

**MINUTES**  
**COMMON COUNCIL CHARTER MEETING**  
**SEPTEMBER 7, 1999**  
**5:30 P.M.**  
**COUNCIL CHAMBERS**

MEMBERS PRESENT: Mayor Rietz, Council Member-at-Large Chaffee, Council Members Jorgenson, Penske, Poppe, Nordin and Lang

MEMBERS ABSENT: Council Member Romo

OTHERS PRESENT: Austin Daily Herald, KAUS, Austin Post Bulletin, Peggy and Dennis Boik, Earl Gwin, Rich Osness, Georgia Ramaker.

Added to the agenda:

Resolution calling a public hearing to modify Municipal Development District No. 1 and Tax Increment Financing District No. 9 and the plans relating thereto;

Motion to grant authorization to close 1<sup>st</sup> Avenue to 2<sup>nd</sup> Avenue NW in front of First United Methodist on Sunday, September 12; and

Resolution of support for the Austin Area Commission for the Arts' application to the State of Minnesota for partial funding of the restoration of the Historic Paramount Atmospheric Theater.

Moved by Council Member-at-Large Chaffee, second by Council Member Penske, adopting the agenda. Carried.

Rich Osness, 2500 5<sup>th</sup> Avenue SW, spoke to Council in opposition of government-owned housing, specifically Courtyard I and II. Mr. Osness stressed his beliefs that governmental officials/agencies as opposed to private industry cannot build housing faster and at a lower cost and that the government will determine where and what type of housing you should live in and who lives there. Mr. Osness said that government housing projects such as the Courtyard I can only be built with tax subsidies of \$400,000. Mr. Osness presented Council with a petition of about 150 signatures (attached) requesting Council to sell Courtyard I and to not build Courtyard II. Mr. Osness also said that government housing is driving private developers out of Austin.

Council Member-at-Large Chaffee made three points: 1) Austin could use more private developers, 2) There is a waiting list for the Courtyard Apartments; and 3) Decisions regarding this housing are made from the HRA.

Mr. Osness said that private industry cannot undertake a project such as the Courtyard I and II because the market is not there. He said private industry would need to charge \$1000-\$1200/mo per unit whereas government can take in \$700 per unit with subsidies. Mr. Osness asked Council to "end the secrecy" and place a sign in front of Courtyard I saying 'owned by the City of Austin and subsidized by Austin, Mower County, Minnesota and (possibly) the federal government.'

Council Member Nordin answered Osness saying that these things take a long time, democracy moves slowly. Nordin said that the Council needs to think about everyone. Nordin also housing is at the top of the list to attract a work force, she said. Nordin defended the Council saying that this Council is quite efficient and that all the members work together.

Peggy Boik, 2709 8<sup>th</sup> Avenue SW, also spoke to Council in opposition of more government properties in Austin. Mrs. Boik would like to see Courtyard I sold. Mrs. Boik compared two apartment buildings she and her husband own and rent with the Courtyard Apartments. Mrs. Boik said the 80-unit Courtyard Apartments pay \$25,000 in taxes while the Boiks pay \$9,000 for 12 units. All profits are currently going back into improvements, she said. In sum, Mrs. Boik said they are in competition with the government for tenants and for pricing.

Earl Gwin, 611 3<sup>rd</sup> Avenue NW, complained to Council that he, as a landlord must pay taxes to compete against himself. Mr. Gwin mentioned free enterprise and capitalism. He also stated that the renters of the Courtyard I Apartments are average or above average wage earners, allowing tax subsidies to go to the richer people. Gwin also stated that builders won't build and compete with government subsidized housing.

Georgia Ramaker, 809 5<sup>th</sup> Avenue NE, complained to Council of recurring problems with neighbors. Mayor Rietz thanked Mrs. Ramaker saying she had talked with Planning and Zoning Administrator Craig Hoium and Captain Brian McAlister who will follow through. Mayor Rietz also said she would talk to the pertinent council members, Lieutenant Curt Rude and Chief Philipp in regards to a long-term solution. Council Member Lang thanked Mrs. Ramaker for speaking and said Community Service Officers will be frequenting the area. Lang also mentioned a Northeast Community Block Grant which will allow some like houses to be removed and asked Mrs. Ramaker to be patient.

Moved by Council Member Poppe, second by Council Member Penske , to approve the consent agenda as follows:

Licenses:

Concrete: Meyer Construction, 507 5<sup>th</sup> Avenue NW

Timothy Swanson dba Swanson Concrete, 2118 3<sup>rd</sup> Avenue NE

Gary Granle Concrete, 421 N. Main

One-day gambling: St. Edward's Corcoran Center, 2001 2<sup>nd</sup> Avenue NW on October 7, 1999

Temporary 3.2 beer: Knights of Columbus @ Fairgrounds, Sept. 13 and 14.

Sign: Mostar Construction Services, 1350 Heritage Drive, #132, Northfield

Massage Therapist: Arlene Bastian, 910 2<sup>nd</sup> Avenue SW, Austin

Massage Establishment: Arlene's Massage Therapy, 910 2<sup>nd</sup> Avenue SW

Claims:

- a. Pre-list of bills.
- b. Chris Zahradnik, 2007 4<sup>th</sup> Avenue SE, referred to the City Attorney to protect the City's interest.
- c. Patti Shindelar, 3503 3<sup>rd</sup> Avenue SW, referred to the City Attorney to protect the City's interest.
- d. Sandra Hicks, 311 35<sup>th</sup> Street SW, referred to the City Attorney to protect the City's interest.
- e. Julia Johnson, 200 1<sup>st</sup> Avenue NE, referred to the City Attorney to protect the City's interest.
- f. Dale Sisson, 2908 6<sup>th</sup> Avenue SW, referred to the City Attorney to protect the City's interest.
- g. Barabara Nerem, 12811 19<sup>th</sup> Avenue SW, Pillager, MN, referred to the City Attorney to protect the City's interest.

City Administrator Pat McGarvey presented a resolution to adopt a resolution authorizing and approving the filing of an application with the Minnesota Department of Finance for bonding support in the year 2000 State Bond bill to convert Riverside Arena into Austin Area Activities Center.

Dennis Boik, 2709 8<sup>th</sup> Avenue SW and president of the YMCA Board, expressed concern over duplication of services with the Austin Area Activities Center and the 'Y'. Mr. Boik asked Council to carefully study needs of services/programs before building in the event of destroying programs at the Y. Council Member-at-Large Chaffee was in agreement and suggested that the Council work with the 'Y'. Mayor Rietz asked if anyone on the Park and Rec Board was also a YMCA Board member. Council Member Nordin said she is a member of the 'Y' and will work with the that Board and the schools also on this matter.

Moved by Council Member Nordin, seconded by Council Member Penske, to adopt a resolution authorizing and approving the filing of an application with the Minnesota Department of Finance for bonding support in the year 2000 State Bond bill to convert Riverside Arena into Austin Area Activities Center. 6-0. Carried.

Moved by Council Member Nordin, seconded by Council Member Penske, adopting a resolution approving agreement with Ankeny Kell architects for the renovation of Riverside Arena. 6-0. Carried.

Finance Director Tom Dankert presented a resolution approving the proposed property tax levy and adopting a proposed budget for taxes payable in 2000. The tax levy must be adopted by September 15. The Council may lower the levy amount after that time but may not raise it. Mr. Dankert reported no increase again for 2000. The public hearing will be set for November 29 with a December 13 continuation hearing. Council Member-at-Large Chaffee commended the Finance Department and Tom Dankert for a job well done and for no tax increase.

Moved by Council Member Poppe, seconded by Council Member Lang, adopting the aforesaid resolution. 6-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, adopting a resolution approving a gambling premises permit for Outreach Six Acres at Hovland Sportts. 6-0. Carried.

City Administrator Pat McGarvey presented an ordinance amending City Code Chapter 2, Section 2.05 so as to set the salaries of the mayor, council member-at-large and council members. No increase has occurred since 1988 and currently Austin's elected officials' salaries are near the bottom compared to surrounding cities. The mayor's salary will increase to \$9000/year; council member-at-large to \$7800/year; and ward council members to \$6600/year. The increase will take effect January 1, 2001 after the next election.

Moved by Council Member Lang, seconded by Council Member Poppe, that the City Attorney prepare an ordinance. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the first reading. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to adopt the first reading. 6-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the second reading. 6-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the third and final reading. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, for adoption and publication of the ordinance. 6-0. Carried.

Planning and Zoning Administrator Craig Hoiu presented an ordinance governing the storage of Class I, II and III liquids in R-1, R-2 and R-0 zoning districts when approved as a conditional use within said districts. The ordinance would allow for Class I, II and III liquids in R-0 and A-1 Districts.

Moved by Council Member Lang, seconded by Council Member Poppe, that the City Attorney prepare the ordinance. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the first reading. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, for adoption of the first reading. 6-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the second reading. 6-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the third and final reading. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, for adoption and publication of the ordinance. 6-0. Carried.

Austin Utilities requests authorization for an electrical transmission line on the Mill Pond Bridge. This issue had been tabled from the August 16 Council Meeting to be reviewed in Committee. Assistant City Engineer Dan Fick reported that the issue was that of aesthetics, and if it becomes a problem, language in the agreement would include a skirting to be added to disguise the line.

Moved by Council Member Lang, seconded by Council Member Poppe, approving the authorization. Carried.

Assistant City Engineer Dan Fick presented a resolution approving an agreement between the City of Austin and MnDOT for the maintenance of 4.86 miles of highway within the City limits. Mr. Fick said this is a standard yearly agreement to plow and maintain which the State pays the City for.

Moved by Council Member Jorgenson, seconded by Council Member Nordin, adopting the aforesaid resolution. 6-0. Carried.

Finance Director Tom Dankert reported that the Ordinance Committee has passed a request to raise the number of charitable gambling locations for an organization from three to four. This would result in more funds for local charities. Council Member Lang said that this ordinance does not include additional gambling areas.

Moved by Council Member Lang, seconded by Council Member Poppe, that the City Attorney prepare an ordinance amending Austin City Code Chapter 6, Section 6.43, Subd. 5 to increase the number of locations at which an organization may conduct lawful gambling. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the first reading. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, for adoption of the first reading. 6-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the second reading. 6-0. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, to move the ordinance to the third and final reading. Carried.

Moved by Council Member Lang, seconded by Council Member Poppe, for the adoption and publication of the ordinance. 6-0. Carried.

City Administrator Pat McGarvey presented a resolution calling a public hearing to modify Municipal Development District No. 1 and Tax Increment Financing Dist. No. 9, and the plans relating thereto. This is HRA property which is on the south side of 4<sup>th</sup> Avenue east of the depot. Council Member Lang said this is 7½ acres of undeveloped land and is a blight.

Moved by Council Member Lang, seconded by Council Member Jorgenson, adopting the resolution. 6-0. Carried.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, granting authorization to close 1<sup>st</sup> Avenue to 2<sup>nd</sup> Avenue NW in front of First United Methodist on Sunday, September 12. Carried.

City Administrator Pat McGarvey presented a resolution of support for the Austin Area Commission for the Arts' application to the State of Minnesota for partial funding of the restoration of the Historic Paramount Atmospheric Theater. The resolution of the State of Minnesota requires local government support. The theater is one of four atmospheric paramount theaters in the state. Council Member Lang asked if this resolution would obligate the City to tax dollars. City Administrator McGarvey said it would not.

Moved by Council Member Jorgenson, seconded by Council Member Nordin, adopting aforesaid resolution. 6-0. Carried.

DCA: George Brophy reported that there are 17-18 companies looking for employees. Palleton will access the loan - \$100,000 - made available to them. DCA has given a proposal to a small company of 2-3 people that will manufacture a product used in the meat packing industry. Mr. Brophy also reported that the DCA is looking for private industry to acquire the Spec Building.

HRA will hold its next meeting September 8<sup>th</sup> at 4:30.

Finance Meeting set for September 14 at 4:00.

Park and Rec Board: Council Member Nordin reported that the Mill Pond boat access is in progress. Also, the 21<sup>st</sup> Annual Pioneer Day will be held at the Nature Center on September 19, 1:00 -5:00 p.m.

Council Member Penske canceled the Environmental Services Committee meeting set for September 8.

Airport Committee meeting was rescheduled to Friday, September 10 at 10:30.

Moved by Council Member Nordin, seconded by Council Member Penske to remove architect consultant search for the Riverside Arena from Matters in Hand. Carried.

Austin/Mower County Homeownership Fund Joint Powers Board will meet Wednesday, September 15 at 6:00 p.m.

Library Director Chris McArdle Rojo announced that September is National Library Card Holders month and urged public to sign up. Mrs. Rojo also announced that Michael Cotter will hold a storytelling workshop September 17 and 18.

Mayor Rietz announced that "Rocket", an LEC canine owned by Matt Holten won fourth overall in canine trials despite recent surgery.

Mayor Rietz also reminded everyone of the City employee breakfast planned for October 13.

January 28 was the date set for the Council workshop at the Nature Center.

Mayor Rietz announced the open seat on the Utility Board due to Dick Baudler's recent passing. The position is Mayor appointed and Council approved. Applications for the seat will be taken through September 15. The chosen person will be required to run for office in 2000.

Moved by Council Member Lang, seconded by Council Member Poppe, to adjourn. Carried.

Adjourned: 6:57 p.m.

Approved: \_\_\_\_\_

Mayor: \_\_\_\_\_

City Recorder: \_\_\_\_\_