



Agenda
Lake City Port Authority
February 15, 2024
4:30 PM
City Hall Second Floor Conference Room

-
1. Call to Order
 2. Review and Adopt or Amend Agenda
 - a. Disclose Conflicts
 3. Public Forum
 4. Consent Agenda
 - a. Meeting Minutes 1.18
 - b. Monthly Invoices
 - c. Monthly Financials
 - d. Small Cities Development Program
 5. Informational Reports
 - a. Update on Purchase Agreement for 303 South Lakeshore Drive
 - b. Update on Cemstone Site
 - c. Update on Business Challenge
 - d. Review Short-Term Rental Ordinances
 6. New Business
 - a. Approve Recommendation to Amend Port Authority By-Laws
 - b. Approve Application to AARP Community Challenge Grant
 - c. Approve Application to Ripple Effect Mapping Project
 - d. Discuss DEED Chidcare Economic Development Grant Program
 - e. Discuss Property Sale Funding Allocation
 7. Unfinished Business
 - a. Discuss MnDOT Property Purchase
 - b. Discuss Cemstone Property Conveyance Request
 8. Future Meeting Dates
 - a. 4:30 pm, March 21, 2024

9. Adjourn



February 15, 2024

Agenda Item Description: Meeting Minutes 1.18

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: Yes

Action Requested:

No action requested; item is an informational update only.

Reviewed By: Port Authority

Preparer:

ATTACHMENTS:

Description

- ▣ **Port Authority Board Meeting Minutes 1.18.24**

Lake City Port Authority Meeting Minutes

4:30 pm, January 18, 2024

In-Person Meeting, Second Floor Conference Room, City Hall

Board Members Present: Amy Alkire, Gregg Moyer, Kevin Beauvais, Tom Dwelle

Board Members Absent: John Hutchinson, Mark Fayette, Mark Nichols

Port Authority Staff: Cailin Richard, Ben Strand

Guests: Gregory Schreck, Richard Donnelly

Call to Order

4:30 pm

Adoption of Agenda

Unanimous adoption of agenda with a motion from Alkire and a second from Beauvais (4-0-0) with no amendments to the agenda.

Public Forum

The Public Forum was opened and closed without any presentations from public attendees.

Consent Agenda

Unanimous approval of the Consent Agenda with a motion from Moyer and a second from Alkire (4-0-0), including Port Authority Meeting Minutes from December 21st, Port Authority Special Meeting Minutes from December 28th, Monthly Invoices, Monthly Financials and the Small Cities Development Program reports.

Informational Reports

Staff provided an update on the **Purchase Agreement for 303 South Lakeshore Drive**, sharing that the proof of financing contingency had been met, Meier Companies was requesting a density variance from the Board of Adjustments, a “Project Open House” was in the planning phase and the developer would be offering the jailhouse building up for relocation. There was discussion amongst the Board on the developer’s variance application and process for approval.

Staff provided an update on the **Cemstone site**, sharing that they were working to schedule a meeting with the community garden committee and the conversation on filling the pit with dredged sand had been initiated with the Army Corps of Engineers by the Mayor. There was discussion amongst the Board on making a formal request to City Council for site control of Cemstone, future platting of the site, the potential for housing on the site and examples of other communities who had redeveloped brownfields.

Staff provided an update on the **Underwood Terrace Apartment Complex**, sharing the process to close out the Contract for Development and the current vacancy rate. There was discussion

amongst the Board on where tenants of the apartment had relocated from. Staff was directed to reach out to the management company to acquire demographic information on building occupants.

Staff provided an update on **interactive meeting technology**, sharing an updated equipment cost and the process of placing an order with the Owl Labs sales staff.

Staff provided an update on the **Jewel Stormwater Pollution Prevention Plan**, sharing that there was a change in Minnesota Pollution Control Agency's regulations for communities of a certain size that required individual development parcels to provide Stormwater Pollution Prevention Plans (SWPPP). Staff proposed exploring housing incentive options for SWPPPs if the new requirement caused concern about housing development costs.

Staff provided an update on **Senator Klobuchar's visit** to Lake City, sharing a summary of the visit and take-aways for the Port Authority on highlighting manufacturers in the community. There was discussion amongst the Board on how to enhance Manufacturing Month activities, what surrounding communities do to highlight manufacturers and the history of manufacturers in Lake City.

New Business

Staff presented the **Election of Officers for the 2024 Port Authority Board**, sharing what Officer roles needed to be filled and who had served in these roles the previous year. There was discussion amongst the Board on when elections needed to take place, Officer term limits, responsibilities of the Officer positions and interest among the present Board members. The Board unanimously agreed to hold a discussion on filling the positions in December and host the official elections during the first meeting of the year in the future. With a motion from Moyer and a second from Beauvais (4-0-0), Tom Dwelle was elected as the 2024 President of the Port Authority Board. With a motion from Dwelle, and a second from Alkire (4-0-0), Gregg Moyer was elected as the 2024 Vice President of the Port Authority Board, Kevin Beauvais was elected as the 2024 Treasurer of the Port Authority Board and Port Authority staff were elected to serve as the 2024 Secretary and Assistant Treasurer of the Port Authority Board.

Staff presented **2023 budget carry-over items** for approval, sharing the proposed carry-over amounts, what the carry-over funds would be used for and impacts to the 2024 budget. With a motion from Beauvais and a second from Moyer (4-0-0), the Board unanimously approved the 2023 budget carryover items.

Staff presented the **2024 Port Authority Work Plan and 2024-2029 Port Authority Strategic Project Plans** for approval. There was no additional discussion. With a motion from Beauvais and a second from Alkire (4-0-0), the Board unanimously approved the 2024 Port Authority Work Plan and 204-2029 Port Authority Strategic Project Plans.

Staff presented the **Empowering Small Minnesota Communities** technical assistance program, sharing information on the program structure and an application proposal to develop future plans for the Cemstone site. There was discussion amongst the Board on work already completed on the Cemstone site, future Cemstone site plans and funding opportunities for development. With a

motion from Moyer and a second from Beauvais (4-0-0), the Board unanimously approved staff to author and submit an application to the Empowering Small Minnesota Communities technical assistance program.

Staff presented the **Rural Child Care Innovation Program** through Children's First Finance, sharing information on the program and potential application partners. There was discussion amongst the Board on the objectives of the program and the current state of child care in Lake City. With a motion from Beauvais and a second from Alkire (4-0-0), the Board unanimously approved staff to author and submit an application to First Children's Finance Rural Child Care Innovation Program.

Staff presented a draft **Board Meeting Attendance Policy** for consideration. There was discussion amongst the Board on the acceptable number of meeting absences, what excused absences should be listed, virtual meeting attendance and notification of attendance. Board members agreed that the limit for unexcused absences should be three a year, before their attendance was discussed by the Board and action was recommended to City Council. The Board directed staff to amend the Port Authority Bylaws with the revised policy and send it to the City attorney for review. The amended Bylaws will be brought in front of the Port Authority Board for review and approval at the regularly scheduled February Board meeting.

Unfinished Business

Staff provided an update on the **MnDOT property located on South Oak Street** that was under consideration by the City for purchase, sharing information on the amount of developable land on the site, the development constraints on the site and City Council's most recent discussion on the purchase. There was discussion amongst the Board on the asking price and potential site uses. The Board unanimously agreed to keep the item on future meeting agendas for discussion.

Staff presented the **Cemstone property conveyance request** for discussion. There was discussion amongst the Board on the Port Authority's role in the Cemstone site development, what reclamation would have to happen on the pit prior to the site being conveyed and where the conveyance request for the MnDOT-owned property on the Cemstone site was at with the City. The Board unanimously agreed to keep the item on future meeting agendas for discussion.

Adjournment

Motion to adjourn was made at 5:49 pm by Beauvais and seconded by Alkire (4-0-0).

Respectfully submitted,
Executive Directors, Lake City Port Authority

These Minutes are scheduled for approval on the consent agenda of the regular meeting of the Lake City Port Authority Board at 4:30 pm on Thursday, February 15, 2024.



February 15, 2024

Agenda Item Description: Monthly Invoices

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: Yes

Action Requested:

No action requested; item is an informational update only.

Reviewed By: Port Authority

Preparer: Cailin Richard, Executive Director

ATTACHMENTS:

Description

- ▣ **January 2024 Port Authority Invoices**

Monthly Invoices & Financial Transactions

Meeting Date: February 15, 2024

Report Period: January 2024

Prepared by: Port Authority Staff

Due Date	Vendor Name	Description	Amount	Account	Account
1/16/2024	Sievers Creative	Website Services - Monthly Fee	\$115.00	Professional Services	300
1/31/2024	Kennedy & Graven, Chartered	Underwood Terrace CPD Legal Fees	\$396.00	Professional Services	300
1/31/2024	Kennedy & Graven, Chartered	Purchase Inquiry - MnDOT Land	\$202.00	Professional Services	300
1/4/2024	Chamber of Commerce	Chamber of Commerce Annual Membership	\$350.00	Travel, Conference, School	320
1/31/2024	CEDA	Monthly Contract - Port Authority Staff	\$9,627.50	Contractual - CEDA Contract	390
1/31/2024	Kennedy & Graven, Chartered	Legal Fees - Conoco Purchase Agreement	\$110.00	Conoco Project	397

Monthly Total: \$10,800.50



February 15, 2024

Agenda Item Description: Monthly Financials

Originating Department: EDA

Board/Commission/Committee Action: Board **Consent Agenda?:** Yes

Action Requested:

No action requested; item is an informational update only.

Introduction/ Background/Justification/Key/Legal Issues:

Staff will upload and attach the January 2024 financials when they become available through the City's Finance Department.

Reviewed By: Port Authority

Preparer:



February 15, 2024

Agenda Item Description: Small Cities Development Program

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: Yes

Action Requested:

No action requested; item is an informational update only.

Reviewed By: Port Authority

Preparer:

ATTACHMENTS:

Description

- ▣ Lake City Commercial SCDP Report - January 2024
- ▣ Lake City Residential SCDP - January 2024

February 1, 2024

City of Lake City SCDP Progress Report

Grant End Date: September 30, 2024

Project Goal: 12

Commercial Rehab

Applications

Sent: 26
Received: 25

Applicants/Applications Dropped 9
No Response: 2
Over Income: 0
Not Interested: 6
Not Eligible: 0
Applicant Requested 0
Deceased: 0
Return Mail: 0
Not in Target Area: 1

Application Received Status

Pending Income/Title Verification: 6
Pending Inspection, Lead Risk Assessment and SHPO: 0
Pending Preliminary Bid/Loan Approval by Homeowner: 0
Pending Contractor Estimates: 0
Pending Final bid/loan approvals by Homeowner: 0
Pending loan closing and contract award 2

Projects in Construction: 5
Projects Completed and Closed: 5

	SCDP Funds	Private Funds	Installment Loan	City's RLF	Total Funds
Allocation	\$ 336,000.00	\$ -	\$ -	\$ 200,000.00	\$ 336,000.00
Obligated	\$ 330,742.34	\$ 67,122.85	\$ -	\$ -	\$ 397,865.19
Estimated	\$ 80,000.00	\$ 6,000.00			\$ 86,000.00
Balance	\$ 5,257.66	\$ 67,122.85	\$ -	\$ 200,000.00	\$ 72,380.51
Unit Average	\$ 33,074.23	\$ 6,712.29	\$ -	\$ -	\$ 39,786.52
Unit Goal	\$ 28,000.00				\$ 28,000.00

February 1, 2024

City of Lake City SCDP Progress Report

Grant End Date: September 30, 2024

Project Goal: 17

Owner-Occupied Rehab

Applications

Sent: 38
Received: 38

Applicants/Applications Dropped 22

No Response: 0
Over Income: 5
Not Interested: 9
Not Eligible: 1
Applicant Requested: 0
Deceased: 0
Return Mail: 0
Not in Target Area: 7

Application Received Status

Pending Income/Title Verification: 0
Pending Inspection, Lead Risk Assessment and SHPO: 0
Pending Preliminary Bid/Loan Approval by Homeowner: 0
Pending Contractor Estimates: 0
Pending Final bid/loan approvals by Homeowner: 1
Pending loan closing and contract award: 0

Projects in Construction: 1
Projects Completed and Closed: 14

	SCDP Funds	Private Funds	Installment Loan	Total Funds
Allocation	\$ 374,000.00	\$ -	\$ 51,000.00	\$ 374,000.00
Obligated	\$ 356,563.96	\$ 38,567.04	\$ 33,526.00	\$ 428,657.00
Estimated	\$ 22,000.00	\$ 3,000.00		\$ 25,000.00
Balance	\$ 17,436.04	\$ 38,567.04	\$ 17,474.00	\$ 73,477.08
Unit Average	\$ 23,770.93	\$ 2,571.14	\$ 2,235.07	\$ 28,577.13
Unit Goal	\$ 22,000.00			\$ 22,000.00



February 15, 2024

Agenda Item Description: Update on Purchase Agreement for 303 South Lakeshore Drive

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

No action requested; item is an informational update only.

Introduction/ Background/Justification/Key/Legal Issues:

As part of the Port Authority execution of the Purchase Agreement for the sale of 303 South Lakeshore Drive, staff will provide monthly progress updates.

The Board of Adjustments met on January 25, 2024 to evaluate Meier Companies density variance application, requesting to build 26 units on the site. The Board of Adjustments unanimously approved the variance, with the condition all plans were submitted to the City's Planning & Community Development Department within six (6) months of the approval date. Following the variance approval, Meier Companies has satisfied all outstanding contingencies in the Purchase Agreement.

The existing contingency date in the Purchase Agreement is March 27, 2024. Closing of the property shall happen on or before April 26, 2024.

Meier Companies is planning to hold a "Project Open House" on Saturday, March 23, 2024. It will be open to the public from 11:00 am – 1:00 pm, and will be held in the City Hall Ballroom. Meier Companies team is finalizing event marketing materials, and will be pushing information out to the public in the coming weeks.

Reviewed By: Port Authority

Preparer: Cailin Richard, Executive Director



February 15, 2024

Agenda Item Description: Update on Cemstone Site

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

No action requested; item is an informational update only.

Introduction/ Background/Justification/Key/Legal Issues:

The City's Planning & Community Development Department is working on platting the 10th Street corridor of the Cemstone site. Once a legal description is generated for the 10th Street parcel next to Underwood Terrace, the zoning recommendation from the Planning Commission of "medium-density residential" will be presented to City Council for consideration and action.

Staff has received two inquiries from housing developers on the Cemstone property in the last month. Staff will remain in contact with interested developers to keep them informed of site updates and take action as developments occur.

Mayor Nichols reached out to his contact at the St. Paul U.S. Army Corp of Engineers, inquiring about depositing river sand into the pit on the former Cemstone site. Transporting sand from its storage area to the pit is approximately 12 miles; the three potential modes of transportation are barge, trucking and rail. There are cost barriers for each mode of transportation. Following the Mayor's request, the Corp staff has tasked their research team with re-exploring the idea. Staff will plan to follow-up with the Corp, to continue the conversation and viability of the proposal.

Reviewed By: Port Authority

Preparer: Cailin Richard, Executive Director



February 15, 2024

Agenda Item Description: Update on Business Challenge

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

No action requested; item is an informational update only.

Introduction/ Background/Justification/Key/Legal Issues:

As a part of the 2024 Port Authority Work Plan, the Board approved organizing and hosting a Business Challenge. Attached is a draft “Business Challenge” proposal that includes the contest goals, timeline and guidelines. Staff is seeking the Board’s feedback of the initial proposal, and will bring a revised version, along with a detailed prize package, in front of the Board at the regularly scheduled March meeting for approval.

Reviewed By: Port Authority

Preparer: Ben Strand, Executive Director

ATTACHMENTS:

Description

- ▣ Lake City Business Challenge Proposal



LAKE CITY BUSINESS CHALLENGE 2024

Contest Goals:

- To initiate innovative recruitment of businesses that will enhance the business mix in downtown Lake City
- Strengthen the economy and environment of Lake City's Downtown Business District
- Transform an vacant storefront into new, vibrant Downtown business
- Generate buzz and promote Lake City as a great place to start/open a business
- Display the community's commitment to Downtown Lake City and build on existing momentum Downtown Lake City has generated over the last year-plus

Contest Timeline:

- February 2024 - Contest Proposal to Port Authority Board
- March 2024 - Contest Proposal to Port Authority Board approved
- March 2024 - Finalize partners/collaborators/sponsors for Business Challenge
- April 2024 - Finalize Prize Package and present to the Port Authority Board
- May 2024 - Begin promotion of contest and solicitation of competition participants
- June 2024 - Initial meeting with contest participants to go over competition details
- June 2024 - Solidify competition judges and participants start crafting business plans
- July 2024 - Competitors meet with assigned mentors/judges to go over business plans
(Round 1)
- August 2024 - Competitors make revisions to business plan and put together a financial analysis document (estimated startup costs, projected revenue/profit & loss, etc.)
- August 2024 - Competitors meet with assigned mentors/judges to review revised business plan and financial documents. Competitors also begin discussing pitch presentations with mentors/judges (Round 2)
- September 2024 - Competitors give formal pitches to judges and a winner is selected
(Round 3)
- October/November 2024 - Port Authority staff and competition judges work with selected winner to begin the process of opening their business

Contest Guidelines:

The winner will receive the prize package listed below.

- An estimated value of \$20,000
- Forgivable Loan of \$10,000 from Port Authority (forgivable over 5 years, similar to

Facade loan)

- Combined \$10,000 from in kind contributions and sponsorships
- Open to all legal US residents aged 18 and older
- Proposed businesses must be a retail/service business that fits within existing zoning of Lake City's Downtown District. If a suitable downtown location is not available, locations within City limits will be considered. Preference will be given to businesses that will locate in the Downtown District.
- Proposed businesses can be a one person concept or a team concept
- *Existing businesses may apply so long as that business proposes a substantial change or expansion/addition to the business' existing service(s) or market reach*
- *The business must be open and operating by February 1, 2025*



February 15, 2024

Agenda Item Description: Review Short-Term Rental Ordinances

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

No action requested; item is an informational update only.

Introduction/ Background/Justification/Key/Legal Issues:

As part of the 2024 Port Authority Work Plan, the Board requested staff research and analyze Lake City's existing short-term rental ordinance (ord #589) and short-term rental ordinances in surrounding communities. It is in the Port Authority's interest to preserve housing stock for owner-occupancy and long-term rentals, in order to allow for sustainable population growth in the community.

There are several communities throughout Minnesota, some that are tourist destinations like Lake City, that restrict the number of short-term rental licenses approved annually:

City	Population	Total Housing Units	Max. Number of Rentals
Lake City	5,252	2,790	-
Walker	966	588	21
Bayport	4,024	1,092	10
Stillwater	19,394	8,210	50
Red Wing	16,547	7,604	50
Marine on St. Croix	664	334	24
Two Harbors	3,633	1,750	70

Alternatives exist to restricting the number of short-term rentals in the community at large that still preserve long-term rental opportunities and owner-occupied structures. Examples of these include:

- In Prior Lake (pop. 27,617), a permit is required for the rental or lease of a dwelling unit for a period of at least 60 days but no more than 180 days. The rental or lease of a dwelling unit for less than 60 days is prohibited in all Residential Use Districts.
- In Minneapolis (pop. 429,954), no more than 10% of the units in a building with 20 or more units can be

short-term rentals.

- In Marine on St. Croix (pop. 664), all residential properties offering Short Term Rentals must be owner-occupied (meaning the owner demonstrably occupies and resides in the property for more days annually than it is rented), except for multi-dwelling units.

In addition to the number of allowable short-term rentals, staff would propose consideration of the following additions to Lake City's existing ordinance:

- License term limits and a license renewal policy;
- Short-term rental dwelling inspection requirements;
- Distance restrictions for property owner / owner-designee (for emergency response);
- Occupancy limitations;
- Requirements and penalties for guest disorderly conduct; and
- Requirements around mooring and storing watercrafts.

Reviewed By: Port Authority

Preparer: Cailin Richard, Executive Director

ATTACHMENTS:

Description

- ▣ **Lake City Ordinance 589: Short Term Rentals**

ORDINANCE 589

AN ORDINANCE AMENDING TITLE XI, SECTION 110 OF THE LAKE CITY MUNICIPAL CODE RELATING TO SHORT TERM RENTAL REGULATIONS

THE CITY OF LAKE CITY ORDAINS:

Section 1. Title XI, Chapter 110 of the Lake City Municipal Code is amended by adding the underlined language as follows:

SHORT TERM RENTAL REGULATIONS

Section

<u>110.72</u>	<u>Definitions</u>
<u>110.73</u>	<u>Registration Required</u>
<u>110.74</u>	<u>Registration Application Requirements</u>
<u>110.75</u>	<u>Fees and Terms</u>
<u>110.76</u>	<u>Operation Requirements</u>

§ 110.72 DEFINITIONS.

For the purpose of Sections 110.72- 110.75 of this Chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

DWELLING. Any building or structure, or portion thereof, except temporary housing, which is wholly or partly used or intended to be used for living or sleeping by human occupants.

DWELLING UNIT. Any habitable room located within a dwelling with facilities that are used or intended to be used for living, sleeping, cooking, or eating.

OPERATOR. Any person, other than the owner, who has charge, care, or control of a building, or part thereof, in which dwelling units, rooming units, sleeping rooms, or units are let.

OWNER. The person who is the fee owner, the contract purchaser, or the agent of the aforementioned person or a member resident of a warrant-owned building as defined by Minnesota Statutes, Section 273.124, subdivision 3.

RENT. The temporary occupancy, use, or possession of a dwelling or dwelling unit in exchange for compensation, in money or other consideration, given or offered in exchange for such use, whether or not received.

SHORT TERM RENTAL DWELLING UNIT. A dwelling unit rented for a period of less than 30 consecutive days, for tourist or transient use.

§ 110.73 REGISTRATION REQUIRED.

No dwelling unit may be used as a short term rental dwelling unit unless it has been registered with the city as required by this Chapter.

§ 110.74 REGISTRATION APPLICATION REQUIREMENTS.

(A) A registration application for a short term rental dwelling unit must be submitted by the owner on the form prescribed by the city.

(B) The registration form shall include all requested information including the exact location and street address of the dwelling unit or units which will be used as a short-term rental dwelling unit.

(C) The registration form must be completed by the owner(s) of the short-term rental dwelling unit. If the property is owned by a partnership, limited liability company, non-profit corporation, or partnership, the full legal names and addresses of all officers and persons holding a 25 percent or greater beneficial interest in the entity in shall be provided on the application.

(D) Registrations for short term rental dwelling units shall be administered by the city's Office of Planning and Community Development.

§ 110.75 FEES AND TERMS.

(A) The registration fee for the short term rental dwelling unit will be set forth in the city's fee schedule.

(B) A short term rental dwelling unit registration shall expire or be null and void under the following circumstances:

- (1) Change of ownership of the short term rental dwelling unit;
- (2) Failure by the owner or operator to notify the city of contact information changes within 30 days of such changes occurring, as herein required.
- (3) Lapse in operation of the dwelling unit as a short term rental dwelling unit for a period of more than 12 consecutive months;
- (4) Upon revocation of the short term rental dwelling unit's registration by the city council;

(C) Short term rental dwelling unit registrations are non-transferable.

§ 110.76 OPERATION REQUIREMENTS.

All short term rental dwelling unit owners and operators who offer dwelling units for short term rental use in the city must comply with the following:

(A) Comply with all applicable city, state, and federal laws, ordinances, and regulations.

(B) Remit all applicable local, state, and federal taxes, including, but limited to, the City's lodging tax as specified in this Chapter.

(C) Ensure that all rental dwelling units have working smoke detectors and carbon monoxide alarm(s) in every bedroom and on all habitable floors. Additionally, each unit shall have at least one properly maintained and charged fire extinguisher located in an easily-accessible location which is clearly marked and which is made known to the temporary occupants.

(D) Provide and post the following information in a conspicuous place within each short term rental dwelling unit:

(1) Emergency contact information for the short term rental dwelling unit owner;

(2) Emergency contact information for the short term rental dwelling operator, if applicable;

(3) The street address of the short term rental dwelling unit;

(4) A floor plan of the short term rental dwelling unit indicating fire exits, escape routes, and the location of all fire extinguishers;

(5) The maximum occupancy limits of the short term rental dwelling unit; and

(6) A parking map showing all allowable parking locations serving the property.

(E) A guest registry of the short term rental dwelling unit must be kept by the owner that includes the following information: a record of the dates the unit was rented, the number of guests during the rental periods, and the amount of rent paid by the guests in connection with the rental of the short term rental dwelling unit. This record shall be kept by the owner for at a minimum of five years.

(F) The city must be provided with accurate and up to date information regarding the name and contact information for the short term rental dwelling unit owner and operator, if applicable. If the owner or operator's contact information changes, updates must be filed with the city within 30 days of the date of the change.

(G) No short term rental dwelling unit may be rented to any person who is under the age of 18. The person who rents the unit must provide a telephone number to the owner or operator and must be accessible to the owner or operator by telephone during the short term rental period.

(H) If the short term rental dwelling unit includes a swimming pool, spa, or hot tub, the owner or operator must post a sign near the pool, spa, or hot tub indicating that it is not licensed or inspected by the State or the county.

(I) The short term rental dwelling unit must have a visible house number that can be easily seen from a public street during the day and at night.

(J) Two off-street parking spaces must be provided for each short term rental dwelling unit that consists of a single family residence, and one off-street parking space must be provided for each short term rental dwelling unit that is located within a multi-family building, unless parking for the unit is not required by the city code. The owner or operator of the short term rental dwelling unit must ensure that all guests are aware of the city's on-street parking regulations within the neighborhood in which the short term rental dwelling unit is being operated.

(K) The owner of a short term rental dwelling unit must provide sufficient trash collection containers and service for the short term rental dwelling unit in order to meet the demand of the unit's occupants. The owner shall be solely responsible for ensuring that trash is properly collected, stored, and made available for regular collection.

(L) The owner or operator of the short term rental dwelling unit is responsible to ensure that the property remains in compliance with the city's public nuisance regulations, including, but not limited to, noise and smoke regulations.

(M) Any violation of, or noncompliance with, any registration requirement or regulation, or any applicable law, statute, regulation, or ordinance shall be grounds for revocation of a short term rental dwelling unit registration by the city council. The registration may be revoked by the city council after providing written notice to the owner of the violation and the intended revocation and providing an opportunity for a hearing before the city council.

Section 2. This ordinance shall take effect after its passage and publication in accordance with Section 3.09 of the Lake City Charter.

Introduced by the Lake City Common Council the 11th day of June, 2018.

Adopted by the Lake City Common Council the 16th day of August, 2018.



February 15, 2024

Agenda Item Description: Approve Recommendation to Amend
Port Authority By-Laws

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

Motion _____, second _____ to recommend approval of the amended Port Authority By-laws to City Council.

Introduction/ Background/Justification/Key/Legal Issues:

At the regular Port Authority Board Meeting on January 18, 2024, the Board discussed and unanimously agreed to amend their existing By-laws to address virtual meetings and set expectations around Board member meeting attendance. Attached is a draft By-law amendment, reviewed and approved by the City attorney. All revisions are on page five (5) of the By-laws.

Reviewed By: Port Authority

Preparer: Cailin Richard, Executive Director

ATTACHMENTS:

Description

- **Port Authority By-laws: Proposed Amendment**

BYLAWS OF THE LAKE CITY PORT AUTHORITY

ARTICLE I - THE PORT AUTHORITY

Section 1. Name of Port Authority. Per Section 2.01 of the Enabling Resolution, City Council Resolution No. 21-050 (the “Enabling Resolution”), the name of the Port Authority is “The Lake City Port Authority” (the “Authority”).

Section 2. Seal of the Authority. The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority.

Section 3. Office of the Authority. The office of the Authority shall be located at Lake City City Hall, 205 West Center Street, Lake City, MN 55041 or at such other location as the Authority may designate by resolution.

Section 4. Establishment. The Minnesota State Legislature has enacted Minnesota Statutes, Sections 469.048 to 469.068 (the “Port Authority Act”), which authorizes the establishment of port authorities. Laws 2021, Regular Session, Chapter 19, Section 1, to be codified as Minnesota Statutes Section 469.0773 (the “Special Law”) authorizes the City of Lake City to establish a port authority that has the same powers as a port authority established under Section 469.049 of the Port Authority Act or other law. The powers and limitations of power of the Authority shall be in accordance with the Enabling Resolution and the State statute.

ARTICLE II - MEMBERSHIP

Section 1. Membership. The Board of Commissioners of the Authority (the “Board”) shall consist of two representatives of the Lake City City Council, and five members at large, appointed by the Mayor of the City with approval of a majority of the City Council.

Section 2. Composition of the Board. As to the members of the Board who are not City Council members, reasonable efforts will be made to appoint members whose personal or professional experience relate to economic development. The Mayor and City Council will also endeavor to maintain diversity of membership on the Board with respect to individual members’ geographic location, gender, and race. Additional criteria that will be used by the Mayor and the City Council to evaluate Board member candidates includes the candidate’s knowledge of the community, knowledge of city government/port authority processes, and experience from similar appointments. Board members need not be residents of the City of Lake City.

Section 3. Term Limits. No Commissioner shall serve more than one full term of six years. A person may be reappointed by the City Council to the Board if he or she has served on the Board for a term that was less than six years. However, a former member of the Board may be reappointed to the Board by the City Council if two or more years have passed since the person’s last day of membership

on the Board.

Section 4. Removal of Commissioners. A Commissioner may be removed by the City Council for cause.

ARTICLE III - OFFICERS

Section 1. Officers. The officers of the Authority shall be the President, Vice-President, Treasurer, Secretary, and Assistant Treasurer. The officers shall be elected by the Authority at the Authority's first meeting of each calendar year from among the Commissioners of the Authority. An officer of the Authority shall hold office for one year or until his or her successor is elected and qualified. A Commissioner may not serve as President and Vice-President at the same time. The other offices may be held by one Commissioner. The offices of Secretary and Assistant Treasurer need not be held by a Commissioner.

Section 2. President. The President shall preside at all meetings of the Authority. Except as otherwise authorized by resolution of the Board, the President and the Executive Director (the Secretary, in the Executive Director's absence or incapacity) shall sign all contracts, deeds, and other instruments made or executed by the Authority. At each meeting, the President shall submit such recommendations and information as he or she may consider proper concerning the business, affairs, and policies of the Authority.

Section 3. Vice-President. The Vice-President shall perform the duties of the President in the absence or incapacity of the President, including signing all contracts, deeds, and other instruments made or executed by the Authority, and in case of the resignation or death of the President, the Vice-President shall perform such duties as are imposed on the President until such time as the Board shall elect a new President.

Section 4. Secretary. The Secretary shall keep minutes of all meetings of the Board and shall maintain all records of the Authority or shall supervise professional staff's performance of these duties. The Secretary shall keep in safe custody the seal of the Authority and shall have power to affix such seal to all contracts and instruments authorized to be executed by the Authority. The office of Secretary may be combined with that of Treasurer upon approval thereof by the Authority.

Section 5. Treasurer. The Treasurer shall receive, review, and be responsible for all monies. The City Finance Director is responsible for source derived and the same shall be deemed public funds. Monies shall be disbursed only on accounting, investment, fund maintenance, and disbursement consistent with City procedures under the direction and control of the Authority. Other accounting procedures shall be in accordance with Minnesota Statutes Section 469.051 and the Enabling Resolution. The City Finance Director shall keep regular records of accounts showing Authority receipts and disbursements, including the nature, purpose, and authority of all disbursements and shall render to the Authority monthly an account of the Authority's financial transactions and also of the financial condition of the Authority. The Treasurer, in conjunction with the City Finance Director and the Executive Director, shall file a report describing the Authority's activities and providing an accurate statement of its financial condition with the Secretary at least monthly. The Treasurer may delegate any of his or her duties to the Assistant Treasurer, at the Treasurer's discretion. The Treasurer is responsible

for the acts of the Assistant Treasurer. 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, except that the bond must not exceed \$300,000.

Section 6. Assistant Treasurer. The Assistant Treasurer shall perform all duties of the Treasurer if the Treasurer is absent or disabled or as delegated by the Treasurer. If the office of the Treasurer becomes vacant, the Assistant Treasurer shall perform all duties incident to the office of Treasurer until such time as the Authority elects a successor from its membership at its next regular meeting, and such election shall be for the unexpired term of the office.

Section 7. Additional Duties. The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Authority or these Bylaws.

Section 8. Vacancies. Should the office of any Authority officer become vacant as defined by Minnesota Statutes Section 351.02 or by other applicable provision of law, the Authority shall elect a successor from its membership at the next regular meeting, and such election shall be for the unexpired term of the office.

ARTICLE IV - EXECUTIVE DIRECTOR

Section 1. Appointment. The Executive Director of the Authority shall be appointed by a majority of the Board. The Executive Director shall have general supervision over the administration of the Authority's business and affairs, subject to the direction of the Board. Any person appointed to fill the office of Executive Director, or any vacancy in such office, shall have such term as the Authority fixes, but no Commissioner of the Authority shall be eligible to serve as the Executive Director.

Section 2. Powers and Duties. The Executive Director of the Authority shall have the following powers and duties:

- a. To see that all resolutions, rules, regulations, or orders of the Authority are enforced or carried out;
- b. To present to the Board plans, studies, and reports prepared for Authority purposes and recommend to the Board for adoption such measures as are deemed necessary to enforce or carry out the powers and duties of the Authority or the efficient administration of affairs of the Authority;
- c. To keep the Board fully advised as to the financial condition of the Authority, and to prepare and submit to the Authority the annual budget, annual report, and such other information as requested;
- d. To recommend to the Board for adoption such rules and regulations as are deemed necessary for the efficient operation of the Authority's functions;

- e. To make necessary purchases and supplies for the operation of the Authority in accordance with State and City regulations;
- f. To establish and maintain a system of record keeping and filing for the Authority;
- g. To be responsible for the proper maintenance and safekeeping of all Authority property and equipment; and
- h. To perform such other duties as may be prescribed by the Board.
- i. To approve monthly invoices, as budgeted and at the direction of the Authority.

ARTICLE V - STAFF; SERVICES; SUPPLIES

Section 1. Staff; Compensation. The Authority shall, as specified and directed by the Board, may employ or contract for professional staff as needed for carrying out the purposes of the Authority, including but not limited to engineering, legal, clerical, stenographic, accounting, and other assistance it considers advisable, including, but not limited to, the Executive Director. The compensation of the personnel of the Authority shall be determined by the Board. Such personnel may be employees of the Authority, employees of other governmental organizations, or independent contractors. The selection and compensation of such personnel shall be determined by the Authority subject to the laws of the State of Minnesota.

Section 2. Supplies. The Authority may purchase the supplies and materials it needs to carry out its functions pursuant to State statute. Said purchasing shall be in accordance with Minnesota Statutes Section 471.345 (Uniform Municipal Contracting Law), as it may be amended from time to time.

Section 3. City Purchasing. The Authority may use the facilities of the City's various departments in connection with its purchase of equipment, supplies, or materials.

Section 4. City Facilities, Services. The City may, but is not obligated to, furnish office and meeting space, stenographic and clerical services, legal services, engineering services, or other assistance to the Authority.

Section 5. Delegation of Powers and Duties. The Board may delegate to one or more of the Authority's agents or employees' powers or duties as it may deem proper.

ARTICLE VI - MEETINGS

Section 1. Annual Meeting. The annual meeting of the Authority shall be at a place, date, and time determined by the Board. The annual meeting shall be held between January 1st and March 31st of each calendar year.

Section 2. Regular Meetings. Regular meetings of the Authority shall be at a time and place set by the Board but must be in compliance with the board and commission meeting requirements set forth in Section 30.01(L) of the Lake City Code, as it may be amended from time to time.

Section 3. Special Meetings. Special meetings of the Authority may be called by the President or two members of the Authority for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered at any time prior to the time of the proposed meeting to each member of the Authority or may be mailed to the business or home address of each member of the Authority at least 72 hours prior to the date of such special meeting. At such special meeting, no business shall be considered other than as designated in the call. Said notice of a special meeting shall be in compliance with Minnesota Statutes Section 13D.04, as it may be amended from time to time.

Section 4. Virtual Meetings. Regular and special meetings of the Authority may provide the option for Commissioners to join virtually. All virtual meetings must be in compliance with all requirements set forth in Minnesota Statutes Section 13D.02.

Section 5. Quorum. The powers of the Authority shall be vested in the Commissioners in office. Four Commissioners shall constitute a quorum for the purpose of conducting the Authority's business and exercising its powers at a meeting. If a quorum is lost due to the departure of members in attendance at a meeting of the Board, a smaller number of commissioners may not conduct business and the meeting must be adjourned.

Section 6. Attendance. Unexcused absences of any Commissioner from more than three regularly called and scheduled meetings in a year may be considered cause for removal by the City Council. Commissioners who will be absent from a meeting must notify the Executive Director in writing at least 72 hours in advance of the meeting, or as soon as they are aware of their intended absence. The notification shall include the reason for the absence. Excused absences include:

- a. Personal or family illness;
- b. Death of a family member;
- c. Jury duty;
- d. Service in the armed forces;
- e. Testifying before the Legislature; or
- f. Another genuine extenuating circumstance affecting the Commissioner (whether the absence is a "genuine extenuating circumstance" shall be determined by a majority of the Authority).

If a Commissioner is within one meeting of reaching the maximum number of unexcused absences, they must be notified by the Executive Director of their attendance record. If a Commissioner reaches the maximum number of unexcused absences, the Executive Director will bring the matter forward to the Board for recommended action to the City Council. The Commissioner with the unexcused absences will be notified of the Board's recommendation to the City Council within 72 hours of the decision. An office that has been vacated under the provisions of this section shall be filled for the remainder of the term using the standard appointment process.

Section 7. Resolutions and Meeting Conduct. All resolutions of the Authority shall be in writing and shall be copied in the journal of the proceedings of the Authority. All meetings of the Authority shall be conducted in accordance with the most recent version of Robert's Rules of Order.

Section 8. Manner of Voting. The voting by the Board on all questions coming before the Authority shall be entered upon the minutes of the meeting. When a quorum of the Board is in attendance, action may be taken by the Board upon a vote of a simple majority of the Commissioners in attendance at the meeting unless a different voting requirement is required by law or these Bylaws.

ARTICLE VII - ANNUAL BUDGET AND ANNUAL REPORT

Section 1. Annual Budget. The Authority shall have an annual budget consistent with the requirements of the Enabling Resolution, the City Charter, and the Port Authority Act. Each year, by July 1st or the date established in the City's budget calendar as approved by the City Council, the Authority shall submit its annual budget (the "Budget") to the City Administrator in a form prescribed by the City Administrator. The Budget shall include a detailed written estimate of the amount of money that the Authority expects to need from the City for Authority business during the next fiscal year and shall otherwise comply with Minnesota Statutes Section 469.053. The City Council may impose such conditions upon the approval of a transfer of City funds as it may determine. The City Administrator must submit the Budget to the City Council for review and approval as part of the City budgetary process. Commissioners of the Authority or the Executive Director must appear before the City Council as requested to explain and discuss the content of the proposed Authority Budget. Upon approval of the Budget, the Authority shall not exceed total budgeted expenditures without approval of corresponding budget amendments by the City Council; provided, however, that this provision shall not preclude the Authority from unilaterally making such line-item changes as it deems appropriate.

Section 2. Accounting, Budgets, and Fiscal Year. The accounting, maintenance of books and records, establishment and maintenance of funds and accounts, investment of cash surpluses, disbursement of monies, and other necessary financial matters of the Authority shall be the responsibility of the City Finance Director. Direction of and control over the City Finance Director with respect to Authority financial matters shall reside in the Authority commissioners and the Executive Director; provided, however, that Authority accounting, investment, fund maintenance and disbursement shall be consistent with City procedures. Any conflict between the Authority or its Executive Director and the City Finance Director with respect to the appropriate interpretation of this Section shall be resolved by the City Council. The fiscal year of the Authority shall be the same of that of the City.

Section 3. Annual Report. An annual report must be presented by the Authority to the City Council each year during the month of July reviewing Authority plans, projects, and financials for the previous year and any proposed changes in the Enabling Resolution and the Bylaws. At least once annually by July 1st, the Executive Director or an Authority commissioner shall appear at a regularly scheduled City Council meeting and report to the Council on the operational status of the Authority. Such report must comply with Minnesota Statutes Section 469.055, subdivision 2 and must include a description of the current and proposed projects as well as general development goals for the City.

Section 4. Other Reports. All other reports must be kept and distributed in accordance with applicable statutes and the Enabling Resolution.

Section 5. Filings. The Authority shall be responsible for all filings and reports required by various statutes under which it operates. Copies of all such filings and reports must be provided by the Executive Director to the City Council and must be available to members of the public unless otherwise required by law.

ARTICLE VIII - AMENDMENTS

Section 1. Amendments to Bylaws. These Bylaws shall be amended only with the approval of at least five of the members of the Authority at a regular or a special meeting. All amendments to the Bylaws shall require approval of the City Council.

These Bylaws were unanimously adopted at a meeting of the Commissioners of the Authority held on this ____ day of _____, 2021 with the following members present:

Approved by the City Council on December 13, 2021.

By: _____
Authority Secretary



February 15, 2024

Agenda Item Description: Approve Application to AARP
Community Challenge Grant

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

Motion _____, second _____ to approve an application by staff to the AARP Community Challenge Grant program.

Introduction/ Background/Justification/Key/Legal Issues:

The Port Authority received a \$10,000 grant from AARP in 2023 to promote awareness about Accessory Dwelling Units (ADUs) and their benefits. Grant deliverables were as follows:

- Two informational sessions for local realtors and residents, with presentations led by Planning & Community Development staff, ADU construction professionals and representatives from AARP;
- Creation of a webpage and print marketing materials about ADUs;
- A social media ad promoting ADUs and directing people to the ADU website page;
- In conjunction with the Coalition for Rochester Area Housing, the development of five pre-reviewed ADU plans that are readily available for the public to access and download for their personal use.

Staff believes continued efforts to generate awareness around ADUs in the community will lead to projects, and is proposing submitting a grant application focused on ADU marketing and promotion, including:

- A longer-term digital marketing campaign to drive engagement to the Port Authority ADU webpage;
- Development of an “ADU Bus Tour” that would take interested Lake City residents to surrounding communities to tour existing projects and hear about homeowners’ experiences having ADUs;
- Creation of an “ADU Home Tour” video, that will give interested parties a look into the exterior and interop of existing ADUs, and include interviews with homeowners on their ADU experience.

Reviewed By: Port Authority

Preparer: Ben Strand, Executive Director



February 15, 2024

Agenda Item Description: Approve Application to Ripple Effect Mapping Project

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

Motion _____, second _____ to approve an application by staff to the University of Minnesota Extension and Blandin Foundation Ripple Effect Mapping project.

Introduction/ Background/Justification/Key/Legal Issues:

The University of Minnesota Extension and Blandin Foundation are seeking up to 10 rural Minnesota communities to participate in a new Ripple Effect Mapping project. Ripple Effect Mapping (REM) is a qualitative evaluation method that helps show and tell the story of a project, and what effects it had. REM reports help organizations bring visibility to their work, apply for additional funding, attract media coverage and recruit new residents.

Extension and Blandin will conduct a three-hour, in-person ripple effect mapping process led by two trained facilitators for 10 – 20 people in the community. The cost of the mapping process, including meeting venue, food and beverages, is covered. Following the mapping process meeting, Extension and Blandin staff will create a “Story Map” for the participating communities, highlighting how their projects impacted the community.

Project Timeline:

- Applications due: February 29, 2024
- Community selection: March 29, 2024
- REM meeting dates: April – July
- Story maps complete: Within four months of REM meeting

Reviewed By: Port Authority

Preparer: Cailin Richard, Executive Director



February 15, 2024

Agenda Item Description: Discuss DEED Childcare Economic Development Grant Program

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

Discuss the Minnesota Department of Employment and Economic Development (DEED) Childcare Economic Development Grant Program.

Introduction/ Background/Justification/Key/Legal Issues:

The Minnesota Department of Employment and Economic Development (DEED), through its Economic Development and Research Division, is seeking proposals from qualified responders to receive grants to be used to implement solutions to reduce the child care shortage in the state, including but not limited to funding for:

- child care business start-ups or expansion, training, facility modifications, direct subsidies or incentives to retain employees; or
- improvements required for licensing and assistance with licensing and other regulatory requirements.

Staff attended an online program informational session on Thursday, February 8th. Presenters shared there is money allocated in the state's budget for FY25 to provide more grant dollars to continue the program into future years. Summarized below are key program insights:

- A minimum 50% grant match is required, either cash or in-kind, with the funding source identified at the time of application;
- The proposal must identify the dollar amount and percentage of state money involved in the total project cost;
- The application must identify a lead fiscal agent and partnering organizations;
- The maximum award amount is \$600,000;
- Awarded funds cannot be used as revenue to finance ongoing operations;
- The funding timeline is as follows:
 - Application deadline: March 12, 2024
 - Awards made: May 2024

- Projects begin: June 2024
- The primary focus is on “shovel-ready” projects;
- The program is intended to focus on infant and toddler slots;
- When considering submitting an application, communities should consider how many child care slots their proposed programs will create, and if there has been community participation in the program development.

Nobles County, a CEDA community, was awarded \$150,000 in December 2022 through this grant program. Their grant award was utilized to create two separate child care funds, one to support miscellaneous expenses for existing providers and the other to assist providers seeking to start or expand their businesses to increase their care capacity. In addition to these two funds for providers, a child care subsidy to assist families in paying child care expenses was also built into the grant.

Staff recommendation is to spend 2024 developing a shovel-ready project and identifying matching funds, to prepare for a 2025 application submission.

Reviewed By: Port Authority

Preparer: Ben Strand, Executive Director



February 15, 2024

Agenda Item Description: Discuss Property Sale Funding Allocation

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

Discuss allocation of funds received from sale of 303 South Lakeshore Drive to Meier Companies.

Introduction/ Background/Justification/Key/Legal Issues:

The Port Authority will be closing on the sale of the property located at 303 South Lakeshore Drive to Meier Companies by April 26, 2024. The property will be sold for \$190,000.00; the funds from the sale have not yet been allocated in the Port Authority's budget. Staff is requesting the Board consider what programs and projects they would like to utilize the property sale dollars to fund.

Programs and projects to consider funding include:

- Cash award to the winning "Business Challenge" entrepreneur or business;
- New construction single-family housing rebate program;
- Cash incentive for multi-family housing developer to build on Cemstone 10th Street Parcel;
- DEED Childcare Economic Development Grant match (2025 application);
- Limited-time digital marketing ad, targeted towards telecommuters to relocate to Lake City.

Reviewed By: Port Authority

Preparer: Cailin Richard, Executive Director



February 15, 2024

Agenda Item Description: Discuss MnDOT Property Purchase

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

Discuss purchasing MnDOT Parcel 11 (located on South Oak Street) for \$524,500.00 if the City of Lake City chooses not to move forward with a conveyance.

Introduction/ Background/Justification/Key/Legal Issues:

The Minnesota Department of Transportation (MnDOT) has a pending offer to convey Parcel 11, located between 2024 South Oak Street and 2200 South Oak Street, to the City of Lake City for \$524,500.00. City Council initially discussed the conveyance at their workshop meeting on December 11, 2023 where they requested additional information from City Staff. City Council discussed the conveyance a second time at their workshop meeting on January 8, 2023 where they considered the amount of buildable land, the City's right-of-way and future expansion of the Sportsman's Club, before making a second request for additional information from City Staff. At the City Council meeting on February 12, 2024, Council discussed the asking price and securing a right-of-way on the site. No formal action was taken by Council.

If the City chooses not to move forward with a conveyance, the Port Authority may have the opportunity to purchase the property. The Port Authority Board discussed the conveyance at their regular meetings on December 21, 2023 and January 18, 2024, and unanimously chose to wait until City Council made a final decision to discuss the opportunity further. Attached is the initial offer letter from MnDOT to the City.

Reviewed By: Port Authority

Preparer: Cailin Richard, Executive Director

ATTACHMENTS:

Description

- ▣ **MnDOT Property Conveyance Proposal - S Oak St, Lake City**

October 11, 2023

Certified Mail Return Receipt Requested

Mark Nichols
Mayor – City of Lake City
Lake City City Hall
205 W Center Str
Lake City, MN 55041

In reply refer to: C.S. 7906 (61=3) 324 Parcel 11
Wabasha County
Conveyance No. 2017-0083

Dear Mayor Mark Nichols,

We are pleased to inform you that conditional approval has been obtained for the conveyance of the above-referenced real property as described in Exhibit "A" and shown in Exhibit "B" (the "Property").

The State of Minnesota, Department of Transportation ("Seller") offers to convey the Property to City of Lake City ("Buyer") for public purposes (MN Statute 161.44) for a consideration of **\$524,500.00** in accordance with the following terms and conditions:

1. All current real estate taxes, existing or pending assessments, delinquent taxes, fees and penalties will be paid by Buyer.
2. Seller makes no representations about the status of the title to the Property and is not obligated to correct any title defects.
3. This conveyance is subject to the following, which will be included in the deed issued to Buyer (the Grantee described below is one and the same as the Buyer described in this offer letter):
 - a. The Property is subject to the rights of existing utilities, if any, as provided in Minnesota Statutes §161.45 subd. 3.
4. The Property and all improvements, if any, are being conveyed as-is and where-is.
5. Payment must be made in the form of a cashier's check, certified check or money order made payable to "Commissioner of Transportation – Trunk Highway Fund" in the amount of \$524,500.00.
6. This offer is subject to and specifically conditioned upon receipt of the above-mentioned consideration on or before **April 11th, 2024**. If such consideration is not received on or before that date, this offer is null and void and of no further

An Equal Opportunity Employer

EXHIBIT "A"

DD
ML
JAM

December 13, 2019
2017-0083-7906

DESCRIPTION FOR CONVEYANCE

Parcel 11 C.S. 7906 (61=3-24)

All of Tract A described below:

Tract A. That part of Government Lot 1, Section 10, Township 111 North, Range 12 West, Wabasha County, Minnesota, described as follows:
Commencing at the center of Section 9, Township 111 North, Range 12 West, and running thence East along the east and west quarter section line of said section, 478.8 feet to the point where said quarter section line is intersected by the extended center line of the straight portion of State Highway No. 3, as now relocated and constructed, running northwesterly and southeasterly across said section; thence South 51 degrees 57 minutes East, along said last mentioned line 3735.1 feet; thence North 46 degrees 36 minutes East, 700.9 feet, more or less, to the northeasterly line of the right of way of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company for the place of beginning; thence southeasterly along said last mentioned right of way line 360 feet; thence North 46 degrees 36 minutes East, 303 feet, more or less, to Lake Pepin at the water's edge; thence northwesterly along the water's edge of said lake to a point which is North 46 degrees 36 minutes East, of the place of beginning; thence South 46 degrees 36 minutes West, 276 feet, more or less, to the place of beginning;

containing 1.90 acres, more or less.

CONVEYANCE 2017-0083
CS 7906 (61=003) 324
PARCEL 11: 1.90 ACRES
RW MAP: 0-48
SCALE: 1" = 100'





February 15, 2024

Agenda Item Description: Discuss Cemstone Property
Conveyance Request

Originating Department: EDA

Board/Commission/Committee Action: Board

Consent Agenda?: No

Action Requested:

Discuss submitting a formal request to City Council for conveyance of the Cemstone 10th Street parcel of land to the Port Authority for housing development.

Introduction/ Background/Justification/Key/Legal Issues:

The Port Authority recognizes a need for housing in the Lake City community, and has identified the Cemstone site as a natural place for housing development to occur. The parcel of land along North 10th Street that currently houses the Community Gardens (map attached) has been selected as an ideal site for future development, and the next most likely parcel of land within Cemstone to be developed due to its proximity to recent development and access to utilities and an existing road.

The Port Authority Board discussed submitting a formal request to City Council for conveyance of this parcel of land to the Port Authority for housing development at their regular meetings on December 21, 2023 and January 18, 2024. During discussion the Board considered making a request for the City to convey the entire Cemstone site to the Port Authority. The Board unanimously agreed to keep the item on the agenda for additional discussion and consideration.

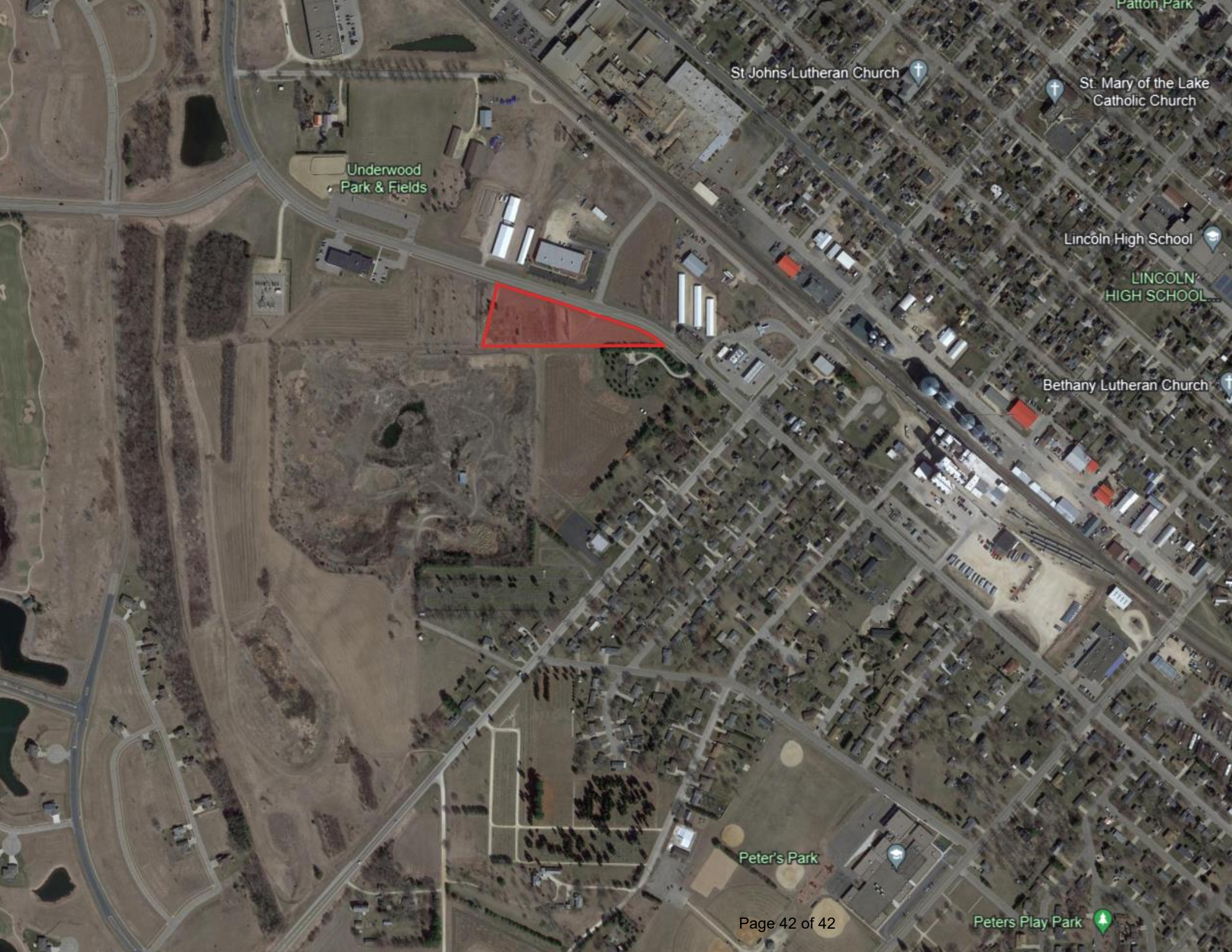
Reviewed By: Port Authority

Preparer: Cailin Richard, Executive Director

ATTACHMENTS:

Description

- ▣ Cemstone 10th Street Parcel Map



St John's Lutheran Church

St. Mary of the Lake
Catholic Church

Underwood
Park & Fields

Lincoln High School

LINCOLN
HIGH SCHOOL

Bethany Lutheran Church

Peter's Park

Peters Play Park