

**WORTHINGTON CITY COUNCIL
SPECIAL MEETING, APRIL 17, 2019**

The meeting was called to order at 4:00 p.m. in City Hall Council Chambers by Mayor Mike Kuhle with the following Council Members present: Larry Janssen, Alan Oberloh, Chad Cummings, Amy Ernst, Mike Harmon.

Staff present: Steve Robinson, City Administrator; Jason Brisson, Director of Community Development, Planning, Zoning and Building Services; Todd Wietzema, Public Works Director; Janice Oberloh, City Clerk.

Others present: Leah Ward, The Globe; Justine Wettschreck, KWOA.

PROJECT UPDATE/DISCUSSION

Staff provided updates on the following projects:

Public Works Building - Todd Wietzema, Public Works Director, reported that most of the demo has been completed on the facility. Steve Robinson, City Administrator, said they have done some value added engineering. Mr. Wietzema added that there may be room for additional offices on the upper level - three offices are currently in the plan. September 15th is still the targeted completion date. Staff has met with the Eagles Board regarding the triangular piece of property needed to square off the property.

Beach Nook - Todd Wietzema, Public Works Director, reported that the first preconstruction meeting was held today - they are looking at running the water line next week. The Tenth Avenue bike trail may need to be closed off for safety reasons until the trucks are done running in and out there. The completion date for the building is August 10th. Trail restoration and landscaping will be done after that.

Splash Pad - The Utility work was completed last fall and the in-ground water storage tank is in. The contractor is hoping to get in there by Monday to complete the project - looking at four weeks for completion time so it should be open by Memorial Day. The Department of Health gave their plan approval, and Mr. Wietzema said six of his people have received their pool inspection license as the splash pad will need to be inspected once a day. The fixtures are in storage at the airport.

Entertainment Building - Steve Robinson, City Administrator, noted he had received the plans by email last night but couldn't open the file so a hard copy was going to be shipped. It is hoped to have the plans completed by April 29th - at this point the target completion date is still in tact.

Field House - Steve Robinson, City Administrator, provided a review of the sales tax projects and the teams set up to lead them. He also provided an update of the sales tax bill as it makes its way through the legislature. We will need to provide a resolution further defining our projects. The field house is our first priority of the projects, and Mr. Robinson asked if Council would have any interest in making it a two phase project. The first would be to get the field house done and operational for

next winter, and complete the addition in the second phase. The committee supported this plan. He did a walk through with prospective architects today, and will be providing another tomorrow for a different architect. Discussion was held on possible uses, programming and partnerships for the facility.

10th Street Plaza - Mr. Robinson said he had spoken with the City Manager of Cuero, Texas, who indicated he had downloaded the plans for their pavilion project onto a flash drive and put it in the mail but we haven't received it yet. He will call the Committee together when he receives it.

While the field house has been identified as the first priority, Mr. Robinson said the Aquatic Center team would start on that project this summer. Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said a location should be identified this summer and then look at hiring a consultant to work on the plans in the fall. Construction could start next year wrapping up in the fall, with the facility to open in 2021.

A decision needs to be made regarding the Ice Arena project on whether we invest in the current facility or raise money to build a new facility. Staff noted the current facility is functional so there is no immediate need for that decision. Todd Wietzema said there is a meeting coming with some of the stakeholders in the project.

The Lake Quality and Park improvements projects will be a work in progress and we may be a couple of years out.

THOMPSON HOTEL UPDATE / DISCUSSION

Staff reported that three private parties have now stepped up with interest in renovating and purchasing the facility - two of them with similar situations and one is a bit different. One path would have very little or no City participation where the unit would be restored to a safe and livable condition but may not be a full scale renovation. Two of the parties are looking at this type of plan. Another party has stepped forward who would require substantial and significant City participation financially. The final product would be a fully renovated building capable of commanding some of the highest rents in the entire city. They are requesting a TIF.

Mr. Brisson said if Council is interested in that proposal, he would propose that we look at a total project cost, look at what the investor is going to get from the project, and if that percentage is within an acceptable range, then we could look at participating to cover that gap.

The renovation that could bring the building up and make it safer could probably happen much faster, the other would take some time to flush out and vet, and Council would need to decide how much they want to participate and in what manner. Mr. Brisson said he was looking for some discussion on which path Council was more comfortable with. Mr. Robinson reminded Council that

we don't own the facility, and to the receiver, it's first come first serve. Because of the legal position we put ourselves in we could contest the sale, but not sure on what grounds that would be. Any offer goes to the receiver rather than Wells Fargo. Any of them could go to Wells Fargo and put in an offer and it may be accepted. Mr. Robinson said we are basically acting as a source of information to the potential buyers. All three of the parties have indicated that the roof needs to be completed immediately. Our role through our housing ordinance would be to enforce the roof getting put on as quickly as reasonable.

The City so far has spent \$181,000 on the facility, including the first payment on the re-roofing. The money from the TIF was to only be used on the Thompson. Mr. Robinson said he told the three interested parties that the City would not be coming after the remaining \$100,000 from the TIF, but that would be a Council decision. If a new owner did not want the roofing materials the City purchased, they could be used on the field house project. Additional conversation needs to be held with the County Assessor regarding the valuation of the Thompson building.

Mr. Brisson said he was looking for direction regarding the party that came forward who wants a substantial contribution from the City - would Council be interested in us directing them to move forward and being willing to come to the table and talk about it, or is Council not interested in that option? Mayor Kuhle said we shouldn't turn anyone away at this point. Mr. Robinson said he would contact Lighthouse and let them know about the proposals, adding that he considers all three of them to be viable parties.

ADJOURNMENT

The motion was made by Council Member Oberloh, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 5:04 p.m.

Janice Oberloh, MCMC
City Clerk