

**EDAP BOARD MEETING  
QUEEN BEE'S BAR & GRILL, INC.  
FEBRUARY 18, 2020  
7:00 A.M.**

**AGENDA**

**\*\*\* Note location of meeting.\*\*\***

- I. CALL TO ORDER
- II. CONSENT AGENDA
  - A. Minutes (page 1)
- III. NEW BUSINESS
  - A. City Administrator Position Update - Schedule/Timeline – EDAP's Participation – Belinda Ludwig will give a verbal report.
  - B. Vacant Building Ordinance (page 4)
  - C. Housing Incentive (page 11)
- IV. OLD BUSINESS
  - A. Economic Status Of Community – Update
  - B. Past Due Loans – Update
- V. INFORMATIONAL
  - A. Revolving Loan Report (page 14)
- VI. ADJOURN

**\*\*\* Please call or email Belinda at 320-243-3714 ext. 228 or at [belinda@paynesvillemn.com](mailto:belinda@paynesvillemn.com) if you are not able to attend the meeting.\*\*\***

**Members: Mark Dingmann, Don Wiese, Bruce Stang, Chris Stanley, Wayne Nelson, Shawn Reinke, and Len Gilmore. Advisory Member: Belinda Ludwig.**

This agenda has been prepared to provide information regarding an upcoming meeting of the EDAP Board. This document does not claim to be complete and is subject to change.

**BARRIER FREE:** All EDAP Board meetings are accessible to the handicapped. Attempts will be made to accommodate any other individual need for special services. Please contact City Hall (320) 243-3714 early, so necessary arrangements can be made.

## REQUEST FOR BOARD/COUNCIL ACTION

**BOARDCOUNCIL NAME: EDAP Board**

Board/Council Meeting Date: February 18, 2020

Agenda Section: Consent Agenda

Originating Department: Administration

Item Number: II - A

**ITEM DESCRIPTION: Minutes**

Prepared by: Staff

**COMMENTS:**

Please review the minutes from the January 21, 2020 EDAP Board meeting.

**ADMINISTRATOR COMMENTS:**

**BOARD/COUNCIL ACTION:**

Motion to approve the minutes from the January 21, 2020 EDAP Board meeting.

**MINUTES  
EDAP BOARD MEETING**

**JANUARY 21, 2020**

The meeting was called to order by Chairperson, Chris Stanley at 7:03 a.m. Members present were Mark Dingmann, Shawn Reinke, Len Gilmore, and Belinda Ludwig, Acting City Administrator. Don Wiese, Bruce Stang, and Wayne Nelson were absent.

**Motion was made by Reinke to approve the minutes from the October 15, 2019 and August 20, 2019 EDAP Board meetings. Seconded by Gilmore and unanimously carried.**

**ELECTION OF OFFICERS**

**Motion was made by Gilmore to elect Stanley as Chairperson, Nelson as Vice Chair, and City Administrator position as Secretary. Seconded by Dingmann and unanimously carried.**

**MEETING SCHEDULE**

**Motion was made by Stanley to set the EDAP Board meetings for 7:00 a.m. on the third Tuesday of each month and to rotate restaurants. The only two restaurants currently are Hilltop and Queen Bee's. The City will call Queen Bee's before meeting to let them know we are coming. Seconded by Gilmore and unanimously carried.**

**APPOINTMENT OF EDAP FINANCE SUB-COMMITTEE MEMBERS**

**Motion was made by Rinke to appoint Chris Stanley, Bruce Stang, Len Gilmore and Chelsey Mueller, Shawn Reinke (alternate) to the EDAP Finance Sub-Committee. Seconded by Stanley and unanimously carried.**

**EDAP BOARD PARTICIPATION**

Reinke explained that he wanted to hold discussion on whether the EDAP Board wants to participate more in the community on economic development, as the City searches to fill the City Administrator position. The Board would prefer to be proactive instead of reactive and as the Administrator gets a lead, the board would like to know about it sooner. Maybe the Administrator could give a member of the Board a call and together they could go for lunch and give a tour of the community picking the Board member that best fits the situation. The Board wants to and is willing to be more active.

**ECONOMIC STATUS OF COMMUNITY**

Discussion was held that Goldies was only open a week and closed. There has been interest in Ron & Judy's. Paynesville Township is finalizing the solar panel project.

## **DOWNTOWN REVITALIZATION & REDEVELOPMENT**

The Board discussed whether they wanted to move forward with Phase 2 option of the Downtown Revitalization. Comments were that this has been done before and the City needs to wait until someone is going to do something. Downtown is based on AMPI.

**Motion was made by Reinke to take 75% of Phase 2 costs from EDAP Fund if the City will budget \$500,000 for development.**

**The motion died for a lack of a second.**

Possibly the City should develop downtown around AMPI and go to them with a plan and be proactive. Maybe the agenda of the new Administrator is to be "attached to the hip" of AMPI and CentraCare.

**Motion was made by Stanley that EDAP is not willing to move forward until there is a specific need. Seconded by Dingmann and unanimously carried.**

## **212 GARFIELD AVE.**

An email was received by Spooner that this property is in foreclosure and there is a Small Cities Loan remaining that would be behind the foreclosed loan. The City would most likely lose that money unless the City wants to purchase the property.

**Motion by Reinke to let the property go. Seconded by Stanley and unanimously carried.**

## **INFORMATIONAL**

The Revolving Loan Report and past due loans were reviewed.

There being no further business the meeting was adjourned at 7:55 a.m.

## REQUEST FOR BOARD/COUNCIL ACTION

**BOARDCOUNCIL NAME: EDAP Board**

Board/Council Meeting Date: February 18, 2020

Agenda Section: New Business

Originating Department: Administration

Item Number: III - B

**ITEM DESCRIPTION: Vacant Building Ordinance**

Prepared by:

**COMMENTS:**

Please review the attached Vacant Building Ordinance (from the City of St. Cloud). The Council has asked that the EDAP Board and Planning Board review it to determine if this is something the City should adopt and if any necessary changes need to be made. Your feedback on this is appreciated.

**ADMINISTRATOR COMMENTS:**

**BOARD/COUNCIL ACTION:**

Motion to \_\_\_\_\_.

Section 310 – Vacant Building Registration

Section 310:00. Purpose and Policy. The purpose of Section 310 is to protect the public health, safety, and welfare by establishing a program for the identification and regulation of vacant buildings within the City. Section 310 also determines the responsibilities of owners of vacant buildings and provides for administration, enforcement, and penalties associated with the same.

Section 310:05. Findings of the City Council. The City Council makes the following findings regarding vacant buildings within the City of St. Cloud:

- (a) Vacant buildings have become a major cause of and source of blight in residential and non-residential neighborhoods, especially when the owner or responsible party of the building fails to actively maintain and manage the building to ensure they do not become a liability to neighborhoods and the community.
- (b) Vacant buildings may attract transients, homeless people, trespassers, and criminals, including drug abusers. Neglect of vacant buildings, as well as use of vacant buildings by transients and criminals, creates a risk of fire, explosion, or flooding for the vacant building and adjacent properties.
- (c) Vacant properties are often used as dumping grounds for junk and debris and are often overgrown with weeds and grass.
- (d) Vacant buildings that are boarded up to prevent entry by transients and other long-term vacancies discourage economic development and retard appreciation of property values.
- (e) There is a substantial cost to the City for monitoring vacant buildings regardless of whether those buildings are boarded or not. This cost should not be borne by the general taxpayers of the community but rather these costs should be borne by those who are responsible for vacant buildings. It is a responsibility of property ownership to prevent property from becoming a burden to the neighborhood and community and a threat to the public health, safety, or welfare.

Section 310:10. Definitions. The following definitions shall apply in the interpretation and enforcement of this subsection:

Subd. 1. *Compliance Official*. The Health Director or the Health Director's designee.

Subd. 2. *Owner*. Those shown to be the owner or owners on city or county records; those identified as the owner or owners on a vacant building registration form, a holder of an unrecorded contract for deed, a mortgagee or vendee in possession, a mortgagor or vendor in possession, an assignee of rents, a receiver, an executor, a trustee, a lessee, other person, firm or corporation in control of the freehold of the premises or lesser estate therein. An owner also means any person, partnership, association, corporation, or fiduciary having a legal or equitable title or any interest in the property or building. This

includes any partner, officer, or director of any partnership, corporation, association or other legally-constituted business entity. All owners shall have joint and several obligations for compliance with the provisions of this subsection.

Subd. 3. *Premises*. Any real property and any appurtenant building or structure.

Subd. 4. *Responsible party*. An owner, legal occupant or an entity or person acting as an agent for an owner by agreement, which has authority over the real property or is responsible for the property's maintenance or management. Irrespective of any arrangement to the contrary with any other party, each property owner shall always be a responsible party for the purposes of this section. There may be more than one responsible party for a particular property.

Subd. 5. *Secure*. Includes, but is not limited to, installing locks, repairing windows and doors, boarding windows and doors, posting "no-trespassing" signs, installing exterior lighting or motion-detecting lights, fencing the property, and installing a monitored alarm or other security system consistent with Minn. Stat. § 463.251.

Subd. 6. *Unoccupied building*. A building which is not being used for a legal occupancy.

Subd. 7. *Unsecured building*. A building or portion of a building that is open to entry by unauthorized persons without the use of tools.

Subd. 8. *Vacant building*. A building or portion of a building that meets one or more of the following conditions:

- (a) Unoccupied and foreclosed upon; or
- (b) Unoccupied and has delinquent fees or taxes owed to the city; or
- (c) Unoccupied and the Police Department or Health & Inspections Department has received at least two reports of trespassers on the premises, or of vandalism or other illegal acts being committed on the premises; or
- (d) Unoccupied and the premises has accumulated three or more property related violations within a 12-month period; or
- (e) Unoccupied and the premises has had multiple property related violations existing for 30-days or more after issuance of a notice of violation; or
- (f) Unoccupied and the premises is posted as unsafe to occupy.

Section 310:15. Vacant building registration.

Subd. 1. Application. The owner or responsible party must register a vacant building with the City no later than 90 days after the building becomes vacant. Registration is

valid for a 12-month period following application. The registration must be submitted on a form provided by the City and shall include the following information supplied by the owner:

- (a) The name, address, and telephone number of each owner or the owner's representative;
- (b) The names, addresses, and telephone numbers of all known lien holders and all other parties with any legal interest in the building;
- (c) The name, address, telephone number, and email address of a local agent, maintenance company, or person responsible for managing or maintaining the property;
- (d) The legal description, tax parcel identification number, and street address of the premises on which the building is situated;
- (e) A description of the premises, including the common address of the property;
- (f) The date the building became vacant, the period of time the building is expected to remain vacant, and a property plan and timetable for returning the building to appropriate occupancy or use and for correcting code violations and nuisances, or for demolition of the building;
- (g) The status of water, sewer, natural gas and electric utilities;
- (h) The owner must notify the compliance official of any changes in information supplied as part of the vacant building registration within 15 days of any change;
- (i) If the property is abandoned or the owner or responsible party fails to complete the registration process, the property will be administratively registered as a vacant property.
- (j) Evidence of liability insurance in an amount not less than \$300,000 covering damage to any person or any property caused by any physical condition of or in the building.

Subd. 2. Fees. The owner must pay an annual registration fee. The registration fee will be in an amount adopted by the City Council. The fee must be paid in full prior to the issuance of any licenses.

Subd. 3. Assessment. The amount of unpaid fees will be recovered by assessing the registration fee against the real property upon which the registration was required and to certify the same for collection in the same manner as taxes and special assessments are certified and a debt owed to the city by the responsible person or persons.

Subd. 4. Issuance of permit. Upon completion of the registration process and payment of



the fee, the City will issue a Vacant Building Permit to the owner. The owner must securely post the permit on the vacant building on a side or rear entrance door that is not generally visible from the public street. If no side or rear entrance door is available, the permit must be securely posted on another available entrance door on that vacant building.

Section 310:20. Property Plan.

Subd. 1. Plan Requirements. The property plan identified in section 310:15, Subd. 1(f) must meet the following requirements:

- (a) General provisions. The plan must comply with all applicable regulations and meet the approval of the compliance official. It must contain a timetable regarding use or demolition of the property. The plan must be submitted with the vacant building application.
- (b) Maintenance of building. The plan must identify the means and timetable for addressing all maintenance and nuisance-related items identified in the application. Any repairs, improvements or alterations to the property must comply with the applicable building codes and City regulations.
- (c) Plan changes. If the property plan or timetable for the vacant building is revised in any way, the revisions must meet the approval of the compliance official.
- (d) Demolition required. If a building has remained vacant for a period of 365 consecutive days, and the compliance official has not approved an alternative schedule in the property plan, the owner may be required to demolish the building in accordance with City code and State Statutes 463.15-463.26.

Section 310:25. Change of ownership. A new owner(s) must register or re-register a vacant building within 15 days of any transfer of an ownership interest in a vacant building. No fee will be required of the new owner provided the registration fee has been paid. The new owner(s) must comply with the approved property plan and timetable submitted by the previous owner. Any proposed changes in the property plan must be submitted and approved by the compliance official.

Section 310:30. Inspections. The compliance official may inspect any vacant building in the City for the purpose of enforcing and assuring compliance with this chapter and other applicable regulations. Upon the request of the compliance official, an owner or responsible party must provide access to all interior portions of the building and the exterior of the property in order to complete an inspection. If the owner or responsible party is not available to provide access to the interior of the building, the City may use any legal means to gain entrance to the building for inspection purposes. Prior to any re-occupancy, a vacant building must be inspected by the City and found to be in compliance with the City Code and all other applicable regulations.

Section 310:35. Maintenance of registered vacant buildings. The owner must comply with and

address the following items in the property plan:

Subd. 1. Appearance. All vacant buildings must be so maintained and kept that they appear to be occupied. Including but not limited to the following items:

- (a) Maintenance and upkeep of landscaping, including trimming of trees, shrubbery and other vegetation.
- (b) Mowing of grass and weeds to be maintained below 10 inches in length.
- (c) Free of all graffiti as defined in St. Cloud City Ordinance 1007.
- (d) Free of nuisance conditions as defined in St. Cloud City Ordinance 1005.

Subd. 2. Securing. All vacant buildings must be secured from outside entry by unauthorized persons or pests. Security must be by the normal building amenities such as windows and doors having adequate strength to resist intrusion. All doors and windows must remain locked. There shall be at least one (1) operable door into every building and into each housing unit. Vacant buildings shall be boarded when the building can no longer be secured against intrusion by the closing and locking of doors and windows in accordance with this chapter. When boarding is used, it must comply with the standard set in St. Cloud City Ordinance Section 300:41.

Subd. 3. Termination of utilities. The compliance official may require that water, sewer, electricity, or gas service to the vacant building be terminated or disconnected. No utility may be restored until consent is given by the compliance official. Utilities may be discontinued at the request of the owner or responsible party as part of the approved vacant building property plan. The compliance official may authorize immediate termination of utilities at his or her discretion in emergency circumstances.

Subd. 4. Police and fire alarm systems. The owner must properly maintain all alarm systems in any vacant building or portion thereof in operating condition; or, discontinue their service unless such service is required by code.

Subd. 5. Loitering and/or criminal activities. Loitering or engaging in criminal activities is not allowed in the vacant building or on the real property upon which the vacant building is located. The owner or responsible party must not allow these activities and take immediate actions to eliminate these conditions once notified by the City.

Subd. 6. Other codes. A plan for compliance with all applicable provisions of City code and other applicable regulations.

Section 310:40. Abatement of violations. If, after service of a notice of violation under Section 310, the owner fails to abate the violation or make the necessary repairs, alterations or changes as required by the order of the Health and Inspections Department, the same may be abated under the direction of the Health Director.

Section 310:45. Expense of abatement. The expenses of any abatement pursuant to this section are the responsibility of the property owner. The expense for abatement will include a \$75.00 administrative fee in addition to the actual cost of abatement. Abatement actions that require the presence of City Staff for more than 1-hour during the abatement or other extraordinary coordination efforts will be additionally billed to the affected property owner at the rate of \$60.00 per hour. Abatement expenses may be levied against the property as a special assessment and collected as in the case of other special assessments.

Subd. 1. Certification fee. A \$50.00 charge will be added to all accounts certified to the County Auditor's Office for collection. This fee is to be considered separate and distinct from any penalty or interest that may be charged by the County as a result of certification.

Section 310:50. No Occupancy or trespass. No person may trespass, occupy or reside in, on a temporary or permanent basis, any vacant building without the owner's consent.

Section 310:55. Vandalism or removal of items prohibited. No person may vandalize or remove items from a vacant building or the property upon which it is located, including, but not limited to, appliances, fixtures, electrical wiring, copper, or other similar items without the owner's consent.

Section 310:60. Appeal. Any person or responsible party aggrieved by a decision under sections of this chapter may appeal to the City Council. The appeal must be in writing, must specify the grounds for the appeal, and must be submitted to the compliance official within ten (10) business days of the decision that is basis of the appeal.

Section 310:65. Penalties. Any person or responsible party who violates any provision of this section is subject to a misdemeanor penalty and any administrative fees as provided under City code and this section. Imposition of such penalties, however, is not deemed to impair other remedies or civil penalties available to the City under this code or state law.

**HISTORY:** ORD 2661 6-16-2016; 2755 6-18-2018

## REQUEST FOR BOARD/COUNCIL ACTION

**BOARDCOUNCIL NAME:** EDAP Board

Board/Council Meeting Date: January 21, 2020

Agenda Section: New Business

Originating Department: Administration

Item Number: III - C

**ITEM DESCRIPTION:** Housing Incentive Program

Prepared by: Staff

**COMMENTS:**

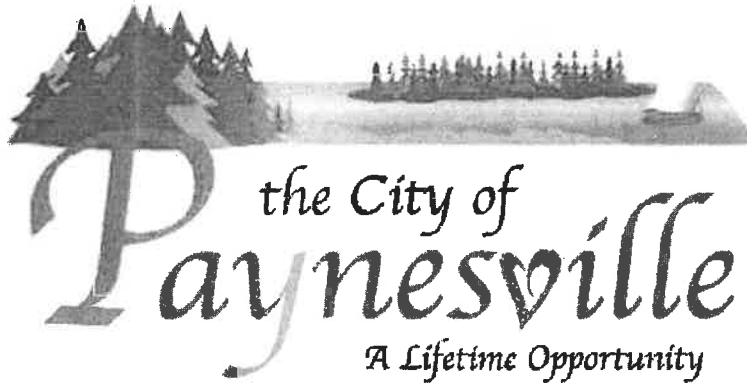
City staff has a Housing Incentive Program question as we are currently updating the program information and this may get asked and want to be prepared. Is the Housing Incentive applicable to homes being moved in or modular homes set on a lot within the City limits; homes moved in by a 3<sup>rd</sup> party, sold, and occupied?

**ADMINISTRATOR COMMENTS:**

**BOARD/COUNCIL ACTION:**

## **City of Paynesville Housing Incentive Program**

- \$2,500 DEFERRED LOAN for any single family dwelling owned and occupied by the applicant ~ will be given to the owner upon the questionnaire being filled out by the applicant and the Certificate of Occupancy being issued for the dwelling. Person must own and occupy the dwelling for 6 years without having to pay all or any portion of the loan back to the City of Paynesville.
- Free Water Hookup (savings of \$800) does not include the meter ~ this is applied on the Building Permit.
- Free Sewer Hookup (savings of \$1,000) ~ this is applied on the Building Permit.
- One Free Boulevard Tree (savings of \$250) ~ tree voucher will be given to the owner upon a Certificate of Occupancy being issued for the dwelling to be claimed at Wimmer Landscaping.



## Housing Incentive Program

### Interested in building a new home?

The City of Paynesville is offering a Housing Incentive Program. Purchase any privately owned or city owned lot within the city limits and receive these exciting incentives. List of available lots on back.

#### Incentives

- **\$2,500 DEFERRED LOAN.** For any single family dwelling owned and occupied by the applicant. Check will be given when dwelling is certified for occupancy. Requires ownership be retained for 6 years without having to pay all or any portion of the loan back to the City of Paynesville.
- **Free Water Hookup (savings of \$800)** does not include the meter. This is applied on the building permit.
- **Free Sewer Hookup (savings of \$1,000).** This is applied on the building permit.
- **One Free Boulevard Tree (savings of \$250).** Tree Voucher will be given to the owner with the \$2,500.00 check to be claimed at Wimmer Landscaping & Garden Center, 185 State Hwy 55, Paynesville.

For more information on this program contact:  
Renee Eckerty, City Administrator/Economic Development Director  
(320) 243-3714 ext. 227 or [renee@paynesvillemn.com](mailto:renee@paynesvillemn.com)  
Website: [www.paynesvillemn.com](http://www.paynesvillemn.com)

Some of the available Residential lots are listed on the back side

## REVOLVING LOAN STATUS REPORT

Date of Update: **2/10/2020**

| Business Name                                  | Outstanding Balance  | Date of last Payment | Amount of Last Payment | Current/Next Due Date |
|--|----------------------|----------------------|------------------------|-----------------------|
| C & S Towing Inc                               | \$ 67,146.09         | 1/27/2020            | \$ 455.76              | 3/1/2020              |
| Eats & Treats                                  | \$ 7,626.75          | 2/7/2020             | \$ 180.00              | 3/3/2020              |
| William Fuchs                                  | \$ 5,969.05          | 2/5/2020             | \$ 98.89               | 4/13/2020             |
| Koronis Lanes Refinance                        | \$ 25,049.69         | 2/3/2020             | \$ 628.55              | 3/1/2020              |
| Koronis Living LLC                             | \$ 10,189.45         | 1/21/2020            | \$ 300.00              | 2/13/2020             |
| Lamb Labor Services #3                         | \$ 3,384.71          | 1/31/2020            | \$ 161.72              | 3/1/2020              |
| Queen Bee's Bar & Grill                        | \$ 63,975.59         | 2/3/2020             | \$ 608.86              | 3/20/2020             |
| Safe Basements Inc.                            | \$ 199,411.08        | 1/27/2020            | \$ 2,590.96            | 3/1/2020              |
| Savage Land Partnership                        | \$ 252,258.22        | 12/24/2019           | \$ 1,957.36            | 3/3/2020              |
| Todd & Lauri Lokken                            | \$ 33,655.52         | 1/22/2020            | \$ 235.85              | 2/17/2020             |
| Joint Loans w/Township                         |                      |                      |                        |                       |
| Joint Loans w/State                            |                      |                      |                        |                       |
| <b>TOTAL OUTSTANDING BALANCE</b>               | <b>\$ 668,666.15</b> |                      |                        |                       |
| <b>LATE PAYMENTS:</b>                          |                      |                      |                        |                       |
| <b>TOTAL DELINQUENT</b>                        | <b>\$ 668,666.15</b> |                      |                        |                       |
| <b>CITY REVOLVING LOAN BALANCE (available)</b> |                      | <b>\$ 372,680.25</b> | <b>11/30/2019</b>      | <i>(unaudited)</i>    |
| <b>CITY EDAP BALANCE</b>                       |                      | <b>\$ 371,480.60</b> | <b>11/30/2019</b>      | <i>(unaudited)</i>    |
| <b>TOWNSHIP LOAN BALANCE (available)</b>       |                      | <b>???</b>           |                        |                       |

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