

**INTERIM ORDINANCE NO. 2023-9-1**

**CITY OF STACY  
CHISAGO COUNTY, MINNESOTA**

**AN INTERIM ORDINANCE PACING A PROHIBITION ON CANNABIS  
BUSINESS IN THE CITY OF STACY**

THE CITY COUNCIL OF THE CITY OF STACY, MINNESOTA ORDAINS:

**Section 1. BACKGROUND.**

- A. By enacting 2022 Session Law Chapter 98, Article 13, the Minnesota Legislature amended Minn. Stat. §151.72 and permitted the sale of edible and nonedible cannabinoid products that contain no more than 0.3% of Tetrahydrocannabinol, commonly known as THC (“Nonintoxicating Cannabinoids”).
- B. The 2023 Legislature recently approved a new law to expand both the legalization of types of THC and cannabis products and also the types of THC and cannabis businesses permitted.
- C. This new law establishes a regulatory framework for adult-use cannabis, as well as the lower potency hemp edibles; moves the medical cannabis program under a newly created state agency called the Office of Cannabis Management; establish taxes on regulated products; creates grants to assist individuals entering into the legal cannabis market; amends criminal penalties; provides for expungement and resentencing of certain convictions; provides for temporary regulation of hemp-derived edible cannabinoid products; reschedules marijuana; and appropriates money.
- D. Chapter 63 defines “cannabis business” to mean the following businesses licensed under Chapter 63: (1) cannabis microbusiness; (2) cannabis mezzobusiness; (3) cannabis cultivator; (4) cannabis manufacturer; (5) cannabis retailer; (6) cannabis wholesaler; (7) cannabis transporter; (8) cannabis testing facility; (9) cannabis event organizer; (10) cannabis deliver service; (11) medical cannabis cultivator; (12) medical cannabis processor; (13) medical cannabis retailer; and (14) medical cannabis combination business (Cannabis Business).
- E. The State licensing agency became effective July 1, 2023, and is directed in the new law to establish a model ordinance for cities, which the City of Stacy would benefit from reviewing and analyzing before making any decisions related to Cannabis Business and products in the City.
- F. The law specifies what distance restrictions cities can put in place under their zoning power. The City would benefit from having time to study and analyze acceptable time,

place and manner restrictions that would be feasible for the City of Stacy, which are specifically mentioned as a basis of regulation in the new law.

- G. Pursuant to Minn. Stat. § 462.355, subd. 4, the City is authorized to enact an interim ordinance to regulate, restrict or prohibit land uses within its jurisdiction to protect the public health, safety, and welfare. Specifically, the City is authorized to enact a moratorium ordinance to allow it to undertake a study to determine whether to adopt any regulations or restrictions, including siting and location of uses, related to Cannabis Business.
- H. Pursuant to its general police powers, both under its Charter and also set forth in Minn. Stat. § 412.221, subd. 32, the City may enact and enforce regulations or restrictions on Cannabis Business within the City to protect the public safety, health, and welfare during the pendency of a study to determine the need for police power regulations, including but not necessarily limited to any additional licensing and permitting that may be allowed, if any, by the State.
- I. Pursuant to the language of the new law, cities, as soon as the law becomes effective, have authority to adopt an interim ordinance to prohibit a Cannabis Business from opening until January 1, 2025, to conduct studies or consider adopting or amending allowed restrictions on the operation of a Cannabis Business.

**Section 2. FINDINGS.**

- A. The City Council finds there is a need to study:
  - a. Cannabis Business; and
  - b. The impact of Cannabis Business as related to allowed land uses and zoning, in order to assess the necessity for and efficacy of regulation and restrictions relating to Cannabis Business including through zoning ordinances or licensing, if allowed, in order to protect the public health, safety, and welfare of its residents.
- B. The study will allow the City Council to determine the appropriate changes, if any, that it should make to the Stacy City Code, including any necessary zoning changes.
- C. The time will allow for the Office of Cannabis Management which will be licensing Cannabis Business to rule make and adopt its model ordinances which will further aid the Council in studying and considering restrictions on the operation of Cannabis Business.
- D. The City Council, therefore, finds that there is a need to adopt a City-wide moratorium on Cannabis Business within the City while City staff studies the issue.

**Section 3. MORATORIUM.**

- A. No individual, establishment, organization, or business may engage in Cannabis Business for twelve (12) months from the effective date of this ordinance.
- B. Planning or zoning applications related to Cannabis Business within the City of Stacy shall not be accepted or considered for twelve (12) months from the effective date of this ordinance.
- C. Should, at the end of the twelve (12) month period, Council deems it necessary to continue to study the need for local regulation of Cannabis Business the City Council may extend this Moratorium by adoption of an interim ordinance pursuant to 2023 Minnesota Laws Chapter 63 if so allowed under that law.
- D. This moratorium does not apply to the selling, testing, manufacturing, or distributing of Cannabis Products related to the Medical Cannabis Program as administered by the Minnesota Department of Health, provided that such activity is done in accordance with the regulations and laws of Minnesota regarding Medical Cannabis.
- E. This moratorium does not apply to the sale of THC Products allowed under the 2022 Minnesota Laws Chapter 98, which includes edible and nonedible cannabinoid products that contain no more than 0.3% of Tetrahydrocannabinol.

**Section 4.     STUDY.**

The City Council directs City staff to study the need for local regulation of Cannabis Business within the City of Stacy. Staff must also study the need for creating or amending zoning ordinances, licensing ordinances, as allowed by the state, or any other ordinances, as allowed and not preempted by the state, to protect the citizens of Stacy is from any potential negative impacts. Upon completion of the study, the City Council will consider the advisability of adopting new ordinances or amending its current ordinances.

**Section 5.     ENFORCEMENT.**

The City may enforce this Ordinance by mandamus, injunctive relief, or other appropriate civil remedy in any court of competent jurisdiction. The City Council hereby authorizes the City Clerk, in consultation with the City Attorney, to initiate any legal action deemed necessary to secure compliance with this Ordinance. A violation of this Ordinance is also subject to the City’s general penalty listed in Stacy City Code § Sec. 10.99.

**Section 6.     TERM.**

Unless earlier rescinded by the City Council, the moratorium established under this Ordinance shall remain in effect until twelve (12) months from its effective date, at which point, it will either automatically expire or be extended pursuant to other statutory authority until January 1, 2025.

**Section 7.     EFFECTIVE DATE.**

This ordinance shall be effective immediately upon passage and publication according to law.

**ADOPTED** this 12<sup>th</sup> day of September 2023, by the City Council of the City of Stacy.

By: \_\_\_\_\_  
Mark Utecht, Mayor

ATTEST:

\_\_\_\_\_  
Angie Comstock, Deputy City Clerk

DRAFTED BY:  
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**CITY OF STACY  
CHISAGO COUNTY, MINNESOTA**

**SUMMARY ORDINANCE NO. 2023-9-1**

**A SUMMARY INTERIM ORDINANCE PLACING A PROHIBITION ON  
CANNABIS BUSINESS IN THE CITY OF STACY**

**NOTICE IS HEREBY GIVEN** that, on September 12<sup>th</sup> 2023, Interim Ordinance No. 2023-9-1 was adopted by the City Council of the City of Stacy, Minnesota.

**NOTICE IS FURTHER GIVEN** that, because of the lengthy nature of Interim Ordinance No. 2023-9-1 the following summary of the ordinance has been prepared for publication.

**NOTICE IS FURTHER GIVEN** that the ordinance adopted by the City Council establishes a moratorium prohibiting cannabis business as defined in 2023 Minnesota Laws Chapter 63, Article 1, Section 1, Subdivision 14 in the City of Stacy.

A printed copy of the whole ordinance is available for inspection by any person during the City's regular office hours or on the City's website.

**APPROVED** for publication by the City Council of the City of Stacy, Minnesota, this 12<sup>th</sup> day of September, 2023.

BY: \_\_\_\_\_  
Mark Utecht, Mayor

ATTEST:

\_\_\_\_\_  
Angie Comstock, Deputy City Clerk

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