

Pursuant to due call and notice thereof, a Council Work Session of the North Mankato City Council was held in the North Mankato Police Annex on January 27, 2020. Mayor Dehen called the meeting to order at 12:00 p.m. The following were present for roll call: Mayor Dehen, Council Members Whitlock, Steiner, Norland, and Oachs, City Administrator Harrenstein, Finance Director McCann, Community Development Director Fischer, Public Works Director Host, Caswell Sports Director Tostenson, and City Clerk Van Genderen.

Northwest Growth Area Market Analysis

Matt Lassonde from Bolton and Menk appeared before Council and presented a Market Analysis for Northwest North Mankato expansion. The market analysis will provide a context to create an updated land use map of the area. The study reviewed retail services, eating, drinking, hotels, multifamily housing, and industrial growth. Mr. Lassonde reviewed the research methods used to determine the findings. Methods included reviewing demand indicators by sector, competitive context, and several data sources, including ESRI, Costar and North Mankato Building permit data. The Market Overview for retail, food and beverage revealed a shift to experience retail. Anchor stores are closing, and internet sales are increasing so business is shifting to experience retail where people will go to a store for an event, the experience or personal services. The study reviewed the viability of a grocery store in North Mankato; he noted North Mankato residents continue to request a grocery store. The study concluded that North Mankato might be able to support a 25,000 square foot grocery store that focuses on select products. The analysis concluded that the small store could be viable, but future housing and population growth would strengthen the retail market.

A retail interview was conducted, and the findings varied. It was decided that the offering would need to be a recognized anchor store or restaurant not offered in other locations, a hotel with a restaurant might also work because it would support the established industrial businesses and ballparks. Assets for increased retail include the highway interchange, land availability, and the ability to configure new development optimally. Challenges include lower traffic volumes and the existing population hasn't reached the area. In conclusion, retail development in short to medium term is plausible, but not a foregone conclusion and if a retail center is to be developed the land would need to be guided to accommodate potential buildout, the context for retail will need to establish through housing growth and continued industrial development north of the highway.

North Mankato's population has increased by 6.8% since 2010, accompanied by approximately 40 housing units per year in the last ten years. The development has been largely through low-density ownership housing, but multifamily housing is the most active development sector nationwide and is occurring in the Mankato region. Multifamily rental housing is important to support business growth. The housing market study noted the following assets: land availability, good workforce housing location because of proximity to the industrial park, and strong connectivity with nearby freeway interchange. Challenges to increased housing include a lack of retail services. The study encouraged both low density and the development of more multifamily homes.

The study also reviewed industrial development. The industrial development assets include large parcel availability, great access to the transportation network and flat uncontaminated land and a supportive public sector environment. It was concluded that Northport would continue to be attractive for industrial development because it is suitable for a wide range of industrial and business enterprises.

Mr. Lassonde noted that in order for additional retail development, the area would need to be primed by a hotel, restaurant, or gas station to get the area started. Along with single-family and multifamily development and the continued growth of industrial development. Following the market analysis, Bolton & Menk will develop Land Use Scenarios and a preferred concept Future Land Use Map. The plans would be presented to Council for consideration and possible adoption into the

Comprehensive Plan. Mayor Dehen noted the market trend is toward multi-family dwellings, and the Future Land Use Map included in the current Comprehensive Plan does not provide many options for the growth, but the City may want to consider providing additional opportunities for multi-family dwellings. The development of the area with multi-family dwellings would benefit those who work in the industrial park.

Off-Street Parking

Community Development Director Fischer reported the staff read through the proposed changes to the Off-Street Parking regulations at the previous Council Meeting. It was determined to have a further discussion concerning the off-street parking regulations at a City Work Session. Mayor Dehen reported the purpose of the proposed ordinance change is to expand parking options for citizens. The ordinance would allow residents more options to park vehicles on their property than the current ordinance.

A discussion was held concerning upper and lower North Mankato and access to alleys. Council Member Whitlock reported he would like additional research concerning violations before deciding. Mayor Dehen indicated he would like to have something in place earlier. Mayor Dehen noted most everyone was in agreement that a hard surface must be utilized and not allowing people to park in the mud or yard. Council Member Whitlock noted gravel is included as a hard surface when it is adjacent to the alley. Council Member Oachs questioned limiting the number to 2 vehicles and had questions concerning the length of allowed vehicles. City Administrator Harrenstein noted that limiting the length to 45 feet is common in other city codes and if you have a vehicle longer than 45 feet is normally a specialized vehicle.

Community Development Director Fischer reported the Planning Commission spent a considerable amount of time discussing the ordinance, and City staff needs clear enforcement guidelines.

A discussion was held concerning comments heard during the Public Hearing at the Council Meeting. City Administrator Harrenstein noted the resident is currently in violation of City Code and would still be in violation after the ordinance change. The issue is not only concerning the lack of a hard surface but is also the lack of access to the driveway. A discussion was held concerning the possibility of an additional curb cut to the property and how he is currently accessing where he parks the RV. City staff noted the expense and dangers that could be created with an additional curb cut. City Administrator Harrenstein indicated that the discussion concerning grandfathering in the property or providing neighbors the opportunity to waive the statute would need further counsel from the attorney.

City Administrator Harrenstein reviewed the purpose of the ordinance, and the questions City staff would be researching. The purpose of the ordinance is to expand the use of private property while ensuring citizens use their property respectfully. City staff will review the number of violations, review the limitation of two vehicles, discuss enforcement of code as it is written, and include in the ordinance the preservation of the right of way on the sidewalks.

Caswell Economic Report

Caswell Sports Director Tostenson appeared before Council and reported on the Caswell Park 2019 Economic Impact. He stated in 2019; there were 22 events with 716 teams with 325 of those teams from out of town. During those events, there were 34,498 visitors, with 11,860 from out of town for a total economic impact of \$8,165,621. He reviewed the numbers for 2018 reporting an economic impact of \$6,654,942. Mr. Tostenson reported City staff has changed from a City staff developed spreadsheet calculator to the DMAI Event Impact Calculator developed by Oxford Economics

Company. The calculator is user-friendly, customizable to event type and the calculator is updated annually. Calculator inputs include the type of event whether it is youth, adult, college or professional, if the event is elimination style, the calculator can use participation base or admission base, and includes the cost of hotel rooms. Once that information is put into the calculator, it provides an economic impact. The report includes the economic impact in several formats including Business Sales Direct, which is the direct spending of participants and spectators, Total Business Sales which includes supply chain sales and income spent within the economy, Service Industry Spending which includes lodging, transportation, food and beverage, retail and recreation and Estimate taxes including local sales tax, lodging tax and food and beverage tax. The city staff is confident the change will provide accurate information.

Caswell Sports Director Tostenson reviewed 2019 highlights, which included the Minnesota State High School League Softball tournament, which had 5,704 visitors for an economic impact of \$1,640,004. The NAFA World Series with 73 teams over two weekends with an economic impact of \$1,208,477. Finally, the Peppers Classic with 92 teams and an economic impact of \$1,151,666.

Caswell Sports Director Tostenson reviewed the 2020 estimates and goals. City staff is anticipating \$7,000,00 in economic impact and has the goal of growing current tournaments and finding tournaments for open weekends.

Mayor Dehen requested information on the Caswell Soccer Complex. Caswell Sports Director Tostenson reported he had recently been contacted by Minnesota Rugby to see if the complex could be used for a tournament. City Administrator Harrenstein reported utilization rate is good, but City staff would like to see more use. However, the maintenance of the turf is difficult; the more use the fields see, the more difficult it is to maintain a good playing surface. He noted that turf for the Caswell Soccer Complex is included in the bonding request. City Administrator Harrenstein reported turf for the fields is anticipated at \$850,000 and discussion has been held that it could be paid for by 1/3 City, 1/3 Mankato United Soccer and 1/3 by a sponsor. He noted that continued discussion would also occur with the school district.

Emerald Ash Borer Policy

Public Works Director Host reported the purpose of the Emerald Ash Borer (EAB) Management Plan is to take a proactive approach to mitigate the spread of the Emerald Ash Borer and the physical and fiscal costs associated with the outbreak over an extended timeframe. He reported the Emerald Ash Borer larvae feed on the inner bark of ash trees and disrupt the ability of the ash tree to transport water and nutrients. The City is in the process of counting the number of ash boulevard trees. Currently, the survey reports 888 ash trees; the city estimates the total number in the ROW is 1,650. The economic impact on removing and replanting those trees is approximately \$825,000 over the next several years. The City currently has not been infected with EAB, but surrounding counties have been quarantined including Brown County. The City continues to conduct yearly inspections and will inspect private residences upon request. The City has begun a proactive removal plan. Currently, the City has begun removing ash trees from the public right-of-way and plan to remove at least 35 trees each year. Citizens will be allowed to treat ash trees in the ROW chemically. The City will continue to remove poor-quality trees from public property and will consider replacing public park ash trees. The City does not know the number of ash trees on private property but urges property owners to monitor for the EAB. City Code Chapter 90 will need to be updated to reflect the Emerald Ash Borer threat. If Nicollet County is quarantined, the City plans to isolate the collected ash trees in a separate location in the compost site and manage the transportation and disposal as required by law. The City plans to replant trees with a diversity of young trees to prevent future wide-spread deforestation due to

disease or infestation. Mayor Dehen suggested reaching out to former employees to gain knowledge and wisdom from those who managed the loss of the elm trees.

Receive Proposed Resolution Adopting the Caswell Fieldhouse Financial Feasibility Study

City Administrator Harrenstein reviewed the proposed resolution, which includes the adoption of the Feasibility Report for the Proposed Caswell Fieldhouse, and acknowledging that the project is financially feasible to proceed after funding is secured. No questions were asked and the resolution will be included on an upcoming Council Meeting Agenda.

Mayor Dehen closed the Council Workshop at 1:21 p.m.

Mayor

City Clerk