

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, JUNE 8, 2020**

The meeting was called to order at 7:00 p.m., in the fire hall by Mayor Mike Kuhle with the following Council Members present: Chad Cummings, Amy Ernst, Alan Oberloh, Mike Harmon. Attending via conference call: Larry Janssen.

Staff present: Steve Robinson, City Administrator; Jason Brisson, Assistant City Administrator/Economic Development Director; Todd Wietzema, Director of Public Works; Dwayne Haffield, Director of Engineering; Mindy Eggers, City Clerk.

Others present: Justine Wettschreck, Radio Works, Jeff Buysman, JBS, Bradd Hellinga, JBS, Aleksander Lacayo, Judit Chavaria. Attending via conference call: Ryan McGaughey. Mike Pangborn, Deloitte & Touche Tohmatsu Limited.

The Pledge of Allegiance was recited.

AGENDA CLOSED / APPROVED

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to approve the agenda as presented.

PUBLIC HEARING - RESOLUTION NO. 2020-06-30 SUPPORTING MINNESOTA INVESTMENT FUND APPLICATION (SWIFT PORK COMPANY)

Pursuant to published notice, this was the time and date set for a public hearing supporting Minnesota Investment Fund application (SWIFT Pork Company).

A motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to open the public hearing.

Jason Brisson, Assistant City Administrator/Director of Economic Development, explained Swift Pork Company (“Swift”), owned by parent company JBS USA Holdings Inc., has submitted a request to the City of Worthington for incentives to support Project Ice, a \$30 million, 175,000-200,000 square foot freezer facility that will create approximately 70 new full-time positions ranging from \$17.05 to \$21.30 per hour, plus benefits. Swift is requesting up to \$450,000 from the Department of Employment and Economic Development (DEED) Minnesota Investment Fund (MIF) program in the form of a forgivable loan. The new freezer expansion will be capable of holding 25 million pounds of frozen product and 2.5 million pounds of fresh product. This will increase Swift’s capacity to produce more value added and retail ready products in the future.

Mr. Brisson said the proposed site for the expansion is currently zoned “M-2” – Industrial and the Comprehensive Plan identifies the site for “Special Industrial” land uses. The Plan specifically seeks to provide adequate land for the future needs of Swift Pork Company. The location of the proposed expansion conforms to the City’s Comprehensive Plan and Zoning Ordinance that specifically identified providing for expansion at this location.

Mr. Brisson explained if approved by DEED, the City will enter a grant contract with DEED where DEED will award a \$450,000 grant to the City's Revolving Loan Fund (RLF) to be utilized for a forgivable loan to Swift. The City will work with Ehlers Inc. and Dorsey and Whitney to draft loan documents between the City and Swift outlining the requirements for forgiveness. The funds will be disbursed to the City's RLF upon receipt of Swift's expenses to DEED. As the loan terms for forgiveness are satisfied, the loan to Swift will be forgiven. The City will collect up to 3% of the loan amount for administrative costs incurred with Ehlers and Dorsey. City staff will be responsible for submitting annual reports to DEED to document compliance with the terms of the loan agreement.

Council Member Harmon asked if this will effect the relationship between JBS and the Worthington Freezer Warehouse. Brad Hellinga, JBS Manager, stated that it will not as it will free up freezer space which is hard to find right now.

Council Member Cummings asked if they had been in contact with the Utility Office concerning the increase on the electric load. Mr. Hellinga stated they had been in contact with Scott Hain earlier this year concerning the expansion.

Council Member Oberloh asked what the timeline would be to add the 70 jobs and if they were concerned about finding workers. Mr. Hellinga stated that it is a concern but thinks they will be alright.

Mayor Kuhle asked what the projected start date for the project is. Jeff Buysman, JBS Engineer stated that as soon as they get the ok to start and if everything goes accordingly it should be completed in fourteen months.

Mayor Kuhle asked if there was any testimony, there was none.

A motion was made by Council Member Harmon, seconded by Council Member Ernst and unanimously carried to close the public hearing.

A motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to adopt the following Resolution Supporting an Application for the Minnesota Investment Fund by Swift Pork Company.

RESOLUTION NO. 2020-06-30

RESOLUTION SUPPORTING AN APPLICATION FOR THE MINNESOTA INVESTMENT FUND BY SWIFT PORK COMPANY

(Refer to Resolution File for complete copy of Resolution)

ADOPTED RESOLUTION NO. 2020-06-31 SUPPORTING JOB CREATION FUND APPLICATION (SWIFT PORK COMPANY)

Jason Brisson, Assistant City administrator/Economic Development Director, stated Swift Pork Company (“Swift”), owned by parent company JBS USA Holdings Inc., has submitted a request to the City of Worthington for incentives to support Project Ice, a \$30 million, 175,000-200,000 square foot freezer facility that will create approximately 70 new full-time positions ranging from \$17.05 to \$21.30 per hour, plus benefits. Swift is requesting up to \$550,000 from the DEED Job Creation Fund (JCF) program. Mr. Brisson said the new freezer expansion will be capable of holding 25 million pounds of frozen product and 2.5 million pounds of fresh product. This will increase Swift’s capacity to produce more value added and retail ready products in the future.

Mr. Brisson explained DEED requires applicants to work with a local unit of government in applying for JCF assistance. If Swift is awarded JCF assistance by DEED, Swift will enter into a loan agreement with DEED. The business will be required to provide annual reports detailing job creation and wage information to DEED to document compliance with the terms of the agreement. The local unit of government is required to assist the business with these yearly reports and payment requests to DEED. If the employer meets the job creation and wage goals outlined in their subsidy agreement, DEED will disburse funds to the business annually.

A motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to adopt the following Resolution Regarding the Support of a Job Creation Fund Application in Connection with Swift Pork Company.

RESOLUTION NO. 2020-06-31

RESOLUTION REGARDING THE SUPPORT OF A JOB CREATION FUND APPLICATION IN CONNECTION WITH SWIFT PORK COMPANY

(Refer to Resolution File for complete copy of Resolution)

PUBLIC HEARING AND RESOLUTION NO.S 2020-06-32, 2020-06-33, 2020-06-34 ADOPTED FOR GLENWOOD HEIGHTS SECOND ADDITION STREET, STORM SEWER, SANITARY SEWER, AND WATER IMPROVEMENTS

Pursuant to published notice, this was the time and date set for a public hearing regarding the Glenwood Heights Second Addition Street, Storm Sewer, Sanitary Sewer, and Water Improvements.

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to open the public hearing.

Dwayne Haffield, Director of Engineering, explained the street improvement consists of the

surfacing of the streets to be constructed by the developer (City and WPU); Mr. Haffield stated the storm sewer improvement consists of an urban drainage system including treatment for the area to be developed. The storm sewer improvement includes elements that need to be sized larger to accommodate flows from upstream (generally west and northwest) of the proposed development and is therefore not required to be developer installed; while the sanitary sewer improvement consists of authorizing the extension of sewer lateral mains to be installed by the developer and the levying of additional assessments for prior trunk sanitary sewer improvements;

He said the water improvement consists of authorizing the extension of water lateral mains to be installed by the developer, furnishing fire hydrant units, and the levying of additional assessments for prior trunk water main improvements.

Mayor Kuhle asked if there was any testimony, there was none.

A motion was made by Council Member Oberloh, seconded by Council Member Cummings, and unanimously carried to close the hearing.

A motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to adopt the following resolutions:

RESOLUTION NO. 2020-06-32

RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2020-06-33

RESOLUTION ORDERING IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2020-06-34

RESOLUTION RELATING TO FINANCING OF CERTAIN PUBLIC IMPROVEMENT BY THE CITY OF WORTHINGTON; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

(Refer to Resolution File for complete copy of Resolution)

CONSENT AGENDA APPROVED

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to approve the consent agenda as presented .

- City Council Minutes of Regular Meeting of May 26, 2020
- Water & Light Commission Minutes May 18, 2020
- Economic Development Authority Minutes May 26, 2020
- Planning Commission Minutes May 5, 2020
- YMCA Board of Directors Minutes April 27, 2020
- YMCA Board of Directors Minutes March 20, 2020
- Convention & Visitors Bureau Board of Directors Minutes January 29, 2020
- Terminate agreement with Southwest MN Fishing Club
- Bills payable and totaling \$1,644,884.23 be ordered paid

APPROVED MEMORIAL AUDITORIUM PERFORMING ARTS CENTER - ISD 518 RENTAL AGREEMENT

Steve Robinson, City Administrator, stated for many years, Worthington ISD 518 has utilized the City's Memorial Auditorium Performing Arts Center for school productions and activities including the High School's fall play, musical, spring choir concert as well as the Middle School's spring choral concert, band concert, and spring orchestra concert. This agreement reserves the facility for ISD 518's use for a total of 62 days per contract year. Should the usage exceed 62 days per contract year, ISD 518 shall pay a pro-rated amount for the additional days.

The current contract expires on June 30, 2020. Memorial Auditorium management and administration staffs from both the City and ISD 518 have agreed that a three year agreement, in effect from July 1, 2020 to June 30, 2023, is advantageous for both parties.

Recent contract payments are as follows:

July 1, 2017 – June 30, 2018 \$30,600 annually
July 1, 2018 – June 30, 2019 \$31,212 annually
July 1, 2019 – June 30, 2020 \$31,836 annually

The proposed agreement includes a two percent (2%) increase for each of the three years of the new contract and provides that the school district shall pay the City the following rental fees:

July 1, 2020 – June 30, 2021 \$32,473 annually
July 1, 2021 – June 30, 2022 \$33,122 annually
July 1, 2022 – June 30, 2023 \$33,784 annually

Mr. Robinson said one additional term was included in the proposed agreement that has not been in previously. It allows the contract to be adjusted on a prorated basis in the event ISD #518 is unable to use the Auditorium for any of the contracted days due to circumstances beyond their control.

A motion was made by Council Member Oberloh, seconded by Council Member Ernst and unanimously carried to

**PROFESSIONAL SERVICES AGREEMENT - REHABILITATION OF LAKE OKABENA
OUTLET PIPES**

Steve Robinson, City Administrator, stated the water level of Lake Okabena is managed by the dam at the southeast corner of the lake. Overflow from the dam is conveyed to the Lake Okabena outlet to County Ditch 6 through two 42-inch diameter concrete pipes that in part run under the future Field House building and the Union Pacific rail line. An inspection of the condition of the pipes was performed this past winter using multi-sensor condition inspection technology including electromagnetic pipe penetrating radar. The inspection reviewed the structural condition of the pipes, offset and separated joints, and voids in the soil surrounding the pipes.

Mr. Robinson said the inspection revealed deficiencies in the pipes that can be addressed using no-dig pipe rehabilitation methods. The rehabilitation includes initially filling the voids in foundation soils surrounding the pipes with non-shrink grout. Once the voids have been addressed, the pipes will be lined with a fiberglass reinforced cast in place pipe liner (CIPP).

CIPP provides structural rehabilitation and produces a water-tight barrier that prevents contaminated groundwater and vapors entering the pipes while minimally reducing the inside diameter of the pipes.

The professional services agreement from SEH Inc. is to prepare construction and bid documents for the pipe rehabilitation project. The proposed fee is based on an hourly not to exceed \$80,124.00. The work will be scheduled to be performed midwinter 2020-2021 when Lake Okabena is frozen.

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to approve the professional services agreement with SEH, Inc. for the rehabilitation of Lake Okabena Outlet Pipes.

**RESOLUTION NO.S 2020-06-35, 2020-06-36, 2020-06-37, 2020-06-38 ADOPTED
ACCEPTING PARK BENCH DONATIONS**

Todd Wietzema stated the Park and Recreation Advisory Committee has received requests from four parties to place benches in City parks and along the bike trails. The request are as follows:

- Don Linssen to place a bench along County Highway 35 trail in memory of Marcia Linssen.
- Patrick and Jenalee Mahoney to place a bench in Chautauqua Park, near the swing set, in

- memory of Genevieve James Mahoney.
- Worthington Regional Healthcare Foundation, to place a bench next to the Splash Pad, in Centennial Park.
- Worthington Noon Kiwanis, to place a bench next to the Splash Pad, in Centennial Park.

Mr. Wietzema said the donations meet all the requirements as set forth in the Park Donation policy adopted by City Council.

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to approve the following resolution.

RESOLUTION NO. 2020-06-35

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution)

A motion was made by Council Member Ernst, seconded by Council Member Cummings and unanimously carried to approve the following resolution.

RESOLUTION NO. 2020-06-36

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution)

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to approve the following resolution.

RESOLUTION NO. 2020-06-37

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution)

A motion was made by Council Member Ernst, seconded by Council Member Harmon and unanimously carried to approve the following resolution.

RESOLUTION NO. 2020-06-38

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY

(Refer to Resolution File for complete copy of Resolution)

HEARD ELECTRIC BOAT RENTAL DISCUSSION

Todd Wietzema, Director of Public Works, stated on June 4th the Park and Recreation Advisory Board heard a presentation from Worthington resident Aleksander Lacayo, about an electric boat rental program, which he is proposing for Lake Okabena. These electric boats would provide the public with another amenity for our city lake. Staff has been working with Mr. Lacayo, on identifying the area of Centennial boat landing, as a suitable location for these rentals. Mr. Wietzema stated that staff is suggesting a concession fee of \$375.00 be appropriate for the boat rentals. The City would also need to be listed as an additional insured on the required Liability Insurance certificate.

Mr. Wietzema introduced Aleksander Lacayo to Council to give his presentation. Mr. Lacayo presented his idea of operating an electric boat rental station on Lake Okabena. Mr. Lacayo gave a brief overview of the boats noting he would like to have 4 boats available for rental to start. He said the electric boats include a max speed of 6 mph, 5 people or 750 pound weight limit and a 6 hour battery life. Life jackets would be required and training would be available, Mr. Lacayo explained the boats would be stored off site and brought back on the days he would be open. He stated that a waiver would have to be signed and life jackets would be required and supplied to his customers.

Council Member Janssen asked how many private owned businesses are going to be allowed on public property.

Council Member Ernst stated that allowing it has added amenities to the lake.

A motion was made by Council Member Oberloh, seconded by Council Member Cummings to approve the electric boat rentals to be located at Centennial Park having them obtain an annual concession license in the amount of \$375.00 and also providing liability insurance with the City listed as an additional insured. Council Members voting in favor of the motion: Cummings, Oberloh, Harmon, Ernst. Those voting against the same motion: Janssen. Motion passed.

APPROVED SLATER AND LUDLOW PARKING AREA PROJECT BIDS AND AWARD CONTRACT

Todd Wietzema, Director of Public Works, stated that bids were opened on Thursday, June 4th at 2:00 p.m., for the Slater and Ludlow Parking Lots.

Mr. Wietzema stated that the Engineers Estimate was \$281,365.00. The following bids were received:

Henning Construction, Inc. -	\$296,000.00
------------------------------	--------------

Ideal Landscape and Design, Inc. -	\$304,093.00
Duininck, Inc. -	\$332,923.00
Ti-Zack Concrete, Inc. -	\$467,742.92

Mr. Wietzema said Midwest Engineering has reviewed the bids and recommends award of bid to the lowest qualified bidder which is Henning Construction, Inc. With a bid of \$296,000.

RESOLUTION NO.S 2020-06-39 AND 2020-06-40 ADOPTED DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT AND AUTHORIZING THE EXECUTION OF AGREEMENT WITH BMI

Dwayne Haffield, Director of Engineering, explained a petition for improvement of North Crailsheim Road from Fox Farm Road to a point 600 feet south of the north line of the Southwest Quarter of Section 22, Township 102 North, Range 40 West, Nobles County, Minnesota by extension of the municipal water distribution system. The petition was submitted by School District 518 and is for the extension of the water main needed to serve the new intermediate school. As Council will recall, the water main extension needed for the ALC/Gymnastics building did not extend south of that facility. Completion of the water main loop south to Fox Farm Road will now be recommended. The petition executed by ISD 518 does represent over 35% of the property abutting the improvement being petitioned for. Council may declare the petition adequate.

Mr. Haffield said the City has also received the petition for improvement of all or parts of Cherrywood Addition together with that part of the Southeast Quarter of Section 28, Township 102 North, Range 40 West, lying east of South Crailsheim Road and south of Cherrywood Addition by extension of the municipal storm water collection and management system. Mr. Haffield explained the petitioned improvement is to provide the storm water collection and treatment system needed to allow completion of Cherrywood Addition as well as provide urban drainage for the property immediately south of the subdivision. Although the Cherrywood Addition has been platted, all of the public improvements required for the subdivision have not been completed. In 2008, the storm sewer improvement being petitioned for at this time was also petitioned for and ordered. A housing market upset resulted in the development not being completed. The development contract ultimately lapsed. A contract for the ordered storm sewer improvement was not awarded within one year and therefore the action to order the improvement sunset. The developer is now pursuing completion of the subdivision.

Mr. Haffield said as with any assessable improvement, an initial step required is the preparation of a feasibility report. Following receipt of the report, Council may order a hearing on the proposed improvement. Preparation of plans and specifications will then be required should Council order the improvement following the hearing. At this time it is recommended that the engineering services that may be required through preparation of plans and specifications for both of the petitioned improvements be referred to the consulting firm of Bolton and Menk, Inc. (BMI). A determination

as to how construction phase services may best be provided may be deferred at this time.

A motion was made by Council Member Cummings, seconded by Council Member Oberloh and unanimously carried to adopt the following resolutions Declaring Adequacy of Petition and Ordering Preparation of Feasibility Report on Proposed Improvement and authorize the execution of the agreement with BMI.

RESOLUTION NO. 2020-06-39

A RESOLUTION DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2020-06-40

A RESOLUTION DECLARING ADEQUACY OF PETITION AND ORDERING PREPARATION OF FEASIBILITY REPORT ON PROPOSED IMPROVEMENT

(Refer to Resolution File for complete copy of Resolution)

APPROVED ADOPTION OF ADA TRANSITION PLAN FOR PUBLIC RIGHTS-OF-WAY

Dwayne Haffield, Director of Engineering, stated Council approved a draft of the proposed Americans with Disabilities Act (ADA) Transition Plan for Public Rights-of-Way at its May 11, 2020 meeting. The draft plan was subsequently posted for public comment. In addition to soliciting comments through advertisement in the official newspaper and online, the Active Living Plan (ALP) steering committee and Client Community Services Inc. were emailed invitations to comment on the draft plan. At this time, only comments from a staff member of the Southwest Regional Development Commission (ALP committee member) have been received. The comments pertained to clarification of trails versus walks and application of standards. To improve the plan in regard to clarifying how trails are addressed versus walks, wording was changed to clarify that the plan treats trails that are physically in, or for intended purposes within, street rights-of-way the same. Trails are those defined as being maintained fully by the City while other multi-use trails in rights-of-way are not classified different than a sidewalk. The park trail through Olson Park has been classified as a park feature. Map A has been changed to show classification and jurisdiction rather than width.

Mr. Haffield said the basic requirements are not anticipated to change, but if they do, a new transition plan may be required to address what changes are adopted.

Council Member Oberloh asked who is the ADA Coordinator for the City of Worthington. Mr. Haffield said that the City Operations ADA Coordinator is the City Administrator and the Right-of-

Way Coordinator is the City Engineer.

A motion was made by Council Member Harmon, seconded by Council Member Ernst and unanimously carried to adopt the ADA Transition Plan for Public Rights-of-Way.

**APPROVED PRELIMINARY PLAT - GLENWOOD HEIGHTS SECOND ADDITION
(CITY OF WORTHINGTON)**

Jeremiah Cromie, City Planner stated the City of Worthington submitted an application for a Preliminary Plat of a residential subdivision to be known as Glenwood Heights 2nd Addition on a 51.45-acre tract of land the City owns located west and mainly north of an extension of Sutherland Drive. The plat would create twenty-eight (28) lots intended for residential development and ten (10) Outlots, of which one (1) will likely be subdivided in the future for additional residential lots. The legal description of the property under consideration is as follows:

That part of the Northeast Quarter of Section 28, Township 102 North, Range 40 West, Nobles County, Minnesota, described as:
Commencing at the Northeast corner of said Section 28; thence South 89 degrees 22 minutes 48 seconds West, (Minnesota County Coordinate System - Nobles County Zone - HARN NAD83 - 1996), along the north line of the Northeast Quarter of said Section 28, a distance of 885.79 feet; thence South 00 degrees 39 minutes 16 seconds East, a distance of 856.00 feet to an iron monument located on the west right-of-way line of South Crailsheim Road (County State Aid Highway No. 10); thence continuing South 00 degrees 39 minutes 16 seconds East, a distance of 450.96 feet to the northeasterly corner of Glenwood Heights First Addition, according to the plat thereof on file and of record with the Nobles County Recorder, Minnesota; thence South 89 degrees 20 minutes 44 seconds West, along the northerly line of said Glenwood Heights First Addition, a distance of 219.69 feet; thence North 45 degrees 39 minutes 16 seconds West, along said northerly line, a distance of 459.69 feet to the most northerly corner of said Glenwood Heights First Addition, said point being the point of beginning; thence South 44 degrees 20 minutes 44 seconds West, along said northerly line, a distance of 130.00 feet; thence South 19 degrees 15 minutes 07 seconds West, along said northerly line, a distance of 77.30 feet; thence South 42 degrees 53 minutes 58 seconds West, along said northerly line, a distance of 93.17 feet; thence South 57 degrees 21 minutes 04 seconds West, along said northerly line, a distance of 142.63 feet to the northwesterly corner of said Glenwood Heights First Addition; thence South 18 degrees 09 minutes 16 seconds East, along the westerly line of said Glenwood Heights First Addition, a distance of 130.84 feet; thence South 09 degrees 25 minutes 19 seconds West, along said westerly

line, a distance of 78.97 feet; thence South 18 degrees 09 minutes 16 seconds East, along said westerly line, a distance of 132.99 feet; thence North 66 degrees 50 minutes 00 seconds East, along said westerly line, a distance of 185.98 feet; thence North 60 degrees 45 minutes 04 seconds East, along said westerly line, a distance of 164.63 feet; thence South 32 degrees 17 minutes 32 seconds East, along said westerly line, a distance of 120.25 feet; thence South 16 degrees 24 minutes 31 seconds East, along said westerly line, a distance of 72.67 feet; thence South 20 degrees 40 minutes 38 seconds East, along said westerly line, a distance of 156.13 feet; thence South 00 degrees 39 minutes 16 seconds East, along said westerly line, a distance of 713.27 feet to the southwest corner of said Glenwood Heights First Addition; thence South 88 degrees 59 minutes 50 seconds West, along the westerly extension of the southerly line of said Glenwood Heights First Addition, a distance of 107.17 feet; thence South 00 degrees 13 minutes 12 seconds East, a distance of 120.01 feet to the southeast corner of the West Half of the Northeast Quarter of said Section 28; thence South 88 degrees 59 minutes 15 seconds West, along the East - West center line of said Section 28, a distance of 1325.82 feet to the Center of said Section 28; thence North 00 degrees 25 minutes 04 seconds West, along the North - South center line of said Section 28, a distance of 1775.28 feet to the southwest corner of the North 856.00 feet of the Northeast Quarter of said Section 28; thence North 89 degrees 22 minutes 48 seconds East, along the south line of the North 856.00 feet of the Northeast Quarter of said Section 28, a distance of 1085.48 feet to the point of intersection with a line which bears North 45 degrees 39 minutes 16 seconds West from the point of beginning; thence South 45 degrees 39 minutes 16 seconds East, a distance of 178.64 feet to the point of beginning. Containing 51.45 acres.

Mr. Cromie explained the Planning Commission considered the application at its June 2, 2020 meeting. After holding a public hearing, the Commission voted unanimously to adopt the required findings for approval of a subdivision request and recommend the City Council approve the preliminary plat subject to the following conditions:

1. Outlots A through H are conveyed to abutting property owners;
2. The legal description be updated to say "South Crailsheim Road" instead of "Crailsheim Drive".
3. The defined wetlands on the plat are either left in place or are mitigated in compliance with state and federal requirements; and
4. The preliminary plat and all improvements associated with it follow all local, state and federal regulations.

A motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to approve the preliminary plat for Glenwood Heights Second Addition (City of Worthington)

APPROVED CITY OF WORTHINGTON WORKFORCE HOUSING PROGRAM REQUIREMENTS AMENDMENT

Jason Brisson, Assistant City Administrator/Director of Economic Development, stated in November 2008, the Worthington City Council established a Workforce Housing program with funds from a previous tax increment financing district that has successfully created home ownership opportunities for individuals and families whose incomes do not exceed 80% of the current area median income. The original program was amended in April 2012. In the end of the Implementation section, the policy states the following: “The sale price of the home shall not exceed \$237,031.” Any home whose sale price is higher than \$237,031 is not eligible for this program and no provision was included for inflation within the policy as established in 2008 or amended in 2012.

Mr. Brisson explained staff has received an inquiry from the Southwest Minnesota Housing Partnership (the “Partnership”) regarding the construction of two single-family homes. One is a 4-bedroom, 2 bath split foyer with an attached double garage and the proposed sale price is \$264,000. If the Partnership can use TIF workforce housing assistance, the buyer’s cost will be reduced to \$239,298.81. The second is a 3-bedroom, 2 bath slab on grade house with an attached double garage and the proposed sale price is \$260,500. If the Partnership can use TIF workforce housing assistance, the buyer’s cost will be reduced to \$235,798.81. The Partnership is requesting City Council to consider raising the sale price limit established in the City’s Workforce Housing Program policy. Mr. Brisson said staff finds that the costs of residential construction have risen steadily since the program was established in 2008, including a 5% increase in costs in 2018 alone.

Therefore, staff finds that some increase in the ceiling of the sale price is appropriate to ensure the continued effectiveness of the program. He said staff also finds that tying the ceiling to an index that will keep pace with construction costs, whether increasing or decreasing, would prevent the Council from needing to continually revisit the program’s requirements. Staff finds that tying the maximum sale price to the United States Department of Agriculture (USDA) Rural Development (RD) Single Family Housing – Area Loan Limits for Nobles County would meet the original spirit and intent of the program and increase its efficiency and effectiveness moving forward. The original limit established in 2008 was \$237,031 and the current USDA RD limit for Single Family Housing – Area Loan Limits for Nobles County is \$265,400.

A motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to adopt the changes as presented.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - Thanked the organizers for the safe protest. Noted Martha McCarthy who was the first Crailsheim exchange student passed away. She has left a huge legacy behind for the Crailsheim Exchange program.

Council Member Jansen - No report.

Council Member Oberloh - No report.

Council Member Cummings - Thanked staff for the work on all of the improvements to the city parks that is taking place.

Council Member Ernst - Commended staff on the great work and the addition of all the amenities that have been very popular.

Council Member Harmon - Attended a Center for Active Living meeting via zoom, welcomed two new members. Attended Water & Light Commission meeting.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, the splash pad and swimming pool will be allowed to open on Wednesday, June 10th at 50% capacity.

ADJOURNMENT

The motion was made by Council Member Ernst, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 8:16 p.m.

Mindy L. Eggers, MCMC
City Clerk