

## ORDINANCE NO. 47, 4th SERIES

**AN ORDINANCE OF THE CITY OF EAST GRAND FORKS, MINNESOTA, AMENDING CITY CODE TITLE XI, CHAPTER 120, AN ORDINANCE TO REGULATE CANNABIS AND LOWER-POTENCY HEMP EDIBLE BUSINESSES BY AMENDING SECTION 120.04 SUBD.F AND REVOKING SECTION 120.09 TEMPORARY CANNABIS EVENTS AND AMENDING/REPLACING SECTION 120.09 AND BY ADOPTING BY REFERENCE CITY CODE CHAPTER 10 AND SECTION 10.99 WHICH, AMONG OTHER THINGS, CONTAIN PENALTY PROVISIONS.**

THE CITY OF EAST GRAND FORKS DOES ORDAIN AS FOLLOWS:

SECTION 1. That section 120.04 F shall be REVOKED and replaced to read as follows:

F. Application approval.

1. A state-licensed retail business application shall not be approved if the cannabis retail business would exceed the maximum number of registered cannabis retail businesses permitted under Section 120.05 paragraph J, subd 5 below.

2. Registration: The city of East Grand Forks will accept cannabis retailer registration applications that have received license approval or preapproval from the State Office of Cannabis Management. Then, the City will publish the official date when the registration process will be closed and officially publish and announce a lottery date, if necessary on the City's Cannabis Business webpage, found here: Cannabis Business Licensing | East Grand Forks, MN when the retail business registrations will be awarded.

3. Eligibility requirements: Applicants must submit a complete application, including all requirements listed under by Section 120.04 paragraph E.

4. Retail Cannabis business applicants may submit up to one (1) application for business locations within each designated zoning district (C-1 Downtown Commercial and C-2 Highway Commercial). In the event an applicant is drawn for a location in one zoning district, their application for the other zoning district will be removed from the lottery pool.

5. Incomplete applications submitted at the time of the registration window closure will be disqualified and will not be included in the registration lottery.

6. Prohibitions: To maintain integrity, applicants may not submit multiple applications under different entities with the same majority ownership at the same proposed business location within the City. All applicants must attest they are not connected to any other applicant.

7. Fees:

- a. Lottery Application Fee: The City requires a \$50.00 lottery application fee.
- b. Retailer Registration Fees: See the registration fee structure included in the Cannabis Business Registration form.

8. Lottery procedure: In accordance with state law, which allows one cannabis business registration per 12,500 residents, the city of East Grand Forks will allow for issuance of up to two (2) cannabis business registrations (Cannabis retailer, microbusiness, and mezzobusiness locations). If more than two (2) complete and eligible applications are received, a public lottery will be conducted. The drawing will be conducted publicly using a random selection method, with either City staff or a contracted third party facilitating the process. The City of East Grand Forks will announce the time, date, and location of the lottery at least ten (10) business days in advance. Participation in the drawing is not required but the application and fee must be submitted in advance.

9. Alternates: In addition to the primary selections, one (1) registration selection for each zoning district, one alternate per zoning district will be drawn in the event that any selected business is unable to open within six months, or 90 days if an extension is granted.

SECTION 2: That Section 120.09 of the City Code is hereby AMENDED to read as follows:

SECTION 120.09. TEMPORARY CANNABIS EVENTS

A. Any individual or business seeking to obtain a cannabis event license must provide OCM information about the time, location, layout, number of business participants, and hours of operation.

B. A cannabis event organizer and attending business participant must receive local approval, including obtaining any necessary permits or licenses issued by a local unit of government before holding or participating in a cannabis event.

C. Permit Required for Temporary Cannabis Events.

1. Permit Required. No person shall hold or participate in a Temporary Cannabis Event without first having received a permit to do so provided in this chapter.

2. Registration & Application Procedure. A registration fee, as established in the city of East Grand Forks's fee schedule, shall be charged to applicants and business participants for Temporary Cannabis Events.

3. Application Submittal & Review. The city of East Grand Forks shall require an application for Temporary Cannabis Events.

a. An applicant for retail registration shall fill out an application form, as provided by the city of East Grand Forks. Said form shall include, but is not limited to:

- i. Full name of the property owner and applicant;
- ii. Address, email address, and telephone number of the applicant
- b. The applicant shall include with the form:
  - i. The application fee as required in Section 4 C;
  - ii. A copy of the OCM cannabis event license application, submitted pursuant to 342.39 subd. 2.
  - iii. A copy of the applicant's driver's license or qualifying state ID.

The application shall be submitted to the city of East Grand Forks City Clerk, or other designee for review. If the designee determines that a submitted application is incomplete, they shall return the application to the applicant with the notice of deficiencies.

D. Once an application is considered complete, the designee shall inform the applicant as such, process the application fees, and forward the application to the East Grand Forks City Council for approval or denial.

E. The application fee shall be non-refundable once processed.

F. The application for a permit for a Temporary Cannabis Event shall meet the following standards:

- 1. No Temporary cannabis event shall be held on City owned property or public park within the City.
- 2. Smoking, vaping, or consumption of cannabis, or cannabinoid products, at a Temporary Cannabis Event is prohibited.
- 3. Temporary cannabis events shall only be held between the hours of 8:00 A.M. and 10:00 P.M.

G. A request for a Temporary Cannabis Event that does not meet the requirements of this Section shall be denied. The City of East Grand Forks shall notify the applicant of the standards not met and basis for denial.

SECTION 3. City Code Chapter 10 entitled "General Provisions" and Section 10.99 are hereby adopted in their entirety, by reference, as though repeated verbatim herein.

SECTION 4. This ordinance shall take effect and be in force from and after its passage and publication and be given the Number 47, 4th Series.

*Voting Aye: Riopelle, Helms, Casmey, Larson, Peterson, Schumacher, and Pokrzywinski.*  
*Voting Nay: None.*  
*Absent: None.*

ATTEST:

PASSED: July 1, 2025

\_\_\_\_\_  
City Administrator

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President of Council

I hereby approve the foregoing Ordinance this 1<sup>st</sup> day of July, 2025.

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Mayor