

*City Council Memorandum*

To: Mayor Fasbender & City Councilmembers
From: Emily King, Deputy City Clerk
Date: March 20, 2023
Item: 1st Reading: Ordinance Amendment, Chapter 34 - Fee Schedule

Council Action Requested:

Consider 1st Reading of the following amendment to Hastings City Code pertaining to the adoption of licensing fees for Uses, Sales, and Operations of Cannabis and Hemp Businesses. 2nd Readings are being considered for Zoning ordinance and Licensing ordinance at this meeting. The proposed ordinance amendments are influenced by state action and may be continued to be influenced.

Background Information:

The Public Safety Advisory Commission (PSAC) began reviewing the new legislation in August 2022 in order to make a recommendation to the Hastings Public Safety Committee of the Council (PSC) on potential regulations of these cannabis products. PSAC recommended the Council adopt a one-year moratorium to allow PSAC time to gather information. On September 19, 2022, the City Council approved a moratorium of 6 months, which is set to expire on or around March 19, 2023.

The proposed amendment creates a one-time background check fee and an annual fee for the following licenses: Cannabis Product Retail License, Manufacturing/Testing/Processing/Wholesale, and Cultivation. This is in response to the adoption of zoning and licensing ordinances also before Council at this time.

PSAC and PSC recommended a \$10,000 annual license fee for retail establishments. They indicated if State legislation were to later invalidate the City's licensing, then any received fees should be refunded on a pro rata basis.

Financial Impact:

Unknown

Advisory Commission Discussion:

PSAC met and developed recommendations over several meetings in 2022-2023

Council Committee Discussion:

The Public Safety Committee of Council held a meeting on January 30th to discuss the specific changes to accommodate the proposed ordinance amendments.

Attachments:

- Ordinance Amendment

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF HASTINGS, MINNESOTA
AMENDING HASTINGS CITY CODE CHAPTER 34.03 – FEE SCHEDULE - CITY CLERK**

The City Council of the City of Hastings, Dakota County, Minnesota does hereby ordain as follows:

SECTION 1. AMENDMENT. The Code of the City of Hastings, County of Dakota, State of Minnesota, Chapter 34.03 Fee Schedule – City Clerk

34.03 City Clerk

Use, Sales, and Operations of Cannabis and Hemp Businesses		
Investigation Fee	\$500.00	One time
Cannabis Product Retail License	\$10,000.00	Annual (Calendar Year)
Manufacturing/Testing/Processing/Wholesale License	\$200.00	Annual (Calendar Year)
Cultivation License	\$200.00	Annual (Calendar Year)

SECTION 2. 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 text amendment adopted by the Hastings City Council on _____, _____, _____ modifies Section 34.03 - Fee Schedule of the City Code to allow fees to be established for licensing the Use, Sales, and Operations of Cannabis and Hemp Businesses.

SECTION 3. EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after its passage and publication according to law.

Adopted by the Hastings City Council on this _____ day of _____, 2023 by the following vote:

Ayes:

Nays:

Absent:

Mary D. Fasbender, Mayor

ATTEST:

Kelly Murtaugh, City Clerk

I hereby certify that the above is a true and correct copy of the Ordinance passed to and adopted by the City of Hastings, County of Dakota, Minnesota, on the _____ day of _____, 2023, as disclosed by the records of the City of Hastings on file and of record in the office.

Published in the Hastings Journal on _____.