



WILLMAR CITY COUNCIL MEETING

MONDAY, DECEMBER 11, 2023 @ 6:00 PM

WILLMAR MUNICIPAL UTILITIES

700 LITCHFIELD AVE SW - WILLMAR, MN 56201

AGENDA

1. Call Meeting to Order
2. Roll Call
3. Pledge of Allegiance
4. Proposed Additions or Deletions to Agenda
5. Adjourn to Closed Session
 - A. Closed Session Under MN Statute 13D.03 Subd.3 (c)
6. Regular Business
 - A. City Hall Update
 - B. EDC Rebranding Discussion
 - C. Broadband Project Update
 - D. Invest in Willmar- Contingency Funds
7. Adjourn



City of Willmar

City Council Action Request

Council Meeting Date:	December 11, 2023	Agenda Item Number:	5.A.
Agenda Section:	Adjourn to Closed Session	Originating Department:	Administration
Resolution:	No	Prepared By:	Leslie Valiant, City Administrator
Ordinance:	No	Presented By:	Aaron Backman
Item:	Closed Session Under MN Statute 13D.03 Subd.3 (c)		

RECOMMENDED ACTION:

OVERVIEW:

BUDGETARY/FISCAL ISSUES:

ALTERNATIVES TO CONSIDER:

ATTACHMENTS:

None



City of Willmar

City Council Action Request

Council Meeting Date:	December 11, 2023	Agenda Item Number:	6.A.
Agenda Section:	Regular Business	Originating Department:	Administration
Resolution:	No	Prepared By:	Leslie Valiant, City Administrator
Ordinance:	No	Presented By:	Bruce Schwartzman, BKV Group
Item:	City Hall Update		

RECOMMENDED ACTION:

OVERVIEW:

This session Council will be continuing discussions from the November 13, 2023, Council Work session on the city hall project. Bruce Schwartzman from BKV Group will update the Council on 4 options-:

1. Remodel the Willmar Auditorium
2. New City Hall on the auditorium site with the existing City Hall and Willmar Auditorium demolished
3. New City Hall on block 50 with the balance to remain as public parking
4. New City Hall/Community Center on the existing Community Center site

BUDGETARY/FISCAL ISSUES:

ALTERNATIVES TO CONSIDER:

ATTACHMENTS:

1. 12.7.23_Willmar City Hall Presentation



WILLMAR SITE STUDIES

CITY HALL

December 11, 2023

REMODELING THE AUDITORIUM (OPTION 1)



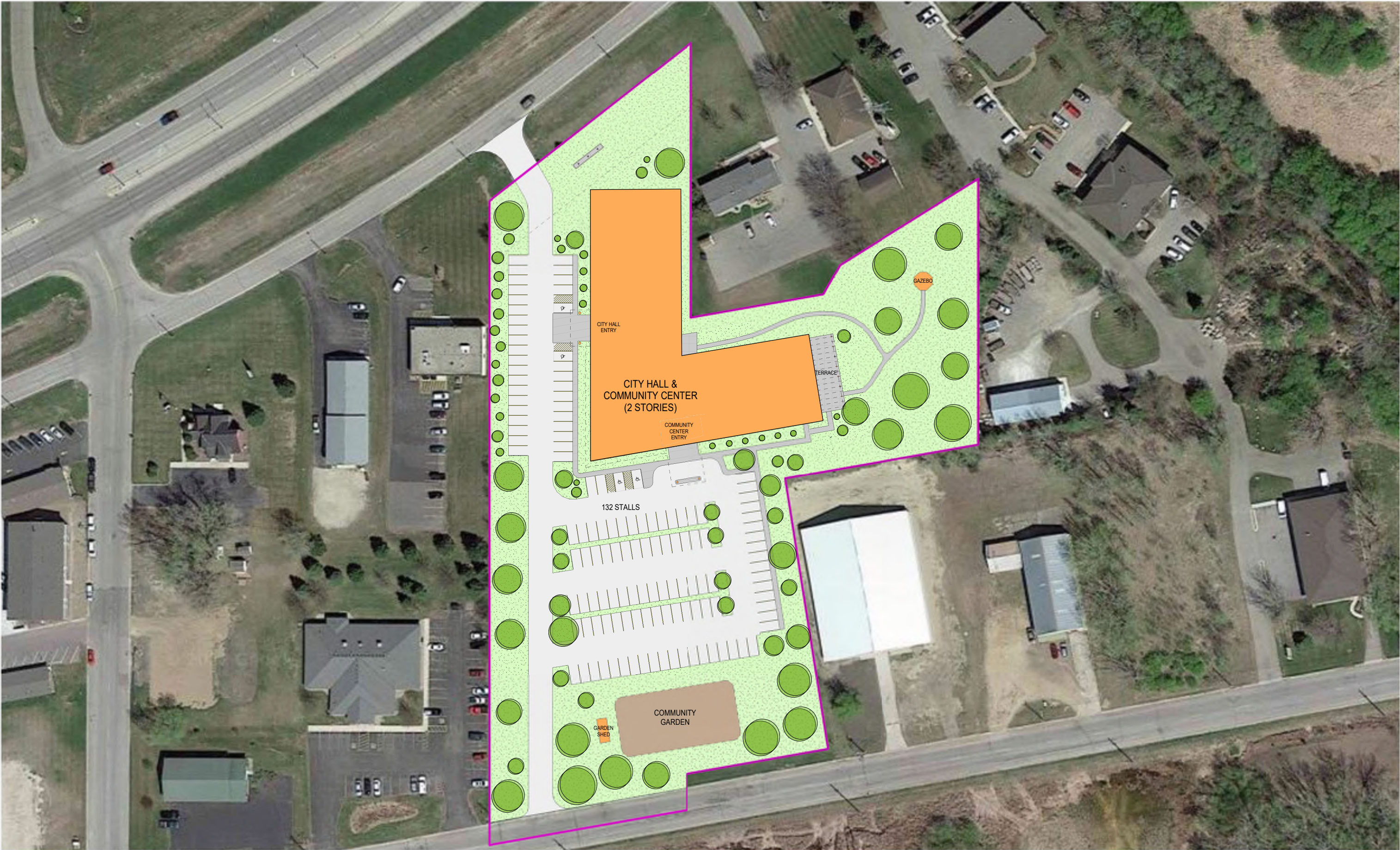
NEW CITY HALL ON BLOCK 50 (OPTION 2)



NEW CITY HALL ON AUDITORIUM SITE (OPTION 3)



NEW CITY HALL ON EXISTING COMMUNITY CENTER SITE (OPTION 4)



OPTIONS - PROS & CONS

1. Remodeling the auditorium

- Pros

- Reuse of an existing city building

- Cons

- Will require review and coordination with the state historic preservation office
- Extensive remodeling required
- Onsite parking not available until the existing city hall is demolished

2. City Hall only on block 50

- Pros

- Use of city owned land
- New build provides more opportunity for exterior design and interior spaces
- Ample area for onsite parking

- Cons

- Use, ownership, and repair of the existing auditorium would still need to be determined

OPTIONS - PROS & CONS

3. New City Hall on the auditorium site with the existing city hall and auditorium demolished

- Pros

- Reuse of city owned land

- Cons

- Will increased review and coordination with the state historic preservation office
- New building configuration limited by existing auditorium footprint
- Requires demolition of the existing historic building
- Onsite parking not available until the existing city hall is demolished

4. New City Hall on the existing community center site

- Pros

- Reuse of city owned land
- New build provides more opportunity for exterior design and interior spaces
- Ample area for onsite parking

- Cons

- Requires addressing Community Center space needs
- Requires phased construction to build the new community center first then demolish the existing and build the new city hall on the west side of the site.
- Use, ownership, and repair of the existing auditorium would still need to be determined

OPTIONS - COST ESTIMATE

Willmar - Option 1: Remodeling the Existing Auditorium					
				Low	High
New Roof					
New Electrical					
New Mechanical					
New Plumbing					
Gut & Remodel Basement					
Gut & Remodel other areas					
New Second Floor					
Elevator and stairs					
Exterior Wall Treatment					
New Entry					
Demolition of existing city hall					
Site Prep & Surface Parking					
	Sub Total			\$15,417,450	\$18,914,410
Design & Construction Contingency				\$2,312,618	\$2,837,162
Estimated Total Construction Cost	Sub Total			\$17,730,068	\$21,751,572
Soft Cost (A/E, testing, furniture, etc.)				\$3,191,412	\$3,915,283
Estimated Total Project Cost				\$20,921,480	\$25,666,854

Willmar - Option 2: New City Hall only on Block 50					
				Low	High
New City Hall				\$10,303,800	\$11,228,500
Site Development & Existing Parking Resurfacing				\$1,400,000	\$1,700,000
	Sub Total			\$11,703,800	\$12,928,500
Design & Construction Contingency				\$1,170,380	\$1,292,850.00
Estimated Total Construction Cost	Sub Total			\$12,874,180	\$14,221,350
Soft Cost (A/E, testing, furniture, etc.)				\$2,317,352	\$2,559,843
Estimated Total Project Cost				\$15,191,532	\$16,781,193

Willmar - Option 3: New City Hall on Existing Auditorium Site					
				Low	High
New City Hall				\$10,303,800	\$11,228,500
Demolition of the Existing Auditorium				\$822,800	\$972,400
Demolition of the Existing City Hall				\$551,250	\$677,250
Site Development				\$1,100,000	\$1,500,000
	Sub Total			\$12,777,850	\$14,378,150
Design & Construction Contingency				\$1,277,785	\$1,437,815.00
Estimated Total Construction Cost	Sub Total			\$14,055,635	\$15,815,965
Soft Cost (A/E, testing, furniture, etc.)				\$2,530,014	\$2,846,874
Estimated Total Project Cost				\$16,585,649	\$18,662,839

Willmar - Option4: New City Hall and Community Center					
				Low	High
New Community Center at Existing Site				\$8,250,000	\$9,130,000
New City Hall w/ Willmar Utilities				\$10,303,800	\$11,228,500
Demolish Existing Community Center				\$394,400	\$476,000
Site Development				\$1,500,000	\$1,800,000
	Sub Total			\$20,448,200	\$22,634,500
Design & Construction Contingency				\$2,044,820	\$2,263,450.00
Estimated Total Construction Cost				\$22,493,020	\$24,897,950
Soft Cost (A/E, testing, furniture, etc.)				\$3,373,953	\$3,734,693
Estimated Total Project Cost for Community Center + City Hall				\$25,866,973	\$28,632,643

TAX IMPACT ANALYSIS

	Option 1	Option 2	Option 3	Option 4
	Remodel Auditorium	City Hall at Block 50	City Hall on Auditorium Site	New City Hall and CC
Construction Cost	\$25,666,854	\$16,781,193	\$18,662,839	\$28,632,643
Existing Local Option Sales Tax	\$0	\$0	\$0	(\$2,000,000)
Reserves for City Hall	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)	(\$1,000,000)
Land Proceeds	\$0	\$0	\$0	\$0
State Bonding	\$0	\$0	\$0	\$0
Cost of Issuance	\$65,000	\$65,000	\$65,000	\$65,000
Underwriter's Discount/Fee	\$100,000	\$100,000	\$100,000	\$100,000
Par Amount (Rounded)	\$24,830,000	\$15,945,000	\$17,830,000	\$25,800,000
Repayment Term (Years)	29	29	29	29
Interest Rate	4.00%	4.00%	4.00%	4.00%
Annual P&I Payment (Rounded)	\$1,462,000	\$939,000	\$1,050,000	\$1,519,000
Less Existing City Hall Debt Levy	(\$550,000)	(\$550,000)	(\$550,000)	(\$550,000)
Less Other Revenue	\$0	\$0	\$0	\$0
Net Debt Levy	\$912,000	\$389,000	\$500,000	\$969,000
LEVY IMPACT				
2024 Property Tax Levy	\$10,180,308	\$10,180,308	\$10,180,308	\$10,180,308
Percent Increase	9.0%	3.8%	4.9%	9.5%
APPROXIMATE TAX IMPACT				
Pay 2024 Taxable Net Tax Capacity	\$18,695,272	\$18,695,272	\$18,695,272	\$18,695,272
Current Tax Rate	54.5%	54.5%	54.5%	54.5%
Added Tax Rate	4.9%	2.1%	2.7%	5.2%
New Tax Rate	59.3%	56.5%	57.1%	59.6%
Residential Market Value				
\$200,000	\$88	\$38	\$48	\$94
\$250,000	\$115	\$49	\$63	\$122
\$300,000	\$141	\$60	\$77	\$150
\$400,000	\$195	\$83	\$107	\$207
Commercial Market Value				
\$250,000	\$207	\$88	\$114	\$220
\$500,000	\$451	\$192	\$247	\$479
\$1,000,000	\$939	\$401	\$515	\$998
Apartment Market Value				
\$1,000,000	\$610	\$260	\$334	\$648



City Council Action Request

Council Meeting Date:	December 11, 2023	Agenda Item Number:	6.B.
Agenda Section:	Regular Business	Originating Department:	Administration
Resolution:	No	Prepared By:	Leslie Valiant, City Administrator
Ordinance:	No	Presented By:	Aaron Backman
Item:	EDC Rebranding Discussion		

RECOMMENDED ACTION:

OVERVIEW:

EDC Executive Director Aaron Backman will present information regarding the EDC name change and rebranding.

BUDGETARY/FISCAL ISSUES:

ALTERNATIVES TO CONSIDER:

ATTACHMENTS:

None



City Council Action Request

Council Meeting Date:	December 11, 2023	Agenda Item Number:	6.C.
Agenda Section:	Regular Business	Originating Department:	Administration
Resolution:	No	Prepared By:	Kyle Box, City Operations Director
Ordinance:	No	Presented By:	Kyle Box, City Operations Director
Item:	Broadband Project Update		

RECOMMENDED ACTION:

Information Only

OVERVIEW:

The Council will receive an update on a proposed broadband project from the Broadband Committee.

BUDGETARY/FISCAL ISSUES:

NA

ALTERNATIVES TO CONSIDER:

NA

ATTACHMENTS:

None



City of Willmar

City Council Action Request

Council Meeting Date:	December 11, 2023	Agenda Item Number:	6.D.
Agenda Section:	Regular Business	Originating Department:	Recreation
Resolution:	No	Prepared By:	Rob Baumgarn, Recreation Director
Ordinance:	No	Presented By:	Rob Baumgarn, Recreation Director
Item:	Invest in Willmar- Contingency Funds		

RECOMMENDED ACTION:

No action needed

OVERVIEW:

To discuss leftover contingencies funds from the Invest in Willmar, local option sale tax projects.

The projects include Swansson Fields-\$2 million, Recreation Fields- \$6 Million Dollars, Robbins Island- \$3 Million, and Events/Rec Center, \$10 million.

BUDGETARY/FISCAL ISSUES:

Contingency Report

Project Code	Project	Remaining Balance	Notes	
45502	Recreation Fields	\$284,803.87		
45503	Robbins Island	\$341,795.53	\$41,795.53	Needs to stay with RI, 10% can only be moved over
45504	Swansson Fields	\$34,428.60		
45506	Events/Rec Center	\$978,708.50	\$500,000 is of unspent funds	\$478,708.50 leftover contingency funds from the project
Total		\$1,639,736.50		
Less Robbins Island		\$41,795.53		
Grand total of leftover funds		\$1,597, 940.97		

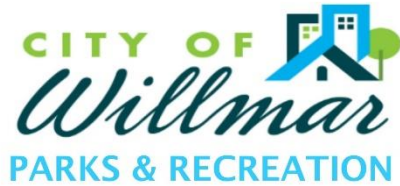
ALTERNATIVES TO CONSIDER:

1. Outdoor Covered Ice Rink/Pavilion-Top Priority of the Events/Rec Center Subcommittee
2. Locker room Addition-2nd Priority from Events/Rec Center Subcommittee
3. Keep funding in place for the original projects

4. Transfer dollars to another project
5. Use Robbins Island's funding for additional trail/driveway improvements or return to debt service

ATTACHMENTS:

1. Invest in Willmar Contingency Report 2
2. Estimated cost of unfinished projects
3. Contingency Dollar Amounts of Projects
4. Invest in Willmar Flyer 1
5. Invest In Willmar Flyer 2



2707 ARENA DRIVE
WILLMAR MN 56201
320-235-1454
WILLMARPARKS-REC.COM

To: Mayor, Willmar City Council, and City Administrator

From: Rob Baumgarn, Parks and Recreation Director
Tom Odens, Finance Director

Re: Invest in Willmar Contingency Funds and Project Status

Robbins Island Project: Closed

Total Project: \$3,000,000

Total cost of Project: \$ 2,658,204.47

Remaining Funds Available: \$341,795.53

- *\$41,795.53 would need to go back into the Robbins Island Project or back to debt services. Only 10% can be transferred to another project.*

Items completed: Parking Lots, trails, water main improvements, shelter improvements to Guri Endresen Shelter, Hilltop Shelter, and Shelter # 1 and 2.

Items not completed: All items were completed.

Items to consider: Pavement by Guri Endersen Shelter, pavement of the driveway leading to Hilltop Shelter, and additional trail pavement.

Recreation Fields Project: Open

Total Project: \$6,000,000

Total cost of Project: \$ 5,715,196.13

Remaining Funds Available: \$284,803.87

Items completed: Two artificial turf fields, 4 baseball/softball fields, concessions stand, batting cages, lighting on turf fields, and fencing.

Items not completed: Inflatable dome, lobby/restroom facility, and parking lot,

Items to consider: Shade structures and protective netting

Swansson Field Project: Open

Total Project: \$2,000,000

Total cost of Project: \$ 1,965,571.40

Remaining Funds Available: \$34,428.60

Items completed: Elise Klemmetson Field: Stadium seating, press box, dugouts, concession stand, batting cages, sound system, turf infield, drainage, fencing, irrigation, and the outfield was completely reseeded. Blue Field: Grass infield, improved drainage, dugouts, and a scoreboard.

- *The playground was installed with capital improvement funding.*
- *Lighting for Elise Klemmetson, Red, and Yellow Fields was funded with capital improvement funding.*
- *The brown shed improvements were funded out of the Parks and Rec operational budget.*
- *Berm Project was funded by a donation from the Willmar Baseball Association, Public Works provided the labor.*

Items not completed: Field drainage improvements on Red, Yellow, and Green. The plaza/shelter area and restrooms were not completed.

Events and Recreation Center Project: Closed

Total Project: \$10,000,000

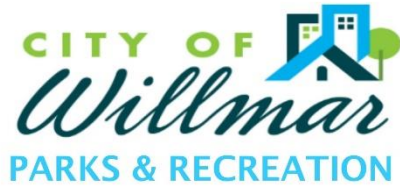
Total cost of Project: \$ 9,012,291.50

Remaining Funds Available: \$ 987,708.50

- *The actual budget used for the Events/Rec Center project was \$9,500,000.*
- *\$500,000 of the \$987,708.50 were unused funds from the 10-million-dollar original budget.*

Items completed: Events/Recreation Center which includes: 8 pickleball courts, 2 basketball courts, 2 volleyball courts, 2 tennis courts, bleachers, scoreboards, sound system, kitchen area, indoor playground, community meeting room, 2 multipurpose rooms, 2 dressing rooms, restrooms, bathroom/shower area, courtyard area and expanded lobby area.

Items not completed: Outdoor covered ice rink, locker room addition, and seating for concerts and shows.



2707 ARENA DRIVE
WILLMAR MN 56201
320-235-1454
WILLMARPARKS-REC.COM

Estimated cost for unfinished projects:

Robbins Island:

Additional driveways/trails: \$80,000-\$110,000

Recreation Fields:

Inflatable dome with grade beam \$2.4-\$2.9 million

- *This does not include site work, lobby area, or parking lot*

Protective netting for softball/baseball complex- \$75,000-\$100,000.

- *We feel that we can do something in-house at a fraction of the cost.*

Shade for dugouts- dugouts like the ones on Swansson Blue are \$35,000- \$45,000 for a set
Shade structure: \$18,000-\$20,000 per unit.

Swansson Fields:

Additional drainage for softball fields: \$80,000-\$100,000

Events/Recreation Center:

Outdoor cover rink/pavilion \$1.4-\$1.6 million

Hockey boards \$230,000

Locker room addition \$2-\$2.500,000

Invest in Willmar: Contingency Funds

Project Code	Project	Remaining balance as of 10/2/2023	Notes	
45502	Recreation Fields	\$ 284,803.87		
45503	Robbins Island	\$ 341,795.53	\$ 41,795.53	Needs to stay with Robbins Island- only 10% can be moved
45504	Swansson Fields	\$ 34,428.60		
45506	Events/Rec Center	\$ 978,708.50	\$ 500,000.00	of unused funds of the \$10 million
	Total	\$ 1,639,736.50		
	Less Robbins Island	\$ 41,795.53		
Grand total	Subtract overage from RI	\$ 1,597,940.97		

The City of Willmar is seeking a Local Option Sales Tax to raise \$30 million dollars for six designated projects of regional significance.

The tax will generate \$30 million dollars in a maximum of 13 years and will sunset if the dollar amount is reached prior to the 13 year mark.

Willmar has had two prior Local Option Sales Tax measures that have successfully ended.

Our Local Option Sales Tax measure received 61% support from the citizens of Willmar during the November 6, 2018 election.

Local sales tax revenue data, released in August 2018 by the State Department of Economic Development, shows the estimated income to be collected by the tax is realistic.

Additionally, new sales tax data from Kandiyohi County's 0.5% Transportation Sales Tax shows the projected income at or exceeding \$3 million dollars per year.

Willmar continues to be a regional center for employment, recreation and entertainment. Our projects will help attract & retain people in West Central Minnesota, as well as provide economic growth to our area to recruit new businesses to our regional center. We want businesses to consider West Central Minnesota over communities we compete with including Aberdeen, Watertown and Sioux Falls. Our projects will enhance the overall attractiveness of our community and bring new business, with higher paying jobs, to West Central Minnesota.

Our 6 Projects:

1. Robbins Island Regional Park – Investment: \$3,000,000

- Robbins Island Regional Park is Willmar's largest park. At 55 acres in size, this recreational area is surround by Willmar Lake & Foot Lake.
- Our Regional Park offers a variety of year-round outdoor recreational amenities.
- It is a destination for nature trails, swimming, fishing, disc golf, biking and kayaking. In the winter it is a popular destination for cross country skiing and snowshoeing.
- Annually, a variety of events and festivals take place at Robbins Island Regional Park.
- Two of those events include Rockin' Robbins during the summer and Celebrate the Light of the World during December. Rockin' Robbins hold concerts during July and August. Each concert brings 3,500 – 5,000 people to Robbins Island Regional Park from throughout our region. Celebrate the Light of the World is our annual Christmas Lights display. People travel from throughout the state to see this spectacular display of lights.
- A Park Improvement study was completed and a local committee has been working to improve the park.
- The state has designated this park as a Regional Park.
- Improvements are needed to shelters, roads and parking lots to enhance this regional destination.

2. Swansson Field Regional Park – Investment: \$2,000,000

- Swansson Field Regional Park is a two-part park on the southwest side of Willmar. It is home to 5 baseball/softball fields. Each is equipped with dugout benches and bleacher seating and used by several baseball and softball leagues throughout the summer and fall. The south half

of the park includes green space for soccer games, picnics, skate park and a bike and walking trail.

- The state has designated this park as a Regional Park.
- Swansson Field Regional Park hosts a variety of regional and state games annually.
- This recreational league softball facility serves the needs of the residents of Willmar and the entire regional area.
- Local Option Sales Tax revenue will be used for concession stands, restrooms, stadium seating for Orange Field, a Plaza Shelter and improvements to the playground. These improvements will provide a better user experience at Swansson Field Regional Park and also open up the ability to host more tournaments and regional games at the park.

3. Storm Water Improvement – Investment: \$7,000,000

- The City of Willmar has completed a study identifying storm water improvement projects that need to be done. The City Engineer has outlined 4 specific projects he would like to start on immediately.
- The study revealed that \$20 million dollars is needed to improve the storm water issue of the city. These dollars will move the projects forward more quickly.
- Run off from the City of Willmar directly flows to the Minnesota River, Mississippi River and the Gulf of Mexico as well as downstream lakes.
- The City of Willmar/Kandiyohi County has received state money for the reestablishment of Grass Lake to help decrease sediment and downstream contamination to our waterways.
- As the economic center of the region, the need to properly handle stormwater to protect existing housing, businesses and allow for growth needs to be improved.

4. Community Center – Investment: \$2,000,000

- The Willmar Community Center is a true regional center. 50% of the membership does not live in the City of Willmar.
- The Willmar Community Center provides a wide variety of programming; serving the needs of the citizens of the region.
- A recent study shows \$800,000 is needed to make their existing building safe.
- Funding will be used to replace the existing Community Center.
- Members will be actively involved in the development of our new Regional Community Center.

5. Recreational Fields – Investment: \$6,000,000

- As our Regional Center continues to grow, we are no longer able to meet the needs of our community and region in relation to playing fields and year-round recreational opportunities.
- Updates to our softball/youth baseball fields, turf on two recreational fields, concessions stands, and improved night lighting will improve our ability to host tournaments and events in our region.
- A Sports Bubble, over one of our turf fields, will support year-round activities and enhance the overall attractiveness of our region.
- These improvements will help support economic growth and vitality to our community and the entire regional area.

6. Recreation Center/Events Center – Investment: \$10,000,000

- The Willmar Civic Center is home to the Glacial Ridge Curling Club, Willmar Warhawks- NA3HL Junior Hockey Team, Willmar High School Boys and Girls Varsity Hockey Teams, Willmar Christian Hockey League, WCER Youth and Adult Hockey, Diamond Edge Figure Skating Club and is open to Public Skating.
- The facility also hosts numerous dry floor events on an annual basis.
- The existing facility does not have enough space to meet the demands of our region.
- These funds will allow for continuation and expansion of recreational and entertainment opportunities for our region.
- Items in this project include: 1) Outdoor covered skating/hockey rink; 2) Locker rooms/meeting rooms and viewing area added to the Cardinal Arena; 3) Pickleball/tennis courts inside the Rec/Event Center; 4) Seating for shows and concerts inside the Rec/Event Center; 5) Kitchen space and Kids play space inside the Rec/Event Center.

As you can see all of the projects have regional significance. All of the projects enhance the attractiveness of our region and improve the quality of life for our residents. These projects will further enhance the economic development and sustainability of our region.

INVEST IN WILLMAR

Invest in Willmar is a grassroots campaign to grow and improve our community's infrastructure by working towards passing a half percent local option sales tax to fund six projects. This tax will generate \$30 million in 13 years and will sunset if the dollar amount is reached prior to the 13 year mark.

Robbins Island Regional Park

- \$3,000,000
- Shelters
- Roads
- Parking lots

Recreation Center/Events Center

- \$10,000,000
- Pickle ball/tennis
- Seating for concerts/shows
- Kitchen/kids play space
- Outdoor covered skating rink
- Locker rooms with meeting spaces

Recreation Fields

- \$6,000,000
- Girls softball fields/youth baseball fields
- Two recreation multi purpose turf fields
- Concession stands
- Lights on timer for evening recreation
- Bubble over one turf field 6 months of the year

Swansson Field Regional Park

- \$2,000,000
- Concession stands
- Restrooms
- Stadium seating for orange
- Plaza shelter
- Playground area

Step 1: City Council votes to publish on the ballot

Step 2: The voters vote Yes or No on November 6

Step 3: State legislature decides to approve or not approve the plan

Step 4: Local committees are set to represent the 6 specific projects

Step 5: The committees work with the architects and report to the City Council to administer the projects

Storm Water

- \$7,000,000
- Southeast regional pond
- Kennedy school area regional pond
- Voss park outflow improvement
- Miller park regional pond
- Continue to fund the master plan

Community Center

- Complete replacement of current community center

LEARN MORE AT investinwillmar.com

Why a local option sales tax?

We felt it was important to not put the responsibility of raising this money on the backs of property owners. Rather we opted to go the route that many other communities have chosen and found success with which is a local option sales tax which spreads the cost out over more people. Half of the sales tax revenue collected in Willmar comes from people that live outside of Willmar.

Basic needs are NOT subject to a sales tax and would include items like clothing, groceries, health care, prescriptions and fuel. If you're not charged sales tax on it now, you won't be charged sales tax on it when this local option sales tax passes on November 6th.

Current sales tax rates in comparable outstate MN communities

- Fergus Falls-7.875%
- New Ulm-7.875%
- Bemidji-7.875%
- Marshall-7.875%
- New London-7.875%
- Spicer-7.875%
- Brainerd-7.875%
- Mankato-7.875%
- Willmar-7.375%

Currently in Willmar, our .5% local sales tax puts \$2.5 million into our community annually

Willmar's current 7.375% sales tax is composed of:

- Minnesota State Sales Tax 6.875%
- Kandiyohi County .5% sales tax

The current .5% sales tax is projected to be removed in less than 5 years when funding for the 4 county road projects are completed.