

CITY OF MINNETRISTA



CITY COUNCIL AGENDA ITEM

Subject: **Ord No. 507 Amending City Code Related to Tobacco Sales and Business in the City**

Prepared By: **Sarah Sonsalla, City Attorney**
 David Abel, Community Development Director

Meeting Date: **July 20, 2026**

Issue:

Proposed Ordinance Amending City Code Chapter 1405 regulating tobacco sales and tobacco-related businesses.

Overview:

The City Council recognized a need to update its tobacco regulations to keep pace with the recent changes in both federal and state laws. In 2025 an interim ordinance was adopted placing a moratorium on the establishments or expansion of tobacco shops. At the June 15th, 2026 Work Session the City Council reviewed a draft ordinance and directed staff to bring Ordinance NO. 507 forward for adoption.

The proposed ordinance repeals and replaces the existing tobacco licensing and regulation provisions in Chapter 1405 of the City Code. The ordinance substantially expands local regulations governing the sale of tobacco products, nicotine products, electronic delivery devices (vaping products), and tobacco-related devices within the City of Minnetrista.

The purpose of the ordinance is to strengthen local oversight of tobacco sales, reduce youth access to tobacco and nicotine products, regulate the location and operation of tobacco retailers, prohibit flavored tobacco products, and establish enhanced licensing, compliance, and enforcement standards.

Recommended City Council Action:

Motion to adopt Ordinance NO. 507 related to tobacco sales and business in the city.
Motion to adopt Res. No. 79-26 by title and summary for publications

Mission Statement:

The City of Minnetrista will deliver quality services in a cost effective and innovative manner and provide opportunities for a high quality of life while protecting natural resources and maintaining a rural character.

ORDINANCE NO. 507

**CITY OF MINNETRISTA
COUNTY OF HENNEPIN
STATE OF MINNESOTA**

**AN ORDINANCE AMENDING THE CITY CODE RELATED TO
TOBACCO SALES AND BUSINESSES IN THE CITY OF MINNETRISTA**

THE CITY COUNCIL OF THE CITY OF MINNETRISTA, MINNESOTA, HEREBY ORDAINS:

SECTION 1. Chapter XIV Section 1405 of City Code is hereby repealed and rewritten to read as follows:

1405.01. – Definitions

For the purposes of this chapter, the following terms shall have the meanings given to them:

Characterizing flavor means a distinguishable taste or aroma, other than the taste or aroma of tobacco, imparted either prior to or during consumption of a tobacco product. Characterizing flavors include, but are not limited to, menthol, mint, wintergreen, fruit, chocolate, vanilla, honey, candy, dessert, alcoholic beverage, herb, spice, or any other flavor. The existence of a characterizing flavor may be determined by the product's ingredients, labeling, packaging, advertising, marketing, or representations made by the manufacturer, distributor, or retailer.

Child-resistant packaging means packaging that meets the definition set forth in Code of Federal Regulations, Title 16, Section 1700.15(b), as amended from time to time, and that has been tested in accordance with Code of Federal Regulations, Title 16, Section 1700.20, as amended from time to time.

Compliance check means the system used by the City to investigate and ensure that persons licensed to sell tobacco products are complying with the requirements of this chapter. Compliance checks may involve the use of persons under twenty-one years of age who purchase or attempt to purchase tobacco products.

Licensed product means any tobacco product or tobacco-related device regulated by this chapter.

Retail establishment means any place of business where tobacco products or tobacco-related devices are sold or offered for sale to consumers.

Sampling means the distribution without charge or at nominal cost of a tobacco product or tobacco-related device, or the use of a tobacco product or tobacco-related device by a customer or prospective customer for the purpose of promoting the product.

Self-service display means the open display of tobacco products or tobacco-related devices in a manner that permits customer access to the products without the assistance or intervention of the

licensee or an employee of the licensee.

Tobacco product means any product containing, made from, derived from, or delivering tobacco, nicotine, synthetic nicotine, lobelia, or any other similar substance that can be used for human consumption through chewing, smoking, inhalation, absorption, dissolution, ingestion, snorting, sniffing, aerosolization, vaporization, or any other means. Tobacco product includes, but is not limited to, any device, cigarettes, cigars, pipe tobacco, hookahs, smokeless tobacco, nicotine pouches, electronic delivery devices, vapor products, synthetic nicotine products, and any component, part, accessory, cartridge, liquid, solution, or consumable associated with such products. Tobacco product does not include any product approved by the United States Food and Drug Administration for sale as a tobacco cessation product, tobacco dependence treatment, or other medical purpose and marketed solely for that approved purpose.

Tobacco-related device means any instrument, apparatus, equipment, component, accessory, or device designed, marketed, or intended for use in consuming, delivering, inhaling, vaporizing, aerosolizing, smoking, chewing, ingesting, or otherwise introducing a tobacco product into the human body. Tobacco-related devices include, but are not limited to, pipes, water pipes, hookahs, electronic delivery devices, vaporizing devices, cartridges, tanks, pods, atomizers, rolling papers, and similar products.

Electronic delivery device means any product containing any tobacco product that can be used for human consumption through the inhalation of aerosol or vapor from the product. Electronic delivery device includes, but is not limited to, devices manufactured, marketed, or sold as electronic cigarettes, electronic cigars, electronic pipes, vape pens, mods, tank systems, pod systems, or under any other product name or descriptor. Electronic delivery device includes any component, part, or accessory of such product, whether or not marketed or sold separately. Electronic delivery device does not include any product approved or certified by the United States Food and Drug Administration for sale as a tobacco cessation product, tobacco dependence treatment, or other medical purpose and marketed solely for that approved purpose.

Tobacco shop means a retail establishment whose primary purpose is the sale of tobacco products or tobacco-related devices and in which the sale of other merchandise is merely incidental.

Vending machine means any mechanical, electronic, electrical, or other device that dispenses tobacco products or tobacco-related devices upon the insertion of money, tokens, cards, electronic payment, or other consideration directly into the machine by the purchaser.

Sale means any transfer, exchange, barter, gift, distribution, or offer for distribution of a tobacco product or tobacco-related device for consideration, including any exchange made in connection with the purchase of any other item or service.

1405.02. – License Requirements, Procedures, and Fees

Subd. 1. *License required.* No person shall keep for retail sale, sell at retail, offer for sale, or otherwise dispose of any licensed product at any place within the City without first obtaining a tobacco license pursuant to this chapter. No person shall sell, offer for sale, or otherwise distribute any licensed

product except as authorized by this chapter.

Subd. 2. *Separate license required for each location.* A separate tobacco license shall be obtained for each retail establishment at which licensed products are sold. No license issued under this chapter shall authorize the sale of licensed products at any location other than the location identified in the license application and approved by the City.

Subd. 3. *License display.* Every license issued pursuant to this chapter shall be conspicuously displayed at the licensed business location at all times and shall be exhibited to any authorized City official upon request.

Subd. 4. *Licenses nontransferable.* All licenses issued under this chapter are valid only on the premises for which the license was issued and only for the person or business entity to whom the license was issued. No license issued under this chapter may be transferred from one person to another person, from one business entity to another business entity, or from one location to another location.

Subd. 5. *Change in ownership or location.* Any change in ownership, business entity, or location shall require submission of a new application and approval of a new license by the City Council before the sale of licensed products may occur.

Subd. 6. *Fixed location businesses only.* No license shall be issued to a moveable place of business. Only fixed location businesses are eligible to be licensed.

Subd. 7. *License application and renewal requirements.*

- (a) Application for a tobacco license under this chapter shall be made on a form prescribed by the City.
- (b) The application shall contain the full name, residential address, business name, business address, telephone number, and email address of the applicant, all owners of the business, and the manager of the business, if applicable.
- (c) The application shall identify the location of the building and a floor plan identifying the areas where licensed products will be stored, displayed, and sold, together with any other information reasonably required by the City to determine compliance with this chapter.
- (d) The application shall identify the categories of licensed products proposed to be sold at the retail establishment, including tobacco products, tobacco-related devices, nicotine products, electronic delivery devices, and any other products regulated under this chapter.
- (e) The application shall identify the kind of business to be conducted at the location and the name under which the business is conducted.
- (f) The applicant shall execute all authorizations necessary to permit the City to conduct a criminal history background investigation and to verify information contained in the application.
- (g) The applicant shall provide proof of insurance in such amounts and forms as may be required by the City from time to time.
- (h) The applicant shall provide any additional information requested by the City that is reasonably necessary to determine whether the applicant qualifies for a license under this chapter.
- (i) The applicant shall certify that the proposed business and all operations involving licensed products will comply with all applicable federal, state, county, and local laws, ordinances,

regulations, and licensing requirements.

- (j) An incomplete, inadequate, untimely, untruthful, or prohibited application may be denied by the City and shall not authorize the sale of licensed products thereafter. Grounds for approval or denial are at the sole discretion of the City.

Subd. 8. *License fees.*

- (a) The license fees required by this chapter shall be set forth in the City's fee schedule.
- (b) No initial or renewal license shall be issued until the applicable license fee has been paid in full.
- (c) All application fees, license fees, renewal fees, investigation fees, and background check fees are non-refundable regardless of whether the application is approved, denied, withdrawn, or abandoned.
- (d) No license fee shall be prorated.
- (e) The City may require payment of an investigation fee to recover the costs associated with reviewing and processing a license application.

Subd. 9. *License renewal.*

- (a) A tobacco license shall be renewed annually in accordance with the requirements of this chapter.
- (b) An application for renewal shall be submitted on a form prescribed by the City together with all required fees and supporting documentation.
- (c) Applications for renewal shall be submitted not less than 30 days prior to expiration of the existing license, unless otherwise authorized by the City.
- (d) The renewal application shall disclose any changes, including to ownership, management, business operations, product offerings, or other information previously submitted to the City.
- (e) An incomplete, inadequate, untimely, untruthful, or prohibited renewal application may be denied by the City and shall not authorize the sale of licensed products thereafter. Grounds for approval or denial are at the sole discretion of the City.

1405.03. – Eligible Retailers and Location Restrictions

Subd. 1. *Eligible retailers.* Licenses issued pursuant to this chapter shall be limited to retail establishments whose principal business purpose is the sale of groceries, convenience items, gasoline, or other establishment if the City Council determines that the sale of licensed products is incidental to the principal business conducted at the premises. There shall be no licenses issued to individuals or businesses exclusively selling tobacco products or tobacco-related devices.

Subd. 2. *Proof of compliance.* Upon request of the City, a licensee shall provide records sufficient to demonstrate compliance with the revenue limitations established by this section.

Subd. 3. *Burden of proof.* The burden of establishing eligibility for licensure under this section shall rest upon the applicant.

Subd. 4. *Location restrictions.*

- (a) No tobacco license shall be issued for any retail establishment located within 1,000 feet of any public or private elementary school, middle school, high school, charter school, or other

educational institution serving persons under 18 years of age.

- (b) No tobacco license shall be issued for any retail establishment located within 1,000 feet of a licensed daycare facility, preschool, or child care center.
- (c) No tobacco license shall be issued for any retail establishment located within 1,000 feet of a youth center, community center, recreational facility, or other facility primarily serving minors.
- (d) No tobacco license shall be issued for any retail establishment located within 500 feet of property zoned or guided for residential use.
- (e) No tobacco license shall be issued for any retail establishment located within 1,000 feet of another licensed tobacco retailer.
- (f) No tobacco license shall be issued for any retail establishment located on City-owned property or within any building owned or operated by the City.
- (g) Distances required by this section shall be measured in a straight line from the nearest property line of the proposed licensed premises to the nearest property line of the protected use.

1405.04. – Prohibited Tobacco Retailers

Subd. 1. *Tobacco shops prohibited.* No license shall be issued to, and no person shall operate, a tobacco shop within the City.

For purposes of this subdivision, a “tobacco shop” includes any retail establishment whose primary purpose is the sale of licensed products and in which the sale of other merchandise is merely incidental.

No license shall be issued to any retail establishment that derives more than 10 percent of its gross annual revenue from licensed products.

Subd. 2. *Circumvention prohibited.* No person shall establish, maintain, operate, or hold out a retail establishment in a manner intended to circumvent the prohibition on tobacco shops established by this section.

The City may consider the percentage of gross revenue derived from licensed products, the amount of floor area devoted to licensed products, the quantity of licensed products offered for sale, advertising, marketing, signage, and any other relevant factor in determining whether a business constitutes a tobacco shop.

Subd. 3. *Lounges prohibited.* Smoking lounges, hookah lounges, and vapor lounges are prohibited.

Subd. 4. *On-site consumption prohibited.* No licensee shall permit the smoking, vaping, inhaling, sampling, testing, or other consumption of licensed products on the licensed premises except as expressly authorized by state law.

1405.05. – Operational Requirements

- (a) No person shall sell or give away licensed products to any person under 21 years of age. Licensees must verify by means of government-issued photographic identification that the

purchaser is at least 21 years of age. Verification is not required for a person over the age of 30. That the person appeared to be 30 years of age or older shall not constitute a defense to a violation of this chapter.

- (b) Prior to completing any sale of a licensed product, the employee making the sale shall examine the purchaser's identification and verify that the identification reasonably appears to be valid and that the purchaser is legally entitled to purchase licensed products.
- (c) Individuals employed by a person licensed under this chapter must be at least 18 years of age to sell licensed products.
- (d) All licensed products shall be stored behind a sales counter, in a locked display case, or in another manner that prevents direct customer access except through the assistance of an employee.
- (e) Every employee engaged in the sale of licensed products shall receive training regarding age verification requirements, prohibited sales, identification review procedures, and compliance with this chapter prior to independently selling licensed products.
- (f) A licensee shall be responsible for all acts of the licensee's employees relating to the sale of licensed products occurring within the scope of employment.
- (g) Each licensee shall maintain all records necessary to demonstrate compliance with this chapter, including employee training records, product invoices, and records requested by the City. Such records shall be maintained for a minimum of three years and shall be made available for inspection upon request.

1405.06. – Other Regulations

Subd. 1. *Electronic delivery devices and tobacco-related devices.* Any electronic delivery devices and tobacco-related devices shall be subject to all sections under this chapter.

Subd. 2. *Flavored tobacco products prohibited.* No person shall sell, offer for sale, distribute, or otherwise provide any flavored tobacco product, tobacco-related device, or electronic delivery device, or any such product with characterizing flavor, within the City.

Subd. 3. *Packaging and minimum requirements.*

- (a) All licensed products required by law to be sold in child-resistant packaging shall be maintained and sold in such packaging.
- (b) Any products regulated by this chapter must be sold in the original manufacturer packaging. No person shall sell any tobacco product removed from its original packaging.

Subd. 4. *Required warning signs.*

- (a) Licensees shall prominently display signs stating that sales to persons under 21 years of age are prohibited.
- (b) Licensees shall post signage advising customers that proof of age may be required.
- (c) Licensees shall post notices required by the City regarding prohibited flavored tobacco products.
- (d) By resolution, the City may require additional notices.

Subd. 5. *Product sampling prohibited.* No person shall distribute free samples of tobacco products.

Subd. 6. *Self-service displays and vending machines prohibited.* The sale or dispense of licensed products by means of self-service displays or a vending machine is prohibited. Licensed products shall be accessible only through the assistance of the licensee or an employee of the licensee.

Subd. 7. *Coupon, discount, and price promotion restrictions.*

- (a) No person shall use, offer, accept, or redeem a coupon that provides a discount on the purchase price of a licensed product.
- (b) No person shall engage in any pricing practice intended to reduce the consumer price of a licensed product through discounts, rebates, incentives, or similar means. No person shall offer, provide, or honor a buy-one-get-one-free or similar promotion involving licensed products.
- (c) No person shall provide or redeem any rebate, reward, gift card, merchandise, or other item of value in connection with the sale of a licensed product.

Subd. 8. *Signage restrictions.*

- (a) No sign put up for the purposes of advertising licensed products shall exceed six square feet in area.
- (b) No more than one exterior tobacco-related sign shall be permitted on any building frontage.
- (c) No tobacco-related sign shall contain flashing, blinking, moving, animated, or intermittent illumination.
- (d) No sign or advertisement shall utilize cartoons, toys, youth-oriented imagery, or similar materials intended to appeal primarily to persons under 21 years of age.

Subd. 9. *Prohibited acts.*

- (a) No person shall use false, altered, borrowed, or otherwise fraudulent identification to obtain licensed products.
- (b) No person shall purchase or attempt to purchase licensed products on behalf of a person under 21 years of age.

1405.07. – Compliance Checks

Subd.1. *Investigations during application or renewal process.* The City may conduct such investigation of the applicant and the proposed business as it deems necessary to determine compliance with this chapter and other applicable laws.

Subd. 2. *Compliance checks authorized.* The City shall conduct compliance checks to investigate and ensure that persons licensed to sell licensed products are complying with the requirements of this chapter and applicable state law. The City, its law enforcement officers, and other authorized representatives shall have the authority to inspect all licensed premises to ensure compliance with this chapter.

Subd. 3. *Use of underage persons.* Compliance checks may involve persons under 21 years of age who purchase or attempt to purchase licensed products. Persons used in compliance checks shall be supervised by law enforcement officers or other authorized City personnel. Persons used for compliance checks shall accurately represent their age and shall not present false identification unless specifically authorized by law.

Subd. 4. *Frequency of compliance checks.* Compliance checks shall be conducted at least once annually at each licensed premises and may be conducted more frequently as determined by the City.

Subd. 5. *Additional investigations.* The City may conduct compliance checks, inspections, investigations, and enforcement activities for educational, research, training, investigative, or enforcement purposes relating to federal, state, or local laws regulating licensed products.

Subd. 6. *No advance notice required.* Compliance checks may be conducted with or without advance notice to the licensee.

Subd. 7. *Refusal prohibited.* No licensee, employee, or agent shall interfere with, obstruct, or refuse to cooperate with a compliance check conducted pursuant to this chapter.

Subd. 8. *Access to premises.* By accepting a license issued pursuant to this chapter, the licensee consents to reasonable inspections of the licensed premises during regular business hours.

Subd. 9. *Records inspection.* The licensee shall make available for inspection all records reasonably necessary to determine compliance with this chapter, including invoices, purchase records, training records, inventory records, and other documents relating to licensed products.

Subd. 10. *Product inspection.* The City may inspect, examine, photograph, copy, test, or otherwise review licensed products offered for sale or maintained on licensed premises to determine compliance with this chapter and applicable law.

Subd. 11. *Duty to cooperate.* A licensee and all employees shall cooperate with lawful inspections conducted pursuant to this chapter.

Subd. 12. *Failure to permit inspection.* Refusal to permit inspection of licensed premises, records, or products shall constitute a violation of this chapter and shall be grounds for suspension, revocation, or nonrenewal of a license, as well as other penalties in this chapter.

1405.07. – Violations and Penalties

Subd. 1. Administrative violations

- (a) Noncompliance with any provision of this chapter or any condition of a license issued pursuant to this chapter is a violation.
- (b) Each violation, and every day in which a violation occurs or continues, shall constitute a separate offense.

Subd. 2. Administrative penalties

- (a) Any licensee found to have violated this chapter, or whose employee shall have violated this chapter, shall be charged an administrative penalty of \$200 for a first violation; \$500 for a second offense at the same licensed premises within a 24-month period; and \$750 for a third or subsequent offense at the same location within a 24-month period.
- (b) Upon the third violation, the license will be suspended for a period of not less than 30

consecutive days. Upon a fourth violation, the license will be revoked for at least two consecutive years, after which the violation count restarts.

- (c) Any licensee or individual subject to repeated violations shall be subject to increased enforcement action, including suspension or revocation of the license, in addition to administrative fines.

Subd. 3. *Enforcement*

- (a) No penalty under this Section shall take effect until the licensee has received written notice of the alleged violation and has had an opportunity for a hearing before the City Council.
- (b) Violations may be enforced through civil penalties, including administrative fines and license sanctions, as provided in this chapter.
- (c) Nothing in this chapter shall prohibit the City from seeking prosecution as a misdemeanor for any alleged violation of this Chapter.
- (d) The City may seek injunctive relief in district court to prevent ongoing or repeated violations of this chapter when such relief is necessary to protect the public health, safety, or welfare.

Subd. 4. *Exceptions.*

- (a) Nothing in this chapter shall prevent the providing of tobacco products as part of a lawfully recognized religious, spiritual, or cultural ceremony; or as part of an indigenous practice or a lawfully recognized religious, spiritual, or cultural ceremony or practice.
- (b) Nothing in this chapter shall prohibit the lawful possession, use, or administration of any tobacco product when prescribed, recommended, or administered by a licensed health care professional for a bona fide medical purpose.
- (c) Nothing in this chapter shall be construed to authorize or permit the sale of tobacco or tobacco products in violation of state or federal law, or to exempt commercial sales from the licensing, age verification, or other regulatory requirements of this chapter.

SECTION 2. This Ordinance shall take effect and be in force immediately after its passage and publication in accordance with applicable law.

Dated the ____th day of _____, 202__.

Lisa Whalen, Mayor

ATTEST:

Ann Meyerhoff, City Clerk