MOUNTAIN IRON CITY COUNCIL MEETING COMMUNITY CENTER MOUNTAIN IRON ROOM MONDAY, SEPTEMBER 15, 2003 - 6:30 P.M.

	A G E N D A			
I.	Roll Call			
II.	Consent Agenda A. Minutes of the September 2, 2003, Regular Meeting (#1-17) B. Bills and Payroll C. Receipts D. Communications			
III.	Public Forum A. Jim Lamoine			
IV.	Committee and Staff Reports A. Mayor's Report 1. Ceremony for Mr. Pentti Mahonen (#18) 2. Library Grant Update (#19) 3. Arrowhead Library Review (#19) 4. Plumbing and Heating Direct Easement (#20-23) B. City Administrator's Report C. Director of Public Works Report 1. Sewer Line Replacement D. Director Parks and Recreation's Report 1. Utility Building (#26) 2. Visitors Guide Advertisement (#27-28) E. City Attorney's Report 1. HRA/EDA Opinion (#29-49) 2. Blight Ordinance F. Sheriff's Report 1. Activity Report G. Utility Advisory Board 1. Electric Rates (#50-51) H. Fire Department 1. DNR Matching Funds (#52) 2. FEMA Grant (#53) 3. Activity Report (#54)			
V.	Unfinished Business A. Ordinance 02-03 Amending Liquor Ordinance (#55-71)			
VI.	Resolution 27-03 Ordering Improvement and Preparation of Plans(#72-73) Resolution 32-03 Ordering Assessment Role (#74-75) Public Library Renovation Bids (#76-79) City – School Discussion Update (#80-92) Work Schedule for 5 Salary Employees (#93) Local Improvement Policy (#94) Yellow Curbing (#95) County Response on Old Highway 169 (#96) MNDoT Highway Signs (#97) DNR ATV Trailways (#98) Communications			
VII.	Open Discussion			

Announcements

VIII.

MINUTES MOUNTAIN IRON CITY COUNCIL SEPTEMBER 2, 2003

Mayor Skalko called the City Council meeting to order at 6:37 p.m. with the following members present: Joe Prebeg, Jr., Allen Nelson, Dale Irish, Ed Roskoski, and Mayor Gary Skalko. Also present were: Craig J. Wainio, City Administrator; Jill M. Forseen, Municipal Services Secretary; Don Kleinschmidt, Director of Public Works; Larry Nanti, Director of Parks and Recreation; Rod Flannigan, City Engineer; and Karen Luoma, Librarian.

It was moved by Nelson and supported by Prebeg that the consent agenda be approved as follows:

- 1. Approve the minutes of the August 18, 2003, City Council meeting as submitted
- 2. That the communications be accepted, placed on file, and those requiring further action by the City Council be acted upon during their proper sequence on the agenda.
- 3. To acknowledge the receipts for the period August 16-31, 2003, totaling \$113,993.57, (a list is attached and made a part of these minutes).
- 4. To authorize the payments of the bills and payroll for the period August 16-31, 2003, totaling \$375,568.19, (a list is attached and made a part of these minutes).

The motion carried unanimously on a roll call vote.

During the public forum, Jim Moelenbrock, representing Jay Ryan Enterprises, dba: the Sawmill Saloon, said that he had submitted an application to the City regarding the 2:00 a.m. bar closing time for serving alcohol. The City Council requested that this item be placed on the September 15, 2003 City Council meeting agenda and that the City Administrator provide a copy of the proposed ordinance and a copy of the application.

At 6:47 p.m., it was moved Nelson and supported by Prebeg to recess the regular meeting and open the public hearing on street improvements. The motion carried.

The City Administrator reviewed the history of the street improvement bond money that was issued to complete the proposed improvement projects. The City Engineer has reviewed the conditions of the proposed roads and made a recommendation to the City Council for improvement based on this condition.

The Mayor stated that the City Council would take public input on each street. The first street would be Locomotive Street in Downtown Mountain Iron.

Tom Autio, 5753 Marble Avenue, stated that he does not have a problem with the street being overlayed. He asked how the street assessment is charged to the resident. The City Administrator advised him that the City Council would determine an interest rate and it is normally billed over 10 years onto the real estate taxes or can be paid in full when assessed.

Park Drive, South Grove:

Vern Paschke, 5471 Park Drive, concern that if an overlay is completed, that he is the last lot and it has never been blacktopped in front of his house. Said that the street should not be considered a residential street because it would be connecting another neighborhood. He was concerned that contractors would damage the road and he would be paying the assessment again in five years. He said that he is also concerned with the speeding problem on that street. The Council said that is an enforcement issue and they would notify the Sheriff's Department.

Rod Erchul, 5405 Park Drive, he said that he lives on a corner lot. He asked if Fairview Lane would be completed also. The Council said no. He asked when Park Drive would be overlayed. The Mayor stated that possibly this year, but more than likely next year. He also said that if the road were overlayed there would only be two inches of the curb left. He said that the water backs up over the curb into his yard. He said that he was in favor of the overlay being completed.

Arbor Lane, South Grove:

Emil & Bernice Stimac, 8779 Arbor Lane, they stated that they have no objection to the project being completed.

Glenn Curry, 5424 Garden Drive South, he said that he has a corner lot. He said that he has no problem with the overlay being completed.

The Mayor stated that the Council received a letter from James Maki, 8795 Arbor Lane, stating that he would like to see the overlay completed on Arbor Lane.

Parkville Road, Parkville:

Eugene Cimperman, 8491 Parkville Road, said that there is a problem with speeding on the Parkville Road. He is opposed to the overlay being completed.

Al Flashberger, 8467 Parkville Road, said that he was opposed to the road being overlayed. He said that this road is a commerce road and not a residential road.

Candace Krueger, 8461 Parkville Road, lives on Parkville Road, opposes the construction.

Natalie Belt, 8497 Parkville Road, lives on the corner of Nichols Avenue and Parkville Road, said that she would be concerned with the road being upgraded because of the speeding issues.

Spring Park Road, Parkville:

Marlyn Meckola, 5627 Oriole Avenue, spoke in favor of the project. He said that the assessment is too high.

Oriole Avenue, Parkville:

Marlyn Meckola, 5627 Oriole Avenue, spoke in favor of the project. He felt that the assessment here was also high.

Cardinal Street, Parkville:

Ellen Nelson, 8501 Cardinal Street, spoke in favor of the project. She would like the Council to consider dropping the assessment rate to 50% because of the high amount of traffic on the road. She also requested that when the street is upgraded that the City also look at improving the drainage by Nichols Town Hall. She said that a lot of the water drains into her yard. The City Engineer stated that they do not evaluate drainage problems when an overlay is completed, only when the road is completely reconstructed.

Eagle Avenue, Parkville:

Werner Herzog, 5633 Eagle Avenue, is in favor of having the overlay completed. Werner also said that he was representing Ron Lehman, 5635 Eagle Avenue, and that he was also in favor of the project.

Grant Street, South Grove:

Tara Lamourea, 8804 Grant Drive, said that the majority of the traffic on Grant Drive is from the City going to the Wastewater Treatment Plant. She wanted to know why the residents pay 75% of the assessment and the City only pays 25%. She said that she would be willing to approve of the project if her assessment was 10% or 25%.

Councilor Irish submitted a petition from the property owners on Grant Drive that feel that the benefit of the street is mainly for City use. The petition was signed by Tara LaMourea, Jeremy Lamourea, Roger Scinto, Dale Irish and one other unidentified signature.

North Court, Ann's Acres:

Steve Steblay, 5412 North Court, said that he was also representing Tom and Pam Wickstrom, 8369 Spruce Drive and Ed Williams, 5411 North Court. Mr. Steblay said that the water problem on North Court is in the round circle of the cul-de-sac. He said

that he and those he was representing were opposed to the straight stretch of the cul-desac being overlayed.

Ed Roskoski, 5409 North Court, said that he would like to have the cul-de-sac circle completed and the straight stretch of the cul-de-sac not completed.

Brian Hill, 5410 North Court, would like to have the project completed.

South Court, Ann's Acres:

Perry Fiorini, 5386 South Court, submitted a petition from the property owners on South Court stating that they were against overlay project. The petition was signed by Perry Fiorini, Jean Fiorini, Tim Norman, Bruce Orde, Maxine Orde, Henry Korpela, and Rodney Hurd.

Heather Avenue:

Larry Lee, has property on the corner of Heather Avenue and Centennial Drive, feels that his assessment should be lowered by 25% because he has a corner lot. He is opposed to the project being completed.

Bill Luzovich, 5456 Heather Avenue, stated that he would like to see the project completed.

Warren Nordeen, 5459 Heather Avenue, stated that if the road were built up any more, he would be in a wetland. He said that the road subgrade needs to be reviewed further to prevent future problems. He said that he is neither for nor against the project.

Dean Niska, 5485 Heather Avenue, stated that he was assessed for Unity Drive last year. He stated that he was opposed to the project being completed.

Petronilo Landicho, 5481 Heather Avenue, stated that he is opposed to the project being completed.

Dale Petersen, 5482 Heather Avenue, stated that he is in favor of the overlay. He requested that the City review the variance issued to Tim Anderson because he is operating a business from his home and the majority of the traffic is from this business.

Tom Seitz, 5435 Heather Avenue, stated that he was in favor of the project.

Dan Chad, 5439 Heather Avenue, said the road needs infrastructure improvements before the road is upgraded. He said that he would like to see all of the utilities provided before an overlay is completed.

Marion Lane, Lambert Addition:

Beth Skalko, 5478 Marion Lane, spoke in favor of the project being completed. She was concerned about the maintenance of the road following the overlay to preserve the road as long as possible.

Dennis Yourcek said that he would be purchasing Reeny Kunz's property on 5480 Marion Lane and he would like to see the project completed.

Browns Road, Kinross:

Carla Pocket, 5476 Browns Road, stated that she was against the overlay project being completed. She also stated that she was against having an outlet to Highway 169 from Browns Road.

Streetcar Road, Kinross:

Roger Scott, 9131 Streetcar Road, said that it would be nice to have the road paved. He asked if blasting would affect the road. The Engineer was not able to answer his question. Mr. Scott asked if the overlay would have any effect on the property taxes. The City Administrator advised him to contact the St. Louis County Assessor's office regarding the property tax question.

David Buria, 9140 Streetcar Road, would like to see the overlay completed if the City can do it that reasonably. He said that he would like to see an access onto Highway 169. He said that it would be a waste of money to blacktop Brown's Road, Streetcar Road, and Giorgi's Road unless the road is upgraded first.

Beth Scott, 9131 Streetcar Road, said she was totally against the project.

Bill Buria, 9138 Streetcar Road, stated that he would like to see Streetcar Road, Giorgi Road, and Browns Road all completed at the same time not have any completed. He would like to have the assessment rate lowered to 50%. He also is in favor of having an access to Highway 169.

Giorgi's Road, Kinross:

Cheryl Pirjevec, 5455 Giorgi's Road, said that she was also representing John MacDonald, and they are totally against having Giorgi Road overlayed.

Randy Larson, 5441 Giorgi's Road, said that he was totally against the overlay project. He also stated that he also against having an additional access on to Highway 169.

Gary Ronkainen, 5429 Giorgi's Road, stated that he is totally against the overlay project.

Bob Brown, 5474 Brown's Road, said the Council should consider completing all three roads at once, Browns Road, Streetcar Road, and Giorgi Road or not completing any.

Bruce Kniivila, representing U. S. Steel Corporation, said that he would like to see all three roads considered together. He stated that U. S. Steel Corporation is against the overlay projects being completed.

At 8:35 p.m., it was moved by Nelson and supported by Prebeg to close the public hearing and reconvene the regular meeting. The motion carried.

At 8:36 p.m., the Council recessed.

At 8:43 p.m., the Council reconvened.

It was moved by Skalko and supported by Prebeg to direct the City Administrator to write a thank you letter to Gary Cerkvenik for his assistance in pursuing the contacts for assistance with the Mountain Manor issues. The motion carried.

It was moved by Skalko and supported by Prebeg to waive the building rental fees for the use of the Senior Center for the McMillen 50th Anniversary Party on Saturday, November 22, 2003 because of the scheduling conflict with the Festival of Trees event. The motion carried unanimously on a roll call vote.

The Mayor advised the Council that the Quad Cities Assessor issue is still in the discussion stages.

Jeff & Joni Eichorn were present regarding some questions regarding the construction of their furniture store in Mountain Iron. It was the consensus of the City Council to have the Mountain Iron Housing and Redevelopment Authority review the matter at their next regular meeting.

The Council reviewed the 2004 budget.

The City Council requested the City Administrator to prepare a report showing the cost to the City for the 3% raise given to the city employees.

It was moved by Roskoski and supported by Irish to direct Damberg, Scott, Gerzina, and Wagner Architects with Erik Wedge to coordinate with the City Administrator and the Director of Public Works to look at the condition of the roof and gutters of the library building and bring the information back to the City Council. The motion carried.

It was moved by Skalko and supported by Prebeg to direct the Recreation Director to work with the Eveleth Range Technical College to have the masonry class construct dugouts at the South Grove fields with the cost of materials estimated at \$4,000 to \$6,000 with the costs being charged against the charitable gambling funds or the cable TV franchise fees. The motion carried unanimously on a roll call vote.

It was moved by Skalko and supported by Irish to direct the Recreation Director to obtain a written quote from Vidmar Iron Works for the slab, tire stand, installation and all work related to getting the existing tire to the proper display position at Locomotive Park. And further, have the Recreation Director contact U. S. Steel Corporation to ask if they would build the City a tire stand and request that they notify the City by mid October. The motion carried.

The Mayor requested that the Recreation Director set up a meeting in September with the Administrative Board, the Sergeant, and the City Attorney regarding the City's blight ordinance.

It was moved by Irish and supported by Nelson to accept the recommendation of the City Engineer and authorize payment request number one to Hibbing excavating, Inc. for the Unity Drive Gravel Road Extension Project in the amount of \$10,453.80. The motion carried on the following roll call vote: Roskoski, no; Prebeg, yes; Nelson, yes; Irish, yes; and Skalko, yes.

It was moved by Nelson and supported by Prebeg to accept the recommendation of the City Engineer and authorize payment request number three to Rajala Construction, Inc. for the Mountain Iron Commercial Forty Project in the amount of \$175,981.82. The motion carried on the following roll call vote: Prebeg, yes; Nelson, yes; Irish, yes; Roskoski, no; and Skalko, yes.

It was moved by Roskoski and supported by Irish to honor the request of Jerry D. Kujala for his parking request with all the necessary signage being put into place before calendar parking begins. The area effected would be from the school parking lot driveway north to Main Street on the east side of Marble Avenue and from the apartment south alley driveway north to the Main Street on the west side of Marble Avenue. This situation will be reviewed for workability by January 1, 2004 and at that time the City Council will determine if it will remain permanent. And further, if it is to remain permanent that the City Council modify the ordinance to reflect the changes. The motion carried.

It was moved by Roskoski and supported by Irish that the crosswalk improvement and the striping plan, as reviewed by the Street and Alley Committee and noted on supplied maps, be implemented at once, as weather permits, and completed by August 1, 2004, with all of the work being completed by City Employees. Handicapped crossing ramps will be made to conform to various standards as each individual crossing area may warrant. The motion carried with Councilor Prebeg and Nelson voting no.

It was moved by Roskoski and supported by Irish that work on the Mountain Avenue parking change between Locomotive Street and Main Street be started at once. City Staff and Crews will work with the City Engineer and the Library Architect to determine the amount of parking places, the width of the parking places, what angle of the parking places, and to include how many handicapped parking places that are necessary. And further, all of this angle parking will be on the east side of Mountain Avenue and the west side of Mountain Avenue will be parallel parking. Necessary parking signs will be

purchased and installed. The completion of the project would be December 31, 2003. The motion carried with Councilor Nelson voting no.

It was moved by Skalko and supported by Prebeg to authorize the Mountain Iron Volunteer Firemen to attend the Minnesota State Fire School on September 20 & 21, 2003 at the Mesabi Range Community College. The motion carried on the following roll call vote: Nelson, no; Irish, no; Roskoski, yes; Prebeg, yes; and Skalko, yes.

It was moved by Skalko and supported by Prebeg to approve the following training meetings for the Mountain Iron Volunteer Firemen:

- 1) September 6, 2003 Regional Meeting, Duluth–3 members at \$12/person plus transportation;
- 2) December 6, 2003 Regional Meeting, Mountain Iron-15 members at \$12/person; and
- 3) October 16-18, 2003 Fire Chief's Conference, Duluth-the Fire Chief-\$150 plus transportation and lodging.

The motion carried on the following roll call vote: Irish, yes; Roskoski, yes; Prebeg, yes; Nelson, no; and Skalko, yes.

It was moved by Skalko and supported by Irish to authorize the payment of the Coalition of Greater Minnesota Cities 2004 general assessment in the amount of \$1,972. The motion carried on the following roll call vote: Roskoski, yes; Prebeg, yes; Nelson, no; Irish, yes; and Skalko, yes.

It was moved by Roskoski and supported by Skalko that during the interim of the Library being without a custodian that the City's Building Maintenance person meet with the City Librarian to seek direction on what work needs to be completed at the Library. The motion carried.

It was moved by Nelson and supported by Prebeg to table Resolution Number 27-03 until the next regular meeting. The motion carried.

It was moved by Prebeg and supported by Irish to authorize the final payment to Mesabi Bituminous for the 2002 Street Overlay Projects in the amount of \$19,346.50 and adopt Resolution Number 28-03, accepting work (a copy is attached and made a part of these minutes). The motion carried unanimously on a roll call vote.

It was moved by Nelson and supported by Prebeg to adopt Resolution Number 29-03, the 2004 Housing and Redevelopment Authority Tax Levy, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Prebeg and supported by Nelson to adopt Resolution Number 30-03, approving the proposed 2003 tax levy, collectable 2004, (a copy is attached and made a part of these minutes). The motion carried.

It was moved by Prebeg and supported by Nelson to adopt Resolution Number 31-03, approving the proposed 2004 market rate based referendum levy for the general obligation community center bonds and interest, (a copy is attached and made a part of these minutes). The motion carried.

Councilor Roskoski updated the City Council on the meeting held with the Minntac Officials. The following people attended the meeting: Joe Prebeg, Ed Roskoski, Craig Wainio, James McConnell (USX General Manager), Dennis Hendricks, and John Skube. The following items were discussed:

- 1) USX would look at fabricating a tire stand.
- 2) USX might donate more equipment to the City of Mountain Iron.
- 3) USX would check on the request of the Mesabi Trail regarding the route around Ray Saari's property, they said they did not know the trail was going there.
- 4) Wacootah Overlook-USX is not doing anything with the Overlook, the City can upgrade as they wish, this is actually State property.
- West II Rivers Campground-USX said that they would check on extending the lease to five to ten years. They said that they would not sell the property.
- 6) Right of first refusel on property sales USX is checking on their company policy.
- 7) ATV snowmobile trail between Brunt Dump and Parkville-USX said that they don't know where the trail would be going.
- 8) USX would like to have some streets vacated in Costin.

The Mayor requested that the Librarian add the State Grant to the Library Board Meeting Agenda for consideration.

It was moved by Roskoski and supported by Skalko to have the City Administrator and/or the Director of Public Works and the Recreation Director along with Bob Manzoline research as to where sewer and water can be tapped in to, to be brought into the area on the west end of Locomotive Park for the Mesabi Trail Head potential water source and restroom project with the necessary information being included in the October 6, 2003, City Council packet or earlier. The motion carried.

At 11:04 p.m., it was moved by Roskoski and supported by Irish that the meeting be adjourned. The motion carried.

Respectfully submitted:

Jill M. Forseen, CMC/MMCA Municipal Services Secretary

Juin. Forseen

COMMUNICATIONS

- 1. Iron Range Resources and Rehabilitation Agency, a meeting notice for the Mining Tax Study Advisory Committee on October 2, 2003 in Mountain Iron.
- 2. Range Association of Municipalities and Schools, announcing the second annual RAMS Summer Membership Get Together scheduled for September 25, 2003 in Marble.

Receipt Register By Date
Receipt Date(s): 08/16/2003 - 08/31/2003

Page: 19 Sep 02, 2003 12:45pm

Summary By Category And Distribution

40	Category	Distribution	Amount
	UTILITY	UTILITY	87,627.70
	CAMPGROUND RECEIPTS	ICE	13.50
	CAMPGROUND RECEIPTS	FEES	2,027.00
	PERMITS	BUILDING	847.41
	CHARGE FOR SERVICES	WATER-CHARGE FOR SERVICES	125.00
	MISCELLANEOUS	CHARITABLE GAMBLING PROCEEDS	1.02
	INTERGOVERNMENTAL REVENUE	DNR GRANT FOR FIRE DEPT	3,000.00
	METER DEPOSITS	ELECTRIC	300.00
	METER DEPOSITS	WATER	15.00
	MISCELLANEOUS	REIMBURSEMENTS	6,154.72
	TAXES	TRANSFERS FROM MI HRA	9,080.00
	MISCELLANEOUS	SPEC. EVENT-FUNDS NOT USED-CR	260.00
	MISCELLANEOUS	ASSESSMENT SEARCHES	30.00
	MISCELLANEOUS	FAX CHARGES	2.50
	SPECIAL ASSESSMENTS	SPECIAL ASSESSBOND MONEY	739.65
	SPECIAL ASSESSMENTS	SPECIAL ASSESS.INTPRIOR YRS	41.48
	MISCELLANEOUS	CHECK RETURN FEE	15.00
70	MISCELLANEOUS	ELECTRICAL INSPEC FORMS	1.00
	BUILDING RENTALS	SENIOR CENTER	50.00
	CHARGE FOR SERVICES	ELECTRIC-CHG FOR SERVICES	50.00
	MISCELLANEOUS	REFUNDS/ REIMBURSEMENTS	185.00
	CD INTEREST	CD INTEREST 101	822.62
	CD INTEREST	CD INTEREST 301	1,610.96
100	CD INTEREST	CD INTEREST 376	68.55
	CD INTEREST	CD INTEREST 378	239.93
Ĩ	CD INTEREST	CD INTEREST 602	411.31
	CD INTEREST	CD INTEREST 603	274.22
	Summary Totals:		113,993.57

Check Issue Date(s): 08/20/2003 - 09/05/2003

Pe	r Date	Check No	Vendor No	Payee	Check GL Acct	Amount
08/0	08/27/2003	28784	824	VOID - ELIZABETH CARLSON	002-20200	90 20 M
09/0	3 09/03/2003	28822		6 AQUILA	002-20200	88.32 -M 1,953.12
09/0	3 09/03/2003	28823	20022	BENCHMARK ENGINEERING INC	002-20200	40,263.50
09/0	3 09/03/2003	28824	20004	BURGHER OFFICE EQUIPMENT	002-20200	130.00
09/0	3 09/03/2003	28825	30017	CARQUEST (MOUNTAIN IRON)	002-20200	151.78
09/0	3 09/03/2003	28826	30005	CLERK OF CONCILIATION COURT	002-20200	45.00
09/0	3 09/03/2003	28827	30024	COALITION OF GREATER MN CITIES	002-20200	1,972.00
09/03	3 09/03/2003	28828	40034	DAMBERG SCOTT GERZINA WAGNER	002-20200	2,507.95
09/03	3 09/03/2003	28829	40009	DEPARTMENT OF COMMERCE	002-20200	9.33
09/03	09/03/2003	28830	40002	DEPT NATURAL RESOURCES	002-20200	143.00
09/03	09/03/2003	28831	40018	DEPT. OF NATURAL RESOURCES	002-20200	6.36
09/03	09/03/2003	28832	40036	DMR ELECTRONICS INC.	002-20200	25.00
09/03	09/03/2003	28833	9001	ELY LEGION BASEBALL	002-20200	200.00
09/03	09/03/2003	28834	60006	FISHER PRINTING	002-20200	697.58
09/03	09/03/2003	28835	60003	FIVE SEASONS SPORTS CENTER	002-20200	97.42
09/03	09/03/2003	28836	5007	FORTIS BENEFITS	002-20200	487.36
09/03	09/03/2003	28837	80022	HAWKINS INC	002-20200	446.61
09/03	09/03/2003	28838	80008	HIBBING EXCAVATION INC	002-20200	10,453.80
09/03	09/03/2003	28839	90002	INGRAM BOOK COMPANY	002-20200	34.48
09/03	09/03/2003	28840	120032	LAKE COUNTRY POWER	002-20200	134.31
09/03	09/03/2003	28841	120002	LAWSON PRODUCTS INC	002-20200	650.58
09/03	09/03/2003	28842	120039	LEEF SERVICES	002-20200	24.29
09/03	09/03/2003	28843	120004	LITERARY GUILD	002-20200	40.98
09/03	09/03/2003	28844	9003	MARK J HUNTINGTON	002-20200	100.00
09/03	09/03/2003	28845	130053	MCBROOM CONSTRUCTION INC	002-20200	7,729.00
09/03	09/03/2003	28846	130041	MESABI BITUMINOUS		19,891.78
09/03	09/03/2003	28847	130006	MESABI HUMANE SOCIETY	002-20200	854.87
09/03	09/03/2003	28848	9002	MICHAEL FREDERICK	002-20200	20.00
09/03	09/03/2003	28849	130044	MINNESOTA DEPT OF HEALTH	002-20200	1,211.33
09/03	09/03/2003	28850	130009	MINNESOTA POWER	002-20200	33,053.45
09/03	09/03/2003	28851	130024 M	MN POLLUTION CONTROL AGENCY	002-20200	23.00
09/03	09/03/2003	28852	130022 N	MN STATE FIRE DEPT ASSOCIATION	002-20200	120.00
09/03	09/03/2003	28853	130070 N	MORGAN-TACONITE OIL COMPANY	002-20200	58.77
09/03	09/03/2003	28854		MOTION INDUSTRIES INC	002-20200	82.08
09/03	09/03/2003	28855		IORTHERN WATER WORKS SUPPLY	002-20200	34.94
09/03	09/03/2003	28856		IORTRAX EQUIPMENT/POWERPLAN	002-20200	29.55
09/03	09/03/2003	28857		PERPICH TV & MUSIC INC	002-20200	23.94
09/03	09/03/2003	28858		RECISION MACHINE	002-20200	40.00
	09/03/2003	28859		ADKO IRON & SUPPLY INC	002-20200	162.91
09/03	09/03/2003	28860		AJALA CONSTRUCTION COMPANY IN	002-20200 17	5,981.82
09/03	09/03/2003	28861		ANGE PORTABLES	002-20200	718.88
09/03	09/03/2003	28862		ESERVE ACCOUNT	002-20200	500.00
	09/03/2003	28863		IDGEWOOD APPRAISAL &	002-20200	450.00
	09/03/2003	28864		ARANEN AUTO	002-20200	153.21
	09/03/2003	28865		ERVICE SOLUTIONS	002-20200	211.94
	09/03/2003	28866		PIRIT LAKE 4-H CLUB	002-20200	29.00
	09/03/2003	28867		LOUIS COUNTY AUDITOR		5,495.20
	09/03/2003	28868		ROPHY SHOP	002-20200	36.00
	09/03/2003	28869		ERIZON WIRELESS, BELLEVUE	002-20200	59.02
	09/03/2003	28870		RGINIA/MOUNTAIN IRON/GILBERT		,000.00
	09/03/2003	28871		ELLS FARGO REMITTANCE CENTER	002-20200	651.64
	09/03/2003	28872		ILBUR BALL		,714.28
9/03 (09/03/2003	28873	240001 XE	ROX CORPORATION	002-20200	337.07
Tota	ıls:				315,	,159.81
				ayroll-PP Ending 8/29/03	51.	920.36
= Manus	al Check, V = Voi	d Check	El	lectronic Transfer-Sales Tax		399.70
wand	a oneck, v - voi	a Official	TO	OTAL EXPENDITURES		568.19
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CITY OF MOUNTAIN IRON

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RESOLUTION NUMBER 28-03

ACCEPTING WORK

WHEREAS, pursuant to an agreement with the City on August 21, 2002, Mesabi Bituminous of Gilbert, Minnesota has satisfactorily completed improvement of those streets identified in Exhibit A by overlayment or reconstruction in accordance with such agreement.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA, that the work completed under said agreement is hereby accepted and approved; and,

BE IT FURTHER RESOLVED, that the City Administrator and Mayor are hereby directed to issue a proper order for the final payment on such agreement, taking the contractor's receipt in full.

DULY ADOPTED BY THE CITY COUNCIL THIS 2nd DAY OF SEPTEMBER, 2003.

TTEST:

City Administrator

Mayor Gary Skalko

EXHIBIT A

Jasmine Street from County Road 7 to Aster Avenue
Gardenia Street from County Road 7 to Bluebell Avenue
Aster Avenue from Unity Drive to Jasmine Street
Daisy Avenue from Marigold Street to Gardenia Street
Bluebell Avenue from Jasmine Street to Gardenia Street
Carnation Avenue from Jasmine Street to Gardenia Street
Marigold Street from County Road 7 to Bluebell Avenue
Daffodil Avenue from Marigold Street to Gardenia Street
Unity Drive from Enterprise Drive South to Mud Lake Road
Unity Drive from County Road 7 to Enterprise Drive South



City of Mountain Iron

"TACONITE CAPITAL OF THE WORLD"

PHONE: 218-748-7570 • FAX: 218-748-7573 • www.mtniron.com 8586 ENTERPRISE DRIVE SOUTH • MOUNTAIN IRON, MN • 55768-8260

RESOLUTION NUMBER 29-03

CONCERNING THE 2004 HOUSING AND REDEVELOPMENT AUTHORITY TAX LEVY

WHEREAS, the Mountain Iron Housing and Redevelopment Authority was created on the 4th day of December, 1968, pursuant to Minnesota Statutes 469.001-469.047 and;

WHEREAS, Minnesota Statutes, Section 469.033, subd. 6, specifically authorized the Mountain Iron Housing and Redevelopment Authority to levy against the taxable property of the City of Mountain Iron, St. Louis County, Minnesota.

NOW, THEREFORE BE IT RESOLVED by the City Council of Mountain Iron, Minnesota, that for the purpose of further development and to provide for any activities that are within the jurisdiction of the Mountain Iron Housing and Redevelopment as defined according to Minnesota Statutes: The Mountain Iron City Council submits to the County Auditor of St. Louis County, Minnesota, a final tax levy with a levy set to the maximum allowable for the Mountain Iron Housing and Redevelopment Authority.

ADOPTED THIS 2nd DAY OF SEPTEMBER, 2003.

City Administrator

TEST:

Mayor Gary Skalko



CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

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RESOLUTION NUMBER 30-03

APPROVING PROPOSED 2003 TAX LEVY, COLLECTABLE 2004

BE IT RESOLVED, by the City Council of the City of Mountain Iron, County of Saint Louis, Minnesota, that the following sums of money be levied for the current year, collectable in 2004, upon the taxable property in the City of Mountain Iron for the following purposes:

TOTAL LEVY

\$871,812.00

The City Administrator is hereby instructed to transmit a certified copy of this Resolution to the County Auditor of Saint Louis County, Minnesota.

DULY ADOPTED THIS 2nd DAY OF SEPTEMBER, 2003.

City Alministrator

Mayor Gary Skalko



CITY OF MOUNTAIN IRON

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RESOLUTION NUMBER 31-03

APPROVING PROPOSED 2004 MARKET RATE BASED REFERENDUM LEVY FOR THE GENERAL OBLIGATION COMMUNITY CENTER BONDS AND INTEREST

WHEREAS, in February 1998 the voters in the City of Mountain Iron approved a market rate based referendum levy for bonds and interest to construct the Mountain Iron Community Center.

NOW, THEREFOR BE IT RESOLVED, by the City Council of the City of Mountain Iron, County of Saint Louis, Minnesota, that the following market rate based levy shall be made in 2003 payable in 2004 for all property in the City of Mountain Iron:

General Obligation Community Center Bond levy shall be \$84,824.00

The City Administrator is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Saint Louis County, Minnesota.

DULY ADOPTED THIS 2nd DAY OF SEPTEMBER 2003.

City Administrator

TEST:

Mayør Gary Skalko

COUNCIL LETTER 091503-IVA1

IVA2

IVA3

IVA4

MAYOR SKALKO

MAYOR'S REPORT

DATE:

September 11, 2003

FROM:

Mayor Skalko

Craig J. Wainio City Administrator

A1: Ceremony for Mr. Pentti Mahonen (Order of the White Rose of Finland)

A2: Library Grant Update

A3: Arrowhead Library Review

A4: Direct Plumbling and Heating Update

7: (651) 582-8200 TTY: (651) 582-8201 http://cfl.state.mn.us

Direct Unes:

T: 651-582-8890 F: 651-582-8731



February 3, 2003

Mr. Craig Wainio, City Administrator City of Mountain Iron 8586 Enterprise Drive South Mountain Iron, MN 55768

Dear Mr. Wainio:

The advisory Public Library Accessibility Grant Committee has rejected the grant application for \$150,000 to renovate the Mountain Iron Public Library

The committee noted the following flaws:

- Lack of library building survey
- Lack of detailed budget indicating \$150,000 worth of expenditures relating to accessibility
- Ambiguity as to which renovation proposal would be used
- Lack of participation during the planning process of individuals with disabilities or with agencies that work with persons with disabilities
- Lack of endorsement letter from the Arrowhead Library System Director
- Lack of community endorsement in the form of supporting letters

The Committee accepts the need to provide an accessible library building for the Mountain Iron residents. The Committee recommends that the City Council begin a planning process that proactively involves all segments of the community to determine library service in Mountain Iron. The City would then be prepared to submit an application should the Legislature provide a construction grants program in the future or should other funding alternatives occur.

Please complete and return the enclosed customer service survey.

Sincerely.

Bruce Pomerantz

Library Development Specialist

C: Karen Luoma, Mountain Iron Director Jim Welkum, Arrowhead Library System Director

LANO, NELSON, O'TOOLE & BENGTSON, LTD.

ATTORNEYS AT LAW

NEAL A. LANO LEIF A. NELSON Civil Trial Specialist* DENNIS L. O'TOOLE BRIAN C. BENGTSON 515 NE SECOND AVENUE GRAND RAPIDS, MINNESOTA 55744 TELEPHONE: (218) 326-9603 FAX: (218) 326-1565

* Certified By Minnesota State Bar Association

August 27, 2003

RECEIVED

Mr. Sam A. Aluni Trent Law Firm P. O. Box 958 Virginia, MN 55792

AUG 28 2003

TRENTI LAW FIRM

RE: Randy Cernohlavek/City of Mountain Iron

Your File No. 55,337-1

Dear Sam:

During our recent telephone conversation, you requested that I forward to you a letter concerning this matter. This letter will serve to bring certain facts to your attention. I have also enclosed certain documents for your convenience.

First, enclosed please find a copy of a Contract for Private Development (the "Contract") which was entered into between the Housing and Redevelopment Authority in and for the City of Mountain Iron (HRA) and Randy Cernohlavek (the "Developer"). Section 3.1(a) of this contract provides in part that "the Authority shall convey to the Developer by quit claim deed all interests of the Authority in the Development Property. . . ." In Section 3.3, the contract provides "The quit claim deed shall be in recordable form. . ." The Developer, Randy Cernohlavek, was in turn obligated under the contract to construct certain improvements.

I am also enclosing a copy of the quit claim deed from December of 2001. In the quit claim deed, the HRA conveyed to Randy Cernohlavek certain property. The described property was subject to an easement for utility purposes on the north, west and east side of the described property. The quit claim deed did not reserve any easement on the south side of the property. The Developer went forward pursuant to the contract and made various improvements including the construction of a building and a parking lot. Apparently, when the City/HRA went to record the deed, the County would not record the deed because the property had been split too many times and the County required the City/HRA to have the property platted to a lot and block description.

It is our understanding that City is now for the first time attempting to obtain an easement to run along the south border of the property. Enclosed please find a copy of portion of a preliminary plat which, as you can see, does not show any utility easement on the south side of the property. Please also find enclosed a copy of the proposed final plat which for the first time appears to show an utility easement on the south side of the property. It is my understanding that the parking lot of the Developer now covers that area. If the HRA/City had desired to keep an easement on the south border of the property, the Developer would have located the building and the parking lot differently upon the property.

9/131/2003

20

80EP-6PZ-8IZ SP:01 E00Z/8Z/80

LANO, NELSON, O'TOOLE & BENGTSON, LTD.

Mr. Sam A. Aluni August 27, 2003 Page Two

In your letter of August 11, 2003, you state that a water line is located in the easement area and has existed there for many years. According to my clients, the water line is not located in the easement area. They know this because when they developed the property it was necessary to dig in order to hook up to the utilities and the utilities were not located in that easement area. In your letter of August 11, 2003, you also state that a deed from HRA to Randy Cernohlavek dated June 10, 2003, specifically makes the conveyance of Lot 6 subject to an easement along the southern property line. Of course, in 2003, the HRA could not convey or subject the land to an easement when the HRA previously conveyed the property to Randy Cernohlavek, the Developer, in 2001.

In sum, the City/HRA conveyed the subject property to the Developer and did not retain an easement along the south border of the property. The Developer has performed pursuant to the Contract. The HRA has failed to provide the Developer with a quit claim deed in a recordable form as required by the Contract. The HRA is now attempting to retain what it has already conveyed, that is, an easement along the southern border of the subject property. It would appear that HRA is attempting to obtain this easement without following the laws concerning eminent domain and without paying just compensation to the Developer.

Given the foregoing facts, we would request that the HRA proceed according to the Contract for Private Development and provide the Developer with a recordable quit claim deed describing the property in the manner in which it was originally conveyed.

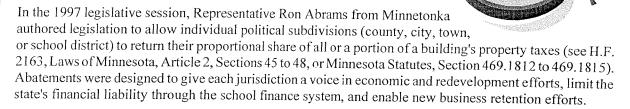
BRIAN C. BENGTSON

BCB/ mep

Encs.

Please also find enclosed a hand drawn map of the area which was prepared by PS: my clients. The map is intended to further demonstrate the present situation. Please note that the map is not to scale.

Randy & Trisha Cernohlavek (no encs) pc:



Complications arose in the mechanics of abatements and, more importantly, from the reintroduction of levy limits for taxes payable in 1998 and 1999. The 1998 Legislature passed legislation to exempt these abatements from the levy limits and also allow bonds to be issued as a means to finance the development. The 1999 through 2001 Legislatures, in an effort to make abatement a more viable economic development tool, has further expanded the scope of abatement authority.

The nuts and bolts of the abatement program are as follows:

- • The abatement is a tax rebate rather than an exemption from paying taxes.
- • The taxpayer pays taxes on the abated property in the same manner it would if the taxes were not being abated. The county pays the abatement to the general fund of the political subdivision without identifying the amount of the abatement.
- • The 1999 Legislature expanded the meaning of the term abatement to encompass agreements to defer property taxes without interest or penalties. The city, town, county or school district can levy taxes as usual, defer payments for up to ten years, impose a set repayment schedule, and abate the penalties and interest.
- • Towns may take action on tax abatement at any meeting, not only at their annual meeting. The 1999 Legislature gave the town board the power to approve the abatement resolution at other times, but unfortunately, the new legislation did not change the definition of "governing body". The 2001 Legislature corrects the definition of governing body to authorize town boards (rather than the annual meeting) to approve abatement, and is retroactive to the date of the 1999 change (May 26, 1999).
- • As of May 26, 1999, a school district may abate its entire tax capacity based levy (previously could only abate 60% to 75%). A school district may not abate market value based levies. School boards, also as of May 26, 1999, may now grant abatements for the entire term of the abatement (previously they could only approve the abatement one year at a time). School districts may levy an additional property tax to pay for their abatements. The school district will not lose net revenue by using the program.
- •• The maximum term of the abatement is ten years if the city (or town), county, and school all participate. If one or more entities decline, the maximum term is 15 for all participating entities, not just the requesting unit of government, under legislation passed in 2001.
- • The maximum that an entity can abate is the greater of \$100,000 per year or 5% of the entity's levy.
- • Taxes payable from the market value of a new or existing building, and, as of May 26, 1999, the value of land and any fiscal disparities contributions (for metro and taconite credit areas only) may be abated. The maximum annual abatement equals the political subdivision's local tax rate multiplied by the net tax capacity of the parcel.

EHLERS & ASSOCIATES, INC. 3060 Centre Pointe Drive, Roseville, Minnesota 55113 651.697.8500

- • Abatements are authorized to finance public infrastructure, whether or not the benefitted infrastructure is on or adjacent to the parcel for which the tax is abated. The owner of a parcel for which taxes are abated need not consent. Thus, a political subdivision may approve an abatement for certain parcels and use the retained taxes to finance public improvement projects.
- • The notification requirements include a public hearing with a 10 to 30 day publication notice.
- •• The findings required by a council or board include general statements of tax base, preservation, employment, public facilities, blight, or access to services.
- G.O. Abatement Bonds can be issued without affecting net debt and can be issued without a referendum under certain conditions. Authorities may increase their abatement levies to make up for shortfalls resulting from class rate compression. Effective for bonds issued or sold after July 1, 2001, abatement bonds used for buildings primarily used to conduct the business of a unit of government must require approval by the voters in a referendum, under legislation passed in 2001.
- • Abatement does not require a property owners consent.
- Abatements cannot be used in concert with tax increment financing, but can be utilized after a TIF district is decertified.
- • Effective for abatement levies payable beginning in 2002, the 2001 Legislature authorizes political subdivisions to increase their abatement levies to make up for shortfalls from class rate compression.

Another issue which complicates the abatement program is the specific authority of a governmental body to pledge its abatements to the debt of another governmental entity, if the debt is not a G.O. Abatement Bond. Many attorneys differ on the interpretations of the pledges allowed and what exactly constitutes a G.O. Abatement Bond.

We recommend that abatement always be utilized in conjunction with a development agreement that clearly spells out the developer's responsibilities with respect to improvements and job and wage goals.

Abatement is a "business subsidy" and as such is subject to Minnesota Statutes § 116J.993 – § 116J.995.

TRI-CITIES BIOSOLIDS DISPOSAL AUTHORITY

327 First Street South Virginia, MN 55792

City of Eveleth

City of Gilbert

City of Mt. Iron

September 8, 2003

Honorable Mayor and City Council City of Mt. Iron City Hall Mt. Iron, MN 55768

Mayor and Councilors:

At a special meeting of the Tri-Cities Biosolids Disposal Authority (TCBDA) held September 3, 2003, the 2004 TCBDA Budget was adopted with a total of \$71,400.00. Enclosed is a copy of the 2004 TCBDA Budget.

By Ordinance, each City's share of the Budget is determined by comparing the number of loads of biosolids hauled by each City, to the number of loads hauled from all three Cities, during the period of July 1 through June 30 of the year prior to the making of each annual budget. A breakdown of the cost to each City for the 2004 Budget is also outlined on the enclosed copy.

The City of Mt. Iron's share of the TCBDA 2004 Budget is \$18,992.40.

It is hoped that this information is sufficient for puropse of determining your City's budget.

In late December 2003, the TCBDA will bill you by letter, one fourth of your 2004 share of the TCBDA Budget for the first quarter.

If you have any questions concerning this budget, please contact Don Kleinschmidt or myself.

Sincerely,

John H. Seurer

Sec/Treas for the TCBDA

Enclosure

Copy: Don Kleinschmidt

2004 TCBDA Budget

* Employee's Wages and Benefits	\$48,000
Insurance & Bond	4,000
Office & Admin. Expense	200
Fuel	3,500
Repair & Maintenance	2,000
Garage Expense	1,700
Professional Services	1,700
Truck Replacement	12,000
Communication/Rental Fees	600
Subtotal	\$73,700
less BDSA reimbursements	2300
Total	\$71,400

^{*} Employee's include AplTech/Site Mgr, Sec/Treas, Relief Driver, and City of Mt. Iron Bookkeeper reimbursement

The 2004 TCBDA Budget will be funded per the Ordinance that established the TCBDA. Each City pays according to the percentage of loads they hauled compared to the total loads from all three Cities during a period of July 1, 2002 - June 30, 2003.

City	% of Loads	Share of Budget
Eveleth	46.8	\$ 33,415.20
Gilbert	26.6	18,992.40
Mt. Iron	26.6	18,992.40
Totals	100.0	\$ 71,400.00

COUNCIL LETTER 091503-IVD1 PARKS & RECREATION UTILITY BUILDING

DATE:

September 11, 2003

FROM:

Larry Nanti

Director of Parks & Recreation

Craig J. Wainio City Administrator

The Building Construction Class at the Virginia High School is accepting applications for projects for the year 2004. Staff would like to apply for a utility building that maybe used as a portable warming building for rinks or maybe a concession stand building at the ball fields.

The City portion would be for materials only. This estimate for the completed building and materials would be \$3,000 - \$3,500. This includes two man doors and two windows, wired, and an electric heater. The building size that was priced is 12 feet by 16 feet.

COUNCIL LETTER 091503-IVD2

PARKS & RECREATION

ADVERTISING IN THE IRON TRAIL VISITORS GUIDE

DATE:

September 11, 2003

FROM:

Larry Nanti

Director of Parks & Recreation

Craig J. Wainio
City Administrator

The Iron Range Visitors and Convention Bureau is soliciting advertising for the new guide that will be in circulation in 2004. We have to inform them of our participation prior to September 20th, 2003.

The guide has been reworked and will no longer have a city page but cities are taking out advertisements as per the size guild that is attached. Since there are so many options, Staff is requesting that the City Council approve a dollar amount that you wish to spend if you elect to advertise in the guide.

Previously, in the last guide, the city spends about \$2,000 for the city page, \$300 for a city ad, and \$200 for the campground listing.

<u>2003</u>		<u>2004</u>
City Editorial:	\$895	Not offered, but can have an ad.
Campground Ad:	\$325	Not offered, but can have an ad.
City Ad:	\$640	\$565
Merritt Days	\$125	Not offered, but can have an ad.

CAMPGROUND INFORMATION

FISHERMAN'S POINT CAMPGROUND Hoyt Lakes 218-225-3337

VERMILION TRAIL CAMPGROUND Biwabik 218-780-8713 See ad page

Business

Single

Your Business

Double Strip

Ad

SHERWOOD FOREST CAMPGROUND Gilbert 800-403-1803 See ad page

Ad #295 TOUR CAMPGROUND HERE

City State, Zip Code (Map Key) Phone Numbers (2 Max) descriptive copy about your product, service and other amenities See ad page Web Site Address (1 Max) Three lines (90 charaters) of

YOUR CAMPGROUND HERE

Street Address City State, Zip Code (Map Key) Phone Numbers (2 Max) Web Site Address (1 Max) Three lines (90 charaters) of descriptive copy about your product, service and other amenities See ad page

Business Single Your

Business 1/3 Island Your

Quad Island Business Your Ad

Your Business Double Strip

1 PAGE # 2200

COUNCIL LETTER 091503-IVE1

MAYOR SKALKO

HRA/EDA CREATION

DATE:

September 11, 2003

FROM:

Mayor Skalko

Craig J. Wainio City Administrator

Background: Mr. Sam Aluni, City Attorney, will present information on this matter.

THE TRENTI LAW FIRM

ATTORNEYS

Sam A. Aluni
Paul D. Cerkvenik
Joseph Lyons-Leoni*+
Scott C. Neff ++
J. Carver Richards
Patrick J. Roche*
Robert H. Stephenson

225 First Street North
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P.O. Box 958
Virginia, MN 55792
(218) 749-1962
FAX (218) 749-4308
E-mail trenti@trentilaw.com

RETIRED

Vernon D. Saxhaug John A. Trenti

LEGAL ASSISTANTS

Helen Marsh Barbara Shosten Donna M. Leritz Kristen M. Hennis Sharon K. Fredrickson

MEMORANDUM

TO:

Mountain Iron City Council

FROM:

Sam A. Aluni

Paul D. Cerkvenik

RE:

Mountain Iron HRA/EDA Issues

Our File No. 55,345-1

DATE:

September 10, 2003

This memorandum is intended as a preliminary outline of the Minnesota Statutes that govern the structures and programs for encouraging and guiding the economic development and redevelopment within Mountain Iron. Attached to this memo is a section from the Handbook for Minnesota Cities which contains a general explanation of the structures of both HRAs and EDAs, each of which are governed by separate statutes. Each member of the council should review this section of the handbook to familiarize himself with the basic differences in the structures and powers of an HRA and an EDA.

By statute an HRA is intended to deal with housing and redevelopment or urban renewal activities. The purposes of an HRA are to provide the following:

- 1. A sufficient supply of adequate safe and sanitary dwellings.
- 2. To clear and redevelop blighted areas.
- 3. To perform its duties according to the city's comprehensive plan.

4. To remedy the shortage of housing for low and moderate income residents.

An economic development authority has broader authority relating to all types of economic development activity within the city. With respect to any given economic development project, the authority may do one or more of the following:

- 1. Acquire property whether by purchase, lease, condemnation, or otherwise.
- 2. Demolish or remove structures or other improvements on acquired properties.
 - 3. Correct soil deficiencies necessary to develop or use the property.
- 4. Construct or install public improvements, including streets, roads and utilities.
 - 5. Provide relocation benefits to the occupants of acquired properties.
- 6. Provide planning, engineering, legal and other services necessary to carry out the functions listed in 1-5 above.

A city may, by adopting an enabling resolution in compliance with the law, establish an economic development authority that has the powers of an HRA as well as other EDA powers. Further, the city may consolidate an economic development authority with an existing HRA.

The creation of an economic development authority by a city must be by written resolution referred to as the "enabling resolution". Before adopting the enabling resolution the city council shall conduct a public hearing. Notice of the time and place of hearing, a statement of the purpose of the hearing and a summary of the resolution must be published in a newspaper of general circulation within the city once a week for two (2) consecutive weeks. The first publication must appear not more than thirty (30) days from the date of the public hearing (Minn. Stat. §469.093).

The enabling resolution may impose certain limits upon the actions of the economic development authority. Specifically, the enabling resolution may include a limitation upon the authority's exercise of any specified powers given to an HRA as above described or may limit the specified powers granted to an economic development authority as above described. Further,

the enabling resolution may provide that the authority may not exercise <u>any powers</u> without the prior approval of the city council. Other limits which may be imposed upon the actions of an EDA or HRA are set forth in Minn. Stat. §469.092, a copy of which is attached for your reference. These limitations are significant and can give the city council substantial control over the actions of the authority, and such limitations should be thoroughly reviewed by the council prior to the drafting of any enabling resolution.

After the enabling resolution is adopted, each year the authority shall submit to the city council a report stating whether and how the enabling resolution should be modified. Within thirty (30) days of receipt of the recommendation the city council shall review the enabling resolution, consider the recommendations of the authority, and make any modifications it considers appropriate. Any such modifications must be made in accordance with the procedural requirements for the adoption of the original enabling resolution as above stated.

The structure of an HRA board of commissioners is covered by Minn. Stat. §469.003, a copy of which is attached for your reference. The structure of an EDA board of commissioners is covered by Minn. Stat. §469.095, a copy of which is attached for your reference.

In summary, the council should review this memo and the attachments and should familiarize itself with the separate structures and functions of an HRA and an EDA for purposes of preliminary discussion in consideration as to whether a new separate EDA should be formed in Mountain Iron or whether the separate statutory functions of an HRA and EDA should be part of a combined authority. Special attention should be given to the city council's ability to limit the powers of the authority by careful consideration of the limits of power set forth in Minn. Stat. §469.092.

In connection with the preparation of this memorandum we have contacted the League of Minnesota Cities and have obtained sample EDA and HRA bylaws and ordinances from the League. In addition, if the council would like us to obtain the organizational documents relating to HRAs or EDAs in other local cities, we would be pleased to do so.

After the council has had an opportunity to review this Memorandum and arrive at a consensus to move forward, we will provide additional specific advice and guidance, including appropriate legal documents to implement the council's further actions.

We trust this memo will be of assistance to the city council.

Very truly yours,

SAM A. ALUNI

PAUL D. CERKVENIK

SAA:skf Attachments

Community development and redevelopment

This chapter deals with the major structures and programs for encouraging and guiding the economic development and redevelopment of a community. Economic development tools can be applied to any size city. These tools are interrelated and a city may use several for one project. Without council coordination and guidelines, a real danger exists for citizen criticism of alleged misuse of these tools.

This chapter is divided into two sections. The first section addresses the various development agencies or structures cities may create, or that are available to provide development assistance. The second section addresses the programs or tools available for encouraging development and redevelopment.

- I. Structures
- II. Programs
- III. How this chapter applies to home rule charter cities

I. Structures

Housing and redevelopment authorities

The predominant method of delivering and administering housing and redevelopment programs in Minnesota is through a legal public agency, accountable to city government. A city may establish this public agency, which is often the housing and redevelopment authority (HRA). There are over 230 HRAs in Minnesota.

Elements of an HRA

Minn. Stat. §§ 469.001-,047.

Minn. Stat. § 469.003.

An HRA is a public corporation with power to undertake certain types of housing and redevelopment or renewal activities. While state legislation "creates" a housing and redevelopment authority in each city, it is up to the city council to formally establish an HRA before it can do business and use its powers. Once a council legally establishes an HRA, it may undertake certain types of planning and community development activities on its own, with council approval.

CHAPTER 17

HRA Act, but not the power to levy and collect taxes or special assessments except with respect to certain redevelopment projects including, but not limited to, the following powers:

- To sue and be sued:
- To employ staff and an executive director;
- To undertake projects within its area of operation and to provide for the construction, reconstruction, improvement, extension, alteration, or repair of any project or part of a project;
- To sell, buy, own, and lease property by any means necessary, including the power of eminent domain;
- To cooperate with and use state and federal financial assistance programs;
- To develop rehabilitation and code enforcement techniques;
- To issue bonds for any of its corporate purposes backed by the pledge of revenues, grants, or other contributions;
- To implement renewal or redevelopment programs using tax increment financing;
- To own, hold, improve, lease, sell, or dispose of real or personal property;
- To designate substandard, slum, or deteriorating areas needing redevelopment, and unsafe, unsanitary, and overcrowded housing;
- To make necessary expenditures to carry out the purposes of the HRA law; and,
- To develop and administer an interest reduction program to assist the financing of the construction, rehabilitation, or purchase of low or moderate-income housing.

Minn. Stat. § 469.012, subd. 4.

Minn. Stat. § 469.028.

While HRAs have the legal authority to "do whatever is necessary and convenient" to implement redevelopment, they are subject to the ordinances and laws of the city. The city council must approve HRA plans before the housing and redevelopment authority may begin implementation.

Contracting

Minn. Stat. § 469.015.

All HRA construction work and purchases of equipment, supplies, or materials that involve expenditure of \$15,000 or more must be competitively bid. There are limited exceptions for emergencies and certain projects.

Pros and cons of the HRA

While HRAs have demonstrated competence and professional expertise in many areas, any special purpose agency like an HRA will have some pros and cons.

Pros

Fiscal self-sufficiency. Due to the nature of the programs HRAs deal with, they can fund projects usually outside the general government budget with minimal direct impact on the city budget. The enabling legislation also allows for a one-third mill levy and the use of revenue bonds.

Greater efficiency. Because of the specialized functions of an HRA, it can organize its operations in a certain area better than general government-focusing resources on the delivery of a specific program, rather than on a wide range of conventional services.

Flexibility. An HRA can act swiftly to meet a problem and has the flexibility to be more innovative than a city council in developing new approaches. Furthermore, it has the ability to coordinate public and private resources to solve problems.

Cons

Operating too independently. Because it is somewhat free of political pressure, an HRA can administer programs with only a minimal amount of accountability for its actions.

Fragmentation of the local government function. An HRA can run the risk of operating at cross purposes or in contradiction to city policies, which can result in conflict and duplication of efforts.

Responsiveness to public opinion. HRA operations, insulated from the electoral process, can risk being insufficiently responsive to public opinion or community thinking.

General city development powers

Cities have authority to aid and cooperate in the planning, construction, or operation of housing and redevelopment projects.

CHAPTER 17

Minn. Stat. § 469.102.

Minn. Stat. § 469.101, subds. 1,

Some port authorities have the additional powers of owning and operating facilities, and of issuing general obligation debt without an election and outside the city's debt limit. Economic development authorities cannot own and operate facilities or issue debt without an election. Also, they cannot act outside of districts that are contiguous and qualify as blighted under the tax increment law.

Municipal or area redevelopment agencies

Minn. Stat. § 469.111.

Any municipality or group of municipalities may establish a public body, known as a municipal or area redevelopment agency, in and for the area the municipality covers. This law defines municipalities as home rule charter or statutory cities, counties, towns, or school districts.

Minn. Stat. §§ 469.110, subd. 11; 469.111.

The law includes only rural areas, which generally means all areas not within the boundary of any city having a population of 50,000 or more, and not immediately adjacent to urbanized and urbanizing areas with a population density of more than 100 persons per square mile, or areas with an unemployment rate of 6 percent or more. The restrictions limit applicability of the law to rural areas and the Iron Range.

Minn. Stat. §§ 469.111; 469.115.

The establishment of the municipal or area redevelopment agency is similar to the establishment of an HRA. It also has similar powers.

City development districts

Minn. Stat. §§ 469.124-.126.

Any home rule charter or statutory city may designate development districts within the boundaries of the city. Within these districts, cities may:

- Adopt a development program to acquire, construct, reconstruct, improve, alter, extend, operate, maintain, or promote developments aimed at improving the physical facilities, quality of life, and quality of transportation;
- Promote pedestrian skyway systems; and,
- Install special lighting systems, special street signs and street furniture, special landscaping of streets and public property, and special snow removal systems.

Minn. Stat. § 469.127.

The law encourages pedestrian skyway systems, underground pedestrian concourses, people mover systems, and publicly-owned parking structures. It exempts these structures from taxation even when they are attached to privately-owned buildings.

The sale of state tax-exempt bonds is the primary financing for MFHA programs. The nature of these bonds allows the MHFA to make below-market interest rate loans for the construction or rehabilitation of single-family and multi-family housing. Appropriations from the Legislature provide additional funding for programs, including: the promotion of energy conservation; an increase in home ownership opportunities for first-time home buyers; home improvement grants to very low-income homeowners; and programs to improve the housing available to Native Americans, large families, and the disabled.

Department of Trade and Economic Development

Minn. Stat. ch. 116J.

The Department of Trade and Economic Development (DTED) is the primary development agency for Minnesota. DTED staff are responsible for a wide range of grant and loan programs, as well as for providing technical assistance to businesses and communities.

Rural Development Board

Minn. Stat. §§ 116N.02-.08.

The Rural Development Board (RDB) is a state board composed of state agency commissioners, university chancellors, and public members. Two public members are local elected officials.

Minn. Stat. § 116N.03, subd. 2 (as amended by 1995 Minn. Laws ch. 224, § 63). The purpose of the RDB is to promote rural development in Minnesota, primarily through a grant program that matches private foundation grants with state funds for farm-related and rural development pilot projects. Money received is deposited into a separate account in the state treasury and invested by the state board of investment. An amount equal to the deposited amount plus investment earnings is then appropriated to the RDB to carry out its duties.

Minn. Stat. § 115N.08.

Minn. Stat. § 116N.08 subd. 5 (as amended by 1995 Minn. Laws ch. 224, § 64).

Local governments, including cities, are eligible for grants on a 50 percent match basis. Microenterprise loans are now available to small business, including sole proprietorships. These loans are for a minimum amount of \$1,000 and a maximum amount of \$10,000. The loans may be made to qualified retail businesses without a local match.

Minnesota Technology, Inc.

Minn. Stat. §§ 1160.01-.20.

Minnesota Technology, Inc_(MTI) is the new name of the Greater Minnesota Corporation (GMC). Like GMC, MTI is a public corporation of the state created by the Legislature in an attempt to meld the best features of a private development corporation and a governmental development agency. MTI's purpose is to foster long-term economic growth and job creation while using the existing development infrastructure.

CHAPTER 17

of the possible tax ramifications. The city then sells or leases a portion of the park to a business needing a location for its building.

Minn. Stat. § 469.185; Minn. Stat. § 465.035.

A.G. Op. 476-B-2 (Mar. 2, 1961).

City of *Pipestone v. Madsen*, 287 Minn. 357, 178 N.W.2d 594 (1970).

The law authorizes any city owning lands that are not restricted by the deed to convey the lands for nominal consideration, to encourage and promote industry, and to provide employment for citizens. In finding that a conveyance of land for an indoor arena was not within the statute, the attorney general concluded the conveyance must both encourage and promote industry and provide employment for citizens. A more direct promotion of industry is necessary, beyond the fact that more potential customers might be in town as a result of athletic contests. Because the Legislature may not constitutionally authorize the expenditure of public funds for private purposes, there may be some doubt about the constitutionality of this law. However, the courts have upheld the municipal industrial development revenue bond law against the same objection.

The laws that authorize the granting of lands presumably override any charter restrictions as to bids or voter approval of the disposition of such lands. However, they have no effect in granting authority to convey land a city holds in trust for a particular purpose.

The city's attorney can best advise the city concerning the legality of a purchase of land for resale. Local circumstances are important in determining the legality.

Industrial revenue bonds

Minn. Stat. §§ 469.152-.155.

The municipal industrial development laws help cities attract new commercial and industrial development, and keep existing businesses in the city. The law authorizes the council to issue revenue bonds, and use the proceeds to acquire and construct industrial sites and facilities. The city then leases these facilities to private industry and uses the rental fee proceeds to retire the bonds.

A city may issue industrial revenue bonds, also known as municipal revenue bonds, without public referendum. It cannot pledge the full faith and credit of a community as security for these bonds. Thus, the city may not tax property owners to pay principal and interest on them.

If a city decides to investigate the use of industrial bond financing, it should contact the Department of Trade and Economic Development.

The department provides the city with information, advice, and technical assistance. This assistance is important, due to the adoption of federal and state laws allocating issuance authority among the states and their political subdivisions. The commissioner of securities must approve the project.

CHAPTER 17

The result of a tax increment financing project is an increased tax base that will benefit all local taxing jurisdictions. Additionally, TIF districts usually create new jobs and help stimulate the economy.

Minn. Stat. § 469.1791.

Should the tax increments not be sufficient to pay the obligations based on this revenue, a special taxing district may be created, under some circumstances, to make a levy to make up the difference.

Minn. Stat. § 469.175.

The city using tax increment financing must report annually to the county board, the county auditor, the school board, and the state auditor as to the status of the tax increment district or districts. The state auditor has established a uniform system of accounting and financial reporting for tax increment financing districts. The city must annually submit to the state auditor a financial report in compliance with these standards.

Minn. Stat. § 469.1771.

The state auditor is also required to conduct audits of tax increment districts and to actively enforce tax increment financing laws. The auditor is to report any finding of noncompliance to the county attorney and to the Legislature.

1995 Minn. Laws ch. 264, art. 5, § 18 (amending Minn. Stat. § 469.175, subd. 3).

In order to create a TIF district, the council must find that the increased market value of the site, without the use of tax increment financing, would be less than the increased market value with the use of tax increment financing.

See Protecting City Interests in TIF Agreements in Minnesota Cities, June/July, 1998, p. 19.

The tax increment financing agreement with the developer is a complex document. Assistance from a financial advisor and the city attorney is necessary in order to anticipate the many problems that can occur. An agreement can establish a minimum market value for tax increment assessment purposes, as well as provide that the developer pay a certain level of taxes regardless of any classification rate changes or levy decreases.

Brookfield v. County of Ramsey__N.W.2d__ (Minn, 1998).

Instead of having their state aid amounts reduced, cities may now elect to make a local contribution to the district from the development authority's unrestricted monies that is equal to a percentage of the annual increment revenue. Economic development, housing, and renewal and renovation districts require a 10 percent contribution. Redevelopment, hazardous substance, soils, and mined underground space districts require a 5 percent contribution.

1995 Minn. Laws ch. 264, art. 5, § 6 (amending Minn. Stat. § 273.1399, subd. 6).

For example, consider a property with a dilapidated building that is now producing \$500 per year in property taxes. If the local housing and redevelopment authority acquired the building, cleared the land, and resold it for private development to produce \$3,000 in property taxes per year, there would be a tax increment of \$2,500. The city could sell general obligation bonds to get the funds to acquire the property and remove the dilapidated building.

Transportation

In addition to the basic authority of cities to construct and maintain streets, cities may be involved in alternative methods of transportation. For some cities, public transportation systems are of major importance in the overall plan for community development and redevelopment.

Railroads

Minn. Stat. ch. 398A.

The Regional Railroad Authorities Act (RRAA) allows counties and other local units of government to provide for the improvement and preservation of local rail service. One or more municipalities may form a regional railroad authority. However, before a city may organize an authority, it must ask the county to organize an authority. If the county or counties do not organize an authority within 90 days after receiving the request, the city or cities may organize under a resolution they adopt after a public hearing. Cities may also loan or donate money; dedicate, sell, or lease city property to an authority; and, provide public improvements to authority property. The commissioner of transportation has the power to pay a portion of a regional railroad authority's cost of acquiring a rail line.

Airports

Minn. Stat. § 360.032; Minn. Stat. §§ 360.061-.074.

Any city may own and operate an airport, and may zone to prevent airport hazards.

Mass transit

Minn. Stat. § 412.221, subd. 32.

Minn. Stat. § 174.27.

Some Minnesota cities operate mass transit systems, either under the general authority of the statutory city code, charter provisions, or special laws. The law authorizes cities to have commuter van pools for employees. A variety of state grants to assist public transit systems are available.

Advertising

Minn. Stat. § 469.189.

Cities have wide discretion in using city funds to promote their communities. Because the laws treat certain types of cities differently, this discussion will deal with the laws governing the use of city money for advertising-purposes.

Minn. Stat. § 469.189.

Except for First Class cities (Minneapolis, Duluth, St. Paul), the council of any statutory or home rule charter city may appropriate money each year for advertising. A city may use the appropriated money only for the purpose of advertising the municipality and its resources and advantages, including cooperative programs of more than one city.

City district heating system

Minn. Stat. § 412.321, subd. 1; Minn. Stat. § 465.74; See also Minn. Stat. § 116J.36. Any city may acquire, construct, own, and operate a city district heating system, and issue and sell general obligation bonds to finance any city expenditures related to the acquisition or operation of a district heating system. Cities may issue revenue bonds payable solely from all or portions of revenues the city gets from a district heating system. The city itself, by ordinance, may authorize a redevelopment agency to exercise any and all of the city's powers to issue these revenue bonds.

Contributions to economic development organizations

Minn. Stat. § 469.191.

The law allows cities to appropriate up to \$50,000 annually out of the general revenue fund to any incorporated development society or organization of this state for promoting, advertising, improving, or developing the economic and agricultural resources of the city.

Contributions to hospitals, artistic organizations

Minn. Stat. § 465.037; Minn. Stat. §471.941.

State law also authorizes cities to make grants to private, nonprofit, or public hospitals that serve the city, or to artistic organizations that provide an opportunity for people to participate in the creation, performance, or appreciation of a wide range of artistic activities.

III. How this chapter applies to home rule charter cities

All of the tools this chapter lists are available to charter cities. The general discussions also apply to all cities.

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469.092. Limit of powers

Subdivision 1. Resolution. The enabling resolution may impose the following limits upon the actions of the authority:

- (1) that the authority must not exercise any specified powers contained in sections 469.001 to 469.047, 469.090 to 469.108, and 469.124 to 469.134 or that the authority must not exercise any powers without the prior approval of the city council;
- (2) that, except when previously pledged by the authority, the city council may by resolution require the authority to transfer any portion of the reserves generated by activities of the authority that the city council determines is not necessary for the successful operation of the authority to the debt service fund of the city, to be used solely to reduce tax levies for bonded indebtedness of the city;
- (3) that the sale of all bonds or obligations issued by the authority be approved by the city council before issuance;
- (4) that the authority follow the budget process for city departments as provided by the city and as implemented by the city council and mayor;
- (5) that all official actions of the authority must be consistent with the adopted comprehensive plan of the city, and any official controls implementing the comprehensive plan;
- (6) that the authority submit all planned activities for influencing the action of any other governmental agency, subdivision, or body to the city council for approval;
- (7) that the authority submit its administrative structure and management practices to the city council for approval; and
- (8) any other limitation or control established by the city council by the enabling resolution.
- **Subd. 2.** Modification of resolution. The enabling resolution may be modified at any time, subject to subdivision 5, and provided that any modification is made in accordance with this section.
- **Subd. 3.** Report on resolution. Without limiting the right of the authority to petition the city council at any time, each year, within 60 days of the anniversary date of the first adoption of the enabling resolution, the authority shall submit to the city council a report stating whether and how the enabling resolution should be modified. Within 30 days of receipt of the recommendation, the city council shall review the enabling resolution, consider the recommendations of the authority, and make any modification it considers appropriate. Modifications must be made in accordance with the procedural requirements of section 469.093.
- Subd. 4. Compliance. The city council's determination that the authority has complied with the limitations imposed under this section is conclusive.
- Subd. 5. Limits; security. Limits imposed under this section must not be applied in a manner that impairs the security of any bonds issued or contracts

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executed before the limit is imposed. The city council must not modify any limit in effect at the time any bonds or obligations are issued or contracts executed to the detriment of the holder of the bonds or obligations or any contracting party.

Laws 1987, c. 291, § 93.

Historical and Statutory Notes

Derivation:

St.1986, § 458C.04. Laws 1986, 1st Sp., c. 3, art. 2, § 41. Laws 1986, c. 400, § 15. Laws 1986, c. 399, art. 2, § 15.

Library References

Municipal Corporations ⇔213. WESTLAW Topic No. 268. C.J.S. Municipal Corporations § 679.

469.093. Procedural requirement

Subdivision 1. Enabling resolution. The creation of an authority by a city must be by written resolution referred to as the enabling resolution. Before adopting the enabling resolution, the city council shall conduct a public hearing. Notice of the time and place of hearing, a statement of the purpose of the hearing, and a summary of the resolution must be published in a newspaper of general circulation within the city once a week for two consecutive weeks. The first publication must appear not more than 30 days from the date of the public hearing.

Subd. 2. Modifications. All modifications to the enabling resolution must be by written resolution and must be adopted after notice is given and a public hearing conducted as required for the original adoption of the enabling resolution.

Laws 1987, c. 291, § 94.

Historical and Statutory Notes

Derivation:

St.1986, § 458C.05. Laws 1986, 1st Sp., c. 3, art. 2, § 41. Laws 1986, c. 400, § 16. Laws 1986, c. 399, art. 2, § 16.

Library References

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469.094. Transfer of authority

Subdivision 1. Economic development, housing, redevelopment powers. The city may, by ordinance, divide the economic development, housing, and redevelopment powers granted under sections 469.001 to 469.047 and 469.090 to 469.108 between the economic development authority and any other authority or commission established under statute or city charter for economic development, housing, or redevelopment as provided in subdivision 2.

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ECONOMIC DEVELOPMENT

and added subd. 24 defining "section 8 program".

The 1992 amendment deleted "through December 31, 1989" from the end of subd. 24 defining "section 8 program".

Cross References

Classification of cities, first, second, third, and fourth classes defined, see § 410.01. Home rule charter city, defined, see § 410.015. Statutory city, defined, see § 410.015.

Law Review and Journal Commentaries

Tax-increment financing, the 1979 Minnesota Act. 1981, 3 Wm.Mitchell L.Rev. 627.

Notes of Decisions

Blighted area 1

1. Blighted area

Evidence that over half the buildings in redevelopment area were substandard physically, that many buildings were vacant in whole or in

part and functionally obsolete supported determination of redevelopment authority that area involved was a "blighted area" within meaning of Municipal Housing and Redevelopment Act. Housing and Redevelopment Authority of City of St. Paul v. Coleman's Service, Inc., 1968, 281 Minn. 63, 160 N.W.2d 266.

469.003. City housing and redevelopment authority

Subdivision 1. Preliminary city findings and declaration. There is created in each city in this state a public body, corporate and politic, to be known as the housing and redevelopment authority in and for that city. No such authority shall transact any business or exercise any powers until the governing body of the city shall, by resolution, find that in that city (1) substandard, slum, or blighted areas exist which cannot be redeveloped without government assistance, or (2) there is a shortage of decent, safe, and sanitary dwelling accommodations available to persons of low income and their families at rentals they can afford, and shall declare that there is need for a housing and redevelopment authority to function in that city. In determining whether dwelling accommodations are unsafe or unsanitary, or whether substandard. slum, or blighted areas exist, the governing body may consider the degree of deterioration, obsolescence, or overcrowding, the percentage of land coverage, the light, air, space, and access available to inhabitants of the dwelling accommodations, the size and arrangement of rooms, the sanitary facilities, the extent to which conditions exist in the buildings that endanger life or property by fire or other causes, and the original land planning, lot layout, and conditions of title in the area.

Subd. 2. Public hearing. The governing body of a city shall consider such a resolution only after a public hearing is held on it after publication of notice in a newspaper of general circulation in the city at least once not less than ten days nor more than 30 days prior to the date of the hearing. Opportunity to be heard shall be granted to all residents of the city and to all other interested persons. The resolution shall be published in the same manner in which ordinances are published in the municipality.

Subd. 3. Conclusiveness of resolution. When the resolution becomes finally effective, it shall be sufficient and conclusive for all purposes if it declares

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or seven commissioners who shall be appointed after the enabling resolution provided for in section 469.093 becomes effective. The resolution must indicate the number of commissioners constituting the authority.

Subd. 2. Appointment, terms; vacancies. (a) Three-member authority: the commissioners constituting a three-member authority, one of whom must be a member of the city council, shall be appointed by the mayor with the approval of the city council. Those initially appointed shall be appointed for terms of two, four, and six years, respectively. Thereafter all commissioners shall be

(b) Five-member authority: the commissioners constituting a five-member authority, two of whom must be members of the city council, shall be appointed by the mayor with the approval of the city council. Those initially appointed shall be appointed for terms of two, three, four, five, and six years respectively Thereafter all commissioners shall be appointed for six-year terms.

(c) Seven-member authority: the commissioners constituting a seven-member authority, two of whom must be members of the city council, shall be appointed by the mayor with the approval of the city council. Those initially appointed shall be appointed for terms of one, two, three, four, and five years respectively and two members for six years. Thereafter all commissioners shall

(d) The enabling resolution may provide that the members of the city council shall serve as the commissioners.

(e) The enabling resolution may provide for the appointment of members of the city council in excess of the number required in paragraphs (a), (b), and (c),

(f) A vacancy is created in the membership of an authority when a city council member of the authority ends council membership. A vacancy for this or another reason must be filled for the balance of the unexpired term, in the manner in which the original appointment was made. The city council may set the term of the commissioners who are members of the city council to coincide with their term of office as members of the city council.

Subd. 3. Increase in commission members. An authority may be increased from three to five or seven members, or from five to seven members by a resolution adopted by the city council following the procedure provided for modifying the enabling resolution in section 469.093.

Subd. 4. Compensation and reimbursement. A commissioner, including the president, shall be paid for attending each regular or special meeting of the authority in an amount to be determined by the city council. In addition to receiving pay for meetings, the commissioners may be reimbursed for actual expenses incurred in doing official business of the authority. All money paid for compensation or reimbursement must be paid out of the authority's budget.

Subd. 5. Removal for cause. A commissioner may be removed by the city council for inefficiency, neglect of duty, or misconduct in office. A commissioner shall be removed only after a hearing. A copy of the charges must be given to the commissioner at least ten days before the hearing. The commissioner must be given an opportunity to be heard in person or by counsel at the

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Derivation: St.1986, § Laws 1986

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Subd. 2. Project control, authority, operation. The city may, by resolution, transfer the control, authority, and operation of any project as defined in section 469.174, subdivision 8, or any other program or project authorized by sections 469.001 to 469.047 or 469.124 to 469.134 located within the city, from the governmental agency or subdivision that established the project to the economic development authority. The city council may also require acceptance of control, authority, and operation of the project by the economic development authority. The economic development authority may exercise all of the powers that the governmental unit establishing the project could exercise with respect to the project.

When a project or program is transferred to the economic development authority, the authority shall covenant and pledge to perform the terms. conditions, and covenants of the bond indenture or other agreements executed for the security of any bonds issued by the governmental subdivision that initiated the project or program. The economic development authority may exercise all of the powers necessary to perform the terms, conditions, and covenants of any indenture or other agreements executed for the security of the bonds and shall become obligated on the bonds when the project or program is transferred as provided in this subdivision.

If the city transfers a housing project or a housing development project to the economic development authority, the city must transfer all housing development and management powers relating to that specific project to the authority.

Subd. 3. Transfer of personnel. Notwithstanding any other law or charter provision to the contrary, the city council may, by resolution, place any employees of the housing and redevelopment authority under the direction, supervision, or control of the economic development authority. The placement of any employees under the direction, supervision, or control of the economic development authority does not affect the rights of any employees of the housing and redevelopment authority, including any rights existing under a collective bargaining agreement or fringe benefit plan. The employees shall become employees of the economic development authority

Laws 1987, c. 291, § 95. Amended by Laws 1990, c. 532, §§ 11, 12.

Historical and Statutory Notes

Derivation:

St.1986, § 458C.06. Laws 1986, 1st Sp., c. 3, art. 2, § 41. Laws 1986, c. 400, § 17. Laws 1986, c. 399, art. 2, § 17.

The 1990 legislation, in subd. I substituted "the" for "any" following "divide", and added

"as provided in subdivision 2"; and in subd. 2, added the paragraph providing that a city which transfers a housing project or development to the economic development authority must transfer development and management powers to that authority.

Library References

Municipal Corporations ©213, 217.5, 267. WESTLAW Topic No. 268.

C.J.S. Municipal Corporations \$ 679 730-731, 1035

469.095. Commissioners; appointment, terms, vacancies, pay, removal

Subdivision 1. Commissioners. Except as provided in subdivision 2, paragraph (d), an economic development authority shall consist of either three, five.

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that there is need for an authority and finds in substantially the terms provided in subdivision 1 that the conditions therein described exist.

Subd. 4. Copy filed with commissioner of trade and economic development. When the resolution becomes finally effective, the clerk of the city shall file a certified copy of it with the commissioner of trade and economic development. In any suit, action, or proceeding involving the validity or enforcement of or relating to any contract of an authority, the authority shall be conclusively deemed to have become established and authorized to transact business and exercise its powers upon that filing. Proof of the resolution and of that filing may be made in any such suit, action, or proceeding by a certificate of the commissioner of trade and economic development.

Subd. 5. Commissioners. An authority shall consist of up to seven commissioners, who shall be residents of the area of operation of the authority, who shall be appointed after the resolution becomes finally effective. If any additional commissioners are appointed, one of the commissioners must be appointed in accordance with the requirements of Code of Federal Regulations, title 24, part 964.

Subd. 6. Appointment; approval; term; vacancy. The commissioners shall be appointed by the mayor, with the approval of the governing body. Those initially appointed shall be appointed for terms of one, two, three, four, and five years, respectively. Thereafter all commissioners shall be appointed for five-year terms. Each vacancy in an unexpired term shall be filled for the remainder of the term for which the original appointment was made. Any member of the governing body of a city may be appointed and may serve as a commissioner of the authority for the city. The council of any city which appoints members of the city council as commissioners may set the terms of office of a commissioner to coincide with the commissioner's term of office as a council member.

Subd. 7. Certificate of appointment; filing. Commissioners shall hold office until their successors have been appointed and qualified. A certificate of appointment of each commissioner shall be filed with the clerk and a certified copy shall be transmitted to the commissioner of trade and economic development. A certificate so filed shall be conclusive evidence of appointment.

Laws 1987, c. 291, § 3. Amended by Laws 1986, c. 444; Laws 1987, c. 312, art. 1, § 26, subd. 2, eff. May 29, 1987; Laws 2000, c. 455, art. 2, § 2.

Historical and Statutory Notes

Derivation:

St.1986, § 462.425. Laws 1986, c. 444. Laws 1983, c. 289, § 115, subd. 1. Laws 1982, c. 424, § 72. Laws 1981, c. 356, § 248. Laws 1979, c. 180, § 1. Laws 1976, c. 109, § 1. Laws 1974, c. 444, § 1.

Laws 1974, c. 443, § 3.

Laws 1969, c. 273, § 1.

Laws 1959, c. 545, § 3. Laws 1947, c. 487, § 4.

Laws 1986, c. 444, authorized the removal of nonsubstantive gender specific references.

Laws 1987, c. 312, art. 1, § 26, subd. 2, instructed the revisor of statutes to change references to commissioner or department of energy and economic development to commissioner or department of trade and economic development, as appropriate.

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hearing. When written charges have been submitted against a commissioner, the city council may temporarily suspend the commissioner. If the city council finds that those charges have not been substantiated, the commissioner shall be immediately reinstated. If a commissioner is removed, a record of the proceedings, together with the charges and findings, shall be filed in the office of the city clerk.

Laws 1987, c. 291, § 96.

Historical and Statutory Notes

Derivation:
St.1986, § 458C.08.
Laws 1986, 1st Sp., c. 3, art. 2, § 41.

Laws 1986, c. 400, § 19. Laws 1986, c. 399, art. 2, § 19.

Library References

Municipal Corporations ©213. WESTLAW Topic No. 268. C.J.S. Municipal Corporations § 679.

469.096. Officers; duties; organizational matters

Subdivision 1. Bylaws, rules, seal. An authority may adopt bylaws and rules of procedure and shall adopt an official seal.

Subd. 2. Officers. An authority shall elect a president, a vice-president, a treasurer, a secretary, and an assistant treasurer. The authority shall elect the president, treasurer, and secretary annually. A commissioner must not serve as president and vice-president at the same time. The other offices may be held by the same commissioner. The offices of secretary and assistant treasurer need not be held by a commissioner.

Subd. 3. Duties and powers. The officers have the usual duties and powers of their offices. They may be given other duties and powers by the authority.

Subd. 4. Treasurer's duties. The treasurer:

- (1) shall receive and is responsible for authority money;
- (2) is responsible for the acts of the assistant treasurer;
- (3) shall disburse authority money by check only;
- (4) shall keep an account of the source of all receipts, and the nature, purpose, and authority of all disbursements; and
- (5) shall file the authority's detailed financial statement with its secretary at least once a year at times set by the authority.
- **Subd. 5.** Assistant treasurer. The assistant treasurer has the powers and duties of the treasurer if the treasurer is absent or disabled.
- **Subd. 6.** Treasurer's bond. The treasurer shall give bond to the state conditioned for the faithful discharge of official duties. The bond must be approved as to form and surety by the authority and filed with the secretary. The bond must be for twice the amount of money likely to be on hand at any one time, as determined at least annually by the authority provided that the bond must not exceed \$300,000.

COUNCIL LETTER 091503-IVG1 UTILITY ADVISORY BOARD ELECTRIC RATES

DATE:

September 11, 2003

FROM:

Utility Advisory Board

Don Kleinschmidt

Director of Public Works

Craig J. Wainio City Administrator

The Mountain Iron Utility Advisory Board is recommending the attached electric rate increase to the City Council for adoption and implementation.

Based on the average residential monthly usage per customer of 725 kwh, the monthly increase would be \$5.30.

PROPOSED ELECTRIC RATE INCREASE SEPTEMBER 15, 2003

RESIDENTIAL ELECTRIC RATES

\$5.00 monthly service charge \$.061 per kwh

COMMERCIAL ELECTRIC RATES

\$5.00 monthly service charge \$.090 first 300 kwh \$.075 next 1000 kwh

\$.061 over 1300 kwh

THREE PHASE DEMAND RATES

\$5.00 monthly service charge \$7.00 per kw demand \$.055 per kwh

COUNCIL LETTER 091503-IVH1 FIRE CHIEF TOM CVAR DNR MATCHING FUNDS

DATE:

September 11, 2003

FROM:

Tom Cvar, Fire Chief

Craig J. Wainio City Administrator

The Fire Department for the City of Mountain Iron has received information from the DNR in regards to the Matching Grants Funds for equipment.

The Fire Department is requesting this item to be included in the Budget for 2004.

The approximate cost of this grant for the Fire Department would be \$5700.

COUNCIL LETTER 091503-IVH2

FIRE CHIEF TOM CVAR

FEMA GRANT

DATE:

September 11, 2003

FROM:

Tom Cvar, Fire Chief

Craig J. Wainio City Administrator

The Fire Department for the City of Mountain Iron has received information from FEMA that we have been awarded a grant for \$202,500.00 for a new fire engine/tanker.

The City portion for this grant would be 10% of the total.

The Fire Department is requesting this item to be included in the Budget for 2004.

MOUNTAIN IRON FIRE DEPARTMENT FIRE RUNS AND TRAINING AUGUST 2003

DATE	LOCATION	TIME	PERSONELL
8/06/03	Parkvilla Apts	2116	7
8/08/03	assist for Merritt days		no pay
8/09/03	assist for Merritt days		no pay
8/11/03	Training – pump operations		15
8/15/03	Virginia- mutual aide-	1104	8
8/16/03	United Electric	2100	11
8/27/03	SCBA maintenance		2



CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

PHONE: 218-748-7570 • FAX: 218-748-7573 • www.mtniron.com 8586 ENTERPRISE DRIVE SOUTH # MOUNTAIN IRON, MN # 55768-8260

ORDINANCE NUMBER 02-03

AMENDING CHAPTER 11 OF THE MOUNTAIN IRON CITY CODE

THE CITY COUNCIL OF MOUNTAIN IRON HEREBY ORDAINS:

SECTION 1. Section 11.02 Subdivision 1 of the Mountain Iron City Code is hereby amended to read as follows:

Subd. 1 No sale of non-intoxicating malt liquor shall be made between the hours of 2:00AM and 8:00AM, on any weekday, Monday through Saturday inclusive. Neither shall any sale of such liquor be made on any Sunday between the hours of 2:00AM and 10:00AM, nor after 8:00PM on December 24th.

SECTION 2. Section 11.02 Subdivision 2 of the Mountain Iron City Code is hereby amended to read as follows:

Subd. 2 No sale of intoxicating liquor shall be made after 2:00AM on Sunday nor until 8:00AM on Monday. No on-sale of intoxicating liquor shall be made between the hours of 2:00AM and 8:00AM on any weekday, nor shall any on-sale be made after 8:00PM on December 24th. No off-sale of intoxicating liquor shall be made before 8:00AM or after 10:00 PM on any day.

SECTION 3. Section 11.25 Subdivision 2 of the Mountain Iron City Code is hereby amended to read as follows:

Hours of Sunday Sales. Such establishments may serve intoxicating Subd. 2 liquors on Sunday between the hours of 10:00AM Sunday and 2:00AM on Monday in conjunction with serving food; provided that if such establishments are in conformance with Minnesota Clean Air Act, such establishments may serve intoxicating liquors on Sunday between 10:00AM on Sunday and 2:00AM on Monday in conjunction with the sale of food.

SECTION 4. Section 11.27 Subdivision 3 of the Mountain Iron City Code is hereby amended to read as follows:

Subd. 3 Closing Time. Any premises holding and on-sale sale intoxicating liquor of non-intoxicating malt liquor or special club license and any bottle club as defined in Minnesota Statutes 2002, Section 340A.414 shall vacate patrons from its establishment no later than 2:30AM. No patrons shall be allowed to consume or display the sale

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intoxicating liquor of non-intoxicating malt liquor within any such establishment after 2:30AM.

SECTION 5. Section 11.22 Subdivision 5 of the Mountain Iron City Code is hereby amended to read as follows:

Subd. 5 No intoxicating liquor shall be sold, furnished or delivered to any intoxicated person, to any habitual drunkard, to any person under 21 years of age or to any person to whom sale is prohibited by State Law.

SECTION 6. Section 11.08 Subdivision 3C of the Mountain Iron City Code is hereby amended to read as follows:

C. The name of the business, if it is to be conducted under a designation name or style other than the full individual name of the applicant, and in such case, a copy of the certification as required by Minnesota Statutes Chapter 333, certified by the Clerk of District Court, 2002 shall be attached to the application.

SECTION 7. Section 11.08 Subdivision 3L1 of the Mountain Iron City Code is hereby amended to read as follows:

1. If the applicant is a partnership, the names and addresses of all partners and all information concerning each partner as is required of a single applicant in Subsection (c) of this Section. A managing partner or partners shall be designated. The interest of each partner in the business shall be disclosed. A true copy of the partnership agreement shall be submitted with the application and, if the partnership is required to file a certificate as to a trade name under the provisions of Minnesota Statutes Chapter 333, 2002, a copy of such certificate certified by the Clerk of District Court shall be attached to the application.

SECTION 8. Section 11.08 Subdivision 3L2B of the Mountain Iron City Code is hereby amended to read as follows:

(b) A true copy of the certificate of incorporation, articles of incorporation, a certificate of authority as described in Minnesota Statutes, 2002, Chapter 303.

SECTION 9. Section 11.22 Subdivision 14 of the Mountain Iron City Code is hereby amended to read as follows:

Subd. 14 Every person or entity licensed to sell at retail intoxicating liquor or non-intoxicating malt liquor at on-sale or off-sale shall maintain liability insurance as required by Minnesota Statute 340A.409. Such policy must have limits of coverage at least equal to the amounts required by law and said policy must include a provision that the insurer may not cancel the coverage without ten days' written notice to the City of Mountain Iron.

SECTION 10. Section 11.25 Subdivision 1 of the Mountain Iron City Code is hereby amended to read as follows:

Subd. 1 Special Licenses. The City Council of the City of Mountain Iron may grant special licenses for the sale of intoxicating liquors at on-sale on Sunday to any establishment in the City of Mountain Iron which is a hotel or a restaurant as defined in the Laws of the State of Minnesota, 2002, Chapter 340A.101, and which establishments have facilities for servicing not less than thirty guests at any one time, and which establishments have been or may after be issued as on-sale licenses for the sale of intoxicating liquors.

SECTION 11. Section 11.28 is hereby added to the Mountain Iron City Code is to read as follows:

Section 11.28 2AM Closing.

Subd.1. Any On-Sale Liquor License holder wanting to extend their hours of operation from 1:00AM to 2:00AM must apply to the City, on forms prescribed by the City, to request an extension of hours of operation from 1:00AM to 2:00AM.

Subd.2. Any additional fees for such extension as described in this Section shall be set by a Resolution of the City Council.

<u>SECTION 12 INCONSISTENT ORDINANCES.</u> All Ordinances or portions thereof inconsistent with this Ordinance shall be repealed and replaced with the provisions of this Ordinance.

SECTION 13 EFFECTIVE DATE. This Ordinance shall be effective immediately upon publication.

DULY ADOPTED BY THE CITY COUNCIL THIS 15th DAY OF SEPTEMBER, 2003.

ATTEST:	

THE TRENTI LAW FIRM

PO BOX 958 1000 LINCOLN BUILDING VIRGINIA, MN 55792

Verification - 218-749-1962 FAX NO. -218-749-4308 E-MAIL - trenti@trentilaw.com

FAX TRANSMISSION

THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED, AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us at the above address via the U.S. Postage Service. Thank you.

Dated:	July 9, 2003
Fax No.:	748-7573
DELIVER TO:	Craig Wainio, City Administrator
Re:	City of Mountain Iron: Liquor Ordinance Our File No.: 55,337-1
FROM:	Sam A. Aluni
No. of pages:	1 (including this page)
Original to follow:	Yes NoXX

MESSAGE: Craig: I have reviewed your proposed amended Liquor Ordinance and find the same to be in order for further action and adoption.

Chapter Number 11

Liquor

Section 11.01 Definitions

- Subd. 1 Beer or Non-Intoxicating Malt Liquor. Any malt beverage with an alcoholic content of more than one-half of one percent by volume and not more than three and two-tenths percent by weight.
- Subd. 2 Beer Store. An establishment for the sale of beer, cigar, cigarettes, all forms of tobacco, beverages and soft drinks at retail.
- Subd. 3 Church. A building which is principally used as a place where persons regularly assemble for the public worship of God.
- Club. Any corporation duly organized under the laws of the State for Subd. 4 civic, fraternal, social or business purposes, for intellectual improvement or for the promotion of sports, where the serving of intoxicated liquor or nonintoxicating malt liquor is incidental to and not the main purpose of the club, which shall have more than fifty members, and which shall, for more than one year owned, hired or leased a building or space in a building of such extent and character as may be suitable and adequate for the reasonable and comfortable accommodations of its members, an whose affairs and management are conducted by a board of directors, executive committee or other similar body chosen by the members, at a meeting held for the purpose, non of whose members, officers, agents or employees are paid, directly or indirectly, any compensation by way of profit from the distribution or sale of beverages to members of the club or to its guests, beyond the amount of such reasonable salary or wages as may be fixed and voted each year by the directors or other governing body. The term "Special Club" means and includes any club as defined by this Section which has been in existence for more than twenty years, and any congressionally chartered veteran's organization which has been in existence for more than ten years prior to January 1, 1961.
- Subd. 5 Exclusive Liquor Store. An establishment used exclusively for the sale, at retail, of intoxicating liquor, non-intoxicating liquor, non-intoxicating malt beverages and soft drinks off-sale. Sale of ice, cigars, cigarettes and all forms of tobacco shall be permitted in an exclusive liquor store. It shall be under the control of an individual owner or manager.
- Subd. 6 Hotel. Any establishment having a resident proprietor or manager, where, in consideration for payment therefor, food and lodging are regularly furnished to transients, which maintains for the use of its guests not less than fifty guest rooms with bedding and other usual, suitable and necessary furnishings in each room, which is provided at the main entrance with a suitable lobby, desk and office for the registration of its guests on the ground floor, which employs an adequate staff to provide suitable and usual service and which maintains, under the same management and control as the rest of the establishment and has as an integral part thereof, a dining room with appropriate facilities for the seating of not less

- than thirty guests at one time, where the general public are, in consideration for payment therefor, served meals at tables.
- Subd. 7 Intoxicating Liquor. Ethyl alcohol and distilled, fermented, spirituous, vinous and malt beverages containing in excess of 3.2 percent of alcohol by weight.
- Subd. 8 Manufacturer. Every person who is, by any process of manufacture, fermenting, brewing, distilling, refining, rectifying, blending or by the combination of different materials, prepares or produces intoxicating liquors or non-intoxicating malt liquors for sale.
- Subd. 9 Off-Sale. The sale of intoxicating liquor or non-intoxicating malt liquor in the original package in retail stores for consumption off or away from the premises where sold.
- Subd. 10 On-Sale. The sale of intoxicating liquor or non-intoxicating malt liquor by the glass or by the drink for consumption on the premises where sold.
- Subd. 11 Package or Original Package. The bottle or sealed container in which the intoxicating liquor or the non-intoxicating malt liquor is placed by the manufacturer.
- Subd. 12 Restaurant. Any establishment, other than hotel, under the control of a single proprietor or manager having appropriate facilities for the serving of means to not less than thirty guests at one time and where meals are regularly furnished at tables to the general public and which employs an adequate staff to provide usual and suitable service to its guests, and the principal part of the business of which is the serving of foods.
- Subd. 13 Sale and Sell. All barters and all manners or means of furnishing intoxicating liquor or non-intoxicating malt liquor including those in violation or evasion of Law.
- Subd. 14 Wholesaler. Any person engaged in the business of selling intoxicating liquor or non-intoxicating malt liquor for resale.

Section 11.02 Hours of Sale.

- Subd. 1 No sale of non-intoxicating malt liquor shall be made between the hours of 1:00AM and 8:00AM, on any weekday, Monday through Saturday inclusive. Neither shall any sale of such liquor be made on any Sunday between the hours of 1:00AM and 10:00AM, nor after 8:00PM on December 24th.
- Subd. 2 No sale of intoxicating liquor shall be made after 1:00AM on Sunday nor until 8:00AM on Monday. No on-sale of intoxicating liquor shall be made between the hours of 1:00AM and 8:00AM on any weekday, nor shall any on-sale be made after 8:00PM on December 24th. No off-sale of intoxicating liquor shall be made before 8:00AM or after 10:00 PM on any day.
- Subd. 3 No off-sale of intoxicating liquor or non-intoxicating malt liquor shall be made on New Year's Day, January 1; Thanksgiving Day; or Christmas Day, December 25th. On the evenings proceeding such days, if the sale of intoxicating liquor or non-intoxicating malt liquor is not otherwise prohibited on such evenings, off-sale of intoxicating liquor or non-intoxicating malt liquor may be

made until 10:00PM except that no off-sale of intoxicating liquor or non-intoxicating malt liquor shall be made on December 24th after 8:00PM.

Section 11.03 Sales in Guest Rooms of Hotels. No sale of intoxicating liquor shall be made to or in guest rooms of hotels, unless the rules of such hotels provide for the service of meals in guest rooms, unless the sale of such intoxicating liquor in made in a manner in which on-sale are required to be made, unless such sale accompanies and is incident to the regular service of meals to guests therein, and unless the rules of such hotel and the description, location, and the number of such guest rooms are fully set out in the application for a license.

<u>Section 11.04 Preparation and Consumption in Unlicensed Public Place.</u> No person shall mix or prepare intoxicating liquor non-intoxicating malt liquor for consumption or consume such in any public place not licensed in accordance with the Code.

Section 11.05 Persons to Whom Sales are Illegal. It shall be unlawful for nay person to sell, give, barter, furnish deliver or dispose of in any manner either directly or indirectly any intoxicating liquor non-intoxicating malt liquor in any quantity for any purpose whatsoever to any person under the age of 19 years or to any intoxicated person. Whoever shall in any way procure intoxicating liquor non-intoxicating malt liquor for the use of any person named in this Section shall be deemed to have sold it to such person.

Section 11.06 Licenses Required; types generally. No person, except wholesalers or manufacturers to the extent authorized under State License, shall directly or indirectly deal in, sell, or keep for sale any intoxicating liquor without first having received a license to do so as provided in this Section. License shall be of seven kinds: On-Sale Intoxicating Liquor, On-Sale Non-Intoxicating Malt Liquor, On-Sale Special Club Intoxicating Liquor, On-Sale Special Club Non-Intoxicating Malt Liquor, Off-Sale Intoxicating Liquor, Off-Sale Non-Intoxicating Malt Liquor, On-Sale Sunday Intoxicating Liquor.

- Subd 1. On-sale intoxicating liquor licenses shall be issued only to hotels, clubs, restaurants, bars and lounges.
- Subd. 2 On-sale non-intoxicating malt liquor licenses shall be granted only to hotels, clubs, beer stores, restaurants, bars and lounges.
- Subd. 3 On-sale special club intoxicating liquor and on-sale special club non-intoxicating malt liquor licenses shall be issued only to special clubs as defined in Section 11.01.
- Subd. 4 Off-sale intoxicating liquor licenses shall be issued only to exclusive liquor stores.
- Subd. 5 Off-sale non-intoxicating liquor licenses shall be issued only to exclusive liquor stores and to beer stores as defined in Section 11.01.
- Subd. 6 On-sale Sunday intoxicating liquor licenses shall be issued only to hotels, restaurants and clubs.

Section 11.07 Application. Applications are required:

Subd. 1 Upon initial application.

Subd. 2 Upon renewal application.

Subd. 3 Upon any change of ownership or business control of the licensed premises.

<u>Section 11.08 Application – Contents.</u> In addition to any information which may be required by the State Liquor Control Commissioner's form the application shall contain the following:

- Subd. 1 Whether the applicant is a natural person, corporation, partnership or other form of organization.
- Subd. 2 The type of license applicant seeks.
- Subd. 3 If the applicant is a natural person, the following:
 - A. The true name, place, date of birth and residence address of applicant.
 - B. Whether the applicant has ever used or been known by a name other than his present true name, and if so, what was such name or names and information concerning dates and places were used.
 - C. The name of the business, if it is to be conducted under a designation name or style other than the full individual name of the applicant, and in such case, a copy of the certification as required by Minnesota Statutes Chapter 333, certified by the Clerk of District Court, 1973 shall be attached to the application.
 - D. Whether the applicant is married or single. If married, the true name, place and date of birth and residence address of the applicant's present spouse shall be included.
 - E. Whether the applicant and his present spouse are registered voters and, if so, where.
 - F. All street addresses at which the applicant and his present spouse have lived during the preceding ten years.
 - G. Kind, name and location of every business or occupation the applicant or his present spouse has been engaged in during the preceding ten years.
 - H. The names and addresses of the applicant's and his spouse's employers and partners, if any, for the preceding ten years.
 - I. Whether the applicant, his spouse has ever been convicted of any felony, crime or violation of this Code or any other Ordinance or any State Statute other than traffic. If so, the applicant shall furnish information as to the time and place of offense for which convictions were had.
 - J. Whether the applicant, his spouse, a parent, brother, sister or child of either of them, has ever been engaged as an employee or in the operating of a saloon, hotel, restaurant, café, tavern or other business of similar nature. If so, applicant shall furnish information as to the time, place and length of time.

- K. Whether the applicant has ever been in military service. If so, the applicant shall, upon request, exhibit all discharge records.
- L. The name, address and business address of each person who is engaged in the State in the business of selling, manufacturing or distributing intoxicating liquor of non-intoxicating malt liquor and who is nearer of kin to the applicant or his spouse than second cousin, whether of the whole or half-blood, computed by the rules of civil law, or who is a brother-in-law or sister-in-law of the applicant or his spouse.
 - 1. If the applicant is a partnership, the names and addresses of all partners and all information concerning each partner as is required of a single applicant in Subsection (c) of this Section. A managing partner or partners shall be designated. The interest of each partner in the business shall be disclosed. A true copy of the partnership agreement shall be submitted with the application and, if the partnership is required to file a certificate as to a trade name under the provisions of Minnesota Statutes Chapter 333, 1973, a copy of such certificate certified by the Clerk of District Court shall be attached to the application.
 - 2. If the applicant is a corporation or other organization:
 - (a) Name, and if incorporated, the state of incorporation.
 - (b) A true copy of the certificate of incorporation, articles of incorporation, a certificate of authority as described in Minnesota Statutes, 1973, Chapter 303.
 - (c) The name of the manager, proprietor or other agent in charge of the premises to be licensed, giving all information about such person as is required of a single applicant in Subsection (c) of this Section.
 - (d) Notwithstanding the definition of "interest" as given in Section 11.6(g). The application shall contain a list of all persons, who, singly or together with their spouse, or a parent, brother, sister or child of either of them, own or control an interest in such corporation or association or who are officers of such corporation or association, together with their addresses and all information as is required of a single applicant in Subsection (c) of this Section.
 - 3. If the application is for an on-sale special club intoxication liquor or non-intoxicating malt liquor license the following information:
 - (a) The name of the club.
 - (b) The date the club was first incorporated. True articles of incorporation, by-laws and the names and street addresses

- of all officers, executive committee and board of directors shall be submitted.
- (c) The date that the club was first organized and the place of such organization.
- (d) A sworn statement that the club has been in existence for more than twenty years or, in the event that the applicant is a Congressionally chartered veterans organization, in existence for more than ten years prior to January 1, 1961. The statement shall be made by a person who has personal knowledge of the facts stated therein. In the event that no such person can make such a statement, satisfactory documentary proof may be submitted in support of such facts.
- (e) The number of members.
- (f) The name of the manager, proprietor or other person who shall be in charge of the licensed premises, together with the same information concerning such person as is required of a single applicant for an on-sale license as set forth in Subsection (c) of this Section.
- M. The exact legal description of the premises to be licensed, together with a plot plan of the area showing the dimensions, location of buildings, street access, parking facilities and the location of and distance to the nearest church building and school grounds.
- N. The floor number and street number where the sale of intoxicating liquors is to be conducted and the rooms where the liquor is to be sold or consumed. An applicant for an on-sale license shall submit a floor plan of the dining room, or dining rooms, which shall be open to the public, shall show the dimensions and shall indicate the number of persons intended to be served in each of such rooms.
- O. If a permit from the Federal Government is required by the Laws of the United States, whether or not such permit has been issued, and if so required, in what name the permit has been issued and the nature of the permit.
- P. The names and addresses of all persons, other than the applicant, who have any financial interest in the business, buildings, premises, fixtures, furniture or stock in trade, the of such interest, the amount thereof and terms for payment or other reimbursement. This Subsection shall include, but not limited to, any lessees, lessors, mortgagees, mortgagors, lenders, lien holders, trustees, trustors, and persons who have cosigned notes or otherwise loaned, pledged or extended security for any indebtedness of the applicant.
- Q. The names, residences and business addresses of three persons who are residents of the United States, of good moral character, not related to the applicant or financially interested in the premises or business, who may be

- referred to as to the applicant's character or, in the case where information is required of a manager, the manager's character.
- R. Whether or not all real estate and personal property taxes for the premises to be licensed have been paid, the years for which delinquent and the amount.
- S. Whenever the applicant for an on-sale license to sell intoxicating liquor or non-intoxicating malt liquor or for a transfer thereof, is for the premises either planned, under construction or undergoing substantial alteration, the application shall be accompanied by a set of preliminary plans showing the design of the proposed premises to be licensed.
- T. Such other information as the City Council shall require.

<u>Section 11.09 Application – Renewal.</u> Applications for the renewal of an existing license shall be made at least sixty days prior to the date of the license and shall be made in such abbreviated form as the City Council may approve. Proposed enlargement, alteration or extension of premises previously licensed shall be report to the City Administrator at or before the time application is made. If in the judgement of the City Council, good and sufficient cause is shown by an applicant for his failure to file for a renewal within the time provided, the City Council may, if other provisions of this article are complied with, grant the application.

<u>Section 11.10 Application – Execution.</u> If the application is by a natural person, it shall be signed and sworn to by such persons; if it is by a corporation, it shall be signed and sworn to by an officer thereof; if it is by a partnership, it shall be signed and sworn to by one of the partners; if it is by an unincorporated association it shall be signed and sworn to by the manager or managing officer thereof. If the applicant is a partnership the application, license and bond shall be made and issued in the name of all partners.

Section 11.11. The fees for licenses shall be set by Resolution of the City Council.

<u>Section 11.12.</u> The annual license shall run from January 1 of each year and shall expire at 12:00 midnight of December 31, of each year.

<u>Section 11.13 Application – Payment.</u> The annual license fee shall be paid in full before the application for a license is accepted. All fees shall be paid into the general fund of the City. Upon rejection of any application for a license, or upon withdrawal of an application before approval of the issuance by the City Council, the license fee shall be refunded to the applicant, except where rejections is for a willful misstatement in the license application.

<u>Section 11.14 Applications – Prorated.</u> Refund for issued licenses.

Subd. 1 The fee for an on-sale license granted after the commencement of the license year shall be prorated on a monthly basis. On-sale special club and off-sale licenses shall be prorated on a quarterly basis.

Subd. 2 When the license is for a premises where the building is not ready for occupancy, the time for computation of the license fee for the initial license period shall be ninety days after approval of the license by the City Council or upon the date the building is ready for occupancy, whichever is sooner.

Section 11.15 Investigation of application, approval of license. All applications for a license or renewal shall be referred to such City Departments, as the City Council shall deem necessary for investigation and verification of facts set forth therein. Such departments and individuals shall make written recommendation and report to the City Council, which shall include a list of all violations of Federal, State and Municipal Law. The City Council may in any particular case order and conduct such additional investigation as it shall deem necessary.

<u>Section 11.16 License Limited to Applicant; Nontransferable.</u> Each license shall be issued to the applicant only. Each license shall be issued only for the premises described in the application. No license may be transferred to another person, corporation, partnership or other organization or to another place without the approval of the City Council and without a new application having been filed.

Section 11.17 Notification of Liquor Control Commissioner. The City Administrator shall, within ten days after the issuance of any license under this Section, submit to the Liquor Control Commissioner the full name and address of each person granted a license, the trade name, the effective license date and the date of expiration of the license. He shall also submit to the Liquor Control Commissioner and change of address, transfer, cancellation or revocation of any license by the City Council during the license period.

Section 11.18 Withholding License Until Building Ready for Occupancy. Where a license is granted for premises where the building is under construction or otherwise not ready for occupancy, the City Administrator shall not issue the license until notified by the Building Inspector that the building is ready for occupancy.

Section 11.19 Off-Sale Intoxicating Liquor Licenses to be Approved by the Liquor Control Commissioner. Off-sale intoxicating liquor licenses that are approved by the City Council shall not be effective until approved, together with the required bond, by the Liquor Control Commissioner.

Section 11.20 Persons Ineligible for License. No license shall be granted to of held any person:

- Subd. 1 Under the age of majority in the State of Minnesota.
- Subd. 2 Who is not of good moral character and repute.
- Subd. 3 Who, if an individual, is an alien.
- Subd. 4 Who has been convicted of a felony.
- Subd. 5 Who within five years prior to the date of application has been convicted of any willful violation of any law of the United States, this State, or any other

State or territory, or of any Local Ordinance regarding the manufacture, sale, distribution or possession for sale or distribution of liquor of whose liquor license has been revoked for any willful violation of any Law or Ordinance.

- Subd. 6 Who is a manufacturer or wholesaler of intoxicating liquor or non-intoxicating malt liquor. No manufacturer of wholesaler shall either directly or indirectly own, control or have any financial interest in an retail business selling intoxicating liquor of non-intoxicating malt liquor.
- Subd. 7 Who is directly or indirectly interested in any other establishment in the City to which either an on-sale or off-sale license has been issued under this Section. The term "interest" as used in this Section, includes any pecuniary interest in the ownership, operation, management or profits of a retail liquor establishment, but does not include bona fide loans, bona fide fixed sum rental agreements, bona fide open accounts or other obligations held with or without security arising out of the ordinary and regular course of business of selling or leasing merchandise, fixtures or supplies to such establishment, or an interest of ten percent or less in any corporation holding a license. A person, who receives money from time to time, directly or indirectly from a licensee, in the absence of a bona fide consideration therefor and excluding bona fide gifts or donations, shall be deemed to have a pecuniary interest in such retail license. In determining "bona fide" the reasonable value of the goods or things received as consideration for any payment by the licensee and all other fact reasonable tending to prove or disprove the existence of any purposeful scheme or arrangement to evade the prohibitions of this Section shall be considered.
- Subd. 8 Who, if a corporation, does not have a manager who is eligible pursuant to the provisions of this Section.
- Subd. 9 Who is the spouse of a person ineligible for a license pursuant to the provisions of Subdivision 4, 5 or 7 of this Section or who, in the judgement of the City Council is not the party of interest or beneficial owner of the business operated, or to be operated, under the license.
- Subd. 10 An on-sale or an off-sale license will not be renewed if, in the case of an individual, the licensee is not a resident of the City at the time of the date for renewal; if, in the case of a partnership, the managing partner is not a resident of the City at the time of the date for renewal; or, in the case of a corporation, the manager is not a resident of the City at the time of the date for renewal. The time for establishing residency within the City, may, for good cause, be extended by the City Council.

Section 11.21 Premises ineligible for license.

- Subd. 1 No license shall be granted or renewed for operation of any premises on which the taxes, assessments or other financial claims of the City are delinquent or unpaid.
- Subd. 2 No on-sale license shall be granted for a premises located within one thousand feet of any school or church. The distance to be measured in a straight line from the edge of the parcel or lot upon which the business to be license is located to the nearest point of the parcel or lot upon which the school is located.

The erection of a school or church within the prohibited area after an original application has been granted shall not, in and of itself, render such premises ineligible for renewal of the license.

Subd. 3 No license shall be granted for any place, which has a common entrance or exit between any two establishments; except that the public concourse or public lobby shall not be construed as a common entrance of exit.

Section 11.22 Conditions of License. Every license shall be granted subject and all other Sections of this Section and of any other applicable Ordinance of the City and of the State Law.

- Subd. 1 The license shall be posed in a conspicuous place in the licensed establishment at all times.
- Subd. 2 Every licensee shall be responsible for the conduct of his place of business and the conditions of sobriety and order in the place of business and on the premises.
- Subd. 3 No on-sale licensee shall sell intoxicating liquor off-sale and no off-sale licensee shall intoxicating liquor or non-intoxicating malt liquor on-sale nor permit consumption of any intoxicating liquor or non-intoxicating malt liquor on the licensed premises.
- Subd. 4 No license shall be effective beyond the space named in license for which it was granted.
- Subd. 5 No intoxicating liquor shall be sold, furnished or delivered to any intoxicated person, to any habitual drunkard, to any person under 18 years of age or to any person to whom sale is prohibited by State Law.
- Subd. 6 No person under 18 years of age shall be employed in any rooms where on-sales or off-sales are made, except that persons under 18 years of age may be employed as musicians and except that persons under 18 years of age may be employed to perform the duties of a dishwasher in places defined as restaurants or hotels.
- Subd. 7 No licenses shall keep, possess, operate or permit the keeping, possession or operation of any slot machine, dice or any gambling device or apparatus in the licensed premises, and he shall not permit any gambling therein.
- Subd. 8 No licensee shall knowingly permit the licensed premises or any room in those premises or any adjoining building directly or indirectly under his control to be used as a resort for prostitutes.
- Subd. 9 No equipment or fixture in any licensed place shall be owned in whole or in part by any manufacturer, wholesaler or distiller of any intoxicating liquor except as shall be expressly permitted by State Law.
- Subd. 10 No licensee shall sell, offer for sale or keep for sale intoxicating liquors in any original package, which has been refilled or partly refilled. No licensee shall directly of through any other person dilute or in any manner tamper with the contents of any original package so as to change its composition or alcoholic content while in the original package. Possession on the premises by the licensee of any intoxicating liquor, in the original package, differing in composition or alcoholic content from the liquor when received from the manufacturer or

- wholesaler from whom it was purchased, shall be prima facie evidence that the contents of the original package have been diluted, changed or tampered with.
- Subd. 11 No on-sale liquor establishment shall display liquor to the public during hours when the sale of liquor is prohibited by this Section.
- Subd. 12 No licensee shall apply for or posses a Federal wholesale liquor dealers special tax stamp, nor Federal gambling stamp, nor Federal retail liquor dealers special tax stamp.
- Subd. 13 No licensee shall keep ethyl alcohol or neutral spirits on any licensed premises or permit their usage on the premises as a beverage or mixed with a beverage.
- Subd. 14 Every person or entity licensed to sell at retail intoxicating liquor or non-intoxicating malt liquor at on-sale or off-sale shall maintain liability insurance as required by Minnesota Statute 340.11, Subd. 21. Such policy must have limits of coverage at least equal to the amounts required by law and said policy must include a provision that the insurer may not cancel the coverage without ten days' written notice to the City of Mountain Iron.

Section 11.23 Suspension and Revocation.

- Subd. 1 The City Council may suspend or revoke any license for the sale of intoxicating liquor or the sale of non-intoxicating malt liquor for the violation of any provision or any condition of this Section or any Federal or State Law regulating the sale of intoxicating or non-intoxicating liquor. The City Council shall revoke such license for any willful violation, which under the laws of this State, is ground for mandatory revocation, and shall revoke such license for the failure to keep the bond or other deposit required in full force in effect.
- Subd. 2 The City Council, may without hearing, suspend any license for not more than 30 days. After public hearing, which written notice shall be given, the licensee, preceding the hearing by at least 10 days and stating the time and place of the hearing, and the charges against the licensee, the City Council may revoke or suspend any license for an additional period of time not exceeding 60 days. Notice of any such hearing shall be published once in a legal newspaper designated by the City at least 10 days prior to the hearing.

<u>Section 11.24 Special Club Licenses.</u> No club holding an on-sale intoxicating liquor of non-intoxicating malt liquor special club license shall sell sale intoxicating liquor of non-intoxicating malt liquor except to members and bona fide guests of members.

Section 11.25 Sunday on Sale Intoxicating Liquor.

Subd. 1 Special Licenses. The City Council of the City of Mountain Iron may grant special licenses for the sale of intoxicating liquors at on-sale on Sunday to any establishment in the City of Mountain Iron which is a hotel or a restaurant as defined in the Laws of the State of Minnesota, 1967, Chapter 19 Section 1, and which establishments have facilities for servicing not less than thirty guests at any

one time, and which establishments have been or may after be issued as on-sale licenses for the sale of intoxicating liquors.

- Subd. 2 Hours of Sunday Sales. Such establishments may serve intoxicating liquors on Sunday between the hours of 12:00NOON and 12:00MIDNIGHT in conjunction with serving food; provided that if such establishments are in conformance with Minnesota Clean Air Act, such establishments may serve intoxicating liquors on Sunday between 10:00AM and on Sunday and 1:00AM on Monday in conjunction with the sale of food.
- Subd. 3 Conditions of Sale. No such sale of intoxicating liquors on Sundays may be made except in conjunction with serving food.
- Subd. 4 Licenses. It is unlawful for any such establishment, directly or indirectly, to sell or serve such intoxicating liquors herein above provided without first having obtained a special license to do so. Such special license may be issued by the City of Mountain Iron for a period of one year and such special license may be revoked at any time for cause.
- Subd. 5 Application. Application for such special license shall be made to the City of Mountain Iron in the same manner as applications for other licenses to sell intoxicating liquors are made. Each such application shall be accompanied by a fee determined each year by the City Council, which shall be the fee per calendar year or any fraction thereof.

Section 11.26 Penalties. Every person who violates this Section is subject to all penalties provided for such violation. Except where a different, specific or more particular penalty is provided or allowed with respect to any offense, any person guilty of a violation of this Section shall be convicted of such offense, be fined, in an amount not to exceed \$500.00 or be imprisoned in a jail for a period not to exceed ninety days for each offense of which he is convicted or both. Whenever a different, specific or more particular penalty is provided, allowed or required with respect to a conviction of any certain offense, then such penalty shall be imposed in place of the general penalty as is provided herein. Each separate violation of this Section is a separate offense, and the continued violation by a person of any one same offense with knowledge thereof is a separate for each day of such continued violation. Every person who gives or furnishes to the City of Mountain Iron a false or untrue statement to be relied upon in granting of a permit or license shall be subject to the penalties provided for in this Section.

Section 11.27 Miscellaneous.

- Subd. 1 Bottle Clubs. Any bottle club which holds a permit issued pursuant to Minnesota Statutes 1973, Chapter 340.119 and which is located within the City Limits of Mountain Iron must pay a fee determine by Resolution of the City Council as a conditioned precedent to operating within the City Limits. Said year shall run from January 1 through December 31, of the following calendar year.
- Subd. 2 License and Drug Stores. No license shall be granted for any person who operated a drug store until such person shall have operated such store continuously for a period of two years or shall have purchased a drug store that has been in continuous operation for two years or more.

Subd. 3 Closing Time. Any premises holding and on-sale sale intoxicating liquor of non-intoxicating malt liquor or special club license and any bottle club as defined in Minnesota Statutes 1973, Section 340.119 shall vacate patrons from its establishment no later than 1:30AM. No patrons shall be allowed to consume or display the sale intoxicating liquor of non-intoxicating malt liquor within any such establishment after 1:30AM.



CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

PHONE: 218-748-7570 • FAX: 218-748-7573 • www.mtniron.com 8586 ENTERPRISE DRIVE SOUTH • MOUNTAIN IRON, MN • 55768-8260

RESOLUTION NUMBER 27-03

ORDERING IMPROVEMENT AND PREPARATION OF PLANS

WHEREAS, a Resolution of the City Council adopted the 7th day of July, 2003, fixed a date for a Council hearing on the proposed improvement of those Street identified in Exhibit A by reconstruction and/or overlay, and;

WHEREAS, ten days' mailed notice and two weeks' published notice of the hearing was given, and the hearing was held thereon on the 2nd day of September, 2003, at which all persons desiring to be heard were given an opportunity to be heard thereon.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MOUNTAIN IRON, MINNESOTA:

- 1. Such improvement is necessary, cost-effective, and feasible as detailed in the feasibility report.
- 2. Such improvement is hereby ordered as proposed in the City Council Resolution adopted 7th day of July, 2003.
- 3. Benchmark Engineering is hereby designated as the engineer for this improvement. The engineer shall prepare plans and specifications for the making of such improvement.

DULY ADOPTED BY THE CITY COUNCIL THIS 2nd DAY OF SEPTEMBER, 2003.

ATTEST:	Mayor Gary Skalko
 City Administrator	

EXHIBIT A

Locomotive Street from Mountain Avenue to Marble Avenue
Park Drive from North of Garden Drive to Mud Lake Road
Arbor Lane from Mineral Avenue to Greenwood Lane
Parkville Road from Nichols Avenue to Old Highway 169
Spring Park Road from Nichols Avenue to end of current bituminous portion
Oriole Avenue from Spring Park Road to Cardinal Avenue
Cardinal Avenue from Oriole Avenue to Nichols Avenue
Eagle Avenue from Parkville Road to end of current bituminous portion
Grant Street from Mineral Avenue to end of current bituminous portion
All of North Court
All of South Court
Heather Avenue from Unity Drive to end of Road

All of Marion Drive Brown's Road from Old Highway 169 to Street Car Road Streetcar Road from Brown's Road to Giorgi's Road Giorgi's Road from Street Car Road to Old Highway 169



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RESOLUTION NUMBER 32-03

DECLARING COST TO BE ASSESSED, AND ORDERING PREPARATION OF PROPOSED ASSESSMENT

WHEREAS, costs have been determined for the improvement of improvement of those streets identified in Exhibit A by overlayment or reconstruction and the contract price for such improvement is \$179,330 and the expenses incurred or to be incurred in the making of such improvement amount to \$25,235 so that the total cost of the improvement will be \$204,567.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF MOUNTAIN IRON, MINNESOTA:

- 1. The portion of the cost of such improvement to be paid by the City is hereby declared to be \$99,756 and the portion of the cost to be assessed against benefited property owners is declared to be \$104,811.
- 2. Assessments shall be payable in equal annual installments extending over a period of ten years, the first of the installments to be payable on or before the first Monday in January, 2004, and shall bear interest at the rate of eight percent per annum from the date of the adoption of the assessment Resolution.
- 3. The City Administrator, with the assistance of the city engineer, shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land within the district affected, without regard to cash valuation, as provided by law, and he shall file a copy of such proposed assessment in his office for public inspection.
- 4. The City Administrator shall upon the completion of such proposed assessment, notify the City Council thereof.

DULY ADOPTED BY THE CITY COUNCIL THIS 15th DAY OF SEPTEMBER, 2003.

TTEST:	Mayor Gary Skall				

EXHIBIT A

Jasmine Street from County Road 7 to Aster Avenue
Gardenia Street from County Road 7 to Bluebell Avenue
Aster Avenue from Unity Drive to Jasmine Street
Daisy Avenue from Marigold Street to Gardenia Street
Bluebell Avenue from Jasmine Street to Gardenia Street
Carnation Avenue from Jasmine Street to Gardenia Street
Marigold Street from County Road 7 to Bluebell Avenue
Daffodil Avenue from Marigold Street to Gardenia Street
Unity Drive from Enterprise Drive South to Mud Lake Road
Unity Drive from County Road 7 to Enterprise Drive South

COUNCIL LETTER 091503-VIC

MAYOR SKALKO

ACCEPT BIDS

DATE:

September 11, 2003

FROM:

Mayor Skalko

Craig J. Wainio City Administrator

Accept Bids for Phase I and Phase II of the Library renovation.

Background: Self-explanatory.



September 10, 2003

Mr. Craig Wainio City of Mt. Iron 8586 Enterprise Drive South Mt. Iron, MN 55768

RE: Bid Recommendation

Mtn. Iron Library ADA Renovations Sitework & Interior Renovations Mtn. Iron, Minnesota DSGW project # 03058

Dear Mr. Wainio:

Bids were received on the above subject projects on September 4, 2003. We recommend that the sitework project be awarded to Hibbing Excavating for their bid amount of \$7,220.00. We recommend that the interior renovations project be awarded to Lenci Enterprises for their bid amount of \$64,500.00.

If you have any questions, please do not hesitate to contact our office.

Thank you.

Very truly yours,

DSGW Architects, Inc.

Erik C. Wedge, AIA Project Manager

ECW:jp

enc.

ce: Mayor Gary Skalko

BID TABULATION



enriching communities through architecture

<u>BID PHASE ONE</u>

SITEWORK

MTN. IRON LIBRARY ADA RENOVATIONS

www.mtniron.com

MTN. IRON, MINNESOTA

BID DATE/TIME:

THURSDAY, SEPTEMBER 4, 2003 @ 10:00 A.M.

BID LOCATION:

Mr. Craig Wainio, City Administrator

City of Mtn. Iron

8586 Enterprise Drive South

Mtn. Iron, MN 55768

	BID	٠	
BIDDER	BOND	BASE BID	NOTES
H. G. Harvey Constructors			
Eveleth, Minnesota	Yes	\$12,900.00	·
Hibbing Excavating	-		
Hibbing, Minnesota	Yes	\$7,220.00	20 days
Oxford Construction			
Aurora, Minnesota	Yes	\$9,940.00	45 days

BID PHASE TWO

INTERIOR RENOVATIONS

MTN. IRON LIBRARY ADA RENOVATIONS

www.mtniron.com

MTN. IRON, MINNESOTA

	·	ADD.	17 10014 (6-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2	
	BID	1		
BIDDER	BOND	Y/N	BASE BID	NOTES
H. G. Harvey Constructors	ę			
Eveleth, Minnesota	Yes	Y	\$67,300.00	90 days
Lenci Enterprises				
Virginia, Minnesota	Yes	Y	\$64,500.00	90 days
Oxford Construction				
Aurora, Minnesota	Yes	Y	\$66,600.00	

AGREEMENT

This AGREEMENT is made and entered into this	day of	, 2003, by and between
the CITY OF MOUNTAIN IRON, a municipal corporat	tion and politic	al subdivision of the state of
Minnesota ("the City"), and INDEPENDENT SCHOOL	L DISTRICT 7	12 ("the School").

RECITALS

- A. The City has determined that the best and most cost effective site to extend Unity Addition, a residential housing development, is on land now owned by the School.
- B. The City intends to agree to reconstruct a baseball field in exchange for land on which the City will extend unity Addition.
- C. The City wishes to have access to clear-up certain land transactions with School.

AGREEMENT

NOW, THEREFORE, in consideration of the Recitals, the truth of which is hereby acknowledged by the parties, the mutual covenants and agreements contained herein, and for other good and valuable consideration, the adequacy of which is hereby acknowledged, the parties hereby agree as follows:

1. Actions by School.

- a. *Unity Addition Extension*. The School agrees to convey to the City a parcel of land legally described in attached <u>Exhibit A</u>, for the extension of Unity Addition, which is incorporated herein and made a part hereof by reference.
- b. City/School Garage. The School agrees to convey to the City certain parcels around the City Garage and School Garage to clear-up a long term discrepancy among titles, legally described in attached Exhibit B, which is incorporated herein and made a part hereof by reference.
- c. Baseball Field. The School agrees to convey to the City a parcel of land legally described in attached Exhibit C, for the reconstruction of the ball field, which is incorporated herein and made a part hereof by reference.
- d. Lease. The school agrees to lease the field described in Exhibit C and the one field at the recreation facility in South Grove from the City of Mountain Iron for \$7,000 per year for as long as School District 712 exists.

2. Actions by City.

- a. Reconstruction of a Baseball Field. The City agrees to reconstruct a high school regulation baseball field, with an irrigation system on land described in Exhibit C and according to plans presented in Exhibit D as mutually agreed upon. It is agreed that the school has priority usage on the reconstructed field until such point where the School merges or dissolves or otherwise ceases to exist. Construction to begin in the Fall of 2003 with the field ready for use in the Spring or 2005.
- b. *Consideration*. The City agrees to provide consideration in the amount of \$25,000 to the School.
- c. *Maintenance*. The City agrees to maintain the baseball field year round with the school performing needed maintenance, such as striping the infield, on school game days.
- d. Football Practice Field. The City agrees to construct an 80 yard by 50 yard football practice field directly west of Merritt Elementary School on school district 712 owned land as identified in Exhibit E. The City will also provide a source for watering the practice field and move the existing shelter from its current location to a location closer to the practice field as agreed upon.
- e. Road Construction and Parking. The City agrees to construct a gravel parking area and a gravel road to the football practice field as identified in Exhibit E.
- 3. <u>Breach</u>. The parties agree that in the event that either party breaches this Agreement, legal damages would not be adequate to remedy such breach and that the remedy specific to the performance of the Agreement would be necessary and appropriate.
- 4. <u>Term.</u> This Agreement is effective as of the date first written above and will terminate upon the occurrence of the events described in Sections 1 and 2 of this Agreement.
- 5. <u>Amendments</u>. This Agreement may be amended only by written modification executed by both of the parties hereto.
- 6. <u>Assignment</u>. This Agreement cannot be assignable by either party. Upon the dissolution of either party this agreement becomes null and void.
- 7. <u>Notices</u>. All notices to be given by either party to the other hereunder must be in writing addressed as follows:

8 1

	To the School:	ISD 712 P.O. Box Mountain Iron, Minnesota 55768 Attention: Superintendent	
8: M		City of Mountain Iron 8586 Enterprise Drive South Mountain Iron, Minnesota 55768 Attention: City Administrator	
8.	Exhibits. The exhib	pits to this Agreement are the following:	
	b. Exhibit B - Ic. Exhibit C - Id. Exhibit D - I	Legal Description, Unity Addition Extension Legal Description, City Garage/School Gara Legal Description, Baseball Field Property Baseball Field Reconstruction Plan Practice Field, Road, Parking Area Outline RON	
	.,		
Its Mayo	or	Its Administ	trator
	OF MINNESOTA TY OF ST. LOUIS) ss.)	
Skalko a	nd Craig J. Wainio, t	as acknowledged before me this day of the Mayor and City Administrator, respectivel f said City.	
Notary P	ublic		
INDEPE	NDENT SCHOOL	DISTRICT 712	
Ву:		By:	
Its Board	Chairperson	Its Superinter	ndent

STATE OF MINNESOTA)		
) ss.		
COUNTY OF ST. LOUIS)		
The foregoing instrument was acknowledged before me this	day of	, 2002, by
and James Techar, the Board Cha	irperson and the Si	uperintendent.
respectively, of Independent School District 712, on behalf of said		1
, , , , , , , , , , , , , , , , , , , ,		
N. 4 D. 11'.		
Notary Public		

EXHIBIT A

(Unity Addition Extension)

Part of the Northeast Quarter of the Northwest Quarter (NE1/4 of NW1/4) of Section 14, Township 58 North, Range 18 West of the Fourth Principal Meridian, in the City of Mountain Iron, St. Louis County, Minnesota, described as follows:

All of the Northeast Quarter of the Northwest Quarter (NE1/4 of NW1/4) except the easterly 300 feet of the northerly 600 feet all in Section 14, Township 58 North, Range 18 West of the Fourth Principal Meridian, in the City of Mountain Iron, St. Louis County, Minnesota

EXHIBIT B

(City Garage/School Garage Property)

Part of the Southwest Quarter of the Northwest Quarter (SW1/4 of NW1/4) and part of the Southeast Quarter of the Northwest Quarter (SE½ of NW½) of Section 10, Township 58 North, Range 18 West of the Fourth Principal Meridian, and more particularly described as follows:

East Half of the Southeast Quarter of the Northwest Quarter (E1/2 of SE1/4 of NW1/4), Section 10, Township 58 North, Range 18 West of the Fourth Principal Meridian EXCEPT highway right-of-way

AND

That part of the Southwest Quarter of the Northwest Quarter (SW1/4 of NW1/4) Section 10, Township 58 North, Range 18 West of the Fourth Principal Meridian which is bounded by the following described lines:

Assuming the West right-of-way line of County Road No. 102, as it now exists over and across said Southwest Quarter of Northwest Quarter (SW1/4 of NW1/4) of Section Ten (10), as being due North and South, and beginning at the intersection of said West right-of-way line with the North line of said SW1/4 of NW1/4 of Section 10, go due South along said West right-of-way line of County Road 102 for a distance of 480.5 feet; thence deflect right 81°13' and go South 81°13' West for a distance of 303.56 feet; thence deflect right 98°47' and go due North on a line parallel to and 300.00 feet Westerly of the aforementioned Westerly right-of-way line of County Road No. 102, for a distance of 519.52 feet to a point on the North line of said SW1/4 of NW1/4 of Section 10; thence deflect right 88°36' and go North 88°36' East along the North line of said SW1/4 of NW1/4 of Section 10, for a distance of 300.09 feet to the point of beginning.

EXHIBIT C

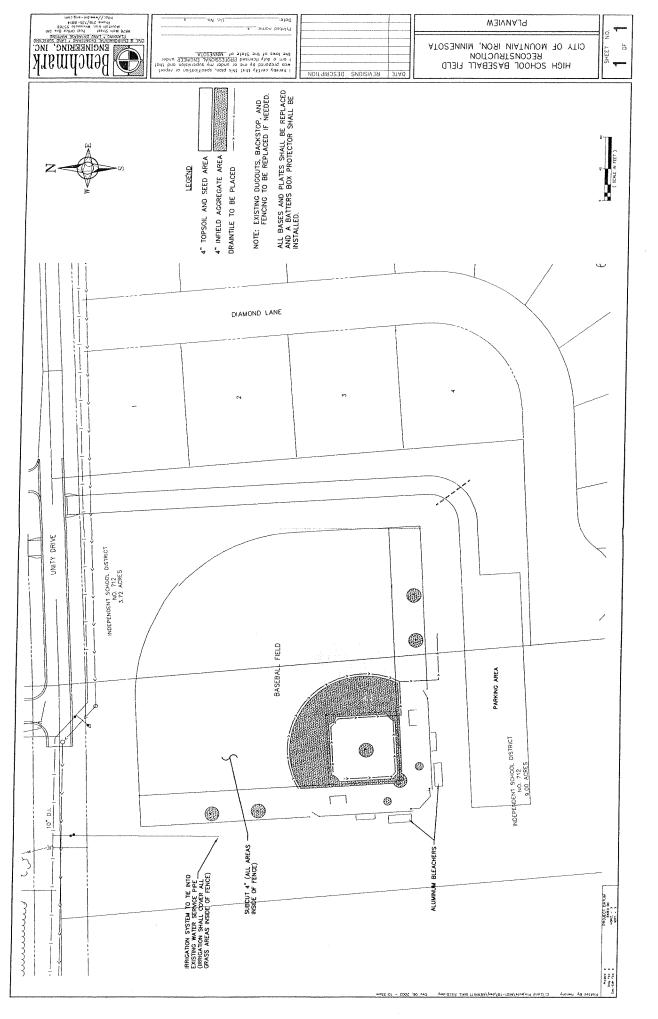
(Baseball Field)

Part of the Northeast Quarter of the Northwest Quarter (NE1/4 of NW1/4) and part of the Northwest Quarter of the Northeast Quarter (NW1/4 of NE1/4) of Section 14, Township 58 North, Range 18 West of the Fourth Principal Meridian, in the City of Mountain Iron, St. Louis County, Minnesota, described as follows:

The easterly 300 feet of the northerly 600 feet of the Northeast Quarter of the Northwest Quarter (NE1/4 of NW1/4) and the westerly 270 feet of the northerly 600 feet of the Northwest Quarter of the Northeast Quarter (NW1/4 of NE1/4) all in Section 14, Township 58 North, Range 18 West of the Fourth Principal Meridian, in the City of Mountain Iron, St. Louis County, Minnesota.

EXHIBIT D

(Baseball Field Plans)





ENGINEER'S PRELIMINARY OPINION OF CONSTRUCTION COST MERRITT BASEBALL FIELD RECONSTRUCTION CITY OF MOUNTAIN IRON, MINNESOTA PROJECT NO. MI01-18 JANUARY 3, 2002

CONSTRUCTION OF BASEBALL FIELD & PRACTICE FOOTBALL FIELD: \$125,000.00

IRRIGATION SYSTEM: \$25,000.00

DUGOUTS: \$10,000.00

CONSTRUCTION OF PARKING LOT: \$65,000.00

TOTAL CONSTRUCTION COST: \$225,000.00

BENCHMARK ENGINEERING, INC.



Engineer's preliminary estimate of quantifies and opinion of cost MERRITT BASEBALL FIELD RECONSTRUCTION CITY OF MOUNTAIN IRON, MINNESOTA PROJECT NO: MI01-18

BALLFIELD RECONSTRUCTION:

		AMOUNT	\$8,575.00	\$20,280.00	\$10,075.00	\$5,250.00	\$25,000.00	\$6,000.00	\$4,270.00	\$1,050.00	\$250.00	\$3,500.00	\$1,000.00	\$10,000,00
In the second se	aoidd	A DE CO	90.00	913.00	903.00	\$1,500.00	\$25,000.00	93,000.00	\$7.00	\$7.00	\$250.00	\$5,500.00	00.000	\$5,000.00
ESTIMATED	QUANTITIES	1.7150	1.560 0	155.0	2000	101	0.5	610.0	150.0	10.00	0.7	0.5	Oi C	0.7
TEM UNITS	COMMON EXCAVATION (4" of all curface motorical	TOPSOIL BORROW (4" of tonsoil to all mass and inside of fence) CU. YD.	(4" in all aggregate constitution of fence)	SEEDING (all disturbed grass args) CU. YD.		ALUMINUM BLEACHERS (Amray 40 FO 77.	4" PERF. P.E. PIPE DRAIN W/ CHATTATH FOREST	6" PERF. P.E. PIPE DRAIN W / GEOTEVATE POOCK	6" CONCRETE HEADWAIT (for desired. 1.1). FT.	BASES AND PLATES (hatters how mandle outlet) EACH	DUGOUT REMOVAL	DUGOUT CONSTRICTION	EACH	
ITEM NO.	·	7	3	4	വ	9	7	8	6	10	F	12		

\$100,250.00 \$9,025.00 \$10,025.00 \$119,300.00 \$5,000.00 CONTINGENCIES: CONSTRUCTION COST: Construction engineering: TOTAL COST: DESIGN ENGINEERING:

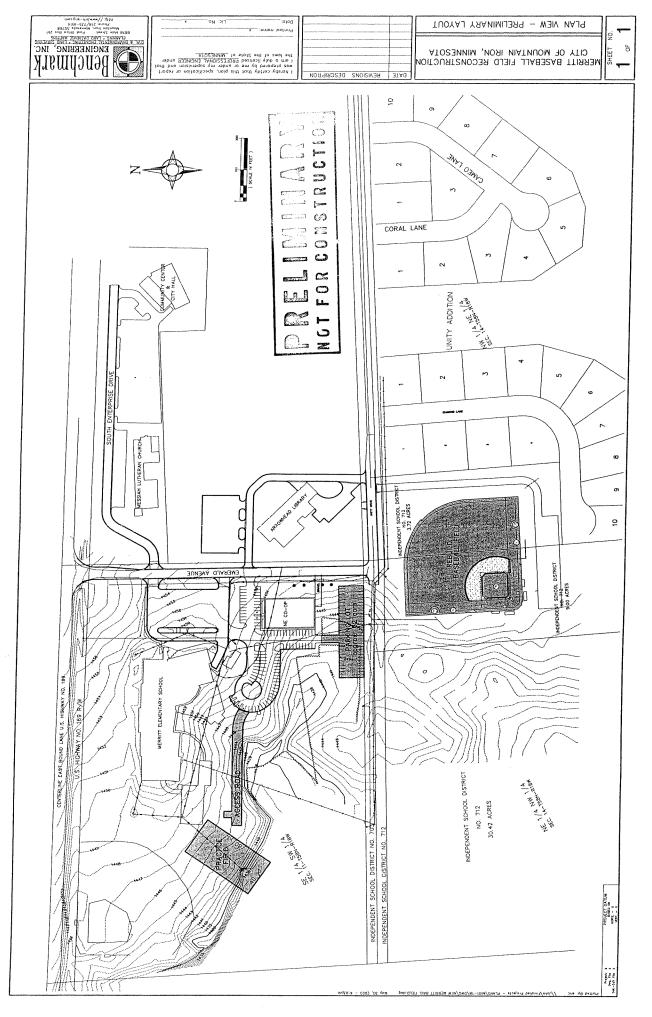
Approx. Savings Utilizing City Forces for Irrigation and Draintile Installation:

\$12,500.00

NOTE: This Opinion of Cost is created under the assumption the existing fence and backstop will not need replacement. The approx. cost of Contracting the fence and back stop replacement is \$36,000.00. The approx. cost of Contracting the replacement utilizing City forces for fence and backstop removal would be \$31,000.00.

EXHIBIT E

(Practice Field, Road, Parking Area Plans)



COUNCIL LETTER 091503-VIE

MAYOR SKALKO

WORK SCHEDULE FOR FIVE SALARY EMPLOYEES

DATE:

September 11, 2003

FROM:

Mayor Skalko

Craig J. Wainio City Administrator

Background: Council will be given monthly reports (sent out on the 25th of previous month), stating employee's scheduled days off: ie. vacation, comp time, for the upcoming month.

This will take effect in November, 2003.

COUNCIL LETTER 091503-VIF COUNCILOR ROSKOSKI LOCAL IMPROVEMENT POLICY CHANGE

DATE:

September 11, 2003

FROM:

Councilor Roskoski

Craig J. Wainio City Administrator

Present street classifications and assessment rates:

Arterial Streets 10%

Collector Streets 50%

Residential Streets 75%

Cul-de-sacs 90%

I propose to add one more classification and assessment rate:

Minor Arterial 25%

COUNCIL LETTER 091503-VIG

COUNCILOR ROSKOSKI

YELLOW CURBING BY CATHOLIC CHURCH

DATE:

September 11, 2003

FROM:

Councilor Roskoski

Craig J. Wainio City Administrator

The yellow curbing along the west side of North Mineral Avenue by the Catholic Church appears to be too long, taking up to much needed/used parking places. I suggest the yellow curbing requirements be re-measured and any over extension of the yellow curbing be repainted gray.

COUNCIL LETTER 091503-VIH

COUNCILOR ROSKOSĶI

COUNCIL RESPONSE TO COUNTY RESPONSE OF COUNCIL REQUEST

DATE:

September 11, 2003

FROM:

Councilor Roskoski

Craig J. Wainio City Administrator

The City Council should re-request that the County look at Old Highway 169 paving through Parkville again in light of Minntac's seven-year window on mining in Parkville.

COUNCIL LETTER 091503-VII COUNCILOR IRISH HIGHWAY 169 MN DOT SIGNS

DATE:

September 11, 2003

FROM:

Councilor Irish

Craig J. Wainio City Administrator

At the request of the Downtown Committee, I would like City Council approval of the following signs, due to misdirection of out of town motorists. (To be hand delivered at Council meeting).

COUNCIL LETTER 091503-VIJ

COUNCILOR IRISH

DNR ATV TRAILWAYS

DATE:

September 11, 2003

FROM:

Councilor Irish

Craig J. Wainio City Administrator

After meeting with the DNR Water & Trails personnel, the proposed trail area was plotted with a GPS and mapped. I am requesting for the City Council to review the proposed area and to allow the project to move forward.