

**MINUTES OF A STUDY SESSION OF THE PRINCETON CITY COUNCIL  
HELD ON NOVEMBER 5, 2020 4:30 P.M.**

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Mayor Brad Schumacher called the meeting to order. Council members present were Jack Edmonds, Jenny Gerold, Jules Zimmer and Jeff Reynolds. Staff present, Administrator Robert Barbian, Finance Director Steve Jackson, Public Works Director Bob Gerold, Community Development Specialist Stephanie Hillesheim, Police Chief Todd Frederick, Clerk Shawna Jenkins, Wastewater Plant Manager Chris Klinghagen, Liquor Store Manager Nancy Campbell and Fire Chief Ron Lawrence.

Schumacher would like to add the Public Utilities Commission, regarding MN Statute 412.341, Subd. 1, looking into the ability to move to a 5-person Commission.

J GEROLD APPROVED THE AMENDED AGENDA. EDMONDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

**Airport land leases and taxiway**

Barbian advised that at the September Study Session, the City Council received preliminary information on the current leases, lease rates as gathered in a survey by the Buffalo Airport and a request for a longer-term lease for new hanger investment. After the discussion the Council acted to put a moratorium on entering new leases and or renewing old leases. This action occurred to allow time for a more thorough review of the current lease by the City Attorney and City Administrator to bring back to the Council. September memo attached.

In reviewing the lease terms the City Attorney and I have identified a few areas that are being considered for revisions. We would like to complete the redrafting of the terms to bring back to the next Council meeting on November 12th. The areas that are receiving the bulk of our attention are the terms which would allow for a longer lease term to allow new investors land rights, lease rates which would fairly account for comparable access to hangers/T-hangers, City investments into the airport and information on personal property tax paid by hanger owner(s). The information is expected to be ready by the 12th.

**Taxiway:**

At the City Council meeting of October, the City Council determined that the taxiway reconstruction preapplication was to be put on hold this year and brought back in 2021.

Since the meeting, the FAA and MNDOT initiated and conducted a conference call with the Airport Engineer and City Administrator to discuss upcoming projects. These included the zoning changes, land exchanges, DNR apron expansion and taxiway reconstruction. During the conference call discussion, the DNR apron was analyzed. The project was to be a 70% MNDOT and 30% DNR project although now could be combined with the taxiway resulting in a lower match. The DNR would like the apron expansion to move ahead and preliminary committed to fund 66K. This would reduce the City share on a 90% FAA, 10% local to 128K less 50K to 71K. In addition, the FAA indicated that depending upon the next cares bill similar to this year 100% funding may occur. This would further reduce the City share to 45K. The FAA representatives are indicating that should the City wish to apply they will be strongly recommending the project be funded. The Airport Engineer would then present specific information to obtain FAA and MNDOT confirmation of qualification. As well written DNR confirmation of the commitment outlined would be obtained.

This information is being brought to the City Council to reconsider authorizing the preapplication be authorized to proceed.

ZIMMER MOVED TO GRANT THE INITIATION REQUEST. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

### **19<sup>TH</sup> Ave Cul-De-Sac Extension**

Schumacher asked where the money for this project would come from Jackson responded that normally the city would do an assessment, but there are not any properties to assess. We would likely bond for the project and pay for it over time. If it was a small amount, it could come from the CIP. Hillesheim added that DEED seems pretty supportive of this project, so we could possibly apply for another grant.

Staff will put it on the next agenda for additional discussion.

### **2021 Capital Improvement Program**

Jackson went over the 2021 Capital Improvement items in each department. The department heads provided the council with details on any new items added for 2021, and answered a few questions about their CIP items.

The Council would like the airport numbers to be added to the CIP so they can see what is planned for the next few years.

### **Liquor License Reduction Requests**

Jenkins stated that she had received calls from two liquor license holders in the City asking about a reduction due to being closed for 3 months because of COVID. She checked with other cities and there are several that responded saying they are giving a credit on this year's license fees.

The Council would like some more information, and asked that it be put on the agenda for the November 12<sup>th</sup> meeting.

### **November and December Meeting Dates**

Jenkins advised that because the Council's second meeting in November always falls on Thanksgiving Day, it's traditional that the November meetings are moved to the Tuesday of that week. This year, it would be on:

**Tuesday, November 24<sup>th</sup>, 7pm:** Regular meeting

If the Council wishes to reschedule the meeting to that Tuesday, or another day, a motion to that effect would be in order.

This year, our normally scheduled meeting in December falls on Christmas Eve. When would the Council like to reschedule that meeting?

ZIMMER MOVED TO APPROVE THE 2<sup>ND</sup> MEETING IN NOVEMBER TO BE HELD ON TUESDAY, NOVEMBER 24<sup>TH</sup> AND FOR THE DECEMBER MEETING TO BE HELD ON TUESDAY DECEMBER 22, 2020. REYNOLDS SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

### **Lodging Room Tax**

Barbian stated that the City Council initiated a 2020 Goal exercise in the first quarter of 2020. A ranking goal was to “Advance tourism Programing & consider a City lodging fee”.

Preliminary research on initiating a City Lodging Fee has occurred. Please see attached the related State Statute, a Minnesota Department of Revenue notice on collection and a MN House Research paper.

From the information you will see that the City would be allowed to impose a lodging tax of 3%. This amount would then be required to be utilized to fund a convention or tourism bureau for the purpose of marketing and promoting the City as a tourist or convention center. It is my understanding that the Princeton Chamber of Commerce can qualify and act in this behalf should they be interested. Prior to proceeding verification of their collaboration, eligibility and record keeping requirement would need to be researched.

An estimated amount of revenue is not available at this time. In general, since the goal list was created in the first quarter COVID 19 occurred and has and still is significantly impacting room rental occupancies here and across the globe.

The Park Board briefly discussed a lodging tax and expressed concern.

This information is provided in order that preliminary discussion can occur at the City Council level to provide direction to City Staff.

Council consensus was to have staff talk with the Chamber of Commerce for their thoughts and report back to the Council.

### **CKW Development proposal – CLOSED SESSION**

J GEROLD MOVED TO CLOSE THE MEETING AT 5:46PM. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

REYNOLDS MOVED TO ADJOURN THE CLOSED SESSION AT 6:29PM. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY.

Toven summarized that there is a parcel in the City that was part of a public improvement project, and the City had assessed that property for those improvements. CKW is possibly purchasing that property and will be begin making those payments. There were discussions on some additional provisions to develop the property. There will be a memo of understanding for the Council to approve at the next meeting.

Hillesheim provided a brief update on:

Light up Princeton Project has received \$5800 in donations so far.

We have had 7 applications for the CARE'S grants, which have been approved. Staff is awaiting receipts and documentation from the applicants.

Zimmer questioned what Toven will be doing for the Public Utilities Commission Agenda item. Schumacher responded that staff will be getting information from the City of North Branch in the process that they took to move their PUC Board from 3 to 5.

**Adjournment**

ZIMMER MOVED TO ADJOURN THE STUDY SESSION AT 6:36PM. REYNOLDS SECONDED THE MOTION. MEETING ADJOURNED

Respectfully Submitted,

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Shawna Jenkins Tadych  
City Clerk

ATTEST:

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Brad Schumacher, Mayor