

BAXTER CITY COUNCIL MINUTES
March 21, 2017

Mayor Darrel Olson, who led in the pledge to the flag, called the regular meeting of the Baxter City Council to order at 7:00 p.m.

COUNCIL MEMBERS PRESENT: Mayor Darrel Olson, Council Member Quinn Nystrom, Steve Barrows, Todd Holman and Mark Cross.

COUNCIL MEMBERS ABSENT: None.

STAFF PRESENT: Interim City Administrator Kelly Steele, Community Development Director Josh Doty, Police Chief Jim Exsted, Finance Director Jeremy Vacinek, and Public Works Director Trevor Walter.

PUBLIC COMMENTS

No public comments were received.

CONSENT AGENDA

- A. Approve City Council Minutes from March 7, 2017.
- B. Approve City Council Work Session Minutes from March 7, 2017.
- C. Approve City Council Special Minutes from March 9, 2017.
- D. Approve the Payment of Bills and Finance Report.
- E. Accept Planning Commission Minutes from March 14, 2017.
- F. Accept Utilities Commission minutes from March 8, 2017.
 1. Approve the Pine Grove Estates Phase I Developers Agreement.
 2. Adopt Resolution 2017-021 Approving Plans and Specifications and Ordering Advertisement for Bids for the Highland Scenic Road (CSAH 48) Railway Crossing Improvements Project
 3. Approve the WSN Proposal for Engineering Services for the MS4 Compliance Update in the Lump Sum fee of \$14,851.00.
 4. Adopt Resolution 2017-022 approving the county project within municipal corporate limits of Baxter for milling and bituminous surfacing of County State Aid Highway 48.
 5. Approve the 2017 Crow Wing County Cost Share Agreement for the 2017 City of Baxter Striping Project in the estimated amount of \$29,893.27.
 6. Approve the WSN Proposal for Engineering Services for the Forestview Area Stormwater Outlet Feasibility Report Update in the Not to Exceed Amount of \$12,950.00.
- G. Schedule a Public Hearing for Certification of Delinquent Utility Bills, Invoices, and Abatements for Tuesday, May 2, 2017 at 7:00 p.m., or shortly thereafter.
- H. Adopt Resolution 2017-023 Ordering Improvement and Preparation of Plans for the 2017 Excelsior Road Residential Improvement Project.

- I. Adopt Resolution 2017-024 Ordering Improvement and Preparation of Plans for 2017 Excelsior Road and Edgewood Drive Commercial Area Improvement Project.
- J. Authorize staff to execute a Delegation Agreement with the Minnesota Department of Labor and Industry regarding building Code Administration for Public and State Licensed Facilities.
- K. Appoint Mr. Adam Martinson to the Parks and Trails Maintenance Position at Grade 3, Step 4 of the AFSCME Employee Schedule.
- L. Appoint Applicants to the Seasonal Position of Park Attendant.

MOTION by Council Member Cross, seconded by Council Member Barrows to approve the Consent Agenda. Motion carried unanimously.

OTHER BUSINESS

Proposed Excelsior/Edgewood Renewal and Renovation TIF District Establishment

Finance Director Vacinek informed the council this is a required public hearing as part of the establishment of Tax Increment Financing District in the northwest quadrant of Trunk Highway 371 and 210.

Mr. Vacinek reviewed the past history of the proposed renewal and renovation district which consists of approximately 40 lots. Completion of the infrastructure and street improvements to this area improves traffic flow for better movement and safety in the area and allows for development.

Mr. Vacinek reviewed the qualifications need for the creation of the TIF District which are listed below:

1. The TIF District is a renewal and renovation district consisting of 40 parcels with plans to redevelop the area, the parcels within the TIF District meet the occupancy test, and the buildings meet the structurally substandard test and substantial renovation or clearance requirements.
2. The proposed development would not reasonably occur solely through private investment within the foreseeable future.
3. The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan due to the cost of site and public improvements and utilities added to the total redevelopment cost.
4. Completing infrastructure and street improvements and realignment to Excelsior Road and Edgewood Drive improves traffic flow for better movement and safety in the area, allows for open areas for development resulting in the clearance of incompatible uses and obsolete buildings and increased density and tax base through new development, and allows for market driven development with new uses meeting zoning requirements.
5. The TIF Plan conforms to the City's general plan for development or redevelopment.
6. The TIF Plan affords maximum opportunity for development or redevelopment by private enterprise.

With a renewal and renovation TIF district, a TIF district's duration is up to 15 years after receipt of the first increment by the city, for a total maximum 16 years of tax increment. The city is electing to receive the first increment in 2019 for the Excelsior/Edgewood TIF District which equates to a district termination after December 31, 2034, or when the TIF Plan is satisfied.

Mayor Olson opened the public hearing at 7:14 p.m.

No public comments were received.

Mayor Olson closed the public hearing at 7:14:30 p.m.

MOTION by Council Member Cross, seconded by Council Member Barrows to adopt Resolution No. 2017-019, Adopting a Modification to the Development Program for Development District Number One and Establishing the Excelsior/Edgewood Renewal and Renovation Tax Increment Financing District (District 14) and Adopting a Tax Increment Financing Plan. Motion carried unanimously.

Mr. Vacinek clarified this is to adopt an interfund loan to advance certain costs associated with the establishment of the district and gives the City the capacity to reimburse itself for any qualified improvement costs.

MOTION by Council Member Cross, seconded by Council Member Holman to adopt Resolution No. 2017-020, Authorizing an Interfund Loan for Advance Certain Costs in Connection with the Excelsior/Edgewood Renewal and Renovation Tax Increment Financing District 14. Motion carried unanimously.

PLANNING AND ZONING ACTIONS

Approving the following related property at the Northeast corner of Excelsior Road and Conservation Drive for the Northland Arboretum.

Community Development Director Doty reviewed the project area with an aerial map, reviewed the utility/storm water information and sign regulations. Mr. Doty reviewed the need and location of the easement over the pond.

Mr. Doty reviewed the preliminary and final plat to be named "Northland Arboretum" which would establish a platted lot of record at the Northeast corner of Excelsior Road and Conservation Drive. The city is platting this property for two reasons, the first being transfer of ownership from the City to Crow Wing County to allow for a free standing sign and to dedicate the right-of-way boundary for Conservation Drive and Excelsior Road.

MOTION by Council Member Cross, seconded by Council Member Holman to adopt Resolution No. 2017-025 approving findings that the land sale is consistent with the City's Comprehensive Plan. Motion carried unanimously.

Mayor Olson thanked SEH, Inc. Consulting Engineer Hedlund for the donation of his company's time to assist the Northland Arboretum with this project.

MOTION by Council Member Cross, seconded by Council Member Nystrom to adopt Resolution No. 2017-026 approving a Preliminary and Final Plat to be named “Northland Arboretum” to establish a platted lot of record at the Northeast corner of Excelsior Road and Conservation Drive. Motion carried unanimously.

Vacating Right of Way at the Northeast corner of Excelsior Road and Conservation Drive. Community Development Director Doty explained the Public Hearing is a requirement for vacating public right of way.

Mayor Olson opened the public hearing at 7:23 p.m.

No public comments were received.

Mayor Olson closed the public hearing at 7:23:15 p.m.

MOTION by Council Member Cross, seconded by Council Member Holman to adopt Resolution No. 2017-027 vacating platted right-of-way. Motion carried unanimously.

COUNCIL COMMENTS

Steve Barrows – Thanked council and all city staff for quality of services in the months without an administrator. He also acknowledged ISD No. 181 adaptive floor hockey for winning the state tournament and a perfect record at 15 - 0.

Mark Cross – reminded everyone of the 3rd Annual Shriners Motorcycle Ride and Car Show at the American Legion on June 25th.

CITY ADMINISTRATORS REPORT

Interim City Administrator Steele requested a formal motion to approve the signed employment agreement with Bradley Chapulis.

MOTION by Council Member Nystrom, seconded by Council Member Barrows to approve the employment agreement with Bradley Chapulis. Motion carried unanimously.

CITY ATTORNEY’S REPORT

Closed Session, Minnesota Statute 13D.05, subd. 3 (c), Purchase of Property.

City Attorney Person asked council to go into a closed session to discuss the purchase of property.

MOTION by Council Member Barrows, seconded by Council Member Cross to enter into a closed session at 7:26 p.m.

Mayor Olson opened the regular meeting at 8:14 p.m.

City Attorney Person stated the consensus of the council is for three different properties. City Attorney Person stated the council was ready to take final action on the property acquisition offer for the 2018 Cypress Drive Extension Improvements Project from Burlington Northern Santa Fe Railroad Company.

MOTION by Council Member Cross, seconded by Council Member Barrows to accept the property acquisition offer for the 2018 Cypress Drive Extension Improvements Project from Burlington Northern Santa Fe Railroad Company. Motion carried unanimously.

City Attorney Person stated that it was advised to keep the negotiations going on the two other offers. Staff is to continue discussions but no action was taken on the remaining two parcels.

MOTION by Council Member Cross, seconded by Council Member Barrows to take no action on the purchase of property at this time but continue discussions. Motion carried unanimously.

ADJOURNMENT

MOTION by Council Member Cross, seconded by Council Member Barrow to adjourn at 8:15 p.m.

Approved by:

Respectfully submitted,

Darrel Olson
Mayor

Mary Haugen
Administrative Assistant