

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 November 17, 2014. 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 Norland, Freyberg, Spears and Steiner; City Administrator Harrenstein, Finance Director Thorne, Attorney Kennedy, City Clerk Van Genderen, Planner Fischer, and Public Works Director Swanson.

**Approval of Agenda**

**Council Member Norland moved, seconded by Council Member Freyberg, to approve the agenda as presented. Vote on the motion: Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried.**

**Approval of Minutes**

Council Member Spears requested that his vote on Resolution 79-14 be changed from an aye to a nay to correctly reflect his vote. **Council Member Norland moved, seconded by Council Member Steiner, to approve the minutes of the Council meeting of November 3, 2014, as amended. Vote on the motion: Steiner, Norland, Freyberg, Spears and Dehen aye; no nays. Motion carried.**

**Public Hearing, 7 p.m. – Assessment for Project No. 13-02AC**

The Mayor opened the public hearing to consider the Assessment for Project No. 13-02AC and stated City Engineer Dan Sarff presented the final adjusted assessment to the Council and those in attendance who were being assessed. City Engineer Sarff reported the City's assessment policy requires 40% of project cost be assessed to the property owner. If a project has a high cost but a low benefit to the citizens, the City has set a maximum assessment of \$7,000 with the driveway cost an additional assessment. Sarff stated the initial assessment was sent out prior to the completion of the driveways so the assessment has been adjusted to reflect the actual cost. The final assessment reflected decreases to the proposed assessment. Mayor Dehen thanked the citizens for their patience, noting it was a long difficult construction that was important to the infrastructure of the City of North Mankato. There being no one else appearing before the Council, the Mayor closed this portion of the meeting.

**Consent Agenda**

**Council Member Norland moved, seconded by Council Member Freyberg, to approve the Consent Agenda which includes:**

- A. Bills and Appropriations.
- B. Res. No. 80-14 Adopting Donations/Contributions/Grants.
- C. Res. No. 81-14 Setting Rates and Charges for Municipal Utilities.
- D. Application for Parade Permit for Gobble Wobble Family Fun Run, Benson Park, Thursday, November 27, 2014 from 8:00 a.m. to 10:00 a.m.
- E. Large Group Permit for Gobble Wobble Family Fun Run, Benson Park, Thursday, November 27, 2014 from 7:00 a.m. to 12 noon.

**Vote on the motion: Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried.**

Council Member Spears stated he would like clarification on the Alliance for Innovation expenditure. Harrenstein stated the Alliance is an association of cities who share their innovative ideas. Council Member Spears stated he would like clarification on the Geotechnical Evaluation of Northport #15. Administrator Harrenstein stated it was an evaluation of Northport paid out of the joint economic fund with Benco and applies to 36 acres. Council Member Spears requested clarification on the use of

Lamm, Nelson and Cich. Administrator Harrenstein reported Attorney Dave Lamm attended the closing on the Marigold property and completed title insurance work. Attorney Kennedy stated the City hires additional legal services when the work is outside his legal expertise. Mayor Dehen thanked the donors to the Library.

### **Public Comments**

Barb Church, 102 East Wheeler, appeared before the Council and requested information on the Intergovernmental Meeting and noise abatement. She stated she did not approve of the purchase of property on East Wheeler Street to create parking.

Arnold Marshall, 704 Wall Street, appeared before the Council and stated he was in favor of the variance to allow Melissa Masse to build a garage at 714 Wall Street.

### **Business Items**

#### **Res. No. 82-14 Adopting Assessment for Project No. 13-02AC, 2014 Belgrade Avenue Hill and Ravine Improvements**

**Council Member Norland moved, seconded by Council Member Freyberg, to adopt Res. No. 82-14 Adopting Assessment for Project No. 13-02AC 2014, Belgrade Avenue Hill and Ravine Improvements. Vote on the Resolution: Norland, Freyberg, Spears, Steiner and Dehen, aye; no nays. Motion carried.**

#### **Z-4-14, Request to Rezone 1610 Lor Ray Drive from a Transitional Unzoned District (TUD) to an R-3, Limited Multiple Dwelling District. Ordinance No. 63 Fourth Series, Rezoning Part of the Southeast ¼ of the Northeast ¼ Lying South & West of Sunrise Acres #5 in Section 11 Township 108 Range 027 (1610 Lor Ray Drive) from a Transitional Unzoned District (TUD) to an R-3, Limited Multiple Dwelling District**

Administrator Harrenstein thanked Audrey Tschohl for attending the meeting and introduced Corey Brunton of Brunton Architects, and Vonda Herding of Real Living Real Estates, who spoke on behalf of Audrey Tschohl. Brunton appeared before the Council and reported the owner and developer worked to conceptualize a plan for the property at 1610 Lor Ray Drive that would meet the requirements of the Comprehensive Plan. Vonda Herding stated the town homes would be high end and would fit the location. Brunton stated the development relied on the R-3 zoning and the owner and developer would be interested in a development agreement so the project could move forward. He stated the development the developer is proposing is sensitive to the surrounding properties. Brunton stated the studies completed to determine ravine stability, traffic impact and density analyses all reported the proposed development would be appropriate. Brunton noted in order to provide the Council with time to consider the proposal, Audrey Tschohl requested an extension to the City review period for zoning the Tschohl property at 1610 Lor Ray Drive. Attorney Kennedy reviewed the letter and stated the City has the power to grant an extension up to 60 days and he recommended accepting the 45 day extension. Administrator Harrenstein stated he would provide an overview of the staff recommendation and City Engineer Dan Sarff would review the studies. Harrenstein outlined the City's policies concerning trees on private property. The City has no issue regarding the trees located on the Tschohl property. City Engineer Sarff stated the traffic impact study was completed based on the proposed Berg development not on the maximum density of an R-3. Results of the study indicated the current level of service versus increased demand resulted in no change in the recommendations already established for Lor Ray Drive. A Ravine Stabilization study was completed by Bolton and Menk and indicated this ravine was stable. Sarff stated storm water ponding would need to be a part of the development. Administrator Harrenstein stated the density analysis indicated that the proposed development was appropriate for the area but if it was zoned R-3 without a development agreement the

builder could build higher density which would not be suitable for the area. Harrenstein stated there are three options: approve the R-3 zoning if the Council had no concerns about density, deny the recommendation, or negotiate a development agreement. **Council Member Norland moved, seconded by Council Member Steiner, to approve the 45-day extension to January 7, 2015 on the request to rezone 1610 Lor Ray Drive from a Transitional Unzoned District (TUD) to an R-3 Limited Multiple Dwelling District with the writing of a development agreement.** Council Member Norland reported she approved of the project and it met all of the requirements. Council Member Steiner stated the zoning would be appropriate with a development agreement in place. Council Member Freyberg stated he did not support the zoning and it should be rezoned R-1. Council Member Spears noted he did not support R-3 and it should be rezoned R-1 or R-2. Mayor Dehen stated he supported the R-3 zoning with a development agreement that maintained the lower density of R-3. Council Member Spears stated if R-3 zoning was granted and the proposed development was not completed what prevented the new buyer from building at the high end of R-3. Attorney Kennedy stated the R-3 zoning would be contingent on the development agreement. **Vote on the motion: Norland, Steiner and Dehen aye; Freyberg and Spears nay. Motion carried.**

#### **Res. No. 83-14 Authorizing the Purchase of Real Estate.**

City Administrator Harrenstein stated that after the sale of the Marigold property the downtown lost approximately 65 parking stalls. The City has the opportunity to purchase three properties: 231 Wheeler Avenue, 233 Wheeler Avenue and 235 Wheeler Avenue. The property at 233 Wheeler Avenue is owned by First National Bank and City staff recommends purchasing the property for \$187,500 with approximately \$170,000 from Sales Tax. The property at 231 Wheeler Avenue would be purchased on contract for deed from Tom and John Bohrer for \$12,000 for four years and a final payment of \$92,000 the fifth year. The property at 235 Wheeler Avenue would be purchased in the future. The proposed agreement states that all portions of 235 Wheeler Avenue that can be used for public parking will be used for public parking. Administrator Harrenstein reported the opportunity came up quickly but in 10 years it will be essential to have the parking. He noted he respected the disagreements and the need to focus on revenue. Council Member Norland stated parking is essential to draw and keep businesses and is crucial to a viable downtown. Mayor Dehen stated it was time to seize this opportunity. Council Member Spears noted this was a quick acquisition and once the properties were acquired what was the cost to complete and maintain the parking lots. He stated there needs to be a plan in place. Council Member Freyberg stated the biggest concern is how to pay for the project. He stated the City needs to look at funding sources other than the Sales Tax. Mayor Dehen stated the City needs a plan to locate revenue for the parking lots but this was time sensitive and the downtown needs the parking. **Council Member Norland moved, seconded by Council Member Steiner, to approve Res. No. 83-14 Authorizing the Purchase of Real Estate. Vote on the Resolution Norland, Freyberg, Steiner and Dehen aye; Spears nay. Motion carried.**

#### **Res. No. 84-14 Adopting the City's Strategic Plan of Vision, Values, Goals and Action Steps**

**Council Member Steiner moved, seconded by Council Member Norland, to approve Res. No. 84-14 Adopting the City's Strategic Plan of Vision, Values, Goals and Action Steps. Vote on the Resolution Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried.**

#### **V-1-14, Variance Request to Reduce a Side Yard Setback from 5 feet to 1 foot at 715 Wall Street, a request from Melissa Masse**

City Planner Fischer reported the V-1-14 is a variance to reduce a side yard setback from 5 feet to 1 foot at 715 Wall Street. This property shares a driveway with 717 Wall Street and 3 feet of an existing concrete foundation is on the neighbor's property. Fischer stated the Planning Commission

considered the 3-factor test and recommended the granting of the variance, but believed a 3-foot setback would be more appropriate. A one foot garage overhang with a 3-foot setback would remain on the property line. Attorney Kennedy stated the property owner at 717 Wall Street agreed to the variance. **Council Member Freyberg moved, seconded by Council Member Norland, to approve V-1-14, a Variance request to reduce a side yard setback from 5 feet to 3 feet at 715 Wall Street. Vote on the motion: Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried.**

**Preliminary and Final Plat of Presidential Estates Townhomes, a Replat of Outlot B, Presidential Estates, a Request from Craig Theuninck.**

City Planner Fischer reported Craig Theuninck has requested a replat of Outlot B, Presidential Estates. The applicant purchased the north half of Outlot B in 2002 and in 2013 purchased the south half of Outlot B. The applicant is building 4-unit apartments and in order to continue building has requested a replat of Outlot B to create two lots described as Lots 1 and 2, Block 1, Presidential Estates Townhomes. **Council Member Freyberg moved, seconded by Norland, to approve the Preliminary and Final Plat of Presidential Estates Townhomes. Vote on the motion: Norland, Freyberg, Spears, Steiner and Dehen aye; no nays. Motion carried.**

**City Administrator and Staff Comments**

Administrator Harrenstein reported the 2014 General Election results were included in the packet. Mayor Dehen thanked Deputy City Clerk Anderson and City Clerk Van Genderen for their hard work. He also thanked all election judges for their hard work during the elections.

Public Works Director Swanson stated the Old Belgrade Hill project was not completed due to weather but spring operations had been discussed with the contractor.

Public Works Director Swanson reported leaf collection was completed for the year, if a leaf pile was missed and needs to be picked up, residents should contact the City and a loader could be dispatched to pick up the leaf pile.

**Mayor and Council Comments**

Council Member Freyberg stated the Intergovernmental Meeting reached a reasonable resolution on the noise issue.

**Public Comments**

Kyle Vogt, 1715 Lee Boulevard, appeared before the Council and stated if 1610 Lor Ray Drive became apartment buildings it may draw people out of older apartments and older complexes may have a difficult time drawing in residents. Mayor Dehen stated the proposed development was high-end town homes. Vogt stated he was concerned about traffic and the whole traffic system at Lor Ray and Lee needs to be changed. Vogt stated he believed a green space would provide a better quality of life.

Phil Henry, 1300 Norretta Drive, appeared before the Council and thanked the City and the contractor for the work completed during the Old Belgrade Hill Ravine project.

Barb Church, 102 East Wheeler, appeared before the Council and stated there should be more discussion on the 2015 Budget, criteria for the City's charitable giving, and discussion about Caswell Park management. Church asked if a Sales Tax extension required a referendum and stated the 2.5% wage increase was more than the cost of living increase and maybe it should be a merit increase.

John Hurd, 732 Garfield, appeared before the Council and noted the intersection of Lor Ray Drive and Lee Boulevard is a busy corner and he would prefer an R-1 vs. R-3 zoning. Hurd stated he was meeting with members of Greater Mankato Growth on Tuesday, November 25<sup>th</sup> at 10:00 a.m. in the North Mankato Police Annex to brain storm ideas about turning the Tschohl property into green space. He stated he would love to see a town square in the downtown.

There being no further business, on a motion by Council Member Spears, seconded by Council Member Norland, the meeting adjourned at 8:43 p.m.

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Mayor

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City Clerk