

WILLMAR CITY COUNCIL PROCEEDINGS
BOARD ROOM
HEALTH AND HUMAN SERVICES BUILDING
WILLMAR, MINNESOTA

August 15, 2022
6:30 p.m.

The regular meeting of the Willmar City Council was called to order by Mayor Marv Calvin. Members present on a roll call were Mayor Marv Calvin, Council Members Rick Fagerlie, Julie Asmus, Thomas Butterfield, Michael O'Brien, Justin Ask, Vicki Davis, Andrew Plowman, and Audrey Nelsen. Present 9, Absent 0.

Also present were City Administrator Leslie Valiant, City Operations Director Kyle Box, Police Captain Michael Anderson, Parks and Recreation Director Rob Baumgarn, Public Works Director Gary Manzer, Planning and Development Services Director Justice Walker, and City Attorney Robert Scott.

There were no additions or deletions to the agenda.

Council Member Fagerlie moved to approve the agenda as presented. Council Member Asmus seconded the motion, which carried unanimously.

Senator Andrew Lang and Representative Dave Baker presented a brief legislative update. Both indicated their desire to hold a special session to complete business for the year, especially the bonding bill.

City Operations Director Box reviewed the consent agenda.

- A. City Council Minutes of August 1, 2022
- B. Board of Canvass Minutes of August 11, 2022
- C. Willmar Municipal Utilities Commission Minutes of August 8, 2022
- D. Planning Commission Minutes of July 20, 2022
- E. Application for Appointment to the Planning Commission -Kelsi Vosika
- F. Accounts Payable Report for July 26 through August 5, 2022
- G. Special Event On-Sale Liquor License Holder -Spurs (Community Festival)
- H. Update on Timeline for RFPs for Fiber to Home Projects

Council Member Fagerlie offered a motion to approve the consent agenda. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Roger Swenson, Willmar, addressed the Mayor and Council during the Open Forum regarding the proposed rezoning of property abutting their home to allow for a proposed apartment building project along Lakeland Drive, NE. He spoke against the proposed rezoning.

Knute Sorenson, Willmar, addressed the Mayor and Council during the Open Forum regarding the rezoning of property abutting their home and presented a petition signed by many residents in his neighborhood opposing the proposed apartment building project along Lakeland Drive NE.

Bret Carlson, Willmar, addressed the Mayor and Council during the Open Forum regarding rezoning property across from their home. He spoke in opposition to the proposed rezoning and apartment building project along Lakeland Drive, NE.

At 6:54 p.m., Mayor Calvin opened the public hearing to rezone Rockstep Plaza Second Addition from Shopping Center District to General Business District. Planning and Development Services Director Walker presented the pertinent information to the Mayor and Council.

There being no one present to speak for or against the proposed ordinance, Mayor Calvin closed the public hearing at 6:56 p.m. and opened it up for discussion by the Council. Following discussion, Council Member Plowman offered a motion to adopt, assign a number, and publish **Ordinance No. 1483, An Ordinance Amending Willmar Ordinance 1060, Known as the Willmar Zoning Ordinance**. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

At 7:00 p.m., Mayor Calvin opened the public hearing for the sale of real property to Justin Paffrath. Planning and Development Services Director Walker presented the pertinent information to the Mayor and Council.

There being no one present to speak for or against the proposed ordinance, Mayor Calvin closed the public hearing at 7:02 p.m. and opened it up for discussion by the Council. Following discussion, Council Member Davis offered a motion to adopt, assign a number, and publish **Ordinance No. 1484, An Ordinance Authorizing the Sale of Real Property to Justin Paffrath**. Council Member O'Brien seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

Council Member Fagerlie offered a motion to approve the purchase agreement between Justin Paffrath and the City for the listed amount of \$32,000. Council Member Ask seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

At 7:12 p.m. Mayor Calvin opened the public hearing for approving the assessment roll for the 2022 Improvement Projects. Contract City Engineer Jared Voge presented the pertinent information to the Mayor and Council.

Nick Aaker, 824 7th Street NW, addressed the Mayor and Council, appealing the footage being assessed for his property.

Brad Nichols, 832 7th Street NW, addressed the Mayor and Council, appealing the assessment against his property as he was assessed for improvements on 7th Street in the past.

Don Hoeck, 600 SW 15th Avenue, addressed the Mayor and Council, seeking clarification on the process and improvements done to his property. He stated his concerns were addressed by Mr. Voge in his presentation.

Ricardo Auiles, 510 Charlotte St SE, addressed the Mayor and Council seeking clarification on the assessment process.

Robert Pierskalla, Paynesville, addressed the Mayor and Council, appealing the assessment against the property he owns on Lakeland Drive SE.

Thomas Anderson, 1709 6th Street SW, addressed the Mayor and Council, appealing the assessment against his property and the footage being assessed.

Vern Stadtherr, 500 17th Avenue SW, addressed the Mayor and Council, appealing the assessment against his property.

Sam Modderman, 501 17th Avenue SW, addressed the Mayor and Council regarding the cul-de-sac assessment process. He was appealing for all four properties on the cul-de-sac and the amount of footage assessed against each property.

Chad Lien, Fairground property at 907 7th Street NW, addressed the Mayor and Council, appealing the assessment against their property and questioning the footage assessed.

James Slagter, 1200 6th Street SW, addressed the Mayor and Council on behalf of a neighbor and inquired about the project's completion timeline.

Tyler Waldemarsen, 1816 6th Street SW, addressed the Mayor and Council, appealing the assessment against his property based on overall benefit to the property.

Shelley Hedlund, 1801 6th Street SW, addressed the Mayor and Council, appealing the assessment against her property.

Scott Schmidt, 1310 13th Street SW, addressed the Mayor and Council regarding the completion of projects this year.

Kevin Halliday, 1004 Becker Avenue SE, addressed the Mayor and Council, appealing the assessment against his rental property at 500 Charlotte Street SE, based on overall benefit to the property and damage done to his property during construction.

Harvey Uken, 1001 Richland Ave SW, addressed the Mayor and Council, appealing the assessment against his property on 836 7th Street NW.

Patty Viane, 422 Charlotte Street SE, addressed the Mayor and Council regarding sidewalk and lawn damage done to her property during construction.

Jason VerSteege, representing Duininck Development, Inc., addressed the Mayor and Council inquiring if a letter was received from their attorney objecting to the assessment placed against several properties they own.

Thomas Anderson, 1709 6th Street SW, addressed the Mayor and Council regarding the completion timeframe.

City Operations Director Box read a letter from Mulhi Chaudhari, Cozy Inn 1501 19th Ave SE, objecting to the assessment against his property.

There being no others present to speak for or against the proposed assessment, Mayor Calvin closed the public hearing at 8:03 p.m. and opened it up for discussion by the Council.

Council Member Fagerlie offered a motion to approve the assessment hearing, minus the objections received. The motion died for lack of a second.

Council Member Nelsen offered a motion to continue the hearing and ask for clarification on general comments before addressing the individual comments. Council Member Plowman seconded the motion. Following a lengthy discussion, Council Member Plowman withdrew his second. Council Member Butterfield seconded the motion. Council Member Nelsen then revised the motion to continue the hearing for the September 6, 2022, Council meeting. Council Member Butterfield seconded the motion, which carried on a roll call vote of Ayes 6, Noes 2. Council Members Asmus and Ask voted “no”.

Mayor Calvin recessed the meeting at 8:23 p.m.

Mayor Calvin reconvened the meeting at 8:31 p.m.

MacDonald & Mack Architects representative Todd Grover presented his review of the Willmar Auditorium’s condition and repairs needed to restore the building to a functioning condition.

Planning and Development Services Director Walker presented a request to introduce an ordinance to rezone property located at 1400 Lakeland Drive NE from Ag (Agriculture) to R-5 (High-Density Multi-Family Residential District), and set a public hearing for September 6, 2022. It was noted that the Planning Commission approved the rezone on August 3, 2022.

Following discussion, Council Member Fagerlie offered a motion to **introduce an Ordinance Amending Municipal Ordinance No. 1060, the Willmar Zoning Ordinance**, and set a public hearing for September 6, 2022. Council Member Asmus seconded the motion, which carried. Council Member O’Brien voted “No”.

Planning and Development Services Director Walker presented a request to set a public hearing for Unique Opportunities Lakeland Drive Project on the proposed establishment of a housing tax increment financing (TIF) district and the proposed adoption of a tax increment financing plan at the September 19, 2022, Council meeting.

Baker Tilly Representative Tom Denaway reviewed the TIF application and how this project meets the TIF funding request.

Following the presentation and discussion, **Resolution No. 2022-115 Resolution Calling Public Hearing on the Proposed Establishment of Housing Tax Increment Financing District – Lakeland Drive Project – Within Municipal Development District No. II and the Proposed Adoption of a Tax Increment Financing Plan Relating Thereto** was introduced by Council Member Fagerlie. Council Member Asmus seconded the motion, which carried on a roll call vote of Ayes 7, Noes 1. Council Member O’Brien voted “No”.

Planning and Development Director Walker presented a request to introduce an ordinance authorizing the sale of property to Willmar Poultry and set a public hearing for September 6, 2022. It was noted that Willmar Poultry has expressed the desire to purchase approximately four additional acres to complete their expansion. This will be the final phase of expansion at this location.

Following discussion, Council Member Plowman offered a motion to **introduce an Ordinance authorizing the sale of real property to Willmar Poultry Innovations, LLC**, and set a public hearing for September 6, 2022. Council Member Fagerlie seconded the motion, which carried.

Mid Minnesota Development Commission Economic Development Professional Michelle Marotzke and Economic Development Commission (EDC) Business Development Manager Sarah Swedburg presented a request to appropriate \$100,000 of ARPA funds as a match for a proposed Minnesota Department of Employment and Economic Development’s (DEED) Child Care Economic Development Grant being applied for the Kandiyohi County and City of Willmar Economic Development Commission. It was noted that additional match dollars and local support are being pursued from Kandiyohi County (\$150,000) and all other cities within the County.

Following discussion, **Resolution No. 2022-116 Resolution Committing Funds Toward State Child Care Economic Development Grant Match** was introduced by Council Member Asmus. Council Member O’Brien seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

City Operations Director Box presented a request to introduce an ordinance licensing and regulating tetrahydrocannabinol (THC) products and set a public hearing for September 6, 2022.

Following a lengthy discussion, Council Member Fagerlie offered a motion to **introduce an Ordinance regulating the sale of tetrahydrocannabinol (THC) products in the City of Willmar**, with an increase in the violations of 1) First violation – \$1,000 fine and suspend the license for not less than three consecutive days; 2) Second violation - \$2,000 fine and suspend the license for not less than ten consecutive days; and 3) Third violation - \$5,000 fine and revocation of license, and set a public hearing for September 6, 2022. Council Member Asmus seconded the motion, which carried.

Council Member O’Brien offered a motion to direct staff to research the fees to be associated with the licensing. The motion died for lack of a second.

Mayor Calvin noted that staff will be researching the fees and bringing them back to Council without a motion being approved.

Due to the length and cost of publishing the entire ordinance, Council Member Fagerlie offered a motion to publish the Ordinance regulating the sale of tetrahydrocannabinol (THC) products in the City of Willmar by summary. Council Member Plowman seconded the motion, which carried.

Parks and Recreation Director Baumgarn presented a request to approve the purchase of artificial turf for batting cages and bullpens for Elsie Klemmetsen Field and the Recreation Fields Baseball/Softball Complex in the amount of \$13,706.25. It was noted that funds would be used from the contingencies of each project.

Resolution No. 2022-117 Resolution Approving the Purchase of Artificial Turf for Batting Cages and Bullpens for Swansson Field and Recreation Fields in the Amount of \$13,706.26 was introduced by Council Member Plowman. Council Member Nelsen seconded the motion, which carried on a roll call vote of Ayes 8, Noes 0.

City Administrator Valiant presented a request to consider a Special Council Work Session for further discussion of software review on August 22, 2022.

Following discussion, Council Member Fagerlie offered a motion to schedule a Special Council Work Session on August 22, 2022, at 5:30 p.m. at the Willmar Fire Station Training Room. Council Member Davis seconded the motion, which carried.

At 10:29 p.m., Council Member Fagerlie offered a motion to enter into a closed session pursuant to Minnesota Statute 13D.05, subd.3(c). Council Member Davis seconded the motion, which carried.

At 10:41 p.m., the Council returned to open session.

Council Member Fagerlie offered a motion to adjourn the meeting, with Council Member Nelson seconding the motion, which carried. The meeting adjourned at 10:42 p.m.

/s/ Marv Calvin
MAYOR

Attest:

/s/ Judy Thompson
SECRETARY TO THE COUNCIL

RESOLUTION NO. 2022-115

RESOLUTION CALLING PUBLIC HEARING ON THE PROPOSED ESTABLISHMENT OF HOUSING TAX INCREMENT FINANCING DISTRICT – LAKELAND DRIVE PROJECT – WITHIN MUNICIPAL DEVELOPMENT DISTRICT NO. II AND THE PROPOSED ADOPTION OF A TAX INCREMENT FINANCING PLAN RELATING THERETO

Motion By: Fagerlie Second By: Asmus

BE IT RESOLVED by the City Council (the "Council") of the City of Willmar, Minnesota (the "City"), as follows:

Public Hearing. This Council shall meet on September 19, 2022, at approximately 6:30 p.m., to hold a public hearing on the following matters: (a) the proposed establishment of Housing Tax Increment Financing District – Lakeland Drive Apartment Project (within Municipal Development District No. II, and (b) the proposed adoption of a Tax Increment Financing Plan relating thereto, all pursuant to and in accordance with Minnesota Statutes, Sections 469.124 through 469.133, both inclusive, as amended, and Minnesota Statutes, Sections 469.174 through 469.1794, both inclusive, as amended (collectively, the "Act").

Notice of Hearing: Filing of Tax Increment Financing Plan. The City Administrator is hereby authorized to cause a notice of the hearing, substantially in the form attached hereto as Exhibit A, to be published as required by the Act and to place a copy of the proposed Tax Increment Financing Plan on file in the Administrator's Office at the City Offices and to make such copies available for inspection by the public.

Consultation with Other Taxing Jurisdictions. The Administrator is hereby directed to mail a notice of the public hearing and a copy of the proposed Tax Increment Financing Plan to Kandiyohi County and Independent School District No. 347, informing those taxing jurisdictions of the estimated fiscal and economic impact of the establishment of the proposed tax increment financing district.

The motion for the adoption of the foregoing resolution was duly seconded by Council Member Asmus and upon vote being taken thereon, the following voted in favor: Council Members Rick Fagerlie, Julie Asmus, Thomas Butterfield, Justin Ask, Vicki Davis, Andrew Plowman, and Audrey Nelsen

and the following voted against the same: Council Member Michael O'Brien

Dated this 15th day of August 2022

/s/ Marv Calvin
MAYOR

Attest:

/s/ Leslie Valiant
CITY ADMINISTRATOR

RESOLUTION NO. 2022-116

**RESOLUTION COMMITTING FUNDS TOWARD
STATE CHILD CARE ECONOMIC DEVELOPMENT GRANT MATCH**

Motion By: Asmus Second By: O'Brien

BE IT RESOLVED by the City Council of the City of Willmar that the City is committed to funding the State Child Care Economic Development Grant and will authorize up to \$100,000 toward the matching grant.

Dated this 15th day of August, 2022

/s/ Marv Calvin
MAYOR

Attest:

/s/ Leslie Valiant
CITY ADMINISTRATOR

RESOLUTION NO. 2022-117

**RESOLUTION APPROVING THE PURCHASE OF ARTIFICIAL TURF FOR BATTING CAGES AND BULLPENS
FOR SWANSSON FIELD AND RECREATION FIELDS IN THE AMOUNT OF \$13,706.25**

Motion By: Plowman Second By: Nelsen

BE IT RESOLVED by the City Council of the City of Willmar to approve the purchase of artificial turf for batting cages for Swansson Field and Recreation Fields in the amount of \$13,706.25.

Dated this 15th day of August 2022

/s/ Marv Calvin
MAYOR

Attest:

/s/ Leslie Valiant
CITY ADMINISTRATOR