

CITY OF FALCON HEIGHTS
City Council Workshop
City Hall
2077 West Larpenteur Avenue

AGENDA
June 7, 2023
6:30 P.M.

- A. CALL TO ORDER:
- B. ROLL CALL: GUSTAFSON___ LEEHY___
 MEYER ___ WASSENBERG___ WEHYEE___
- STAFF PRESENT: LINEHAN___ VAN DER WERFF___
- C. POLICY ITEMS:
1. Law Enforcement Contract Discussion
 2. State Fair Task Force
 3. Juneteenth / CROWN Act Personnel Policy Changes
 4. THC Moratorium Extension
- D. ADJOURNMENT:

DISCLAIMER: City Council Workshops are held monthly as an opportunity for Council Members to discuss policy topics in greater detail prior to a formal meeting where a public hearing may be held and/or action may be taken. Members of the public that would like to make a comment or ask questions about an item on the agenda for an upcoming workshop should send them to mail@falconheights.org prior to the meeting. Alternatively, time is regularly allotted for public comment during Regular City Council Meetings (typically 2nd and 4th Wednesdays) during the Community Forum.

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Meeting Date	June 7, 2023
Agenda Item	Policy C1
Attachment	N/A
Submitted By	Jack Linehan, City Administrator

Item	Law Enforcement Contract Discussion
Description	The City Council will hear an update on the search for a new law enforcement partner, and will provide feedback on the proposed timeline for soliciting alternative agencies.
Budget Impact	N/A
Attachment(s)	N/A
Action(s) Requested	Staff recommends the City Council discuss the 2024 law enforcement contract timeline and listen to updates on the search process.

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Meeting Date	June 7, 2023
Agenda Item	Policy C2
Attachment(s)	
Submitted By	Jack Linehan, City Administrator

Item	Establishment of State Fair Policies and Procedures Task Force
Description	<p>Following the 2022 Minnesota State Fair, the City held a town hall meeting on September 21, 2022 and allowed residents to come and share their perspectives on what works – and what doesn’t – with the current approach to the State Fair.</p> <p>The last major revision to City policies and procedures occurred in 2007. Since that time, additional streets have been designated as permit parking only and minor revisions have been made to the map.</p> <p>At the October 5, 2022 City Council Workshop meeting, the Council suggested appointing a task force in 2023.</p> <p>The City Council approved the creation of the task force at the February 8, 2023 City Council meeting. It was determined that:</p> <ul style="list-style-type: none"> • The City would begin gathering interest immediately for the task force • The task force would be created via resolution, with a sunset date of December 31, 2023 unless extended by the City Council • The task force would include no more than 7 voting members, who would be required to be residents. Included in this 7 is a Chair, Vice-Chair and Secretary • The task force would also include non-voting participation from stakeholders such as representatives from the State Fair, U of M, Como/St. Anthony Park neighbors, and others • The task force would meet weekly for six weeks, or extended if needed • The goal of the task force would be to provide recommendations to the city council that: <ul style="list-style-type: none"> ○ Address the quality of life that residents experience as impacted by Minnesota Fairgrounds events; ○ Maintain positive relationships with our neighbors and community partners ○ Consider the impacts of decisions on all residents – including renters, seniors, minority populations and others – so that they are not negatively impacted by policies or procedures

	<p>Following the creation of the task force, the City begun recruiting for interested members. We solicited applications through the following avenues:</p> <ul style="list-style-type: none"> • Social Media • Over 15 weeks in the e-Newsletter • Spring 2023 Newsletter • Email to Neighborhood Liaisons in underrepresented neighborhoods • Personal requests to former Commissioners / neighborhood representatives in underrepresented neighborhoods. <p>In total, the City received 11 applicants. Of those, nine live in Northhome and two live in Northeast Quadrant. Despite calls for participation and targeted messaging to other neighborhoods, the City could not get interest from other areas in the City.</p> <p>With the State Fair approaching, staff wanted to bring forward for consideration again starting the State Fair Task Force this summer. If appointed in June, the Task Force may be able to recommend to City Council some temporary regulations for 2023's State Fair as a trial run, and the City could look to make permanent changes for 2024 and beyond.</p>
Budget Impact	N/A
Attachment(s)	
Action(s) Requested	Staff recommends the City Council discuss the State Fair Task Force and provide direction on how to proceed.

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Meeting Date	June 7, 2023
Agenda Item	Policy C3
Attachment(s)	
Submitted By	Fredi Ponce Parra, Administrative and Inclusion Intern

Item	Juneteenth / CROWN Act Personnel Policy Changes
Description	<p>Juneteenth is celebrated on June 19 every year. This is the day, June 19, 1865, that enslaved African Americans were informed of their freedom in Galveston, Texas two and a half years after the Emancipation Proclamation freed enslaved African Americans behind confederate lines.</p> <p>On June 17, 2021, President Biden signed the Juneteenth National Independence Day Act making Juneteenth a federal holiday. On February 3, 2023, Governor Walz signed a bill making Juneteenth a state holiday.</p> <p>Along with that bill, Governor Walz also signed into law the CROWN Act, which stands for “Creating a Respectful and Open World for Natural Hair”, which bans racial discrimination based on hair and adds to the Minnesota Human Rights Act to include “traits associated with race, including but not limited to texture and hair styles such as braids, locs, and twists.”</p> <p>This resolution would declare June 19, 2023 as Juneteenth Day in Falcon Heights; and also authorize the City Administrator to amend the Personnel Policy to include Juneteenth as a holiday and racial discrimination based on hair.</p>
Budget Impact	N/A
Attachment(s)	<ul style="list-style-type: none"> • Resolution 23-38 Juneteenth / CROWN ACT • Pages from Personnel Policy Proposed for Amendment
Action(s) Requested	Staff recommends a proclamation celebrating Juneteenth and its importance; and authorize the City Administrator to amend the Personnel Policy to include Juneteenth as a holiday and racial discrimination based on hair to comply with State Statutes and Federal Law.

**CITY OF FALCON HEIGHTS
COUNCIL RESOLUTION**

June 14, 2023

No. 23-38

**RESOLUTION RECOGNIZING JUNE 19TH AS JUNETEENTH DAY – AN OFFICIAL
CITY HOLIDAY**

WHEREAS, 2023 will be the 158th year of Juneteenth Day, a day which celebrates and recognizes the rich culture, legacy and heritage of African Americans; and

WHEREAS, On June 19, 1865 Union soldiers led by Major General Gordon Granger arrived in Galveston, Texas announcing that enslaved African Americans were freed, two and a half years after President Lincoln’s Emancipation Proclamation from January 1, 1863; and

WHEREAS, Juneteenth today is an opportunity for reflection, education, and action on the history and ramifications of slavery in the United States; and

WHEREAS, Juneteenth today is also an opportunity to celebrate freedom, achievements, contributions and excellence that the African American community has made in Falcon Heights and the United States; and

WHEREAS, Governor Tim Walz signed a bill, HF48/SF13, into law on February 3, 2023 making Juneteenth an official state holiday; and

WHEREAS, Falcon Heights is committed to fostering an inclusive and caring community, and urge all residents to become more aware of the significance of this celebration.

WHEREAS, the Personnel Policy is a living document that is revised from time to time as need arises; and

WHEREAS, such revisions are needed to ensure the Personnel Policy complies with changes to State Statutes and Federal Employment Laws; and

WHEREAS, The CROWN Act was signed into law by Governor Tim Walz on February 1, 2023 making it illegal in Minnesota to discriminate against someone because of their hair.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF Falcon Heights, Minnesota:

1. Does hereby declare June 19th as Juneteenth Day; and
2. Authorizes the City Administrator to revise the Personnel Policy to include Juneteenth as a City holiday; and

3. Authorizes the City Administrator to revise the Personnel Policy to further define racial discrimination to include hair texture and hair styles associated with race as required by the CROWN Act.

Moved by:

Approved by: _____
Randy Gustafson
Mayor

GUSTAFSON _____ In Favor
LEEHY
MEYER _____ Against
WASSENBERG
WEHYEE

Attested by: _____
Jack Linehan
City Administrator

CITY OF FALCON HEIGHTS



PERSONNEL POLICY

Adopted ~~May 27, 2015~~ June 14, 2023

EMPLOYER AUTHORITY

POLICY

The City Council retains the full and unrestricted right to operate and manage all personnel, facilities, and equipment; to establish functions and programs; to set and amend budgets; to determine the use of technology; to establish and modify the organizational structure; to select, direct and determine the number of personnel; to establish work schedules; to perform any inherent managerial function and to amend this handbook at any time.

NON-DISCRIMINATION

POLICY

1. It is the policy and intent of the City of Falcon Heights (herein after “the City”) to provide equality of opportunity in employment to all persons.
2. This policy prohibits discrimination because of race (including traits associated with race, including, but not limited to, hair texture and hair styles such as braids, locs and twists), color, creed, religion, national origin, place of residence, political affiliation, sexual orientation, disability, marital status, status with regard to public assistance, membership or activity in a local commission, sex or age in all aspects of its personnel policies, programs, practices and operations.
3. This policy applies to all phases of employment including, but not limited to, recruitment, hiring, placement, promotion, demotion, or transfer; layoff, recall, or termination; rates of pay, or other forms of compensation and selection for training. This policy also applies to the use of all facilities and participation in all City-sponsored employment activities.
4. It is the responsibility of the City Administrator and every supervisor to cooperate in the implementation of this policy.
5. Failure of any employee to perform in a manner consistent with this policy will constitute grounds for reprimand, suspension, demotion, or dismissal from the City's employ.

DISCRIMINATION RECOURSE

POLICY

of their jobs.

Applicability

Maintaining a respectful work environment is a shared responsibility. This policy is applicable to all City personnel including regular and temporary employees, volunteers, firefighters, and City Council members.

Abusive Customer Behavior

While the City has a strong commitment to customer service, the City does not expect that employees accept verbal abuse from any customer. An employee may request that a supervisor intervene when a customer is abusive, or they may defuse the situation themselves, including ending the contact.

If there is a concern over the possibility of physical violence, a supervisor should be contacted immediately. When extreme conditions dictate, 911 may be called. Employees should leave the area immediately when violence is imminent unless their duties require them to remain. Employees must notify their supervisor about the incident as soon as possible.

Types of Disrespectful Behavior

The following types of behaviors cause a disruption in the workplace and are, in many instances, unlawful:

Violent behavior includes the use of physical force, harassment, or intimidation.

Discriminatory behavior includes inappropriate remarks about or conduct related to a person's race (including traits associated with race, including, but not limited to, hair texture and hair styles such as braids, locs and twists), color, creed, religion, national origin, disability, sex, marital status, age, sexual orientation, or status with regard to public assistance.

Offensive behavior may include such actions as: rudeness, angry outbursts, inappropriate humor, vulgar obscenities, name calling, disrespectful language, or any other behavior regarded as offensive to a reasonable person. It is not possible to anticipate in this policy every example of offensive behavior. Accordingly, employees are encouraged to discuss with their fellow employees and supervisor what is regarded as offensive, taking into account the sensibilities of employees and the possibility of public reaction. Although the standard for how employees treat each other and the general public will be the same throughout the City, there may be differences between work groups about what is appropriate in other circumstances unique to a work group. If an employee is unsure whether a particular behavior is appropriate, the employee should request clarification from their supervisor or the City Administrator.

Sexual harassment can consist of a wide range of unwanted and unwelcome sexually directed behavior such as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

3. Such leave may be granted by the employer for extended illness of the employee's family, civic activities or other reasons deemed appropriate by the employer.
4. Request for leave must be made in writing on a Request for Leave form with full explanation and, if possible, submitted to the appropriate supervisor fourteen (14) days in advance of the leave date.
5. An employee on unpaid leave under this policy will be entitled to retain the employee's accrued leave and other benefits. The accrued leave and other benefits will be determined by the City as of the date the leave commences and may be used upon the employee's return. The employee will accrue no leave or other benefits for the period of time the employee is on leave.
6. An employee on an unpaid leave of absence may continue to participate in City insurance programs if such participation is permitted under the City's insurance policies. Such participation would be conditioned on the employee paying the entire premium for any insurance coverage the employee wishes to retain. Payment of the premium will be required effective as of the date the leave commences.
7. Service time will not accumulate during a general leave of absence of longer duration than one week.
8. Unauthorized absence from work by an employee for a period of three (3) working days will be considered by the City as a resignation without benefits.

HOLIDAYS

POLICY

1. The following days are observed as paid holidays:
 New Year's Day, January 1
 Martin Luther King Jr. Day, the third Monday in January
 President's Day, the third Monday in February
 Memorial Day, the last Monday in May
Juneteenth, June 19
 Independence Day, July 4
 Labor Day, first Monday in September
 Veteran's Day, November 11
 Thanksgiving Day, the fourth Thursday in November
 The day following Thanksgiving Day
 Christmas Eve, December 24
 Christmas Day, December 25
 Floating Holiday, to be used at employee's discretion (must be used before the

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Meeting Date	June 7, 2023
Agenda Item	Policy Item C4
Attachment	Minnesota Cannabis Legalization 2023
Submitted By	Hannah Lynch, Community Development Coordinator

Item	THC Moratorium Extension
Description	<p>Adult-use cannabis was legalized via Chapter 63. Legal sales are expected to begin January 2025 upon establishment of the Minnesota Office of Cannabis Management and the licensing process beginning. Cities are permitted to place an interim ordinance prohibiting cannabis businesses until January 1, 2025. The current moratorium in place expires September 28, 2023. At the time of its expiration, the new moratorium would be the primary in place until January 1, 2025.</p> <p>The new statute authorizing the moratorium is effective July 1, 2023. We may establish a moratorium on or after that date.</p>
Budget Impact	None.
Attachment(s)	Minnesota Cannabis Legalization 2023 - Presentation from Jack Brooksbank, Campbell Knutson
Action(s) Requested	Staff requests City Council discuss the potential for a moratorium on legal sales of cannabis products through January 1, 2025.

Minnesota Cannabis Legalization 2023

JACK BROOKSBANK



CAMPBELL KNUTSON
PROFESSIONAL ♦ ASSOCIATION

2023 is [almost certainly] the year!

- Both houses of the Legislature have passed legislation legalizing cannabis
- Governor Walz has pledged to sign the bill
- This presentation provides an overview the legislation
 - Note that there are lots of practical details to be worked out by regulators
 - Several provisions make explicit reference to upcoming regulations



High-Level Plan:

1. Legalize private individual purchase, possession, use, and limited growing (8 plants per residence)
 - Starting July/August 1, 2023
 - It appears possession is legalized July 1; however, the statutes imposing criminal penalties for possession are not changed until August 1
 - Reporting indicates August 1
2. Commercial growth, processing, and sales under regulation of new state Office of Cannabis Management (OCM)
 - Starting as early as January 1, 2024
3. Expungement of convictions under previous laws
 - Handled through BCA, likely limited or no city involvement

NOTE: STILL NO CHANGE TO FEDERAL LAWS

Use

Broadly permits adult (21+) use and possession

- Limits on potency, quantity possessed
- May possess larger amount in home than in public
- May give without payment up to limited amount
- May grow plants at home buy may not make concentrates at home



Limited restrictions on use

- May use in private residences, on private property NOT generally open to the public, or at a licensed premises
- Subject to general smoking prohibitions
- May not use or possess open packages in motor vehicle
- May not use or possess in schools or correctional facilities
- May not use where secondhand smoke could affect minors

Office of Cannabis Management

State administrative agency

- Due for creation July 1, 2023
- Commercial operations could begin January 1, 2024
- Reporting, agency website, legislation's author all indicate that will be unlikely to start sales until as much as a year later

Agency will conduct studies and provide reports

- Including recommendations for need to change transportation laws
- Pilot programs for new testing methods
- Use prevalence, adverse events
- Recommendations to reduce use by underage individuals

Responsible for regulating cannabis industry

Will take over medical cannabis program starting 2025

Commercial Regulation

Cannabis businesses split into categories

- 16 license types
- Split between cultivation, manufacture, distribution, and retail
- Further split between “full strength,” “lower-potency,” and medical
- Also includes “microbusiness” and “mezzobusiness”
 - Think craft brewery, more “farm to table”

This presentation mainly focuses on retail regulations

Note that cannabis businesses are still subject to general business regulations such as zoning

- A cannabis cultivator is still an agricultural business and regulated as such
- Food and beverage production still requires food handler permits and must contain food-approved ingredients
- Etc.

Cultivation

Licensed by state

- Cultivator, Microbusiness with endorsement, Mezzobusiness with endorsement

Size limits

- Indoor vs. outdoor
- Restriction on other licenses

OCM to establish rules

- Cultivation and growing
- Allowable chemical use
 - Fertilizer
 - Pesticides
- Water use
- Waste processing
- Odor

Retail Sales

Will create separate businesses for cannabis sales

- Think liquor stores
- City may operate own store, like a municipal liquor store, but not exclusive

Subject to State Licensing and Regulation

- Some home growing allowed, but no sales of any products without state license
- Initial license fees and renewal fees
- Restricted on size of operation
 - Maximum number of retail locations
 - Restriction on concurrent licenses held
- Limitation on types of products sold
 - Includes specific restrictions preventing products that appeal to children
- Restriction on display and storage of products
- Compliance requirements
 - Age verification, etc.

State will issue licenses based on demonstrated compliance with regulations and equity score

- Including consideration of applicant, proposed location, and market conditions



What about the current products?

Will remain legal without change until January 1, 2024

Will then also be governed by State licensing

- Includes manufacturer, retail setup
- Exempted from most local control
- Enforcement under MDH until 2025, then transfer to OCM

May sell other products without restriction

- If have proper licensing, e.g. tobacco
- May sell for on-premises consumption if licensed
 - Extra license endorsement, requires separated designated consumption space



Municipal Regulation

Municipal regulations are generally preempted

- May not ban use, possession, or transportation
- May not prohibit businesses from operating if licensed by the state

So what role is left? Three areas:

1. Zoning
2. Specific regulations exempted from preemption
3. Enforcement and compliance

Zoning

Cannabis businesses will simply be another type of legal business, subject to the City's general zoning regulations.

- An explicit condition of obtaining a retail license will be demonstrating compliance with local zoning regulations.
- The City will therefore have the power to choose where the businesses may be located

The City may choose to designate businesses as conditional uses to address specific concerns

- E.g. lighting, security windows, etc.
- Specific setbacks from schools
- Must ensure that conditions are not preempted by state licensing regulations
 - Legislation added more security requirements recently, might limit local ability to regulate

Note: while the City may choose which zoning districts will allow cannabis businesses, the City cannot *ban* those businesses. The City should therefore designate at least one zoning district allowing cannabis businesses.

Note: Moratorium

Local governments may adopt a moratorium on cannabis businesses lasting until January 1, 2025

- Provision to conduct study on best way to handle zoning
- Can be internal staff review, but must be a study
- Includes full strength and lower-potency businesses—anything licensed under new law
- Could be passed in conjunction with existing moratorium
- Requires public hearing before going into effect

Remaining Local Regulation

City may not license businesses, ban businesses, or ban use or possession

May adopt ordinances adopting “reasonable restrictions on the time, place, and manner of the operation of a cannabis business”

- Not entirely clear what this will mean beyond generally applicable zoning and business regulations
- Specifically mentions setbacks:
 - 1000 feet of a school
 - 500 feet from a daycare, residential treatment facility, or “attraction within a public park that is regularly used by minors” like a playground
- Specifically mentions hours of operation
 - Businesses can sell between 10:00 am and 9:00 pm; cannot sell between 2:00 am and 8:00 am (10:00 am Sundays)
 - City may restrict the hours not listed above

City will be involved in state licensing process:

- After application, City will be asked to certify if proposed business complies with zoning, fire code, and building code
- City may provide “any additional information it believes is relevant” to application such as concerns about location or specific applicant

Local Registration

Businesses making retail sales, including low-potency hemp, must register with the city

City must issue registration if

- Applicant has valid state license
- Applicant has paid registration fees
- Applicant passes any initial compliance checks
- Applicant is current on local taxes and assessments

City may impose registration fees for initial registration and registration renewal

- Initial application: lesser of \$500 or half state license fee
- Renewal: lesser of \$1,000 or half of state license fee

City may limit number of full-strength registrations available

- Not fewer than 1 license per 12,500 residents
- May decline registration if one active registration per 12,500 residents *countywide*

Enforcement and Compliance

May make use in public a petty misdemeanor

Cities are responsible for conducting compliance checks assessing:

- Age verification
 - Like with liquor, will do unannounced checks by having an underage person attempt to purchase cannabis
- Operation requirements
 - Types of products sold, hours of operation, age of staff, etc

These compliance checks must be done at least once per year for each permit holder

City may also continue to ensure compliance with all local ordinances such as zoning, sign ordinances, snow removal, etc.

Enforcement Powers:

All preexisting power to enforce local ordinances

OCM will set up complaint process to report license violations; must give cities “expedited” process

Potential registration suspension:

- If the city determines that a business is in violation of its state license, or
- If the business is “an immediate threat to the health or safety of the public”

City has limited suspension power

- Suspension may be for no longer than 30 days
- Must immediately notify state office
- State may then impose longer license suspension or cancellation
- City may reinstate registration early if problems are addressed
- City may impose civil penalty of up to \$2,000 per violation if business continues to operate during suspension

Appeals: maximum 30-day suspension if City suspension, then becomes State action. But, likely still needs city appeal mechanism to avoid constitutional due process or takings issues

Finance: How is this all being paid for?

Law contains about \$70 million in state appropriations for initial funding

Long term funding by 10% sales tax on all sales

- Comparatively low
- Other states legalizing have started with lower initial rate to quash black market
- Could increase

Of tax money collected:

- 80% to general revenue
- 20% to dedicated local government aid account
 - 50% of this account to counties, 50% to cities
 - Will be distributed based on share of total cannabis businesses located in each city

State Aid/Assistance

State OCM charged with compiling informational reports and setting initial regulations

OCM also tasked with drafting model ordinances for cities

- We expect the office will work closely with the League of Minnesota Cities on these model ordinances
- Will likely cover licensing, enforcement; may not address zoning of business controls as those are more purely local issues

State aid for local law enforcement

- Training for compliance enforcement
- Financial aid for local law enforcement training
 - Impaired driver assessment
 - Field testing/evaluation
 - Drug recognition expert assistance
- State support for enforcement activities

Next steps for the City:

1. Start thinking about zoning:
 - a. Where should cannabis businesses be located?
 - Liquor stores are currently permitted uses in B-1 and B-3 districts
 - b. Permitted vs. Conditional use
2. Review general regulations
 - a. Loitering
 - b. Smoking in public
 - c. Public nuisance (noise, odor)
3. Business regulations
 - a. Registration
 - b. Time, Place, Manner (hours of operation, etc.)
 - c. Number of licenses
 - d. Fees (up to ½ State fees)
 - e. Enforcement/Appeals

Next Steps Cont.

4. State model ordinances
 - a. We will follow these as they develop
5. Police:
 - a. Research available trainings
 - b. Reach out to state associations etc. about potential funding for training
6. Internal Policy
 - a. Consider amending employee handbook
 - b. Clarify expectations for employees
 - c. Prohibit possession on the clock/on City property
7. Use Regulations
 - a. Penalty for use in public

Ordinances

1. Zoning Ordinance regarding cannabis businesses
 - Will require notice, public hearing
 - Likely need to permit businesses in at least one zoning district
 - Setbacks
2. Business regulations
 - Likely best to set up new section, potentially article 10-IX in chapter 10
 - Set desired maximum number of licenses
 - Hours of operation
 - Local registration
 - Compliance checks
 - Registration suspension and appeal
3. Fees
4. Use
 - Penalty for use in public
5. Moratorium if desired

Questions?
