

MINUTES
COMMON COUNCIL CHARTER MEETING
AUGUST 21, 2000
5:30 P.M.
COUNCIL CHAMBERS

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

MEMBERS ABSENT: None.

OTHERS PRESENT: News Media. Public. Curt Rude and family. Charlotte "Chuck" Keller. Todd Penske, Carter Wagner, Jeff Mundt. Jim Struyk.

Item No. 16 was removed from the agenda, and Item No. 18 added: Approve removal of debris at 1107 1st Avenue NW, Bethany Hicks.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, approving the agenda. Carried.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Boughton, approving the minutes of August 7, 2000. Carried.

Lt. Curt Rude was pinned by Police Chief Paul Philipp. Peggy Rude was ceremoniously pinned by Mayor Rietz. Rude has served the department since August 22, 1984.

Mayor and Council recognized Charlotte ("Chuck") Keller of the Austin Convention and Visitors Bureau upon being named "Minnesota's Outstanding Older Worker – 2000". The award is sponsored by Green Thumb, Inc., a provider of employment and training services for older Americans; Cenex Harvest States Corporation; and the Minnesota Department of Economic Security. Ms. Keller is the director of group tours, which has more than doubled since her employment.

Moved by Council Member Lang, seconded by Council Member Nordin, approving the consent agenda as follows:

Licenses:

Concrete: Fleming Construction, 409 10th Street NW

Food: King Buffet, 1801 16th Street NW

Sign: Paragon Installations, Inc., 640 East 2nd St., Ste. 400, Hobart, IN

Temporary 3.2 beer: St. Edwards's Corcoran Center for September 23

Claims:

- a. Pre-list of bills.
- b. Finance Report and Investments
- c. Richard Cassem, 1310 7th Street NW, referred to the City Attorney to protect the City's interest.
- d. Dale Sisson, 2908 6th Avenue SW, referred to the City Attorney to protect the City's interest.
- e. Theresa Miranda, 811 Pillsbury Avenue, Albert Lea, MN, referred to the City Attorney to protect the City's interest.

Francis Skiness said the City should make sure it has enough money for maintenance for a new ballpark, stressing that we should maintain what we build. Mr. Skiness believes a new ballfield would require a full-time job.

Mr. Skiness again asked what the City is going to do for sewer backup. City Engineer Jon Erichson said that televising was completed a week prior, which is the first step in this large project. The televising has not been reviewed thoroughly yet.

A public hearing was held for preliminary plat approval of property at the intersection of 1st Drive NW, 4th Street NW and 10th Avenue NW, owned by the City of Austin to be known as *The Point*. The project to realign this intersection began in 1996 in an effort to reduce traffic on 4th Street NW and to route traffic onto 1st Drive NW to the downtown. The replatting is necessary to accommodate this redevelopment. Planning Commission voted unanimously in favor of the preliminary plat.

Council Member Lang asked City Attorney David Hoversten if the property was dedicated for a certain use. City Attorney Hoversten stated the land was deeded to the City and dedicated as a park, but the statute of limitations expires on this after 30 years. The time has expired and the City has no obligation to use it for any other purpose. Council Member-at-Large Chaffee said the redevelopment of the intersection was progressive, especially in getting traffic north and southbound.

Moved by Council Member Lang, seconded by Council Member Jorgenson, to adopt a resolution approving the preliminary plat of The Point. 7-0. Carried.

Moved by Council Member Jorgenson, seconded by Council Member Boughton, adjourning the City Council into a Board of Adjustment and Appeals. Carried.

A public hearing was held on a 440-square-foot variance request from City Code Section 11.01 and 11.30 limiting accessory structures to no more than 1000 square feet in an "R-1" Single-Family Residence District requested by George Klingfus, 1408 21st Street SW. In 1993, Mr. Klingfus requested a similar variance of 800 square feet. At that time, the City

Council made a condition on the variance that the accessory structure must be 25 feet from the south property line. The current structure would be five feet from the property line which, in an R-1 District surrounded by R-1 District, is the minimum setback requirement. The Planning Department received no objection. Planning Commission unanimously approved the variance request.

Moved by Council Member Boughton, seconded by Council Member Fedson, to approve the request. Carried.

Moved by Council Member Jorgenson, seconded by Council Member Boughton, for the Board of Adjustment and Appeals to resolve itself back into a City Council. Carried.

The continued public hearing was opened on the Business Subsidy Agreement with the C.R.C., Inc. The CRC is still working with the Joseph Co. on arriving at a guaranteed, not-to-exceed price for the construction of their building. The private lender with which the CRC is financing 75 percent of its project requires a guaranteed, not-to-exceed contract before they will issue a written commitment. MnDTEd and the City need to have the written private financing commitment from the CRC's bank. CRC Chairman of the Board Steven Healey noted CRC's growth and security. Mr. Healey said he represents 114 electric cooperatives. CRC has been within the Austin community approximately 8 years and currently employs 60 people, 50% of which are Austin citizens. The company has grossed \$2.75M last year. Carter Wagner of The Joseph Company said this is a \$1.5M project including the parking lot. Sixty percent of the project cost is in the labor. Todd Penske said that in discussion on the building, storm water management was included. The lot is heavily wooded and the company will be careful to not take out much vegetation. The 13,400-square-foot building itself will be 3-pronged and is expandable. The educational wing will include an on-site childcare center. Council Member Lang asked if construction labor is union labor. Mr. Wagner replied that the decision in the use of subcontractors is based on the quality of work and a competitive bid, not according to union affiliation. Mr. Wagner said he won't know the exact cost of the project until they mobilize the site and start excavating. Only three small soil borings were taken on an almost two-acre plat of land. The extra cost could be \$50,000 to \$80,000 to correct the soils condition. Mr. Penske said that it is the intent of CRC to sign the Redevelopment Contract and Business Subsidy Loan once loose ends are tied. The CRC will ensure appropriate financing. The CRC understands that when they sign the contract, the City and the Port Authority will sign the contracts. The CRC would pay to the City road and utility costs and costs associated with the soils corrections, and this would be paid through tax increments. (Mr. Penske clarified that there were nine soil borings.) Mr. Penske foresees that the extension of 8th Street NW won't be completed until late spring 2001, but he expressed that it was important for the construction workers and employees to be able to access the building. Mr. Penske would like to break ground within the next month and occupy the new building by late spring. The CRC is financing 75% of the project. The company agrees to create and maintain 25 F.T.E. jobs as well as maintain 50 jobs. Council Member Lang said that by charter, the City Council when voting on the sale of property must unanimously vote, but the matter was still moved to the Port Authority. He said he will keep challenging the violation of the charter.

Council Member-at-Large Chaffee told Mr. Lang that in conversation, Mr. Lang said he had allowed it to happen. Finance Director Tom Dankert said the land was acquired through sale of the Spec Building in a trade. The Joseph Company property never came into the City's ownership. Council Member-at-Large Chaffee said the Port Authority is in the business of creating jobs and we should continue with that thinking. Council Member Fedson asked Mr. Penske how long before the CRC hires the 25 F.T.E. employees. Mr. Penske said recruiting has already begun but that much of it is contingent upon the new building. Mr. Penske also said that the CRC could have located in many other locations. Council Member Boughton said though he wasn't on Council when the beginning decisions were made, the project seems like a win/win situation.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Boughton, to continue the hearing to the September 5th meeting. 6-1. Carried. Council Member Lang voting nay.

Moved by Council Member Boughton, seconded by Council Member Jorgenson, adopting a final resolution and confirmation of report of commissioners appointed in the matter of the vacation of street right-of-way, Sterling Place 4th Addition. 7-0. Carried.

The Finance Committee ranked the following Hormel Foundation grant requests for the year 2001.

<u>Department</u>	<u>Priority</u>	<u>Description and Amount</u>
Item 1. Administration	<u>2</u>	\$10,000 for Austin/Mower County Joint Homeownership Assistance Program
Item 2. Fire Dept.	<u>3</u>	\$3,000 for smoke alarms
Item 3. Hormel Nature Center	<u>4</u>	\$26,691.20 for window replacement
Item 4. Park and Rec	<u>6</u>	\$200,000 for replacing Marcusen Park
Item 5. Park and Rec	<u>5</u>	\$80,000 to purchase a portable stage
Item 6. Administration	<u>1</u>	\$1,000,000 for joint funding of a flood mitigation buyout program

Moved by Council Member Poppe, seconded by Council Member Nordin, adopting a resolution approving the rank and filing of the Hormel Foundation grant requests for 2001. 7-0. Carried.

Moved by Council Member Lang, seconded by Council Member Jorgenson, adopting a resolution setting a hearing for September 5, 2000 for the final platting of property to be known as *The Point*. 7-0. Carried.

The City has discussed with Jim Struyk, owner of Spanky's Tavern, 201 2nd Avenue NE, a relocation or property improvement. A financial settlement has not been reached. Mr. Struyk says he has put \$130,000 into the property; the City is offering \$62,000 or wanting him to make improvements. Bob Vilt, 301 4th Avenue SW, disagrees with demolishing a building for another parking lot. Mr. Vilt thinks the parking lot is not needed and noted several spaces empty during the day in an adjacent lot. Mr. Vilt said Spanky's Tavern has a classic floor and bar and he thinks the City is singling out some people who have a business. Dick Pacholl, 815 10th Avenue SW, asked why the City wants to get rid of a business which pays taxes for a parking lot. Mr. Pacholl said the parking lots are 35% full during the days and 75% full during the evenings. All council members must pass a vote to condemn. Negotiations then proceed and in 90% of cases, a settlement is reached before condemnation. The goal is a fair result for all parties.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Nordin, adopting a resolution approving the condemnation. 6-0. Council Member Lang abstaining.

The city of Austin approved a petition to annex approximately 55 acres west of the Nature Center and owned by David and Patricia Morse. This property has been targeted by Greater Minnesota Affordable Housing for a future single-family residential development site. Concerns have been raised by citizens regarding the effect this development may have on the Hormel Nature Center. A citizens group has been formed to petition the city to repeal the annexation. On June 21, 2000, 1,052 signatures were filed with the city clerk with certified acceptance of 762 signatures. Additional 521 signatures were filed July 21 and July 27 with certified acceptance of 389. The Council now has the option to repeal the ordinance or reaffirm; in which case it would be brought to the general election.

Moved by Council Member Lang, seconded by Council Member Nordin, adopting a resolution reaffirming Ordinance No. 450. 7-0. Carried.

Moved by Council Member Boughton, seconded by Council Member Lang, adopting a resolution submitting Ordinance No. 450 to the City General Election on November 7, 2000. 7-0. Carried.

The City of Austin has drafted an update of the City Comprehensive Plan which will provide a strategic plan to address the community's growth over the next ten years. Council Member Lang suggested the Plan should be reviewed on a yearly basis at the Council's annual retreat.

Moved by Council Member Nordin, seconded by Council Member Fedson, adopting a resolution approving the year 2000 Comprehensive Plan.

Francis Skiness commended the City for incorporating suggestions made by the public at the public meetings which are now reflected in the revised Comprehensive Plan. Jeff Mundt of Yaggy Colby said that the Plan includes five action strategies. These strategies should be different – added to or refined – every year.

Moved by Council Member Boughton, seconded by Council Member Jorgenson, approving removal of garbage at 605 11th Street SW, Michael & Tara Minnick. Carried.

The HRA is requesting approval of its tax levy budget for the fiscal year ending 9-30-2001. The budget includes payroll, professional services – as in the clean up of the railroad property, etc. The budget for the year 2000 was approximately \$90,000. The total requested budget and tax levy for the year 2001 is \$103,878. The increase is due to the rise in market values and new construction.

Moved by Council Member Lang, seconded by Council Member-at-Large Chaffee, adopting the HRA tax levy budget for the fiscal year ending 9-30-2001. 7-0. Carried.

Moved by Council Member Jorgenson, seconded by Council Member-at-Large Chaffee, approving removal of debris at 1107 1st Avenue NW, Bethany Hicks. Carried.

REPORTS:

HRA – The Bud & Bob's store – vandalized by nazi signs, windows out and gang language – is being targeted as an affordable new homes area. The railroad property is under progress.

A Finance meeting (previously set) will be Monday, August 28 at 4:30. This is a budget/tax levy meeting and all council members should attend.

CVB: A Spam tour group from the UK will be in Austin for a half day. Two board positions are open. CVB is requesting suggestions for a civic-minded person who is interested in tourism.

A bike committee meeting (previously set) will be August 23 at 5:15.

A Port Authority meeting is set for August 30 at 4:30.

Council Member Boughton rode with the police department two Saturdays previous. He commended the police department for its professionalism. Patrolmen treated everyone with respect and dignity.

Council Member Nordin reported that restrooms at East Side Lake are finished. Also, Marcusen Park will not be destroyed. Park and Rec is in the process of using creative financing (grants) for its planned 4-diamond ballpark at Riverland.

Library Director Chris McArdle Rojo reported that September is Library Card Sign Up Month. The dedication of the Walter Wienke art will be September 10 at 2:00 p.m.

Saturday is the test day for the patrolman's position.

Moved by Council Member-at-Large Chaffee, seconded by Council Member Jorgenson, adjourning the meeting.

Adjourned: 7:05 p.m.

Approved: _____

Mayor: _____

City Recorder: _____