WORTHINGTON CITY COUNCIL SPECIAL MEETING, AUGUST 21, 2024

The meeting was called to order at 3:30 p.m. in City Hall Council Chambers by Mayor Rick Von Holdt with the following members present: Larry Janssen, Chris Kielblock, Chad Cummings, Amy Ernst.

Staff present: Steve Robinson, City Administrator; Deb Olsen, Finace Director; Denise Deichtman, Assistant Finance Director; Todd Wietzema, Public Works Director; Chad Nickel, Public Works Supervisor; Mindy Eggers, City Clerk.

Others Present: Sam Martin, The Globe; Ryan McGaughey, Radio Works; Jason Johnson (3:56 p.m.), Jay Milbrandt (4:06 p.m.).

CANNABIS RETAIL REGISTRATION

Matt Selof, Community Development Director, said Council opted to retain licensing and regulatory authority of Cannabis related businesses within the City of Worthington at their June 18, 2024 Special meeting. He explained the next step in the process to establish cannabis ordinances is determining the number of retail registrations/licenses that will be issued.

State law requires that a local government entity must issue at least 1 retail registration per 12,500 residents. This would mean the City of Worthington will need to issue a minimum of 2 registrations. If Nobles county has one active registration for every 12,500 residents, the City would then not be obligated to register any additional businesses. Staff is anticipating that the city will see the first cannabis businesses in the county.

The City may choose to limit the number of retail registrations to the minimum of 2, limit the amount to another specified number, or have no limit. The following descriptions detail how each option would work:

- A. Limit registrations to the minimum The City would establish an ordinance limiting the amount of retail registrations to the minimum of two. A process to select applicants would be developed (lottery, first-come, first-served, etc.).
- B. Limit registrations to another specified number The City would choose the amount of retail registrations allowed. It could be 3, 5, or some other amount. The process to select applicants would the same as option A above.
- C. No limit on registrations The City would allow as many registrations as there are applicants. A strict registration standard would be developed.

Staff recommends there be no limit on the amount of registrations. The recommendations come from concerns about limiting registrations fairly and anticipation about the market for retail stores in

Worthington City Council Special Meeting, August 21, 2024 Page 2

Worthington.

Mr. Selof noted that following a decision, staff will begin working on registration requirements, fees, zoning requirements, and other aspects that must be addressed by ordinance.

Discussion was held by Council on the kind of regulations that could be imposed by not limiting the number of registrations and that there really wasn't a good reason to limit them.

The motion was made by Council Member Ernst, seconded by Council Member Janssen and unanimously carried to not limit the number of Cannabis retail registrations.

REVIEW OF ICE ARENA SCHEMATIC PLANS AND TOTAL PROJECT COST ESTIMATE

Todd Weitzema, Public Works Director, said Council approved retaining the architecture firm of HTG at the February 26, 2024 meeting, to assist in programming and space needs identifying a rink and arena project to fit the needs of our current and future users. He explained HTG's scope of work included the following based on meetings with a City-established working group comprised of City staff and elected officials; representatives of ISD 518 and the Hockey Association.

- Preparing schematic site and floor designs for both a one-and two-sheet arena,
- Preparing exterior and interior 3D image renderings,
- Preparing a total project cost estimate, and
- Identifying the anticipated project schedule from design to bidding through construction.

HTG, along with the working group, have completed this phase of work which include the schematic plan along with cost estimates.

Mr. Wietzema said the building would be precast and ice would be available all year around.

Council members continued discussion pertaining to the tax liability to the city. Staff gave an overview of funding options. Mr. Wietzema noted that the District 518 school board has committed five million dollars to the project.

Council Member Weber asked if a feasibility report has been completed to have a clearer picture of profit and loss estimates. Mr. Wietzema said one has not been done to date but said staff could reach out to cities that have a city owned facility and get figures.

No action was taken by Council.

Worthington City Council Special Meeting, August 21, 2024 Page 3

ADJOURNMENT

The motion was made by Council Member Kielblock, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 4:20 p.m.

Mindy L. Eggers, MCMC City Clerk