

WILLMAR CITY COUNCIL PROCEEDINGS
MUNICIPAL UTILITIES AUDITORIUM
WILLMAR, MINNESOTA
ALSO AVAILABLE BY ELECTRONIC MEANS FOR REMOTE COUNCIL MEMBERS

June 20, 2023
6:30 p.m.

The regular meeting of the Willmar City Council was called to order by Mayor Douglas Reese. Members present on a roll call were Mayor Douglas Reese, Council Members Audrey Nelsen, Vicki Davis, Carl Shuldes, Michael O'Brien, Thomas Butterfield, Julie Asmus, and Rick Fagerlie. Present 8, Absent 1. Council Member Ask was excused from the meeting.

Also present were City Administrator Leslie Valiant, City Operations Director Kyle Box, Police Chief Jim Felt, Interim Finance Director Bill Fenske, Finance Director Tom Odens, Public Works Director Gary Manzer, Planning and Development Services Director Justice Walker, Community Growth Director Pablo Obregon, City Clerk Judy Thompson and City Attorney Robert Scott.

Mayor Reese welcomed new Finance Director Tom Odens.

Additions/deletions to the agenda included: Council Member Davis asked that Item J. Willmar Wye Easement be removed from the agenda due to the fact a resolution authorizing signatures was located and needed no further action from Council.

Council Member Davis moved to approve the agenda, as amended. Council Member Shuldes seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

City Clerk Thompson reviewed the consent agenda.

- A. City Council Minutes of June 5, 2023
- B. City Council Work Session Minutes of June 12, 2023
- C. Planning Commission Minutes May 17, 2023
- D. Planning Commission "Draft" Minutes June 7, 2023
- E. Municipal Utilities Commission Minutes of June 12, 2023
- F. Accounts Payable Report 05-31-23 Thru 06-13-23
- G. **Resolution No. 2023-104 Accepting Age-Friendly Minnesota Grant**
- H. Kuepers Minor Subdivision

Information:

- I. Rice Hospital Board Application - Joyce Elkjer-Sundberg
- J. Building Report May 2023

Council Member O'Brien offered a motion to approve the consent agenda. Council Member Davis seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Kenneth Newberg, Willmar, addressed the Mayor and Council during the Open Forum and spoke in favor of locating the Community Center at the former J.C. Penney site. He also provided a petition to City Clerk Thompson with signatures from the public showing their support of this location.

Chris Radel, Willmar, addressed the Mayor and Council during the Open Forum and asked the Council to consider the financial impact to citizens, and the impact of future location implications of whichever site is chosen.

Jacob Lefever, Willmar, addressed the Mayor and Council and spoke against locating City Offices and Community Center to the former J.C. Penney building.

Mayor Reese recognized Willmar Fests Chair James Miller who thanked the City Council and staff for their help and support and extended invitations to events scheduled for the upcoming annual community celebration. This year, coffee with the candidates at Goodness Coffee House will kick off Willmar Fests at 10:00 a.m. on Wednesday, June 21st. He acknowledged the many great sponsors who make this celebration happen. He touched on the numerous events of the festival to include the Block Party on Thursday, June 22nd at 5:00 p.m., the Grand Day Parade on Saturday, June 24th at 10:30 a.m., coronation at 3:00 p.m. followed by the Little Crow Ski Show at 7:30 p.m., the Beach Party Concert at 8:30 p.m., and the "Works Over Water" Fireworks Show at 10:00 p.m. Aqua Princess Leigh Smith highlighted some of the events the Ambassador's participated in over the last year.

At 6:59 p.m. Mayor Reese opened the public hearing for the proposed sale of municipal land to Chaw's Asian Market, LLC. Planning and Development Services Director Walker presented details of the proposed sale.

There being no one present to speak for or against the proposed sale, Mayor Reese closed the public hearing at 7:00 p.m. and opened it up for discussion from the Council.

Following discussion, Council Member Shuldes offered a motion to adopt, assign a number, and publish **Ordinance No. 1499 Authorizing the Sale of Real Property to Chaw's Asian Market, LLC.** Council Member Davis seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

At 7:01 p.m. Mayor Reese opened the public hearing for the creation of a GB2 district in the city. Planning and Development Services Director Walker presented pertinent details of the proposed district.

There being no one present to speak for or against the proposed district, Mayor Reese closed the public hearing at 7:15 p.m. and opened it up for discussion from the Council.

Following discussion, Council Member Davis offered a motion to adopt, assign a number, and publish **Ordinance No. 1500 An Ordinance Amending No. 1060 Known as Willmar Zoning Ordinance by Amending Section 6 to Create Section 6.R.** Council Member Shuldes seconded the motion, which carried on a roll call vote of Ayes 6, Noes 1. Council Member Fagerlie voted "no".

Due to the length and cost of publishing the entire ordinance, Council Member Davis offered a motion to publish by summary **Ordinance No. 1500 An Ordinance Amending No. 1060 Known as Willmar Zoning Ordinance by Amending Section 6 to Create Section 6.R.** Council Member Asmus seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

At 7:18 p.m. Mayor Reese opened the public hearing for an ordinance amendment removing parking minimums. Planning and Development Services Director Walker presented pertinent details of the proposed amendment.

There being no one present to speak for or against the proposed amendment, Mayor Reese closed the public hearing at 7:38 p.m. and opened it up for discussion from the Council.

Following discussion, Council Member Asmus offered a motion to adopt, assign a number, and publish **Ordinance No. 1501 An Ordinance Amending No. 1060 Known as the Willmar Zoning Ordinance by Amending Section 4 Relating to Parking and Loading.** Council Member Butterfield seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Due to the length and cost of publishing the entire ordinance, Council Member Fagerlie offered a motion to publish by summary **Ordinance No. 1501 An Ordinance Amending No. 1060 Known as the Willmar Zoning Ordinance by Amending Section 4 Relating to Parking and Loading.** Council Member Asmus seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Interim Finance Director Fenske presented a request to call for public hearing on an ordinance authorizing the issuance of General Obligation Bonds, Series 2023A. It was requested a hearing be set for July 17, 2023.

Following discussion, Council Member Fagerlie introduced **Resolution No. 2023-105 Calling for Public Hearing on an Ordinance Authorizing the Issuance of General Obligation Improvement Bonds, Series 2023A and Levying Taxes for the Payment Thereof**, and set a public hearing for July 17, 2023, at 6:30 p.m. or as soon thereafter as possible. Council Member Asmus seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Interim Finance Director Fenske presented a request to approve the 2024 Budget Calendar as presented. It was noted this is part of the City budget process and outlines dates and processes for staff to follow to meet all the required timeframes established by State law.

Council Member Fagerlie offered a motion to approve staff's request. Council Member O'Brien seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

City Operations Director Box presented a request to approve the amended Social Media Policy. It was noted the last policy was adopted in 2012, and the 2023 version provides a purpose and scope in greater detail, making this policy clear for users of the policy.

Following discussion, Council asked that the word "council" be changed to "elected officials" to include the mayor. Council Member Shuldes offered a motion to approve the updated 2023 version with the recommended change from Council. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

City Clerk Thompson presented a request to approve the sale of THC product license for Mohammed Hasee LLC dba Mr. Smoke.

Following discussion, Council Member Fagerlie offered a motion to approve staff's request. Council Member Davis seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Planning and Development Services Director Walker and Main Street Coordinator Riley Kennedy presented a request to accept \$2,000 grant funds from the Willmar Area Community Foundation to support the Main Street program bringing artistic and culturally focused events to downtown Willmar.

Resolution No. 2023-106 Authorizing Acceptance of a Grant From Willmar Community Foundation was introduced by Council Member Asmus. Council Member Davis seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Planning and Development Services Director Walker presented an update on various grants received by the Planning and Development Department. This item was for information purposes only.

Planning and Development Services Director Walker presented a request to direct staff draft an ordinance to address short-term rentals in the city. Currently, the City Planning Code does not address short-term rentals.

Following discussion, Council directed staff to work with City Attorney Scott to draft an ordinance addressing short-term rentals in the city.

City Operations Director Box presented a request to enter into an agreement with Replace for branding services for \$35,000. It was noted the current logo was adopted in the 1990's. The objective of this branding project is to create a new identity for Willmar and all of the city departments to adopt and utilize one brand for messaging. The primary goals of this project are to create uniformity, community identity and pride, community and economic development promotion, flexibility, and endorsement. Each of these goals has a definition of success. The city released Requests for Proposals (RFP's) in April 2023 and received 20 proposals. The Rebranding Scoring Committee unanimously recommends Replace to lead Willmar's rebranding efforts.

Following a lengthy discussion, **Resolution No. 2023-107 Authorizing Execution of a Contract with Replace** was introduced by Council Member Shuldes. Council Member Asmus seconded the motion, which carried on a roll call vote of Ayes 6, Noes 1. Council Member Butterfield voted “no”.

Planning and Development Services Director Walker presented a request to introduce an ordinance amending the current zoning ordinance to create an I-3 District, and an ordinance to rezone land from AG (Agriculture) to I-3 and set public hearings for both on July 17, 2023.

Following discussion, Council Member Asmus offered a motion to **introduce an Ordinance Amending No. 1060 Known as the Willmar Zoning Ordinance by Amending Section 6 to Create Section 6.S** and set a public hearing for July 17, 2023. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Due to the length and cost of publishing the entire ordinance, Council Member Asmus offered a motion to publish by summary **An Ordinance Amending No. 1060 Known as Willmar Zoning Ordinance by Amending Section 6 to Create Section 6.S**. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Council Member Asmus offered a motion to **introduce an Ordinance Amending the Willmar Zoning Ordinance to Rezone Property from AG (Agriculture) to I-3 (Industrial-3)** and set a public hearing for July 17, 2023. Council Member Fagerlie seconded the motion, which carried on a roll call vote of Ayes 7, Noes 0.

Council Member O'Brien offered the following comments: the recent water rate comparison was received, and Willmar Municipal Utilities water rates came in 17th out of 31. He feels we are sitting well; he thinks we should tread lightly on approving THC licensing in the future.

At 8:35 p.m. upon motion by Council Member Fagerlie and seconded by Council Member Asmus, the Council entered into closed session pursuant to Statute 13D.05, Subd. 3(c).

At 9:05 p.m. Council returned to open session.

At 9:07 p.m. upon motion by Council Member Asmus and seconded by Council Member Butterfield, the Council entered into closed session pursuant to Statute 13E.03, Subd. 3(c).

At 9:26 p.m. Council returned to open session.

Council Member Nelsen offered a motion to adjourn the meeting, with Council Member Asmus seconding the motion, which carried. The meeting adjourned at 9:27 p.m.

/s/ Douglas E. Reese
MAYOR

Attest:

/s/ Judy R. Thompson
SECRETARY TO THE COUNCIL

RESOLUTION NO. 2023-104

AUTHORIZATION TO ACCEPT AGE-FRIENDLY MINNESOTA GRANT

Motion By: O'Brien Second By: Davis

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that city staff be authorized accept the Age-Friendly Minnesota grant in the amount of \$9,300.

Dated this 20th day of June, 2023

/s/ Douglas E. Reese
MAYOR

Attest:

/s/ Judy R. Thompson
CITY CLERK

RESOLUTION NO. 2023-105

**RESOLUTION CALLING FOR PUBLIC HEARING ON AN
ORDINANCE AUTHORIZING THE ISSUANCE OF
GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2023A
AND LEVYING TAXES FOR THE PAYMENT THEREOF**

Motion By: Fagerlie Second By: Asmus

WHEREAS:

A. The City of Willmar (the "City") has heretofore undertaken to construct certain public improvements pursuant to Minnesota Statutes, Chapter 429, as more fully described in the proposed Ordinance set forth below.

B. Said improvements have heretofore been duly incorporated into the City's capital program in accordance with the City Charter.

C. It is necessary and desirable that the City of Willmar issue its General Obligation Improvement Bonds, Series 2023A in an aggregate principal amount not to exceed \$9,455,000 to finance various public improvement projects in the City, including without limitation street and related public improvement projects included in the 2023 Improvement Projects.

D. Section 2.12 of the City Charter requires that acts of the City Council which authorize the borrowing of money and levying of taxes shall be by ordinance.

E. Councilmember Fagerlie introduced an Ordinance entitled "An Ordinance Authorizing the Issuance of up to \$9,455,000 General Obligation Improvement Bonds, Series 2023A and the Levying of Taxes to Secure Payment Thereof".

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Willmar, Minnesota, as follows:

1. The City Clerk is authorized and directed to distribute a copy of said Ordinance to each Council Member, to the Mayor, and to the City Attorney, and to file a reasonable number of copies of the Ordinance in the office of the City Clerk and the following other public places:

- A. _____
- B. _____
- C. _____

2. This Council shall meet at the time and place specified in the form of notice hereinafter contained for the purpose of conducting a public hearing on the Ordinance and considering the Ordinance for adoption.

3. The City Clerk is hereby authorized and directed to cause notice of the time, place and purpose of said public hearing to be published in the local official newspaper of the City not less than seven days in advance of the date of hearing as required by the City Charter, which notice shall be substantially the form attached as **Exhibit A** hereto.

4. Upon sale of said bonds, the City Clerk shall compute the levy made by said Ordinance No. _____ commencing in or about the year 2024 and ending in or about the year 2038 upon all taxable property in the City, which tax shall be spread upon the tax rolls and collected with and as part of other general property taxes in said City in such an amount as is necessary to comply with Minnesota Statutes, Section 475.61, subd. 1. Said tax levy shall be irrevocable so long as any of said bonds are outstanding and unpaid, provided that the City reserves the right and power to reduce the levies in the manner and to the extent permitted by Minnesota Statutes, Section 475.61, subd. 3.

5. No bonds shall be issued and no tax levy shall be effective in accordance with this resolution until (a) after the Ordinance has been duly adopted and published in accordance with the City Charter, and (b) the applicable 15-day period has elapsed with respect to said Ordinance and all appropriate bond resolutions during which period no Certificate of Intent is filed in accordance with Section 7.04(j) of the City Charter.

The motion for the adoption of the foregoing resolution was duly seconded by Member Asmus and upon a vote being taken thereon, the following voted in favor thereof: Council Members Audrey Nelsen, Vicki Davis, Carl Shuldes, Michael O'Brien, Thomas Butterfield, Julie Asmus, and Rick Fagerlie

and the following voted against the same: None

Whereupon said resolution was declared duly passed and adopted this 20th day of June, 2023.

/s/ Douglas E. Reese
MAYOR

ATTEST:

/s/ Judy R. Thompson
CITY CLERK

EXHIBIT A

**NOTICE OF PUBLIC HEARING
ON THE ADOPTION OF AN ORDINANCE**

NOTICE IS HEREBY GIVEN by the City Council of the City of Willmar, Minnesota, that the City Council will conduct a public hearing on and consider adoption of the Ordinance described below, at the Kandiyohi County Health and Human Services Building Board Room located at 2200 23rd Street NE in the City, at 6:31 o'clock p.m. on the 17th day of July, 2023 said proposed Ordinance is as follows:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF UP TO \$9,455,000 GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2023A AND THE LEVYING OF TAXES TO SECURE PAYMENT THEREFOR.

The City of Willmar hereby ordains:

1. In accordance with Minnesota Statutes, Chapters 429 and 475, the City of Willmar has heretofore determined to construct and finance various public improvement projects in the City, including without limitation street and related public improvement projects included in the 2023 Improvement Projects.
2. In order to finance said improvements it is necessary to issue General Obligation Improvement Bonds of the City in the amount of up to \$9,455,000.
3. For the purposes of complying with Minnesota Statutes, Section 475.61, there will be levied a direct ad valorem tax upon all taxable property in the municipality in such amounts as are required by law to secure payment of said Bonds.
4. This Ordinance is adopted in order to authorize the borrowing of money and the issuance of General Obligation Improvement Bonds and the levying of taxes therefor as provided in Section 2.12 of the City Charter. Further details shall be set forth by resolution.

By Order of the City Council

/s/ Judy Thompson
City Clerk

RESOLUTION NO. 2023-106

**RESOLUTION AUTHORIZING ACCEPTANCE OF
A GRANT FROM WILLMAR COMMUNITY FOUNDATION.**

Motion By: Asmus Second By: Davis

BE IT RESOLVED by the City Council of the City of Willmar that the grant from the Willmar Community Foundation for Willmar Main Street in the amount of \$2,000.00 is accepted.

The Mayor and City Administrator are authorized to execute this agreement and any amendments on behalf of the City of Willmar.

Dated this 20th day of June 2023

/s/ Douglas E. Reese
MAYOR

Attest:

/s/ Judy R. Thompson
CITY CLERK

RESOLUTION NO. 2023-107

**RESOLUTION AUTHORIZING EXECUTION OF
A CONTRACT WITH REPLACE.**

Motion By: Shuldes Second By: Asmus

BE IT RESOLVED by the City Council of the City of Willmar that the proposal from Replace for Willmar Branding in the amount of \$35,000.00 is accepted.

The Mayor and City Administrator are authorized to execute this agreement and any amendments on behalf of the City of Willmar.

Dated this 20th day of June 2023

/s/ Douglas E. Reese
MAYOR

Attest:

/s/ Judy R. Thompson
CITY CLERK