

**WORTHINGTON CITY COUNCIL
SPECIAL MEETING, JULY 18, 2018**

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; Dwayne Haffield, Director of Engineering; Todd Wietzema, Public Works Director; Janice Oberloh, City Clerk.

Others present: Justine Wettschreck, KWOA; Karl Evers-Hillstrom, The Globe; Chris Kielblock, Rodney Obermoller.

CONDITIONAL USE PERMIT - RODNEY OBERMOLLER

Rodney Obermoller, ROC Construction, was seeking a conditional use permit for construction of two two-unit 1,654 square foot duplexes with three 576 square foot attached garages and one 624 square foot garage at 873 and 877 Flower Lane. Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said the property is zoned 'R-1' - Single Family Detached, however, two-family dwellings are permitted in the 'R-1' district through issuance of conditional use permit. The legal description of the subject property is:

Lots 4, 5, 10, 15, 16, and 17, Block 17, Ludlow Acres, City of Worthington, Nobles County, Minnesota.

The Planning Commission considered the request at their July 17, 2018 Special Meeting, and after holding a public hearing, voted unanimously to recommend Council approval of the conditional use permit with the following condition:

1. The applicant submit a revised site plan with the development shifted east such that the resulting development proposal conforms to City Code § 155.145 impervious surface coverage requirements for the subject property and all other applicable City Code requirements.

Mr. Brisson said that Flower Lane runs through the property and has been used as public property and is, therefore, counted as public property - it does not count against him for impervious nor does it count as green space. The square footage of Flower Lane on his property was removed from the property prior to the calculation of allowable impervious coverage. Based on that process, the project is 219 square feet over the allowable number. The recommendation was to shift the development further to the east to bring the driveways closer to the road and eliminate some of the impervious.

Council Member Oberloh said, because the property has a roadway running through it, he wouldn't have any problem with letting Mr. Obermoller build the development as planned, keeping the

roadway in it, then doing a formal taking of it. Mr. Obermoller said the requested condition would result in moving the development east approximately three or four feet, requiring him to drop the driveway down to 28 feet, which he would prefer not to do. Council Member Ernst suggested that Council needs to have a reason they would allow him to go over the impervious limit, much like Planning Commission so it doesn't become a standard. Council responded that the reason would be the road that the City is taking over. Mr. Obermoller said he would like to see the road hard-surfaced. Mr. Brisson said the City originally had that improvement as CIP, but is now looking at it as alleyway improvement through a cooperative agreement.

Dwayne Haffield, Director of Engineering, noted any cooperative agreement under the conditional use permit should include the condition of continued maintenance of the improved road.

Following discussion, the motion was made by Council Member Oberloh, seconded by Council Member Janssen and unanimously carried to approve the conditional use permit as requested with the allowance of additional impervious coverage based on the Flower Lane alignment.

DREDGE PROPERTY DISCUSSION

Steve Robinson, City Administrator, provided a short history of the dredge property and the interest of the Ethiopian Orthodox Church in purchasing a portion of it for a Worship Center Church. The property was declared as surplus property by Council at the end of May. The City's property disposal policy provides for three methods of disposal: directed sale, which does not apply in this case; transfer to the Economic Development Authority, which is required by State Statute to provide proof economic benefit and other restrictions; or by public sale. In this case we have one interested party - it could be sold for the purpose of benefitting the sale of other properties on the west side, to advance economic development on other parcels. Mr. Robinson said the City Attorney has advised that if Council is to deviate from the policy, they should state the reason and note that it applies to this transaction only. Any proceeds from the sale of the property are to be returned to the E.O. Olson Trust Fund. Mr. Robinson suggested that the property be sold as is, with the buyer to assume all assessments to avoid any arguments with the Trust over who receives those payments.

Discussion was held on future roads in the development, how much and which portion of the property would be offered for the sale, and the impact on the remaining parcels for sale. The west portion of the property is worth more than the east. Dwayne Haffield, Director of Engineering, reminded Council that if a business comes in offering 30 to 40 jobs and is looking for a readily available seven acre site, it would be the west side of that property. If Council sells that portion now, there won't be a readily available site like there is now. He noted the east side does have dredge fill in it so would have more liability.

As the previous location the Church had looked at had 5 to 5.5 developable acres, it was suggested that the same number of acres be offered from the dredge property. The appraised value of the

dredge property is \$35,500 per acre, but they were offering \$27,000 per acre with all improvements included. Mr. Robinson said his rough estimate for sewer and water assessments on the west side for five acres is \$40,300, or \$8,060 per acre. Mr. Haffield said he would provide Council with information on what a future road into the property would look like. He also pointed out the Church will need to have storm water management.

Following discussion, Council determined the following:

- To deviate from the property disposal policy for the reason that the funds from the sale will go to the E.O. Olson Trust for water quality improvement per the agreement, making it a unique sale.
- Number of acres 5.5 to 7 acres
- The selling price will be in the \$25,000 per acre range, based on the location, with the buyer assuming all assessments

ADJOURNMENT

The motion was made by Council Member Cummings, seconded by Council Member Ernst and unanimously carried to adjourn the meeting at 5:02 p.m.

Janice Oberloh, MCMC
City Clerk