

**CITY COUNCIL WORK SESSION
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The Ramsey City Council conducted a City Council Work Session on Tuesday, April 22, 2025, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Ryan Heineman
Councilmember Kirsten Buscher
Councilmember Michael Olson
Councilmember Dan Specht
Councilmember Shanna Stewart

Members Absent: Councilmember Eric Peters
Councilmember Chris Riley

Also Present: City Administrator Brian Hagen
Administrative Services Director Colleen Lasher
City Attorney Fritz Knaak
Community Development Director Stephanie Hanson
Police Captain Tim Frankfurth

1. CALL TO ORDER

Mayor Heineman called the City Council Work Session to order at 5:30 p.m.

2. TOPICS FOR DISCUSSION

2.01: Cannabis Business Regulation Discussion

Community Development Director Hanson reviewed the Staff report in regard to the cannabis business regulations that was adopted by the Council in 2024 for the new Councilmembers who were not a part of these decisions.

Councilmember Buscher said she and Mayor Heineman had requested they discuss this so the new Councilmembers were fully aware of everything before these businesses started coming to the City. She stated she would like to discuss the idea of having a municipal dispensary. She added that she wants to make sure the Police Department is ready for when these businesses open.

Mayor Heineman asked about the process of getting a cannabis license.

Community Development Director Hanson explained that the business would need to apply for a license from the State's Office of Cannabis Management first before coming to the City.

Mayor Heineman asked if they have any ability to choose which applicants they move forward with. He asked what would happen if there were 12 applicants who wanted to be one of the two licensed retailers in the City.

Community Development Director Hanson said they have not discussed how they would make a selection.

Mayor Heineman said he wants the City to ensure they are getting the best applicants and retailers for these cannabis businesses.

City Attorney Knaak noted that allowing businesses into the City on a first-come-first-serve basis will give them the least resistance.

Mayor Heineman shared that he would still like them to have some control over who comes into the City. He stated he is concerned that a large retailer could come in and request both licenses and this would prohibit locally owned businesses from getting their license. He added that he would also like to vet the applicants and their backgrounds to ensure they would be a good fit for the City. He asked if they have the same level of control over these businesses as they do over liquor stores.

City Attorney Knaak noted the City has a lot of discretion when it comes to liquor stores while they have little to no discretion over cannabis retailers. He said the State will do all of the vetting and investigation necessary to allow a license.

Councilmember Specht asked if the Police Department will be able to do the same compliance checks as they do at the liquor stores.

Community Development Director Hanson said yes and noted that this is a requirement.

City Attorney Knaak noted that if they find someone out of compliance then they will not have the same discretion when it comes to the kind of penalties they want to impose.

Councilmember Buscher noted that the application process with the Office of Cannabis Management is very strict and does a good job at making sure these businesses will be doing what they are supposed to be doing. She added that she would like them to consider allowing more than just two retailers in the City as they would not restrict any other business type in the City in this same way. She noted that she does not think Ramsey will be a hub for marijuana where they will see dozens of applications coming in. She said there will also be issues in the market when these stores first open as there likely will not be enough cannabis to sell in all of the retailers that will be opening.

Mayor Heineman said he is not interested in allowing more than two retailers in the City at this time. He stated he would like to see how the two stores do before they decide to increase the number. He reiterated that he does not want to see the two businesses both be large corporations.

City Attorney Knaak noted that a lot of these businesses could be out-of-State.

Councilmember Buscher shared that when the State was doing the social equity licensing there were big corporations that were buying ‘people’ to enter into the lottery to get these licenses. She noted that the State was trying to prohibit this. She added that no one with a felony can own or manage a dispensary. She said that if they have businesses coming in from different states then they likely already know what they are doing if they are coming from a State where cannabis is already legal. She stated tribal nations have already been able to have dispensaries for months now and things are going well.

City Attorney Knaak explained that the Office of Cannabis Management is making a valiant effort to try to stay on top of the licensing process; however, there is so much going on which makes things incredibly hard to manage.

Councilmember Specht noted that if they have to have these dispensaries in the City then it would be nice to have them be locally owned businesses.

Mayor Heineman asked if the City has been notified of any businesses applying for applications.

Community Development Director Hanson said they just closed the application period in the past few weeks, and they will likely hear in June whose license has been approved. She explained that when these businesses apply for their license, they must have an address for where their business will be.

Councilmember Olson asked if the State will even send the City more than two licensees since that is all they have said they want.

City Attorney Knaak explained that he understands that the licenses will be approved and sent to the City on a first-come-first-serve basis.

Mayor Heineman asked who residents should reach out to if they have any questions related to cannabis businesses.

Community Development Director Hanson said they could reach out to her.

City Attorney Knaak noted that the City does not have to suffer in silence with this if things do not go well. He said if things don’t work out well, the League of Minnesota Cities has expressed their interest in leading some kind of revision effort at the State.

Councilmember Buscher asked how many more Police Officers they would like to have when these stores start opening.

Police Captain Frankfurth said it would be difficult to put a number on when they do not know what these businesses will look like; however, they would like to add more officers for this and the growth of the City.

Nick Phelps, OHM Premier Vaping, said there are an alarming number of applicants who applied to open retail dispensaries. He said there can be a total of 394 retailers in Minnesota based on their

population. He shared that he is hoping that his application will be reviewed in the next month or so as he is very interested in being one of the two retailers in Ramsey. He noted that transparency and compliance are the two things he and his family aim for in their businesses. He said he has been selling low-potency THC products in Ramsey for the last two years and before this they were selling the hemp-based products for over five years, and they have been through all of the regulatory changes by the State. He noted that he and his family would be able to open a high-quality and transparent location given their experience with other businesses in the City. He asked what the process would be if his license was approved at the State level.

Community Development Director Hanson explained that the State would notify the City that the license had been submitted and they will send a zoning verification letter that tells the State that the business is allowed to be where it is requested.

Mayor Heineman added that the property owner would also have to sign off on allowing a cannabis retailer in the space if the location would be leased.

City Attorney Knaak encouraged Mr. Phelps to get his own legal counsel on this matter if he has additional questions or concerns.

Mayor Heineman asked if they could do an RFP for these businesses.

City Attorney Knaak said no as this would offer the City some discretion.

The consensus of the Council was to move forward with the cannabis regulations as discussed and wait to hear from the State on who will be awarded licenses.

2.02: Discuss the format for the City Administrator's Upcoming Performance Evaluation

Administrative Services Director Lasher reviewed the Staff report concerning City Administrator Hagen's upcoming performance evaluation and the software that is used to conduct this evaluation.

Councilmember Specht asked if the League of Minnesota Cities had any guidance on this.

Administrative Services Director Lasher said the League of Minnesota Cities does not have a recommendation for this.

Councilmember Stewart asked if there are any other vendors that Administrative Services Director Lasher is interested in looking into.

Administrative Services Director Lasher stated she has been recommended to a few different vendors, but she has not yet contacted them as she wanted to discuss with the Council before digging deeper to get more information from these other vendors.

Councilmember Stewart asked if there are areas in the current software for written feedback.

Administrative Services Director Lasher said yes; however, there were very minimal written comments from the 14 people who completed the evaluation.

Councilmember Buscher said she would like to leave the decision on what software should be used up to Administrative Services Director Lasher and what she thinks will work best. She added that City Administrator Hagen does a great job and they are very blessed to have him.

Councilmember Olson asked if Administrative Services Director Lasher would like to change from the current software.

Administrative Services Director Lasher stated change always creates extra work; however, she is willing to put in the extra work needed for this change. She shared that the current vendor has gotten a little bit lazy and been less responsive and she would be very interested to see what some of these other recommended vendors can offer.

Councilmember Specht noted that it may be good to have new software that could offer different perspectives. He stated City Administrator Hagen's feedback has always been good and it may be good to have a new way to provide this feedback.

Mayor Heineman shared that as long as the other software would serve the same purpose and would be around the same price then he is supportive of looking into other vendors.

The consensus of the Council was to direct Administrative Services Director Lasher to look into other vendors for the City Administrator performance evaluation software.

2.03: Quarterly Updates on Outside Committees

City Administrator Hagen reviewed the Staff report in regard to a quarterly update on outside Committees.

Councilmember Buscher said that she brought this item forward as she would like the Council to have awareness of what these outside Committees are working on.

Mayor Heineman asked if they should add a Committee update to a normal part of the agenda.

Councilmember Buscher stated she is not sure if they would need to do this update at every meeting, but maybe on a quarterly basis or after these Committees have met.

Councilmember Olson shared his support for this idea; however, he thinks the Work Session is the best place for these updates.

Councilmember Specht added that there is a benefit to having the public see these updates as well.

Mayor Heineman suggested giving these updates every other month at Work Sessions and increasing or decreasing these updates as needed in the future.

The consensus of the Council was to add an update from outside Committees to the Work Session agenda every other month.

3. TOPICS FOR FUTURE DISCUSSION

3.01: Review Future Topics / Calendar

Noted.

City Administrator Hagen shared that budget discussions will start in July and encouraged any of the new Councilmembers to contact Staff if they would like to get up to speed on the budget before these conversations start.

4. MAYOR / COUNCIL / STAFF INPUT

None.

5. ADJOURNMENT

The Work Session of the City Council was adjourned at 6:28 p.m.

Respectfully submitted,

Brian S. Hagen
City Administrator

ATTEST:

Katie M. Schmidt
City Clerk

Drafted by Ava Major
TimeSaver Off Site Secretarial, Inc.