Mayor Paul Whitcomb called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were, Thom Walker, Jack Edmonds, Jules Zimmer, and Jeff Reynolds. Others present: Administrator Robert Barbian, Finance Director Steve Jackson, Police Chief Todd Frederick, Clerk Shawna Jenkins, Public Works Director Bob Gerold, Wastewater Plant Manager Chris Klinghagen, Liquor Store Manager Nancy Campbell, Fire Chief Ron Lawrence, Engineer Andy Brotzler, and Attorney Kelli Bourgeois.

AGENDA ADDITIONS/DELETIONS

CONSIDERATION OF MINUTES

A. Regular Meeting Minutes of February 8, 2018

WALKER MOVED TO APPROVE THE REGULAR MEETING MINUTES OF FEBRUARY 8, 2018. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

A. Permits and Licenses
   1. Gambling permit for Christ Our Light Bingo and Raffle September 2018
   2. Garbage Haulers License for Vanderpoel Disposal

B. Personnel
   1. Accept Liquor Store Clerk Resignation of Nichole Swenson effective 3-1-18
   2. Approve hiring of Liquor Store Clerk Angela Sherwood effective 2-14-18
   3. Approve hiring of Liquor Store Clerk Katlyn Hovde effective 2-13-18

C. Donations/Designations

EDMONDS MOVED TO APPROVE THE CONSENT AGENDA. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

OPEN FORUM

PUBLIC HEARINGS

A. Establish Development and TIF Districts
   1. Resolution 18-11 Development District 8, TIF District 8-1 (Kwik Trip)

   Barbian advised that he has worked with Tammy Umdahl at Northland Securities over the last couple of months on these Development and TIF districts.

   WHITCOMB OPENED THE PUBLIC HEARING AT 7:02PM

   Umdahl stated that TIF 8-1 is for the proposed Kwik Trip.

   A TIF District is a geographic area that the council is able to establish that collects the increased local property taxes which are captured by the city for a certain time frame. What is proposed is an economic development district. It usually needs to be for Manufacturing and Warehousing, but there is an exception for Small Cities that Princeton qualifies for. The TIF can be for 9 years. The collected TIF funds must be used within the district, which includes the adjacent roads and right of ways.
TIF District 8-1 will capture an estimated $385,000. The School and County received notice and the TIF plan for these districts. The city did receive a letter in support from Sherburne County.

Edmonds commented that the turn lanes the Sherburne County letter speaks to may have some validity. Barbian responded that he did share the letter with the city engineer.

Brotzler added that the majority of traffic comments in the letter are in regard to the proposed Casey’s store. They have asked the applicant to do a traffic study.

Edmonds stated that the intersection is busy for about 15-20 minutes in the morning, but otherwise it should not present a big problem.

Walker said he is in favor of the TIF district, and his only concern would that those funds be spent only in that area. Barbian responded that any consideration on improvements, studies, enhancements, or other projects would come to the Council for review and approval.

Zimmer asked for clarification on how long those funds are collected. Umdahl replied that it is 8 years after the first year collected. The city would have 5 years to spend those funds or be under contract. Zimmer asked what would happen if the City did not spend those funds in that time frame. Umdahl responded that the funds would be returned to the county, and then redistributed to the city, county and school district.

ZIMMER MOVED TO CLOSE THE PUBLIC HEARING AT 7:17PM. EDMONDS SECONDED THE MOTION.

WALKER MOVED TO APPROVE RESOLUTION 18-11 APPROVING THE ESTABLISHMENT OF DEVELOPMENT DISTRICT NO. 8, ADOPTION OF DEVELOPMENT PROGRAM THEREFORE, ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 8-1 THEREIN, AND APPROVING THE TAX INCREMENT FINANCING PLAN THEREFORE. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

2. Resolution 18-12 Development District 8, TIF District 8-2 (Casey’s)

Umdahl reported that TIF 8-2 is for the proposed Casey’s and will collect an estimated at $190,000 over the TIF period.

ZIMMER MOVED TO CLOSE THE PUBLIC HEARING AT 7:19PM. REYNOLDS SECONDED THE MOTION.

ZIMMER MOVED TO APPROVE RESOLUTION 18-12 APPROVING A MODIFIED DEVELOPMENT DISTRICT NO. 8, AND ESTABLISHING TAX INCREMENT FINANCING PLAN. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

PETITIONS, REQUESTS, AND COMMUNICATIONS

A. Wine and Spirits Grant Request for Relay for Life
Walker stated that this does not just affect Princeton Residents, but it is a great program that the Council has approved in the past.

ZIMMER MOVED TO APPROVE WINE AND SPIRITS GRANT REQUEST FOR THE RELAY FOR LIFE OF $500. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ORDINANCES AND RESOLUTIONS

A. Resolution 18-10 – re-approval of land sale to Habitat for Humanity

Barbian advised that Home Security Abstract is doing the closing on this and they wanted a notary section on the resolution, so they asked us to reapprove this.

REYNOLDS MOVED TO APPROVE RESOLUTION 18-10. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Resolution 18-13 – call for easement vacation public hearing for Pondview Estates 2nd

Barbian reported that Pondview is requesting the easements be vacated, so a public hearing will need to be held.

WALKER MOVED TO APPROVE RESOLUTION 18-13 CALLING FOR A PUBLIC HEARING ON THE EASEMENT VACATION. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. Resolution 18-14 – call for easement vacation public hearing for Arcadian Estates

Barbian advised that the city is requesting the easements on the Arcadian Homes site be vacated, so a public hearing needs to be held.

WALKER MOVED TO APPROVE RESOLUTION 18-14 CALLING FOR A PUBLIC HEARING ON THE EASEMENT VACATION. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

NEW BUSINESS

A. Scott Bruce Satisfaction of Mortgage

Jackson advised that this was a loan through The Small Cities Development program and Scott Bruce will be paying off his mortgage, so the loan will be repaid.
EDMONDS MOVED TO THE SATISFACTION OF MORTGAGE FOR SCOTT BRUCE. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

B. Small Cities Community Development Block Grant (CDBG) for Sewer Backups

Barbian advised that the City of Princeton participated with Lakes & Pines Community Action Council, to obtain a Community Development Block Grant (CDBG) from the State of Minnesota for the purpose of creating a loan improvement fund. The funds were lent to home owners and businesses to make improvements to their properties. Since this program was set up the City has received repayments. In discussing the reuse of the repayments of these funds with Lakes & Pines they have indicated that reusing in a similar matter would be appropriate. They further explained that there is more latitude in the recirculating funds in that some of the regulatory requirements drop off. For example, compliance to Davis Bacon Wages Rates is not required.

The Economic Development Authority (EDA) discussed utilizing loan repayments to provide assistance to those that experienced sewer back up damage. This is an acceptable use of the funds according to Lakes and Pines. Staff has explored this and how the funds could be utilized. In reaching out to the property owners impacted by the backup there is interest. It looks like half of the six owners may fit qualifications.

The qualifications as well as repayment terms are very similar to the original CDBG loans. The qualifications discussed and established are: insurance denial, reimbursement of out of pocket expenses to restore to similar condition, income/debt limit, maximum eligible amount of 5,500.00, and owner occupied forgivable loan at 8th year with a 75% repayment for commercial property.

Analysis & Recommendation:

The City sewer collection system had a main break that impacted a number of city property owners. The City is aware of a half dozen owners impacted. After investigation of the main break it was found that the break occurred at no fault of the City, although city residents were impacted.

In an effort to provide resident assistance the City can utilize an existing resource created by the Community Development Block Grant. Staff has determined that there is interest by some of the impacted property owners.

It is recommended that the City Council authorize Staff to extend the use of the CDBG dollars for the purpose of assisting those parties impacted by the Sewer Collection System main break under the terms and conditions covered above. This assistance to be in the form of forgivable loans utilizing the CDBG repayment funds.

Jackson added that this is the form of a loan, but after 7 years they would no longer have to repay that loan if they remained in their home.

Whitcomb said he really feels this is a good use for these funds. It doesn’t cost the taxpayers any money, and we are able to help these people out if they need it.

Walker said this is really a gesture of goodwill, and that we are trying to assist the homeowners.
Edmonds asked if you could put a requirement that there not be any future litigation against the City. Whitcomb said he isn’t sure he would want to see that language in there. Jules agrees that he doesn’t want to see that in the agreement.

ZIMMER MOVED TO THE SMALL CITIES DEVELOPMENT BLOCK GRANT FOR THOSE INTERESTED AND AFFECTED BY THE SEWER BACKUPS. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

MISCELLANEOUS

BILL LIST
ZIMMER MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF $127,637.07 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 76985 TO 77050 FOR A TOTAL OF $224,321.96. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ADJOURNMENT
There being no further business:

ZIMMER MOVED TO ADJOURN THE MEETING AT 7:36PM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted, ATTEST:

Shawna Jenkins _______________________________ Paul Whitcomb, Mayor
City Clerk