

City Council Meeting
October 11, 2023

The Fergus Falls City Council held a special council meeting on October 11, 2023 in the City Council Chambers to consider the appeal of a denied hemp derived THC license to Lincoln Vapors. Mayor Schierer called the meeting to order and the following council members were in attendance: Rachels, Fish, Job, Kvamme, Kremeier and Thompson. Rufer and Hicks were absent.

NOTE: The special meeting was to begin at 7:00 am, but the appealing parties were not in attendance at the start of the meeting. The special meeting was called to order after the business of the Committee of the Whole meeting had concluded.

Lincoln Vapors applied for a license to sell hemp-derived THC products in March of 2023 and were denied a license on May 10, 2023 (Resolution #88-2023) due to the results of the required background checks of the owners and store manager. On August 24, they applied for the same license and the Police Chief recommended denying the application since nothing with the ownership not changed. They submitted a written request for an appeal to be heard today.

Lincoln Vapors co-owner Justin Danberry said they have seen a 37% drop in sales since they cannot sell these products. He hoped the council would have a change of heart and allow them to compete in this market.

Police Chief Kile Bergren explained his stance to recommend the denial of a hemp-derived THC license to Lincoln Vapor has not changed. He is recommending the denial based on their criminal history and they haven't done anything to better their odds of passing the background check since May. They could change ownership and management as one of the co-owners could likely pass a background check where the other and store manager would not. They could also seek expungement of their criminal records with the court system. His decision is based on facts found during criminal background checks and it is the council's prerogative to allow the license or not. Rachels said he would not be voting in favor of the license based on the Chief's recommendation and the fact that nothing changed from their appeal in May. Danberry claimed there was nothing they could do to change their application. They hired their store manager after he was released from prison, gave him a second chance, and called the Chief's recommendation "silly". Bergren told Danberry if you want to get a license to sell a controlled product, then your role as a business owner is to make decisions. While sympathetic for supporting rehabilitation efforts, coming back with the same application after making no changes would not change his recommendation. Fish offered **Resolution #186-2023** approving a hemp-derived THC license for Lincoln Vapors, which was seconded by Rachels. The resolution failed 0-6 with no council members approving the license.

The meeting adjourned at 7:53 am

Lynne Olson