

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 April 17, 2017. Mayor Dehen called the meeting to order at 7:00 p.m. asking that everyone join in the Pledge of Allegiance. The following were present for roll call: Mayor Dehen, Council Members Whitlock, Steiner, Norland, and Freyberg, City Administrator Harrenstein, Finance Director McCann, City Attorney Kennedy, Community Development Director Fischer, Public Works Director Swanson and City Clerk Van Genderen.

Approval of Agenda

Council Member Norland moved, seconded by Council Member Whitlock, to approve the agenda as presented. Vote on the motion: Whitlock, Norland, Freyberg and Dehen aye; Steiner abstain. Motion carried.

Approval of Council Meeting Minutes

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

Consent Agenda

Council Member Freyberg moved, seconded by Council Member Steiner, to approve the Consent Agenda which included:

- A. Bills and Appropriations.
- B. Res. No. 28-17 Approving Donations/Contributions/Grants.
- C. Set Public Hearing for Ordinance No. 88 Fourth Series, An Ordinance of the City of North Mankato, Minnesota, Amending North Mankato City Code, Title XI, Business Regulations, Chapter 111, Alcoholic Beverages.
- D. Res. No. 29-17 Approving Consent Assessment Agreement-626 Belgrade Avenue.
- E. Reviewed April 11, 2017 Traffic & Safety Committee Meeting Minutes.
- F. Reviewed 2016 End of Year Planning and Zoning Report.
- G. Approved Application for Temporary Extension of Licensed Premise for the American Bar, 503 Belgrade Avenue for May 6, 2017.

Vote on the motion: Whitlock, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried. Council Member Freyberg thanked the Glen A. Taylor Foundation for the donation to the Children's Summer Reading Program.

Public Comments

Barb Church, 102 Wheeler Avenue, appeared before Council and asked for clarification on when an individual council member should abstain from voting or participating in a discussion on a topic due to conflict of interest. Attorney Kennedy reported the only legal reason a Council Member cannot vote or participate in a discussion on a topic is if they have a direct pecuniary interest.

Larry Hanson, 310 Belgrade Avenue, North Mankato Motor Vehicle, appeared before Council and stated he initiated the creation of Bumpers on Belgrade. He reviewed the 2016 Bumpers on Belgrade event indicating Business on Belgrade (BOB) sponsored the event and carried the liability, and the City helped with road closures. Mr. Hanson stated he heard positive comments from members of the public concerning the local businesses. He indicated that following the end of the event the businesses on Belgrade were engaged in a discussion on the success of the event. He indicated there

was one business that was unhappy with the event. He stated meetings were held and BOB turned down sponsorship of the event. Mr. Hanson noted the organizers scheduled the event to occur every other Thursday in Lake Crystal. There was continued interest to host the event on Belgrade Avenue, and additional public meetings were held, but there was continued resistance from some businesses.

Doug Berghorst, 2227 Simon Court, appeared before Council and stated it was a great event and if a business can not figure out a way to become more profitable with between 400 and 600 people outside of their business, they must need a new business plan.

Doug Erickson, 59478 216th Street, Eagle Lake, appeared before Council and provided suggestions for ways to accommodate both the businesses and the car show.

Sue Krueger, 224 Garfield Avenue, appeared before Council and stated she enjoyed the event and hoped it stays in North Mankato.

Ken Thiele, 1519 Nottingham Drive, appeared before Council and reviewed an economic analysis that was completed on the Henderson Classic Car Roll-in. The analysis indicated community and business approval. He noted he supported Bumpers on Belgrade.

Sharon Schaller, 291 Belgrade, Sharon's Craft-N-Floral, appeared before Council and stated she was one of the dissenting business owners. She proposed fees for those parking cars on Belgrade Avenue to raise revenue and because it was a family event to deny alcohol on the streets.

Brenda Wilcox, 231 Belgrade Avenue, Onatah on Belgrade, appeared before Council and stated Thursdays were normally very busy nights, but they lost business during the seven-week Bumpers on Belgrade trial in 2016 due to the loss of access to their building. Ms. Wilcox stated it took several weeks for business to return. She stated Y-Barber and Onatah on Belgrade support the community and have been disappointed with the backlash from the organizers of Bumpers on Belgrade which included swearing at employees. She stated BOB worked on a compromise including moving the event to the 300-400 block, to a park, or Range Street or only having the event once or twice a year. That way both the event and the businesses would work. Ms. Wilcox indicated she wanted Council to deny the request.

Cindy Wintheiser, 202 Mary Lane Mankato, First Class Hair Design, 407 Range Street, appeared before Council and reported she worked at First Class Hair Design and they did not see a decline in customers. She thought the event was a positive event that brought people to North Mankato.

Jenny Bobholz, 228 Garfield Avenue, appeared before Council and stated she manages the Circle Inn and the event increased business. Speaking as a citizen of North Mankato she appreciated the event because it was an intergenerational event that fostered the small town feel of North Mankato.

Ellen Koenigs, 231 Belgrade Avenue, appeared before Council and stated she owned Y-Barbers and was against closing Belgrade Avenue on one of their busiest evenings. Ms. Koenigs indicated closing once or twice a year would not be an issue, but weekly or bi-weekly closures are too many. She reported that last November B.O.B. voted not to support the event because it was not

profitable for many businesses. Ms. Koenigs stated businesses that did not support the event were being threatened by this group.

Sandra Oachs, 2310 Abbywood Lane, North Mankato and owner of Spinners Bar and Grill, 301 Belgrade Avenue, appeared before Council and stated that on behalf of her business she supports Bumpers on Belgrade because it became one of Spinners busiest nights.

Business Items

Consider V-1-17, 2040 Commerce Drive. Administrator Harrenstein indicated the Planning Commission did not approve the variance. Attorney Kennedy stated the Council must deny the variance with a vote or the variance will by default be approved. He reported the Planning Commission had requested the City staff return with City Code changes to address the variance request. Council Member Freyberg confirmed the applicant was aware of the denial. **Council Member Norland moved, seconded by Council Member Steiner to Deny V-1-17, 2040 Commerce Drive. Vote on the motion: Whitlock, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.**

Consider Developer Agreement for Privately Financed Improvements Trail's West Estates. City Administrator Harrenstein indicated this is an agreement between the City of North Mankato and United Assets Development Corporation for the development of approximately 9 acres north of Timm Road. The development would consist of between 28 and 30 homes and would be privately financed. United Assets Development Corporation will submit funds for public improvement to the City and the process by which the improvements become public assets are outlined in the agreement. **Council Member Freyberg moved, seconded by Council Member Norland to Approve the Developer Agreement for Privately Financed Improvements Trail's West Estates. Vote on the motion: Whitlock, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.**

Consider Request for Bumpers on Belgrade. City Administrator Harrenstein reviewed the request before the City Council. The request includes eight dates for the event between June and September to be held from 4:30 p.m. to 8:00 p.m. on both the 200 block and 300 blocks of Belgrade. The organizers request the format of the event follow the format used in 2016. City Administrator Harrenstein reviewed the 2016 event which was held over seven consecutive weeks in August and September. The event successfully drew several hundred participants to Lower North Mankato. The City conducted a survey in the fall of 2016 which was mailed to businesses and residents in the 200 and 300 block of Belgrade and made available to the public through the weekly e-newsletter. The survey and a petition of support gathered by the organizers indicated a positive response to the event. City Administrator Harrenstein reported that after the close of the 2016 events, planning began for 2017 at which time concern was raised from businesses on the 200 block of Belgrade showing the road closure was detrimental to their businesses. In an attempt to come to a resolution between business owners and organizers, two engagement sessions were held in the winter of 2016. The event organizers initially proposed holding 17 events through June and September starting at 4:30 p.m. and ending at 8:00 p.m. After the two sessions, no compromise was reached, and the B.O.B. board voted to not officially sponsor the event in 2017 due to mixed opinions on the success of the event among their members. In February of 2017 event organizers submitted the large group and sound permit application for the event. They reduced the number of events from 17 to 8 dates and maintained the starting time of 4:30 p.m. and ending at 8:00 p.m. City staff once more invited the groups to two

additional public engagement events to collect feedback. Concerns raised by businesses were similar to those collected in the winter of 2016 and advocates of the event advanced similar arguments of support. City Administrator Harrenstein acknowledged the concerns of the businesses and the perspective of the organizers. He stated the difficulty is the inability of those supporting and those not supporting the event to compromise. Administrator Harrenstein acknowledged the validity of each argument.

He reviewed three potential options. Option 1: Approve the Permit. The event was successful and capitalizes on public investments in the district. By drawing visitors to the area, we are increasing our regional role as a destination for tourism and events. Option 2: Deny the Permit. The event was successful but too harmful for local businesses. By closing the road, we are creating an environment risking the future success of the businesses we have partnered with by investing public dollars in the district. Option 3: Approve eight events, beginning at 5:30 p.m.-8:00 p.m. on both the 200 block and 300 blocks of Belgrade. The event was successful, but traffic volumes on the 200 block of Belgrade are one of the greatest in the city during the proposed timing of the events. By approving the event with a different start time, businesses on the 200 block can still benefit from peak traffic volumes. Option 4: Approve the event, beginning at 5:30 p.m.-8:00 p.m., but do not close the 200 block and only dedicate the 300 block for the event. The event was successful, but the 200 block must be kept open due to traffic volumes. Close the 300 block and make it available to the car enthusiasts and visitors.

Mayor Dehen thanked those that came out to discuss Bumpers on Belgrade. Council Member Steiner stated the event brought visitors to North Mankato, but the majority of businesses oppose its return to the 200 block of Belgrade Avenue. He proposed moving the event to the 300 and 400 block. Administrator Harrenstein reported they had proposed the idea but opposition arose from businesses on those blocks. Council Member Freyberg suggested closing the 200 and 300 blocks of Belgrade beginning at 5:30 p.m. instead of 4:30 p.m. Larry Hanson stated the car enthusiasts come from miles around, and they park and eat but want to be home early. He indicated he would not do 5:30 p.m., he would do 5:00 p.m. Council Member Norland stated several businesses lost money and the mention of intimidating behavior is disturbing. Mr. Hanson said his business on the 300 block did not suffer. Administrator Harrenstein responded the 200 block has more traffic on it and it does not function the same as the 300 block. Mayor Dehen stated a 5:30 p.m. start time would allow the bank to conclude their business and a busy time of day on Belgrade Avenue is from 5:00 p.m. to 5:30 p.m. Mayor Dehen proposed the following compromise the event would begin at 5:30 p.m. to 8:00 p.m. and the City would allow a left hand turn onto Nicollet, provide additional signage to improve visibility for businesses, the organizers would be required to carry the liability insurance and prizes would be purchased from the local businesses. Attorney Kennedy stated the liability must meet the requirements set forth by the League of Minnesota Cities. Mayor Dehen said he enjoyed Bumpers on Belgrade but the City must also support its businesses, and this compromise should work for both sides. He stated the bullying must stop as it is childish and would not help or support North Mankato. **Council Member Freyberg moved, seconded by Council Member Steiner to approve the Bumpers on Belgrade Audio and Large Group Permit for eight days between June and September from 5:30 p.m. to 8:00 p.m. allowing for a left hand turn onto Nicollet, improved business signage and the organizers must carry the liability. Vote on the motion: Whitlock, Steiner, Norland, Freyberg and Dehen aye; no nays. Motion carried.** Mr. Hanson withdrew his petition.

City Administrator and Staff Comments

Administrator Harrenstein thanked Council for their willingness to provide solutions, and the citizen engagement process was successful. Council Member Steiner stated the goal was to make it work for everyone. Mayor Dehen stated he was hopeful they could find a middle ground.

Public Works Director Swanson stated Spring Cleanup was in full swing in the Valley and the Hilltop would begin the week of April 24th.

Mayor and Council Comments

Council Member Whitlock stated he is in Region 9 and has been appointed to communication and legislation committees.

Public Comments

Phil Henry, 1300 Noretta Drive, appeared before Council and thanked the City staff and City Council for the addition of the three trees in front of City Hall. Public Works Director Swanson stated the maple tree was a transplant from Bluff Park.

Barb Church, 102 Wheeler Avenue, appeared before Council and asked for clarification on whether Bumpers on Belgrade was a B.O.B. event. Mayor Dehen stated that in 2016 the event was co-sponsored by B.O.B. Ms. Church requested clarification on the City Administrator's review and if there would be an investigation. Attorney Kennedy stated he had not seen any grounds for an inquiry. He spoke with individuals who have raised concerns and there are no reasons for an investigation, just disagreements.

Tom Hagen, 927 Lake Street, appeared before Council and provided the Council with copies of a PBS report on Lyme's disease. He stated he thought the City was behind in the use of renewable energy. Mr. Hagen indicated he thought sound studies should be completed on the proposed enclosed shelter at Spring Lake Park.

There being no further business, on a motion by Council Member Whitlock, seconded by Council Member Norland, the meeting adjourned at 8:16 p.m.

Mayor

City Clerk