



CITY COUNCIL AGENDA

July 21, 2021 – 6:00 p.m.
Special City Council Meeting
City Council Chambers
310 Elm Street W.
Norwood Young America, MN 55368

CITY COUNCIL

1. Call Meeting of City Council to Order
 - 1.1 Pledge of Allegiance
2. Approve Agenda
3. Introductions, Presentations, Proclamations, Awards, and Public Comment
(Individuals may address the City Council about any non-agenda item of concern. Speakers must state their name, address, and limit their remarks to three minutes. The City Council will not take official action on these items but may refer the matter to staff for a future report or direct that the matter be scheduled for a future meeting agenda.)
4. Consent Agenda
(NOTE TO THE PUBLIC: All items listed as part of the Consent Agenda will be approved by a single motion, unless a request to discuss one or more of the items is made prior to the motion being made. Anyone present at the meeting may request an item to be removed from the Consent Agenda for discussion. Please inform the City Council when they approve the meeting agenda of your request to have an item removed for discussion.)
5. Public Hearings
6. Old Business
7. New Business
 - 7.1 Review 2022 Preliminary Budget
8. Council Member & Mayor and Staff Reports
9. Adjournment

The following informational items have been included in the Council packet for informational purposes, council review and discussion. No action is required by the City Council: June Building Permit Report.

UPCOMING MEETINGS / EVENTS

July 26 Work Session, EDA, City Council – 6:00 p.m.
August 3 Planning Commission – 6:00 p.m.
August 9 Personnel Committee – 5:00 p.m.
August 9 City Council – 6:00 p.m.
August 11 Economic Development Commission – 6:00 p.m.
August 19 Senior Advisory Committee – 9:00 a.m.
August 17 Finance Committee – 3:00 p.m.
August 17 Parks and Recreation Commission – 4:45 p.m.
August 18 Safety Committee – 2:00 p.m.
August 23 Work Session, EDA, City Council – 6:00 p.m.
August 27-28 Stiftungsfest



TO: Honorable Mayor Lagergren and City Council Members

FROM: Steven Helget, City Administrator

DATE: July 21, 2022

SUBJECT: 2022 Preliminary Budget

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Enclosed is the draft 2022 Preliminary Budget for the General, Debt Service, and Enterprise Funds. Also enclosed is a memo from Karen Hallquist identifying the EDC's requests.

Budget highlights and discussion items include the following:

- The preliminary property tax levy reflects a \$95,498 or 3.16% increase. A 1% increase in the property tax levy equates to \$30,171
- The General Fund Budget reflects about an overall \$59,000 increase
- Staff wages reflects a 3% cost-of-living increase
- A transfer of \$130,000 to the Street Improvement Project Fund for future projects is included. This is the same amount as 2021.
- The Police Contract expires at the end of 2021. The contract will increase slightly. Budgeted is \$6,000 for deputy overtime and additional weekend shifts when there is not a deputy scheduled to work
- There is \$40,000 budgeted for Ditch Clean-up
- The Capital Equipment Replacement (Fund 275) reflects about a \$69,000 increase for items to be levied.
- The Water and Sewer Budgets reflect a 0% rate increase. The Water Department reflects about a breakeven (revenues vs. expenditures) and the Sewer Department reflects a loss of \$255,000.
- The 2021A General Obligation Bonds will required about a \$175,000 payment
- The 2nd Avenue Street Improvement Project Phase II is included in the 2022 Budget. Still to be added to the budget is an interest payment on the 2022 project bonds

Norwood Young America

The following are the proposed capital outlay/equipment purchases for 2022 (see enclosed schedule). **Please bring your 2021 – 2025 Financial Plan to the meeting.**

Economic Development

Historic Young America Downtown Lighting	\$100,000
Tacoma West Industrial Park Business Sign	<u>\$30,000</u>
Total	\$130,000

Fire Department

SCBA's Lease Payment	\$25,000 (last year)
Turnout Gear	\$ 7,200
2002 Radios – Grant Application	<u>\$10,000</u>
Total	\$42,200

Public Works

Replace T7 2004 Sterling dump truck	<u>\$235,000</u>
Total	\$235,000

Parks & Recreation

Willkommen Memorial Park Old Town Buildings	<u>\$200,000</u>
Total	\$200,000

Water Department

Well Protection Plan	<u>\$25,000</u>
	\$25,000

Sewer Department

Slip line installation	\$50,000
Tricking Filter Pumps	\$18,000
Lift Stations SCADA Installation	\$40,000
Digester Tank Biosolids removal & disposal	<u>\$50,000</u>
Total	\$183,000

Norwood Young America



TO: NYA City Council

FROM: Karen Hallquist, Economic Development Marketing Director

DATE: July 21, 2021

SUBJECT: 2022 EDC Budget

The NYA Economic Development Commission discussed the following projects for consideration in 2022:

Capital Projects:

- Tacoma West Industrial Park Signage \$30,000
- Main Street Streetscape Project – \$100,000
 - Lighting project – specifically 200 block of Main Street
 - Replacement of trees/fixing sidewalks
 - Trees/banners/flowers/planers/benches/awnings
 - There is a potential for this project to be funded by a Small Cities Development Streetscape Program Grant. Staff will be working with MN DEED and city engineers to prepare a scope of work for the pre-application process which is due in November 2021. Expenses for this project – if a full streetscape project - are unknown at this time, however, preliminary numbers for the additional lighting only would be approximately \$100,000. This \$100,000 has already been budgeted for 2022 according to the 2021-2025 Financial Plan.
- Faxon Road Streetscape – This would be a 2023-24 consideration. \$100,000
 - Lighting project to connect all three business districts
 - Trees/banners/flowers/planters/benches

Other items:

- Billboards
 - City gets two change outs per year (one for City and one for Stiftungsfest) at no cost at three of the billboards – We get at “no cost” because of some of their other billboards are on City property and we do not charge them.
 - Additional or change out existing quarterly: approximately \$900 set up = \$1,800
- Movie theater advertising
 - \$30-35 per week per theater – monthly \$120-160 = \$2,000 per theater
- Packets for Developers - \$1,000
 - Future land maps
 - Business incentives/resources
- Welcome Packets for Businesses and Residents \$1,000
 - Business directory
 - City contacts
 - Commercial contracts (garbage, cable, internet, etc.)

- Incentive check or Chamber Bucks to new businesses and/or residents (could use for water bill, contractor work, car repair, retail, etc.)
 - Tier system talked about for:
 - New Business - \$500 ea (5 per year) = \$2,500
 - Expansion - \$250 ea (3 per year) = \$750
 - Residential - \$100 ea (approx. 3/mon) = \$3,000

EDC Revolving Loan Fund – Request to fund additional \$20,000 for 2022

Date	Program/Project	Approved Funding	Awarded Funds	Funds Remaining
2020	Market Enrichment Grant Program	70,000	60,000	10,000
2021	Market Enrichment Grant Program	20,000	0	20,000

There is one remaining “active” project for up to \$10,000 from 2020 – Central Auto Repair – that will need to be completed by November 2021. As of July 1, 2021, there have been no MEG applications for the budgeted \$20,000 in 2021. The NYA EDC recommends that whatever unapplied for budgeted funds for the MEG Program at the end of 2021 remain in the Revolving Loan Fund, and the Council considers approving an additional \$20,000 to help replenish the Fund to offer continued programs.

2019 RLF Balance	\$145,000
2020 RLF paid out MEG awards	- 60,000
2021 additional budgeted MEG	+ 20,000
Current Balance RLF as of 07/01/2021	\$105,000 (with \$30,00 dedicated to MEG)