

MINUTES
COMMITTEE-OF-THE-WHOLE WORK SESSION
June 20, 2011
City Hall Conference Room
Immediately following council meeting

PRESENT: Mayor Stiehm, Council Member-at-Large Janet Anderson, Council Members Jeff Austin, Brian McAlister, Judy Enright, Roger Boughton, Marian Clennon, and Steve King

ABSENT: None.

STAFF PRESENT: Fire Chief Mickey Healey, Public Works Director Jon Erichson, Community Development Director Craig Hoium, Police Chief Brian Krueger, Administrative Services Director Tom Dankert, and City Administrator Jim Hurm.

ALSO PRESENT: Public, Austin Post Bulletin, and Austin Daily Herald.

Mayor Stiehm opened the meeting at 6:48 p.m.

Item No. 1. Police Department parking enforcement position – Police Chief Brian Krueger noted that our current parking enforcement officer has a full-time job at the jail, so he no longer is going to work for the City of Austin as the parking enforcement officer. With this in mind, his 10 hours per week at \$9.25 per hour costs the city roughly \$5,000 per year. We take in total parking enforcement revenue of \$16,000-\$24,000 over the last few years, 80% of which is attributable to his tickets (the other 20% comes from police officers). The downtown businesses like having this position as it ensures customers can get adequate parking when they want to shop, and the Police Department would like to replace him.

Council Member King noted he is the one that had raised the question to see if the CSO could write the tickets instead of a parking enforcement officer as there is now a new parking lot for Mower County employees that will reduce the revenue.

After further discussion, motion by Council Member Boughton, seconded by Council Member Austin, to approve the position as originally budgeted. No further council action needed as this was more of a question to re-enforce the prior commitment.

Item No. 3. Rental housing code – Mr. Hoium stated that at the March 7 work session, Council was given various city ordinances to consider regarding rental housing. Mr. Hoium noted the Minnesota Supreme Court heard the case against the City of Red Wing's rental housing code in May, and a decision is expected back in July on the hearing. Mr. Hoium stated it was difficult to draft ordinances not knowing the results of the Minnesota Supreme Court case. Mr. Hoium did state most of the ordinances that he has reviewed include registration requirements for landlords, regular building inspections, etc. Any violations would be brought forward to the city council to act on, much like Council acted on the liquor violation at tonight's regular council meeting. Mr.

Hoium did state that additional staff would be needed if his department had to monitor and regulate the rental housing, including needing a full-time inspector and a half-time administrative support position. This cost could be in the \$105,000 range, which would equate to a required fee/funding source of \$52.50 per unit for the 2,000 estimated units within the community (for example only). Mr. Hoium did state the city council will need to decide what department will run the enforcement as differing departments have different staffing needs.

Mayor Stiehm questioned who does most of these inspections/regulating for other cities. Mr. Hoium stated mostly the Fire Department or Building Departments are doing these, however the Minnesota Supreme Court ruling could have a huge effect on who and what is done with this proposed regulation. Mayor Stiehm stated it would not hurt us to wait until the decision comes down in July from the Supreme Court.

Mr. Hurm questioned council as to what the council is looking for in a proposed ordinance.

Lisa Peilen, Director of Municipal Affairs for the Minnesota Multi Housing Association (MMHA) noted her organization is there to promote the highest standards in property management and offered some suggestions and insight into her dealings with different cities on this issue.

Nate Johnson of the Southeastern Minnesota Association of Realtors noted Lisa was very helpful with Rochester's ordinances. Mr. Johnson also noted the Red Wing case could be appealed depending on the decision, and this case has been going on since 2005.

Peter Grover noted he is concerned that the proposed ordinance will not be fair for everybody. The Council needs to recognize responsible landlords, and to concentrate on the bad ones. Additionally, all of these fees charged to landlords will just be passed onto the renters, renters who are having a hard time affording the monthly rent at the current rates. Mr. Grover stated governments just cannot afford this additional cost right now under tight budgets either. Mr. Grover stated the model ordinances we have reviewed are good pieces, but when any final ordinance is written we, the landlords, would like to be involved. Mr. Grover did state the City has done a great job communicating this issue to the landlords and their association.

Charlie Fawver stated he has been involved in rental property since the 1960s and at one point had over 100 rental units. Mr. Fawver questioned what percentage of rental units really needs inspections, and asked if we can we handle the issue based on the police needs. He questioned if we need to license every piece of rental property. Mr. Fawver stated we will not accomplish much with this licensing proposal and the Fire Department has been inspecting properties forever.

Council Member King stated his issue is dilapidated housing, not police enforcement. Council Member King stated this is also about neighborhood preservation not law enforcement.

Council Member McAlister stated he sees no real reason to rush into this right now.

Council Member Clennon stated she is looking for safety for the renters right now, noting some of her experiences when she moved to town some years ago and how her rental unit was in substandard shape. Council Member Clennon stated it is not fair to require the renter to inspect their own apartment for insulation, and to have the television plugged into an extension cord that runs up from the basement for example. Council Member Clennon stated we do need to target the bad landlords, but we also need to treat all landlords the same.

Jon Ernst noted every two years the Fire Department comes out to do inspections, and HUD also inspects his units. Now the City Council wants to add another layer of inspections onto the land owners and make us pay for it. He asked how inspections would be performed on properties for people who work nights.

Chief Healey stated the Fire Department inspects the common areas, exit corridors, and heating/mechanical rooms and not the living quarters, unless given explicit permission. Chief Healey stated we are not “against” the good landlords. We are trying to ensure there are safe ways in and out of buildings. He noted that the Fire Department recently inspected some rental units and two tenants were evicted after the owner was forced to fix the furnace so that there would be heat.

Mr. Hoium stated the problems we are having now are not because of the good landlords. Approximately 20% of the property in Austin is rental property. Of our junk cleanups that council approves at almost every council meeting, 50% of them are from rental property.

Ms. Peilen noted Apple Valley actually has a True Rental Registration ordinance whereby contact info is required for all property owners.

Council Member Enright stated she would like to form a smaller task force made up of some council members, Mr. Hoium, landlords, etc. to develop some ideas together. Maybe a group of 6-7 people would be ideal, stated Council Member Enright.

Mayor Stiehm agreed, noting we still should wait for the end result of the City of Red Wing case.

Council Members Clennon and Enright noted their interest in being on this proposed committee. Mr. Hoium stated he will wait until we hear back from the Red Wing case and then he will work with setting up the committee.

Item No. 2. Cedar River Watershed District (CRWD) Memo of Understanding – Mr.

Erichson noted this is for discussion only, but this is the City’s first shot at creating a memo of understanding for our proposed flood control project. This proposed memo has not been approved by the CRWD, but since they have not sent us a proposal we have decided to send them one. Mr. Erichson noted the CRWD has a set of proposed rules they will adopt at the end of July. These rules could impact our flood control project.

Council Member Boughton questioned if the CRWD supports this memo. Mr. Erichson stated there are some indications of support amongst the CRWD Board.

Mr. Erichson stated he was looking for comments on the memo. Council Members Boughton and Austin stated the proposal looks great. No objections noted.

After further discussion, motion by Council Member Boughton, seconded by Council Member-at-Large Anderson, to recommend to Council the approval of the Memorandum of Understanding with the CRWD. Carried 7-0. Item will be added to a future council agenda once the CRWD approves of the final draft.

Item No. 4. Model Performance Measures– Mr. Dankert and Mr. Hurm discussed the proposed model performance measures that the State of Minnesota would like cities to voluntarily track. Mr. Dankert noted we would get LGA reimbursement of \$0.14 per capita (or approximately \$3,500) and be exempt from levy limits to adopt the ten measures that are listed in the backup, most of which would require a survey of our citizens. Mr. Dankert briefly discussed using Survey Monkey if Council wanted to go the survey route, as it would not be cost beneficial to hire a firm or use staff to do the survey and tally the results.

Council Member Clennon stated we need another avenue for senior citizens to take the survey, as many of them do not use the Internet.

Mr. Dankert noted statutorily the City needs to opt in by June 30, but the Office of the State Auditor stated if we replied by July 6 they would include us in the report. Mr. Dankert noted staff was not overly fond of the survey proposal as discussed at our staff meeting. However, Mr. Dankert noted if council does decide to do this, we should also ask additional questions that may give Council more direction as to where the public wants us to go in the future.

Council Member McAlister stated we have two other programs going on this summer between the Vision 2020 and the Community Survey. Council Member McAlister stated he is not in favor of doing this also for the few extra dollars we may receive. Council Member King agreed, noting that this is geared towards communities that do not have good five-year plans on their communities.

After further discussion, motion by Council Member Austin seconded by Council Member McAlister to not participate in the State of Minnesota's survey on local results and innovation. Carried 4-3. Voting nay (in favor of participating in the survey) were Council Members Clennon and Enright and Council Member-at-Large Anderson). Item will be added to the next council agenda for official denial of program.

Item No. 5. Administrative Report/Other Item – Rob Kokot, owner of Bell Liquor stated he is interested in the lot that had a building torn down on it last year, He would like to purchase the lot from Mower County (\$10,000 asking price), but the City has some \$21,000 of assessments on the parcel for the improvements they put into the house before it was torn down.

Mr. Dankert noted he was informed that the price the County attached to this parcel was based on their knowledge of the City's plans to re-assess. If Council was not intending to do this then the County may have increased their sale price.

Council Member Enright stated we need to come up with a different plan for this. Council Member Boughton agreed, noting we should have staff negotiate with potential bidders.

After further discussion, motion by Council Member King, seconded by Council Member Boughton for city staff to negotiate with potential property owners to come up with an agreement on the delinquent assessments for the torn down structure. Carried 7-0. Negotiations will be done by staff and then brought back to a future council meeting for review and approval.

Council Member McAlister stated this is a one-time deal for this parcel only, and we are not to be setting a precedent here. Additionally, City Attorney David Hoversten should be involved with the negotiations.

Item No. 6a. Open discussion – League of Minnesota Cities Conference – Council Member Enright stated it was a good conference, including the discussion on the Green Step Cities. Council Member Enright stated this is something we need to get moving on as it is one of our council goals.

Mayor Stiehm stated he also thought it was a great conference, especially the discussion on the Police and Fire Departments.

Council Member Clennon stated she enjoyed the discussion on dealing with difficult people and new approaches for budgeting. Some cities are setting their levy limit and then discussing the budgets with department heads. For example, if the department head can find additional money for additional expenses then they can increase their budgets.

Item No. 6. Open discussion – Other Items – Council Member-at-Large Anderson stated she is waiting for a response back from Mr. Hoium regarding swimming pools as there are still some in the front yards, and many without fences.

Council Member Austin stated he recently took a vacation to Galena, Illinois and took some pictures of their flood gates and berms.

Mayor Stiehm stated he heard from some cities that they are hiring lobbyists at the state in order to get additional grants for their cities.

Item No. 7. Matters In Hand – No discussion.

Motion by Council Member Austin, seconded by Council Member King to adjourn the meeting at 8:40 p.m. Motion passed unanimously.

Respectfully submitted,

Tom Dankert