



REQUEST FOR COUNCIL ACTION

AGENDA DATE: February 10, 2025

AGENDA ITEM: Consider a professional services agreement with Voyageur Cannabis for

the preparation of a municipal dispensary application

PREPARED BY: Rob Mattei, Director of Community Development

BACKGROUND:

As the City Council has previously discussed, current Minnesota cannabis regulations allow municipalities the opportunity to obtain a dispensary license proactively, outside of the lottery system.

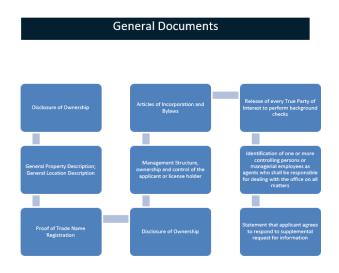
At the November 25, 2024 City Council Worksession, Voyageur Cannabis presented an overview of service they can provide to a municipality as a dispensary operator, and the estimated amount of revenue might be captured by the City under that arrangement. Since that discussion, Voyageur has been working on a more refined estimate and proposal to the City. This work is involving some preliminary architectural layout and cost estimating for the renovation of an existing building. This is still a work in process and there will be more discussion with the Council on that at a later date.

The following is Minnesota Office of Cannabis Management 2025 upcoming licensing schedule.



As previously mentioned, municipal dispensary licenses are not subject to the lottery system, however they are required to adhere to the general applicant verification requirements. According to the schedule, municipalities would be eligible to submit and application on February 18.

The cannabis licensing application will require information such as:



Operational Documents

- Security Plan including security equipment and monitoring
- Business & Operational Plans Including expected size, anticipated growth, operational structure, and knowledge of key individuals
- Financial Information Expected financial performance and capital requirements
- SOP's for:
 - · Quality Assurance
 - Inventory Control, Storage, and Diversion Prevention
 - Accounting and Tax Compliance
 - Environmental Plan
 - Employee Training and Education Plan

The attached proposal from Voyageur Capital is for the preparation and submittal of an application on behalf of the City. The not-to-exceed cost for this service is \$3,000. This expense will be funded through the professional services line item in the Community Development budget.

This agreement does not commit the City to working with Voyageur in any other capacity. Assuming the City is successful obtaining a license, it would not commit the City to moving forward with a dispensary. That will be a future consideration.

REQUESTED COUNCIL ACTION:

Make a motion to approve a professional services agreement with Voyageur Cannabis for the preparation of a municipal dispensary application.