

Owatonna City Council Minutes

The Owatonna City Council met in regular session on Tuesday, August 4, 2020 at 7:00 p.m. in Council Chambers at the City Administration Building. The meeting was virtually accessible by calling 507-242-3225, Conference ID 530 503 160#. Present were Council Members Schultz, Raney, Voss, Dotson, Svenby, Burbank and Okerberg; Mayor Kuntz; Community Development Director/Interim Parks and Recreation Director Klecker; City Attorney Walbran; City Administrator Busse; IT System Administrator Sticken and Administrative Specialist Clawson.

Following the Pledge of Allegiance, Council President Schultz welcomed everyone to the meeting. Council Member Okerberg made a motion to approve the agenda as presented; Council Member Svenby seconded the motion; all members voted aye for approval. Council President Schultz then read the meeting notice for TEAMS access and virtual participation.

Shane Zahrt, Attorney/Lobbyist at Flaherty & Hood gave a brief update on activities of the Coalition of Greater Minnesota Cities (CGMC). The City of Owatonna and 101 Minnesota cities belong to CGMC and work together on issues including: LGA – Property Taxes; Economic Development; Annexation and Land Use; Transportation; Environment and Energy and Labor and Employment. COVID-19 shattered CGMC's expectations of the 2020 Legislative Session and bonding has become more important during the pandemic. Bonding is now their top goal and they will push for passage of a bonding bill this fall, an August bond sale restricts Legislature approval of a bonding bill until late September. CGMC continues to lay groundwork for a successful session during 2021; the November election could shift power dynamics; the pandemic may continue to impact the economy and legislative process so protecting LGA will be a top priority for CGMC. Council President Schultz thanked Attorney Zahrt for his presentation and the work CGMC does to promote issues involving the Greater Minnesota areas.

Mark Sebring, Chairman of the Owatonna School Board gave a brief update, a preliminary draft of the future Owatonna High School is being prepared by a team of 25 people who have been working with the architect. The school plans to follow Governor Walz's Plan for students to return to school this fall. Superintendent Elstad will review a grid calculating the rolling number of cases incurred over a two week period which may allow elementary students to return in-person but require higher levels attend virtually. Fall plans will be announced after the next grid calculation next Monday, August 17th. The Minnesota High School Athletic Association just announced there will be no football or volleyball this fall; these two sports will play an early spring season and spring sports may extend into next summer

Council President Schultz explained council members review the Consent Agenda items prior to the meeting for approval in one motion. The Consent Agenda items for approval include:

Council Minutes: July 21, 2020 Council Meeting.

Event Permit – Gus' Station Cruise – Steele County Historical Society – September 19, 2020.

Exempt Permit – Raffle – Ducks Unlimited – August 25, 2020.

Minutes – OPU Commission Meeting – June 23, 2020.

Minutes – EDA Meeting – June 17, 2020.

HRA Meeting – June 1, 2020.

Library Board Meeting – June 16, 2020.

Planning Commission Meeting – June 23, 2020.

Weed/Nuisance Report – July 31, 2020.

Ditch Assessment Division Agreement for Parcel #17-637-0102 owned by Festal Farms Co.

Council Member Raney made a motion to approve these Consent Agenda Items, Council Member

Burbank seconded the motion. With no additional comments, all members voted aye for approval.
Owned

Vice President Raney recapped expenses for the period. Bills presented for payment totaled \$1,262,884.65. Council Member Voss made a motion to approve payment of these bills, Council Member Svenby seconded the motion, all members voted aye for approval.

Community Development Director presented the second/final reading of Proposed Ordinance 20-7. Sam and Melissa Davidson have requested the zoning of their property at 405 Oak Avenue South be changed from B-2, Community Business District to R-6, High Density Residential District to allow legal use as a duplex. Council approved the first reading of this proposed ordinance during the July 21st Council Meeting and there have been no changes. Council Member Raney made a motion to approve Proposed Ordinance 20-7, Council Member Dotson seconded the motion. With a roll call vote, voting aye were members: Raney, Svenby, Voss, Okerberg, Dotson, Burbank, and Schultz, with no nay votes, the motion was approved. This will be known as Ordinance 1608.

City Administrator Busse presented a Limited Use Agreement with Big Dream Organics LLC, a new business located at 216 Bridge Street in Owatonna. The building is not accessible and the owner installed a temporary ramp within the public right of way. This temporary agreement authorizes use of the ramp which will be evaluated after a 12-month period. Council Member Okerberg made a motion to approve this Limited use Agreement, Council Member Raney seconded the motion; all members voted aye in approval.

Community Development Director Klecker requested authorization to purchase property at 140 East Fremont Street. Redevelopment is one of the City Council's priorities in the Strategic Plan and the Economic Development Authority (EDA) and the Housing and Redevelopment Authority (HRA) have been pursuing opportunities to redevelop blighted properties and transitional areas. The 100 block of East Fremont has been identified as one of these transitional areas to redevelop; the City previously purchased and demolished three homes on this block. During the July 15th EDA meeting, they voted to pursue purchasing this property which has been for sale since March. EDA has acquired a purchase agreement contingent upon City Council approval; the purchase price is \$68,000 and allowance up to \$3,000 for closing costs. EDA will cover all expenses and rent the home until a project is identified for the property. Council Member Burbank made a motion to purchase the property at 140 E Fremont Street, Council Member Voss seconded the motion; all members voted aye in approval.

Community Development Director Klecker requested approval of the Subordination Agreement and an Access and Temporary Construction Easement for development of Eastgate Apartments. LWO Limited Partnership #116 is planning a 36-unit workforce housing project on Cherry Street, the Development Agreement and Purchase Agreement were previously approved by Council for this project. The Subordination Agreement was requested by Wells Fargo as they are financing the project. Under this agreement, the rights of the City under the Development Agreements will be subordinated to the Mortgage. The Access and Temporary Construction Easement allows use of the City property during and after construction of the project. Council Member Raney made a motion to approve the Subordination Agreement, Council Member Okerberg seconded the motion; all members voted aye in approval. Council Member Okerberg made a motion to approve the Access

and Temporary Construction Easement, Council Member Voss seconded the motion; all members voted aye in approval.

Administrative Specialist Clawson presented Resolution 98-20 appointing Election Judges for the 2020 Primary Election to be held Tuesday, August 11, 2020. Polls will be open on Election Day from 7:00 a.m. to 8:00 p.m. at ten sites within the City. Council Member Svenby made a motion to approve Resolution 98-20, Council Member Dotson seconded the motion; all members voted aye in approval.

Community Development Director Klecker presented Resolution 99-20, a joint resolution with Owatonna Township for annexation of the property for the new Owatonna High School. ISD 761 has petitioned for annexation of 86.88 acres of land located south of 18th Street SE and north of US Highway 14 in the southeast corner of the city. Council Member Dotson made a motion to approve Resolution 99-20, Council Member Svenby seconded the motion; all members voted aye in approval.

During Staff Comments City Administrator Busse advised the Study Session prior to the next Council Meeting on August 18th, begins the 2021 Budget Process. The Proposed 2021 Budget and Preliminary Levies will be presented and then Mark Blando, Library Director will present the Proposed 2021 Library Budget. Community Development Director Klecker said progress continues on construction projects: Costco Distribution Center has exterior wall and roof panels complete; Godfather's Pizza has obtained a Certificate of Occupancy and now open; Foremost Brewery is working on interior modifications and drywall has started, Minimizer has completed their building foundation as has Caribou Coffee. Council Member Voss asked when the water project on Highway 218 will be finished but no information was available.

During Council Comments, Council Member Burbank commented there is quite a bit happening in Ward 3 as Community Development Director Klecker documented. Mayor Kuntz thanked individuals for sponsoring sign project, We Support the Owatonna Police Department; 500 signs were printed and distributed within the community and then thanked Council Members and City Administrator Busse for joining him in sponsoring the CBB Jazz Combo for the 7 at 7 Concert Series in Central Park this Thursday, August 6th. Council President Schultz thanked IT System Administrator Sticken for his assistance during tonight's meeting.

At 7:50 p.m., Council Member Raney made a motion to adjourn the meeting, Council Member Dotson seconded the motion, all members present voted aye in approval.

Dated: August 13, 2020

Respectfully Submitted,

Jeanette Clawson, Administrative Specialist