

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 November 20, 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 Freyberg, Whitlock, Steiner, and Norland, 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 Steiner moved, seconded by Council Member Norland, to approve the agenda as presented. Vote on the motion: Freyberg, Whitlock, Steiner, Norland and Dehen aye; no nays. Motion carried.**

**Approval of Council Meeting Minutes**

**Council Member Norland moved, seconded by Council Member Steiner, to approve the minutes of the Council meeting of November 6, 2017. Vote on the motion: Freyberg, Whitlock, Steiner, Norland and Dehen aye; no nays. Motion carried.**

**Public Hearing-Consider Proposed Improvements to the Sidewalk at 613 Lyndale Street.**

Community Development Director Fischer reported that in response to a citizen complaint, City staff identified the sidewalk in front of 613 Lyndale Street to have a condition requiring maintenance or replacement and has been following the Sidewalk Installation and Maintenance Policy. City staff sent a certified letter to the property owner indicating that it was necessary to either repair or replace the sidewalk. The property owner was given sixty (60) days from the date of the letter to make the necessary improvements. The property owner did not respond within sixty (60) days, and according to the Sidewalk and Maintenance Policy, if the improvements have not been made, the City Council will hold a public hearing regarding the proposed improvements.

Tom Hagen, 927 Lake Street, appeared before Council and requested clarification on who built and maintained the parking lots on Range Street.

With no one else appearing the Mayor closed the Public Hearing.

**Public Hearing-Consider Proposed Improvements to the Sidewalk at 409 Sherman Street.**

Community Development Director Fischer indicated the same information considered during the 613 Lyndale Street sidewalk applied to the 409 Sherman Street sidewalk.

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 which included:**

- A. Bills and Appropriations.
- B. Res. No. 77-17 Approving Donations/Contributions/Grants.
- C. Res. No. 78-17 Declaring Costs to be Assessed for Municipal Charges.
- D. Accepted Property Owner Petition to Municipality for Annexation by Ordinance.

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

**Public Comments Concerning Business Items on the Agenda  
None.****Business Items****North Mankato Workforce Housing Presentations.****Koppen Gardens**

City Administrator Harrenstein introduced Dean Doyscher, President of SMR Management and Joleen Pfau, Director of Management of SMR Management to discuss Koppen Gardens. Mr. Doyscher briefly reviewed the history of Koppen Gardens; he stated Koppen Gardens has 72 units and seven floors. Mr. Doyscher stated to live at Koppen Gardens you have to have qualifying income. Ms. Pfau reported she was the Executive Director of Koppen Gardens which is run by the HRA Board. Ms. Pfau reviewed the building layout, the apartment layouts, and the amenities offered at Koppen Gardens. Ms. Pfau reported the revenue for the building was from resident rent, an operating subsidy from HUD and an Annual Capital Fund. She stated Koppen Gardens accepts all applicants, but the household income cannot exceed 80% HUD AMI. The average turnover is 1-2 units per month with an average waiting list of 15 applicants. Priority is given to the elderly who are handicapped or disabled. Ms. Pfau reviewed recent property improvements and anticipated improvements. Council Member Steiner clarified that everything goes through HUD. Mr. Doyscher indicated the property was owned by the HRA which is an arm of the City of North Mankato.

**South Central Minnesota Multi-County HRA**

City Administrator Harrenstein introduced Peggy Wiese the Executive Director of the South Central Minnesota Multi-County HRA. Ms. Wiese stated the HRA services Martin, Nicollet, Sibley, Waseca, and Watonwan Counties. The governing board consists of 10 members with two from each county. Ms. Wiese stated the agency administers the Section 8 Housing Choice Voucher rental assistance program. They have a total of 691 vouchers for the five counties. Nicollet County has approximately 385 of those vouchers and North Mankato has approximately 192 vouchers. Ms. Wiese stated the program accepts applications from families and individuals that are living, working or going to school in the five-county service area. If they are eligible, they are placed on the waiting list. When names are removed from the waiting list, an applicant may be offered a voucher. Ms. Wiese clarified that income, assets and eligible expenses are verified to determine eligibility and the applicant searches for a place to live. The rent for the unit must be within Federal Fair Market Rent/Payment Standards for the area, and when the process is complete, the HRA pays a portion of the participant's rent, based on 30% of their income. Ms. Wiese indicated the waiting list is currently closed because they have over 300 applicants and the average wait is over a year. Attorney Kennedy requested clarification on if there was a shortage of properties in North Mankato that were eligible. Ms. Wiese reported there was a shortage of larger 3 to 4 bedroom units and single bedroom units.

**Southwest Minnesota Housing Partnership**

City Administrator Harrenstein introduced Rick Goodemann, Chief Executive Officer, and James Arentson, Architect with the Southwest Minnesota Housing Partnership. Mr. Goodemann provided an overview of SWMHP which was established in 1992 and has developed, financed or rehabilitated over 9,050 housing units and assisted over 6,500 new and existing homeowners. Mr. Goodemann reviewed the services and products provided by SWMHP which includes community planning, homeownership assistance, community building and engagement, land development and redevelopment, housing preservation and rehabilitation, single-family housing development, multi-family housing development, housing assessments and inspections, supportive housing services, and community design and place making. Mr. Arentson reviewed specific plans and developments including 17 new homes in 2016-2017 in Saint Peter & Worthington, a multi-family development in

Worthington, and the Solace Supportive Housing in Saint Peter for those working to end the cycle of incarceration. Mayor Dehen requested clarification on how much the prices have increased since they began building homes. Mr. Goodeman stated that in 2000-2003 they were selling the houses for between \$104,000-112,000, today they struggle to build a house they can sell for under \$190,000. City Administrator Harrenstein requested clarification on if they always built subdivisions or if they could intersperse houses for target placement. Mr. Arentson stated they had completed infill projects, but focus on making assets that appreciate rather than depreciate. He stated one way to decrease the cost of a housing unit is to build on a smaller lot. Attorney Kennedy requested clarification on their financing. Mr. Goodemann stated they would do a soft second mortgage and also assist potential homeowners in maximizing their buying power. Mr. Arentson also indicated that the use of TIF was an important part of the required funding. Council Member Freyberg requested clarification on why mobile homes were no longer a part of the equation. Mr. Arentson stated they were still a part of the equation, but many mobile home parks were in poor condition. City Attorney Kennedy noted one of the issues with mobile homes is the difficulty in finding financing, especially since the home would depreciate. Mr. Arentson stated there had been efforts to improve the quality of mobile homes, but that also increases the cost.

**Res. No. 79-17 Authorizing the Purchase of Real Estate Located at 850 Nicollet Avenue and Dispensing with Requirements under Minnesota Statute 462.356 Subdivision 2.**

City Administrator Harrenstein stated last week staff reviewed the benefits of purchasing the property for future expansion of the water plant. He stated the property was being sold for \$114,900. **Council Member Freyberg moved, seconded by Council Member Steiner to adopt Res. No. 79-17 Authorizing the Purchase of Real Estate Located at 850 Nicollet Avenue and Dispensing with Requirements under Minnesota Statute 462.356 Subdivision 2. Vote on the motion: Freyberg, Whitlock, Steiner, Norland and Dehen aye; no nays. Motion carried.**

**Res. No. 80-17 Ordering Preparation of Feasibility Report on Project No. 17-05ABCDEF, 300 Block Jefferson Avenue Improvement Project. Council Member Norland moved, seconded by Council Member Steiner to adopt Res. No. 80-17 Ordering Preparation of Feasibility Report on Project No. 17-05ABCDEF, 300 Block Jefferson Avenue Improvement Project. Vote on the motion: Freyberg, Whitlock, Steiner, Norland and Dehen aye; no nays. Motion carried.**

**City Administrator and Staff Comments**

City Administrator Harrenstein reported Tobacco 21 was discussed at the Intergovernmental Meeting. He stated it was determined to bring Tobacco 21 back before the Councils. The North Mankato City Council will consider setting a Public Hearing on January 2, 2017, the Public Hearing would be held on January 16, 2017, and Council could decide if the action would be taken on January 16, 2017.

Public Works Director Swanson reported leaf collection is ongoing, but staff would reassess next week. He indicated the holiday lights would be lit on Wednesday, November 22<sup>nd</sup>.

**Mayor and Council Comments**

Council Member Whitlock stated Bells on Belgrade would be held on December 2, 2017.

Council Member Steiner stated the Council should review the Public Comment Policy and he encouraged the Council to return to the way it had been done in the past.

Mayor Dehen stated the Intergovernmental Minutes were included in the packet.

There being no further business, on a motion by Council Member Norland, seconded by Council Member Whitlock, the meeting adjourned at 8:10 p.m.

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Mayor

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City Clerk