

CLEARWATER CITY COUNCIL MEETING MINUTES
REGULAR CITY COUNCIL MEETING
MAY 9, 2022

1. Call to Order and Pledge of Allegiance: 7:00 p.m. at City Hall

- Mayor Lawrence called the Clearwater City Council to order Monday, May 9, 2022 at 7:00 p.m. in the Council Chambers. Members present were Mayor Lawrence, Council Members Luhmann, Crandall, Kruchten, and Lenz. Also present were members of the staff, public, and other guests.

2. Oath of Office – New Council Member Mike Lenz

Mike Lenz recited the Oath of Office and joined the City Council.

3. Approval of Agenda

- **MOTION** by Luhmann to approve the agenda as presented, seconded by Crandall, all voted aye.
MOTION CARRIED.

3. Wright County Sheriff's Report

- Deputy Radi gave a summary of the sheriff's report. Member Lenz asked if car break-ins were still an issue. Deputy Radi replied that this area has improved and that there had not been any calls for these the last couple of weeks.

4. Public Forum

- Resident Scott Pesola, 420 Main Street, attended the meeting to address city code violations at his property. He admits that he has had issues over the years but believes his property has improved. The Council took his comments under advisement.
- Business owner James Theisen from Flinstones Lounge came to promote the upcoming charity ride on behalf of the Legion Riders, which will be held June 26 at noon. He thanked the sheriff's office for their traffic assistance and the City Council for supporting the event. He also asked about the status of the pedestrian bridge project over I94. Members explained that MnDOT has agreed to include the pedestrian bridge as part of the bridge replacement project, however, the project has been delayed while MnDOT completes a study of the T.H. 24 corridor. Administrator Smythe noted that the City Council has a Resolution of Support for MnDOT's grant application for this study and T.H. 24 improvements.

5. Consent Agenda

- a. **Consent Agenda**
- b. **Claims/Accounts Payable in the Amount of \$ 152,621.37**
- c. **Approval of Minutes from 04-11-2022 Regular City Council Meeting**
- d. **Res 2022-29 – Approving Hire of Seasonal Workers**
- e. **Res 2022-30 – Accepting Donation for Library**
- f. **Res 2022-31 – Approving Temporary Liquor License**
- g. **Res 2022-32 – Approving Special Event Permit – Leiviska Disc Golf**
- h. **Res 2022-33 – Resolution of Support – MnDOT Grant Application**
- i. **Approving TIF Reporting Contract with Northland Securities**
- **MOTION** by Crandall to approve Consent Agenda as presented, seconded by Luhmann, all voted aye.
MOTION CARRIED.

6. Old Business

a. TIF 2-1 Development Agreement – Ash Street Apartments - DRAFT

- *This item was discussed after item 7(a) due to the developer arriving late to the meeting.*
- Developer Pat Briggs attended to discuss the draft development agreement terms for his proposed apartments project. He noted that his financing is contingent on receiving 26 years of Tax Increment Financing (TIF) assistance. He noted the current rising interest rate environment and inflation and asked the Council to provide the maximum allowed assistance of 26 years.
- Mayor Lawrence noted that she reviewed the calculations further and is comfortable with the 20 years recommended by the city's Financial Advisor, Northland Securities. She also stated that the City Council has to answer to taxpayers and 20 years is generous.
- Member Luhmann stated she agrees with Mayor Lawrence and feels the Council should follow the advice of the Financial Advisor.
- Member Kruchten stated that there is limited land available in Clearwater and he is hesitant to provide any assistance. He believes something will get built at this location eventually.
- Mr. Briggs stated that economic conditions and interest rates have changed rapidly since his application was submitted a few months ago. Regarding the taxpayers, his project will increase the tax base for the city when the project is completed.
- Mayor Lawrence stated she still believes 20 years is a generous amount of public assistance.
- Member Kruchten questioned how interest rate increases impact the project versus how tax increases impact it. Mr. Briggs responded that both have impacts but that he is only able to move incrementally on other factors, such as rent amounts, to offset the increases.
- Member Lenz noted that he is okay with the recommendation of 20 years from the Financial Advisor.
- **MOTION** by Lawrence to authorize TIF assistance for a period of 20 years, seconded by Crandall. Voting aye – Lawrence, Crandall, Luhmann, and Lenz. Voting nay – Kruchten. **MOTION CARRIED 4-1.**

7. New Business

a. Res 2022-36 – Approval of Special Event Permits – CVBC

- Alyx Johnson from Clear Valley Business Connection (CVBC) explained their request for Special Event Permits for a series of Music in the Park or Movie in the Park events to be held Thursday evenings through the summer at El Dorado Park.
- Members had questions about the stage location and trash bins. Ms. Johnson noted they will place the stage near the south side of the rugby field and would provide additional garbage bins. Member Kruchten asked about sales tax for the food trucks. Ms. Johnson noted that they are licensed by the state and would be handled the same as other similar businesses.
- Ms. Johnson explained that they are also requesting to have their rental fees waived due to this being a community event and due to their organization trying to determine the finances, since this is their first year doing this on a large scale.
- **MOTION** to approve the special event permits and fee waivers was made by Crandall, seconded by Kruchten, all voted aye. **MOTION CARRIED.**

b. Res 2022-34 – Approval of Rezoning Request

- Smythe gave an overview of the requests from Adroit Properties for rezoning, site plan approval, and a conditional use permit for property recently annexed on County Rd 75. The Planning Commission conducted the required public hearing, and their recommendations are included in the resolutions.

- Member Crandall asked how the project will impact traffic. Developer Cris Hansen noted that they have about 100 trucks, but that not all will be on-site or operating at the same time. He stated that there will be some traffic but that it would not be on the scale of Nelson’s Travel Plaza. He also noted that not all trucks are based locally.
- Mayor Lawrence asked how many jobs the project will generate. Mr. Hansen stated he wasn’t sure but thought they may add 30-35 positions over the next year.
- **MOTION** to approve Resolution 2022-34 was made by Crandall, seconded by Kruchten, all voted aye. **MOTION CARRIED.**
- c. Res 2022-35 – Approving Site Plan and Conditional Use Permit**
- **MOTION** to approve Resolution 2022-35 was made by Crandall, seconded by Luhmann, all voted aye. **MOTION CARRIED.**
- d. Approve Waiver of Rental Fees and Security Deposit for Library Event**
- Smythe explained the request for a fee waiver for the library’s event with the Raptor Center to be held on August 10, 2022. Smythe pointed out that the current leased space that the city provides for the library does not include any outdoor space for events.
- **MOTION** by Lawrence to waive the park rental fees and security deposit for the library, seconded by Luhmann, all voted aye. **MOTION CARRIED.**
- e. Approve Appointment of Lieutenant for Fire and Rescue Service**
- Smythe explained that Fire Chief Keller is recommending Jason Lang for the open officer position of Lieutenant on the Fire Department.
- **MOTION** to approve by Luhmann, seconded by Lenz, all voted aye. **MOTION CARRIED.**
- f. Select Date for 2022 City Clean-up Day**
- Members selected September 24, 2022 for the City Clean-up Day and informed Member Lenz that City Council members generally work at the Clean-up Day.
- g. Review Proposed Changes for Administrative Enforcement Policy**
- Smythe explained that she had noticed some inconsistencies between this policy and other, newer policies adopted later. In addition, there were also changes to current practices when compared with this policy. She suggested various edits to bring this policy current.
- **MOTION** to approve amended policy with the suggested edits was made by Kruchten, seconded by Lawrence, all voted aye. **MOTION CARRIED.**

8. Committee Reports

a. Mayor and Council

- Mayor Lawrence reported that she and Fire Department members were still planning to door-knock, but that it had not happened yet.

b. Boards

- Sewer Authority Board – Member Crandall explained that staff will be bringing back a draft amendment to the Joint Powers Agreement to address the percentage shares of the wastewater plant capacity and related issues.
- Planning Commission – Member Kruchten stated that a Public Hearing was held on the requests from Adroit Properties which were approved earlier at this meeting.
- Park Commission – Member Luhmann explained that the mural painter did not complete the mural at Spring Street Park with the design changes the Park Commission had requested. Staff will be asking her to return to make changes. Smythe stated that there was also a discussion of annexing the remaining city-owned parcel of Sportsman’s Park that was not previously annexed. Park Commission members did not wish to pursue acquisition of the parcels not owned by the

city until those property owners reach out to the city. Council Members concurred with these plans.

- EDA – Member Crandall reported that the EDA is very busy. The new website is up and running, local Business Retention visits are occurring, the sign project is progressing, along with the frontage road discussions.
- Fire Relief Board of Trustees – Administrator Smythe reported that the Fire Relief Board discussed open meeting law requirements at their last meeting and implemented procedures to address any concerns.

i. Lions Sign Request

- Smythe explained the recommendation from the Park Commission to approve the request to add a food shelf sign to the bottom of the Lions Park sign near the park entrance.
- **MOTION** by Lawrence to approve requested sign, seconded by Kruchten, all voted aye. **MOTION CARRIED.**

c. Staff

- Smythe reported about her recent contacts with Mr. Pesola, including an encounter outside the rear of City Hall which gave her concerns about staff safety. Members agreed that the city should look into security camera options. Member Crandall offered to look into options.
- Smythe also noted that the comments made by Mr. Pesola earlier in the meeting were not accurate and that staff have responded to his questions. The recent actions taken by him appear to be in response to the city's attempts to enforce the existing court order related to his city code violations.
- Smythe further outlined her discussion with the City Attorney about the code enforcement at Mr. Pesola's property and the attorney's concerns about the court order obtained in October 2020. The City Attorney advised that, given Mr. Pesola's intent to fight the enforcement, and given the vagueness of the order's content, the city should go back to court to request an amendment to the order before continuing with enforcement. Members' consensus was to follow the advice of the City Attorney, suspend enforcement for now, and obtain an amended court order that specifically outlines what is to be removed from the property and what is to be done with items that are removed.
- Smythe noted that she had made some contacts at the MCMA Conference last week that may be able to assist with the proposed Community Center plans. Member Kruchten suggested that the plans include a stage of some type to be used for various events.

9. Other Business

a. Next Regular Meeting – June 13, 2022 at 7:00 p.m.

- Next regular meeting will be June 13, 2022 at 7:00 p.m. Member Luhmann stated that she will be unable to attend as she will be out of town.

10. Adjournment

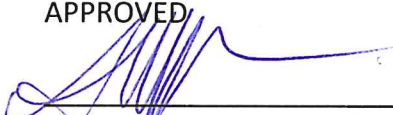
- **MOTION** to adjourn by Luhmann, seconded by Kruchten, all voted aye. **MOTION CARRIED.**
- Meeting adjourned at 8:21 p.m.

ATTEST



Annita M. Smythe, City Administrator

APPROVED



Andrea Lawrence Wheeler, Mayor