

**WORTHINGTON CITY COUNCIL
SPECIAL MEETING - WORK SESSION, MARCH 18, 2015**

The meeting was called to order at 7:00 a.m. in City Hall Council Chambers by Mayor Mike Kuhle with the following Council Members present: Scott Nelson, Diane Graber, Larry Janssen, Mike Harmon, Rod Sankey.

Staff members present: Brad Chapulis, Interim City Administrator/Director of Community/Economic Development; Steve Robinson, Public Works Director; Mindy Eggers, Assistant City Clerk.

Others present: Erin Trester, Daily Globe; Justine Wettschreck, KWOA, Mike Woll.

WORTHINGTON REDISCOVERED

Brad Chapulis, Interim City Administrator/Director of Community/Economic Development explained that the Worthington Rediscovered Program was established in 2007/2008 to strengthen established residential areas through the removal of substandard housing units and reinvestment of redevelopment projects. The City Council has committed \$283,000 to finance the following activities.

Mr. Chapulis noted that the following have taken advantage in the program:

Peterson - Park Avenue -	\$ 8,860.00
SW Mental Health - 4 th Avenue -	\$ 30,000.00
BTLA - 11 th Street -	\$ 7,000.00
SW MN Housing Partnership - East Avenue -	\$ 44,093.21
K-Mart Demolition -	\$125,000.00

After the amounts awarded the remaining balance is \$68,046.79.

Mr. Chapulis asked if there were any thing that the Council would like see concerning the program. Diane Graber stated that she would like to see the program to continue to be funded into the future. Discussion was held on how that could be done whether it's from the general fund or taken from the hospital proceeds.

Mike Woll, owner of Mike Woll Investment Funds explained that the benefit of the program is to help clean up areas of blight within neighborhoods and was started as a type of grant and at the time the program was developed the Council took a one-time reduction from the hospital impact dollars. He explained that he was involved in a group that purchased the Kilbrand house for \$1.00 and received a grant for \$7,000.00 to help in the renovation that helped get the house sold and back on the tax roll. Mr. Woll stated he feels the program needs to be funded annually and possibly offer a larger grant amount, in hopes of encouraging more in the private sector to use the program.

Mr. Chapulis stated that the funds have been used for demolition up to \$13,000.00 and for remodel projects ranging from \$7,000.00 to \$30,000.00. He also indicated that program details have been

shared with contractors and realtors in the past.

Overall, Council agreed that the program is important and there has been success with the projects that have been done and would like to fund it to keep it moving forward along with educating the public on how the program can be accessed. Mr. Chapulis stated that future funding can be addressed during budget discussions.

At this time Larry Janssen, Rod Sankey, and Gary Hoffmann serve on the Committee. Mayor Kuhle suggested adding two additional members from the community.

A motion was made by Scott Nelson, seconded by Diane Graber to expand the committee by two members. After further discussion Scott Nelson rescinded his motion and Council agreed that Mike Woll will meet with the committee and the committee will come up with two additional members and make a suggestion to Council.

RENTAL HOUSING PROGRAM

Brad Chapulis, Interim Administrator/Director of Community/Economic Development, explained that in 2008 the Rental Housing Registration was implemented to insure quality of rental housing and aid in maintaining the health and safety of tenants.

The required rentals need to be registered at \$30.00 per unit and are inspected every other year or more often if a complaint is received.

Mr. Chapulis stated that up until 2013 the City contracted for Inspection Services, but did not feel that the services were the benefit the City was looking for so an internal position was hired to put more emphasis on the program. After Scott Gigrich was hired there were approximately 1,400 units registered and upon his leaving after fourteen months there was 1,462 units registered and he had completed 900 inspections, 674 units which were in compliance and 209 units that were being reinspected do to insufficiencies. After Mr. Gigrich's departure and during the hiring process in the months of November and December, 2014 there was no one doing the inspections unless there was a complaint or emergency situation then staff was handling them. In January, a staff person was hired and unfortunately within a couple of weeks into employment has suffered a medical issue and will not be able to return to work for another one to two months. Council Member Nelson asked if there was a fine for not registering your rental, Mr. Chapulis stated that the fee is \$50.00.

Mayor Kuhle stated that he has received complaints from "good" landlords on the rental registration fee as they feel they are not getting anything for it. Council Member Janssen stated that he feels that it is a good thing to have the registration as it keeps landlords accountable. Mr. Chapulis stated that considering the lack of services over the last six months staff may have to look at a one year reduction in the fee or no fee at all to make-up for the lack of services that have not been able to be

given to the program as a result of the temporary vacancy in position.

Council Member Sankey asked how people know that they are supposed to register their rental if they are new landlords. Mr. Chapulis explained that they get a list from the County Assessor's office on homesteaded properties and non-homesteaded properties. The nuisance officer also brings properties to the departments attention or people inquire about the guidelines.

Mr. Chapulis explained that the Public Health Office has received a grant from the state and is implementing a new program called Healthy Homes Initiative which will reach out to homeowners and landlords. The program should commence this spring.

HONORARY COUNCIL MEMBER PROGRAM

Mr. Chapulis explained the Honorary Council Member Program was implemented in 1992. The program offers interested individuals to become familiar with local government operations, being able to offer a new approach on city issues and develop potential council candidates.

Mr. Chapulis has met with members of the Crailsheim Committee as they would like the exchange student to become more involved in local City government. The consensus is to have the exchange student do a five minute presentation to Council on a quarterly basis so they can be involved but allowing the Honorary Council Program to be used as it was intended.

ADJOURNMENT

The motion was made by Council Member Sankey, seconded by Council Member Nelson and unanimously carried to adjourn the meeting at 8:20 a.m.

Mindy Eggers, MCMC
Assistant City Clerk