

**CITY OF WELLS
COUNTY OF FARIBAUT
STATE OF MINNESOTA**

ORDINANCE NO. 2025-01

**AN ORDINANCE AMENDING THE WELLS CITY CODE PERTAINING TO
TEMPORARY CANNABIS EVENTS**

WHEREAS, the purpose of this ordinance is to protect public health, safety, and welfare in the City of Wells (“City” or “City of Wells”) by implementing certain regulations related to Temporary Cannabis Events, allowed by state law for up to four (4) days within the city; and

WHEREAS, the City Council of the City of Wells hereby finds and concludes that these regulations are appropriate, necessary, lawful, and in the best interest of the City and its residents.

THE CITY COUNCIL OF THE CITY OF WELLS HEREBY ORDAINS AS FOLLOWS:

SECTION 1. City Code of Ordinances, Title XI: Business Regulation, Chapter 111, COMMERCIAL AMUSEMENTS is amended by adding §111.06 to the City Code of Ordinances to read as follows:

....

§111.06 Temporary Cannabis Events.

(A) Statement of Policy. The City of Wells makes the following legislative findings: The purpose of this ordinance is to protect public health, safety, and welfare in the City by implementing regulations on temporary cannabis events within the City pursuant to Minnesota Statutes, Chapter 342, specifically Sections 342.39 and 342.40. The City finds and concludes that these regulations are appropriate, lawful, in the public interest, and for the public good.

(B) Definitions.

(1) “Cannabinoid Product” means cannabis product, a hemp derived consumer product, or a lower-potency hemp edible as defined in Minn. Stat. § 342.01.

(2) “School” means any property owned, leased, or controlled by an independent district, commonly referred to as a school district, under Minn. Stat. § 123A.05; or by an organization operating a nonpublic school, as that term is defined in Minn. Stat. § 123B.41, subd. 9, where an elementary, middle, secondary school, secondary vocational center or other school providing educational services for any grade kindergartner through grade 12 is located; or any property owned, leased or used as a community education program by a school district or districts for

children and their caregivers, relatives or parents for the ages from birth to kindergarten, excluding properties exclusively used for the remote or online delivery of educational programming.

(3) “Special Services” means the exclusive allocation of City resources, including, but not limited to, city personnel, equipment, rights-of-way, property or facilities for use in conjunction with a specific event or activity, as requested by the host or sponsor of the event, or as requested by or on behalf of any person attending the event, or deemed necessary by city staff in order to maintain public safety. Special Services shall include, but not be limited to, any of the following: street closures; requiring police officers to stop or reroute traffic; special police protection; stationing emergency vehicles at or in the immediate vicinity of the event; exclusive use of city streets or property as a staging area or for event parking; additional street cleaning and garbage removal services; special signage, such as temporary no parking signs; the use of any city building, equipment or other property for any purpose other than the normal operations of the facilities; or the City otherwise providing exclusive services.

(4) “Temporary Cannabis Event Organizer” means an individual or an organization licensed by the State of Minnesota to hold a Temporary Cannabis Event, as described in Minnesota Statute Section 342.39 and 342.40.

(C) Temporary Cannabis Event, Permit Required. Any person or organization desiring to hold a Temporary Cannabis Event in the City must first obtain a Temporary Cannabis Event Permit from the City.

(D) Permit Application.

(1) Form. Application for a permit to hold a Temporary Cannabis Event must be made in writing and must contain a statement made upon oath or affirmation that the statements contained therein are true and correct to the best knowledge of the applicant and must be signed and sworn to or affirmed by the Temporary Cannabis Event Organizer. The application must contain and disclose the following:

- (a) Applicant name, address, phone number;
- (b) Date(s) of proposed Temporary Cannabis Event;
- (c) Duration of Temporary Cannabis Event, including beginning and ending times;
- (d) Address of proposed Temporary Cannabis Event;
- (e) Name of property owner, if different from applicant;
- (f) A complete copy of the cannabis event license application, submitted to the Office of Cannabis Management pursuant to Minnesota Statutes Section 342.39 subd. 2;
- (g) Type and description of the Temporary Cannabis Event including:
 - i. Whether the general public will be permitted to attend, and estimated number of persons to attend;

- ii. Any public health plans, including supplying water to the site, solid waste collection and provision of toilet facilities, if applicable;
- iii. Any fire prevention and emergency medical services plans, if applicable;
- iv. Security plans;
- v. The admission fee, donation, or other consideration to be charged or requested for admission, if applicable;
- vi. Whether food or alcohol will be served or sold at the event;
- vii. A detailed description of all public rights-of-way and private streets for which the applicant requests the City to restrict or alter normal parking, vehicular traffic or pedestrian traffic patterns, the nature of such restrictions or alterations, and the basis;
- viii. A description of any services, city personnel, city equipment, and city property which the applicant requests the City to provide, including the applicant's estimate of the number and type needed, and the basis on which the estimate is made. However, the City retains sole discretion to determine the number and type of services required for the event;
- ix. Whether any sound amplification or public address system will be used or if there will be any playing of any music or musical instruments;
- x. A statement signed by the applicant agreeing to pay all fees and meet all other requirements of this Section;
- xi. An applicant signature and property owner's signature, if different from applicant; and
- xii. Any other information requested by the City, acting through its City Administrator or Chief of Police deemed reasonably necessary in order to determine the nature of the Temporary Cannabis Event and the extent of any Special Services required.

(2) Time for filing. A Temporary Cannabis Event permit application must be filed with the City at least 30 days in advance of the date in which the Temporary Cannabis Event is to occur.

(3) Permit fee. An applicant for a Temporary Cannabis Event permit must pay a nonrefundable permit fee in the amount set forth in the City's fee schedule.

(E) Application Review.

(1) Upon receipt of a Temporary Cannabis Event permit application, the City Administrator, or their designee, shall be responsible for promptly processing the application, including conferring with City staff and the applicant as necessary to implement the provisions of this Section, and, when required by this Section, forwarding the processed application to the City Council with a recommendation to approve, approve with conditions or modifications, or deny the Temporary Cannabis Event permit application.

(2) Special Services. The City Administrator shall work with City staff to determine whether Special Services may be necessary, and the cost for such Special Services.

(3) Review. When a Temporary Cannabis Event will not require any Special Services, the City Administrator may review and approve the permit application administratively. In cases where a Temporary Cannabis Event requires Special Services, the application will be presented to the City Council for review.

(4) Permit Denial. The city may deny an application for a Temporary Cannabis Event permit if it determines from a consideration of the application or other pertinent information, that:

(a) The information contained in the application or supplemental information requested from the applicant is false or nonexistent in any material detail;

(b) The applicant fails to supplement the application after having been notified by the City of additional information or documents needed;

(c) The applicant fails to agree to abide or comply with all of the conditions and terms of the Temporary Cannabis Event permit, including payment of all costs and expenses;

(d) The Temporary Cannabis Event would substantially or unnecessarily interfere with traffic in the City, would interfere with access to the fire station or fire hydrants, or would interfere with access to businesses or residences in the immediate vicinity of the event and there are not sufficient city resources available at the time of the event to mitigate the disruption;

(e) The Temporary Cannabis Event is of the size or nature that requires the diversion of so many law enforcement officers to properly police the event, site and contiguous areas that allowing the Temporary Cannabis Event would unreasonably deny law enforcement protection to the remainder of the City and its residents;

(f) The proposed date and time of the Temporary Cannabis Event conflicts with a previously scheduled event and there are not available at the time of the proposed Temporary Cannabis Event sufficient city resources to provide services for both events without substantially or unnecessarily interfering with police, fire, water, public works, or other services to the City as a whole;

(g) The location of the Temporary Cannabis Event will substantially interfere with any construction or maintenance work scheduled to take place upon or along public property or right-of-way;

(h) The Temporary Cannabis Event would likely endanger the public safety or health;

(i) The Temporary Cannabis Event would substantially or unnecessarily interfere with police, fire, water, public works, or other services to the City as a whole and there are not available at the time of the proposed event sufficient city resources to mitigate the disruption;

(j) The applicant fails to comply with the liability insurance requirements or the applicant's insurance lapses or is canceled;

(k) The applicant has on prior occasions made material misrepresentations regarding the nature and extent of Special Services required for a Temporary Cannabis Event in the City or has violated the terms of a prior Temporary Cannabis Event permit.

(F) Fees.

(1) Special Services Fee Deposit. If any Special Services are to be used during the Temporary Cannabis Event, the applicant may be required to pay a non-refundable Special Services fee deposit at least ten business days before the Temporary Cannabis Event. The City Administrator shall determine the Special Services fee deposit. It shall be based upon an estimate of Special Services that are necessary as determined by the City's department heads.

(2) User Fee. Upon completion of the Temporary Cannabis Event, the City may prepare a detailed account of all Special Services provided for the Temporary Cannabis Event and in such cases, will set the final user fee using the rates, fees and charges established as provided in this ordinance. The city will then provide the applicant with a copy of the detailed account of the Special Services and an invoice for the user fee, less the special services fee deposit. The balance of the user fee will then become due and payable immediately upon its receipt.

(3) Special Services Rates. The rates charged shall be set forth in the City's fee schedule.

(G) Indemnification and Insurance.

(1) If the Temporary Cannabis Event requires Special Services, prior to the issuance of a Temporary Cannabis Event permit, the permit applicant and authorizing officer of the sponsoring organization, if any, must sign an agreement to indemnify, defend and hold the City, its officials, employees, and agents harmless from any claim that arises in whole or in part out of the Temporary Cannabis Event, except any claims arising solely out of the negligent acts or omissions of the City, its officials, employees and agents.

(2) Liability Insurance Required. The applicant must possess or obtain liability insurance to protect against loss from liability imposed by law for damages on account of bodily injury or property damage arising from the Temporary Cannabis Event. A certificate of insurance must be filed with the City prior to issuance of the Temporary Cannabis Event permit. The certificate of insurance must name the City, its officials, employees and agents as additional insureds. Insurance coverage must be maintained for the duration of the Temporary Cannabis Event. Any company hired or working on behalf of the applicant or sponsor must also present the City with a certificate of insurance naming the City, its officials, its employees, and agents as additional insureds.

(3) Minimum Limits. Insurance coverage must be a commercial general liability policy. The minimum limits must be at least \$1,000,000. If on-site consumption is permitted at the Temporary Cannabis Event, the policy must also include an endorsement for such consumption. The city may require additional endorsements depending upon the type of Temporary Cannabis Event and the proposed activities.

(4) Waiver or Reduction of Required Limits. The city may waive or reduce insurance requirements of this section under the following circumstances:

- (a) The applicant or officer of the sponsoring organization signs a verified statement that the insurance coverage required by this section is impossible to obtain; or
- (b) The city determines that the insurance requirements are in excess of the reasonable risk presented by the proposed Temporary Cannabis Event.

(H) Temporary Cannabis Event Regulations.

- (1) Location Restrictions. Temporary Cannabis Events are prohibited:
 - (a) On all City-owned property;
 - (b) If held outdoors, on property within 1,000 feet of a school, or a city-owned park that includes a park feature that attracts minors;
- (2) Hours Restrictions: Temporary Cannabis Events shall only be held between the hours of 10:00am and 7:00pm.
- (3) All Temporary Cannabis Events must follow all requirements of Minn. Stat. § 342.01, et seq., particularly Minn. Stat. § 342.40.
- (4) The Temporary Cannabis Event must be in compliance with the City's nuisance ordinance at all times.
- (5) On-site cannabis sales to event customers of products including cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products are permitted so long as the following conditions are met:
 - (a) The sales are conducted by authorized retailers, including a cannabis microbusiness with a retail endorsement, cannabis mezzobusiness with a retail endorsement, cannabis retailers, and/or lower-potency hemp edible retailers, including the cannabis event organizer.
 - (b) All sales of such products take place in a retail area as designated in the premises diagram.
 - (c) Authorized retailers only conduct sales within their specifically assigned area.
 - (d) Authorized retailers verify the age of all customers pursuant to Minn. Stat. Section 342.27, subd. 4, before completing a sale and may not sell products to an individual under 21 years of age.
 - (e) Authorized retailers may only display up to one sample of each type of such product available for sale and must comply with statutory regulations on samples in Minn. Stat. Section 342.40.

(f) Authorized retailers comply with the notice requirements under Section 342.27, subd. 6.

(g) Retailers must not do any of the following:

- (i) Sell such products to a person who is visibly intoxicated;
- (ii) Knowingly sell more products than a customer is legally permitted to possess;
- (iii) Sell medical cannabis flower or medical cannabinoid products;
- (iv) give away products; or
- (v) allow for the dispensing of products in vending machines.

(h) Except for samples, all products must be stored in a secure, locked container that is not accessible to the public and shall not be left unattended.

(i) All products must comply with Minnesota statutes and rules regarding the testing, packaging, and labeling of those products.

(j) All products sold, damaged, or destroyed at a cannabis event must be recorded in the statewide monitoring system.

(6) On-site consumption of cannabinoid products including adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles and/or hemp-derived consumer products is permitted so long as the following conditions are met:

- (a) Access to areas where consumption of such products is allowed are restricted to individuals who are at least 21 years of age;
- (b) The cannabis event organizer ensures consumption of such products within a designated consumption area is not visible from any public place;
- (c) The cannabis event organizer does not permit consumption of alcohol or tobacco; and
- (d) The cannabis event organizer does not permit smoking, according to Minn. Stat. Section 144.413 of adult-use cannabis flower or cannabis products at any location where smoking is not permitted under Sections 144.413 to 144.417.

(I) Permit Revocation. A Temporary Cannabis Event permit may be revoked by the City Administrator at any time for failure to comply with the provisions of this Section or Minn. Stat. § 342.01, et seq., particularly Minn. Stat. § 342.40.

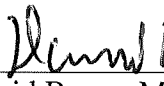
(J) Enforcement.

(1) Misdemeanor: Any person who violates this Section is guilty of a misdemeanor and, upon conviction, is subject to a fine and imprisonment as prescribed by state law. Each day each violation continues or exists, constitutes a separate offense.

(2) Administrative fine: any person who violates this Section may be subject to administrative fines in an amount set in the City Fee Schedule. Each day each violation continues or exists, constitutes a separate offense.

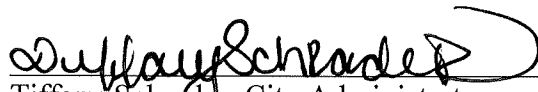
- (3) Violation of any provision of this Section shall also be grounds for revocation of the Temporary Cannabis Event Permit, denial of any future application for a Temporary Cannabis Event permit, and action against any City-issued business license held by the Temporary Cannabis Event Organizer..

SECTION 2. EFFECTIVE DATE. This ordinance shall take effect following its passage and publication in accordance with state law.



David Braun, Mayor

ATTEST:



Tiffany Schrader, City Administrator