

**WORTHINGTON CITY COUNCIL
SPECIAL MEETING**

**3:30 P.M. - Wednesday, January 22, 2020
City Hall Council Chambers**

A. CALL TO ORDER

B. CITY COUNCIL BUSINESS - ADMINISTRATION

1. City of Worthington Economic Development Authority
2. Worthington Rediscovered Program

C. CITY COUNCIL BUSINESS - COMMUNITY DEVELOPMENT

1. Outdoor Services Area

D. CITY COUNCIL BUSINESS - PUBLIC WORKS

1. Private docks on public land

E. ADJOURNMENT

ADMINISTRATION MEMO

DATE: JANUARY 22, 2020

TO: HONORABLE MAYOR AND CITY COUNCIL

SUBJECT: ITEMS REQUIRING BOARD ACTION OR REVIEW

CASE ITEMS

1. CITY OF WORTHINGTON ECONOMIC DEVELOPMENT AUTHORITY

The City of Worthington Economic Development Authority (EDA) was established by Resolution 1938 of the City Council in August 1986. Pursuant to the Resolution, the City's EDA was established with all the powers in Minnesota Statutes 458C without limitation, the members of the City Council serve as the Commissioners, and the terms of the Commissioners coincide with the terms of the office of the City Council members. Pursuant to the Minnesota State Statute, the Authority was required to elect a president, vice president, treasurer, secretary, and assistant treasurer. Officers were appointed at the EDA's first meeting in August 1986. All Statutes contained within 458C have since been repealed and Minnesota State Statutes governing local economic development authorities are now located in Chapter 469. Chapter 469 states that the authority shall elect the president, treasurer, and secretary annually. City staff was unable to locate any bylaws adopted for the City's EDA.

The City and Worthington Public Utilities recently invested \$3 million dollars into a development project intended to create new residential lots. The intention is to sell these new lots to builders to recover the development costs and generate new residential development within the City. The City also has a revolving loan fund with approximately \$838,400 in unrestricted cash, \$338,552 in restricted cash, and an additional \$137,781 in receivables as of December 31, 2019. The current fund balance and receivables is shown in Exhibit 1A. The City also recently reduced its funding to the Worthington Regional Economic Development Corporation and restructured its Community/Economic Development Department to enable the City to become more actively engaged in economic development. Lastly, the City's most recent economic development strategic plan was adopted in 2011. Many of the objectives identified in this plan have since been completed, explored and found to be untenable, or have fallen out of favor as a priority. Many priorities and new challenges for the City have also since emerged. Due to some of the requirements imposed on municipal corporations by the State and Federal layers of government, existing City policies, and the increasing specialization of economic development, staff finds that the City's EDA would be better suited for selling the new residential lots, administering the City's Revolving Loan Fund, and working with City staff on City economic development efforts.

The State of Minnesota governs the makeup of EDAs. Any EDA must have three, five, or seven members. A three member EDA must have at least one City Council member; five and seven-member EDAs must have at least two. Any EDA member must reside or own

a business within the City of Worthington. The officer requirements above also apply. The City Council may transfer all authority contained within State law to the EDA, no authority, or only specific types of authority. The exception to this transfer authority is tax increment financing (TIF). An EDA must receive approval from the City Council prior to adoption of a TIF plan. The full limitations of power defined in State Statute are shown in Exhibit 1B.

Given the above, City staff would like Council to consider the following recommendations:

1. Transferring some City-owned property to the City EDA to enable the property to be sold to buyers in a more expedient manner;
2. Transferring the City's RLF to the EDA to give the City increased flexibility to participate in more projects;
3. Reforming the City's EDA to a seven-member Board, appointed by the City Council, to permit participation from the private sector and representation from Worthington Public Utilities, the latter of which has contributed financial participation to support the City's new economic development structure;
 - a. Staff recommends that the City Council imposes a limit on the transfer of authority for the sale of all bonds or obligations issued by the authority. This authority would be subject to Council approval before issuance. All other authority would be transferred to the EDA;
4. Establishing regular monthly meetings of the City EDA to pursue proactive economic development projects and objectives identified in a new strategic plan jointly adopted by the City Council and EDA;
5. Three-year appointment terms for all EDA members. Staff recommends a term number maximum of no less than two but no more than three terms. Any City Council or Public Utilities Commission EDA members must resign from the EDA Board if they should no longer serve in their capacity as City Council or Public Utility Commission member. City Council will fill any term vacancies. Any partial terms less than 18 months served by an EDA member shall not count towards the maximum number of terms. The first appointments will be for one, two, and three-year terms to establish staggered term expirations;
6. Two consecutive unexcused absences from regular EDA meetings shall be cause for replacement; and
7. Minutes from all City EDA meetings shall be submitted to the City Clerk four days prior to the next regular City Council meeting and no later than five business days after the Board's meeting;

Because staff was unable to find any existing adopted bylaws for the City EDA, City staff finds that bylaws should also be established for the Board. A proposed set of bylaws for the EDA are shown in Exhibit 1C. These were adapted from a model resolution contained in the Economic Development Authority Handbook produced by the Minnesota Economic Development Foundation and the Department of Employment and Economic Development in 2011. It has been modified to include the City of Worthington and includes provisions for a seven-member board.

Council direction is requested.

2. WORTHINGTON REDISCOVERED PROGRAM

City staff would also like the City Council to consider the Worthington Rediscovered program. The Worthington Rediscovered program was established by the City Council in 2006 to “strengthen established residential areas through the removal of substandard housing units and reinvestment of redevelopment projects.” The program functioned by removing substandard housing units that were scheduled for redevelopment of new housing units or removing blighted buildings to improve the property values of nearby properties. Council initially committed \$125,000 per year for four years (2006-2009) to the program. The program’s adopted guidelines are shown in Exhibit 2A. By researching City files, staff was able to identify 15 projects that were funded by the Worthington Rediscovered program from 2006-2013. The Worthington Rediscovered Committee has not met since its last funded project in 2013. The current fund balance of this program is \$116,906. These funds have been carried over in the City’s budget for the past 7 years without any use.

City staff plans to request the City’s EDA to consider undertaking a strategic planning effort to determine the City’s direction on economic development. This planning will also give City economic development staff clear direction and establish measurable objectives. City staff is requesting the City Council to consider transferring these funds from the Worthington Rediscovered program to the Economic Development Authority fund 231 to provide some initial level of funding for any projects that may be identified during its strategic planning session.

Council direction is requested.

883-ECONOMIC REVOLVING LOAN

ACCOUNT #	ACCOUNT DESCRIPTION	BALANCE
ASSETS		
=====		
883-11110-0000	CASH IN BANK	838,399.57
883-11310-0000	RESTRICTED CASH IN BANK	338,552.17
883-12329-0000	MISC CERT OF DEP INT RECEIVABL	4,737.00
883-12399-0000	MISC INTEREST RECEIVABLE	0.00
883-12910-0000	ACCOUNTS RECEIVABLE	0.00
883-12951-0000	REITECH CORP	0.00
883-12952-0000	FULLERTON BUILDING	0.00
883-12953-0000	OMEHARI, INC ER LOAN	0.00
883-12954-0000	HOLIDAY INN EXPRESS	0.00
883-12955-0000	BEDFORD TECHNOLOGIES	0.00
883-12956-0000	TRAVEL EXPRESS	0.00
883-12957-0000	PRAIRIE VENTURES ER LOAN	0.00
883-12958-0000	PRAIRIE VENTURES DTED ER LOAN	0.00
883-12959-0000	BEDFORD TECH DTED ER LOAN (100	0.00
883-12961-0000	NEWPORT LABORATORIES INC	0.00
883-12962-0000	B&R VENTURES, LLC E.R. LOAN	0.00
883-12963-0000	LIVING LIFE ADULT DAY CARE CTR	0.00
883-12964-0000	BIOVERSE	0.00
883-12983-0000	CUSTOMER OVERDRAFT RECEIVABLE	0.00
883-15951-0000	REITECH CORP	0.00
883-15952-0000	FULLERTON BUILDING SYSTEMS E.R	0.00
883-15953-0000	OMEHARI, INC ER LOAN	0.00
883-15954-0000	HOLIDAY INN EXPRESS	0.00
883-15955-0000	BEDFORD TECHNOLOGIES E.R. LOAN	0.00
883-15956-0000	GANESHJI, INC ER LOAN	0.00
883-15957-0000	PRAIRIE VENTURES ER LOAN	0.00
883-15958-0000	PRAIRIE VENTURES DTED ER LOAN	0.00
883-15959-0000	BEDFORD TECH DTED ER LOAN (100	0.00
883-15961-0000	NEWPORT LABORATORIES, INC	0.00
883-15962-0000	B&R VENTURES, LLC E.R. LOAN	137,781.41
883-15963-0000	LIVING LIFE ADULT DAY CARE	0.00
883-15964-0000	BIOVERSE INC	0.00
		1,319,470.15
TOTAL ASSETS		1,319,470.15
		=====
LIABILITIES		
=====		
883-20200-0000	AP (DUE TO POOL)	0.00
883-21129-0000	MISC ACCOUNTS PAYABLE	0.00
883-21419-0000	MISC DUE TO GENERAL FUND	0.00
883-21799-0000	MISC OTHER DEFERRED REV	0.00
TOTAL LIABILITIES		0.00

469.092 LIMIT OF POWERS.

Subdivision 1. **Resolution.** The enabling resolution may impose the following limits upon the actions of the authority:

(1) that the authority must not exercise any specified powers contained in sections 469.001 to 469.047, 469.090 to 469.108, and 469.124 to 469.133 or that the authority must not exercise any powers without the prior approval of the city council;

(2) that, except when previously pledged by the authority, the city council may by resolution require the authority to transfer any portion of the reserves generated by activities of the authority that the city council determines is not necessary for the successful operation of the authority to the debt service fund of the city, to be used solely to reduce tax levies for bonded indebtedness of the city;

(3) that the sale of all bonds or obligations issued by the authority be approved by the city council before issuance;

(4) that the authority follow the budget process for city departments as provided by the city and as implemented by the city council and mayor;

(5) that all official actions of the authority must be consistent with the adopted comprehensive plan of the city, and any official controls implementing the comprehensive plan;

(6) that the authority submit all planned activities for influencing the action of any other governmental agency, subdivision, or body to the city council for approval;

(7) that the authority submit its administrative structure and management practices to the city council for approval; and

(8) any other limitation or control established by the city council by the enabling resolution.

Subd. 2. **Modification of resolution.** The enabling resolution may be modified at any time, subject to subdivision 5, and provided that any modification is made in accordance with this section.

Subd. 3. **Report on resolution.** Without limiting the right of the authority to petition the city council at any time, each year, within 60 days of the anniversary date of the first adoption of the enabling resolution, the authority shall submit to the city council a report stating whether and how the enabling resolution should be modified. Within 30 days of receipt of the recommendation, the city council shall review the enabling resolution, consider the recommendations of the authority, and make any modification it considers appropriate. Modifications must be made in accordance with the procedural requirements of section 469.093.

Subd. 4. **Compliance.** The city council's determination that the authority has complied with the limitations imposed under this section is conclusive.

Subd. 5. **Limits; security.** Limits imposed under this section must not be applied in a manner that impairs the security of any bonds issued or contracts executed before the limit is imposed. The city council must not modify any limit in effect at the time any bonds or obligations are issued or contracts executed to the detriment of the holder of the bonds or obligations or any contracting party.

History: 1987 c 291 s 93; 2013 c 125 art 1 s 107

BYLAWS OF THE ECONOMIC DEVELOPMENT AUTHORITY OF THE CITY OF
WORTHINGTON, MINNESOTA

ARTICLE I - THE AUTHORITY

Section 1. Name of Authority. The name of the Authority shall be the “Economic Development Authority of the City of Worthington, Minnesota” (which may sometimes be referred to as the “EDA” or the “Authority”), and its governing body shall be called the Board of Commissioners (the “Board”). The Board shall be the body responsible for the general governance of the Authority and shall conduct its official business at meetings thereof.

Section 2. Seal of Authority. As required by Minnesota Statutes, Section 469.096, Subdivision 1, the Authority shall have an official seal, which shall be in the form depicted on Exhibit A.

Section 3. Office of Authority. The offices of the Authority shall be the Worthington City Hall.

ARTICLE II - OFFICERS

Section 1. Officers. The officers of the Authority shall be a President, a Vice-President, a Treasurer, an Assistant Treasurer and a Secretary. The President, the Vice-President, and the Treasurer shall be members of the Board and shall be elected annually, and no Commissioner may be both President and Vice-President simultaneously. The Assistant Treasurer and Secretary need not be members of the Board.

Section 2. President. The President shall preside at all meetings of the Board. Except as otherwise authorized by the resolution of the Board, the President and Secretary (the Vice-President, in the Secretary’s absence or incapacity) shall sign all contracts, deeds, and other instruments made of executed by the Authority, except that all the checks of the Authority shall be signed by the Treasurer or Assistant Treasurer. At each meeting the President shall submit such recommendations and information as he or she may consider proper concerning the business, affairs, and policies of the Authority.

Section 3. Vice-President. The Vice-President shall perform the duties of the President in the absence or incapacity of the President; and in case of the resignation or death of the President, the Vice-President shall perform such duties as are imposed on the President until such time as the Board shall elect a new President.

Section 4. Secretary. The Secretary shall keep minutes of all meetings of the Board and shall maintain all records of the Authority. The Secretary shall also have such additional duties and responsibilities as the Board may from time to time and by resolution prescribe.

Section 5. Treasurer. The Treasurer shall have the care and custody of all funds of the Authority and shall deposit the same in the name of the Authority in such bank or banks as the Board may select. The Treasurer and Assistant Treasurer shall sign all orders and checks for the payment of money and shall pay out and disburse such moneys under the direction of the Board. The Treasurer shall keep regular books of accounts showing receipts and expenditures and shall render to the Board, at least annually (or more often when requested), an account of such transactions and also of the financial condition of the Authority. The Treasurer shall post a bond as required by Minnesota Statutes, Section 469.096, Subdivision 6. The Assistant Treasurer shall act as the Treasurer's agent and assistant to perform the above-described duties, subject to the Treasurer's approval thereof.

Section 6. Additional Duties. The officers of the authority shall perform such other duties and functions as may from time to time be required by the Board or the bylaws or rules and regulations of the Authority.

Section 7. Vacancies. Should the office of the President, Vice-President, Treasurer, Assistant Treasurer or Secretary become vacant, the Board shall elect a successor at the next regular meeting, or at a special meeting called for such purpose, and such selection shall be for the unexpired term of said officer.

Section 8. Additional Personnel. The Board may from time to time employ such personnel as it deems necessary to exercise its powers, duties, and functions. The selection and compensation of such personnel shall be determined by the Board.

ARTICLE III - MEETINGS

Section 1. Regular Meetings. The regular meetings of the Board shall occur according to a meeting schedule, if any, adopted or revised from time to time by resolution of the Board.

Section 2. Special Meetings. Special meetings of the Board may be called by the President or any two members of the Board for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered at any time prior to the time of the proposed meeting to each member of the Board or may be mailed to the business or home address of each member of the Board at least two (2) days prior to the date of such special call, but if at least five members of the Board are present at a special meeting, any and all business may be transacted at such special meeting. Notice of any special meeting shall be posted and/or published as may be required by law.

Section 3. Quorum. The powers of the Authority shall be vested in the Board. Four Commissioners shall constitute a quorum for the purpose of conducting the business and exercising the powers of the Authority and for all other purposes, but a smaller may adjourn

from time to time until a quorum is obtained. When a quorum is in attendance, action may be taken by the Board upon a vote of a majority of the Commissioners present.

Section 4. Order of Business. At the regular meetings of the Board the following shall be the order of business:

1. Roll call.
2. Approval of the minutes of the previous meeting.
3. Bills and communications.
4. Unfinished business.
5. New business.
6. Reports.
7. Adjournment.

All resolutions shall be written and transcribed and shall be retained in the journal of the proceedings maintained by the Secretary.

Section 5. Adoption of Resolutions. Resolutions of the Board shall be deemed adopted if approved by not less than a simple majority of all Commissioners present, unless a different requirement for adoption is prescribed by law. Resolutions may but not need be read aloud prior to vote taken thereon and may but not need be executed after passage.

Section 6. Rules of Order. The meetings of the Board shall be governed by the most recent edition of Robert's Rules of Order.

ARTICLE IV - MISCELLANEOUS

Section 1. Amendments to Bylaws. The bylaws of the Authority shall be amended only by resolution approved by at least four members of the Board.

Section 2. Fiscal Year. The fiscal year of the Authority shall coincide with the fiscal year of the City of Worthington, Minnesota.

Adopted on _____, 2020.

Exhibit A

Form of Official Seal



INTENT

The purpose of the Worthington Rediscovered program is to strengthen established residential areas through the removal of substandard housing units and reinvestment of redevelopment projects.

OBJECTIVE

- To remove substandard housing units on scattered sites throughout the community with new, higher valued development (preferably housing units).
- To eliminate blighting influence of substandard housing units, thus improving residential neighborhoods.

IMPLEMENTATION

To accomplish the goals of "Worthington Rediscovered", the Worthington City Council has committed \$125,000 each year for the next four years (2006-2009) to finance the following activities:

1. Financially assist interested persons or parties with the demolition of housing units when an eligible redevelopment plan exists. For the purpose of this program, redevelopment shall be defined as the construction of a structure(s) that will have a minimum of a 60% increase in the assessed valuation over the structure(s) removed. Redevelopment shall also include the purchase of a non-conforming lot for the incorporation with an abutting non-conforming lot resulting in the ownership of a conforming lot.
2. City acquisition and demolition of substandard housing units and offer the vacant lot to individuals/parties for redevelopment through the Request For Proposals (RFP) process.

APPLICATION

Applications for this program will be considered on a "first come - first served" basis. Should funds become exhausted in a fiscal year, the unfunded applications will be held and given first consideration in the following year. A complete application shall consist of:

- Letter requesting financial assistance;
- Legal description of the subject property;
- Proof of ownership (deed, contract of deed, purchase agreement, option, etc...);
- A site plan of the proposed redevelopment activity; and
- Two competitive bids for the demolition work requested.

Upon submittal of a completed application, the Worthington Rediscovered Committee, which consists of 3 individuals annually appointed by the Mayor, shall schedule a date to review an application. The date shall not exceed 21 days from the date of application. The Committee shall have the responsibility to determine which applications will be approved or denied.

PPEALS

If the Committee does not award an application, the applicant may appeal the Committee's decision to the City Council. The appeal must be in writing and submitted within 7 days of the Committee's action. Upon receipt of an appeal, the matter would be placed on the agenda of the next regularly scheduled Council meeting. The Council may uphold, reverse or modify the Committee's action.

DISBURSEMENT OF FUNDS

Worthington Rediscovered money shall serve as a reimbursement when the redevelopment project has been completed as outlined in the Development Agreement, which is to be executed by the applicant and the City of Worthington. Upon completion, the applicant will need to provide documentation of competitive bidding and satisfaction of all financial obligations for the demolition work.

QUESTIONS

Anyone with questions regarding the Program outlined may contact the City's Community / Economic Development Department by phone (507-372-8640) or in person by visiting City Hall.

COMMUNITY/ECONOMIC DEVELOPMENT MEMO

DATE: JANUARY 22, 2020

TO: HONORABLE MAYOR AND CITY COUNCIL

SUBJECT: ITEMS REQUIRING BOARD ACTION OR REVIEW

CASE ITEMS

1. OUTDOOR SERVICE AREAS

City Administration staff has received a request from a local downtown business regarding operating an outdoor seating area where alcohol is served in a public right of way. This arrangement is not currently permitted by the Worthington City Code. The policymakers will need to work directly with City Engineering staff on policy regarding private use of public right of way. The policymakers will also need to work directly with City Administration on licensing alcohol service on public right of way. City Community Development staff is seeking direction from Council on the planning and land use components of this request.

The City's existing outdoor serving areas, The Ground Round, The Eagles Lodge, and The Tap are currently classified within the existing land use classification of 'Entertainment' (including bars, taverns, cocktail lounges, night clubs, theaters, billiard parlors, pool halls, bowling alleys and massage parlors). City Planning staff is looking for direction from the City Council as to whether Council wishes to create a new land use classification within the City Zoning Ordinance for outdoor serving areas. Draft language for this land use is below:

An outdoor serving area compact and contiguous to a bar, tavern, restaurant, café, coffee shop, brewery, brewpub, or distillery where alcohol is served.

The draft definition assumes the City will require these to be adjacent to an existing facility, as staff finds a standalone facility would be more akin to a street vendor or farmer's market. Council may wish to only govern these areas where alcohol is served (as shown above), or it may wish to govern these areas similarly whether or not alcohol is served. Two land use definitions could be created for each variation, if Council wishes.

City staff finds that outdoor serving areas may create land use conflicts not posed by indoor serving areas, such as increased noise for neighboring properties. If this new land use classification was permitted in the same manner as the 'Entertainment' land use classification, no additional permitting would be required for these outdoor serving areas, but it would allow City Council greater ability to address any future land use conflicts created by this land use. For that reason, staff recommends the City Council direct staff to prepare an Ordinance to establish a new land use classification for outdoor serving areas.

The current land use controls for these land uses are below:

<u>Land Use</u>	<u>Downtown District</u>	<u>General Business District</u>
Entertainment	Permitted	Conditional Use
Brewery	Conditional Use	Conditional Use
Brewpub	Conditional Use	Conditional Use

The land use of ‘Entertainment’ (including bars, taverns, cocktail lounges, night clubs, theaters, billiard parlors, pool halls, bowling alleys and massage parlors) is currently permitted in the downtown district without any public hearings or special approvals. The land use of brewery and brewpub are permitted in the downtown district with the issuance of a conditional use permit only. The land uses of ‘Entertainment,’ ‘Brewery,’ and ‘Brewpub’ are permitted by conditional use only in the general business zoning district.

If the City Council wishes to describe outdoor serving areas as a new land use classification, Council will need to define the land use controls for this new land use. If Council wishes to regulate these land uses in the manner that ‘Entertainment’ land uses are governed, the resulting land use controls would be as follows:

<u>Land Use</u>	<u>Downtown District</u>	<u>General Business District</u>
Entertainment	Permitted	Conditional Use
Brewery	Conditional Use	Conditional Use
Brewpub	Conditional Use	Conditional Use
Outdoor Serving Area	Permitted	Conditional Use

Under this arrangement, a developer could open an outdoor seating area where alcohol is served in the downtown zoning district by simply receiving a building permit from the Building Department. No public hearing, City Council or Planning Commission review, or public notice would be required. City staff finds that neighboring landowners may have concerns about the land use that could be discovered and mitigated through a permitting process, such as a conditional use permit. However, the permitting process would be more onerous. The permitting process would take approximately two months and require a high level of detailed design before the developer would receive formal approval for their project.

Upon reviewing zoning ordinances from other cities, staff found other general land use regulations that were adopted to prevent potential land use conflicts between outdoor service areas and other land uses. Based upon review of other ordinances, staff is making the following recommendations:

1. Any outdoor service area must be located at least 200 feet from a residential land use;
2. No music is permitted after 10pm;
3. The hours of outside service areas be restricted to 10:00am-11:00pm. No service

- be permitted outside after 10pm;
4. Outdoor service areas shall be swept daily when in use;
 5. Any seating areas must meet Americans with Disabilities Act (ADA) Standards; and
 6. Any lights used for exterior illumination shall direct light away from adjoining properties.

Though staff is not making recommendations on the following, staff also commonly found regulations on the below in many zoning ordinances:

1. Outdoor service areas limited to a defined season (often April through October);
2. Required screening for the service area;
3. Access to the service area must be through the adjacent primary land use of which the area is an accessory use; and
4. Regulations on the types of furniture permitted in these areas.

Council direction is requested for further policy development and consideration as it pertains to this request.

PUBLIC WORKS MEMO

DATE: January 17, 2020
TO: HONORABLE MAYOR AND CITY COUNCIL
SUBJECT: WORK SESSION

REVIEW ITEM

1. **PRIVATE DOCKS ON PUBLIC PROPERTY**

City staff has been contacted by Lake Shore Marina, LLC about putting a dock system adjacent to their property at 515 South Shore Drive. This dock system would consist of slips that would be rented out to private individuals who want to keep their boats on Lake Okebena. They have presented a business plan along with some designs that they are proposing this dock will look like.

I have attached our current city ordinance that pertains to docks. City Council at their May 13th, 2013 meeting adopted a policy that states that council will annually set the number of dock permits that the city can issue and approve each dock permit application. Staff would like council to review the proposed marina and have a discussion about private docks on public property.

§ 93.40 DOCKS.

General regulation pertaining to all docks on Lake Okabena.

(A) *All docks.* It is unlawful to have docks extending more than 100 feet from shore. All docks shall be removed no later than October 15 of each year. No dock shall be installed before April 15, or before all ice is out of the lake each spring, whichever is later.

(B) *Private docks on public property.*

(1) *Permit required.* No person shall construct, install, or maintain a dock, wharf, boat lift, or similar structure on public property or upon public waters abutting public property without first obtaining a permit for such apparatus from the city.

(2) *Application.* An application for a permit shall be submitted in writing to the City Clerk on a form prescribed by the city. The application must be accompanied by the required permit fee which shall be set from time to time by the City Council. The application shall also include proof of liability insurance as required by this section.

(3) *Term.* Permits shall issue on an annual basis and shall expire on December 31 of each year. All docks shall be subject to an annual inspection by the city and if a dock does not meet with the minimum criteria established by the city, it shall immediately be brought into compliance by the permit holder or the permit shall be revoked.

(4) *Conditions and restrictions.* The permit holder must at all times during the period of the permit maintain in force liability insurance naming the city as a co-insured in a minimum amount of \$1,000,000. The permit holder must notify the city immediately if the insurance is canceled or lapses for any reason. Failure to maintain such insurance shall result in automatic revocation of the permit. The dock shall be posted with a sign both in written English and Universal symbols indicating NO SWIMMING AND NO DIVING. Signs must be acquired through the city and sign placement must be approved by a duly designated city representative. The permit holder shall maintain the dock in good repair during the term of the permit. The permit holder shall also agree in writing, to indemnify the city from any liability for injuries to persons or property which may arise from the use of the dock.

(5) *Removal of dock if permit violated.* Notwithstanding any other penalties herein, in the event any person, including a permit holder, refuses to remove a dock or other personal property from the lake or public right-of-way, then upon failure to comply following written notice to the owner, the city shall be entitled to remove the offending property, storing, and selling same in accordance with state law. In the event the city suffers a cost of storage and/or sale which is not recovered from the sale, the city shall be entitled to maintain a cause of action against the owner of the dock and/or property to recover the remaining balance.

('69 Code, § 6.32, Subd. 11) (Am. Ord. 755, passed 5-29-90) [Penalty, see § 10.99](#)

Lake Shore Marina, LLC

Business Plan

3 January 2020

Contact Information

Luis Yañez & Karmon Janssen

Lgyanez90@gmail.com

360-402-0215

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Executive Summary

Opportunity

Lake Shore Marina, LLC recognizes the need for seasonal boat slips. Lake Okabena brings a lot of seasonal attraction for summer and winter activities. During the summer, many water enthusiasts unload and reload their boats after each use as there currently are no slips available to store and dock boats. Homeowners in Worthington have the opportunity of using their personal property as an option to store their boats for summer use.

Solution Summary

Lake Shore Marina, LLC would offer seasonal boat slip rentals to utilize Lake Okabena as a summer recreational destination.

Market

Our business will not only offer Worthington, MN residents to keep their watercraft docked during the summer season, but also provide an opportunity for surrounding counties to partake in enjoying Lake Okabena without the need for hauling their personal watercraft every time they come to visit. This will also enhance the potential to bring business to the local community as individuals visit and spend more time in town, alleviated of the hassle of transporting their individual boats. There are currently no alternative boat storage/slips available in Worthington, MN and the closest options are Fairmont, MN or Okoboji, IA.

Why Us?

Luis and Karmon both see extreme potential in Worthington MN and want to see the city grow. Karmon Janssen was born and raised in Worthington, MN. She grew up spending all her summers enjoying boating activities on Lake Okabena and Round Lake. From this experience, Karmon and Luis are committed to bringing a marina to provide opportunity for more people to have their boats stored for regular use throughout the wonderful summers in Worthington, MN.

Expectations

Forecast

We propose to start Summer 2020, pending city approval & dock purchasing. We are going to offer seasonal boat slip rentals at market rate and expect robust customer demand

Financing Needed

None

Opportunity

Problem Worth Solving

- Entry to the Marina
- Parking
- Insurance & Liability
- Security of personal property

Our Solution

- Railing along the walkway would need to be addressed to allow for entry to the boat slip. We are proposing the city would install a gate.
- Parking- Currently there is only the public boat landing and street parking near our proposed marina. Lake users currently park and bring a trailer for their boat. The marina would impose no additional trailer traffic after tenants have launched their crafts for the season. We will provide our own business and liability insurance as appropriate.
- Security of personal property- this will be addressed in the business agreement between the LLC and tenant.

Target Market

Market Size

- Propose up to 8 boat slips

Competition

Current Alternatives

To forego our business opportunity and maintain the private home ownership personal docks and public boat landings.

Execution

Marketing & Sales

Marketing Plan

We will utilize social media and local newspaper for advertisement.

Operations

Locations & Facilities

The marina will be located across from the business owner's commercial property at 515 South Shore Dr Worthington, MN 56187.

Equipment & Tools

Docks will be available for seasonal rental terms starting Memorial Day weekend and terminating Labor Day weekend, weather pending.

Company

Overview

Luis Yañez and Karmon Janssen married in Portland, OR. She was born and raised in Worthington, MN and Luis born and raised in Los Angeles, CA. They are working professionals and Karmon is an active duty Army soldier. Together they have invested much of their own personal time and money into Worthington, MN through their residential rental business. They are hoping this will be another opportunity to see the city grow with all the potential amenities the town has to offer. David Janssen is the brother of Karmon Janssen who currently resides in Worthington, MN. Together we have decided to pursue this opportunity for the potential benefits to the community and residents.

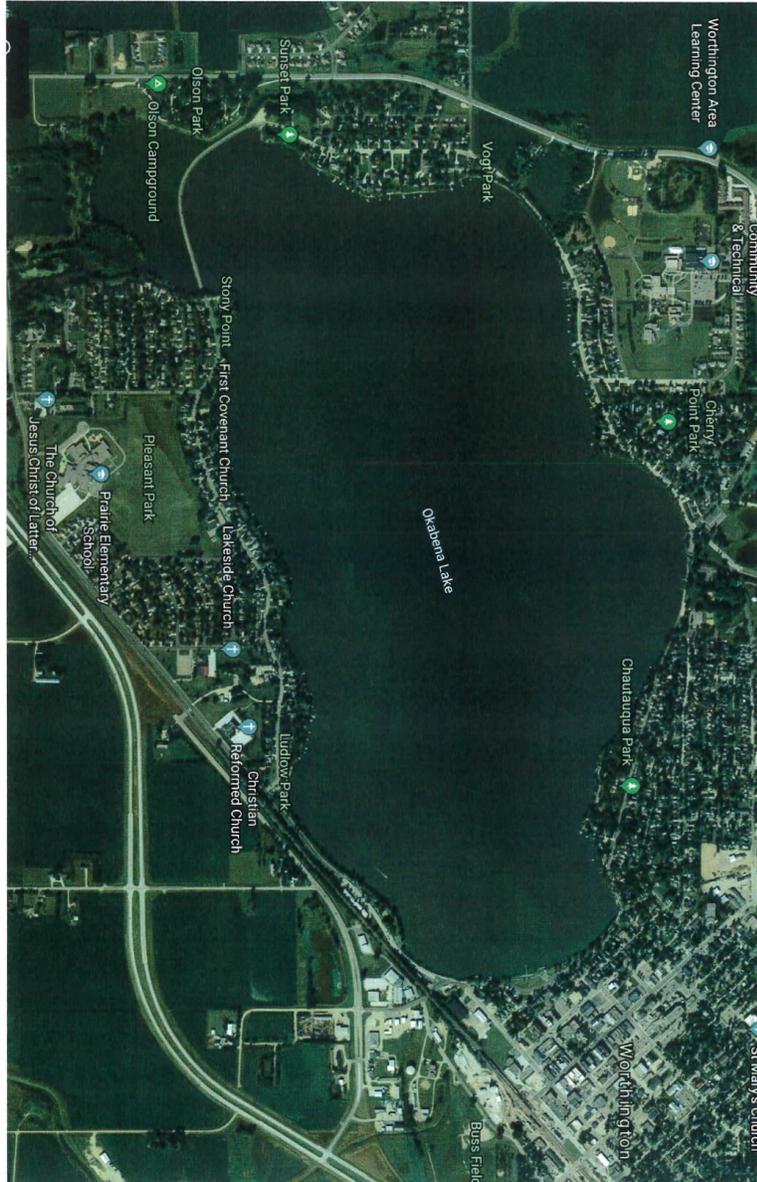
Team

Management Team

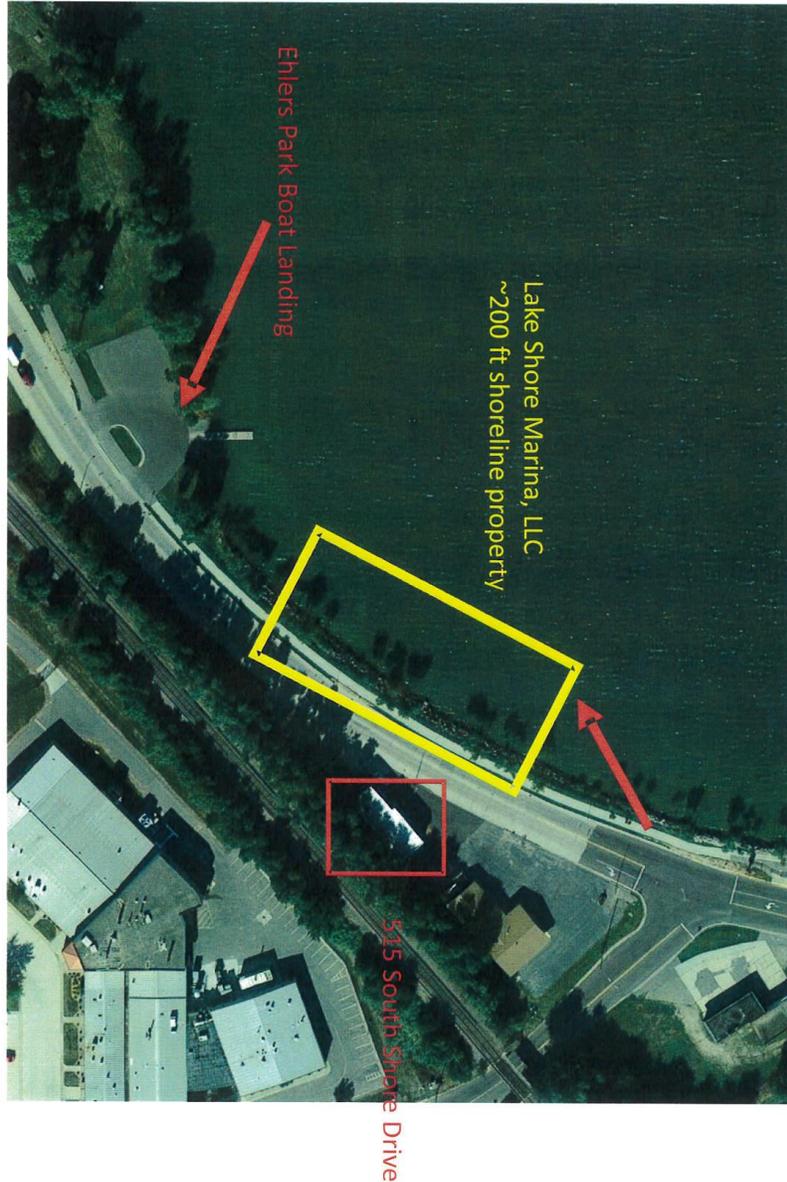
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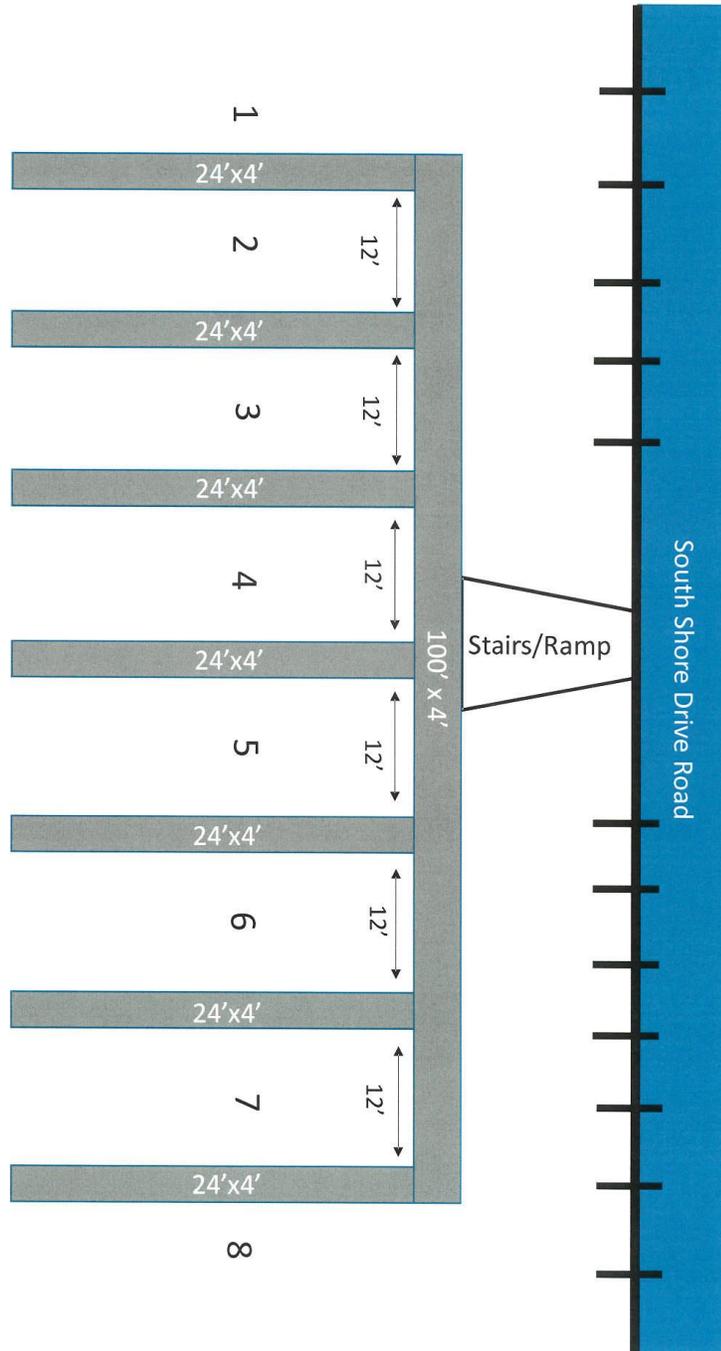
David Janssen- Business Operations 507.350.8182



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