

The Cannon Falls City Council met in a regular session on Tuesday, November 1, 2016, at 6:30 p.m. in the City Council Chambers. Present were Mayor Robby Robinson and Council Members Jay Sjoblom, Morris Mattson, Cathy Gallups, Merlyce Johnson, and Cedar Abadie. Council Member Lynne Berg was absent. Also present were Ron Johnson, City Administrator; Lanell Endres, Assistant City Administrator; Dave Maroney, Community Development Director; Tom Bergeson, Public Works Director; Greg Anderson, City Engineer; Tim Malchow, Ambulance Director; Justin Padgett, Library Director; and Jeffrey McCormick, Police Chief.

Call to Order Mayor Robinson called the City Council Meeting to order at 6:30 p.m.

Pledge of Allegiance Mayor Robinson led in the recitation of the Pledge of Allegiance.

Approval of Agenda A motion was made by Council Member Johnson, seconded by Council Member Gallups and unanimously carried, to approve the Agenda.

Public Input Barb Haley, 30921 Lakeview Avenue, Red Wing, introduced herself, stating that she is a candidate for election to the Minnesota House of Representatives from District 21A. She detailed her background and experience. She discussed the top issues that voters have told her they are most concerned about, including healthcare, workforce development, taxes, and efficient governmental operations.

Public Hearings:
Resolution 2227,
Certifying Unpaid
Utility Charges to be
Collected with Taxes Assistant City Administrator Endres provided background information, stating that the Public Hearing provided an opportunity for residents that have delinquent utility accounts to speak to the Council before these charges were certified to be collected with property taxes. Mayor Robinson opened the Public Hearing at 6:34 p.m. No one came forward to speak. Mayor Robinson closed the Public Hearing at 6:35 p.m.

A motion was made by Council Member Johnson, seconded by Council Member Gallups, to adopt Resolution 2227, certifying unpaid utility charges to be collected with taxes. Mayor Robinson commented that the amount of unpaid utility charges had increased. He suggested that the Public Works Commission work to address this, perhaps through payment plans or potentially utility interruption. A vote was taken, and the motion to adopt Resolution 2227 carried unanimously.

Resolution 2228,
Approving Property
Tax Abatements for
GrandStay Hotel Community Development Director Maroney introduced Nathan Sieve, President of Blue Sky Hospitality, a member of the development team for the proposed GrandStay Hotel as well as an investor in the hotel. Director Maroney provided background information regarding the project and the request for tax abatement. He provided an update

with regard to the location and cost estimate for the access road that would serve both the GrandStay Hotel and Southview Acres, including a cost estimate for the road of \$265,000. He pointed out the area under discussion on a map and an aerial photo, including the location of the proposed hotel and other development sites. He described challenges associated with developing the area related to road access, referenced discussions with Cannon Falls Township officials, and provided rationale for the tax abatement request. He reviewed the proposed public street alignment.

Director Maroney discussed the tax abatement process related to the City's portion of the property taxes, estimated at \$16,000 to \$18,000 per year, based on the projected market value of the hotel. If approved, these funds would be used to help pay development costs, including for the access road. The tax abatement period would run from 2019 to 2033. He stated that additional revenue toward the cost of the access road would be generated from assessments on the Southview Acres development lots.

Council Member Abadie inquired whether the tax abatement would be associated with the land, in the event that the developer chose to sell or subdivide the property. Director Maroney provided additional information related to the proposed 4.49 acres of abatement property and the abatement agreement.

Council Member Gallups asked whether the access road surface would be gravel initially while the hotel is built. Director Maroney discussed the proposed construction schedule and indicated that the existing frontage road on the east side of the Southview Acres property would be utilized for construction access. He added that construction of the hotel would coincide with construction of the access road. City Engineer Anderson clarified that the road would be constructed as a City street out to 63rd Avenue, including curb and gutter, blacktop, and storm sewer.

Council Member Abadie asked if other Council actions will be required related to the project. Director Maroney stated that tax abatement was a critical component of financing the road. He indicated that the Planning Commission and the City Council would be asked to review and approve the subdivision and plat request. He added that the Council would also need to approve the final construction design and financing plan for the road. Director Maroney stated that he was unaware, beyond assessments and tax abatement, of any other requests for financial assistance from the City toward the project.

Director Maroney reviewed the process for approving the requested tax abatement. He clarified that adoption of Resolution 2228 does not establish a commitment related to the road, adding that there were still a number of details to be coordinated and finalized over the next few weeks.

Director Maroney reported that, if tax abatement was not utilized, the City could finance the road through an overall levy. He referenced discussions with the owners of Southview Acres related to an assessment agreement.

Mayor Robinson opened the Public Hearing at 6:58 p.m. No one came forward to speak. Mayor Robinson closed the Public Hearing at 6:59 p.m.

A motion was made by Council Member Johnson, seconded by Council Member Gallups and unanimously carried, to adopt Resolution 2228, approving the property tax abatement.

Consent Agenda

- A. Just and Correct Claims – Accounting Period Ending October 27, 2016
- B. Meeting Minutes for October 18, 2016, City Council Meeting
- C. Hire Unscheduled Part-Time Employee
- D. Resolution 2229, Accepting a Donation from Southern MN Wine Growers Alliance and Cannon Falls Wine & Art Festival to the Ambulance Department
- E. Disposal of Forfeited Vehicles
- F. Resolution 2230, Accepting a Monetary Donation for the Fire Department
- G. Resolution 2231, Approving a Cooperative Snow Removal Agreement with MnDOT

A motion was made by Council Member Johnson, seconded by Council Member Gallups and unanimously carried, to approve the Consent Agenda as submitted.

BCA Audit Results

Police Chief McCormick reviewed the results of the BCA audit of criminal justice information and system access. He reported that polices and protocols were found to be in compliance with the standards. He expressed appreciation to Bonnie German for her dedication in this regard. No Council action was necessary. Mayor Robinson and Council Members thanked Police Department employees for their hard work.

Addition of Police
Reserve Officer

This item was discussed during the Reports portion of the meeting. Chief McCormick requested Council action with regard to a prospective Reserve Officer addition. City Administrator Johnson recommended a motion to add this to the Agenda. A motion was made by Council Member Mattson, seconded by Council Member Johnson and unanimously carried, to amend the Agenda to discuss the addition of a Reserve Police Officer.

Mayor Robinson provided background information, stating that Chief McCormick was requesting to add a Reserve Officer, Nathan Brown, which would bring the Reserve Officer roster up to four members. He discussed some of the duties of Reserve Officers. Chief McCormick reported that Nathan Brown was currently residing in Hastings, was a law enforcement student, and had a connection to one of the Cannon Falls Police Officers, who got him interested in the Cannon Falls Police Reserve program. He discussed some of the challenges and benefits of adding Reserve Officers to the program. Chief McCormick thanked Mayor Robinson and Council Members for taking action on this request.

A motion was made by Council Member Johnson, seconded by Council Member Gallups and unanimously carried, to approve the addition of Nathan Brown to the Cannon Falls Police Reserve program.

Staff Reports

Public Works Director Bergeson reported with regard to the new breeding pair of swans, adding that a naming process would be initiated through the Library. Council Members expressed agreement with this plan.

Library Director Padgett reported that he had tendered his resignation, effective on December 2. He stated that it had been a great privilege to have served as the Cannon Falls Library Director as well as helping to facilitate the community coming together to build a new Library. Mayor Robinson and Council Members expressed appreciation to Director Padgett for his dedication and service to the community.

Following discussion of the Police Reserve Officer addition, Chief McCormick discussed upcoming events. He provided a reminder with regard to winter parking regulations.

Administrator Johnson provided an update with regard to the cable franchise agreement negotiation process.

Mayor and Council
Reports

Council Member Abadie asked about the location of political signs, and Chief McCormick referenced discussions with citizens in this regard.

Mayor Robinson reviewed email communication from Bucky Lindow with regard to the condition of the John Burch Park athletic field. He expressed appreciation for the development of a plan to resolve this issue prior to the beginning of the baseball season.

Adjournment

The meeting adjourned at 7:17 p.m.

Adopted by the City Council of the City of Cannon Falls on the 15th day of November, 2016.

Lyman M. Robinson, Mayor

ATTEST:

Ronald S. Johnson, City Administrator