

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, FEBRUARY 11, 2013**

The meeting was called to order at 7:00 p.m. in City Hall Council Chambers by Mayor Alan E. Oberloh with the following Council Members present: Mike Kuhle, Diane Graber, Rod Sankey, Ron Wood, Scott Nelson.

Staff present: Craig Clark, City Administrator; Brad Chapulis, Director of Community/Economic Development; Janice Oberloh, City Clerk.

Others present: Aaron Hagen, Daily Globe; Jennifer Prins, Southwest Minnesota Housing Partnership.

The Pledge of Allegiance was recited.

PUBIC HEARING AND RESOLUTION NO. 3518 ADOPTED IN SUPPORT OF SMALL CITIES DEVELOPMENT PROGRAM PROJECT

Pursuant to published notice, this was the time and date set for a public hearing to receive public comment on a proposed residential properties rehabilitation project within a specific target area.

The motion was made by Council Member Wood, seconded by Council Member Sankey and unanimously carried to open the hearing.

Brad Chapulis, Director of Community/Economic Development, provided background information on the project, noting that City staff had been working with the Southwest Minnesota Housing Partnership on the completion of a grant application for the rehabilitation of residential properties located within the target area bounded by Oxford Street, Humiston Avenue, Okabena Street, and the railroad tracks along First Avenue. A preliminary grant application for the program was submitted in November 2012, and after internal review by Minnesota Department of Employment and Economic Development (DEED), Worthington was selected to submit a full application, due February 28, 2013. In order to complete the application, the City must hold a public hearing, approve the estimated project cost budget of \$832,700 (to be funded by several funding sources including the grant application for \$596,500 and a \$10,000 contribution from the City), and approve the application resolution. The target areas has approximately 500 residential units and applications from the property owners would be due to the Housing Partnership by February 15th.

Jennifer Prins, Director of Community Development for the SMHP, noted they had been working to try to stimulate interest of the property owners in the targeted area for the project to submit a stronger application. For owner occupied properties, up to 70% of eligible repair costs could be approved for a 10 year forgivable loan, with the remaining 30% being the responsibility of the owner. For rental properties, the forgivable loan term is five years and the same 70/30 split.

Mayor Oberloh asked if there was anyone present who wished to provide testimony on the project. There was none.

The motion was made by Council Member Wood, seconded by Council Member Kuhle and unanimously carried to close the hearing.

The motion was made by Council Member Nelson, seconded by Council Member Graber and unanimously carried to proceed with the application and approve the project budget and cooperative agreement, and to adopt the following resolution of support:

RESOLUTION NO. 3518

A RESOLUTION OF THE CITY OF WORTHINGTON IN SUPPORT OF A SMALL CITIES DEVELOPMENT PROGRAM PROJECT

(Refer to Resolution File for complete copy of Resolution)

AGENDA APPROVED WITH CHANGE

Mayor Oberloh requested that Item G.2. *First Reading (Proposed Ordinance) - Text Amendment (Walls and Fences)* be removed from the agenda for discussion at a special meeting to allow for additional information to be provided.

The motion was made by Council Member Nelson, seconded by Council Member Kuhle and unanimously carried to approve the agenda with the requested change.

CONSENT AGENDA APPROVED

The motion was made by Council Member Wood, seconded by Council Member Nelson and unanimously carried to approve the consent agenda as follows:

- City Council Minutes of regular meeting January 28, 2013 and City Council Minutes of Special Meeting January 31, 2013
- Minutes of Boards and Commissions - Water and Light Commission Minutes of regular meeting February 4, 2013; Planning Commission/Board of Appeals minutes of February 5, 2013; Worthington Housing and Redevelopment Authority Board of Directors Minutes of January 15, 2013
- Application to conduct off site gambling for the Worthington Hockey Association that will allow them to hold a raffle at the Worthington Hockey Arena March 14, 2013
- Correction to the appointments to the Center for Active Living Committee as Dale Carlson's name had been submitted incorrectly by CAL staff as Dale Robinson, for a two year term to expire December 31, 2014
- Application for a temporary on-sale liquor license for Avera Medical Group for March 23, 2013 for the Women's Expo at the Minnesota West

- A request from Worthington Regional Economic Development Corporation for City sponsorship of the 2013 Bioscience Conference April 18th and 19th at a level of \$1,500 for advertisement (monies to come from the EDA levy dollars)
- Bills payable and totaling \$251,158.50 be ordered paid

ORDINANCE NO. 1066 ADOPTED AMENDING TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA - ILLUMINATED SIGNS

Pursuant to published notice this was the time and date set for the third reading of a proposed ordinance amending Title XV, Section 153.17(A) of the Worthington City Code - Illuminated Signs by removing the following restrictions:

3. *Sign is not greater than 8.5 feet in height*
4. *Electronic message board is erected on a monument sign*

Adoption of the text amendment will allow the Worthington School District to erect an electronic message board on the north outside wall of the Senior High School.

The motion was made by Council Member Wood, seconded by Council Member Graber and unanimously carried to give a third reading to, and subsequently adopt, the following ordinance:

ORDINANCE NO. 1066

AN ORDINANCE TO AMEND TITLE XV OF THE CITY CODE OF WORTHINGTON, NOBLES COUNTY, MINNESOTA

(Refer to Ordinance File for complete copy of Ordinance)

BOARD OF REVIEW

Staff received notice that the time and date for the 2013 Board of Review has been set as 9:00 a.m. on Monday, April 29, 2013 in the Nobles County Board Room. We are required to have a minimum of three certified members present and Mayor Oberloh and Council Members Kuhle, Nelson and Wood are currently certified to serve, although all Council Members are invited to attend.

CENTER FOR ACTIVE LIVING BASEMENT IMPROVEMENTS APPROVED

At their January 28, 2013 meeting, Council was presented with two proposed improvements for the basement area of the Center for Active Living. The first option was installation of Tectum Panels along the concrete walls at an estimated cost of \$15,000. The installation would reduce the reverberation to an ideal level of 2 seconds. The second option was installation of 1,000 square feet

of carpet and construction of a half wall in the pool table area at a quoted cost of \$6,917. This improvement was primarily for aesthetic purposes of the space and not a solution to the reverberation problem. Following discussion on the two options, Council chose to not proceed with either improvement and requested staff to explore additional options.

Brad Chapulis, Director of Community/Economic Development, related to Council that he had spoken further to the project architect and owner's representative regarding the options and they concluded that the tectum panels would be the most economical method proven to reduce the sound reverberation.

Following further discussion, the motion was made by Council Member Kuhle, seconded by Council Member Wood and unanimously carried to approve installation of the tectum panels, the carpeting, and the half wall. Funds for the improvements will come from the Center for Active Living operating budget.

Staff will work with local contractors for the improvements following completion of the project by the general contractor.

COUNCIL COMMITTEE REPORTS

Mayor Oberloh - Attended his first ATP meeting in Mankato Wednesday - very interesting. Current method of awarding funding for enhancement projects is once awarded, you aren't eligible again for about four years. They're looking at changing that to a basis of project need but the fear is the bigger cities will take it. There is a window open now for funding that Windom is applying for, but Worthington has nothing in the queue for now.

Council Member Kuhle - Attended the CGMC's Legislative Action Day in St. Paul - the Governor has added \$80 million to the LGA amount but the formula for disbursement is not down yet - under the current proposed formula, \$72 million of that addition would go to the metro area - the CGMC is looking at a change to the formula.

Council Member Graber - Had great conversation at the Library meeting on the fourth - they discussed the City's involvement. Major discussion at the Memorial Auditorium Advisory Board meeting on the need for repair to the stage ceiling - also, Margaret is looking for new cleaning personnel, and there are some broken seats that need repair. At the Center for Active Living meeting today they had a lengthy discussion on memberships and games, options for fees, and the gym schedule. Furniture is ordered and the dishes will be ordered this week.

Council Member Sankey - Toured the Event Center - its beautiful!

Council Member Wood - Water and Light Commission had a major conversation on water - looking at a second connection to the Lincoln Pipestone system. The Feds are still not holding up their end of the agreement with the Lewis and Clark project. We're under drought conditions but if we received normal rainfall by June the well field will recharge.

Council Member Nelson - Had an HRA meeting this past week - moving forward with a 36 unit

housing project. Rosie's last day is tentatively set for late March.

CITY ADMINISTRATOR'S REPORT

Craig Clark, City Administrator, reported on the CGMC's Legislative Action Day - the legislators appear to be willing to look at new revenue sources. We brought up our half-cent sales tax which will be paid off in about 6 years and 7 months if projections hold true and if the extended base for sales tax in Dayton's budget were to come to fruition. Indications are that they are willing to support legislation that would not require local units of government to come to the State first for their approval, but that it could be allowed by the local referendum. We will continue to watch the formula for LGA that CGMC is suggesting - the Governor has said he is not stuck on the formula that had been presented.

ADJOURNMENT

The motion was made by Council Member Graber, seconded by Council Member Wood and unanimously carried to adjourn the meeting at 7:46 p.m.

Janice Oberloh, MCMC
City Clerk