

Pursuant to the due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on February 6, 2023. Mayor Carlson called the meeting to order at 7:00 pm, asking everyone to join the Pledge of Allegiance. The following were present for roll call: Council Members Peterson, Whitlock, Steiner, Oachs, City Administrator McCann, Finance Director Ryan, Community Development Director Fischer, Public Works Director Arnold, and City Clerk Van Genderen.

**Approval of Agenda**

**Council Member Steiner moved, seconded by Council Member Peterson, to approve the agenda as presented. Vote on the motion Oachs, Steiner, Whitlock, Peterson, and Carlson, aye, no nays. Motion carried.**

**Approval of Council Minutes from January 17, 2023, Council Meeting.**

**Council Member Oachs moved, seconded by Council Member Steiner, to approve the Council Meeting Minutes of January 17, 2023. Vote on the motion Oachs, Steiner, Whitlock, Peterson, and Carlson, aye, no nays. Motion carried.**

**Approval of Council Work Session Minutes from January 17, 2023, Council Work Session.**

**Council Member Peterson moved, seconded by Council Member Steiner, to approve the Council Work Session Minutes of January 17, 2023. Vote on the motion Oachs, Steiner, Whitlock, Peterson, and Carlson, aye, no nays. Motion carried.**

**Public Hearing, 7 pm Consider an Application to the Minnesota Department of Employment and Economic Development for a Grant Under the Minnesota Investment Fund (MIF) Program.**

Community Development Director Fischer reported that Gordini USA, Inc is looking to purchase land in the North Port Industrial Park. They plan to construct a 120,000-square-foot facility, and as part of the transition to North Mankato, they are completing a MIF application. The program provides State financing for equipment and other eligible expenses. As part of the application process, the City of North Mankato will act as the application sponsor. If Gordini successfully obtains the MIF funds, the City will serve as a pass-through for the funds. Later in the meeting, the City Council will be asked to approve a resolution approving the City acts as the fiscal agent. Tammy Omdal, the City's financial advisor from Northland, reported that the applicant is applying for \$420,000 in MIF funds. Council Member Oachs commented that the City would only act as the sponsor, and the funds would pass through the City. There will not be any financial obligations for the City.

With no comments, Mayor Carlson closed the Public Hearing.

**Consent Agenda**

**Council Member Steiner moved, seconded by Council Member Peterson, to approve the Consent Agenda.**

- A. Bills and Appropriations.
- B. Res. No. 12-23 Approving Donations/Contributions/Grants.
- C. Res. No. 13-23 Declaring Surplus Vehicles and Equipment.
- D. Approved Caswell Park On-Sale Intoxicating Liquor License for April 2023 to April 2024.
- E. Approved Audio Permit for Our Community Has Heart/Lasting Imprint Event at Spring Lake Park Shelter #2 on September 23, 2023, from 9 am to noon.
- F. Approved Parade Permit for A.B.A.T.E. on May 6, 2023, from 1:00 p.m. to 1:30 p.m.

- G. Approved Audio Permit for Andy Wendinger Memorial Car Show on May 13, 2023, from 8 am to 2 pm at South Central College.
- H. Approved League of Minnesota Cities Insurance Trust Liability Coverage Waiver Form.

**Vote on the motion Oachs, Peterson, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.**

**Public Comments Concerning Business Items on the Agenda.**

Tom Hagen, 927 Lake Street, appeared before Council and requested that the Council consider not pursuing the proposed TIF District.

**Business Items**

**Res. No. 14-23 Approving Minnesota Investment Program.**

**Council Member Oachs moved, seconded by Council Member Peterson, to Adopt Res. No. 14-23 Approving Minnesota Investment Program. Vote on the motion Oachs, Peterson, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.**

**Res. No. 15-23 Regarding the Support of a Job Creation Fund Application in Connection with Gordini USA Inc.**

Community Development Fischer reported that Gordini USA Inc. would submit a Job Creation Fund application. The City has been requested to act as a sponsor for the application.

**Council Member Steiner moved, seconded by Council Member Whitlock, to Adopt Res. No. 15-23 Regarding the Support of a Job Creation Fund Application in Connection with Gordini USA Inc. Vote on the motion Oachs, Peterson, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.**

**Res. No. 16-23 Calling Public Hearing on the Proposed Establishment of Development District No. 2, the Adoption of a Development Program for Development District No. 2, the Proposed Establishment of Tax Increment Financing District No. 2-1 within Development District No. 2, and the Proposed Adoption of a Tax Increment Financing Plan Relating to it.**

Tammy Omdal, Bond Counsel for the City, reported that the proposed resolution would set a public hearing to consider a TIF District. The proposed TIF District would be an economic development district and would be limited to no more than nine years. The proposed TIF District would capture the increase in taxable value of the property. City Administrator McCann requested Ms. Omdal to explain a TIF District. Ms. Omdal reported that TIF exists in all 50 states, and the particulars are left to each state. In Minnesota, TIF captures the increase in taxable market value from before and after the increase. State taxes are not captured, nor are referendum taxes. All other increased taxes are used to assist the development. The City retains administrative fees, and the remaining are provided to the developer. The economic development district requires job and wage creation. The developer is also applying for the State of Minnesota DEEDs. The developer has indicated that without the approval of the TIF District, the project will not move forward. But it is up to the City Council to decide if they want to move forward with the TIF District or leave the property vacant.

**Council Member Oachs moved, seconded by Council Member Peterson, to Adopt Res. No. 16-23 Calling Public Hearing on the Proposed Establishment of Development District No. 2, the Adoption of a Development Program for Development District No. 2, the Proposed Establishment of Tax Increment Financing District No. 2-1 within Development District No. 2,**

**and the Proposed Adoption of a Tax Increment Financing Plan Relating Thereto. Vote on the motion Oachs, Peterson, Whitlock, Steiner, and Carlson, aye, no nays. Motion carried.**

**Open Forum**

Gary Wolters, 1507 Pleasant View Drive, appeared before Council and expressed concern that he was billed because the City mowed the unkept grass on his undeveloped lots. He claimed he was not told the City was going to mow the grass.

**City Administrator and Staff Comments**

City Administrator McCann congratulated Library Director Katie Heintz for her participation in Dancing with the Mankato Stars on Saturday, February 4<sup>th</sup>. The fundraiser raised \$94,000 for the American Red Cross.

City Administrator McCann welcomed Jessica Ryan as the Finance Director.

City Administrator McCann welcomed Eben Van Rooyen to the Water Department.

City Administrator McCann reported that the Brewing New Ideas survey would close on February 8<sup>th</sup> and encouraged residents to participate.

City Administrator McCann said the Boulevard Tree Program applications would close on February 15<sup>th</sup>.

City Administrator McCann invited everyone to the Edible Book Festival on Saturday, February 25<sup>th</sup>, from 1-3 pm at the North Mankato Taylor Library.

City Administrator McCann reported that Caswell Sports adult and youth summer sports registration is now open.

**Mayor and Council Comments**

Council Member Peterson reported that he attended the Legislative Day on January 25<sup>th</sup> and indicated it was an interesting experience. He also noted that he would attend a League of Minnesota Cities seminar on February 10<sup>th</sup> and 11<sup>th</sup> concerning serving as an elected official. Council Member Peterson said he was excited about what was happening in the Port Authority and the City.

Council Member Oachs requested an update on the Belgrade Avenue TIF District, as one of the properties has not been developed.

Council Member Steiner thanked Public Works Director Arnold and his staff for the continued efforts to maintain clean roads.

Council Member Whitlock reported that on January 28<sup>th</sup> and 29<sup>th</sup>, the Anthony Ford Pond Hockey Tournament occurred at Spring Lake Park and hosted 19 adult teams and 38 mites. It was a great fundraiser for Childhood Leukemia treatment and youth hockey programs.

Mayor Carlson thanked staff for all of their work, and he is excited about the direction of the City.

At 7:30 pm, on a motion by Council Member Steiner, seconded by Council Member Oachs, the Council Meeting was adjourned.

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Mayor

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City Clerk