

Pursuant to due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on December 7, 2020. City Administrator Harrenstein on March 31, 2020, under MN Statute Section 13D.021, declared the use of electronic meetings due to the COVID-19 pandemic. Mayor Dehen called the meeting to order at 7:12 p.m., asking that everyone join in the Pledge of Allegiance. The following were present remotely through Zoom for roll call: Council Members Whitlock, Oachs and Steiner, City Attorney Kennedy, Finance Director McCann, Community Development Director Fischer, Police Chief Gullickson, and Public Works Director Host, present in the Council Chambers for roll call: Council Member Norland, Mayor Dehen, City Administrator Harrenstein, and City Clerk Van Genderen. Citizen participation was available through teleconference.

Approval of Agenda

Council Member Steiner moved, seconded by Council Member Norland, to approve the agenda as presented. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Approval Council Minutes from the November 16, 2020, Council Meeting.

Council Member Norland moved, seconded by Council Member Steiner, to approve the minutes of the Council meeting of November 16, 2020. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Approval of Council Work Session Minutes from the November 23, 2020, Council Work Session.

Council Member Steiner moved, seconded by Council Member Norland, to approve the minutes of the Council Work Session Meeting of November 23, 2020. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Public Hearing, 7 p.m. Conditions at 229 Allan Avenue.

City Attorney Chris Kennedy appeared before Council and reported the hearing is to allow comment on the property located at 229 Allan Avenue. The City staff have received complaints concerning the property's condition, including concerns about the overgrowth and possible infestations. He stated that Police Chief Gullickson and Community Development Director Fischer would review the property conditions during the business items. At this time, the public will be allowed to speak.

Tom Hagen, 927 Lake Street, spoke before the Council and stated Mr. Borchardt has accepted his help but has declined the City's offer to help because he wants to leave the property as a natural lawn, and Mr. Borchardt does not think the City will leave his yard natural. Mr. Hagen reported that the rest of the neighborhood should be educated on how they should maintain their lawns.

Lucy Lowry, 2263 Northridge Drive, spoke before the Council and requested clarification on the resolution and encouraged the Council not to vote for the resolution.

Barb Church, 102 Wheeler Avenue, spoke before Council and requested clarification on the terms of the resolution and encouraged the Council to deny the resolution.

Diane Anderson, 225 Allan Avenue, spoke before Council and stated the property had been an eyesore in the neighborhood for 30 plus years. It is time for the property owners to respect their neighbors and clean the property up.

Jordan Johnson, 240 Allan Avenue, spoke before Council and stated the Borchardts were wonderful people and neighbors. However, they still need to follow the rules that everyone else follows, and they should keep their property orderly. He noted the Borchardts had made strides but still needed to improve the property.

Jim Lindquist, 439 Jefferson Avenue, spoke before Council and wondered if VINE had been contacted to help the couple clean up the property.

Karl Friedrichs from Friedrichs Law Office spoke before the Council on behalf of the Borchardts. Attorney Friedrichs reported the Borchardts received an itemized list on April 21, 2020, as to the improvements that needed to be made to the property, and the Borchardts completed those tasks but were notified on August 4, 2020, that additional work required to be completed included removal of rank vegetation. Mr. Friedrichs stated the City Code was vague, and the use of the term rank vegetation did not provide sufficient explanation to act on. He also noted the proposed resolution states that many of the public are annoyed by the rank growth of vegetation, and the statement was also vague. He commented that there were no vermin on the property and was concerned that birds were included as an infestation. Mr. Friedrichs requested that if the resolution was passed, the Borchardts should have until June 1, 2021, to improve the property, which would allow the growth of the vegetation, and proper maintenance and visual would be available.

With no one else appearing before Council, Mayor Dehen closed the Public Hearing.

Public Hearing, 7 p.m. 2021 Budget and 2021-2025 Capital Improvement Plan.

Finance Director McCann reviewed the 2021 Budget. He reviewed the property tax and budget process timeline, noting the final budget and levy adoption will occur on December 21, 2020. He reviewed the components of a property owner's property taxes noting that Nicollet County is responsible for 44% of a property's taxes, North Mankato is responsible for 39% of a property's taxes, the Mankato Area Public Schools is responsible for 17%, and Region Nine and South Central Minnesota Multi-County HRA share less than a percentage point. Finance Director McCann reported the 2021 preliminary levy was set in September. The final proposed 2021 levy dollar amount is \$188,769 more than the 2020 levy. He noted new growth in the City is expected to offset the tax levy increase. The total general property taxes needed by the City for 2021 is \$6,983,328 with \$5,218,162 going to the General Fund, \$75,000 going to the Port Authority, \$1,213,070 going to the Debt Service, and \$477,096 going to the Abatement Levy. The tax rate is decreasing from 49.668% in 2020 to 48.905% in 2021. Finance Director McCann reviewed the Tax Levy History noting the City has worked to reduce the tax levy from its highest point of 54.566% in 2013 to its current rate of 48.905% in 2021. In 2021, he noted that home values increased from 0% to 10%, with the majority seeing a 5-10% increase in value. The increased home value will mean the tax levy impact will vary depending on specific property values. Finance Director McCann reported that a home with a median home value of \$302,085 would have a total city tax of \$1,428 with those \$1,067 used by the General Fund, \$346.00 used by Debt Service, and \$15.00 by the Port Authority. He further divided the taxes for the General Fund. The \$1,067 would support the following funds: General Fund \$98.00, Public Safety \$287.00, Public Works \$302.00, Culture/Recreation \$222.00, Community Development \$71.00, Other \$41.00, and Transfers \$47.00.

Finance Director McCann reviewed the 2021 Budget breaking it down by department. Significant changes include a 32% increase in the Legislative Fund due to the implementation of the new pay structure, a \$530,463 decrease in the Streets due to the one-time advance of State-Aid in 2020, a \$72,871 increase in the Swim Facility due to operational increases anticipated with a full swim season which should be offset by increased revenues, a \$57,457 increase in Community Development due to returning to rental inspections and the addition of planning staff, and a \$1,020,472 decrease in Miscellaneous due to the CARES Act Funding in 2020. Total budget expenditures decreased by \$1,267,583, mainly due to the CARES Act Funding.

Finance Director McCann reviewed the 2021 General Fund Revenue, which included a \$73,000 decrease in cable and electric fees collected due to reduced use of those services, a \$51,650 increase in other taxes due to a full year of gambling tax revenue anticipated to be collected in 2021, a \$1,862,250 decrease in the intergovernmental fund due to the reduction of one-time funding from CARES Act and a reduction in State-Aid from 2020, an increase of \$159,498 in charges for services based on anticipated full swim season and a return to room & shelter rentals. Total Budget revenues reflect a \$1,332,446 reduction mainly based on the CARES Act Funding received in 2020.

Finance Director McCann reported a proposed decrease of City Staff from 62.50 full-time equivalent staff in 2020 to 60.50 in 2021. The budget does include a mid-year pay plan increase of 3% for performance based on the City's CARES Act Funding audit and Local Government Aid.

Finance Director McCann reviewed the Utility Fund Expenditures, which includes Water, Wastewater, Solid Waste, Recycling, and Storm Water. Significant changes include a \$225,769 decrease in the Water fund due to decreased Capital outlay to save for future years and a \$688,157 decrease in Storm Water due to the completion of the Northridge Ravine Project. Utility Fund Revenue changes include a \$16,900 decrease in the Water Fund due to water use trending down and a \$41,400 increase in recycling due to an anticipated rate increase in 2021.

Finance Director McCann reported an anticipated 2021 Revenue of \$22,499,022 and 2021 Expenditures of \$22,069,755.

Finance Director McCann stated the Capital Improvement Plan is a flexible planning tool that is reviewed and updated yearly. The purpose is to plan for the future, and it includes major projects and equipment purchases over \$15,000. The tool aims to minimize fluctuations in expenses and create an orderly replacement of facilities, infrastructures, and equipment. The 2020-2024 CIP was set at \$29.2 Million, and the 2021-2025 CIP is set at \$32.4 Million, which is an increase of \$3.2 Million. The changes include a \$.22 million increase in equipment, \$.53 million decreases in Pavement management, \$.33 million decreases in Park improvements, \$.30 million decreases in water projects, \$.12 million increase in sewer funding, and \$4.02 million increase in projects including the Caswell Park improvements. Finance Director McCann reported that the citizens and legislature approved the sales tax extension. The legislature in 2020 approved \$2.0 million in bonding toward the Caswell Park Improvements. He noted the City currently has \$5.0- \$8.0 million in sales tax funding capacity and stated the City would continue to pursue State appropriation for Caswell's indoor recreation facility.

Mayor Dehen opened the Public Hearing.

Robert Salfer, 613 Wall Street, stated he was concerned about his property's valuation and taxes.

With no one else appearing before Council, Mayor Dehen closed the meeting.

Consent Agenda

Council Member Norland moved, seconded by Council Member Steiner, to approve the Consent Agenda.

- A. Bills and Appropriations.
- B. Res. No. 93-20 Approving Donations/Contributions/Grants.
- C. Res. No. 94-20 Declaring Costs to be Assessed for Municipal Charges.
- D. Set a Public Hearing on December 21, 2020, at 7:00 p.m. on the Annual Stormwater Pollution Prevention Program (SWPPP) Review.
- E. Set a Public Hearing on December 21, 2020, at 7:00 p.m. to Consider a Mobile Food Unit Ordinance.
- F. Res. No. 95-20 Prorating Existing On-Sale Liquor Licenses for Time Closed due to State-Mandated Bar and Restaurant Closures During the COVID-19 Pandemic.

- G. Renewed 2021 Licenses.
- H. Res. No. 96-20 Set Council Dates for 2021.
- I. Res. No. 97-20 Designating Polling Places for 2021.
- J. Approved Appointments to Boards and Commissions.

Vote on the motion: Norland, Whitlock, Steiner, and Dehen aye; Oachs abstain, no nays.

Motion carried.

Public Comments Concerning Business Items on the Agenda

None.

Business Items

Res. No. 98-20 of the North Mankato City Council in the Matter of a Nuisance Property Located at 229 Allan Avenue, North Mankato Owned by Edward R. Borchardt and Ann M. Borchardt.

Community Development Director Fischer reviewed the property's history, including formal communication concerning cleaning up the property between the City and the Borchardts beginning in 2005, 2011, 2016, 2019, and 2020. The letters of complaint included concerns about the height of grass and the outdoor storage of materials.

Attorney Chris Kennedy stated the growth of vegetation on the property attracts animals and pests. Neighbors have witnessed that they have seen woodchucks, mice, feral cats, raccoons, and other pests. He reported staff has offered to help the Borchardts address the conditions of the property.

Police Chief Gullickson reported he became involved with the issue in July 2020. On July 13, 2020, he met with Ed Borchardt for approximately 45 minutes, and they identified areas that needed to be cleaned up. He reported Mr. Borchardt seemed receptive, and they agreed he would complete some work over the weekend and Chief Gullickson would review the property on July 20, 2020. He reported Mr. Borchardt had worked on the property, but additional work needed to be completed. Police Chief Gullickson stated he returned to the property on September 23, 2020, and Mr. Borchardt showed him around the property. At that time, Mr. Borchardt said he was done working on the property, and he was satisfied with the condition. Police Chief Gullickson documented the property's condition and spoke with Mr. Borchardt that the property was still not as clean as it needed to be.

Attorney Chris Kennedy stated he understood that people might be sympathetic to the Borchardts being elderly and having health concerns. Still, the Council should not make a value judgment based on their circumstances. City staff have offered to assist the Borchardts and have been denied. The Borchardt's property has been an issue for many years with a rank growth of vegetation that can attract nuisances such as mice, rats, and other pests. Attorney Kennedy acknowledged Attorney Friedrichs's request to extend the deadline to later in the year and indicated that could be changed at the Council's discretion. He stated that while Borchardts states he does not know what is required, this does not excuse him from complying. If an individual commits a traffic violation, they are guilty even if they do not know the specific violation. Attorney Kennedy stated the Council must weigh the rights of the property owner with their neighbors' rights and take appropriate action.

Council Member Norland stated she was unhappy with the resolution, and Attorney Friedrichs laid out environmental concerns that the City should address. She noted the Borchardts have improved their property and stated the Chief of Police saw cooperation. Council Member Norland expressed concern that environmental issues could be criminalized by code. She said while she has concerns about the resolution, she would like to see the Borchardts' work to bring their yard into compliance as long as the date for completion is set for later in the year, maybe June 1, 2021. Council Member

Norland also requested clarification of the code to make it more transparent and specific. Council Member Oachs concurred and stated the pollinator garden ordinance should become a priority for City Council. She indicated that June 1, 2021, would be good because it would allow the vegetation to grow back and see what was going on in the yard. Council Member Oachs stated there are a lot of other properties not in compliance. Council Member Steiner agreed with Council Members Norland and Oachs. Council Member Whitlock agreed with changing the compliance date to June 1, 2021, but stated the property needs to be improved for their neighbors' rights. The issue has been going on for around 15 years, and it is time the City listened to its neighbors. Mayor Dehen stated he agreed with changing the date to June 1, 2021.

Council Member Norland moved, seconded by Council Member Steiner, to amend and adopt Res. No. 98-20 of the North Mankato City Council in the Matter of a Nuisance Property Located at 229 Allan Avenue, North Mankato Owned by Edward R. Borchardt and Ann M. Borchardt. The resolution will be amended to allow the Borchardts until June 1, 2021, to bring their property into compliance. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Res. No. 99-20 Receiving Feasibility Report and Calling Hearing for Project No. 19-05 ABCDEF 2021 Harrison Avenue Improvement Project and Project No. 20-04 ABCDEF 2021 Cliff Court Improvement.

City Engineer Sarff reported the project areas include the street and utility improvements on Harrison Avenue from Cross Street to Range Street and street and utility improvements on Cliff Court from Cliff Drive to the end of the cul-de-sac. He noted the City Council authorized the Preliminary engineering Report at the November 16, 2020, Council Meeting. City Engineer Sarff reviewed the existing conditions for the Sanitary Sewer, Watermain, Storm Sewer, and Street and surface needs. Of note is that Harrison Avenue is over 65 years old, and Cliff Court is over 50 years old, and both are showing their age. City Engineer Sarff reviewed the proposed improvements, including new sanitary sewer service, new watermain pipes, new storm sewer pipes and manholes, and reconstruction of existing streets with bituminous pavement and curb gutter. He reported 19 existing boulevard trees on Harrison Avenue, but most of the trees are very large, and the boulevard is too narrow to accommodate boulevard trees. Most of the trees are slated to be removed, but residents may get a new tree to plant in their yard, but not their boulevard.

City Engineer Sarff reviewed the estimated project costs. Harrison Avenue Street and Surface Improvements/Street Lights \$418,200, Storm Sewer \$64,900, Sanitary Sewer Mainline and Services \$78,900, and Watermain mainline and services \$101,500. For a total project cost of \$663,500. Cliff Court's total estimated cost is \$718,300 with \$349,700 for Street and Surface Improvements/Street Lights, \$172,500 for Storm Sewer, \$84,300 for Sanitary Sewer Mainline and Services, and \$11,800 for Watermain Mainline and Services. Using the assessment policy which has sanitary sewer and water services 100% assessable to residents and the street reconstruction, sanitary sewer, watermain, storm sewer, and street lights 40% assessable to residents and then applying the assessment cap projected assessments for Harrison Avenue at approximately \$7,500, and Cliff Court would be approximately \$9,000.

City Engineer Sarff reviewed the proposed timeline, including neighborhood meetings the week of December 14th and the improvement hearing on December 21, 2020. The projected beginning of construction would be in early May and completion of construction in late August.

Mayor Dehen asked for clarification if the timeline was too tight. City Engineer Sarff reported staff should conduct the neighborhood meetings and get the notification out to meet the timeline to have a hearing on December 21, 2020.

Council Member Steiner moved, seconded by Council Member Norland, to Adopt Res. No. 99-20 Receiving Feasibility Report and Calling Hearing for Project No. 19-05 ABCDEF 2021 Harrison Avenue Improvement Project and Project No. 20-04 ABCDEF 2021 Cliff Court Improvement. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Consider Request to Amend City Code Off-Street Parking Requirements and Consider the Planning Commissions Recommendation.

Community Development Director Fischer reported Select Management, LLC requested to amend City Code section 156.053, Off-Street Parking and Loading. Specifically, the minimum number of off-street parking spaces required for multi-family dwellings. According to the City Code, for multiple-family dwellings (apartments), the minimum number of off-street parking spaces required is 2 per dwelling unit. For example, a 10-unit apartment building would require a minimum of 20 off-street parking spaces. The applicant is proposing to construct a 117 unit apartment building. According to the City Code, a minimum of 234 off-street parking spaces would be required. Because the building will consist of 81 one-bedroom and 36 two-bedroom units, the applicant is requesting a reduction of the required number of spaces from two per unit to one per bedroom. Based on this request, the total number of off-street parking spaces needed would be 153.

Community Development Director Fischer stated the apartment building would be located on vacant property at the intersection of Marie Lane and Tower Boulevard. As this location is near Hoover Elementary School, there are a number of buses using Marie Lane and Tower Boulevard to go to and from Hoover School when in session. Additionally, a number of elementary-aged students use the existing sidewalks on Marie and Tower to walk or bike to Hoover Elementary. As part of a Safe Routes to School route, the sidewalk along the north side of Marie Lane will be widened to provide better student access to Hoover School. Currently, on-street parking is permitted on both sides of Marie and Tower.

For public safety and snow plowing, the City believes that adequate off-street parking should be required for multi-family dwellings not to encourage vehicles' on-street parking. The Planning Commission did not recommend approval of the request to reduce off-street parking requirements for multi-family homes.

Council Member Steiner moved, seconded by Council Member Norland, to deny the Request to Amend City Code Off-Street Parking Requirements. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Open Forum

Melanie Benit from the Institute of Justice spoke before Council concerning the proposed Mobile Food Truck Ordinance. She stated the proposed ordinance and restrictions should be denied because there should not be a need to regulate food trucks.

City Administrator and Staff Comments

City Administrator Harrenstein commented that vegetation growth is managed differently in different zoning districts.

City Administrator Harrenstein stated the Public Hearing for the Natural Lawn ordinance would be set at the next Council Meeting.

Police Chief Gullickson reported that the officer that was assaulted is recovering.

Mayor and Council Comments

Council Member Norland thanked Police Chief Gullickson for his respectful work with the Borchardts.

Mayor Dehen stated the levy would be reduced by .75%, reflecting the City's desire to live within its means. Setting the levy at the current rate would allow the City to consider the two projects discussed today, Harrison Avenue and Cliff Court. He stated the final tax rate would be set on December 21, 2020.

Mayor Dehen sent his condolences to the Marv Munsterman family.

At 9:28 p.m. on a motion by Council Member Norland, seconded by Council Member Oachs, the Council Meeting was adjourned.

Mayor

City Clerk