

*City Council Memorandum*

**To: Mayor Fasbender & City Councilmembers**  
**From: Emily King, Deputy City Clerk**  
**Date: April 3, 2023**  
**Item: 2<sup>nd</sup> Reading: Ordinance Amendment, Chapter 34 - Fee Schedule**

**Council Action Requested:**

Consider 2<sup>nd</sup> 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. The proposed ordinance amendments may be influenced by current state-level discussion and subsequent action.

**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 has now expired.

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.

Council action on March 20, 2023 amended the annual license fee for retail establishments from \$10,000 to \$8,000.

**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 30<sup>th</sup> 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**

<b>Use, Sales, and Operations of Cannabis and Hemp Businesses</b>		
Investigation Fee	\$500.00	One time
Cannabis Product Retail License	\$8,000.00	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 \_\_\_\_\_.