

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 2, 2019. 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: Council Members Whitlock, Steiner, Norland, Oachs, and Mayor Dehen, City Administrator Harrenstein, City Attorney Kennedy, Finance Director McCann, Community Development Director Fischer, Public Works Director Host, and City Clerk Van Genderen.

Approval of Agenda

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

Approval of Council Meeting Minutes November 18, 2019

Council Member Steiner moved, seconded by Council Member Norland, to approve the minutes of the Council meeting of November 18, 2019. Vote on the motion: Steiner, Norland, Oachs, Whitlock, and Dehen aye; no nays. Motion carried.

Public Hearing, 7 pm-2020 Budget and 2020-2024 Capital Improvement Plan.

Finance Director Kevin McCann presented a PowerPoint concerning the proposed 2020 Property Tax Levy, Budget, & CIP. He reviewed the process concerning establishing the proposed budget and noted the tax rate would be further reduced from 50.950% for 2019 to 49.563% for 2020. He stated the proposed final 2020 levy dollar amount is \$110,721 (1.7%) more than the 2019 levy. Finance Director McCann reviewed the breakdown of the taxable market growth, noting that there was a 4.4% growth in the taxable market. The total general property taxes needed by the City of North Mankato for 2020 is \$6,794,559. The budget is broken down into the General Fund \$5,119,393, the Port Authority Fund \$75,000, Debt Service Fund, \$1,143,970, and Abatement Levy \$456,196. Finance Director McCann reviewed the Fund Expenditures and Fund Revenues. Finance Director McCann reviewed the proposed CIP; the CIP is a tool used to forecast and plan the City's future. The CIP for 2020-2024 is \$29.2 million which is a \$9.1 million increase over the 2019-2023 CIP. \$5.5 million of the increase was a result of allocating \$5.5 million to the Caswell Park Improvements. Finance Director McCann included a debt analysis noting the plan is for the City to take on an additional \$2 million in debt annually while continuing to pay down the current debt. The goal is to maintain and improve the City while managing the City's debt.

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

Consent Agenda

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

- A. Bills and Appropriations.
- B. Res. No. 89-19 Approving Donations/Contributions/Grants.
- C. Approved License Renewals for 2020
- D. Res. No. 90-19 Setting Council Dates.
- E. Set Public Hearing on December 16, 2019, at 7:00 p.m. on the Annual Stormwater Pollution Prevention Program (SWPPP) Review.
- F. Approved Parade and Audio Permit for the 12th Annual Girls on the Run 5K at Spring Lake Park on May 2, 2020, from 8:00 a.m. to 11:30 a.m.

- G. Approved Parade and Audio Permit for Bells on Belgrade on December 6, 2019, from Noon to 7:00 p.m. on the 200 Block of Belgrade.
- H. Accepted Property Owner Petition to Annex 3.28 Acres into the City of North Mankato and Set a Public Hearing for 7:00 p.m. on January 6, 2020.
- I. Set Public Hearing on December 16, 2019, at 7:00 p.m. on Vacation of Utility Easements.

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

Public Comments Concerning Business Items on the Agenda

None.

Business Items

Amend the North Mankato Policy for Rezoning of Residential Properties Affected by 2005 City-Wide Down Zoning.

Community Development Director Fischer reported in May of 2005 the City Council adopted ordinances which down zoned residential areas within the City from R-2, One and Two-Family Dwelling to R-1, One-Family Dwelling. As a result, due to the presence of multi-family dwellings in R-1 zoning districts, non-conforming uses were created, which can pose challenges for refinancing and resale of certain properties. A policy was adopted in 2012 to accommodate zoning changes for certain non-conforming uses. The policy states that properties which are considered non-conforming due to the downzoning in 2005, rezoning approval will be granted by the City if the owner can demonstrate the following: 1.) The dwelling was originally permitted and constructed as a multi-family dwelling, 2.) The dwelling was originally located in a zoning district which allowed such use, 3.) The dwelling has been continually used and licensed as a multiple-family dwelling. In August of 2019, the Planning Commission considered a request to rezone a property R-1 to R-2 for a two-family dwelling, which was affected by the downzoning. The Planning Commission reviewed the policy and recommended an amendment to the policy whereby rezoning consideration would be given to dwellings that had been constructed as multiple-family but not used or licensed for rental purposes. The suggested amendment would be an addition to item three. Number three would now read: "The dwelling has been continually used and licensed as a multiple-family dwelling or originally designed and built as a multiple-family dwelling." The change in the policy would allow the rezoning of the property. Mayor Dehen requested clarification that the property was originally built as a duplex and not retrofitted. Community Development Director Fischer reported it was built as a duplex but due to damage to the property, it was not continually licensed as a rental.

Council Member Steiner moved, seconded by Council Member Norland, to Amend the North Mankato Policy for Rezoning of Residential Properties Affected by 2005 City-Wide Down Zoning. Vote on the motion: Steiner, Norland, Oachs, Whitlock, and Dehen aye; no nays. Motion carried.

Z-1-19 Request to Rezone 1253/1255 Lake Street from R-1 to R-2 and Ordinance No. 122 Fourth Series Rezoning 1253/1255 Lake Street from R-1 to R-2.

Community Development Director Fischer reported in September 2019; the applicant requested to rezone the property addressed as 1253/1255 Lake Street from R-1 to R-2. The dwelling is a duplex that was rezoned from R-2 to R-1 in 2005. The request is now permissible with the amendment to the Policy for Rezoning of Residential Properties Affected by 2005 City-Wide Down Zoning. Mayor

Dehen expressed concerns with parking at the property and requested the owners be made fully aware of the parking requirements. Community Development Director Fischer reported the owners are aware of the restrictions and before the property is licensed for rental, it must pass all rental application requirements.

Council Member Norland moved, seconded by Council Member Steiner, to approve Z-1-19 Request to Rezone 1253/1255 Lake Street from R-1 to R-2 and Adopt Ordinance No. 122 Fourth Series Rezoning 1253/1255 Lake Street from R-1 to R-2. Vote on the motion: Steiner, Norland, Oachs, Whitlock, and Dehen aye; no nays. Motion carried.

Res. No. 91-19 Approving the Issuance and Sale of an Educational Facility Revenue Refunding Note and Authorizing the Execution of Documents Relating Thereto (Bethany Lutheran College Project).

City Administrator Harrenstein invited Attorney Daniel Burns to the podium. Attorney Burns reported the resolution would authorize the issuance and sale of an educational facility revenue refunding note and the related documents. By federal law, Bethany Lutheran College is allowed to use the City's tax-free borrowing status. When Bethany Lutheran College uses the City's tax-free borrowing status, the City does not incur any liability.

Council Member Steiner moved, seconded by Council Member Norland, to Adopt Res. No. 91-19 Approving the Issuance and Sale of an Educational Facility Revenue Refunding Note and Authorizing the Execution of Documents Relating Thereto (Bethany Lutheran College Project). Vote on the motion: Steiner, Norland, Oachs, Whitlock, and Dehen aye; no nays. Motion carried.

Open Forum

Tom Hagen, 927 Lake Street, appeared before Council and requested a workshop on deer and a presentation by Tom Zahn.

City Administrator and Staff Comments

City Administrator Harrenstein reported the snow removal went well, although the Police have placed pink tags on vehicles that have not moved since the snowfall. The owners of the vehicles will have 48 hours to move them, or the police will be knocking on doors.

City Administrator Harrenstein invited everyone out to Bells on Belgrade on Saturday, December 7th, beginning at 2:00 p.m.

Public Works Director Host reported the Carol Court Lift Station is complete, and progress is being made on the North Ridge Ravine project.

Mayor and Council Comments

Council Member Oachs thanked everyone who came out for Shop Small Saturday.

Council Member Oachs invited everyone to Bells on Belgrade on December 7, 2019.

Council Member Norland reported she attended the NLC conference in San Antonio and learned a lot and brought back ideas.

Council Member Norland encouraged everyone to review the Nicollet County Line publication, which included an article on scam prevention and how to arrange scam prevention training.

Mayor Dehen wished Council Member Norland a belated happy birthday.

Mayor Dehen thanked City staff for their great efforts on snow removal.

Mayor Dehen thanked the Police Department for their work in locating the stolen construction equipment to the contractor.

At 7:48 p.m. on a motion by Council Member Steiner, seconded by Council Member Norland, the Council Meeting was adjourned.

Mayor

City Clerk