

**MINUTES
CITY OF DELANO
SPECIAL WORKSHOP
City Council/Economic Development Authority
Tuesday, November 16, 2010
5:30 PM**

1. CALL TO ORDER

Mayor McDonald called the Special Workshop of the Delano City Council/Economic Development Authority of Tuesday, November 16, 2010 to order at 5:30 PM.

2. ROLL CALL

Members Present: Joe McDonald, Mayor
Holly Schrupp, Council Member
Brad Hotchkiss, Council Member
Larry Bartels, Council Member
Betsy Stolfa, Council Member

Members Absent: None

Also Present: Phil Kern, City Administrator
Brian Bloch, Finance Director
Vince Vander Top, City Engineer
Paula Bauman, Recorder

3. SPECIAL ORDER OF BUSINESS

A. Continue discussion of proposed Special Assessment Policy.

Phil Kern reviewed the packet given to the Council prior to the special workshop which contained all the information presented at previous council meetings including presentations, drafts of the Special Assessment Policy, data pertaining to the policy and items of research.

Kern reviewed assessment options for residential and commercial properties. Comparison was made for residential properties valued at four price points: \$150,000, \$175,000, \$200,000, \$218,000. Council discussed the 30 year average impact for four different scenarios: 1) 100% property tax/10.1% Levy; 2) STATUS QUO, no assessment, CIP Bonding; 3) \$5,000 Assessment at 4.5% interest with 1.3% Levy and 4) \$3,300 Assessment at 4.5% interest with a 1.75% levy. Council reviewed the average 30 year impact for residents who pay the assessment immediately versus paying in installments over time. Council compared the same scenarios for Commercial properties.

Council continued their discussion regarding the 4.5% interest rate

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Dan Vick stated he was told there is a 7% assessment for curb and gutter after speaking with a former Mayor in town. Kern clarified some small assessments were done in the early 90's but haven't had an assessment for curb and gutter since the 80's.

Council discussed additional costs that could be acquired prior to a project starting and questioned surrounding communities who have assessments if they've received challenges. Kern discussed his findings with surrounding communities stating Watertown, Minnetrista and Rosemont has had no challenges with their assessments. Kern stated of the communities that were questioned – those where the 3 that replied.

Council questioned if additional Staff will be required to keep records of the assessments. Bloch stated the City currently does assessments for outstanding payments – this would be similar and no additional staff would be needed. Bloch stated the additional .5% interest will pay for the administrative duties included in keeping records. Council discussed the additional .5%.

4. ADJOURNEMENT

There being no further business to discuss the special workshop of the Delano City Council/Economic Development Authority of Tuesday, November 16, 2010 was adjourned at 6:55 PM.

Joe McDonald, Mayor

Marlene E. Kittock, City Clerk

ATTEST:

Paula Bauman, Recorder