

TO: MAYOR AND CITY COUNCIL

FROM: Neil Jensen, City Administrator

SUBJECT: Goodhue County Agreement Cannabis Retail Sales

MEETING DATE: October 1, 2024

BACKGROUND

As previously discussed, please find attached the Agreement with Goodhue County to register and enforce the retail sales of cannabis in the City of Cannon Falls. Goodhue County will set the number of licenses set by MN Statute 342.13. The City of Cannon Falls will be responsible for the zoning, limits on time, place, and manner of the operations.

It also gives Cannon Falls the ability to withdraw from the agreement after 30 days' notice as requested by the City Council.

STAFF RECOMMENDATION

Please review and make a motion to approve the Goodhue County Cannabis Retail Sales Agreement.

REQUESTED COUNCIL ACTION

Please make a motion to approve the consent agreement between Goodhue County and the City of Cannon Falls for the registration and enforcement of cannabis retail sales.

**CONSENT AGREEMENT BETWEEN THE
COUNTY OF GOODHUE AND THE CITY OF CANNON FALLS
FOR THE REGISTRATION AND ENFORCEMENT OF CANNABIS RETAIL SALES
PURSUANT TO MINN. STAT. CH. 342**

This agreement is made between Goodhue County and the City of Cannon Falls pursuant to Minnesota Chapter 342 and the rules and regulations promulgated thereunder, related to the registration of cannabis retail businesses.

This agreement is authorized by Minnesota Statutes § 342.22, subdivision 1.

Goodhue County and the City of Cannon Falls agree that:

1. That Goodhue County will act in place of the City of Cannon Falls as the local government unit for the registration and enforcement of cannabis under Minnesota Statutes Section 342.22 and any associated rules or regulations adopted by the State of Minnesota or the Office of Cannabis Management, for retail businesses located within the jurisdictional boundaries of the City of Cannon Falls and Goodhue County.
2. That unless the City of Cannon Falls sets their own limits, the number of allowed licensed cannabis retailers, cannabis mezzobuisnesses with retail operations endorsement, and cannabis microbusinesses with retail operations endorsement located within the jurisdictional boundaries of the City of Cannon Falls and Goodhue County shall be subject to limitations set by Goodhue County pursuant to Minn. Stat. Sec. 342.13 Subd. (i).
3. That the City of Cannon Falls shall be responsible for establishing any reasonable time, place and, manner restrictions on the operation of a cannabis businesses within its jurisdiction. The City of Cannon Falls shall certify to Goodhue County and the Office of Cannabis Management if the business applying for a license in the City of Cannon Falls complies with local zoning ordinances and regulations. The City of Cannon Falls may submit any additional information it believes is relevant to the license review to the Office of Cannabis Management along with the certification within 30 days of receipt of the license application.
4. That Goodhue County is authorized and has the consent of the City of Cannon Falls to register, establish fees and penalties, and conduct enforcement actions on its behalf including but not limited to compliance checks, registration suspension, and cancellation related actions pursuant to Minnesota Statute §342.22. Any fees or penalties collected for registration and enforcement will remain entirely with Goodhue County. The parties will retain any Local Government Cannabis Aid allocated to them by the State of Minnesota.

5. The City of Cannon Falls shall retain all authority granted to it under Minnesota Statutes Chapter 462.
6. The parties to this agreement will be subject to and follow the terms of the Minnesota Government Data Practice Act as provided under Minnesota Statutes Chapter 13 for all requests for access to data. Goodhue County shall maintain all records, accounts and reports for the registration and enforcement of cannabis.
7. Goodhue County shall be solely responsible for the compensation of its employees and elected members, including specifically but not exclusively worker's compensation insurance and all taxes, while performing their duties under this agreement. The City of Cannon Falls shall be solely responsible for the compensation of its employees and elected members, including specifically but not exclusively worker's compensation insurance and all taxes, while performing their duties under this agreement. No employee of Goodhue County shall become an employee of the City of Cannon Falls, and no employee of the City of Cannon Falls shall become an employee of Goodhue County, by virtue of this agreement.
8. Subject to limits on damages imposed by Minnesota law, each party agrees to indemnify and hold harmless the other from any claims, losses, costs, expenses, or damages, including reasonable attorneys' fees, resulting from the acts or omissions of the respective officers, agents, or employees of the indemnifying party, to the extent such acts or omissions are directly related to activities conducted by the indemnifying party under this Agreement. This section shall survive termination or expiration of this Agreement

This agreement may be amended by mutual agreement of Goodhue County and the City of Cannon Falls by resolutions of their respective governing boards.

This agreement shall become effective upon signature of all duly authorized signatures, and shall remain in effect until terminated by agreement of the parties or thirty days after written notice of termination by either party.

Board Chair, Goodhue County	Date
ATTEST: Goodhue County Administrator	Date
Mayor, City of Cannon Falls	Date
ATTEST: Administrator/Clerk, City of Cannon Falls	Date