

**CITY OF ISANTI
CITY COUNCIL MEETING
Tuesday, January 19, 2016
CITY HALL**

Mayor Wimmer called the meeting to order at 7:00 p.m.

The Pledge of Allegiance was recited.

Members Present: Mayor George Wimmer, Councilors: Paul Bergley, Dan Collison, Adam Johnson and Steve Lundeen

Members Absent: None

Staff Present: City Administrator Don Lorsung, City Attorney Clark Joslin, Human Resources/City Clerk Karissa Henning, Police Chief Gene Hill, Economic Development Director Sean Sullivan, Public Services Director Josi Wood and Assistant City Engineer Jason Cook

D. Adopt Agenda

Motion by Johnson second by Bergley to approve the agenda as presented. Motion carried unanimously

F. Approve City Council Minutes

1. January 5, 2016 - Regular Meeting of the City Council
2. January 5, 2016 - Closed Session Meeting of the City Council

Motion by Bergley, second by Johnson to approve the Regular City Council Minutes and Closed Session Meeting Minutes of the January 5, 2016 meeting as presented. Motion carried unanimously.

G. Citizens Input

None

H. Announcements

Announcements were read

I. Council Committee Reports

Mayor Wimmer stated that Isanti County will stop processing "Permits to Purchase" and these will now be processed by the City's Police Department. The Mayor did express confidence that the Police Department would do a fine job; however, by Minnesota State Statute, the City will not be able to charge a fee for this service and the Mayor speculated that this may be why the Sheriff's department had passed the burden of this task to the Cities. The Mayor indicated that he will be speaking with Isanti County Sheriff Chris Caulk regarding this matter and expressed frustration that, once again, the City is being required to do something which the Townships are not. The Mayor noted that the Cities of Isanti County pay the lion's share of all County taxes and in return, they receive fewer services than the Townships.

J. Public Hearings

K. Business Items

1. Approval for Funding the Development of the 38 Acre Parkland

The Mayor described the larger components of the development plan for the 38 acre parkland parcel which is to include a community garden with space for the Isanti Middle School, Minnesota Center, School for All

Seasons and the Isanti Intermediate School. The Mayor indicated there will also be approximately one acre set aside for long term biology experiments for the Middle School – similar to a very mini version of the Cedar Creek Research Center in northern Anoka County. In addition, there will be a walking path around the parkland and a bridge which goes across and links the area, as well as, a designated, handicap accessible fishing area -- one of the very few in the county on the Rum River.

The Mayor reported that the City is looking into an inter-fund loan as Park and Recreation does not have the full funds to cover the development plan. Through an inter-fund loan the Park and Recreation revenue that comes in, which is by State law only allowed to be used on new parkland acquisitions or development of new parks, can then be transferred back to the General Fund.

Bergley asked if the Community Garden would be available for residents. The garden would be available for residents and non-residents; the City is looking at charging a fee small for those interested in reserving garden spots for the year.

Lundeen clarified that the land being discussed was that which was acquired from the DNR. Lundeen went on to state that although he was in favor of acquiring the land, he was not in favor of there being additional money invested in parks at this time. One of the biggest complaints Lundeen hears from residents is that Isanti has too many parks.

The Mayor responded with the example of Legacy Park which did not get a lot of support at the time, but ended being a tremendous success for the City. The Mayor emphasized that the features of this new park are unique and not designed for a single demographic like play parks. The Mayor noted that Cambridge's Community Garden is 100% full and typically has a waiting list. This park has been a high priority for the City as it has amenities that are currently not available anywhere else in the City. This is also a way to make the Rum River accessible to residents. The Mayor also noted that the cost of equipment only for a standard play park is \$75,000-\$80,000 plus; therefore, the dollar for dollar value of a park with a large number of amenities which aren't currently available within the City is significant.

Bergley inquired if the proposal had passed through the Park, Recreation and Culture Board to which the Mayor responded affirmatively. The Mayor emphasized that the City is making an effort to establish a variety of unique amenities that have low, on-going costs associated with them. The park will provide the School District with a strong educational resource and increase funding opportunities from a grant standpoint.

The Mayor reported that on-going maintenance costs for this park will be minimal and gave Legacy Park as an example where it costs only a few hundred dollars a year to maintain the trail system. Johnson asked Wood what she anticipated in terms of time for maintenance from the Public Works crew including mowing. Wood responded that there would be some areas that would be mowed and other areas that will be left natural. Wood also noted that in comparison with Legacy Park or play parks, the maintenance would be significantly less. Wood identified that lime-ag may be needed from time to time, or it may be necessary to respond to wash-outs or similar events. Wood felt that the largest up-front maintenance would be in the spring time to get the gardens ready with time spent the initial year being greater than that needed for subsequent years. Johnson asked what the City's yearly responsibility would be to maintain the community gardens. Wood responded that the City would till the gardens and perhaps add topsoil based on soil testing through the U of MN at a cost of \$35. If there were compost on site, Public Works would turn that every couple of weeks. Wood noted that plot renters would be responsible for weeding, etc.

Johnson asked what the timeline would be for returning funds to the General Fund. The Mayor indicated

that would depend upon development; however, it is a priority for those funds to be returned to the General Fund.

Johnson stated concern over whom or what would prevent outsiders from digging in or removing items from someone's garden plot. Johnson added that the cost of seeds can add up and it would be a notable loss if a plot were to be decimated. Wood addressed this concern saying she had spoken with a number of Cities and they simply haven't had this problem; acknowledging that that isn't to say that plots here will not be disturbed. Wood indicated that there would be a tall fence that could be locked with access for plot owners' only.

Johnson remarked that, previously, cost had been a concern; however, the City is rapidly developing and he didn't believe it would take long to repay the funds to the General Fund. He acknowledged that it is what the Parks and Recreation Fund is for and it is a good opportunity for the City; however, he did feel concern for some of the residents near the location. Johnson indicated he would motion to approve.

Bergley stated his concerns which included the effects of the recent property tax increase on area residents. Bergley acknowledged that the City is promoting fitness and stated he was all for fishing and gardening. The Mayor responded that it is important to educate residents and reiterated that the park is not being funded with City property tax dollars. The fees to pay for this project are coming out of the park dedication fund, which by State mandate, can only be used for new park equipment and/or new park land acquisition. To which Johnson replied that the dollars would be sitting unused if not for this project and that was why he has chosen to support the project. The Mayor did follow-up by stating that on-going maintenance will come from property tax dollars; however those costs will be in the hundreds, not thousands of dollars.

The Mayor restated that the playground parks cost the most in terms of upkeep and repair. Wood stated that park dedication funds can't be used to do any repairs; they must be used for new development.

Lundeen indicated that, like Johnson, he was initially opposed to the project due to the total cost; however, knowing that the City property tax dollars were not being used to develop the park and having the amenities at such a low cost in terms of maintenance won him over. Lundeen seconded the motion to approve.

- a. Resolution 2016-011 Approving Funding for Development of the 38 Acre Parkland**
- b. Resolution 2016-012 Establishing Rental Fees for Community Garden Plots**

Motion by Johnson second by Lundeen to approve Resolutions 2016-011 and 2016-012 as presented. Collison Abstained. Motion carried.

2. Resolution Authorizing Approval and Execution of the Amended and Restated Joint Powers Agreement for the North Trunk Highway 65 Coalition

Mayor Wimmer stated that the Coalition wanted to change the quorum to 40% which he was not in favor of; he believes a quorum should remain as truly defined - meaning 50 % plus one. The Mayor asked Bergley if the Coalition was unable to get sufficient numbers of members to attend. Bergley stated that the Coalition wanted the Board to be able to get things accomplished; if a quorum is not present, nothing can be done or move forward. The Mayor stated that he was not in favor of making this change. The Mayor also remarked that if the Coalition cannot get sufficient numbers to attend for a voting quorum, that they should change their membership. Bergley recently started attending the meetings and indicated at present, they were well attended and members were anxious to get things moving. Joslin was asked for his input as was Commissioner Warring of Isanti County who was present.

The question was raised as to whether the City would still be a member of the Coalition if they were to fail to approve the Agreement. Lorsung responded that the City would not retain its membership. Lorsung asked for clarification as to the major reason for not approving the agreement so that this information might be passed on to the Coalition Board. The consensus was that the change to 40% needed for a quorum was the reason for denial.

Motion by Johnson second by Lundeen to deny the resolution. Motion carried.

3. Resolution 2016-013 Approving a Special Event Request for Downtown Street Dances

The Mayor asked for a quick update from Wood on Park and Recreation and the recent movie night. Wood indicated that 106 people attended the last movie night with Heavenly Sunshine Preschool, the movie's concession volunteers, receiving \$133 (sum of the night's profits) for their participation.

Motion by Johnson, second by Lundeen to approve Resolution 2016-013 as presented. Motion carried unanimously.

4. Resolution 2016-014 Approving a Conditional Use Permit to Operate a Motor Vehicle Sales Office and Display at the Dual Square Mall

Motion by Bergley, second by Lundeen to approve Resolution 2016-014 as presented. Motion carried unanimously.

5. Resolution 2016-015 Approving the Minor Subdivision of the Property Legally Described as Lot 1, Block 1, Isanti Commons First Addition, Isanti County, Isanti, Minnesota

Motion by Lundeen, second by Johnson to approve Resolution 2016-015 as presented. Motion carried unanimously.

6. Resolution 2016-016 Approving an Amendment to the Isanti Commons First Addition Development Agreement

Motion by Lundeen, second by Johnson to approve Resolution 2016-016 as presented. Motion carried unanimously.

7. Ordinance 631 Amending the Code for the City of Isanti, No. 445 Zoning, Section 2 Definitions

Motion by Lundeen, second by Bergley to approve Ordinance 631 as presented. Motion carried unanimously.

8. Resolution 2016-017 Approving an Extension of the Conditional Use Permit Allowing the Construction of a 108-Unit Apartment Complex Located Within the Fairway Greens Development

Motion by Bergley, second by Lundeen to approve Resolution 2016-017 as presented. Motion carried unanimously.

9. Resolution 2016-018 Approving an Extension of the Site Plan and Building Appearance for a 108 Unit Apartment Complex to be Located Within Outlot A, Fairway Greens Phase 5

Motion by Lundeen, second by Bergley to approve Resolution 2016-018 as presented. Motion carried unanimously.

10. Resolution 2016-019 Approving an Amendment to the Liquor Store Policy, Cash Drawer Variances

Motion by Johnson, second by Bergley to approve Resolution 2016-019 as presented. Motion carried unanimously.

11. Resolution 2016-020 Approving a Utility Rate Study with Northland Securities

Motion by Johnson, second by Lundeen to approve Resolution 2016-020 as presented. Motion carried unanimously.

12. Resolution 2016-021 Approving the Purchase of a 2016 Ford Interceptor Utility AWD Pursuit Vehicle.

Bergley asked if this was the vehicle that had been approved for purchase in the budget. The Mayor indicated it was. Lorsung addressed the Council stating that, in this case, in the budget the vehicle was to be purchased directly out of City money; there is now forfeiture funds that will be used to offset the cost to the General Fund and taxpayers.

Motion by Johnson, second by Lundeen to approve Resolution 2016-021 as presented. Motion carried unanimously.

13. Resolution 2016-022 Approving the Sale of the Forfeited 2001 Chevrolet S-10 Blazer at Public Auction

Motion by Johnson, second by Bergley to approve Resolution 2016-022 as presented. Motion carried unanimously.

14. Resolution 2016-023 to Consider Donation of Parcel in Redevelopment District No. 9

Sullivan addressed the Council indicating that he had been in contact with the landowner of 100 Dahlin and they have indicated that they would like to donate the property to the City. Sullivan stated that there are a number of issues regarding this property that were uncertain (i.e. condition of the property, cost of demolition, whether there is asbestos or hazardous materials present); issues that would come with any purchase, demolition or repair of a property of this age. Sullivan stated he did not recommend repair. Sullivan did look into how the City handled the property at 30 Main Street, which is now Isanti Retail Meats, and was a re-development project that the City took action to make occur. That situation was very similar to this as the building was in disrepair and there were beginning to be some complaints on the property and the condition of the building has been reviewed and questioned. Sullivan asked the Council to consider moving along with this property in a similar way as that of 30 Main Street which would be to express to the landowner that the City does have interest in receiving the property as a donation. The City would then do its due diligence to ascertain what the City is obtaining. Sullivan indicated he would recommend doing things along the lines of a demolition survey, building walk-thru, and potentially a Phase 1 if desired. Sullivan noted that he is looking for some direction from the Council as to how to proceed. Sullivan stated that the property is within the City's downtown corridor, within TIF District No. 9 and at this time, there are

no dollars available within that District to fund some of the costs; however, if there were to be some dollars that would come up due to redevelopment or the increase in value within that district any costs that were incurred to acquire, demolish and prep the site would be eligible costs to reimburse. Thus, the City could set up a revolving loan fund that may or may not be refunded from that District.

The Mayor followed up with an overview and history of the situation. The Mayor asked Sullivan for the quote for the proposed due diligence which was \$4,300 which includes a Phase 1 and demolition survey. Sullivan noted that the Resolution states an amount not exceed \$5,000. If any hazardous issues were to be found, that would drive the demolition costs up to \$30,000 as, for example, if asbestos were to be found that would need to be taken to an alternate landfill. Sullivan reiterated that he would not recommend repairing the building. Sullivan noted that redevelopment takes awhile; the City acquired 30 Main in 1997 and Retail Meats was not in place until 2008. That location did involve acquisition costs as well as a demolition. Sullivan remarked that the 30 Main Project was one of the first projects that the EDA was involved in and the Council put an allocation into EDA to work through that project.

Bergley asked if the Martial Arts group were still in the building to which the Mayor responded that they had moved as the building was not in usable condition. Sullivan stated that based on a discussion with the Building Department, unless repairs are done on the property, no one will be allowed to occupy the building.

Lundeen noted that the situation with the building has been on-going and confirmed Sean's assessment that it would be impractical to repair the building.

After confirming the resolution stipulated an amount for the due diligence not to exceed \$5,000. The motion was made.

Motion by Johnson, second by Lundeen to approve Resolution 2016-023 as presented. Motion carried unanimously.

L. Approve Consent Agenda

1. Consider Accounts Payable in the Amount of \$596,750.00 and Payroll in the Amount of \$99,385.64
2. Final Minutes of the December 8, 2015 Planning Commission Meeting
3. Final Minutes of the December 1, 2015 Economic Development Authority Meeting
4. Consider 2016 City Council Committee Meeting Schedule

Motion by Johnson second by Bergley to approve the consent agenda. Motion carried unanimously.

Adjournment

Motion by Johnson second by Lundeen to adjourn. Motion carried unanimously. Meeting adjourned at 8:09 p.m.

Respectfully Submitted,

Carla Scharber
Administrative Data Clerk