

**REGULAR ROSEAU CITY COUNCIL MEETING**

**MONDAY – August 1, 2022**

**Regular meeting at 5:00 P.M.**

**In person meeting**

**121 Center Street East Suite 201**

**Roseau, MN 56751**

The Regular monthly meeting of the Roseau City Council was held on the above date, time, and place. Members present were, Mayor Dan Fabian, Councilmembers: Pat Novacek, Amy Bassingthwaite, Brady Johnson, Mary Hayes Absent: none Others present were Community Development Coordinator Todd Peterson, City Superintendent David Drown, Police Chief Ward Anderson, Fire Chief Leon Huot, City Attorney Michelle Moren, Clerk-Treasurer Beth Carlson, Keith Severson, Paul Baumgartner & Emily Baugher from Roseau Youth Hockey and the Roseau Civic and Commerce.

Mayor Dan Fabian called the meeting to order, and the Pledge of Allegiance was said.

Council member Brady Johnson motioned, Council member Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve the July 11, 2022, regular meeting minutes as written.

Council member Mary Hayes motioned, Council member Amy Bassingthwaite seconded, and it was carried by unanimous vote to approve the following Consent Agenda as written.

1. Presentation of Accounts Payable claims July 1, 2022, through July 31, 2022, Batch AP07312022.  
CK# 72616-72655 = \$146,347.80.
2. Presentation of daily checks July 1, 2022, through July 31, 2022  
CK# 72485-72615= \$321,155.58.  
E# 2974-3010 = \$371,308.11.  
PR 07/15/2022 = \$49,939.76  
PR 07/31/2022 = \$53,809.10  
Void Ck# 72571
3. Presentation of Receipt entries June 1, 2022, through June 30, 2022.
4. Presentation of Journal entries JE05312022.
5. Audit Committee review of May 2022 General Ledger checks written compared with images on the bank statement.
6. Notices and Communications –  
Upcoming scheduled meetings:

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**Mayor**  
Dan Fabian

**Council**  
Pat Novacek  
Amy Bassingthwaite  
Brady Johnson  
Mary Hayes

**City Attorney**  
Michelle E. Moren

**Police Chief**  
Ward Anderson

**Manager Liquor Store**  
Niki Johnson

**City Clerk-Treasurer**  
Elizabeth Carlson

**Community  
Development Coordinator**  
Todd Peterson

**City Superintendent**  
David Drown

- a. September 12, 2022, Regular council meeting at 5:00 p.m.
7. Approve the use of alcohol in the Community Center- none
8. Investment–Roseau EDA Hi Fi as of 07/27/2022 is \$104,409.93.
9. Cash in bank-Regular checking as of 07/27/2022 is \$2,520,047.40
10. Investment-Regular Hi Fi as of 07/27/2022 is \$1,565,355.83
11. Investment Certificate of Deposit as of 07/27/2022 is \$827,213.22
12. Investment Certificate of Deposit as of 07/27/2022 is \$822,673.03.
13. Investment Certificate of Deposit as of 07/27/2022 is \$822,966.60.
14. Investment Certificate of Deposit as of 07/27/2022 is \$815,610.81.
15. Investment-Roseau EDA Money Market as of 07/27/2022 is \$154,660.96.
16. Cash in bank-Roseau EDA as of 07/27/2022 is \$25.29
17. Letter in support of 2023 HRA Tax Levy Legislation.

### **Delegations/Petitions/Complaints**

Keith Severson, Paul Baumgartner, and Emily Baugher representing Roseau Youth Hockey and the Roseau Civic and Commerce presented to council a proposal for a C&C Fall Harvest Festival & Roseau Youth Hockey “Welcome back to Hockey” event on October 1, 2022, from 6am to midnight at the Roseau Memorial Arena. From 3pm – 7pm a craft brewery event will take place on the west half of the arena and the Roseau Youth Hockey will host a “Welcome back the Hockey Event” as well as serve food, have a band and additional activities on the east half of the rink. From 7pm-midnight Roseau Youth Hockey will host a dance, games and have a cash bar that will use the entire rink. (A local bar will be serving the cash bar with beer and wine, no hard liquor.)

Mr. Severson informed council that, if approved, breweries/cideries from across the state and Fargo will be participating. Mr. Severson provided to council a map of how the arena would be set up to control the flow of traffic. There would be one entrance for ID check and ticket check to get a wrist band to get alcoholic drinks. There would also be additional blockage to control traffic and prevent certain areas of the arena from being accessed by the public.

City Attorney Moren informed council that she had been in contact with Scott Mueller from the State Alcohol and Gambling Enforcement concerning the licensing needed for this event. City Attorney Moren stated that the C & C (being a nonprofit) could be the temporary liquor license holder for the breweries, as long as each brewery/cidery individually invoiced the C&C. The C&C must also provide the City of Roseau a Certificate of Liability insurance covering this event.

Police Chief Anderson stated that there will need to be more than one police officer hired from 3 to midnight for this event, as it is a large area to cover.

City Superintendent Drown stated that there cannot be any vehicles on the arena slab as they leave black tire marks. Mr. Severson stated that the breweries have tents approximately 10 ft by 10 ft in size. There should not be any vehicles on the slab.

Mr. Baumgartner asked if a trailer could be used as a stage. Superintendent Drown said if wide turns were used when the trailer is brought in and positioned it would not leave black tire marks that would then have to be scrubbed off the cement.

Mr. Baumgartner stated that though there is alcohol served, this is a family friendly event. Roseau Youth Hockey is kicking off its registration, equipment exchange and there will be hockey games in the North Rink as well.

Ms. Baugher informed council that there are a lot of volunteers in place, so this event should run smoothly. Ms. Baugher also stated that this event is part of a larger 3-to-4-day October Fall Festival that is to be held in Roseau. There will be activities happening on Main Street until the afternoon when they will be moved to the Memorial Arena. The expectation is that by the end of day Sunday October 2 the Memorial arena will be cleaned and ready for ice preparations.

After discussion, Council member Amy Bassingthwaite motioned, Council member Mary Hayes seconded and it was carried by unanimous vote to approve the use of the Memorial Arena and tentatively approve the use of alcohol for this event on the condition the committee meet with City Attorney Moren, Police Chief Anderson and City Superintendent David Drown to make sure that all rules are followed, all licensing and police officers are in place, and to give an update to council at the September 12 council meeting.

The actual liquor licenses will need to be approved at the September 12 City Council meeting when the C & C has the temporary liquor license and certificate of liability filled out. The vendor that is chosen to run the cash bar will also need their certificate of liability insurance and approval by council at the September 12 meeting.

### **Committee Reports**

#### **Planning Commission**

The Planning Commission met Monday July 25, 2022, at 12:00 pm. CDC Peterson reviewed the minutes.

- The Planning Commission reviewed a sign variance application #2-22 from the First United Lutheran Church. The church is requesting to add two outdoor messaging boards on the outside of the church. These outdoor messaging boards would consist of two outdoor televisions back-to-back on a location along Center Street W, just east of the existing church freestanding sign. It appears the church has already exceeded the maximum signage allowed in a R-1 zoning district with the existing signage. The Planning Commission moved to approve setting a public hearing on August 29<sup>th</sup> at 12:10 pm for sign variance request #2-22 with the condition that CDC Peterson obtain additional information of the total amount of existing signage already on site and that a representative from the church be present at the public hearing to speak to what signage could potentially be removed to allow for this new signage. Turning off the signs at night so they will not bother the neighbors will also be part of discussion at the public hearing.

Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to approve setting a public hearing on

August 29<sup>th</sup> at 12:10 pm for sign variance request #2-22 with the condition that CDC Peterson obtain additional information of the total amount of existing signage already on site and that a representative from the church be present at the public hearing to speak to what signage could potentially be removed to allow for this new signage.

- CDC Peterson presented a development plan for BBDiversified on the old Sorenson Dealership site. BBDiversified has proposed a redevelopment of this site as a future home for the company. In addition to the overall redevelopment plan, BB Diversified is seeking a conditional use permit (#3-22) for the company to occupy this site for its own manufacturing business. After discussion it was consensus of the Planning Commission that this was a suitable use for this site and that it was in the best interest of the city to support this development proposal. The Planning Commission recommends to the Roseau City Council that a public hearing be set for August 29<sup>th</sup> at 12:15 p.m. on conditional use permit #3-22 for BB Diversified to allow BB Diversified to operate a metal fabrication shop in a C-2 zone.

CDC Peterson provided council with the following BBDiversified Redevelopment Proposal.

BBDiversified, a local manufacturing business in Roseau, has purchased the site that previously housed the Sorenson Chevrolet Dealership with the intent of redeveloping the site to house a portion of their manufacturing operations to include 6 machining lathes and approximately 6 employees. BBDiversified plans include the full renovation of the main dealership building and also bring the other two buildings on the site into code compliance by reroofing, patching siding and painting. One of the two buildings has an existing auto repair tenant that for the time being will be retained in that location. Long term (3-5 years) BBDiversified has a plan to construct a new manufacturing facility on this site. No actual building size has been proposed yet. This new facility would house all of the remaining BBDiversified Roseau operations that is currently housed in leased facilities approximately 6 miles west of Roseau.

BBDiversified is seeking City assistance in the redevelopment project and the city council has offered to create a redevelopment tax increment financing district to assist with geotechnical soils correction, utility upgrades, site grading and drainage to facilitate a redevelopment project at this site. A TIF plan is currently being drafted for this project by the city's financial advisor.

After discussion, Council member Pat Novacek motioned, Council member Mary Hayes seconded, and it was carried by unanimous vote that a public hearing be set for August 29<sup>th</sup> at 12:15 p.m. on conditional use permit #3-22 for BBDiversified to allow BBDiversified to operate a metal fabrication shop in a C-2 zone.

- CDC Peterson gave an update on the clean-up report given to the Planning Commission. Some citations were issued errantly due to a miscommunication within the PD. The PD will be working on getting compliance in the residential areas first and then work on the

commercial areas that are not compliant. Issues with the west side and east side trailer courts were discussed.

Also discussed was a house on 3<sup>rd</sup> Street SE where the owner with no immediate family passed, leaving it to Jerome Ziska. The house is in disrepair and not worth anything. Mr. Ziska has not able to contact the mortgage company and is unable to do anything with the house. Mr. Ziska is hoping the City can start the condemnation process as he would like to get freed of the property.

City Attorney Moren stated that the mortgage company may have been taken over by another company making the mortgage hard to track down. Attorney Moren stated that the abatement process to raze the building can be started as Mr. Ziska has already received notice of noncompliance. City Attorney Moren asked for council approval to start the process by getting an updated abstract to see who has the title and who the lean holders are and have the building official inspect the house.

It was council consensus to get started with the abatement process

### **Roseau County Commissioner**

Roseau County Commissioner was absent

### **Operations Committee**

No new business to report

### **Oakcrest Golf Course**

No new business to report.

### **Airport Committee**

The Airport Committee did not meet.

### **EDA**

CDC Peterson informed council the EDA will meet on Wednesday, August 3<sup>rd</sup>.

### **Department Reports**

#### **Liquor Store**

Liquor Store manager Niki Johnson was absent.

#### **Fire Department**

Fire Chief Leon Huot had no new business

#### **Police Department**

Police Chief Ward Anderson stated that though he had not officially announced his retirement at the end of this year, it was announced at the fair.

Council member Pat Novacek referenced the letter from Richard Magnusson from the Roseau County Fair Board that thanked all the volunteers and supporters of the fair. Council member Novacek stated the letter did not thank the Police Department, Fire Department and City Crew enough for their help in making the fair a success. Council member Novacek stated the cooperation seen in the City of Roseau and Roseau County is not found in many communities.

### **Superintendent**

City Superintendent David Drown informed council that he is meeting with Houston Engineers this coming Friday and engineers on the treatment plants and water towers next week and hopes to have the preliminary engineering reports on projects for IJA funding by the September council meeting.

### **City Attorney**

City Attorney Michelle Moren informed council on the following:

- City Attorney Moren has discussed the Marco Managed IT Contract proposal with a Marco representative. Attorney Moren was able to negotiate some items and is waiting for the final version of the contract. After discussion, Council member Brady Johnson motioned, Council member Amy Bassingthwaite seconded, and it was approved by unanimous vote to approve the final Marco contract contingent on City Attorney Moren's review. If City Attorney Moren did not agree with the contract a special meeting will need to be called as the last day of the Corporate Technology contract is August 31.
- City Attorney Moren provided to council Ordinance 44 Communal Housing and Short-Term Housing with changes highlighted in yellow which Council has already approved.

## **CITY OF ROSEAU COMMUNAL HOUSING AND SHORT-TERM HOUSING ORDINANCE**

### **Permitted Uses - Single Family, Two Family and Multi-Family Residential Districts**

#### **SECTION 1.00 PURPOSE AND INTENT.**

**1.01 Purpose.** The purpose of this ordinance is to establish standards for all communal housing and short-term housing establishments and to protect the health, safety, and general welfare of the people of the City of Roseau.

**1.02 Intent.** The intent of this ordinance is to allow the use of communal housing and short-term housing rentals in appropriate zoning districts, with established standards with the intent of mitigating or eliminating potential impacts of the health, safety, and general well-being of neighboring property owners and tenants.

#### **SECTION 2.00 SCOPE**

This ordinance shall provide for the licensing and inspection of all communal and short term housing establishments.

## **SECTION 3.00 DEFINITIONS.**

**3.01 Communal Housing.** Means a means building(s) or structure(s) providing housing or accommodation in either shared or private suites in a communal setting, together with services which may include shared kitchen/dining facilities, sanitary facilities, laundry facilities, amenities, and other facilities to the residents living therein.

**3.02 Family:** A single person or a group of persons *related by blood, marriage or adoption*. The following groups of individuals are also designated as being permitted to occupy a single-family residence or each unit within a two-family or multiple-family dwelling unit as if it was a family:

- a. A family as defined above plus one (1) additional unrelated individual; one (1) unrelated legally married couple, or one (1) unrelated single parent with one (1) single child;
- b. A family as defined above plus up to four (4) children living with the family in a licensed foster care or host home; or
- c. A group of no more than three (3) persons regardless of their familial relationship

*Related by Blood, Marriage or Adoption: Means father, mother, husband, wife, son, daughter, sister, brother, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, grandparents or grandchildren, to include the half as well as the whole blood.*

**3.03 Owner.** Means the property of record of the real estate located in the City of Roseau.

**3.04. Owner's Authorized Representative or Agent.** Means a person who has written authority to act on behalf of the owner.

**3.05 Short- term Rental:** means a private single-family dwelling, such as a home, cabin, condominium, townhome, bed and breakfast, vacation property, home sharing accommodation, or other similar single family unit for any time period, that is advertised or held out to be a place where sleeping accommodations are furnished to the public on a nightly, weekly period or a time period which is less than 30 days and is not a permitted use such as a, resort, hotel, or motel, provided that such dwelling units are not used exclusively for short-term rental use 365 days a year, or if marketed for rental 365 days-a-year such dwelling must be occupied by property owner, or manager, on a full-time basis.

**3.06 Bedroom.** means an area that is (a) a room designed or used for sleeping; or (b) a room or area of a dwelling that has a minimum floor area of 70 square feet with access to and from the living room or living area hallway and has a separate window for ingress and egress.

**3.07 Shareable Housing** means any communal housing, single room occupancy, boarding house, or other multifamily use housing.

## **SECTION 4.00 CONDITIONAL USE AND LICENSURE REQUIREMENT FOR SHAREABLE HOUSING IN SINGLE FAMILY AND TWO-FAMILY RESIDENTIAL DISTRICTS**

**4.01 Conditional Use Permit** any owner seeking to operate shareable housing must first apply for and obtain a conditional use permit (CUP) from the City.

**4.02 Requirements to obtain CUP** sharable dwellings must meet the following requirements:

- No more than four unrelated persons, or family units, may occupy any dwelling regardless of the number of bedrooms provided in the dwelling, and no more than 6 persons total may occupy any sharable dwelling.
- Each person, or family unit, residing in the dwelling must be provided their own bedroom with a minimum habitable area of 70 square feet for one person and square for two people. All bedrooms must be located above grade, have ceilings at least 7 ½ feet from the floor, and be lockable by the individual tenant.
- The dwelling must contain at least one bathroom with a working toilet, wash sink and shower/tub facility for every four (4) persons residing in the dwelling. All bathrooms must have working locks and be accessible to all residents from their own bedroom of the dwelling without having to access through any other bedroom in the dwelling.
- Bedrooms shall not contain a kitchen or kitchenette. A refrigerator and/or microwave oven may be contained within the unit, but heat producing equipment including, but not limited to hot-plates, electric fry pans, toaster ovens, crock pots, ovens, ranges, coffee pots, electric kettles, air fryers, pressure cookers, or any other cooking items may not be housed in individual bedrooms.
- The sharable dwelling must provide a communal kitchen and dining area available to all residents of the dwelling unit with a working wash sink, and working cooking facilities including a range, oven, and refrigerator/freezer.
- Sufficient off-street parking must be made available to each tenant that does not require the parking of vehicles in any front or side yard lawn area. Front and side yard lawn areas may be used for temporary off-street parking during the months of November through March during snow removal.

**4.03 Annual Licensure Requirement.** No shareable dwelling may be operated without a valid shareable dwelling license issued by the city pursuant to this ordinance.

- All shareable dwelling licenses are an annual license and must be renewed each year. License renewal applications for rental operations in the following year must be submitted prior to any rental activity.



- The owner or owner's authorized agent shall permit access to the property and all permitted units at any reasonable time for the purposes of inspection upon request of the city of Roseau building official or designee.
- It is the owner or owner's authorized agent's responsibility to contact the Minnesota Department of Health regarding lodging license requirements. If proof of MDH license is provided, the city of Roseau licensing fee will be waived however all other provisions of the ordinance still apply.

**4.04 License Application Requirement.** The following information shall be provided to the city on the license application:

- the name, mailing address, email address and telephone number of the owner of the home for which the license is to be issued.
- Physical address of the home and personal identification number.
- The name, address, telephone number and email address of the owner's authorized agent.
- All other information as requested on the application form.
- No application for an initial or renewal of the license will be accepted if there are past due property taxes on the property described in the license application.
- Applicants must submit proof of adequate homeowners insurance and liability insurance in an amount to be determined by the city.
- A license application fee shall be determined and set annually by the Roseau City Council.

**4.05 License Transfer.** The license shall not be transferable upon any change in ownership of the license property, or otherwise and any new owner of the property will be required to apply for new licensure if said new owner wishes to operate the property as a shareable dwelling.

## **SECTION 5.00 CONDITIONAL USE AND LICENSURE REQUIREMENT FOR SHAREABLE HOUSING IN MULTIFAMILY AND COMMERCIAL ZONING DISTRICTS.**

**5.01 Conditional Use Permit** any owner seeking to operate a shareable housing in a multifamily or commercial zoning district must first apply for and obtain a conditional use permit (CUP) from the City.

**5.02 Requirements to obtain CUP** sharable dwellings must meet the following requirements:

- Each person, or family unit, residing in the dwelling must be provided their own bedroom with a minimum habitable area of 70 square feet for one person, plus 50 square for each additional person. No more than two adults, who must be related, may inhabit a single unit regardless of the unit size. All bedrooms must be

located above grade, have ceilings at least 7 ½ feet from the floor, and be lockable by the individual tenant.

- The dwelling must contain at least one bathroom with a working toilet, wash sink and shower/tub facility for every ten (10) persons residing in the dwelling. All bathrooms must have working locks and be accessible to all residents from their own dwelling unit of the without having to access through any other dwelling unit.
- Individual bedroom units shall not contain a kitchen or kitchenette. A refrigerator and/or microwave oven may be contained within the unit, but heat producing equipment including, but not limited to hot-plates, electric fry pans, toaster ovens, crock pots, ovens, ranges or any other cooking items may not be housed in individual bedrooms.
- The sharable dwelling must provide a communal kitchen and dining area available to all residents of the dwelling unit with a working wash sink, and working cooking facilities including a range, oven, and refrigerator/freezer.
- Sufficient off-street parking must be made available to each tenant that does not require the parking of vehicles in any front or side yard lawn area. Front and side yard lawn areas may be used for temporary off-street parking during the months of November through March during snow removal.

**5.03 Annual Licensure Requirement.** No shareable dwelling may be operated without a valid shareable dwelling license issued by the city pursuant to this ordinance.

- All shareable dwelling licenses are an annual license and must be renewed each year. License renewal applications for rental operations in the following year must be submitted prior to any rental activity.
- The owner or owner's authorized agent shall permit access to the property and all permitted units at any reasonable time for the purposes of inspection upon request of the city of Roseau building official or designee.
- It is the owner or owner's authorized agent's responsibility to contact the Minnesota Department of Health regarding lodging license requirements. If proof of MDH license is provided, the city of Roseau licensing fee will be waived however all other provisions of the ordinance still apply.

**5.04 License Application Requirement.** The following information shall be provided to the city on the license application:

- the name, mailing address, email address and telephone number of the owner of the home for which the license is to be issued.

- Physical address of the home and personal identification number.
- The name, address, telephone number and email address of the owner's authorized agent.
- All other information as requested on the application form.
- No application for an initial or renewal of the license will be accepted if there are past due property taxes on the property described in the license application.
- Applicants must submit proof of adequate homeowners insurance and liability insurance in an amount to be determined by the city.
- A license application fee shall be determined and set annually by the Roseau City Council.
- All initial licensing applications must be reviewed by the City of Roseau Building Official who shall conduct an inspection to determine whether or not the structure meets all necessary City of Roseau and State of Minnesota requirements.
- The City reserves the right to require annual inspections of the premises by the City of Roseau Building Official.
- Applications shall be submitted to the Roseau City Clerk-Treasurer and the City Clerk-Treasurer is authorized to issue a license conditioned upon all requirements set forth herein being satisfied.

**5.05 License Transfer.** The license shall not be transferable upon any change in ownership of the license property, or otherwise and any new owner of the property will be required to apply for new licensure if said new owner wishes to operate the property as a shareable dwelling.

## **SECTION 6.00 SHORT-TERM RENTALS**

**6.01 Conditional Use Permit** any owner seeking to operate a short term rental property must first apply for and obtain a conditional use permit (CUP) from the City.

**6.02 Requirements to obtain CUP** short term rentals must meet the following requirements:

- Anyone seeking to operate a short-term rental in the City of Roseau, must maintain a permanent residence within 60 miles of the short-term rental property, or must maintain a full-time property manager that is available during rental periods and within 60 miles of the short-term rental property.
- Anyone seeking to operate a short-term rental must provide proof of homeowners and liability insurance in an amount and in a form acceptable to the City of Roseau.

- Anyone seeking to operate a short-term rental must establish a means for the automatic collection and remittance of lodging taxes for all stays of less than 30 days in accordance with City Ordinance 34.01. In lieu of collecting lodging taxes, as required under City Ordinance 34.01, a short-term rental operator may pay a flat annual fee as determined annually by the Roseau City Council to the City of Roseau for each short-term rental property operated.
- Property owners or operators seeking to establish a short-term rental in a single-family residential neighborhood must obtain written consent from all contiguous neighboring property owners.
- No signage advertising a short-term rental is permitted within a single family or two-family zoning districts. Short-term rental advertising signage is permitted in all other zoning districts as allowed by that district.
- No on-street parking is permitted for any short-term rental property. No short-term rental shall permit parking on the front or side yard lawn of the short-term rental property. Parking cannot restrict access by emergency vehicles or the traveling public and shall not impede any ingress or egress a property owner.
- No short-term rental operator shall allow properties to be used as venues for large parties, events, gatherings, or any other non-residential use.
- Quiet hours are between the hours of 11:00 PM to 7:00 AM, Sunday through Thursday; and 1:00 AM to 7:00 AM Friday and Saturday. The owner of the short-term rental is expected to enforce this rule failure to do so may result in enforcement action as provided below.

**6.03 Annual Licensure Requirement.** No short term rental may be operated without a valid shareable dwelling license issued by the city pursuant to this ordinance.

- All shareable dwelling licenses are an annual license and must be renewed each year. License renewal applications for rental operations in the following year must be submitted prior to any rental activity.
- The owner or owner’s authorized agent shall permit access to the property and all permitted units at any reasonable time for the purposes of inspection upon request of the city of Roseau building official or designee.
- It is the owner or owner’s authorized agent’s responsibility to contact the Minnesota Department of Health regarding lodging license requirements. If proof of MDH license is provided, the city of Roseau licensing fee will be waived however all other provisions of the ordinance still apply.

**6.04 License Application Requirement.** The following information shall be provided to the city on the license application:

- the name, mailing address, email address and telephone number of the owner of the home for which the license is to be issued.
- Physical address of the home and personal identification number.
- The name, address, telephone number and email address of the owner's authorized agent.
- All other information as requested on the application form.
- No application for an initial or renewal of the license will be accepted if there are past due property taxes on the property described in the license application.
- Applicants must submit proof of adequate homeowners insurance and liability insurance in an amount to be determined by the city.
- A license application fee shall be determined and set annually by the Roseau City Council.
- All initial licensing applications must be reviewed by the City of Roseau Building Official who shall conduct an inspection to determine whether or not the structure meets all necessary City of Roseau and State of Minnesota requirements.
- The City reserves the right to require annual inspections of the premises by the City of Roseau Building Official.
- Applications shall be submitted to the Roseau City Clerk-Treasurer and the City Clerk-Treasurer is authorized to issue a license conditioned upon all requirements set forth herein being satisfied.

**6.05 License Transfer.** The license shall not be transferable upon any change in ownership of the license property, or otherwise and any new owner of the property will be required to apply for new licensure if said new owner wishes to operate the property as a short-term rental.

## **SECTION 7.00 ENFORCEMENT**

**7.01 Enforcement.** The city of Roseau will investigate all complaints and alleged violations of this ordinance within a reasonable time period. The owner or owner's authorized agent shall address any substantiated complaints and/or violations as directed by the city of Roseau. All substantiated complaints and/or violations which are not resolved as directed by the city of Roseau building official, or law enforcement officer or designee, will result in enforcement action as provided in 7.04 below.

**7.02 Substantiated Complaints.** If 3 substantiated complaints and/or violations have occurred within a one year time period, then the city of Roseau may revoke the license for the operation of the unit.

**7.03 Misdemeanor.** Any owner or owner's authorized agent who fails to comply with this section or who violates, disobeys, omits, neglects, refuses to comply with, or resists enforcement of any of the provisions of this ordinance may be subject to misdemeanor prosecution, forfeiture of their license, or both.

**7.04 One year revocation.** Any license revoked under this section shall not be reissued for a period of one year from the date of revocation.

After discussion, Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded, and it was carried by unanimous vote to have an administrative fee of \$150 plus the cost of inspection as part of the City of Roseau fee schedule.

- City Attorney Moren provided to council Ordinance 45.

**CITY OF ROSEAU**

**ROSEAU COUNTY, MINNESOTA**

**ORDINANCE NO. 45**

**AN EMERGENCY INTERIM ORDINANCE PROHIBITING THE ESTABLISHMENT OF NEW USES OR THE EXPANSION OF EXISTING USES RELATED TO SALES, TESTING, MANUFACTURING OR DISTRIBUTION OF THC PRODUCTS**

**WHEREAS**, Minnesota Statutes §151.72 was amended effective July 1, 2022 regarding the sale of certain cannabinoid products. The amendment allows for the sale of edible cannabinoid products, provided that a product sold for consumption does not contain more than 0.3% of tetrahydrocannabinol, and an edible cannabinoid product does not contain an amount of any tetrahydrocannabinol that exceeds more than five (5) milligrams of any tetrahydrocannabinol in a single serving, or more than a total of fifty (50) milligrams of any tetrahydrocannabinol per package (collectively “THC Products”); and

**WHEREAS**, the amendment does not address licensing requirements nor does it address retail compliance requirements. The amendment does not prohibit local regulation; and

**WHEREAS**, Minnesota Statutes, §462.355 subdivision 4, provides that if a municipality is conducting studies for the purpose of considering adoption or amendment of a comprehensive plan or official controls, the governing body of a municipality may adopt an interim ordinance for the purpose of protecting the planning process and the health, safety, and welfare of its citizens; and

**WHEREAS**, the City Council of the City of Roseau believes that an interim ordinance prohibiting the establishment of new uses or the expansion of existing uses related to the sale of such products is necessary for the immediate preservation of public health, safety, and welfare due to the inherent risk of injury to persons related to the recently legalized sale by the State of Minnesota of edible cannabinoid products containing tetrahydrocannabinol (THC Products); and

**WHEREAS**, the City requires sufficient time to conduct a study to consider possible regulation and changes to the Zoning Ordinance and City Code which would address the types of uses which involve the sale, testing, manufacturing and distribution of THC Products whether for medical, recreational or for other human or animal consumption purposes and may implement

many of the suggestions from the study; and

**NOW, THEREFORE,** the City Council of the City of Roseau does hereby ordain:

**SECTION 1. MORATORIUM.** No business, person or entity may establish a new use or expand an existing use that includes or involves the sales, testing, manufacturing, or distribution of THC Products in any way, whether medical or recreational, or any products that contain nonintoxicating cannabinoids extracted from hemp (CBD) in any form, for a period of up to twelve (12) months from the effective date of this ordinance or until ordinances regulating such uses become effective, or until the Council rescinds this Interim Ordinance, whichever occurs first.

**SECTION 2. STUDY.** City Staff is directed to conduct a study of the issues relating to the sales, testing, manufacturing, or distribution of THC Products. Staff shall gather information and make a recommendation to the Council to determine whether the City should amend its zoning, licensing, or other city code provisions regarding these types of uses to better protect the citizens of Roseau.

**SECTION 3. ENFORCEMENT.** This interim ordinance may be enforced by criminal prosecution as set forth in Minnesota law. Further, the City may enforce this interim ordinance by injunction or other civil remedy in district court. A violation of this interim ordinance is also subject to the City's general penalty clause in section 154.99 of the Roseau City Code.

**SECTION 4. EFFECTIVE DATE AND EXPIRATION DATE.** This ordinance shall be in full force and effect from and after its passage and publication according to law and shall expire upon the earlier of the following events: (a) adoption of ordinances regulating such uses, until the Council rescinds or terminates the Interim Ordinance or twelve (12) months from its effective date,

**SECTION 5. SUMMARY PUBLICATION.** Pursuant to Minnesota Statutes Section 412.191, in the case of a lengthy ordinance, a summary may be published. While a copy of the entire ordinance is available without cost at the office of the City Clerk-Treasurer, the following summary is approved by the City Council and shall be published in lieu of publishing the entire ordinance:

The purpose of this Interim Ordinance is to authorize a study related to the sales, testing, manufacturing, and distribution of recently legalized edible cannabinoid products (THC Products). The City will be undergoing a study regarding CBD and cannabis uses to determine if regulations surrounding zoning and licensing are appropriate. During the term of this Ordinance, no business, person, or entity may establish a new use or expand an existing use which includes or involves the sale, testing, manufacturing, or distribution of consumable cannabinoid products that were legalized by the legislature on July 1, 2022 by amendment of Minnesota Statutes §152.72. This ordinance will remain in full force and effect until the City adopts regulations regarding these uses, or determines no regulations are necessary and rescinds the interim ordinance or for a period of one year, whichever occurs first. Passed this 1st day of August, 2022.

Dated this 1st day of August, 2022.

APPROVED:

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Mayor

ATTEST:

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City Clerk-Treasurer

(Publication in the Roseau Times Region Newspaper on the \_\_\_\_ day of August, 2022.)

City Attorney informed council that there are 1 of 3 options the City Council could take concerning the sales, testing, manufacturing, or distribution of THC products. One is to do nothing and follow the state law. The second would be to amend the zoning ordinance. The third is to adopt an interim ordinance to undergo a study regarding CBD and cannabis uses to determine if regulations surrounding zoning and licensing are appropriate. This interim ordinance would remain in effect for one year or until rescinded. This interim ordinance would prohibit a new use or expand an existing use of consumable cannabinoid products. Should the City Council adopt Ordinance 45 it would go into effect upon publication.

After discussion, Council member Pat Novacek motioned, Council member Mary Hayes seconded, and it was carried by unanimous vote to adopt Ordinance #45. AN EMERGENCY



INTERIM ORDINANCE PROHIBITING THE ESTABLISHMENT OF NEW USES OR THE  
EXPANSION OF EXISTING USES RELATED TO SALES, TESTING,  
MANUFACTURING OR DISTRIBUTION OF THC PRODUCTS

City Attorney Moren and Police Chief Anderson will conduct the study related to the sales, testing, and manufacturing, and distribution of recently legalized edible cannabinoid products (THC Products).

**Community Development Coordinator**

CDC Todd Peterson reported on the following.

- CDC Peterson provided to council the timeline for the establishment of Tax Increment Financing (Redevelopment) District. The Roseau County Commissioners received notice of intent on July 21, 2022. The next action would be for the Roseau City Council to adopt a resolution calling for a public hearing on September 12, 2022, at 5:15 pm.

CDC Peterson also provided to council an Assessor's Valuation on BBDiversified. The County Assessor said right now the valuation of the property is \$198,200 with \$104,800 being in the three structures, the rest is land. The buildings values were down \$33,400 from the previous year. The County Assessor indicated that all of the buildings are in substandard condition. One is very poor, one is poor, and one is below normal. CDC Peterson asked BBDiversified to hold off on any improvements for as long as possible so that the improvements could be covered under the TIF and grant.

Council also received a Projected Tax increment Report. The report shows total TIF revenue would be \$130,158. The Annual Gross Tax Increment would be \$145,148. This plan does not include the new building. The parking lot and electrical services could be covered under this TIF.

After discussion, Council member Amy Bassingthwaite motioned, Council member Mary Hayes seconded, and it was carried by unanimous vote to adopt Resolution #38-22 calling for a public hearing on September 12, 2022, at 5:15 pm.

- CDC Peterson provided to council a letter of understanding from Brady Martz for audit services for the City of Roseau for the years ended December 31, 2022, 2023, and 2024. Brady Martz fee for the audit is \$21,000, \$21,600, and \$22,200 for the years ended December 31, 2022, 2023, and 2024. CDC Peterson and Clerk-Treasurer Carlson recommended approving the Brady Martz letter of understanding.

After discussion, Council member Brady Johnson motioned, Council member Amy Bassingthwaite seconded and it was approved by majority vote to approve the letter of understanding from Brady Martz for audit services for the City of Roseau for the years ended December 31, 2022, 2023, and 2024. Brady Martz fee for the audit is \$21,000, \$21,600, and \$22,200 for the years ended December 31, 2022, 2023, and 2024

Council member Pat Novacek opposed.

- CDC Peterson provided to council a letter of understanding from Brady Martz for audit services for the Roseau Court Townhomes for the years ended December 31, 2022, 2023, and 2024. Brady Martz fee for the audit is \$3,200, \$3,300, and \$3,400 for the years ended December 31, 2022, 2023, and 2024.

After discussion, Council member Amy Bassingthwaite motioned, Council member Brady Johnson seconded, and it was approved by majority vote to approve the letter of understanding from Brady Martz for audit services for the Roseau Court Townhomes for the years ended December 31, 2022, 2023, and 2024. Brady Martz fee for the audit is \$3,200, \$3,300, and \$3,400 for the years ended December 31, 2022, 2023, and 2024. Council member Pat Novacek opposed.

- CDC Peterson met with Roger Geroy to discuss a proposed land exchange between the City of Roseau and Mr. Geroy. CDC Peterson had understood that the exchange would be land for land, but in the last meeting Mr. Geroy requested \$150,000 in addition to exchanging of land. CDC Peterson told Mr. Geroy that he could not speak for council, but the understanding had been to exchange land for land, with no additional money. It was Council consensus to reject the offer.

## **Mayor and Council**

- Preliminary Budget 2023  
CDC Peterson informed council that legislation was passed to include preliminary budgets on property tax statements. This means the City of Roseau needs to have a preliminary budget for review and approval at the September 12 City council meeting as the deadline is September 30.  
CDC Peterson reviewed the proposed preliminary 2023 budget and asked for council input and for department heads to get estimates on any projects, and for adjustments not currently listed on the preliminary budget.
- Council discussed the lot the City bought from Lockners as neighbors are interested in purchasing it. CDC Peterson stated that it would be a good lot for another school house build. Superintendent Drown said the County has some fill it may be looking to get rid of. It was council consensus to bring in fill to bring the lot elevation out of the flood plain. Council member Amy Bassingthwaite motioned, Council member Mary Hayes seconded, and it was approved by unanimous vote to use the lot for the School to build a house.
- Council discussed the old Harms lot at the end of 9<sup>th</sup> Avenue where the City had purchased the lot and removed the house. The Harms easement was poorly written, and it turns out that the road is on people's property outside of the easement or there is not an easement covering portions of the road. The only right of way to the lot is where the pedestrian trail currently runs, and State funding was used on the pedestrian trail so that

would have to be repaid if the trail was removed. Council discussed leaving the lot undeveloped or making it part of the park and use it for tenting.

- Council member Amy Bassingthwaite and Mayor Dan Fabian agreed to be on the negotiations committee.
- Council member Mary Hayes informed council that Pam Hetteen will take charge of the gazebo bricks memorials if council wishes to continue with the memorial bricks. Superintendent Drown stated that there has to be a plan to be placing the bricks in a logical way as the direction has changed so many times from the original plan. Superintended Drown stated that he would like to see funeral donations that are designated to the parks go to the gazebo fund rather than benches and planters that the city crew has to work around, but there needs to be a plan in place that is understood by everyone. Superintendent Drown, Council member Mary Hayes and Pam Hetteen will discuss how to proceed with the gazebo brick memorials.
- Mayor Fabian informed council members that filing opens tomorrow for council seats.

There being no further business Council member Amy Bassingthwaite motioned to adjourn the meeting, seconded by Council member Brady Johnson, and approved by unanimous vote.

ATTEST:

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Elizabeth Carlson, City Clerk-Treasurer

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Mayor Dan Fabian