**CITY OF VERNDALE**

**WADENA COUNTY, MINNESOTA**

**SPECIAL COUNCIL MEETING MINUTES**

**Tuesday, August 15, 2017**

**6:00 p.m.**

**Verndale Fire Hall**

**102 Butler St. SE**

**MEMBERS PRESENT:** Raye Ludovissie, James Ackerson, Ardith Carr, Tara Erckenbrack, Jim Runyan

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Barbara Holmes, City Clerk/Treasurer; Matt Uselman, Public Works Manager,

**STAFF ABSENT**: Michael Madsen, Fire Chief; Cory Carr, Police Chief; Gary Rosenthal, Liquor Store Manager

**NEW BUSINESS:**

1. Property at 19 3rd Ave SE

Ludovissie stated this is the property that is partially burnt by Brownlow’s. Ludovissie stated that the EDA can purchase the house if they pay the County $4,304.20. Ludovissie stated the EDA plans to tear down the house or find someone to tear down the house. Ludovissie stated that then a house would get put on the property so the City could collect tax revenue. Ludovissie stated that the City hasn’t had any tax revenue for 2 years from that place. Holmes stated it has been 7 years without any tax revenue. Ludovissie stated that the EDA would either find someone to invest in the property, pay the EDA the difference, tear it down and put a new house on the property. Ackerson asked if the property was livable. Ludovissie stated no, he had two commissioners out there that said it is no longer livable. Ludovissie stated the other option would be for the EDA to purchase the property, pay to have someone tear it down which would be another $3,000-$4,000 and then have the potential to save the basement and put a house on it. Ackerson asked if the basement was structurally sound. Ludovissie stated no, there would be an extra cost to that. Erckenbrack stated she didn’t think there was a basement it was a dug-out crawl space. Carr stated there is a wood basement. Ackerson asked how old is this. Carr stated they raised the house and put a basement in. Ludovissie stated that if the basement can be saved there would be an extra cost, otherwise the whole thing gets bulldozed into a hole and cover it up. Homes asked can you do that. Erckenbrack stated no, it would have to be removed and hauled out. Carr stated it depends on the materials that are in it too. Runyan stated he didn’t think you could bury them anymore. Ludovissie stated if the basement is salvageable, they can build the wall within and back-fill. Carr stated that what would be salvageable in the basement would be the fact that they don’t have to dig/excavate, it’s a matter of squaring it up and putting cement in there. Ludovissie stated that what he has been throwing around is for Custom Builders

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to put a home on there. Ludovissie stated that the garage is the only thing that is salvageable. Ludovissie stated that there is a two-stall garage with a house already in place ready for sale at retail. Ludovissie stated that the EDA has the potentially to sell this and its brand new, so it would have a higher tax value. Ludovissie stated that this is the goal of the EDA, to buy it, get rid of it and have someone put something on there. Carr stated that the EDA has to pay the amount requested, if the EDA wants to pay less the County would have to open it up for bids again which would bring us to the end of September and then it gets awarded to the highest bidder. Erckenbrack asked what process the City would have to go through to force somebody to demolition a property that is not livable. Holmes stated it depends on court costs. Ludovissie stated that if the EDA gets involved, pays the taxes and gets it taken care of, then the city forgives the assessments that were put on to keep someone from turning it into a rental right away. Carr stated that by the EDA buying this there are no stipulations. Runyan asked what the size of the lot is. Holmes stated it is 70.5 feet by 200 feet. Ackerson asked if that is three lots. Holmes stated yes, its three lots. Carr stated that the EDA needs approval from the Council to purchase the property, spend that kind of money.

A motion was made by Erckenbrack to allow the EDA to buy the property for $4,304.20 pending underwriting, seconded by Ackerson. AIF/MC

Ackerson stated that the County wouldn’t be able to sell something unless it has a clear title. Holmes stated that the State can, and the State is the one who owns this property. Holmes stated that the County is selling the property for the State. Ludovissie stated that the EDA has an abstract update saying that the County didn’t record correctly. Ludovissie stated once the County needs to record that to get that taken care of. Ludovissie stated once the County records that and the update shows that, then when the EDA goes to buy it, that gets taken care of. Ludovissie stated that the EDA needs to make sure the Legal documents are in place. Runyan asked how the State got that property. Holmes stated that that is what happens to a tax-forfeited property, the deed is sitting at the State.

**OTHER BUSINESS:**

Holmes stated that at the last meeting the council made a motion to vacate the alleys. Holmes stated she sent it in to Dan Carlisle and she got an email from Dan and from the League of MN Cities and after reading them, the City doesn’t want to vacate the alleys. Holmes stated her suggestion would be for the Council to approve for Uselman to be able to do a variance so if any property owner wants to extend their fence back, but it can’t go past their property line and they would still have an alley. Carr asked otherwise, how far from the alley do you have to be. Uselman stated 10 feet. Uselman stated the alley would still exist, you just don’t have to be 10 feet away. Holmes stated that without having to go through the variance process and pay the $200 to have a public hearing. Runyan asked about people that have buildings/tress in the alley.

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Erckenbrack stated the City won’t make them take them down, they are grandfathered in, but moving forward the residents would need to get a variance.

A motion was made by Erckenbrack to rescind the motion to proceed with a public hearing on vacating the alleys, seconded by Runyan. AIF/MC

Holmes stated another motion was needed to state that anyone within those two blocks does not need to come in and apply for a variance to put a fence up to their property line on the alley side. Ackerson asked they don’t have to. Holmes stated yes. Carr asked why does there need to be a motion, if the residents come and ask can’t the City just say yes, you’re good. Holmes stated it would cost them $200 for a special meeting. Erckenbrack asked when they come in and ask, couldn’t the City just tell them they don’t need a variance. Holmes stated not unless the Council says it’s okay.

A motion was made by Carr to allow residents that are within those two blocks to put up a fence to their property line on the alley side without needing a variance, seconded by Ackerson. Ludovissie abstained. Voting in favor were: Carr, Erckenbrack, Runyan and Ackerson. None were opposed.

Runyan asked if every variance cost $200. Carr stated there needed to be a special meeting, right. Uselman stated it’s not necessarily $200 but, it’s in that ball park. Runyan asked couldn’t they bring a variance to a regular meeting. Holmes stated residents could come to a regular meeting and request a variance but, it can’t be processed in a regular meeting. Carr asked don’t the neighbors have to okay it and everything. Uselman stated yes, it’s a public hearing is what it is. Holmes stated it’s a public hearing because the neighbors all have a chance to come and the City has to pay for all the council members to show up for this public hearing.

A motion was made by Erckenbrack to adjourn the meeting at 7:33 pm, seconded by Carr. AIF/MC

**Submitted by: Attest:**

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Melissa Current, Deputy Clerk Ray Ludovissie, Mayor