

MINUTES
COMMON COUNCIL ADJOURNED MEETING
SEPTEMBER 11, 1998
3:30 P.M.
COUNCIL CHAMBERS

MEMBERS PRESENT: Mayor Rietz, Council Member-at-Large Purcell, Council Members Romo, Dahlback, Chaffee, Poppe, Maxfield, and Lang.

MEMBERS ABSENT: None.

OTHERS PRESENT: News Media. Public.

Mayor Rietz called the meeting to order at 3:38 pm.

Council Member Dahlback presented a proposal for M.J. O'Connor, Inc. to purchase Lot 1 and the north 200 feet of Lot 3 of Austin Industrial Park Northeast from the City. The purchase price of \$18,731 shall be financed at 6% due in full on December 1, 2002. Further, the purchase price shall be reduced by the tax increments received from the parcel in the tax years 2000 through 2002.

Moved by Council Member Dahlback, second by Council Member Chaffee, that the City Attorney prepare the necessary resolution for the loan agreement and sale of Lot 1 and the north 200 feet of Lot 3 Austin Industrial Park Northeast to M.J. O'Connor, Inc. Carried.

Moved by Council Member Dahlback, second by Council Member Chaffee for the adoption of said resolution. 7-0 Carried.

Council Member Dahlback opened the discussion on the proposed CDBG project for downtown renovation. The project needs additional time for financing and developer commitments, therefore, the October 1, 1998 deadline for filing the application with MnDTEd, is not in the City's best interests. The public hearing scheduled for September 21, 1998 is therefore not necessary.

Moved by Council Member Dahlback, second by Council Member Chaffee, to cancel the September 21, 1998 public hearing for the MnDTEd downtown renovation grant application, and direct staff to continue the project development for the October 1, 1999 grant application timeline. Additional discussion included the possibility of the HRA becoming the developer, the impacts of the proposed project on the current HRA housing project south of the Courtyard Apartments, bonding authority limits of the HRA, business loss or displacement from downtown by the apartment complex, and consensus to proceed with the purchase of the former B&E and Town Taxi site. George Brophy added the

supplemental grant period for redevelopment projects may be available for grant requests as early as March 1999. Whereas the motion was called, and carried.

Moved by Council Member-at-Large Purcell, second by Council Member Chaffee, to adjourn the meeting.

Adjourned: 4:04 pm

Approved:

Mayor _____

City Recorder _____