

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 October 7, 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 Norland, Oachs, Whitlock, Steiner, and Mayor Dehen, City Administrator Harrenstein, City Attorney Kennedy, Finance Director McCann, Community Development Director Fischer, and City Clerk Van Genderen. Absent: Public Works Director Host.

Approval of Agenda

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

Approval of Council Meeting Minutes September 16, 2019

Council Member Steiner moved, seconded by Council Member Norland, to approve the minutes of the Council meeting of September 16, 2019. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Approval of Council Work Session Minutes September 23, 2019

Council Member Norland moved, seconded by Council Member Steiner, to approve the minutes of the Council Work Session meeting of September 23, 2019. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Public Hearing, 7:00 p.m.-Abatement of Property Located at 415 Webster Avenue.

City Attorney Kennedy reviewed the Code Enforcement process. He reported complaints are submitted to the City and Community Development Director Fischer begins the Code Enforcement process by reviewing the property to determine if a violation of City Code has occurred. If a violation is discovered the Community Development Director sends out a Notice of Violation to the property owner with notice of the Code Violation, the action needed to correct the violation, and a date the correction(s) need to be completed. The Community Development Director follows up with a review of the property after the original date of completion. If the property still has violations a second letter is sent to the property owner and the property revisited after the date of completion. If the property is still in violation the Community Development Director sends the information to the City Attorney who reviews the information and sends a letter to the property owner. The letter informs the owner that the City will proceed with an abatement process by setting a public hearing if the code violation is not corrected by a certain date. A review of the property occurs and if the violation is not corrected the issue is brought before the City Council to set a Public Hearing. The City Council holds a Public Hearing and if necessary passes a Resolution requiring the owner to correct the violation or the City will take the matter to District Court for a summary judgment which would allow the City to go onto the property and correct the violation.

Community Development Director Fischer reported the resident at 415 Webster Avenue received a Notice of Violation based on City Code 92.21 that requires no more than 20% of the exterior of the surface finish is peeling, cracked, chipped or otherwise deteriorated. The notice required the property owner to paint his residence at 415 Webster Avenue. The resident has not complied and has made no effort to respond to the request.

Barb Church, 102 Wheeler Avenue, appeared before Council and asked if the applicant has received information on available housing assistance programs such as North Side Revivals, should the

City add a burden on the resident if he can't afford to paint the house, and if the resident needs to locate a painter the wait may be long.

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

Public Hearing, 7:00 p.m.-Abatement of Property Located at 229 Allan Avenue.

Community Development Director Fischer reviewed the Notice of Violation, which included outdoor storage of materials and vegetation. He noted the amount, size and lack of maintenance of the vegetation on the property is an issue.

Edward Borchardt, 229 Allan Avenue, appeared before City Council and reported he was the owner of the property at 229 Allan Avenue. He stated he has been working to comply with correcting the issues noted in the Notice of Violation. He noted most of the items stored outside have been removed, or they plan on removing them in the next few weeks. Mr. Borchardt stated his health has prevented him from working in his yard and noted that he and his wife want to create a place in their yard where monarchs, pollinators, and birds are welcomed. He stated all of the vegetation is planted to attract pollinators, birds, and monarchs.

Lucy Lowry, 2263 Northridge Drive, appeared before Council and stated the Borchardts have made progress and requested the City give them more time to comply.

Diane Anderson, 225 Allan Avenue, appeared before Council and reported the Borchardts have lived at their home since 1984, and this is not a new issue. She requested Council take action to improve the residence.

Jordin Johnson, 240 Allan Avenue, appeared before Council and noted neighbors would be willing to help the Borchardts clean up the property. Mr. Johnson has seen rats, woodchucks, raccoons, and feral cats around the property. He would like the Borchardts to clean up the property and would be willing to help.

Marion Brunz, 227 Allan Avenue, appeared before Council and stated she appreciated Ed and Anne but would like the yard cleaned up. She noted there are neighbors who have milkweed or pollinator gardens that are neat and do not take over the yard.

Tom Hagen, 927 Lake Street, appeared before Council and questioned the City's legal process concerning abatements. He stated the Borchardts have native species but do not have weeds in their yard, and they have just allowed their yard to go into a more natural state to help provide a wildlife sanctuary. Mr. Hagen reported the Borchardts should receive an award.

Bess Tsaose, 136 Mary Circle, appeared before Council and reported she is an advocate for monarchs and pollinators and would like homeowners to decrease their lawn areas, increase flowers and to not use herbicides and pesticides on their yards.

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

Public Hearing, 7:00 p.m. Ordinance Imposing a One Half of One Percent Food & Beverage Sales Tax.

Mayor Dehen commented the Ordinance would be discussed tonight, and the final vote would be held on October 21, 2019.

Council Member Oachs reported the City Council passed a resolution on February 19, 2019, establishing legislative priorities, which included a Food and Beverage Tax, but discussion was the tax would not be implemented until later. She questioned why the tax was being considered for implementation in 2020. Council Member Oachs reported she did not believe the tax would provide enough funds to solve the Caswell Park operation deficit. The staff implemented new strategies, and the City should wait to determine if the new strategies at Caswell Park will reduce the operations deficit. Council Member Oachs reported the economic impact Caswell Park brings is not realized by

local North Mankato businesses, rather Mankato received a majority of the benefit. She stated she did not believe the additional tax should be added.

Christopher Schmidt, 23 Otter Court, appeared before Council and requested the Council not institute the tax, rather they should practice fiscal responsibility.

Barb Church, 102 Wheeler Avenue, appeared before Council and reported she was opposed to the Food and Beverage tax because she believes it unfairly targets family-owned businesses.

Jim Downs, 2244 North Ridge Drive, appeared before Council and stated he helps run the NaKato in North Mankato and Pagliai's in Mankato. Mr. Downs reported events at Caswell do not bring additional patronage to the NaKato, and if the tax is implemented his prices will increase, and patrons will notice.

Kim Spears, 916 South Avenue, appeared before Council and requested the Council not institute the Food and Beverage Tax. He stated the City should manage their debt and spend less.

Jenny Bobholz, 228 Garfield Avenue, appeared before Council and stated it is difficult to run a small business, and as the new owner of the Circle Inn, she does not want to raise prices to account for the proposed Food and Beverage Tax.

Jill Schmidt, 23 Otter Court, appeared before Council and stated she does not want the Food and Beverage Tax.

Tom Hagen, 927 Lake Street, appeared before Council and stated North Mankato is a bedroom community, and the City Council should reject the Food and Beverage Tax to encourage small businesses and retain the small-town feel and history.

Deb Joerg, 814 Wall Street, reported she works for the American Legion and would like to discourage the City Council from passing the Food and Beverage Tax because they do not want to pass the cost on to their customers.

Lucy Lowry, 2263 North Ridge Drive, appeared before Council and encouraged the Council to vote against the Food and Beverage Tax.

Debra Morin, 229 Belgrade Avenue, appeared before Council and reported she owns Neutral Groundz and reported if the tax was enacted they would need to increase their prices again, and up to approximately 80% of customers are North Mankato residents. She encouraged a tax that was not specific to food and beverage.

Jeff Steinbach, 1261 Lake Street, appeared before Council and stated Caswell Park is now running the softball leagues producing additional revenue for the City. He reported if the tax is enacted he would like the tax to go toward projects that benefit everyone.

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

Consent Agenda

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

- A. Bills and Appropriations.
- B. Res. No. 72-19 Approving Donations/Contributions/Grants.
- C. Approved Park and Audio Permit for October 26, 2019, from noon to 5:00 p.m. at Spring Lake Park, for Sierra Hietala BENCHS Fundraiser.
- D. Approved Parade Permit for October 25, 2019, from 8:30 a.m. to noon, at Caswell Park for Minnesota Virtual Academy's Fall Festival 5K.
- E. Set a Public Hearing on October 21, 2019, at 7:00 pm to Consider an Ordinance Revising Title III Chapter 30.11 Compensation of Mayor and Council Members.

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

Public Comments Concerning Business Items on the Agenda

None.

Business Items**Res. No. 73-19 of the North Mankato City Council in the Matter of a Nuisance Property Located at 415 Webster Avenue.**

City Administrator Harrenstein reviewed the proposed resolution concerning the property located at 415 Webster Avenue, noting the resolution provides the owner 20-days to submit a plan to paint the house by June 1, 2020. Council Member Whitlock expressed concerns about the resident's ability to understand the resolution and Notice of Violation. City Administrator Harrenstein reported the City would have police officers attempt to deliver the resolution for the next three days and provide information concerning housing repair/remodel assistance. City Attorney Kennedy reported the resolution would also be sent certified and first-class mail. **Council Member Norland moved, seconded by Council Member Oachs, to adopt Res. No. 73-19 of the North Mankato City Council in the Matter of a Nuisance Property Located at 415 Webster Avenue. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

Res. No. 74-19 of the North Mankato City Council in the Matter of a Nuisance Property Located at 229 Allan Avenue.

City Administrator Harrenstein reviewed the information on the property and the process the City followed. He stated the issue of pollinator gardens and rain gardens should be sent to the Planning Commission for discussion and the development of City Code to guide those interested in a less traditional yard. The guidelines would help protect the integrity and beauty of North Mankato neighborhoods. City Administrator Harrenstein reported the yard needs to be cleaned up to City Code standards, and he stated the neighbors' concerns should be addressed. Council Member Steiner noted the progress and noted the neighbors were all willing to help. Council Member Oachs stated there had been progress, but the vote should also take into consideration the majority. Council Member Norland reported she would be creating a small contained pollinator garden, and thanked them for their efforts but noted the gardens should be well maintained. Mayor Dehen requested an update from the Community Development Director after the twenty days allowed for the Borchardt's to clean up the property. **Council Member Norland moved, seconded by Council Member Steiner, to adopt Res. No. 74-19 of the North Mankato City Council in the Matter of a Nuisance Property Located at 229 Allen Avenue. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

Council Member Whitlock moved, seconded by Council Member Steiner, to refer the development of City Code language concerning rain gardens and pollinator gardens to the Planning Commission. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.

Res. No. 75-19 Providing for the Issuance and Sale of \$3,065,000 General Obligation Bonds, Series 2019A, Pledging for the Security Thereof Special Assessments and Net Revenues and Levying a Tax for the Payment Thereof.

City Administrator Harrenstein reported the City had a successful sale of bonds, and Ms. Jessica Green from Northland Security was present to review the sale. Ms. Green reported the sale is

associated with capital improvement for the Commerce Drive and Tyler Avenue projects, along with the sewer projects at Carol Court and the construction of the deep sewer in Lexington. The City maintained an “AA” rating from S & P Global Ratings. The rating report noted the City’s strong budgetary performance and very strong liquidity. Ms. Green reported there were six bids with Piper Jaffray the low bid. The average coupon rate was 2%, with a True Interest Cost of 1.98%. Mayor Dehen thanked Norland Securities for their work and noted the bond rating reflects the City’s strong assets and debt management. **Council Member Steiner moved, seconded by Council Member Norland, to adopt Res. No. 75-19 Providing for the Issuance and Sale of \$3,065,000 General Obligation Bonds, Series 2019A, Pledging for the Security Thereof Special Assessments and Net Revenues and Levying a Tax for the Payment Thereof. Vote on the motion: Norland, Oachs, Whitlock, Steiner, and Dehen aye; no nays. Motion carried.**

Open Forum

Tom Hagen, 927 Lake Street, appeared before Council and stated the City needs to improve its procedures for abatements. He also stated the City can’t tell developers what to do and can’t tell builders to maintain historic preservation, but can tell residents they can’t have a woodland in their backyard. He reported the City should support a historic preservation committee so the City can tell developers how to maintain the historic character of the City.

Bess Tsaouse, 136 Mary Circle, reported she was disappointed with the decision concerning the 229 Allan Avenue property because she thinks the City will have too much control over what residents do with their property.

Attorney Kennedy stated the Council, as the Policy Board, is in a difficult spot. Some residents say the City has too much power, while others want the City to increase its government control over developers and residents.

City Administrator and Staff Comments

City Engineer Sarff reported the Lexington deep sewer project, Tyler Avenue Project, and the Commerce Drive Project are going well.

Mayor and Council Comments

Council Member Oachs thanked residents who came out to speak and stated the decisions that are made are not easy, and the goal is to consider what is best for the majority of the residents in the City.

Council Member Norland suggested people consider ways to reduce their use of plastic.

Council Member Steiner thanked all those that came out to speak.

Mayor Dehen reported it is Firefighter Appreciation Week and October 7, 2019, is the North Mankato Firefighters 9-11 Pizza Delivery event, and October 27, 2019, from 8 am to noon is the Dad’s Belgian Waffle feed.

Mayor Dehen reported the City of North Mankato is proposing a decrease in the tax levy, while several cities in the surrounding area, including Mankato, are raising property taxes. Mayor Dehen commented that the Food and Beverage Tax is proposing to bring in \$50,000 a year which would mean an average family of 2.38 people would have an increase in what they pay a year going out to eat or drink of \$16.00 and unlike the property tax the food and beverage tax is voluntary. Mayor Dehen commented that Caswell Park would collect some of that tax from visitors due to the concession and beer sales.

At 8:58 p.m. on a motion by Council Member Norland, seconded by Council Member Steiner, the Council Meeting was adjourned.

Mayor

City Clerk