

COUNCIL PROCEEDINGS

March 3, 2009

The City Council of Thief River Falls, Minnesota, met in regular session at 5:00 p.m. on March 3, 2009 in the Council Chambers of City Hall. The following Councilmembers were present: Bendickson, Cullen, Erickson, Holten, Kajewski, Lee, Schmalz, and Mayor Nordhagen. No Councilmembers were absent. Mayor Nordhagen chaired the meeting.

APPROVAL OF AGENDA

Councilmember Kajewski motioned, being seconded by Councilmember Cullen, to approve the agenda with the addition of two items. On vote being taken, the motion was unanimously approved and the agenda adopted.

RESOLUTION NO. 3-42-09: APPROVAL OF COUNCIL PROCEEDINGS

Presented as part of the Consent Agenda, Councilmember Lee introduced Resolution No. 3-42-09, being seconded by Councilmember Schmalz, that:

RESOLVED, by the City Council, to approve the February 17, 2009 Council Proceedings as presented.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 3-43-09: APPROVAL OF PAYMENT OF BILLS

Presented as part of the Consent Agenda, Councilmember Lee introduced Resolution No. 3-43-09, being seconded by Councilmember Schmalz, that:

RESOLVED, by the City Council, to authorize payment of bills and disbursements in the total amount of \$836,086.47. A printout of the approved payments and disbursements is attached hereto and made a part hereof.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 3-44-09: APPROVAL OF PROGRESSION RAISE FOR JENNIFER LUNDEEN, SECRETARY/PARKING MAINTENANCE

Presented as part of the Consent Agenda, Councilmember Lee introduced Resolution No. 3-44-09, being seconded by Councilmember Schmalz, that:

RESOLVED, by the City Council, to accept a Public Safety Committee recommendation to grant Jennifer Lundeen, Secretary/Parking Maintenance, a progression raise. Ms. Lundeen shall progress to Step 3 of the Grade Level 3 Non-Union salary schedule (post 2006 hire), effective March 3, 2009.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 3-45-09: APPROVAL OF CONDITIONAL USE PERMIT FOR WHEATLAND ESTATES FOR A 24-PLEX APARTMENT COMPLEX

A Planning Commission recommendation was presented. Following discussion, Councilmember Cullen introduced Resolution No. 3-45-09, being seconded by Councilmember Kajewski, that:

WHEREAS, pursuant to public notice, the Planning Commission conducted a public hearing on February 23, 2009 on a Conditional Use Permit application submitted by Wheatland Estates, LLC, to allow for the construction of a multi-family 24-plex apartment building along the east side of Cottonwood Avenue; and,

WHEREAS, Wheatland Estates is requesting approval to construct the proposed complex to a building height of 40 feet. Within the City of Thief River Falls structures exceeding 35 feet in height requires a Conditional Use Permit (City Code Section 152.028).

WHEREAS, following the hearing, the Planning Commission recommended approval of the Conditional Use Permit based upon the fact that the request meets all eight of the criteria for granting Conditional Use Permits as required by City Code.

THEREFORE, BE IT RESOLVED, by the City Council, to accept the Planning Commission's recommendation to grant Wheatland Estates, LLC, a Conditional Use Permit to construct a multi-family 24-plex apartment building on property legally described as Lots 2, 3, 4 and 5, Block 3, Noper's Third Addition.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 3-46-09: RESOLUTION APPROVING EXECUTION OF DEVELOPMENT AGREEMENT WITH MIDWEST MINNESOTA COMMUNITY DEVELOPMENT CORPORATION FOR HOUSING PROJECT

Community Development Director Moore presented a recommendation to execute a revised Development Agreement with Midwest Minnesota Community Development Corporation which was previously approved by Resolution No. 6-155-07. Following discussion, Councilmember Lee introduced Resolution No. 3-46-09, being seconded by Councilmember Kajewski, that:

BE IT RESOLVED by the City Council (the Council) of the City of Thief River Falls, Minnesota (the City), as follows:

Section 1. Recitals.

1.1. Midwest Minnesota Community Development Corporation (the Developer) is the owner of certain property located in the City and proposes to construct thereon thirty-one (31) single-family, owner-occupied homes designed to be afford-

able for persons of low and moderate income and public improvements directly related thereto(the Project). The Developer has represented that all of the planned improvements will meet the criteria necessary to qualify as housing for persons or families of low and moderate income under Minnesota Statutes, Section 469.174, Subdivision 11.

1.2. Due to a financing gap, the Developer requires financial assistance in order to complete the Project.

1.3. In order to encourage Developer to proceed with the construction and installation of the Project, and to assist Developer in paying the costs thereof, the City is willing to contribute financial assistance to the Project in the form of \$1,601,174 in tax increment financing revenues from its Tax Increment Financing District No. 1-7 (the Financial Assistance) to pay certain public development costs that will be incurred by Developer.

1.4. The Financial Assistance is contingent upon the execution and delivery of a Development Agreement with the Developer and of certain related documents referenced therein (collectively, the Development Agreement).

Section 2. Approval and Execution of Development Agreement.

2.1 The Financial Assistance in an amount not to exceed \$1,601,174, is hereby approved.

2.2 The form and the terms of the Development Agreement are hereby approved. The Mayor and City Administrator are hereby authorized to execute and deliver the Development Agreement and related documents in substantially the forms presented to the Council on this date, with such changes and modifications thereto as may be approved by the officers executing the Development Agreement. The execution and delivery of the Development Agreement by the Mayor and City Administrator shall be conclusive of any change or modification to the Development Agreement.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 3-47-09: RESOLUTION ORDERING THE 2009 STREET, SIDEWALK, AND UTILITIES IMPROVEMENT PROJECT AND PREPARATION OF PLANS AND SPECIFICATIONS

Public Works Director Lindberg presented information with regard to the 2009 Street, Sidewalk, and Utilities Improvement Project. Following discussion, Councilmember Cullen introduced Resolution No. 3-47-09, being seconded by Councilmember Kajewski, that:

WHEREAS, pursuant to Resolution No. 1-22-09, adopted on January 20, 2009 a date was established to conduct a public hearing on the following proposed assessments:

- 1) Sanitary sewer extension - South Eastwood Addition;
- 2) Utilities extensions – Highway 59 SE (Care Center property);
- 3) Watermain replacements on Crocker Avenue; Taft Street from Kendall Avenue to Merriam Avenue;
- 4) Watermain replacement – Maple Avenue from 1st Street to Hughes Street.

WHEREAS, ten days' mailed notice and two weeks' published notice of the hearing was given, the hearing was held at 7:00 p.m. on the 26th day of February, 2009 at which time all persons desiring to be heard were given an opportunity to be heard thereon.

THEREFORE, BE IT RESOLVED, by the City Council, that:

- 1) Such improvements are necessary, cost-effective, and feasible as detailed in the Feasibility Report;
- 2) Such improvements are hereby ordered as proposed, with the deletion of the following proposed improvements:
 - a) Utilities extensions – Barzen Avenue (Agri Business Enterprise property);
 - b) Bituminous reclamation and resurfacing – Brooks Avenue from Third Street to Sixth Street; and,
 - c) Bituminous resurfacing – Greenwood Street from 350 feet east of Spruce Avenue to Hanson Drive.
- 3) The Engineering Technical Services Division shall assist Widseth, Smith, & Nolting, as the designated engineers for these improvements. They shall prepare plans and specifications for the making of such improvements; and,
- 4) The City Council declares its official intent to provide interim financing of the improvements through the use of reserves and/or outside funding.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 3-48-09: APPROVAL OF SUBORDINATION AGREEMENT FOR YIP KEUNG LAM AND WAI YIN LI REGARDING SLOW SECOND MORTGAGE

Community Development Director Moore presented a recommendation to the City Council to approve a Subordination Agreement. Following discussion, Councilmember Schmalz introduced Resolution No. 3-48-09, being seconded by Councilmember Cullen, that:

RESOLVED, by the City Council, that the City hereby agrees to subordinate its position on a slow second mortgage with Yip Keung Lam and Wai Yin Li and

Wells Fargo Bank on property legally described as Lot 9 of Block 1 in Meadowlark Estates Second Addition.

On vote being taken, the resolution was unanimously passed.

RESOLUTION NO. 3-49-09: APPROVAL OF PURCHASE AGREEMENT WITH LYLE AND COLLEEN PAULSON FOR PROPERTY ALONG HIGHWAY 59

The City Council reviewed information with regard to the City's proposal to purchase property. Following discussion, Councilmember Lee introduced Resolution No. 3-49-09, being seconded by Councilmember Cullen, that:

WHEREAS, the City wishes to purchase property owned by Lyle and Colleen Paulson; and,

WHEREAS, purchase of the property will facilitate a right of way on County Road 62 which will enable an entrance into the Thief River Care Center site and for other City uses.

RESOLVED, by the City Council, to authorize and direct the Mayor and City Administrator, to execute a Purchase Agreement with Lyle and Colleen Paulson in the amount of \$150,000 for the purchase of property legally described as:

That part of Government Lot Two (2), Section Two (2), in Township One Hundred fifty-three (153) North of Range Forty-three (43) West of the Fifth Principal Meridian described as follows: Commencing at the northwest corner of the SW1/4NW1/4 of said Section 2; thence North 89 degrees 45 minutes 50 seconds East, assumed bearing, along the north line of said SW1/4NW1/4 and the north line of said Government Lot 2 a distance of 1,412.74 feet to the point of beginning of the tract to be described; thence continuing North 89 degrees 45 minutes 40 seconds East along the North line of said Government Lot 2 a distance of 779.12 feet to an iron pipe monument at the intersection with the westerly right of way line of Trunk Highway No. 59; thence South 39 degrees 50 minutes 14 seconds East along said right of way line 366.40 feet; thence South 86 degrees 24 minutes 51 seconds West 625.99 feet; thence North 50 degrees 48 minutes 23 seconds West 502.02 feet to the point of beginning.

It should be noted the purchase of the real property does not affect the Comprehensive Plan and therefore this purchase does not have to be reviewed by the Planning Commission.

On vote being taken, the resolution was unanimously passed.

COUNCIL BOARDS AND COMMISSIONS REPORTS

- Budget Committee – Spent three days talking to employees. Recommendations will go to appropriate committees.
- City Council/County Commissions – Need to set up a meeting with regard to LEC

UPCOMING MEETINGS

- Public Utilities Committee Meeting – March 9, 2009 at 4:30 p.m.
- Parks and Recreation/Public Safety Committee Meeting – March 10, 2009 at 3:30 p.m.
- Public Works Committee Meeting – March 11, 2009 at 4:30 p.m.
- Administrative Services Committee Meeting – March 12, 2009 at 4:30 p.m.
- Planning Commission Meeting – March 16th @ 7:00 p.m.
- City Council Meeting – March 17, 2009
- Town Hall with State Representative Dave Olin and Senator Leroy Stumpf – March 20, 2009 from 4:00 – 7:00 p.m.
- Loss Control Workshop – April 7, 2009 from 8:30 a.m. – 3:30 p.m. in Mahnomen.

ADJOURNMENT

There being no further discussion, Councilmember Bendickson moved, being seconded by Councilmember Schmalz, to adjourn the meeting at 5:35 p.m. On vote being taken, the Chair declared the motion unanimously carried and the meeting adjourned.

Steve Nordhagen, Mayor

Attest: _____
Jodie R. Torkelson, City Administrator