

CITY OF FALCON HEIGHTS
Planning Commission
City Hall
2077 West Larpenteur Avenue

MINUTES

November 26, 2024 at 7:00 P.M.

A. CALL TO ORDER: 7:00 P.M.

B. ROLL CALL:

Scott Wilson <u>_X_</u>	Laura Paynter <u>_X_</u>
Jacob Brooks <u>_X_</u>	Mike Tracy <u>_X_</u>
Jim Mogen <u>_A_</u>	Rick Seifert <u>_X_</u>
Jake Anderson <u>_X_</u>	

Staff Liaison Lynch _X_
Council Liaison Meyer _X_

C. APPROVAL OF AGENDA

Commissioner Seifert made a motion to approve the agenda. Agenda was approved by consent.

D. APPROVAL OF MINUTES

1. September 24, 2024 – Regular Meeting
2. October 22, 2024 - Workshop

Commissioner Paynter made a motion to approve the minutes from September 24, 2024 and October 22, 2024. Agenda was approved by consent.

E. PUBLIC HEARING

1. Cannabis Businesses
Staff Liaison Lynch gave an overview of the state regulations on cannabis businesses and the proposal for registering and regulating the businesses in the City of Falcon Heights. Falcon Heights is planning to limit registrations to one cannabis retailer, cannabis microbusiness with a retail endorsement, or cannabis mezzobusiness with a retail endorsement. They must be located at least 300' from a primary or secondary school, daycare, residential treatment facility, or attraction within a public park where minors frequent. They must be located within the B-3 zoning district and the hours of operation will be limited to between 10 am and 9 pm, seven days per week. There will be no on-site consumption permitted unless expressly permitted by the terms of its license from the state. Smoking is prohibited on-site, including in outdoor areas. Operations must take place in an enclosed building and the business cannot share a common entrance with a

tobacco products shop. There will be no on-site consumption of cannabis or cannabis products, including lower-potency hemp edibles or beverages, at any special event.

The public hearing was opened by Chair Wilson and Staff Liaison Lynch first read the following two comments into the record from emails she received:

1. Gary Rost – “I read in the city newsletter about the public hearing to consider having the city code permit a cannabis business. Coincidentally, I happen to be reading about the cannabis industry the past week. It’s a really mediocre industry. There is a high probability that if a cannabis business did move into the city, it would ultimately go bankrupt. Here are some articles you can forward to the Planning Commission:
 - <https://www.forbes.com/sites/benjaminadams/2024/07/26/only-27-of-us-cannabis-businesses-are-profitable-survey-shows/>
 - <https://www.politico.com/news/2022/09/04/weed-companies-cant-make-money-00054541>
 - <https://time.com/6184704/legal-marijuana-economics/>
 - <https://www.forbes.com/councils/forbesbusinessdevelopmentcouncil/2020/10/19/the-challenges-of-running-a-legitimate-cannabis-business-out-of-a-duffel-bag-filled-with-cash/>
 - <https://www.sfgate.com/cannabis/article/failed-california-cannabis-distributor-18496585.php>
2. Daniel R. – “Hello. I’m writing regarding the upcoming discussion about possible cannabis business permits being granted for Falcon Heights. I am unable to make the meeting but wanted to voice my opinion. I am adamantly opposed to any cannabis business in Falcon Heights. It’s bad enough that the city allowed the affordable housing complex at Amber Union and all the trouble I have seen as a result of the residents who now live there. If you drive down Snelling near Hamline University, you can see what drug use is doing to that community. A cannabis business will only bring more problems to our peaceful community. As it stands, I’m seriously considering leaving Falcon Heights after 10 years of owning a home here. Mostly as a result of the addition of Amber Union. A cannabis business would be the final straw. Lastly, I think the city council should reschedule this discussion for a later date instead of the night before a major holiday. I hope this wasn’t intentional, as many folks are probably not going to make due to the holiday. Please let me know if you have any questions. Thank you.” In response to this email, Staff Liaison Lynch did respond and let Daniel R. know that the City cannot ban these businesses.
3. Kristen Tran (1745 Arona) then spoke in person. She stated she has lived at her residence for 26 years. She stated she just got the newsletter the day before and saw about the public hearing and questioned if her neighbors knew about it. She also stated that since she lives near Snelling and Larpenteur, she is concerned about the traffic that could be brought by the business. She asked if it would be more like a brewery or a smoke shop, and if there are parameters that could be placed on that. She stated that would be the type of business that would alarm her at that intersection.

Staff Liaison Lynch stated the public hearing was advertised through all the required channels – posted on the website, on the door, on the newsletter, on Facebook/Nextdoor, and in the Pioneer Press (at least 10 days before). She stated she

understands the timing wasn't great for the meeting with it being the week of Thanksgiving, but the proposal must go before City Council by the end of the year and with this being the last Planning Commission meeting, this is where the meeting fell. Regarding if the business would be a standalone business, she stated in the B-3 zoning district, there are no currently unoccupied standalone buildings so it would likely go in one of the two strip malls that exist at the intersection. She also stated they would not be allowed to smoke on site, including outside. Ms. Tran asked when the public hearing announcement went up on the website and on Facebook. Staff Liaison Lynch stated the announcement went in the Pioneer Press on the 16th and 18th of the month, went on the door at City Hall on the 16th, went on the website on the 16th, and she wasn't sure when it went on Facebook without looking. Ms. Tran asked if the business could go by where Pizza Hut is. Staff Liaison Lynch stated that southeast corner of Snelling and Larpenteur is zoned Planned Unit Development, so in order to allow cannabis businesses there, the owners would need to amend their PUD which would go through a full Planning Commission public hearing and City Council meeting for approval. Ms. Tran asked if there have been requests from businesses already. Staff Liaison Lynch stated it has been a while, but there have been a few over the past year or two. Ms. Tran asked about the Snelling and Larpenteur Corridor Development Study would change the zoning for the B-3 area. Staff Liaison Lynch stated the Study did not change any of the zoning, but rather affirmed that the B-3 district is the best location for commercial businesses. She also stated that B-3 was chosen for these businesses because it was the best fit; if a district was not chosen, then the businesses could be located anywhere in the City. Ms. Tran asked about enforcement. Staff Liaison Lynch stated compliance checks will be done and also Ramsey County Sheriff's Department is the current law enforcement for the City and would be in charge of handling any complaints of disturbances or criminal activity. Ms. Tran explained she believes the decision about cannabis business feels very rushed with the deadline being the end of the year. Chair Wilson stated the Planning Commission has actually been working on this for a full year and they have looked at all the areas in the City and B-3 is the best place for the businesses, especially considering there already is a 21+ business there (Merwin's Liquors).

- 4. Mayor Gustafson (1775 St. Mary's) was the next person to speak at the public hearing. He commended the Planning Commission for the year and a half they have spent on the issue and trying to fit a business that they really don't want to have in the City in the best location possible. He acknowledged the process has been confusing due to the Office of Cannabis Management working on rules still and a lot of unknowns as far as how best to fit this into the community. He thanked them for their service working on this and figuring out which businesses to allow and get it done by the end of the year.*

Chair Wilson called for speakers two more times. With none speaking, Commissioner Brooks made a motion to end the public hearing. Hearing was closed by consent. Chair Wilson opened the floor to discussion from Planning Commission members.

Commissioner Tracy thanked Mayor Gustafson for his kind statements and thanked the other Commissioners for being fair and reasonable for how they've moved through this.

Chair Wilson echoed Commissioner Tracy's comments and also thanked Staff Liaison Lynch and Vice-Chair Paynter for their work on this. He believes what has been come up with is fair and thoughtful.

Vice-Chair Paynter questioned the second sentence in the definition of "special event." She made a change which Staff Liaison Lynch will update for the draft going to City Council. She also asked about the header in Sec. 113-255 – It says cannabis or hemp establishments. She wondered about what happened with the hemp discussion. Staff Liaison Lynch stated they included the lower-potency hemp businesses in the ordinance and they have a separate license from the state and those are not limited to one registration in the City and are not restricted by the 300' barrier.

Commissioner Tracy made a motion to recommend approval of the drafted changes to City Code, with the one change by Vice-Chair Paynter to the definition of "special event." A vote was taken and all were in favor. The motion passed 6-0 and the draft will be going in front of City Council on December 11.

F. NEW BUSINESS

1. None.

G. INFORMATION AND ANNOUNCEMENTS

1. Staff Liaison Report

Staff Liaison Lynch repeated the cannabis business change to City Code would go in front of City Council on December 11 and this will include an additional portion about registering the businesses, including cost to register, fines for not following the rules, etc. This is a portion of City Code that the Planning Commission does not regulate. She also stated the Larpenteur Study is complete and was approved by City Council and is up on the website. Chair Wilson also reminded the Commissioners that there will be no December meeting due to the meeting date being Christmas Eve. Staff Liaison Lynch also stated Human Rights Day is December 10. If residents received a letter that their home has racial covenants in the deed, they can sign up to come to the event to have those removed. If there are no more spots available, they should call City Hall.

2. Council Liaison Report

Council Liaison Meyer echoed about Human Rights Day.

H. ADJOURN

Vice-Chair Paynter made a motion to adjourn. All were in favor. Meeting was adjourned at 7:37 PM.