

**WORTHINGTON CITY COUNCIL  
SPECIAL MEETING - WORK SESSION, JANUARY 21, 2015**

The meeting was called to order at 7:00 a.m. in City Hall Council Chambers by Mayor Mike Kuhle with the following Council Members present: Scott Nelson, Diane Graber, Larry Janssen, Mike Harmon, Rod Sankey.

Staff members present: Brad Chapulis, Director of Community/Economic Development; Steve Robinson, Public Works Director; Brian Kolander, Finance Director; Janice Oberloh, City Clerk; Dwayne Haffield, Director of Engineering (7:06 a.m.).

Others present: Erin Trester, Daily Globe; Justine Wettschreck, KWOA, Abraham Algadi, WREDC.

**HOSPITAL FUNDS UPDATE**

Brian Kolander, Finance Director, reviewed a handout with Council of the funds from the sale of the municipal Hospital, both legacy and impact dollars, and reserves (sources/reserves) approved as of December 31, 2014. The hospital was sold for \$21 million, not including the dollars that went directly to the Worthington Foundation, plus cash and receivables of about \$6 million (minus payables). Past Council had broken the funds into reserve and goal amounts for capital projects, capital equipment, technology, housing stock development, economic development, community development, and undesignated reserves. Mr. Kolander said we are still collecting some of the receivables each year from the State and collections.

Of the legacy dollar amount of \$22,610,031 (including interest), there is approximately \$9,917,051 in funds remaining, which includes \$2,785,000 in loans to be repaid, and \$2,070,204 of impact dollars remaining, for a total of just under \$12 million. Mr. Kolander told Council the funds committed by past Council translate into “intention”, and they could take Council action to change them. Remaining funds are primarily invested into government bonds, which charge monthly fees. The funds will be reinvested if interest rates come back up. Mayor Kuhle suggested Council may want to think about putting the remaining dollars in a fund and allowing only the interest to be used. Council Members Nelson and Graber said some of it could be added to the economic development funds as that would pay itself back, with Council Member Graber adding she would agree only if there were better definitions of economic development as it seemed like a catch all.

**FUTURE DIRECTION OF HIGHWAY 59 NORTH INDUSTRIAL PARK**

Brad Chapulis, Director of Community/Economic Development, noted that most of the reason for this discussion was based on a memo directed to Council from Abraham Algadi, requesting that the City move ahead on taking steps to provide infrastructure to the City-owned property west of Highway 59 North, to accommodate opportunities for business and commercial growth in the community.

Mr. Algadi was present at the meeting and told Council that providing infrastructure makes economic development possible, and that Council’s role was to be a partner in their investment. He

was requesting that Council initiate the platting process of the property, particularly two specific sites as depicted on a map provided by Mr. Algadi.

Dwayne Haffield, Director of Engineering, reported that this has been an on-going process, with 27<sup>th</sup> Street being part of the plan. When the City started to pickup the property, we considered how we would service it, not just what we own but all the way over to 266. We solicited services to go ahead and master plan sewer, water, drainage, and transportation all the way over. The first thing behind the platting is this infrastructure planning - how best to serve it dictates the layout. The issue of 59 access has been resolved, and we took that plan to the point of being able to go for the TED grant. We went in with a specific layout plan, and they helped pay for the turn lanes, some of the sewer and water extended out to the ditch, and there is already a culvert crossing in place where the road is supposed to go. We were able to get those up front hard to finance things out of the way. The EAW for the sewer is already, the access agreement is done. We need to start marching that infrastructure out. If Council is interested in moving forward then we need jump into the implementation steps of further design, and look at land use and funding. Mr. Haffield also warned that if the City was both the platter and the developer the street would not be eligible for special assessments, it would be a developer's cost unless it was done prior to the platting process. Staff reminded Council that the City has adopted a land use policy.

We have positioned ourselves to get the two Highway 59 pieces served fairly quick- sewer could potentially be put in later this year. An aggressive table would be to get the subsurface done this fall and the roads next year. It would be one and a half years to two years before it would be ready for business to build. He would suggest an initial step of preliminary design/plat.

Council Member Sankey left the meeting at 8:11 a.m.

Council Member Graber expressed concern over the aesthetics of the developments. Mr. Chapulis responded that in the past Council has discussed putting together standards for green space but it was never developed.

Mayor Kuhle asked if Council was interested in fast tracking the project - consensus was yes. Mr. Haffield responded the best case scenario would be this fall as everybody is booked. Site 2 could be available next summer.

## **ADJOURNMENT**

The motion was made by Council Member Graber, seconded by Council Member Janssen and unanimously carried to adjourn the meeting at 8:21 a.m.

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Janice Oberloh, MCMC  
City Clerk