

**MINUTES
CITY OF LONSDALE
REGULAR CITY COUNCIL MEETING
JANUARY 10, 2008**

1. CALL TO ORDER

Mayer Rud called a meeting of the Lonsdale City Council to order at 7:00 p.m. in the Council Chambers at 415 Central Street West.

2. PLEDGE OF ALLEGIANCE

Everyone stood and recited the Pledge of Allegiance.

3. ROLL CALL

Present: Duban, Kodada, Rud, Smith and Furrer

Absent: None

Staff Present: City Administrator Joel Erickson, City Planner Benjamin Baker, Public Works Director Russ Vlasak and City Engineer Kevin Kawlewski

4. AGENDA

Mayer Rud read the items on the agenda and asked if anyone wanted any items added or deleted to the agenda. Duban asked for the Kalina and Preston parcel combination request to be taken off the consent agenda for discussion. Erickson asked to pull agenda item 10-B, Resolution 2008-04, Resolution Accepting the Rolling Ridge Market Place Development Street and Utility Improvements. A motion was made by Kodada and seconded by Smith to approve the agenda with the noted changes. Vote for: Duban, Kodada, Rud, Smith and Furrer. Against: None; Vote 5-0. Motion carried.

5. APPROVAL OF MINUTES

None

6. PUBLIC HEARINGS

a. Small Cities Development Program Grant Funding

Rud stated that the purpose of the public hearing was to discuss the Small Cities Development Program. He welcomed interested residents to comment on the application and the proposed program. He said Steve Moline of Pettipiece and Associates, Inc. will be presenting a summary and update of the Small Cities Development Program at the public hearing. Rud opened the public hearing at 7:03 p.m.

Steve Moline stated that the project would include 20 housing projects. He mentioned that the City submitted a pre-application with commercial units, however the commercial units were eliminated by the state. Moline stated that typically half of the applicants are usually commercial but lately funding for commercial projects has been scaled back. Moline stated that the average project size is around \$27,000 and the average leverage will be \$2,700. Moline said that 100% of the administrative costs will be included. He said the SCDP funds will be treated like a deferred loan and the SCDP funded portion of the project will be secured by a repayment agreement, payable to the City for a period of 10 years at 0% interest. He said if the owner remains in the home for the 10 year period, the loan is completely forgiven. He mentioned that the income limits and the target area map are shown on the provided handout. Moline stated that an award announcement should be made near the end of March or first part of April. Around two months after the announcement, paperwork will be sent to the State, and then applications will be accepted. Councilmember Duban asked how many applicants there are. Moline said there were approximately 85 pre-applications and 50 were invited to submit full applications. Evelyn Duban asked what happens to an elderly person who goes to a nursing home or dies. Moline said that if an eligible applicant sells or transfers ownership of the home to someone else within 10 years, the entire amount of the SCDP loan needs to be paid back. Furrer asked about income verification. Moline stated that tax return records from the last two years and employer verification is used to determine income. He stated that 23 homes were on the waiting list. Moline stated that SCDP is a real feel-good program to be involved in.

A motion was made by Kodada and seconded by Duban to close the public hearing. Vote for: Duban, Kodada, Rud, Smith and Furrer. Against: None; Vote 5-0. The hearing closed at 7:15 p.m.

7. PRESENTATION OF CITIZEN PETITIONS AND COMMENTS

None

8. APPROVAL OF THE CONSENT AGENDA

- a. Consider Approval of Resolution 2008-06, a Resolution Approving a Parcel Combination Request from Richard and Delores Kalina and Philip and Laurie Preston

(Item pulled from consent agenda for discussion)

9. OLD BUSINESS

- a. None

10. NEW BUSINESS

- a. Consider Approval to Advertise for a Part-Time Police Officer at Grade 3 / Step 4 (\$14.18/hr)

Rud welcomed Police Chief Jason Schmitz. Chief Schmitz said that earlier in the year the department was in the process of hiring a full-time officer and did not have staff to hire and train a new part-timer at the same time. He stated that he now wants the City to consider a part-timer. Duban asked about former Councilmember Dave Dols' status as a police officer. Schmitz said that Dols never resigned, and Dols has shown interest in coming back to work more hours.

A motion was made by Duban and seconded by Kodada to approve the advertisement for a part-time police officer at Grade 3 / Step 4 (\$14.18/hr). Vote for: Duban, Kodada, Rud, Smith and Furrer. Against: None; Vote 5-0. Motion carried.

- b. Consider Approval of Resolution 2008-04, a Resolution Accepting the Rolling Ridge Market Place Development Street and Utility Improvements

(Item deleted from the agenda)

- c. Consider Approval to Schedule a Public Hearing for Ordinance 2008-219, an Ordinance Amending Chapter 10.99 of the City Code for January 31, 2008 at 7:00 pm

A motion was made by Kodada and seconded by Smith to schedule a public hearing for Ordinance 2008-219, an ordinance amending Chapter 10.99 of the City Code for January 31, 2008 at 7:00 pm. Vote for: Duban, Kodada, Rud, Smith and Furrer. Against: None; Vote 5-0. Motion carried.

- d. Consider Approval of the City's Citizen Participation Plan for Small Cities Development Grant

Erickson stated that 3 public hearings have been held. He also said that about half of the applicants met the income eligibility.

A motion was made by Duban and seconded by Kodada to approve the City's Citizen Participation Plan for the Small Cities Development Grant. Vote for: Duban, Kodada, Rud, Smith and Furrer. Against: None; Vote 5-0. Motion carried.

- e. Discuss Construction of a Proposed Trail Connection Between Harmony Meadows 1st Addition and Willow Creek Heights 2nd Addition Adjacent to County Road 33

Engineer Kawlewski presented an update on the proposed 900 foot trail connection along CSAH 33. He stated that the trail connection would complete an entire loop around the city. He stated that because of the 55 mph speed limit setback requirement, parts of the trail are shown in the adjacent wetland area. He mentioned that wetland credits may need

to be purchased. Kawlewski said he is planning to have all the regulatory issues resolved by the first Council meeting in March so construction can begin in mid-May. He estimated the project to cost around \$64,000, not including wetland mitigation costs. He suggested looking into the Local Trails Grant from the DNR which gives matching funding up to \$100,000. Public Works Director Vlasak asked if a trail crossing project could tie into the Hwy 19 Sidewalk Project. Duban stated that the trail could follow Hwy 19 back into town. Kawlewski stated that grade is needed to put a culvert in. He also suggested waiting for Mn/DOT's scheduled Hwy 19 mill and overlay project to obtain better bid prices. Duban asked if Mn/DOT would allow a fence. Kawlewski said it would be a great place to cross Hwy 19.

f. Consider Approval of Resolution 2008-06, a Resolution Approving a Parcel Combination Request from Richard and Delores Kalina and Philip and Laurie Preston

Erickson stated that Rice County already approved the parcel combination request from Kalina and Preston, but he thought it was a good idea to bring the issue before the Council for their approval. He stated that both parcel combination requests were within the 2-mile urban reserve area but not within the City's 2025 growth plan, and therefore approval from the Council is needed.

A motion was made by Duban and seconded by Kodada to approve Resolution 2008-06, a resolution approving the parcel combination request from Richard and Delores Kalina and Philip and Laurie Preston. Vote for: Duban, Kodada, Rud, Smith and Furrer. Against: None; Vote 5-0. Motion carried. Motion carried.

11. OTHER BUSINESS

a. Department Reports

Skywarn

Vlasak stated that the front of the Skywarn building is going to need some work in the near future. He asked Duban to look at it.

Park Board

Kodada stated that Park Board discussed the CASH 33 trail, the Lions Club request to run the Jaycee Park concession stand, and the Montgomery-Lonsdale School District park agreement.

EDA

None

Planning & Zoning

None

Mayer Rud

Rud stated that he was pretty optimistic after meeting with potential developers of an assisted living facility. He also stated that he met with a developer to discuss a future industrial park, and he said that's looking pretty realistic too.

12. ADJOURNMENT

A motion was made by Duban and seconded by Kodada to adjourn the meeting. Vote for: Duban, Kodada, Rud, Smith and Furrer. Against: None; Vote 5-0. Motion carried. The meeting ended at 7:39 p.m.

Respectfully Submitted:

Joel A. Erickson, City Administrator