

City of Winsted  
City Council Meeting  
Council Chambers  
Wednesday, November 3, 2010  
6:00 p.m.

Present: Mayor Steve Stotko  
Council Member Tom Ollig  
Council Member Bonnie Quast  
Council Member Tom Wiemiller  
Council Member Dave Mochinski

Staff Present: Andrew Elbert, City Administrator  
Amanda Zeidler, Utility Billing & Payroll Clerk  
Fran Eggert, City Attorney  
Justin Heldt, Police Officer

**1) Mayor Stotko called the meeting to order at 6:00 p.m.**

**a) The Pledge of Allegiance was taken.**

**2) Consent Agenda**

**Ollig motioned to adopt the Consent Agenda as presented. Mochinski seconded. Motion carried 5-0.**

**a) Minutes – City Council Work Session – October 19, 2010**

Accepted the minutes of the City Council Work Session of October 19, 2010.

**b) Minutes – City Council Regular Meeting – October 19, 2010**

Accepted the minutes of the City Council Regular Meeting of October 19, 2010.

**c) Resolution R-10-27 – Summary Publication of Ordinance O-10-09**

Adopted Resolution R-10-27, authorizing a summary publication of Ordinance O-10-09.

**d) Resolution R-10-28 – Summary Publication of Ordinance O-10-10**

Adopted Resolution R-10-28, authorizing a summary publication of Ordinance O-10-10.

**e) 2011 Assessment Agreement – McLeod County Assessor**

Approved the 2011 Assessment Agreement between the City of Winsted and the McLeod County Assessor for \$12,023.

**f) Claims**

Approved the Claims List for November 3, 2010.

**g) Flagship Bank of Winsted – Pledged Securities**

Approve the Pledged Securities that Flagship Bank of Winsted has purchased for the City of Winsted for the month of September, 2010.

**3) No Public Hearings.**

#### 4) Department Report

##### a) Rob Beckfeld – Metro West Inspection Services, Incorporated

Rob Beckfeld, Metro West Inspection Services, Incorporated, reported on the following:

- A fair amount of permits have been issued. Most are small projects; however, there are some commercial projects.
- No new construction permits. It could be two to three years until things get rolling again.
- Issued a Certificate of Occupancy for M&N Structures, Incorporated on October 28, 2010.
- Saint Mary's Care Center is in the second phase of its remodeling project. All of the permits have been issued, except for the Heating, Ventilating, and Air Conditioning (HVAC) permit.
- A foundation permit has been issued and inspected for the Saint Mary's Care Center Assisted Living project.

Mochinski asked Beckfeld how the City of Winsted compares to other cities in the number of permits issued. Beckfeld stated that Winsted is strong on the commercial end and the commercial permits that are issued are large projects. Beckfeld also stated that most of the residential permits are for decks and reroofing projects.

Wiemiller asked for the status of the project at 320 Westgate Circle. Beckfeld stated that most of the exterior work has been completed, and that the owner has done a really nice job. Beckfeld hopes to final out the permit before long. The permit was initially issued on May 21, 2010, and once the permit is issued, the builder has six (6) months to complete the work, and at that point, as long as there is work being done, the permit deadline is extended.

#### 5) Old Business

##### a) Downtown Redevelopment – Tax Increment Financing (TIF) Program Proposal

Elbert introduced Shannon Sweeney, of David Drown Associates. Sweeney was present to discuss the submission of a proposal for assistance with the adoption of a spending plan and program guidelines for the use of tax increments to promote construction activity within the downtown.

Sweeney stated that in 2010 the Minnesota State Legislature adopted new rules allowing for the use of Cash balances in existing Tax Increment Financing (TIF) districts for the purpose of making improvements, loans, interest rate subsidies, or assistance in any form to private development consisting of the construction, or substantial rehabilitation of buildings and ancillary facilities, if doing so will create or retain jobs in the state of Minnesota, including construction jobs, and that the construction commences before July 1, 2011, and would not have commenced before that date without the assistance. Sweeney stated that this means a housing district can be used to help an office building or a redevelopment district can be used for a raw land site. The only procedural requirement is a public hearing with a ten (10) day notice in the newspaper.

Sweeney stated that if the City Council should choose to move forward, any cash balances must be expended by December 31, 2011. He explained that TIF District 2-6 was created to assist in redevelopment and rehabilitation activity within the downtown. This district presently has a cash balance in excess of \$40,000. Sweeney stated that it would be the intent of the City of Winsted to adopt a spending plan and program guidelines in order to use up to \$40,000 to promote additional rehabilitation activity within the downtown.

The scope of work for the proposed TIF Program would include the following:

- Preparation of a hearing notice and spending plan in order to use up to \$40,000 of tax increments from TIF District 2-6 to promote rehabilitation activity in the downtown.

- Preparation of program guidelines for the purpose of outlining the acceptable uses of tax increment funds.
- Attendance at a public hearing regarding the proposed spending plan.
- Assistance with program marketing and application intake and review.

Sweeney stated that the fee for the work identified above shall be \$1,500.00 plus expenses, which would include mileage at the Internal Revenue Service (IRS) reimbursement rate. Other fees associated with the project including publication expenses for legal notices shall be the responsibility of the City of Winsted.

Mochinski asked if the final draft of the spending plan and program guidelines would be ready for the first Council meeting in December, 2010. Sweeney stated that the everything would be finalized and the public hearing could be held at the first meeting in December.

**Ollig motioned to hire Shannon Sweeney, and his firm, for the purpose of establishing guidelines for the application administration of the City of Winsted's Downtown Improvement Program, at a cost not to exceed \$1,500. Quast seconded. Motion carried 5-0.**

Stotko stated that the financial budget on the City's Audit Report has a positive cash balance of \$41,305 in the City's TIF District Six (6). City staff would like to use a splice funding formula of \$1,305.00 dollars from this balance and \$195.00 dollars from the current funds available in the General Fund related to the transition to a new City Administrator to fund the project.

6) **No New Business.**

7) **No Open Forum.**

8) **No Announcements.**

9) **Adjournment**

**Quast motioned to adjourn. Wiemiller seconded. Motion carried 5-0. Meeting adjourned at 6:15 p.m.**

Respectfully submitted,

Amanda J. Zeidler  
Utility Billing & Payroll Clerk