

Cloquet Council Chambers
6:00 P.M. December 21, 2021

Regular Meeting

Roll Call

Councilors Present: Carlson, Lamb, Kolodge, Jaakola, Acting Mayor Wilkinson

Councilors Absent: Swanson, Mayor Maki

Pledge of Allegiance

AGENDA

MOTION: Councilor Kolodge moved and Councilor Lamb seconded the motion to approve the amended December 21, 2021 agenda with the addition of item 9.h., *Resolution No. 21-84, Regarding the State of Minnesota Opioid Settlement*. The motion carried unanimously (5-0).

MINUTES

MOTION: Councilor Lamb moved and Councilor Jaakola seconded the motion to approve the Regular Meeting minutes of December 7, 2021 as presented. The motion carried unanimously (5-0).

PUBLIC COMMENTS

There were none.

CONSENT AGENDA

MOTION: Councilor Carlson moved and Councilor Kolodge seconded the motion to adopt the Consent Agenda of December 21, 2021, approving the necessary motions and resolutions. The motion carried unanimously (5-0).

- a. Resolution No. 21-81, Authorizing the Payment of Bills
- b. Approval of 2022 City Council Meeting Calendar
- c. Resolution No. 21-80, Identifying 2022 Polling Locations
- d. 2022 Business License Renewals

PUBLIC HEARINGS

There were none.

PRESENTATIONS

There were none.

2022 TORO 4100-D PURCHASE

MOTION: Councilor Jaakola moved and Councilor Lamb seconded the motion to authorize the order of a 2022 TORO 4100-D Groundmaster from MITTI Distributing for a total amount of \$71,923.39. The motion carried unanimously (5-0).

SUPPORTING SUBMITTAL OF SAFE ROUTES TO SCHOOL FUNDING

MOTION: Councilor Lamb moved and Councilor Jaakola seconded the motion to approve **RESOLUTION NO. 21-83, SUPPORTING SUBMITTAL OF SAFE ROUTES TO SCHOOL (SRTS) FUNDING APPLICATION**. The motion carried unanimously (5-0).

WHEREAS, SRTS funding is available, with a minimum of \$50,000 and cap of \$500,000 for each project; and

WHEREAS, A joint study by SRF Consulting in coordination with the City, County and School District identified needs for intersection improvements along City owned streets including Doddridge Avenue and 18th Street; and

WHEREAS, Chapter 13 of City Code requires the construction of Safe Routes to School infrastructure (sidewalks) in new developments, a requirement of SRTS funding.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA:

1. The City Council supports submittal of the SRTS funding application.
2. The City Council supports the construction of the project and agrees to maintain such improvements.
3. The City is committed to work with the School District to cover all costs beyond the SRTS grant award.

APPROVING 2022 FEE SCHEDULE

MOTION: Councilor Lamb moved and Councilor Jaakola seconded the motion to adopt **RESOLUTION NO. 21-82, ESTABLISHING THE CITY FEES AND CHARGES FOR 2022** with the removal of Taxicab License fee. The motion carried unanimously (5-0).

915 CLOQUET AVENUE - DECLARING A VACANT AND HAZARDOUS BUILDING AND SETTING A PUBLIC HEARING DATE FOR PURCHASE OR CONDEMNATION

MOTION: Councilor Jaakola moved and Councilor Carlson seconded the motion to approve **RESOLUTION NO. 21-79, DECLARING 915 CLOQUET AVENUE A VACANT AND HAZARDOUS SUBSTANDARD BUILDING AND SETTING A PUBLIC HEARING FEBRUARY 1, 2022 FOR CITY ACQUISITION (VIA PURCHASE OR CONDEMNATION) OF 915 CLOQUET AVENUE.** The motion carried unanimously (5-0)

WHEREAS, pursuant to Cloquet City Code §§ 10.3.07 subd. 1 and 7.1.01 to 7.1.07 and Minn. Stat. §§ 463.152 and Chapter 117, the City Council of the City of Cloquet finds the building on the property located at 915 Cloquet Avenue (PINs 06-275-1460 and 06-275-1480) a vacant hazardous and substandard building and a public nuisance for the following reasons:

1. An annual liquor license inspection was conducted on March 4, 2020 by the Cloquet Building Official which concluded there was visible deterioration that required reinspection on July 14, 2020. The reinspection on July 14, 2020 found a leaking roof and east wall brick deterioration. The report concludes that the property needs immediate repairs to the bulging exterior brick and that the roof has failed and requires complete replacement, and to disconnect the roof drains which are discharging into the sanitary sewer system as it is a regional WLSSD violation.
2. On September 10, 2020, the Building Official issued an Order to Repair the deteriorated brick and leaking roof pursuant to City Code § 10.5 and Minn. Stat. § 326B.101 providing 90 days to comply. The City Building Official further issued an extension on the Order to Repair on January 14, 2021, providing a final repair deadline of April 15, 2021 which was personally served to the owner via process server. There has been no response or attempt to repair the building.
3. The property has been disconnected from water and sewer as of November 2, 2021 and gas utility service since October 6, 2021. Water and sewer service are required by Cloquet City Code § 10.3.05 subd. 2 subp. B.
4. On December 15, 2021, the Building Official issued a notice declaring the property a Vacant Hazardous Substandard Building and a Public Nuisance due to further deterioration and failure to respond to prior Orders to Repair and make necessary repairs to the building to ensure safety of the occupants and general public.

WHEREAS, the building located at 915 Cloquet Avenue is sitting vacant in an urban commercial district and has been determined to be a structurally substandard structure. That said building was inspected by the City Building Official and found to be in

violation of State Building Code and City Code involving the roof and roof framing elements (the roof has failed and requires complete replacement), exterior envelope (east wall face exterior brick is deteriorating and bulging) and utilities (lacks water/sewer as of 11/02/2021 and gas as of 10/06/2021), and that the order to repair has not been complied with and the violations have not been remedied after two orders to repair have been issued and served to cure the noncompliance, meeting the definition of a substandard structure comprising a blighted area, pursuant to Minnesota Statutes Sec. 117.025, subs. 6 & 7.

WHEREAS, it has further been determined that the building located at 915 Cloquet Avenue, due to inadequate maintenance, dilapidation, physical damage, unsanitary condition, and abandonment, constitutes a fire hazard and a hazard to public safety and health, and has therefore been declared to be a hazardous (and substandard) structure pursuant to Minnesota Statutes Sec. 463.15, subd. 3.

WHEREAS, the public interest requires that municipalities be authorized to acquire buildings, and real estate on which buildings are located, which are found to be hazardous (and substandard) within the meaning of Sec. 463.15, subd. 3, and the acquisition of such buildings and real estate is declared to be a public purpose, under Minnesota Statutes Sec. 463.152, subd. 1.

WHEREAS, the governing body of any municipality may therefore acquire any such hazardous (and substandard) building, or real estate on which any such building is located, by eminent domain in the manner provided by chapter 117, pursuant to Minnesota Statutes Sec. 463.152, subd. 2.

WHEREAS, the conditions listed above, which are more fully documented in the Building Inspection photos and Report prepared by Building Official Matt Munter on July 14, 2020, a copy of which is attached hereto as **Exhibit A**, along with the final report declaring the property a Vacant Hazardous Building and a Public Nuisance attached hereto as **Exhibit B**, which conditions have further deteriorated to date, make clear that due to years of neglect and failure to repair the leaking roof and deteriorating brick on the east exterior wall, the building located on the property at 915 Cloquet Avenue constitutes a hazard to public health and safety, and is therefore declared a Vacant Hazardous Substandard Building and a Public Nuisance that is subject to condemnation proceedings by the City of Cloquet; and

WHEREAS, the complete legal description for the property at 915 Cloquet Avenue is as follows:

Lots 15 and 16, Block 5, NELSON'S SUB-DIVISION OF OUTLOTS 35, 36 & 40 OF THE VILLAGE, NOW CITY, OF CLOQUET, according to the plat thereof on file and of record in the office of the County Recorder in and for Carlton County, Minnesota.

Parcel ID Nos.: 06-275-1460 and 06-275-1480.

Hereinafter the "Property."

WHEREAS, the owners of record of the Property are Felipe A. Mata and Carlos G. Villareal, of which Mr. Villareal is deceased (herein OWNER); and

WHEREAS, the City is authorized to declare the Property a Vacant Hazardous Substandard Building and a Public Nuisance;

WHEREAS, the City is authorized to hold a public hearing for the purchase or condemnation of the Property; and

WHEREAS, the City is authorized to acquire the Property by direct purchase or by condemnation pursuant to Minn. Stat. § 412.211, 463.152 and Chapter 117 of the Minnesota Statutes; and

WHEREAS, OWNER and their successors and assigns have failed to comply with the September 11, 2020 and January 14, 2021 Orders to Repair the deteriorated and bulging brick on the exterior east wall and replace the roof and disconnect the roof drains from the sanitary sewer; and

WHEREAS, the City may proceed with obtaining the Property by Judgment of the District Court through condemnation proceedings, allowing City to take the property and thereafter transfer to a contractor to perform the necessary repairs and redevelopment;

WHEREAS, the City of Cloquet's Economic Development Department has funds and authority to pay for the acquisition of the property and aid in redevelopment of the Property after acquisition, including but not limited to working with the City Attorney to prepare and file appropriate court documents, zoning changes, obtain property survey(s), collecting bids from contractors, and review of development agreements; and

WHEREAS, pursuant to a search of the records of the Carlton County Recorder's Office, the City does not find and is not aware of any lienholder of record of said parcel other than Carlton County for partially unpaid taxes for the second half of the year 2021;

WHEREAS, the City Council of the City of Cloquet has considered this matter and believes that it is in the best interests of the City to acquire the property by direct purchase through good faith negotiation, or if an agreement cannot be reached, through the exercise of the City's power of Eminent Domain under the quick-take provisions.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLOQUET, MINNESOTA, as follows:

1. The City declares the Property a Vacant Hazardous Substandard Building and a Public Nuisance due to failure to respond to prior Orders to Repair and make necessary repairs to the building to ensure safety of the occupants and general public.
2. The City will hold a public hearing for the City to acquire (via purchase or condemnation) the Property at least 30 days after proper notice can be given and published.
3. The City finds that the condemnation, repair, and redevelopment will remove a danger and hazard to public safety, and redevelopment will result in a significant public benefit to the City's business base and provide new opportunities for economic growth.
4. That the Property be acquired by the City by direct purchase through good faith negotiation (pursuant to Minn. Stat. § 117.036) for no more than the appraised value of \$8,000.00 (plus costs pursuant to Minn. Stat. § 117.232) unless further approved by this Council, or if an agreement cannot be reached, by condemnation through the exercise of the City's power of Eminent Domain subject to further approval following a public hearing.
5. That pursuant to the foregoing findings and in accordance with Cloquet City Code § 10.5 and Minn. Stat. § 326B.101 (as appropriate), the Council orders the condemnation, repair, and redevelopment of the Property subject to further approval following a public hearing, which constitutes a Vacant Hazardous Building and a Public Nuisance, which repair and redevelopment shall be commenced by the City at the conclusion of a condemnation proceeding commenced in Carlton County District Court if City is unable to first acquire the property by direct purchase in lieu of condemnation proceedings subject to further approval following a public hearing.
6. OWNER and their successors and assigns have 20 days from the date of service of this Resolution/Order to serve an answer in the manner provided for the service of an answer in a civil action, specifically denying such facts in the Resolution/Order as are in dispute; or to provide an acceptance of an offer to purchase by the City for the estimated market value of the property valued at \$8,000.00.
7. That the City Attorney working with the City Administrator and Community Development Director are authorized to proceed with the preparation of all documents and the taking of all actions necessary for enforcement of this Resolution/Order, including negotiating with the OWNER and their successors and assigns for direct purchase in lieu of condemnation, the filing of an action in the District Court including a condemnation action if required, subject to further approval following a public hearing, for any appropriate Order needed, preparation and filing of appropriate zoning changes, obtain property survey(s), collecting bids from contractors, and review of development agreements.

ACTING MAYOR APPOINTMENT

MOTION: Councilor Kolodge moved and Councilor Lamb seconded the motion to table the appointment of Acting Mayor for 2022 until the January 4, 2022 meeting when the full Council is present. The motion carried (5-0).

COUNCIL SEATS ON BOARDS/COMMISSIONS DISCUSSION

MOTION: Councilor Lamb moved and Councilor Jaakola seconded the motion to table the discussion of Councilor appointments to the various boards and commissions until the January 4, 2022 meeting when the full Council is present. The motion carried unanimously (5-0).

REVIEW OF THE STANDING RULES OF CITY COUNCIL

MOTION: Councilor Jaakola moved and Councilor Carlson seconded the motion to table the review of the Standing Rules of City Council until the January 4, 2022 meeting when the full Council is present. The motion carried unanimously (5-0).

PARTICIPATION IN NATIONAL OPIOID SETTLEMENTS

MOTION: Councilor Carlson moved and Councilor Lamb seconded the motion to approve **RESOLUTION NO. 21-84, APPROVING THE MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE STATE OF MINNESOTA AND LOCAL GOVERNMENTS AND AUTHORIZING PARTICIPATION IN NATIONAL OPIOID SETTLEMENTS.** The motion carried unanimously (5-0).

WHEREAS, the State of Minnesota, Minnesota counties and cities, and their people, have been harmed by misconduct committed by certain entities that engage in the manufacture, marketing, promotion, distribution, or dispensing of opioids; and

WHEREAS, the State of Minnesota and numerous Minnesota cities and counties joined with thousands of local governments across the country to file lawsuits against opioid manufacturer and pharmaceutical distribution companies and hold those companies accountable for their misconduct; and

WHEREAS, representatives of local Minnesota governments, the League of Minnesota Cities, the Association of Minnesota Counties, the Coalition of Greater Minnesota Cities, the State of Minnesota, and the Minnesota Attorney General's Office have negotiated and prepared a Memorandum of Agreement (MOA) to provide for the equitable distribution of proceeds to the State of Minnesota and to individual local governments from recent settlements in the national **opioid** litigation; and

WHEREAS, by signing onto the MOA, the state and local governments maximize Minnesota's share of opioid settlement funds, demonstrate solidarity in response to the opioid epidemic, and ensure needed resources reach the most impacted communities; and

WHEREAS, it is in the best interests of the State of Minnesota and the residents of the City of Cloquet, and the County of Carlton, that the City participate in the national opioid litigation settlements.

NOW, THEREFORE, be it resolved by the City Council of the City of Cloquet, Minnesota:

1. Participation in the opioid litigation settlements promotes the public health, safety, and welfare of the residents of the City of Cloquet
2. The City of Cloquet supports and opts-in to the national opioid litigation settlements with the Distributors McKesson, Cardinal Health, and Amerisource Bergen, and with the Manufacturer Johnson & Johnson.
3. The Memorandum of Agreement (MOA) between the State of Minnesota and Local Governments relating to the distribution of settlement funds is hereby approved by the City of Cloquet.

4. City Staff is hereby authorized to take such measures as necessary to sign the MOA and otherwise participate in the national opioid settlements, including executing the Participation Agreement and accompanying Release.

COUNCIL COMMENTS, ANNOUNCEMENTS, AND UPDATES

There were none.

CLOSED SESSION

MOTION: Councilor Lamb moved and Councilor Jaakola seconded the motion to table the closed session to discuss the City Administrator's performance evaluation until the January 4, 2022 meeting when the full Council is present. The motion carried unanimously (5-0).

ADJOURNMENT

On a motion duly carried by a unanimous yea vote of all members present on roll call, the Council adjourned.

Tim Peterson, City Administrator