

**CITY OF MARSHALL
LEGISLATIVE AND ORDINANCE COMMITTEE**

M I N U T E S

Tuesday, January 09, 2024

MEMBERS PRESENT: See Moua-Leske and Steve Meister
MEMBERS ABSENT: James Lozinski
STAFF PRESENT: Pamela Whitmore, City Attorney; Jason Anderson, Director of Public Works/ City Engineer; Jim Marshall, Director of Public Safety; Ilya Gutman, Plans Examiner; Eric Luther, Liquor Store Manager, and Steven Anderson, City Clerk.
OTHERS PRESEN: Joe Sathe, Attorney for Kennedy and Graven

At 4:03 Vice-Chair Moua-Leske called the meeting to order.

Consider Approval of the Minutes

No changes or amendments were requested of the minutes.

Motion made by Meister, Seconded by Moua-Leske to approve the minutes as presented. All voted in favor.

Amendments to Interim Cannabis Prohibition Ordinance

Hanson provided background information on the amendments to the Interim Cannabis Prohibition ordinance. On December 12, 2023 Mayor Byrnes announced during the regular council meeting that he was approached by Brau Brothers Brewing about a proposed business venture with a brewery that was located in Luverne, Minnesota. The brewery out of Luverne had requested Brau Brothers Brewing to bottle and distribute low-level THC beverages on their behalf. The current Interim Cannabis Prohibition “prohibit any business, person, or entity from offering for retail sale, wholesale, testing, commercial growing, commercial cultivating, manufacturing, transporting, delivering or commercial distribution of Cannabinoid Products, including Cannabis Products, Lower-Potency Hemp Edibles, or Hemp-Derived Consumer Products, including the establishment or operation as a Cannabis Business or Lower Potency Hemp Business within the jurisdictional boundaries of the City of the City of Marshall”. As such, Mayor Byrnes requested that an amendment be made to the ordinance and be introduced at the December 19, 2023, meeting to allow Brau Brothers Brewer to manufacture and distribute THC beverages. Meister and Hanson shared that Lozinski had expressed his opinion that he would have liked to see amendments to allow on-site consumption at on-sale liquor license establishments. Meister was also in favor of allowing on-site consumption for restaurants and that the ordinance shouldn’t cater to one specific business. Staff discussed registration, fees, and zoning regulations. Whitmore said that in the long term it was good to consider zoning and if the city wished to limit the number of lower and higher-level licenses but that would need to be a discussion in the near future.

The committee discussed the definition of brewer and if there were examples of other bars/taprooms that are currently selling THC on-sale. Moua-Leske asked for clarification on the proposed amendments and Meister clarified that he would like to see the amendments be adjusted to allow for the manufacture and distribution of THC beverages at breweries/distilleries and to allow the on-site consumption of THC beverages but not edibles/gummies. The group talked about the Office of Cannabis Management and timing if the city were to pursue registration. Eric Luther provided input regarding the sales at Tall Grass Liquor in relation to THC products and his thoughts about on-site consumption at restaurants and bars.

Motion made by Meister, Seconded by Moua-Leske to allow breweries and distilleries to manufacture THC beverages and distribution of said products as an accessory use while also allowing on-site consumption of THC beverages for holders of a fully paid on-sale liquor license issued by the City of Marshall that have been registered with the Department of Health. All voted in favor.

At 4:54 a motion was made by Meister, Seconded by Moua-Leske to adjourn the meeting. All voted in favor.

Respectfully Submitted,

Steven Anderson
City Clerk