.355, Subd. 4 provides that if a municipality is conducting studies or has authorized a study to be conducted for the purpose of considering adoption or amendment to an official control, the City Council may adopt an interim ordinance for the purpose of protecting the planning process and the health, safety, and welfare of its citizens. An interim ordinance may regulate, restrict, or prohibit any use within the City for a period not to exceed one year from the effective date of the interim ordinance. Many cities have adopted interim ordinances to study the impacts of certain uses and determine whether regulations are appropriate for the purpose of protecting the public health, safety, and welfare of their citizens; and

- D. The City Council believes that authorizing a study regarding the types of uses that involve the sales, testing, manufacturing and distribution of THC Products is necessary to evaluate the regulatory options available to the City and is for the purpose of protecting the health and safety of Lake Shore's residents.

## II. Scope.

The City Council hereby authorizes and directs City Staff to conduct a study of the issues relating to the sales, testing, manufacturing, and distribution of THC Products. Staff 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 these types of uses to better protect the residents of Lake Shore.

## III. Moratorium.

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

- A. No business, person or entity may establish a new use or expand an existing use that includes or involves the sale, testing, manufacturing, or distribution of THC Products, for a period of up to twelve (12) months from the effective date of this Ordinance 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 sale, testing, manufacturing, or distribution of THC Products.
- C. The moratorium established by this Ordinance does not apply to the sale, testing, manufacturing, or distribution of products that were lawful prior to enactment of the new law relating to THC Products.

## 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.

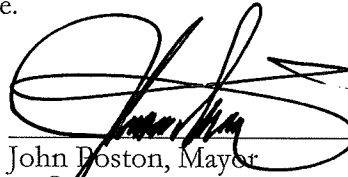
**VI. Summary.**

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 sales, testing, manufacturing, and distribution of recently legalized consumable cannabinoid products. Staff 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 these types of products and associated uses to better protect the residents of Lake Shore. During the term of this Ordinance, no business, person, or entity may establish a new use or expand an existing use that includes or involves the sale, testing, manufacturing, or distribution of consumable cannabinoid products that were legalized on July 1, 2022, by the Minnesota Legislature's amendment of Minn. Stat. § 151.72.”

**VII. Effective Date.**

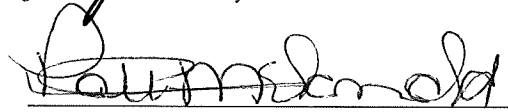
This Interim Ordinance shall take effect upon adoption and publication as required by State law.

Passed this 27th day of March, 2023 by a \_\_/5ths vote.



John Boston, Mayor

Attest:



Patti McDonald, City Clerk