

**WORTHINGTON CITY COUNCIL/ HOUSING & REDEVELOPMENT AUTHORITY  
SPECIAL MEETING, APRIL 3, 2019**

The meeting was called to order at 1:00 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. Mayor Kuhle noted that following the call to order of both entities, the meeting would adjourn for the group to tour the Thompson Hotel, then reconvene back in City Hall Council Chambers.

For the HRA, the meeting was called to order by Randy Thompson with the following Board members present: Marty Rickers, Lyle Ten Haken, Alan Oberloh, Bridget Huber, Lori Bristow (1:55 p.m.)

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: Justine Wettschreck, KWOA; Leah Ward, The Globe; Brian Bergstrom and Alec Boyce, SEH.

**HOTEL THOMPSON DISCUSSION**

Mayor Kuhle adjourned the meeting to allow the group to walk to the Hotel Thompson facility for a tour, which included apartments, a common area and the basement. Following the tour, the meeting was reconvened in City Hall Council Chambers at 1:55 p.m.

Council Member Oberloh said the HRA Board had a conversation at their last meeting on whether the HRA had the ability to take on this project. The answer was no, it would bankrupt the HRA. The financing of the project would need to come from the City, but the HRA could manage it with an on-site manager and an additional maintenance person. Ballpark figure for the additional staff was \$100,000. Council, HRA Board Members, and Staff discussed the overall state of disrepair of the facility. Observations were several disagreeable smells, including mold and dampness, missing and stained ceiling tiles and falling ceilings resulting from water damage, uneven floors and dirty and stained walls and carpets. Several apartments have been deemed as uninhabitable by the management company. Council, staff and HRA Board Members agreed that any rehab would require going to the bare studs. When asked about occupancy at the hotel, Jason Brisson, Director of Community Development, Planning, Zoning and Building Services, said the apartments deemed to be habitable are all rented.

Mr. Brisson said he sees the options are to sell it as is, demo the facility, or the City decides to take it on. Council would need to weight the historical value of the building against the multi-million dollar project it would be to renovate it. Council Member Cummings said because of the historical value of the building he would not be comfortable making any decision to demo the building until a thorough investigation of the structure was done. Council Member Oberloh suggested that repairs could be made to accommodate the commercial tenants there, and worry about the others later. In

the interest of health and safety, he didn't think we can rent the apartments. Steve Robinson, City Administrator, noted the cost of a financial estimate for repairs/ renovation could be \$20,000 to \$30,000. Brian Bergstrom, SEH, said it would depend on how deep you have to go for the investigation, and if there is asbestos. Mr. Brisson suggested that if the City moves forward with the roof it should become the property of the City or that money will just be gone. Lyle Ten Haken noted that if you do the roof and rehab for the commercial tenants you will also need to do the boiler. Mr. Brisson said the boiler is non-functional at this time, there is a carbon monoxide problem when it runs, but they are not sure if it is the boiler or in the delivery system. Mr. Brisson reminded Council that this situation was forced on the City due to the negligence of private owners over a large period of time, if it comes to a decision to demo the building no one should feel bad about it.

Council Member Oberloh asked if a private owner bought it, would the City have the ability to tell them they cannot rent those apartments unless the building is renovated - should it be tagged? Council Member Ernst said we need to look at the impact to the downtown businesses if the facility was gone. Mr. Robinson cautioned that money invested in this may be taking away from other potential projects, noting it will take months to put this all together in a study. Mr. Ten Haken stated that even if the decision is made to demo the building, those costs would also fall on the tax payers. Mr. Robinson added that the City would have \$360,000 to \$380,000 invested if we go through with the roof.

The motion was made by Council Member Oberloh and seconded by Council Member Ernst to move forward with the roof repair. Further discussion continued, with Council Member Janssen suggesting that the City wait with the roof until after the auction. It was pointed out that the auction will not occur for several weeks. Council Member Oberloh called the question. The following Council Members voted in favor of the motion: Oberloh, Cummings, Ernst, Harmon; and the following Council Members voted against the motion: Janssen. Motion carried.

A motion was made by Council Member Oberloh and seconded by Council Member Harmon to tag the building for occupancy for residential renters. Discussion was held on the notice period to vacate. Council Member Oberloh suggested 90 days, Council Member Harmon accepted the amendment, with the following Council Members voting in favor of the motion: Oberloh, Cummings, Ernst, Harmon; and the following Council Members voting against the motion: Janssen. Motion carried.

### **ADJOURNMENT**

The motion was made by Council Member Janssen, seconded by Council Member Cummings and unanimously carried to adjourn the meeting at 2:56 p.m.

For the HRA: Randy Thompson declared the meeting adjourned with Council.

Janice Oberloh, MCMC  
City Clerk