

M I N U T E S
CITY COUNCIL ADJOURNED MEETING
TUESDAY, JANUARY 21, 2003
5:30 P.M.
COUNCIL CHAMBERS

MEMBERS PRESENT: Mayor Rietz, Council Member-at-Large Goodnature, Council Members Koch, Jorgenson, Christopherson and Chamberlain.

MEMBERS ABSENT: Council Members Pacholl and Nordin.

OTHERS PRESENT: Spud Bothun. Virginia Larsen. Craig Byram and George Dahl. Mike O'Connor. Holly LaVallie. Media. Public.

Added to the agenda: A resolution granting transfer of hard liquor off-sale from Nick Kolas to David R. Olson for Apollo Liquor.

Removed from the agenda: Item No. 12, Motion to approve commencement of hiring process for a senior accountant; Item No. 15, Rescinding Resolution No. 12199; Item No. 16, Resolution approving sale and conveyance of certain real property from the City of Austin, Minnesota to Richard Hawkins; Item 18, Resolution freezing the purchase of items in the 2003 City Budget as per Exhibit A until further action by the City Council; and Susan Fell Johnson under Item 3a, Citizens Addressing Council.

Council Members Lynn Koch and Tracey Chamberlain recited their Oaths of Office and the Athenian Oath.

Moved by Council Member Jorgenson, seconded by Council Member Christopherson, adopting the agenda as amended. Carried.

Moved by Council Member Jorgenson, seconded by Council Member Christopherson, approving the council meeting minutes of January 6, 2003. Carried.

Spud Bothun, a Neighborhood Watch organizer, spoke to Council in support of an unruly housing ordinance. Mr. Bothun would like the attorney to draft an ordinance which contains no gray areas and has "some teeth in it." Mr. Bothun would also like the Council to revisit commercial businesses in residential areas. He said for two years now, he has been fighting an operator of an auto dealership. This business owner has received letters, but continues to operate unlawfully, (for example) dumping antifreeze, oil and transmission fuel and parking cars longer than the required time.

Virginia Larsen received the Human Rights Award for 2002 from the Human Rights Commission.

Moved by Council Member Jorgenson, seconded by Council Member Christopherson, approving the consent agenda as follows:

Licenses:

Food: Sterling Theatre, PO Box 777
Cedar Valley Services, 2111 4th Street NW
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Aegean Cheese, 2606 W. Oakland Avenue
Zeppole's Pizza & Pasta, 1301 18th Avenue NW
Burger King, PO Box 1127, Wausau, WI
Schwan's Sales Ent. Inc., 115 W. College Dr., Marshall, MN
Theatre: Sterling Theatre, PO Box 777
Novelty Machine Premise: Theisen Vending dba Skill Mill, 229 Jackson St., Anoka, MN
Novelty Machine Owner: Theisen Vending dba Skill Mill, 229 Jackson St., Anoka, MN
Excavation: HiMec, 1901 4th Street NW
Master Plumber: HiMec, Inc., 1901 4th Avenue NW
J-Berd Mechanical Contractors, Inc., 3308 Southway Dr., St. Cloud
James McDermott & Sons, 1105 24th Avenue SW
DMC Plumbing & Heating, PO Box 1085, Pine Island, MN
Temporary On-sale Liquor: Austin Area Catholic Schools at St. Edward's Corcoran Center, 2001 2nd Avenue NW
Food Transfer: Apollo Superette to David R. Olson @ 901 W. Oakland
Cigarette Transfer: Apollo Superette to David R. Olson @ 901 W. Oakland
Gas Station Transfer: Apollo Superette to David R. Olson @ 901 W. Oakland
Cigarette Transfer: Apollo Liquors to David R. Olson @ 901 W. Oakland
Sign Installer: Schad Tracy Signs, 1610 E. Cliff Road, Burnsville, MN

Claims:

- a. Financial and Investment Reports.
- b. Pre-list of Bills.
- c. Randy Bawek. This claim has been referred to the city attorney to protect the city's interest.
- d. Qwest Communications, 1801 California St., Denver, CO. This claim has been referred to the city attorney to protect the city's interest.

Carried.

The Festival office requested Council to approve requests in connection with the Festival Street Dance scheduled for July 3, 2003. Craig Byram and George Dahl said five bands will be playing, and the Jaycees will be selling beer again. Jon Erichson, Denny Maschka, and Paul Philipp okayed these requests.

Moved by Council Member Christopherson, seconded by Council Member Jorgenson, approving requests in relation to the Festival Street Dance. Carried.

A public hearing was held to review a conditional use permit to allow for a change of a non-conforming use from a hair salon to a printing shop on the property located in an R-2 Multifamily Residential District at 910 2nd Avenue SW, petitioned by Michael and Jan O'Connor. The request was reviewed by the Planning Commission on January 14. The property is located in the northeast corner of 2nd Avenue and 9th Street SW and is surrounded by the following type of districts: A-1, which is Galloway Park, R-1, R-2, and B-2. The property was reviewed as a nonconforming use before. Prior to the hair salon use, it housed a plumber and Service Master business, and a drycleaner business before that. Questions brought up at the Planning Commission pertained to the possibility of noise. It was decided that with correct insulation, this would not be an issue. Community Development Director Craig Hoium received an e-mail from Susan Symes, which spoke against the usage. The new business' signage is in compliance. Council Member Jorgenson asked what type of business would be moving in. Mr. Hoium replied that it is a printing business, which had been in business previously and is now reopening. Mike O'Connor said the business has just two employees now.

Moved by Council Member Koch, seconded by Council Member Jorgenson, approving the non-conformance use. Carried.

Moved by Council Member Jorgenson, seconded by Council Member Goodnature, to move Item #14 regarding College Park refunding up the agenda to be discussed now as Item #7.5. Carried.

City Finance Director Tom Dankert presented an ordinance for the refunding of College Park. The City of Austin serves as the conduit; this loan is the responsibility of the Riverland College, not the City of Austin. These are \$1.3M in notes to finance the housing. At the time of the financing, interest rates were high and have now come down enough to refinance. Jeff Kritzer is the representative at the College. These notes go directly from the college foundation to the bank.

Moved by Council Member Goodnature, seconded by Council Member Jorgenson, to prepare the ordinance. Carried.

Moved by Council Member Goodnature, seconded by Council Member Jorgenson, for adoption and publication of the ordinance. 5-0. Carried.

A public hearing was held to review a rezoning of property from an R-0 Residential Office District to an I-1 Limited Industrial District, requested by Jack and Marllys Dunlop. The requested action involves the Mower County Soil Water Conservation Office property located at 101 21st Street SE. Community Development Director Craig Hoium noted the city's Comprehensive Plan for future land use, which shows this property being designated for future industry. The request to rezone from an R-0 to an I-

1 is for the purpose of broadening the use of the area and to make it consistent with the surrounding land uses. The Planning Commission has recommended approval.

Moved by Council Member Christopherson, seconded by Council Member Koch, adopting a resolution approving the rezoning. 5-0. Carried.

A public hearing was held to review a conditional use permit request to allow for a change of a non-conforming use from an elderly nursing care facility to a 24-unit multifamily rental housing complex located in an R-1 Single Family Residence District, petitioned by Schammel Properties. Community Development Director Craig Hoiu said there was much discussion on this request relative to state statutes and other concerns. The matter was tabled at the Planning Commission meeting to the next scheduled Planning Commission meeting on February 4, 2003. Mr. Hoiu recommended Council table this matter, and he also invited council members to attend the next Planning Commission meeting regarding this matter.

Moved by Council Member Jorgenson, seconded by Council Member Christopherson, tabling this non-conforming use request change. Carried.

Woodson School has requested 20 m.p.h. speed limit signs adjacent to the school. The Public Works Committee has recommended approval.

Moved by Council Member Christopherson, seconded by Council Member Jorgenson, approving the speed limit signs. Carried.

A request was received for stop signs to be placed at 10th Avenue and 10th Street SW. The Public Works Committee reviewed this request and is recommending approval for a stop sign for the east/west traffic.

Moved by Council Member Christopherson, seconded by Council Member Chamberlain, approving the stop signs. Carried.

Director of Administrative Services Tom Dankert is requesting a change of phone service provider from McLeod to DTI. DTI has a lower cost per minute, plus they offer a local representative.

Moved by Council Member Jorgenson, seconded by Council Member Christopherson, approving the change of phone service provider. Carried.

Director of Administrative Services Tom Dankert reported that in 2002, the Convention and Visitors Bureau approached Council with a request to raise hotel/motel tax to meet the needs of the growing CVB and to bring in even more visitors. The Finance/Personnel Committee reviewed this in 2002 but Council then withheld action, saying the new council should take action. This being the time the Legislature is in session, the CVB is again requesting the raise in tax. CVB Director Holly LaVallie said the CVB has gone through staffing and moving changes in the last year. They have been successful,

bringing in the Barrow Show once again (and signing on for four more years) and bringing in a record 146 group tours in 2002 – “group tour” being defined as 35 or more people per bus. Ms. LaVallie said the CVB is solely funded on lodging tax, now 3% of the room tax, which brings in \$100K-\$120K annually. She said that is not enough now. Their business has more than tripled, especially with tourism. The tax increase would be 1%, which is less than \$1.00 per room. This tax is not directed to Austin people. Council Member Koch asked what the opinion was of the hotel/motel owners. Ms. LaVallie said the Days Inn, Holiday Inn, and AmericInn – the three biggest generators -- were all in favor. Some of the smaller hotels are in opposition, with the Austin Hotel being heavily against the increase. Council Member Chamberlain asked if these people have been notified of this request. Ms. LaVallie said this effort began last June and was tabled by Council “over and over.” Mayor Rietz said some hotel owners have come to previous meetings/discussions on this matter. Ms. LaVallie added that any effort to increase tax lodging takes time; it took Rochester 7-10 years to be approved. “That’s what we’re up against.”

Moved by Council Member Jorgenson, seconded by Council Member Koch, adopting a resolution providing support from the City of Austin to the Austin Convention and Visitors Bureau to seek state legislative approval to enact a one-percent increase in the lodging tax (from three to four percent). 5-0. Carried.

Nick Kolas, owner of Apollo Liquor and Apollo Superette is selling his business to David R. Olson. Papers are in order; a background check on Mr. Olson has been completed. Mr. Kolas said this sale is by contract for deed, and he is confident that the quality of service will remain. The resolution authorizes the transfer of liquor license.

Moved by Council Member Christopherson, seconded by Council Member Jorgenson, approving the transfer of liquor license. 5-0. Carried.

REPORTS:

Council Member Jorgenson announced a 2-night workshop on February 19 and 20 sponsored by the Parenting Resource Center entitled, “Walking the Talk.” The workshop, which will be held at Ellis, is co-sponsored by Mower County Public Health and Target. This is a meth task force on the use of alcohol, tobacco and drugs. There will be a fee, and people must register by February 3.

The Mower County Health Coalition is sponsoring a workshop today and tomorrow at 1:30 and 6:30 at the library on liquor sales compliance.

The ribbon-cutting for Packer Arena will take place at 4:00 on January 23 at Packer Arena.

The public informational meetings on the 2003 street improvement projects will be held in Council Chambers on Thursday, Jan. 23 at 5:30.

Three officers will be sworn in at a ceremony in Council Chambers on Monday, January 27.

The State of the City Address will be held in Council Chambers on Wednesday, January 22, 4:30 refreshments/5:00 report.

A council work session was scheduled for Monday, January 27 at 5:30.

Mayor Rietz announced that a picture of Council will be taken at the next council meeting.

Mayor Rietz announced that with the budget challenges at the state level, four city positions on hold, and projects on hold, the Council has decided to cut the flower budget by 75%. The City would pay \$16,000 for flowers in 2003, with an appeal to the community for the same amount. This amount would be needed in less than a week because the grower for the flowers need to know soon. Tom Dankert said it would be up to the Council if they would like to accept pledges.

Moved by Council Member Jorgenson, seconded by Council Member Christopherson, adjourning the meeting to February 3, 2003.

Adjourned: _____ 6:25 pm _____

Approved: _____ February 3, 2003 _____

Mayor: _____

City Recorder: _____