

WILLMAR CITY COUNCIL PROCEEDINGS
COUNCIL CHAMBERS
WILLMAR MUNICIPAL UTILITIES BUILDING
WILLMAR, MINNESOTA

April 2, 2012
7:00 p.m.

The regular meeting of the Willmar City Council was called to order by the Honorable Mayor Frank Yanish. Members present on a roll call were Mayor Yanish, Council Members Doug Reese, Ron Christianson, Bruce DeBlicek, Denis Anderson, Steve Ahmann, Rick Fagerlie, Jim Dokken, and Tim Johnson; Present 9, Absent 0.

Also present were City Administrator Charlene Stevens, City Attorney Richard Ronning, Police Chief David Wyffels, Fire Chief Marv Calvin, Planning and Development Services Director Bruce Peterson, City Clerk Kevin Halliday, and Attorneys Chris Hood and Robert Scott with Flaherty and Hood.

The Council requested that the Municipal Utilities Commission Minutes be removed from the Consent Agenda.

Council Member Reese offered a motion adopting the Consent Agenda which included the following: Special City Council Minutes of March 8; City Council Minutes of March 19; Mayoral Appointments - Municipal Utilities Commission, David Becker, Community Education and Recreation Advisory Board, Lynn Peterson, and Airport Commission, Donald Cole; and Accounts Payable through March 28, 2012. Council Member Anderson seconded the motion, which carried.

The Council discussed the Municipal Utilities Commission minutes and the results of a 2011 Financial Statements and Accountants' Report as conducted by Conway, Deuth & Schmiesing, PLLP. While the Utilities was found in compliance with the provisions of laws, regulations, contracts and grant agreements, it was noted that a number of policy issues should be addressed and updated. Council Member Dokken moved to approve the Municipal Utilities Commission Minutes of March 26, 2012, with Council Member DeBlicek seconding the motion, which carried.

City Administrator Stevens reviewed with the Mayor and Council the process for securing City Attorney Services which included issuing RFPs, which resulted in five responses and the Council interviewing three of the proposers. On March 22, 2012, the Council approved the appointment of Flaherty and Hood, PA of St. Paul, Minnesota, as City Attorney and directed the City Administrator and retiring City Attorney Rich Ronning to finalize a contract. Resolution No. 1 was introduced by Council Member Reese, seconded by Council Member Dokken, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 1

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator be authorized to enter into a contract between the City of Willmar and Flaherty and Hood for City Attorney Services and appointing Chris Hood and Robert Scott as Primary Legal Counsel for the City of Willmar.

Dated this 2nd day of April, 2012.

/s/ Frank Yanish
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

City Administrator Stevens further stated that on March 22, 2012, the Council approved the contract of Anderson Law Office of Willmar and appoint Tom Anderson as City Prosecutor and directed the City Administrator and retiring City Attorney Ronning to finalize a contract. Resolution No. 2 was introduced by Council Member Ahmann, seconded by Council Member Reese, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 2

BE IT RESOLVED by the City Council of the City of Willmar, a municipal corporation of the State of Minnesota, that the Mayor and City Administrator be authorized to enter into a contract between the City of Willmar and Anderson Law Offices and appoint Tom Anderson as City Prosecutor for the City of Willmar.

Dated this 2nd day of April, 2012.

/s/ Frank Yanish
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

At 7:10 p.m. Mayor Yanish opened a hearing on the City's application for Small Cities Development Program funding through the Minnesota Department of Employment and Economic Development. Sue Johnson and Dale Slagter, representing the Housing and Redevelopment Authority for Kandiyohi County, presented details of the project proposed to develop rehabilitation programs for the following areas: 1) Owner-occupied housing for a targeted area in the City of Willmar; 2) Owner-occupied housing for the City of Raymond; 3) Commercial rehabilitation for a targeted area in the City of Willmar; and 4) Rental rehabilitation for a targeted area in the City of Willmar. There being no one present to speak for or against the proposed Small Cities Development Program funding request, Mayor Yanish closed the hearing at 7:15 p.m.

Following discussion, Resolution No. 3 was introduced by Council Member Christianson, seconded by Council Member Anderson, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 3

A RESOLUTION OF THE CITY OF WILLMAR
IN SUPPORT OF A SMALL CITIES DEVELOPMENT PROGRAM PROJECT

BE IT RESOLVED THAT the City of Willmar will act as the legal sponsor for project(s) contained in the Minnesota Department of Employment and Economic Development Small Cities Development Program pre-application to be submitted April 12, 2012, and application to be submitted April 12, 2012, and that the Mayor and the City Administrator are hereby authorized to apply to the Minnesota Department of Employment and Economic Development for funding of this project on behalf of the Cities of Willmar and Raymond.

BE IT FURTHER RESOLVED that the City of Willmar has legal authority to apply for financial assistance and has the institutional, managerial and financial capacity to ensure adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED that the City of Willmar has not violated any Federal, State or local laws pertaining to fraud, bribery, gifts, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its applications by the state, the City of Willmar may enter into an agreement with the State of Minnesota for the above referenced project(s); and

that the City of Willmar certifies that it will comply with all applicable laws and regulations as stated in all contract agreements as described in the Compliances section of the application.

BE IT FURTHER RESOLVED that the City of Willmar has determined that it faces the same eligible needs as the community of Raymond and will submit a joint application to include Raymond. The City of Raymond agrees to designate Willmar as the lead applicant in the Minnesota Department of Employment and Economic Development Small Cities Development Program application.

NOW, THEREFORE, BE IT RESOLVED that the Mayor and the City Administrator are hereby authorized to execute such agreements and amendments thereto as are necessary to implement the projects on behalf of the applicant.

Dated this 2nd day of April, 2012.

/s/ Frank Yanish
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Resolution No. 4 was introduced by Council Member Reese, seconded by Council Member Anderson, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 4

TO APPROVE A COOPERATIVE AGREEMENT BY AND BETWEEN THE CITIES OF WILLMAR AND RAYMOND, MINNESOTA

WHEREAS, a Small Cities Development Program application (hereinafter “the Application”) has been prepared for the Department of Employment and Economic Development to be submitted on April 12, 2012; and

WHEREAS, the Application includes rehabilitation activities within the communities of Willmar and Raymond (hereinafter “the Communities”); and

WHEREAS, the Communities face similar community/housing rehabilitation needs and have therefore joined together to make an Application to seek funding to address those community/housing needs; and

NOW, THEREFORE, the Communities cooperatively agree to the following terms and conditions of this Cooperative Agreement:

1. The City of Willmar and the City of Raymond agree to submit a joint Application with the City of Willmar being the lead applicant in the Application to the Minnesota Department of Employment and Economic Development Small Cities Development Program.
2. The Application will allocate rehabilitation units applied for in the following manner: City of Willmar - 14 Owner Occupied Units; and City of Raymond, 18 Owner Occupied Units.
3. The Communities agree the City of Willmar will enter into a contract with a grant administrator for General Administrative Services upon the issuance of grant award by the Minnesota Department of Employment and Economic Development Small Cities Development Program.
4. Upon award by the Minnesota Department of Employment and Economic Development Small Cities Development Program, the Communities agree to comply with all applicable laws and regulations as stated in all contractual agreements provided by Minnesota Department of Employment and Economic Development.
5. The Communities agree that, although the City of Willmar must be listed as a lienholder, any liens filed under the Small Cities Development Program are allocated to the specific city in which they reside, and, therefore, any program income generated from the repayment from

- that lien, will be earmarked for reinvestment within that particular city.
6. Raymond agrees to track and report, as per the Minnesota Department of Employment and Economic Development Small Cities Development Program Income Reporting Guidelines, annual to the City of Willmar, any program income used within their city. Reports will be submitted to the City of Willmar in a timely fashion in relation to report due dates.
 7. The Communities agree that upon the award of grant funds by the Minnesota Department of Employment and Economic Development Small Cities Development Program, in an effort to ensure that grant funds are expended in an expeditious manner, the allocation of funds will be administered as follows:
 - i) Months 0-12 - funds will be allocated to each community for the units identified in Section 2 above.
 - ii) Months 13-18 - the allocation may be altered and allocated to either City regardless of either City's prior usage of original allocation so that the remaining funds are expended.
 8. This Cooperative Agreement is binding upon the communities of Willmar and Raymond and each community has indicated such by signing individual, binding agreements.

Dated this 2nd day of April, 2012.

/s/ Frank Yanish
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Resolution No. 5 was introduced by Council Member Anderson, seconded by Council Member Reese, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 5

SCDP GRANT CONDITION FINDINGS

WHEREAS, the City of Willmar is undertaking a program of commercial, rental, and residential revitalization, rehabilitation, and redevelopment; and

WHEREAS, the City of Willmar has identified a specific area hereinafter referred to as the Downtown Commercial Rehabilitation Project "target area" in which rehabilitation, revitalization, and redevelopment activities will occur; and

WHEREAS, the Willmar City Council has assessed the condition of the buildings and the other characteristics of the target area and has determined that the area can be characterized as blighted by reasons of "dilapidation, obsolescence, overcrowding, faulty arrangement of design, lack of ventilation, light and sanitary facilities, excessive land coverage or deleterious land use or obsolete layout or any combination of these or other factors, which are detrimental to the safety, health, morals, or welfare of the community" in accordance with Minnesota Statute 469.002 Subd. 11.

FURTHERMORE, the Willmar City Council has identified conditions of deterioration including the existence of substandard rental units, the inability of commercial structures to meet codes, the general conditions of deteriorating storefronts and facades on the commercial buildings, and the existence of dilapidated structures which contribute to blighted conditions of the target area (see attached map of the target area on file in the City Clerk's Office).

NOW, THEREFORE, BE IT RESOLVED, that by the Resolution of the City Council of the City of Willmar, the area identified in the target area on the attached map is characterized by conditions meeting Minnesota Statute 469.002 Subd. 11 definition of "blighted area."

Dated this 2nd day of April, 2012.

/s/ Frank Yanish
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

At 7:24 p.m. Mayor Yanish opened a hearing on the request to vacate Harold Avenue NW. Planning and Development Services Director Peterson explained to the Council that there is an old right-of-way abutting Russell Street NW that was never improved and is still owned by the City of Willmar and there are no plans to ever build a street. Ownership of the land has been assumed by the abutting property owners for years. The Planning Commission has approved a resolution to proceed with vacation of the street right-of-way. There being no one present to speak for or against the proposed vacation of Harold Avenue NW and Mayor Yanish closed the hearing at 7:28 p.m.

Resolution No. 6 was introduced by Council Member Anderson, seconded by Council Member DeBlieck, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 8, Noes 0.

RESOLUTION NO. 6

VACATING A PORTION OF A PUBLIC STREET ROW

WHEREAS, the vacation of those portions of dedicated street as described below was initiated by the City:

The North 41.5' of Lots 3 and 4, Block 6, Thorpe and Lien's Addition, AND the South 18.5' of Lots 1 and 2, Block 6 Thorpe and Lien's Addition (Harold Ave. NW).

WHEREAS, the proposed vacation has been approved by the Planning Commission of the City of Willmar; and

WHEREAS, published notice and mailed notice of the proposed vacation and the hearing thereon have been given as provided by Subdivision 6 of Section 9.01 of Article IX of the Willmar City Charter; and

WHEREAS, a hearing was duly held on the proposal to vacate that portion of said streets on April 2, 2012; and

WHEREAS, the City Council of Willmar finds that it is in the best interests of the City of Willmar to vacate that portion of said streets;

NOW, THEREFORE, BE IT RESOLVED, that the above described portion of dedicated streets be, and hereby is, vacated.

BE IT FURTHER RESOLVED that a certified copy of the Resolution be filed with the Kandiyohi County Recorder on or after April 9, 2012.

Dated this 2nd day of April, 2012.

/s/ Frank Yanish
MAYOR

/s/ Kevin Halliday
Attest: CITY CLERK

Mayor Yanish acknowledged that no one had signed up to address the City Council during its scheduled Open Forum.

The Community Development Committee Report for March 29, 2012, was presented to the Mayor and Council by Council Member Dokken. There were six items for Council consideration.

Item No. 1 There were no public comments offered and this matter was for information only.

Item No. 2 Jill Bengtson, HRA Director, appeared before the Committee to present information about the Small Cities Development Program grant application. The program is intended to be a continuation of the 2009 grant, which provided commercial/residential rehabilitation in the target area. The current application anticipates the following activities within the City of Willmar: 8 commercial rehabilitations, 14 owner-occupied residential rehabilitations, and 17 rental rehabilitations. Additionally, the application provides for activities in the City of Raymond which would include 18 owner-occupied residential rehabilitations. There was no action required of the Committee because the Council is scheduled to conduct a public hearing at the April 2, 2012. It was noted that program funding has decreased from \$20 million to \$13.8 million. The State anticipates funding 25-30 of the 73 applications being considered. In 2009, the grant award was \$800,000. The current application is for \$1,076,000. The Committee briefly discussed the process for determining the boundaries of the target area. This matter was for information only.

Item No. 3 Steve Renquist, EDC Director, was present at the Committee meeting to explain guidelines for handling funding requests. The EDC budgets \$10,000 annually for community activities. All requests receive committee review. If recommended for approval, the request is considered by the EDC Operations Board. It was noted that in the past \$5,000 annually had been contributed by the EDC to the Community Marketing Coalition. This matter was for information only.

Item No. 4 Staff provided the Committee with an update on the Downtown planning process. A revised draft plan is nearing completion, and the Committee reviewed the proposed plan elements. The anticipated project schedule moving forward is as follows: Planning Commission review - April 11, public meeting to discuss the plan - April 18, Community Development Committee review - April 26, Council review and ordinance introduction - May 7, and public hearing to adopt the ordinance - May 21, 2012. This matter was for information only.

Item No. 5 Staff presented to the Committee a recent inspection report for the John's Supper Club rehabilitation project. It appears that Mr. Kidrowski would not meet the Council imposed deadline of March 1, 2012. Staff said they would continue to push Mr. Kidrowski to complete the project in a timely and workmanlike fashion. This matter was for information only.

Item No. 6 Council Member Johnson informed the Committee that he was aware of banks renting foreclosed homes to their former owners. It is not known if these properties are being registered in the rental housing inspection program. Staff said they would prepare a document notifying local banks of rental program responsibilities. Due to the number of loans sold on the secondary market, there are many mortgage holders that don't have local ties and notification would be extremely difficult.

Council Member Christianson offered some comments about the Planning Commission meeting of March 28, 2012. He expressed concern about the hearing process conducted to consider the Islamic Society mosque request and suggested that the Planning Commission post their review criteria so that those in attendance have the ability to structure their arguments. This matter was for information only.

The Community Development Committee Report for March 29, 2012, was approved as presented upon motion by Council Member Dokken, seconded by Council Member DeBleick, and carried.

The Mayor and Council considered a fire contract with Willmar Township. Following discussion, Resolution No. 7 was introduced by Council Member Anderson, seconded by Council Member Christianson, reviewed by Mayor Yanish, and approved on a roll call vote of Ayes 7, Noes 1 - Council Member Ahmann voted "No."

