

Pursuant to due call and notice thereof, a regular meeting of the North Mankato City Council was held in the Municipal Building Council Chambers on May 2, 2011. Mayor Dehen called the meeting to order at 7:00 p.m. asking that everyone join in the Pledge of Allegiance. The following were present for the meeting, Mayor Dehen, Council Members Steiner, Norland, Schindle and Freyberg, City Administrator Sande, Finance Director Mork, City Clerk Gehrke, Attorney Kennedy, Engineer Malm and Planner Fischer.

Approval of Minutes

Council Member Steiner moved, seconded by Council Member Norland, to approve the minutes of the Council meeting of April 18, 2011. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.

Correspondence

Thank-You Letter from Anita Riese

Mayor Dehen read a letter from Anita Riese thanking the City for the use of the Fire Station Community Room.

Invitation for CityArt Reception

The Mayor reported the CityArt reception will be held on Saturday, May 21, 2011. The sculptures of the art work will be in attendance at the reception.

Southern Minnesota Advocates

The Mayor read a letter from Dan Bruss of the Southern Minnesota Advocates supporting the continuation of Local Government Aid as an important source of funding for the services provided by cities.

Open the Meeting to the Public for the First Time

Charlotte Giese, Disabled American Veterans and Auxiliary

Charlotte Giese, representing the Disabled American Veterans and Auxiliary, appeared before the Council and requested authorization for the DAV to put clothing bins at businesses in North Mankato. Paul Wendt, 110 Kingsway Drive, and Paul Hadley, 1446 Parkside, also appeared in support of placement of DAV clothing bins in North Mankato. Administrator Sande reported the City Code does not permit secondary uses in business areas. Attorney Kennedy stated that if the City Code is changed to allow placement of collection bins, that it should clearly state whether it is for profit/non-profit and local/non-local benefit with a policy outlining the necessary requirements for an organization to place collection bins. Administrator Sande suggested that the DAV take over the clothing collection at the Riverbend Recycling Center and the City would place an article in the upcoming City newsletter notifying residents of this change. **Council Member Steiner moved, seconded by Council Member Freyberg, to authorize the Disabled American Veterans to place a clothing bin at the Riverbend Recycling Center and that the City Code be reviewed regarding placement of collection bins. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.**

John Forsyth, 230 Nicollet Avenue

John Forsyth, 230 Nicollet Avenue, appeared before the Council and presented a business plan for the building located at 229 Belgrade Avenue. The business plan calls for offering the public and area consumers access to selling, consigning and purchasing collectibles, estate and other high-end items and offering the option of a loan on items of value. Mr. Forsyth reported his vision is for a family oriented, friendly atmosphere with an area for coffee and pastries. Planner Fischer reported that

pawn shops are not a permitted use in the Central Business District but would be permitted in a B-3, General Business District as a conditional use. Council Member Schindle recommended this request be referred to a future Planning Commission meeting as a possible amendment to the City Code allowing pawn shops in the CBD as a conditional use. Attorney Kennedy was asked to review Mankato's City Code as it refers to pawn shops and report to the Planning Commission.

Staff Reports

City Planner

Consider Amendment to the 2010-2014 HUD Consolidated Plan

Planner Fischer reported the consideration of an amendment to the 2010-2014 HUD Consolidated Plan is a continuation of the public hearing from the April 4, 2011 meeting. He reported since the original submittal of the Consolidated Plan, other potential uses of CDBG funds not in the Plan have been identified to include acquisition of vacant parcels of residential land for development purposes and funding for the Small Business Development Center. He reported Julie Nelson and Mike Nolan of the Small Business Development Center were in attendance to answer questions. Council Member Freyberg stated his concern that 38 percent of the 2011 HUD grant funds are considered for funding of the Small Business Development Center. Planner Fischer reported he spoke with HUD and other cities have used HUD dollars in a similar way. In response to a question regarding the SBDC financial statement, Mike Nolan reported the fiscal year has changed since Minnesota State University-Mankato has replaced Region 9 as the host for the Small Business Development Center. **Council Member Norland moved, seconded by Council Member Steiner, to approve the Amendment to the 2010-2014 HUD Consolidated Plan. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.**

Consider Approval of the 2011 Community Development Block Grant (CDBG) Action Plan

Planner Fischer reported the 2011 Community Development Block Grant (CDBG) Action Plan is a continuation of the public hearing from the April 4, 2011 meeting. He reported the Action Plan calls specifically how to use HUD funds in the coming year. Notice has been received from HUD that the City should receive approximately \$80,000 for 2011. Planner Fischer reported the 2011 Action Plan as presented calls for \$30,000 to the Small Business Development Center, \$35,000 to purchase the property at 202 Christensen Street, \$11,000 to aid in the purchase of the property known as 238 Belgrade Avenue and \$8,000 for Program Administration. Council Member Schindle asked if other funds were available from the franchise tax for funding the Small Business Development Center. He also requested the Council and Port Authority meet to discuss the larger plan for the future of the Central Business District. Administrator Sande reported the Business on Belgrade group recently sent out a survey to the business owners in the Central Business District and one of their main concerns is for additional parking. Council Member Freyberg reported the money could be accumulated to apply to any future disasters. The Council discussed allocating funds from the Community Development Fund or the Port Authority Fund for the Small Business Development Center and allocating the \$30,000 originally earmarked for the SBDC to the purchase of the property known as 238 Belgrade Avenue. **Council Member Steiner moved, seconded by Council Member Norland, to approve the 2011 Community Development Block Grant (CDBG) Action Plan reallocating the \$30,000 from the SBDC to the purchase property known as 238 Belgrade Avenue. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.**

Council Member Schindle moved, seconded by Council Member Norland, to authorize funding of the Small Business Development Corporation with funds from the Community Development Fund and/or the Port Authority Fund. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.

Set Public Hearing for 7 p.m. on June 6, 2011 to Amend the HUD 2010 Action Plan

Planner Fischer reported that in 2010 the City Council approved the Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program 2010-2011 Action Plan. In this Plan, the City dedicated its annual CDBG funds for providing down payment assistance grants for income-qualified homebuyers to either build a new single-family dwelling or buy an existing one. Since the funding has been available, only one down payment assistance grant has been issued. Staff is proposing to use the remaining 2010 CDBG funds for other purposes and in order to do so it is necessary to amend the 2010-2011 Action Plan. As part of the amendment process, a public hearing is required by HUD. Staff is recommending the remaining 2010 funds be used to acquire the house and property at 706 Range Street in an effort to begin residential redevelopment in this area. The property is currently on the market listed at \$79,900. Administrator Sande reported an appraisal of the property could be completed to determine the value of the property. **Council Member Schindle moved, seconded by Council Member Steiner, to set a public hearing for 7 p.m. on June 6, 2011 to amend the HUD 2010 Action Plan. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.**

City Administrator**Approve Quotation for Project No. 11-03DEF, Nicollet Avenue Parking Improvements**

Administrator Sande presented a quotation tabulation of the quotes for the Nicollet Avenue Parking Project. He reported four quotations were received with W.W. Blacktopping, Inc. presenting the low quote of \$37,319.90. In response to a question from Council Member Schindle, Administrator Sande will redistribute the four concept drawings for the Central Business District Parking Plan. **Council Member Steiner moved, seconded by Council Member Norland, to approve the quotation from W.W. Blacktopping, Inc. for Project No. 11-03DEF, Nicollet Avenue Parking Improvements. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.**

City Clerk**Parade Permit for Community Recreation Department North Mankato Fun Days Kiddie Parade, 6:15 p.m. to 7:30 p.m. on Friday, July 8, 2011**

Clerk Gehrke presented an application for a parade permit for the Community Recreation Department North Mankato Fun Days Kiddie Parade to be held from 6:15 p.m. to 7:30 p.m. on Friday, July 8, 2011. The North Mankato Police Chief has approved this application. **Council Member Schindle moved, seconded by Council Member Norland, to approve the parade permit for the Community Recreation Department North Mankato Fun Days Kiddie Parade from 6:15 p.m. to 7:30 p.m. on Friday, July 8, 2011. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.**

Parade Permit for North Mankato Fun Days Parade, 11 a.m. to 2 p.m. on Saturday, July 9, 2011

Clerk Gehrke presented an application for a parade permit for the North Mankato Fun Days Parade to be held from 11 a.m. to 2 p.m. on Saturday, July 9, 2011. The North Mankato Police Chief has approved this application. **Council Member Steiner moved, seconded by Council Member Norland, to approve the parade permit for the North Mankato Fun Days Parade from 11 a.m. to 2 p.m. on Saturday, July 9, 2011. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen aye; no nays. Motion carried.**

Res. No. 29-11 Waiving Waiting Period for Exemption from Lawful Gambling License for Knights of Columbus

Clerk Gehrke presented an application for exemption from lawful gambling for the Knights of Columbus to conduct bingo during Fun Days at Wheeler Park, 402 Page Avenue, from July 6-10, 2011. **Council Member Schindle moved, seconded by Council Member Norland, to adopt Resolution No. 29-11 approving the application for exemption from lawful gambling for the Knights of Columbus. Vote on the Resolution: Steiner, Norland, Schindle and Freyberg, aye; Dehen abstained; no nays. Motion carried.**

Audio and Large Group Permit for American Legion Post 518 Fundraiser, Wheeler Park

Clerk Gehrke presented an application for an audio and large group permit for American Legion Post 518 to hold their annual fundraiser at Wheeler Park from 8 a.m. to 10 p.m. on Saturday, August 27, 2011. **Council Member Norland moved, seconded by Council Member Steiner, to approve the audio and large group permit for American Legion Post 518 to hold their annual fundraiser at Wheeler Park from 8 a.m. to 10 p.m. on Saturday, August 27, 2011. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.**

Audio and Large Group Permit for Elevate Church Picnic, Spring Lake Park

Clerk Gehrke presented an application for an audio and large group permit for the Elevate Church to hold their family picnic at Spring Lake Park from 8 a.m. to 4 p.m. on Sunday, July 17, 2011. **Council Member Norland moved, seconded by Council Member Schindle, to approve the audio and large group permit for the Elevate Church Picnic to be held at Spring Lake Park from 8 a.m. to 4 p.m. on Sunday, July 17, 2011. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.**

City Engineer

Engineer Malm reported the pre-construction meeting for the CSAH 41/Carlson Drive Project was held on Monday, April 25, 2011.

Report from Council Members**Council Member Steiner**

Council Member Steiner reported he attended the ribbon cutting for the Veterans Clinic located on Premier Drive on Saturday, April 30, 2011. He reported it is a beautiful facility and the local veterans will no longer be required to travel to obtain the services they need. Council Member Steiner was approached by the Disabled American Veterans group at this ribbon cutting and asked about the location of clothing bins in North Mankato.

Council Member Norland

Council Member Norland reported she attended the LJP Enterprises of North Mankato, LLC groundbreaking on Thursday, April 28, 2011.

Council Member Norland referenced an email regarding the North Ridge Ravine Project. Administrator Sande reported ravine stabilization is a continuing issue and the North Ridge Ravine Stabilization Project is in the Five-Year Capital Improvement Plan. Engineer Malm reported that requests have been submitted for ATP Enhancement Funds for this project the last several years; however, the ATP Enhancement Subcommittee prefers to fund other types of projects such as trails.

Council Member Schindle**Minutes of Traffic & Safety Committee Meeting of April 27, 2011**

Council Member Schindle reported the Traffic & Safety Committee met on April 27, 2011 to consider the street closure for the Belgrade Blues Festival on July 23, 2011. The Traffic & Safety Committee recommended the closure of Belgrade Avenue from the beginning of the 200 Block through the Belgrade Avenue/Range Street intersection and Range Street to the alley. The Traffic & Safety Committee also recommended installation of jersey barriers and signage at the appropriate intersections. They recommended a Public Service Announcement prior to the event regarding the street closure. **Council Member Schindle moved, seconded by Council Member Norland, to authorize the street closure for the Belgrade Blues Festival on July 23, 2011 as recommended by the Traffic & Safety Committee. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.**

Council Member Schindle requested a copy of the Central Business District parking plan. He also asked the status of Phase II of the Marigold Project. Administrator Sande reported that soil samples were taken to determine if the property would support this project. He reported the necessary financing is in place and units in Phase II will be marketed using a unit in Phase I.

Report from the Mayor**LJP Enterprises of North Mankato, LLC Groundbreaking**

Mayor Dehen reported he attended the LJP Enterprises of North Mankato, LLC groundbreaking which was held on Thursday, April 28, 2011.

Brunton Project Groundbreaking

Mayor Dehen reported the groundbreaking for the Brunton Project at 225 Belgrade Avenue is scheduled for 1 p.m. on Thursday, May 5, 2011.

Town Hall Forum on Health Care

The Mayor reported he attended the town hall forum on health care at South Central College on Saturday, April 30, 2011. He reported an interesting conversation was held regarding the Republicans, led by Representative Cornish, raiding the Fire Safety Account to help balance the budget.

Open the Meeting to the Public for the Second Time**Phil Henry, 1300 Noretta Drive**

Phil Henry, 1300 Noretta Drive, appeared before the Council and thanked Council Member Freyberg for removing the \$30,000 for the Small Business Development Center from the 2011 Community Development Block Grant (CBDG) Action Plan stating he believes there are better ways to use these funds in North Mankato.

Bills and Appropriations

Council Member Steiner moved, seconded by Council Member Norland, to approve all bills and appropriations in the amounts of \$53,509.59 and \$268,502.48. Vote on the motion: Steiner, Norland, Schindle, Freyberg and Dehen, aye; no nays. Motion carried.

There being no further business, the meeting was adjourned at 8:34 p.m.

Mayor

City Clerk