

**WORTHINGTON CITY COUNCIL
REGULAR MEETING, AUGUST 23, 2021**

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, Chris Kielblock, Alaina Kolpin, Amy Ernst, Larry Janssen.

Staff present: Steve Robinson, City Administrator; Jason Brisson, Assistant City Administrator/Director of Economic Development; Matt Selof, City Planner; Hyunmyeong Goo, Assistant Engineer; Jeff Faragher, Assistant Engineer; Tammy Makram, Memorial Auditorium Manager; Todd Wietzema, Public Works Director; Mindy Eggers, City Clerk.

Others present: Ryan McGaughey, Radio Works; Salvador Adame, Honorary Council Member; Julie Buntjer, The Globe; Jacki Probst, Nick Gustafson, Kevin Donovan.

The Pledge of Allegiance was recited.

HONORARY COUNCIL MEMBER

Mayor Kuhle welcomed Salvador Adame as the Honorary Council Member for the months of August, September and October, 2021.

AGENDA APPROVED WITH ADDITIONS/CHANGES

Mayor Kuhle stated that *Item F.6. Resolution to Accept Minnesota Public Facilities Authority Financing for Improvements to the Municipal Wastewater Treatment Facility* was being pulled from the agenda.

A motion was made by Council Member Janssen, seconded by Council Member Ernst and unanimously carried to approve the agenda with the noted change.

PUBLIC HEARING AND RESOLUTION NO. 2021-08-50 ADOPTED APPROVING TAX ABATEMENT FOR A CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813

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

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

Jason Brisson, Assistant City Administrator/Director of Economic Development, stated a Nobles Home Initiative (NHI) application has been submitted by KJSM Investments, LLC. Mr. Brisson explained the applicant is seeking approval of tax abatement for the construction of a two-family duplex located at 2343 and 2347 Cherrywood Lane. The duplex consists of two approximately 1,629 square foot units with approximately 484 square foot attached garages. The estimated value of the

project is \$670,000, which would generate approximately \$7,131 in annual taxes utilizing the 2020 tax rate. The City's share would be approximately \$3,392.

Staff has reviewed the application and finds that it meets all the parameters of the NHI Guidelines. Mayor Kuhle asked if there was anyone who wished to present testimony. None was received.

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

The motion was made by Council Member Ernst, seconded by Council Member Kolpin and unanimously carried to adopt the following resolution approving the Nobles Home Initiative application for 2343 and 2347 Cherrywood Lane.

RESOLUTION NO. 2021-08-50

A RESOLUTION APPROVING TAX ABATEMENT FOR CERTAIN PROPERTY PURSUANT TO MINN. STAT. 469.1813

(Refer to Resolution File for complete copy of Resolution)

CONSENT AGENDA

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

- City Council Meeting Minutes of August 9, 2021
- Special City Council Meeting Minutes of August 16, 2021
- Water & Light Commission Meeting Minutes of August 9, 2021
- Worthington Public Arts Commission Meeting Minutes of June 8, 2021
- Charter Commission Meeting Minutes of June 24, 2021
- Charter Commission Meeting Minutes of June 28, 2021
- Applications for Temporary On-Sale Liquor Licenses - St. Mary's Parish/School
- Municipal Liquor Store Income Statement for the Period of January 1, 2021 through July 31, 2021
- Bills payable and totaling \$915,758.22 be ordered paid

MEMORIAL AUDITORIUM UPDATE - TAMMY MAKRAM

Tammy Makram, Memorial Auditorium Manager, gave an update on the upcoming 2021-2022 Performing Arts Schedule. She highlighted each upcoming show. Tickets can be purchased online and in person at the box office from 9:00 a.m. to 1:00 p.m. A 20% discount will be offered if a total show package is purchased. Council commended her on the wide variety of entertainment that is

planned for the upcoming season.

MOVIE THEATER UPDATE

Kevin Donovan presented an update on the new Grand Theater. He said that the entire inside has been painted, carpeting has been laid in the mezzanine and the movie projectors have arrived. The special order sinks have also been delivered but they cannot be installed until the State comes and inspects them. He explained the curtains are in, but have not been put on the walls. Sconce lighting has also been delivered for the five theaters. Mr. Donovan said there have been a lot of setbacks due to COVID because items just are not readily available.

He said once the seating is in place an epoxy coating will be put on the floors. The company Bright Star will be installing the equipment so once they arrive things will start coming together.

The anticipated opening date is November 8th but that depends on California and New York because they dictate when movies come out. At this point with the increase in Covid-19 cases nationwide there are some reservations if there will be holiday movies.

Mayor Kuhle expressed his unhappiness regarding all of the delays. Mr. Donovan said that they are doing everything possible to get the theater open but the delays are out of their control.

EMPLOYEE LONGEVITY AWARDS RECOGNIZED

Mayor Kuhle said employee Longevity Awards are given out each year. Due to the pandemic we were unable to hold the Employee Picnic in 2021. This year an Employee Luncheon was held and employees were recognized for both 2019 and 2020. They are as follows:

2019 Longevity Awards

15 Years of Service

Robert Brandner
Nathan Grimmus
Julie Haack
Chris Hillsheim
Eric Roos

20 Years of Service

Tonya Aanenson
Jesse Larson
Deb Scheidt

25 Years of Service

2020 Longevity Awards

10 Years of Service

Dan Wycoff

20 Years of Service

Dave Hoffman

25 Years of Service

Brian Kolander
Scott Rosenberg

30 Years of Service

Kirk Honius
Julie Jeppesen

Joe Byrne

30 Years of Service
Starr Standafer

35 Years of Service
Pat Demuth

35 Years of Service

Scott Hain
Mike Pavelko

40 Years of Service
Glenn Faragher

Mayor Kuhle thanked all employees for their dedicated service.

SECOND READING PROPOSED ORDINANCE TO AMEND THE WORTHINGTON CITY CHARTER TO EXEMPT ZONING APPLICATIONS FROM CERTAIN REQUIREMENTS OF CHARTER SECTION 4.05

Steve Robinson, City Administrator, said pursuant to published notice, this was the time and date set for the second reading of a proposed ordinance to Amend The Worthington City Charter to Exempt Zoning Applications from Certain Requirements of Charter Section 4.05

A complete copy of the ordinance was provided in the August 9, 2021 council agenda.

The motion was made by Council Member Cummings, seconded by Council Member Kolpin and unanimously carried to give a second reading to the proposed ordinance.

SECOND READING PROPOSED ORDINANCE TO AMEND TITLE XV OF THE CITY CODE OF THE CITY OF WORTHINGTON, NOBLES COUNTY, MINNESOTA TO ESTABLISH A "R-8" NEW RESIDENTIAL DISTRICT

Steve Robinson, City Administrator, said pursuant to published notice, this was the time and date set for the second reading of a proposed ordinance to Amend Title XV of the City Code of the City of Worthington, Nobles County, Minnesota to Establish a "R-8" New Residential District.

A complete copy of the ordinance was provided in the August 9, 2021 council agenda.

The motion was made by Council Member Ernst, seconded by Council Member Janssen and unanimously carried to give a second reading to the proposed ordinance.

CORRECTIVE DEED - PARCEL - 31-3786-554 APPROVED

Mr, Robinson said a copy of a corrected warranty deed to wholly amend and restate the easement granted to the City on the above parcel located in the Bio Science Industrial Park was received by the City Attorney. The original deed was executed in November 2014. The City received a request to amend the deed to better identify the easement whose intent is to provide shared ingress and egress

with the adjacent parcel. There are no material changes in the intent of the easement.

A motion was made by Council Member Ernst, seconded by Council Member Kolpin and unanimously carried to approve the corrected deed for Parcel# 31-3786-554.

RESOLUTION NO. 2021-08-51 ADOPTED APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS

Jeff Faragher, Assistant Engineer, said Bolton and Menk, Inc. has prepared the plans for the 27th Street Extension as presented at the public hearing on August 16, 2021. The total estimated cost of grading, base construction, and surfacing is \$604,650. Staff recommends approving the plans and specifications and authorize advertisement for bids to be received September 22, 2021 and considered at the Council meeting on September 27th.

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

RESOLUTION NO. 2021-08-51

A RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS

(Refer to Ordinance File for the complete copy of resolution)

RESOLUTION NO. 2021-08-52 ADOPTED RELATING TO FINANCING OF CERTAIN PUBLIC IMPROVEMENT BY THE CITY OF WORTHINGTON; ESTABLISHING COMPLIANCE WITH REIMBURSEMENT BOND REGULATIONS UNDER THE INTERNAL REVENUE CODE

Mr. Faragher said Federal tax regulations require that local governments declare the intent to reimburse themselves for prior costs incurred in making public improvements with proceeds from bonds. The City must state the intent to sell bonds for a project after significant costs have already been incurred for the project. It is typical for the City to temporarily finance improvements with construction fund reserves until an adequate amount of costs from various projects have been incurred to warrant the issuance of a bond. Mr. Faragher explained the maximum amount of Bonds expected to be issued for Project 27th Street Extension is \$665,000. The maximum amount listed in the resolution improvement is approximately 10% higher than the project estimate presented for the project ordered by Council. Mr. Faragher noted that the City also has the option not to bond if it's not needed.

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

RESOLUTION NO. 2021-08-53

A RESOLUTION PERTAINING TO INTENT TO BOND FOR COSTS INCURRED IN MAKING PUBLIC IMPROVEMENT

(Refer to Resolution File for the complete copy of resolution)

DISCUSSION HELD ON TEXT AMENDMENT (NON-PROFIT LAND USES IN COMMERCIAL ZONING DISTRICTS)

Jason Brisson, Assistant City Administrator, said Ordinance No. 1162 establishing a prohibition of new nonprofit land uses in commercial zoning districts was approved on October 12, 2020. City Council adopted it for one year to give the City time to research the tax impacts of a proposed redevelopment project. Ordinance 1162 will expire on October 13, 2021. Staff was directed to bring forward proposed legislation that would protect key commercial corridors within the City of Worthington.

Mr. Brisson explained the Planning Commission discussed this topic to give staff some direction in preparing a future text amendment for consideration of adoption. Their preliminary recommendation was to recommend a commercial preservation overlay district that covered the four corners of the intersection of Interstate 90 and US Highway 59, the four corners of the intersection of US Highway 59 and Oxford Street, and the commercial properties fronting US Highway 59 between these two intersections. A preliminary illustration of this proposed overlay district has been prepared by staff. The district would prohibit nonprofit organizations as primary land uses in this area to preserve the property and sales taxes of this commercial corridor.

The Commission also discussed the downtown area and indicated the current retail preservation overlay district along Tenth Street from Second Avenue to Fifth Avenue as required by City Code Section § 155.086 (C) may be adequate to protect this corridor. This District requires that any non-retail land use in this district must obtain a conditional use permit from the City Council before being permitted to operate.

Mayor Kuhle said that Ryan's Road should also be included. Mr. Brisson said Ryan's Road will be added and brought back to the Planning Commission.

COUNCIL COMMITTEE REPORTS

Jason Brisson said he has taken a position with the City of Minneapolis, MN in the Community Planning and Economic Development Department. He thanked past and current Council Members, Steve Robinson and the citizens of Worthington for the last 3 ½ years. He wished the City well. Mayor Kuhle - Thanked Jason for his service. Attended a City, County, School meeting and

discussed daycare and how the three entities can work together in hiring a staff person.

Council Member Janssen - No report.

Council Member Ernst - No report.

Council Member Kielblock - Thanked Jason and all of the City of Worthington employees.

Council Member Kolpin - No report.

Council Member Cummings - said the LEC Joint Powers Board is working on a new cold storage building for impounded vehicles.

Honorary Council Member - Salvador Adame said he has enjoyed working with Jason and wished him well on his new endeavor.

CITY ADMINISTRATOR REPORT

Mr. Robinson thanked Jason for his service of 3 ½ years and wished him well.

ADJOURNMENT

The motion was made by Council Member Kielblock, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 8:04 p.m.

Mindy L. Eggers, MCMC
City Clerk