

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, AUGUST 24, 2020**

The meeting was called to order at 7:00 p.m., in City Hall Council Chambers by Mayor Mike Kuhle with the following Council Members present: Chad Cummings, Amy Ernst, Alan Oberloh, Mike Harmon, Larry Janssen.

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

Others present: Ryan McGaughey, The Globe; Justine Wettschreck, Radio Works; Logan Ahlers, Gunner Beckering, Honorary Council Member; Chris Kielblock.

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. 2020-08-57 ADOPTED APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469-1813 - 2344 AND 2346 CHERRYWOOD LANE

Pursuant to published notice this was the time and date for a public hearing on a Nobles Home Initiative application for tax abatement.

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

Jason Brisson, Assistant City Administrator/Director of Economic Development, stated a Nobles Home Initiative (NHI) application submitted by KJSM Investments LLC. The applicant is seeking approval of tax abatement for the construction of a two-family duplex at 2344 and 2346 Cherrywood Lane. The duplex consists of two approximately 1,620 square foot units with approximately 484 square foot attached garages. The estimated value of the project is \$310,000, which would generate approximately \$3,300 in annual taxes utilizing the 2020 tax rate. The City's share would be approximately \$1,569.

Staff has reviewed the application and finds that it meets all the parameters of the NHI Guidelines.

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

A motion was made by Council Member Cummings, seconded by Council Member Oberloh and unanimously carried to adopt a resolution approving tax abatement for certain property pursuant to Minn. Stat. 469.1813 - 2344 and 2346 Cherrywood Lane.

RESOLUTION NO. 2020-08-57

A RESOLUTION APPROVING TAX ABATEMENT FOR A CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813. - 2344 AND 2344 AND 2346 CHERRYWOOD LANE

(Refer to Resolution File for complete copy of Resolution)

PUBLIC HEARING - RESOLUTION NO. 2020-08-58 ADOPTED APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469-1813 - 2354 AND 2364 CHERRYWOOD LANE

Pursuant to published notice this was the time and date for a public hearing on a Nobles Home Initiative application for tax abatement.

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

Jason Brisson, Assistant City Administrator/Director of Economic Development stated a Nobles Home Initiative (NHI) application submitted by KJSM Investments LLC. The applicant is seeking approval of tax abatement for the construction of a two-family duplex at 2354 and 2364 Cherrywood Lane. The duplex consists of two approximately 1,620 square foot units with approximately 484 square foot attached garages. The estimated value of the project is \$310,000, which would generate approximately \$3,300 in annual taxes utilizing the 2020 tax rate. The City's share would be approximately \$1,569.

Staff has reviewed the application and finds that it meets all the parameters of the NHI Guidelines.

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

A motion was made by Council Member Harmon, seconded by Council Member Ernst and unanimously carried to adopt a resolution approving tax abatement for certain property pursuant to Minn. Stat. 469.1813 - 2354 and 2364 Cherrywood Lane.

RESOLUTION NO. 2020-08-58

A RESOLUTION APPROVING TAX ABATEMENT FOR A CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813. - 2354 AND 2364 CHERRYWOOD LANE

(Refer to Resolution File for complete copy of Resolution)

CONSENT AGENDA APPROVED

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

- City Council Minutes of Regular Meeting of August 10, 2020
- Economic Development Authority Minutes August 10, 2020
- Water & Light Commission Minutes of August 10, 2020
- Park & Recreation Advisory Board Meeting August 18, 2020
- Municipal Liquor Store Income Statement for the period January 1, 2020 through July 31, 2020
- Bills payable and totaling \$4,434,056.49 be ordered paid

HEARD CGMC UPDATE/PRESENTATION - MARTY SEIFERT

Mary Seifert from the Coalition of Greater Minnesota Cities provided an update to Council on the CGMC's priorities during the past legislative year, which was cut short by COVID-19. Mr. Seifert said a \$1.5 billion budget surplus and a proposed bonding bill turned into a \$2.4 billion budget deficit and a bonding bill that is still tied up in uncertainty. When questioned on what their priorities would be in the upcoming year, Mr. Seifert responded that they will be addressing a large bonding bill and working proactively to protect LGA for 2021.

Council thanked Mr. Seifert for the update and Mr. Seifert thanked Council for the opportunity.

ADOPTED RESOLUTION NO. 2020-08-59 SUPPORTING LEGISLATIVE BONDING BILL

Steve Robinson, City Administrator, stated Cities across Minnesota continue to grapple with the economic impacts of the COVID-19 pandemic. A bonding bill in excess of a billion dollars will bring much needed investment of labor resources in communities across the state.

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

RESOLUTION NO. 2020-08-59

A RESOLUTION AFFIRMING CITY OF WORTHINGTON SUPPORT OF LEGISLATIVE PASSAGE OF A BONDING BILL

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO'S 2020-08-60, 2020-08-61, 2020-08-62, 2020-08-63, 2020-08-64 AND 2020-08-65 ADOPTED ACCEPTING PARK BENCH DONATIONS

The Park and Recreation Advisory Board received the following requests to place park benches in City parks and along the bike trails:

- Mary Monthei to place a bench along County Highway 35 trail in memory of Kelly Monthei
-
- The Neeb family to place a bench in Lakefront park, in memory of Don and Marie Neeb
-
- Bedford Technology employees, to place a bench on the Crailsheim Road trail, in memory of Haley Ann Sanwick
-
- Cliff Ross, to place a bench at the Chautauqua Bandshell, in memory of Dawn Ross
-
- Worthington – Crailsheim Int., to place a bench at the Chautauqua Bandshell, in honor of Martha McCarthy
-
- James Slater, to place a bench along the Crailsheim Road trail, in memory of Jim and Mary Slater.

The motion was made by Council Member Ernst, seconded by Council Member Cummings and unanimously carried to adopt the following resolutions accepting park bench donations:

RESOLUTION NO. 2020-08-60

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY (Monthei)

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2020-08-61

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY (Neeb)

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2020-08-62

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY (Bedford Technology employees)

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2020-08-63

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY (Ross)

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2020-08-64

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY (Worthington
Cralshem, Int.)

(Refer to Resolution File for complete copy of Resolution)

RESOLUTION NO. 2020-08-65

A RESOLUTION ACCEPTING A DONATION OF PERSONAL PROPERTY (Slater)

(Refer to Resolution File for complete copy of Resolution)

APPROVED BUDGET AMENDMENT TO PURCHASE A NEW BOBCAT SKIDLOADER

Todd Wietzema, Public Works Director said staff is requesting a 2020 budget amendment to purchase a new A770 T4 Bobcat All-Wheel Steer Loader. Mr. Wietzema stated Jaycox Implement contacted staff earlier this spring informing us that Bobcat Manufacturing was going to be discontinuing their line of All-Steer loaders. He said at the present time we own a 2014 A770 T4 model loader, which is primarily used by park department staff. Staff prefers the all-wheel loader to a normal skid steer, primarily due to the lack of disturbance that we get when working on our turf areas. According to the budget the current loader was to be replaced in the 2024 budget. Discussion was held earlier this year, but with the uncertainty of our city budget due to Covid-19, we decided to wait until our 2021 budget. Jaycox Implement informed staff that there were very few of these models left but they have found a new unit in Northwest North Dakota, that is available for purchase.

Mr. Wietzema said after numerous discussions, it was decided to trade off our 2015 smaller regular turn skid steer and keep the larger all-wheel turn loader. The quote from Jaycox, was \$32,354.45 for the purchase of this new loader. The proposal is to use ERS funds accumulated for both loaders towards the purchase of this new loader. After the trade in allowance there will be a shortfall of \$1,315.45. Mr. Wietzema said that staff is proposing we use funds from account 229-46120-2221 (balance of \$7,758), to cover the remaining balance. The 2021 budget will be adjusted to reflect these changes in ERS.

A motion was made by Council Member Oberloh, seconded by Council Member Ernst and unanimously carried to approve the Budget Amendment to purchase a new Bobcat Skidloader.

VARIANCE APPEAL - 217 LAKE AVENUE (LOGAN AHLERS) APPROVED

The Planning Commission, serving as the Zoning Board of Appeals, considered a variance application submitted by Logan Ahlers for property he owns at 217 Lake Avenue on August 4th, 2020. Jeremiah Cromie, City Planner, explained the applicant sought the approval of a variance to allow an extended 10.5 feet by 16 feet attached garage on the property that extends 6.5 feet into the required 8-foot side yard setback. After holding a public hearing and discussion, the Commission denied the variance application on a 3-2 vote. Their denial was based on the Commission's belief that approval of the requested variance is that the property was not unique based on the State's 3 factor test and could possibly undermine the purpose, intent and credibility of the City and its Code.

Mayor Kuhle stated that his opinion is that the property has a hardship because the City has declined to move the fire hydrant.

Council Member Oberloh stated that the property next door should have never been sold to one homeowner as there used to be an alley but instead of splitting it the entirety was sold to one person. After visiting with Mr. Ahlers, Council Member Oberloh noted that the homeowners on each side of Mr. Ahlers are in favor of the project.

A motion was made by Council Member Cummings, seconded by Council Member Janssen and unanimously carried to approve the variance appeal for 217 Lake Avenue - Logan Ahlers citing that the placement of the fire hydrant and the slope of the driveway creates a hardship for the homeowner.

HELD DISCUSSION ON INOPERABLE VEHICLES

Jeremiah Cromie, City Planner, stated Council directed staff to look at other cities to see how they handle inoperable vehicles, especially at auto repair shops. Mr. Cromie explained most cities have rules regarding inoperable vehicles in their nuisance code. He said staff has contacted the Minnesota Pollution Control Agency to find out if there were any additional licenses required for vehicle repair shops, but most wastes generated by the auto repair shop do not have to be reported to the MPCA unless painting and parts washer solvent. Staff looked at nearby cities and others near the metropolitan region for their ordinances regarding inoperable vehicles and potential nuisances related to them.

Staff looked at various codes regarding inoperable vehicles and would make the following recommendations for any future ordinances related to inoperable vehicles in Worthington's code:

1. Redefine the City's junkyard definition in the zoning code to officially include inoperable vehicles in the definition

2. No one allowed to leave inoperable vehicles beyond 7 days in any area unless it is in enclosed building or licensed junkyard
3. Exception to this for auto repair shops that have inoperable vehicles behind a completely enclosed 6-foot tall privacy fence and no more than 4 inoperable vehicles on the premises at any time. The fence shall not be located in any front yard or side yard between the street right-of-way line and the principal building on the lot.
4. More than 2 inoperable vehicles left on auto repair shop premises for more than 90 days shall constitute a junkyard.

Council directed staff to continue investigating this issue.

**ORDINANCE NO. 1161 ADOPTED ESTABLISHING A MORATORIUM
TEMPORARILY BANNING SEMI-PERMANENT RESTAURANTS AND NEW USER
TRANSIENT MERCHANT PERMITS**

Mr. Cromie explained staff has had an inquiry about a semi-permanent food truck in a commercial location. The current City code does not really address semi-permanent or food trucks at all. Some concerns staff have about food trucks/ semi-permanent restaurants are:

1. Off-street parking
2. Setbacks for movable vehicles, distance to nearby restaurants
3. Utility connections
4. Garbage sanitation
5. Access to restrooms

Mr. Cromie stated while staff is investigating food trucks/semi-permanent restaurants and any regulations needed for them, it is suggested that Council pass an interim ordinance establishing a moratorium temporarily banning semi-permanent restaurants and new user transient merchant permits that will allow the City to look at semi-permanent restaurants/food trucks in greater detail regarding regulations before allowing any new ones.

Council discussion was held on why we would not allow new food trucks. Mr. Cromie said that new transient merchant licenses could be handled by Council on a case by case option during the moratorium.

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

ORDINANCE NO. 1061

AN INTERIM ORDINANCE ESTABLISHING A MORATORIUM TEMPORARILY BANNING SEMI-PERMANENT RESTAURANTS AND NEW USER TRANSIENT MERCHANT PERMITS

(Refer to Ordinance File for complete copy of Ordinance)

HEARD MUNICIPAL SUBSIDIES POLICY UPDATE

Jason Brisson, Assistant City Administrator/Director of Economic Development, stated back in April 2019, the City Council worked with City staff to update its municipal subsidies policy. The existing policy includes some basic provisions regarding assistance for housing projects, including the minimum equity requirement of the owner. Mr. Brisson explained since adopting this policy and working with some housing developers on proposed housing projects, staff has learned that the 30% equity requirement may be too high for the Worthington market. The current policy reads:

“In cases of multifamily housing development, a minimum 30% equity investment in the project by the owner is required.”

The revised version has replaced this language with the following:

“In cases of multifamily housing development, a 15-20% equity investment in the project by the owner is required. The City Council may grant exceptions to this requirement on a case-by-case basis but in no instance shall the owner’s equity investment in the project be less than 10%.”

Council Member Oberloh asked why Council cannot set the equity investment at 15%? Mr. Brisson stated that the suggestion from the consultant was to allow 15-20%, he said that it sends the message to the developer that they have to have equity in the project. It was suggested not to go below 10%. He said staff finds that the proposed amendment would retain the original intent of requiring sufficient owner equity in housing projects but would also accommodate the financing proposals presented to staff on recent projects.

A motion was made by Council Member Cummings, seconded by Council Member Ernst and carried to approve requiring 15-20% equity investment by the owner. Those voting in favor of the motion: Cummings, Ernst, Harmon, and Janssen. Voting against the same motion: Oberloh. Motion passed.

APPROVED CONTRACT FOR PROFESSIONAL SERVICES FOR TOPOGRAPHIC STUDY

Jason Brisson, Assistant City Administrator/Director of Economic Development updated the Council on the proposed project to seek designation of the former Prairie View Golf Course as a regional park by the Greater Minnesota Regional Parks and Trails Commission (GMRPTC) to make the park eligible for GMRPTC funding. Mr. Brisson explained that since 2018, City staff has been trying to secure the park designation to qualify for the funding. After numerous submissions, City staff received a reply in April 2020 from the GMRPTC Coordinator regarding the December 2019 submission. The park received another “medium” ranking from the Commission, but the E-Team actually ranked the park “low;” lower than the initial application that it ranked “medium.” After receiving this information, staff conferred and determined it would be a better use of City time and resources to seek alternative funding sources.

Mr. Brisson said most of the community input staff received for the park has included various trails for walking, hiking and biking. Staff is currently researching new funding sources that align with the existing park and the community's vision for it, but would like to have a topographic survey of the park conducted to assist in determining the most economical layout for trails and features. A proposal has been received from Bolton & Menk for a boundary and topographic survey of the park, with a fee of \$9,200.00. Mr. Brisson noted there are adequate funds for the project in the Prairie View Park Reserve Operations Fund.

A motion was made by Council Member Oberloh, seconded by Council Member Harmon and unanimously carried to approve the contract for the Topographic study of Prairie View.

COUNCIL COMMITTEE REPORTS

Mayor Kuhle - Attended a meeting on the Short Line Railroad, they have made 34 million dollars in upgrades that will allow them to handle bigger loads and will create 30-40 new jobs.

Council Member Jansen - No report.

Council Member Oberloh - No report.

Council Member Cummings - Asked about the new grass areas in Centennial Park, Todd Wietzema stated that the areas will be re-seeded when it cools off. The sidewalks by the Beach Nook are going to be widened as well to allow more room for tables and chairs.

Council Member Ernst - Attended a Transit Authority meeting regarding keeping a viable and reliable taxi service in Worthington.

Council Member Harmon - No report.

CITY ADMINISTRATOR'S REPORT

Steve Robinson, City Administrator, handed out an update on all of the current construction projects.

ADJOURNMENT

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 8:26 p.m.

Mindy L. Eggers, MCMC
City Clerk