

- D. Second Reading of Ordinance 2022-21: An Ordinance to Create and Enact Title 2, Chapter 5, Article E, to Amend and Reenact Title 10, Chapter 18, Section 1, and to Amend and Reenact the Annual Fee Schedule of the Appendix of the Moorhead Municipal Code Relating to Sales, Use Regulations, and Licensing Fees of Edible Cannabinoid Products



City Council Communication

November 14, 2022

SUBJECT:

Second Reading of Ordinance 2022-21: An Ordinance to Create and Enact Title 2, Chapter 5, Article E, to Amend and Reenact Title 10, Chapter 18, Section 1, and to Amend and Reenact the Annual Fee Schedule of the Appendix of the Moorhead Municipal Code Relating to Sales, Use Regulations, and Licensing Fees of Edible Cannabinoid Products

RECOMMENDATION:

The Mayor and City Council are asked to consider a second reading of Ordinance 2022-21: An Ordinance to Create and Enact Title 2, Chapter 5, Article E, to Amend and Reenact Title 10, Chapter 18, Section 1, and to Amend and Reenact the Annual Fee Schedule of the Appendix of the Moorhead Municipal Code Relating to Sales, Use Regulations, and Licensing Fees of Edible Cannabinoid Products.

BACKGROUND/KEY POINTS:

On June 2, 2022, Governor Walz signed into law a new law which allows sale of certain edibles and beverages infused with tetrahydrocannabinol (THC). The law took effect on July 1, 2022. These products cannot contain more than 0.3% THC and have package limitations which are regulated by the MN Board of Pharmacy.

The new law:

- Requires testing by manufacturers
- Has label requirements (including that packaging must not bear a likeness or contain cartoon-like characteristics or modeled after other familiar brands that appeal to children)
- Requires that packaging be tamper proof
- Limits sales to persons over the age of 21
- Limits the amount of THC in edibles (cannot contain more than 0.3% THC, exceed more than 5 milligrams THC in a single serving, or more than 50 milligrams of THC per package)
- Includes the option for edible consumption through MN Medical Marijuana program
- Does not authorize cities to tax these products

A team was assembled to review the new law and draft a City Ordinance relating to licensing and zoning. The Ordinance team included staff from the Police Department, City Attorney's Office, City Prosecutors Office, City Clerks Office, City Manager's Office and Community Development Department.

The proposed draft Ordinance includes:

- Licensing standards and fee (\$750/year) for sale of edible cannabinoid products
- Zoning Use Table updates relating to the sale and manufacturing of cannabinoid products

Because the proposed Ordinance includes a change to Title 10: Zoning, Use Table, the Planning Commission held a Public Hearing on October 3, 2022. Notification for the hearing was



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published in the FM Extra and letters were sent to businesses that may sell related products, including CBD products, and those that contacted the City regarding sales of edibles.

The Planning Commission reviewed the proposed use table additions of Cannabinoid Sales and Cannabinoid Manufacturing and recommended modifications to the use table (adding a use category for cannabinoid distillate product manufacturing and permitting edible manufacturing in the Mixed Use-1 zoning district) and clarification regarding not allowing sales or manufacturing within residential homes/units. They voted unanimously to recommend the proposed zoning changes.

When reviewing the recommended changes from the Planning Commission, one modification was made. The Commission had recommended that the distillate product manufacturing be allowed in Commercial and Industrial. The Ordinance review team is recommending that this use only be allowed in Industrial at this time.

The proposed Ordinance also includes an addition made by the Ordinance review team following the Commission meeting that requires the name and address of the manufacturer of the cannabinoid product on the label of the edible product. The MN Statute requires that manufacturers of edible products certify that the product/s complies with standards through independent, accredited laboratory testing. Having the name/address of the manufacture on the label will provide a contact if there are concerns/questions submitted by consumers relating to the product.

Written comments on the licensing section of the Ordinance were received and are attached. One comment was received at the Planning Commission Public Hearing from T. Sorenson, owner of Unwind. Sorenson noted interest in offering samples of products for consumers to try before purchase. The Ordinance team reviewed this comment and did not recommend changing the ordinance standards relating to sampling at this time (as to not encourage driving under the influence if an individual is not familiar with consumption of a THC edible product).

The proposed license requirements outlined in the Ordinance includes standards such as:

- Does not apply to medical cannabis
- Applies to sales or products intended to be eaten or consumed and contained tetrahydrocannabinol (THC) in combination with food ingredients
- Must be in a permanent place of business (not mobile) and cannot be sold from a residential home (ie: home occupation)
- May not provide free or nominal cost samples to customers
- A background check on the owners will be completed by the Police Department once an application is received. In the case of corporations, the background check will be completed on the local manager or agent
- Cannot be sold by a liquor store (requirement of State of MN).
- On-sale liquor license holders and restaurants are permitted to be licensed
- The licensee must be age 21 or over
- Administrative penalties and fines will apply if the licensee violates the standards



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- Persons under the age of 21 who violate the ordinance are subject to non-criminal, non-monetary penalties
- The licensee may not sell: to anyone under the age of 21; out of a vending machine or self-service method; from anywhere other than a permanent business; with branding that includes cartoon-characters, resembling trademark brands or design that may mislead a person to think the product is anything other than an edible cannabinoid product; a product that doesn't have child-resistant packaging or without a label outlining the ingredients and other required notices
- The City may conduct compliance checks at any time.

The City Council approved the first reading of Ordinance 2022-21 on October 24, 2022.

FINANCIAL CONSIDERATIONS:

The proposed \$750 per year licensing fee is included within the Ordinance. Licenses obtained in the fall of 2022 will be valid for all of 2023 and only one fee will be required for this 2022-2023 first year license.

Voting Requirements: Majority of Council

Submitted By:

Dan Mahli, City Manager

Mike Rietz, Assistant City Manager

Kristie Leshovsky, Community Development

Christina Rust, City Clerk

John T. Shockley and Kathryn J. DelZoppo, City Attorney's Office

Cheryl Duysen, City Prosecutor

Deric Swenson and Brad Penas, Moorhead Police

Attachments: Draft Ordinance

1118 River Dr S
Moorhead MN 56560
11/04/2022

City Manager Dan Mahli, City Attorney John Shockley, Mayor Shelly Carlson & Council Members:

After the last council meeting's discussion concerning the cannabinoid edibles ordinance, I have even more questions/concerns. Many of you appeared to be frustrated with this rather poor legislation as well!

Again, I refer to the League of Minnesota Cities statement that "A moratorium is a tool cities use to pause specific uses in order that the city may study the issue in anticipation of future regulations. A moratorium is limited to a period of one year. To adopt a moratorium, a city must follow the procedures in Minnesota Statute, section 462.355, subd. 4. The statute specifies the specific instances where a city may adopt a moratorium. If a city were to adopt a moratorium prohibiting the sale or manufacturing of edible cannabinoid products, it should work with its city attorney to clearly state the legal justification for the moratorium."

A moratorium would allow the City more time to study the issue and to lobby the State to change the legislation to allow our city (at the very least) to tax the products (or even better, in my personal opinion, to over-turn it!)

It's my understanding that Shakopee has a moratorium already in place and I strongly urge that our city choose the same route! Many questions/concerns could be addressed during the moratorium period.

I don't understand how businesses in Moorhead were allowed to sell these products already. Were all of them initially established to sell other products and just added these, just because the State passed this legislation?

Another question—why would restaurants be allowed to sell these products? That makes no sense at all, in my estimation!

If a moratorium does not pass at this time, I think a more reasonable fee would be an average of the other cities' fees, instead of a median, which would bring the fee into the \$2,000-\$3000 range, and I still think these products should be unflavored, if we're concerned about the appeal to our youth, as that was the main concern with flavored tobacco/vape products.

It seems also that Robert's Rules of Order were not properly followed when a "friendly amendment" was made in relation to the license fee. I recall that an amendment and a second were "on the floor" to amend the license fee to \$2,000 and I'm not certain that both persons who moved and seconded the original amendment agreed to a "friendly amendment"—doesn't that essentially "kill" the "friendly amendment" and the Council should have voted first of all (up or down) on the original amendment of \$2,000? (I'm no expert and maybe I missed something!)

Thank you for your anticipated consideration of my questions/concerns/suggestions! I am including my phone number and welcome phone calls, as well. (I still check my emails generally at the Library and therefore, I don't check them every day.)

Sincerely,
Janine Hanson

ORDINANCE NO. 2022-21

AN ORDINANCE TO CREATE AND ENACT TITLE 2, CHAPTER 5, ARTICLE E, TO AMEND AND REENACT TITLE 10, CHAPTER 18, SECTION 1, AND TO AMEND AND REENACT THE ANNUAL FEE SCHEDULE OF THE APPENDIX OF THE MOORHEAD MUNICIPAL CODE RELATING TO SALES, USE REGULATIONS, AND LICENSING FEES OF EDIBLE CANNABINOID PRODUCTS

BE IT ORDAINED by the City Council of the City of Moorhead as follows:

SECTION 1. Title 2, Chapter 5, Article E of the Moorhead Municipal Code is hereby created and enacted to read as follows:

ARTICLE E. SALES OF EDIBLE CANNABINOID PRODUCTS

- 2-5E-1: SCOPE
- 2-5E-2: DEFINITIONS
- 2-5E-3: LICENSE
- 2-5E-4: BASIS FOR DENIAL OF LICENSE
- 2-5E-5: QUALIFICATIONS OF LICENSEE
- 2-5E-6: ADMINISTRATIVE REMEDIES
- 2-5E-7: CRIMINAL PENALTIES
- 2-5E-8: PROHIBITED SALES
- 2-5E-9: OBVIOUSLY INTOXICATED OR IMPAIRED PERSONS
- 2-5E-10: SELF-SERVICE SALES
- 2-5E-11: RESPONSIBILITY
- 2-5E-12: COMPLIANCE CHECKS
- 2-5E-13: OTHER PROHIBITED ACTS
- 2-5E-14: MEDICAL CANNABIS MANUFACTURE, DISPENSING, AND USE
- 2-5E-15: EXCEPTIONS AND DEFENSES
- 2-5E-16: SEVERABILITY

2-5E-1: SCOPE:

A. This Article applies to the sale of any product that contains cannabinoids extracted from hemp and that is an edible cannabinoid product or is intended for human consumption by any route of administration.

B. This Article does not apply to any product dispensed by a registered medical cannabis manufacturer pursuant to state law.

2-5E-2: DEFINITIONS:

Except as may otherwise be provided or clearly implied by context, all terms shall be given their commonly accepted definitions. For the purpose of this section, the following definitions shall apply unless the context clearly indicates or requires a different meaning:

LICENSED PRODUCT OR EDIBLE CANNABINOID PRODUCT: Any product that is intended to be eaten or consumed as a beverage by humans, contains tetrahydrocannabinol in combination with food ingredients, and is not a drug.

SALE: Any transfer of goods for money, trade, barter or other consideration.

SAMPLE: Any quantity of an edible cannabinoid product, given for free or a nominal cost, so a person can try it or examine it before making the decision to purchase.

2-5E-3: LICENSE:

A. **License Required:** No person shall, directly or indirectly, or by means of any device, keep for retail sale, sell at retail, or otherwise dispose of any edible cannabinoid products without a license therefor.

B. **Application:** An application for a license to sell edible cannabinoid products must be made on a form provided by the city. Application for a license shall state the full name and the residential and business addresses and telephone numbers of the applicant, the name of the business, the location of the building intended to be used by the applicant under the license, the kind of business conducted at such location, and such other information as shall be required by the city.

C. **License Fee:** No license shall be issued under this article until the appropriate license fees are paid in full. License fees shall not be prorated for any reason, including where licenses are issued for terms less than one (1) year. The fees for such licenses will be established by the city's fee schedule. The city may from time to time amend and change the permit fees by and amendment of the fee schedule or passage of a subsequent fee schedule.

D. **Term:** All licenses issued under this section shall be valid from January 1 through December 31 of each year.

E. **Revocation Or Suspension:** Any license issued under this section may be revoked or suspended as provided in the administrative remedies section of this article.

F. **Transfers:** All licenses issued under this section shall be valid only on the premises for which the license was issued and only for the person to whom the license was issued. No transfer of any license to another location or person shall be valid. If a transfer is needed, the applicant will need to reapply and submit new payment of license fees.

G. **Moveable Place of Business:** No license shall be issued to a movable place of business. Only fixed location businesses shall be eligible to be licensed under this section.

H. **Display:** All licenses shall be posted and displayed in plain view of the general public on the licensed premises.

I. **Issuance As Privilege And Not A Right:** The issuance of a license issued under this section shall be considered a privilege and not an absolute right of the applicant and shall not entitle the holder to an automatic renewal of the license.

J. **Distribution Of Samples:** No person shall distribute samples of any edible cannabinoid products free of charge or at nominal cost, including on licensed premises.

K. Background Check: The police department shall conduct a criminal background check on the applicant, and any and all owners with ten percent (10%) or more ownership interest in the business. Where the applicant is a firm, association, partnership, corporation, limited liability company, or joint venture, the police department may conduct a criminal background check on the applicant, local manager, or agent of the licensed premises, in addition to any and all owners with a ten (10% or more ownership interest in the business). In the event a national criminal background investigation is required, the applicant shall be responsible for all additional fees incurred for such and, upon request, provide additional information required to complete this process. All applicants are required to complete an informed consent authorizing the disclosure of all criminal history record information. The city clerk and the police department shall review such application and, without further authorization on the part of the council, issue such license to the applicant if the applicant is eligible therefor.

L. Renewals: The renewal of a license issued under this ordinance will be handled in the same manner as the original application. The request for a renewal must be made at least thirty (30) calendar days, but no more than sixty (60) calendar days, before the expiration of the current license.

M. Signage: Notice of the legal sales age and age verification requirement must be always posted prominently and in plain view at each location where edible cannabinoid 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.

2-5E-4: INELIGIBILITY AND BASIS FOR DENIAL OF LICENSE:

A. Ineligibility.

1. Moveable Place of Business: No license under this section shall be issued to a movable place of business. Only fixed location businesses shall be eligible to be licensed under this section.
2. Financial Delinquencies: No license shall be granted or renewed for operation on any premises on which real estate taxes, assessments, or other financial claims of the city or of the state are due, delinquent, or unpaid. If an action has been commenced pursuant to state law, as the same may be amended, questioning the amount or validity of taxes, the city council may, on application by the licensee, waive strict compliance with this provision; no waiver may be granted, however, for taxes, or any portion thereof, which remain unpaid for a period exceeding one year after becoming due unless such one-year period is extended through no fault of the licensee.
3. Other Establishments and Uses: Any establishment or use prohibited by State law.

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

1. The applicant is under the age of twenty-one (21) years.

2. The applicant has been convicted within the past five (5) years of any violation of a federal, state, or local law, ordinance provision, or other regulation relating to edible cannabinoid products.
3. The applicant has had a license to sell edible cannabinoid products suspended or revoked within the preceding twelve (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.

C. 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.

D. If a license is mistakenly issued or renewed to a person, it shall be revoked upon the discovery that the person was ineligible for the license under this article.

2-5E-5: QUALIFICATIONS OF LICENSEE:

No license shall be issued to any applicants for sale of edible cannabinoid products at any place other than their established place of business, nor shall any license be issued for the sale of edible cannabinoid products at a movable place of business, nor at more than one place of business, nor as a home occupation at a residential dwelling unit.

2-5E-6: ADMINISTRATIVE REMEDIES:

A. Licensees: Any licensee found to have violated this article, or whose employees have violated this article, shall be subject to the following penalties, and such violation shall be cause for the imposition of an administrative penalty, license suspension, and/or license revocation as set forth below:

1. The first violation shall be subject to an administrative penalty of three hundred dollars (\$300.00).
2. The second violation at the same licensed premises within thirty-six (36) months of the first violation, shall subject licensee to a three (3) day suspension of the license and an administrative penalty of six hundred dollars (\$600.00).
3. The third violation within a thirty-six (36) month period shall subject licensee to thirty (30) day suspension of the license and an administrative penalty of one thousand dollars (\$1,000.00).
4. Upon a fourth violation within a thirty-six (36) month period the license will be revoked.

B. Other Individuals: Individuals other than persons under the age of twenty-one (21) regulated by subsection C of this section, who are found to be in violation of this ordinance may be charged an administrative fine of fifty dollars (\$50.00).

C. **Persons Under The Age Of 21:** Persons under the age of twenty-one (21) who violate this ordinance may only be subject to non-criminal, non-monetary penalties such as related education classes, diversion programs, community services, or another penalty that the city determines to be appropriate. The city council will consult with court personnel, educators, parents, children, and other interested parties to determine an appropriate penalty for persons under the age of twenty-one (21) in the city. The penalty may be established by ordinance and amended from time to time.

D. **Administrative Hearing/Waiver:** Upon receipt of information indicating that a violation has occurred, the city manager or his/her designee shall personally serve or send by certified mail notice to the person accused of the violation. The notice shall indicate the nature of the violation and whether such violation will result in an administrative penalty, license suspension, or license revocation. The notice shall also indicate that the person has the option of requesting a hearing before the city council prior to the license suspension, revocation, or imposition of a penalty, or waiving such hearing and accepting the disposition described in the notice. The person shall file a written request for a hearing within ten (10) calendar days of the date specified in the license violation notice, or licensee shall be deemed to have waived its right to a hearing. Upon receipt of a hearing request, the city manager or his designee shall schedule a hearing before the city council at the earliest opportunity and shall send a hearing notice by certified mail. The decision of the city council must be in writing.

2-5E-7: CRIMINAL PENALTIES:

A. **Penalty:** The penalty for violation of any of the provisions of this article shall be a misdemeanor.

B. **Subsequent Offenses:** Nothing in this section prohibits the city from seeking prosecutions as a misdemeanor for an alleged second violation of this ordinance by a person twenty-one (21) years of age or older within five (5) years of a previous conviction under the ordinance.

C. **Immunity Clause:** A person under twenty-one (21) years of age who purchases or attempts to purchase edible cannabinoid products while under the direct supervision of a responsible adult for training, education, research, or enforcement purposes which have been approved by the city manager or his designee shall not be subject to a criminal penalty.

2-5E-8: PROHIBITED SALES:

It shall be a violation of this section for any person to sell or offer to sell any edible cannabinoid products:

A. To any person under the age of twenty-one (21) years. Licensees must verify by means of government-issued photographic identification that the purchaser is at least twenty-one (21) years of age.

B. By means of self-service methods whereby the customer does not need to make a verbal or written request to an employee of the licensed premises in order to receive the edible cannabinoid products and whereby there is not a physical exchange between the licensee, or the licensee's employee, and the customer.

C. By means of any type of vending machine.

D. From any location other than a fixed place of business that is a licensed premise. Delivery of licensed products from a licensee to a purchaser who is located off the licensed premises is strictly prohibited.

E. That bear the likeness or contain cartoon-like characteristics of a real or fictional person, animal, or fruit that appeals to children.

F. Modeled after a brand of products primarily consumed by or marketed to children.

G. Made by applying an extracted or concentrated hemp-derived cannabinoid to a commercially available candy or snack food item.

H. Containing an ingredient, other than a hemp-derived cannabinoid, that is not approved by the United States Food and Drug Administration for use in food.

I. That are packaged in a way that resembles trademarked, characteristic, or product-specialized packaging of any commercially available food product.

J. That are packaged in a container that includes a statement, artwork, or design that could reasonably mislead any person to believe that the package contains anything other than an edible cannabinoid product.

K. That are not prepackaged in packaging or placed in packaging or a container that is child-resistant, tamper-evident, and opaque at the final point of sale to a customer. The requirement that packaging be child-resistant does not apply to an edible cannabinoid product that is intended to be consumed as a beverage and which contains no more than a trace amount of any tetrahydrocannabinol.

L. Without a label containing at least the following information affixed to the packaging or container of all edible cannabinoid products sold to consumers:

- a. The serving size;
- b. The cannabinoid profile per serving and in total;
- c. A list of ingredients, including identification of any major food allergens declared by name; and
- d. The following statement: "Keep this product out of reach of children."
- e. The name and address of the manufacture of the cannabinoid product.

M. At any place other than for where the license was issued.

N. For consumption or use on any premises that holds a license issued under this section.

O. By any other means, to any other person, on any other manner or form prohibited by federal, state or other local law, ordinance, provision or other regulation.

2-5E-9: OBVIOUSLY INTOXICATED OR IMPAIRED PERSONS:

No person shall sell, give, furnish, dispense, distribute, or in any way procure for another person any licensed products for use by an obviously intoxicated person or a person who is obviously impaired by or under the influence of licensed products or any controlled or intoxicating substance.

2-5E-10: SELF-SERVICE SALES:

No person shall allow the sale of edible cannabinoid products by self-service displays where the customer may have access to those items without having to request the item from the licensee or the licensee's employee and whereby there is not a physical exchange of the edible cannabinoid products between the licensee or the licensee's employee and the customer. All edible cannabinoid 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. Any retailer selling edible cannabinoid products at the time this chapter is adopted shall comply with this section within ninety (90) calendar days following the effective date of this section.

2-5E-11: RESPONSIBILITY:

All licensees under this section shall be responsible for the actions of their employees in regard to the sale of edible cannabinoid products on the licensed premises, and the sale of an item by an employee shall be considered a sale by the license holder. Nothing in this section shall be construed as prohibiting the city from also subjecting the clerk to whatever penalties are appropriate under this section, state or federal law, or other applicable law or regulation.

2-5E-12: COMPLIANCE CHECKS:

All licensed premises must be open to inspection by law enforcement or other authorized city officials during regular business hours. From time to time, the city may conduct compliance checks. The city may conduct a compliance check that involves the participation of a person at least seventeen (17) years of age, but under the age of twenty-one (21) to enter the licensed premises to attempt to purchase edible cannabinoid products. Prior written consent from a parent or guardian is required for any person under the age of eighteen (18) to participate in a compliance check. Persons used for the purpose of compliance checks will be supervised by law enforcement or other designated personnel.

2-5E-13: OTHER PROHIBITED ACTS:

Prohibited Furnishing or Procurement: It is a violation of this ordinance for any person twenty-one (21) years of age or older to purchase or otherwise obtain any edible cannabinoid products on behalf of a person under the age of twenty-one (21). It is a violation for any person twenty-one (21) years of age and older to coerce or attempt to coerce a person under the age of twenty-one (21) to purchase or attempt to purchase any edible cannabinoid products.

2-5E-14: MEDICAL CANNABIS MANUFACTURE, DISPENSING, AND USE:

Nothing herein shall be construed to prohibit, prevent, impede, or otherwise change any person's right to lawfully manufacture, obtain, dispense, distribute, possess, prescribe, or use medical

cannabis in compliance with state law. Provided, however, that nothing herein shall be construed to grant or expand those rights.

2-5E-15: EXCEPTIONS AND DEFENSES:

Nothing in this section shall prevent the providing of any edible cannabinoid products to a minor as part of a lawfully recognized religious, spiritual, or cultural ceremony. It shall be an affirmative defense to the violation of this section for a person to have reasonably relied on proof of age as described by state law.

2-5E-16: SEVERABILITY:

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

SECTION 2. Title 10, Chapter 18, Section 1 of the Moorhead Municipal Code is hereby amended and reenacted to read as follows (unchanged portions of the table have been omitted from the text below):

Use Category (General)	Use Type (Detailed)	Mixed Use Districts			Commercial Districts			Industrial Districts	
		MU-1	MU-2	MU-3	NC	CC	RC	LI	HI
Retail sales and services									
	...								
	<u>Cannabinoid Sales</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
	<u>Edible Cannabinoid Product Manufacturing</u>	<u>P</u>		<u>P</u>		<u>P</u>	<u>P</u>	<u>P</u>	<u>P</u>
	<u>Cannabinoid Distillate Product Manufacturing</u>							<u>P</u>	<u>P</u>
	...								

SECTION 3. Title 10, Chapter 18, Section 2 of the Moorhead Municipal Code is hereby amended and reenacted to read as follows:

H. Home occupations:

1. No home occupation shall produce light glare, noise, fumes, odor or vibration that will in any way have an objectionable effect upon adjacent or nearby property.

2. No equipment shall be used in the home occupation, which will create electrical interference to surrounding properties. No equipment shall be used which creates visual or audible interferences in any radio or television receivers off the premises or causes fluctuations in the voltage off the premises.

3. Any home occupation shall be clearly incidental and secondary to the residential use of the premises. Not more than twenty five percent (25%) of the main floor of the dwelling unit shall be permanently set aside to be used in the conduct of the home occupation. It should not change the residential character thereof, and shall result in no incompatibility or disturbance to the surrounding residential uses.

4. No home occupation shall require internal or external alterations or involve construction features not customarily found in dwellings except where required to comply with local and state fire and police recommendations.

5. There shall be no exterior storage of equipment or materials used in the home occupation, except personal automobiles used in the home occupation may be parked on the site and materials which occupy less than three hundred (300) square feet and produce no light glare, noise, fumes, odor or vibration and which are completely screened from adjoining property and public right of way are permitted.

6. The home occupation shall meet all applicable fire and building codes.

7. There shall be no exterior display or exterior signs or interior display or interior signs which are visible from outside the dwelling with the exception of directional and identification/business signs to the extent authorized by the provisions of chapter 22 of this title relating to signs.

8. No home occupation shall be conducted between the hours of ten o'clock (10:00) P.M. and seven o'clock (7:00) A.M. unless said occupation is contained entirely within the principal building and will not require any on street parking facilities.

9. Home occupations shall not create a parking demand in excess of that which can be accommodated in an existing driveway.

10. Not more than one person other than those who customarily reside on the premises shall be employed.

11. All permitted home occupations must be conducted entirely within a building unless otherwise noted in this section.

12. The home occupation shall not involve any of the following: small engine, auto repair or reconditioning, ~~or manufacturing~~, or cannabinoid sales, cannabinoid production, or cannabinoid manufacturing.

13. Garage sales, yard sales and/or onetime seasonal sales shall be conducted no more than four (4) days total in any one hundred eighty (180) day period.

SECTION 4. The Annual Fee Schedule of the Appendix of the Moorhead Municipal Code is hereby amended and reenacted to read as follows (unchanged portions of the table have been omitted from the text below):

	2021	2022
BUSINESS AND LICENSE PERMITS		
. . .		
<u>Cannabinoid Product License</u>		<u>\$750.00</u>

SECTION 5. This ordinance shall take effect upon publication in accordance with the Moorhead City Charter.

PASSED by the City Council of the City of Moorhead this 14th day of November, 2022.

APPROVED BY:

MICHELLE (SHELLY) A. CARLSON, Mayor

ATTEST:

CHRISTINA RUST, City Clerk

First Reading: 10/24/2022
E-Post: 10/28/2022
Second Reading: 11/14/2022
Date of Publication: