STATE OF THE CITY/MAYOR’S REPORT

January 24, 2009

To the Citizens of Lonsdale,

Happy New Year to everyone and wishing you all the best in 2009!

The past year has been relatively good in the City of Lonsdale, despite the economically challenging times in our state and our nation. We have been able to complete many community improvement projects and accomplish a number of goals. We have put a lot of effort into our parks, walking paths and upgrading our city infrastructure. Our major accomplishment of course has been the groundbreaking for the Villages of Lonsdale assisted living facility and the adjoining public library. We have also spent much time facilitating the construction of a future business park.

Our community volunteer organizations have provided the residents with many nice events and community projects throughout the year. I believe these volunteers and sponsors are what make our community special.

In looking back at 2008, there have been a number of positive accomplishments in our city. Over 3 years ago the City Council embarked on a goal of bringing senior care to our community. We felt that our seniors who have lived here all their lives should have an opportunity to stay in our community during their golden years instead of being forced to move out to another community for care. Therefore, we have been working with Pat Vincent of Three Links Health Care and Mike Shoenecker of Winkleman Builders to construct a senior living campus. Finally, on Oct. 6th, ground was broken on the new Villages of Lonsdale assisted living facility. Upon completion, this campus will have 56 housing units of which, 16 will be independent living apartments, 26 units will be assisted living with staff available 24 hours a day and 14 memory care units.

In addition to the campus we are constructing a 4,000 square foot public library with two meeting rooms for community use. We have been working with the SELCO library system and the Northfield Library to develop our community library. Recently, we have appointed our initial Library Board consisting of Penny Matchinski, Ed Grebis, Sean Buckridge and Debbie
Zellner. It will be very exciting to develop a library from groundbreaking thru operation. Remarkably, we have been able to facilitate the construction of this campus/library building without impacting the current taxpayer.

This past year has brought continued effort by the City Council, staff and advisory boards to facilitate the construction of a business park. City Council, staff and advisory boards have been working with Onsite Marketing to assist their development of the commercial land on the east side of the community. Owner’s Garry Tupy and Ted Kowalski have been doing much work designing this business area. They have brought in Apro development of Lakeville to assist in their project. Apro has been the developer of the very successful Air Lake Business Park in Lakeville.

Main Street business is difficult in any community. Our City EDA, as well as the City Council is very cognizant of the situation. On Nov. 24th we held a public input session to gather thoughts from existing businesses. This will be one of the primary goals of mine and the City Council to see how we can improve the situation and improve the vacancy rate. On a positive note, I would like to welcome the three new businesses on Main Street. They are Center Stage Dance, Heritage Heating and Air and the House of Lily Rose. I wish all of you the best of success.

I believe we need to continue to recruit and assist in additional business development, as business provides employment opportunities, commercial and industrial tax base as well as adding to the well-being of a City. Our community has so many advantages for a business considering locating here such as; a great work force, major infrastructure in place, land availability and major highways with close proximity to a major interstate and a metro area.

This past year saw the completion of a couple of large infrastructure projects. Fig Street, on the north end of town had the final lift of blacktop installed and the entrances to the Ray Ann Acres subdivision completed. This project was constructed with developer funds from the subdivision with some cost participation from Rice County and the City.

The Area 4 Reconstruction project on the west side of town was finished. This work consisted of street reclamation, curb replacement, storm sewer installation and a stronger road design. This reconstruction project not only
improved the infrastructure but also added to the aesthetics of the neighborhood.

We have also continued to do additional work in maintaining our current infrastructure system. We have continued the street maintenance program that includes seal coating and crack filling. The final construction items were completed on the Well #4 project. Also, the SCADA system control integration, which is an off-site management program was finalized. We have also completed blacktop overlays to quite a length of waking paths in the south/southeastern part of the city. In today’s economy, it will be important to maintain our entire infrastructure the best we can, as this will provide the longest possible service life to our streets, sewer and water systems.

As most people know, our City has been committed to park improvements over the years. Parks, walking paths, ball fields, green spaces, and recreational areas are so important to quality of life issues in any community. This past year has been no exception. The construction of the CSAH #33 trail project has started and will be completed this spring. This connection will complete the pathway system from the Harmony Meadows subdivision to the Willow Creek Heights subdivision. This pathway system essentially is now connected throughout the city.

An excellent community wide project has been the construction of a warming house at the JC Park. This shelter is a wonderful addition for the ice skaters in our area. This initiative, started by the Lonsdale Jaycees a few years ago, came to fruition late in 2008. Many volunteers, businesses and community supporters contributed to this project. I would like to commend all of them and thank them for their time, labor, funding and dedication to this project.

Another project that was completed this past year was the completion of the nature area near the Montgomery/Lonsdale East elementary school. Along with the nature area, an observation deck was constructed. This joint project between the M/L School District and the City of Lonsdale was funded through grants and development fees collected. This area is so beautiful with the woods and wetlands. This nature area will be very educational to the people of our community.
We have also continued to do much maintenance and small upgrades to all our parks. Improvements such as adding new drinking fountains, repair and add fencing, repair and add irrigation systems and adding signage to all the parks. While these small additions may go unnoticed, they add to a park’s aesthetics and functionality.

The Park Board which is lead by Councilman Kevin Kodada has been very instrumental in the development of our parks. They have also played a valuable role in other areas of advisement such as; recreational activities, green team selections and land dedication and site review. There were a couple of new faces added to the Park Board in 2009. They are Micki Ziskovsky, whom is a longtime resident of this community and has been active in volunteer causes. Her expertise is in horticulture. The other new board member is Jeanette Morgan, who is the past President of the Lonsdale Jaycees. She has recently been very instrumental in the construction of the warming house at the Jaycee Park as well as other amenities at the park.

I would like to express my gratitude to outgoing members Chad Vosejpka and Tony Churchill for all the time and effort they put into the Park Board.

In 2009, there are many items on the agenda for discussion and recommendation such; as 5-year and 10-year park and trail improvement plan, dog park discussion, tennis court discussion, volleyball court discussion, Sticha Park site plan and structure development and additional park amenities. Two items that the Park Board and City Council are working on are the construction of “Welcome to Lonsdale” signs. These signs will be constructed of Kasota stone and brick and will be installed at the entrances of town along Highway 19 to welcome travelers. The second item is the development of Lonsdale as a “Tree USA City”. This project is a great effort to promote our environment as well as add to the aesthetics of our City.

Our Economic Development Authority (EDA), has been working on a number of issues such as grant applications for a number of community improvement projects. These grants such as the Small Cities Development Grant are opportunities to recruit monies for business structure and older housing improvements. Another grant applied for was the Laura Jane Musser Foundation grant to make improvements to the 3-R Landmark Schoolhouse. Over the past year, this advisory board has put much time and effort into our Main Street business district. They have looked at aesthetics, business financing, infrastructure improvements and business recruitment.
EDA President Harold Kuhinka and City Administrator Joel Erickson report that the board has recently met with a marketing group to work on marketing and promotional ideas for existing businesses and the recruitment of new business. Another topic is the development of an incubator business facility. Essentially, this is a building/funding concept where a business can get off the ground to evolve into a strong business with a new facility in Lonsdale. I believe this an excellent concept that will provide future business development and jobs within our community.

As we concluded 2008, despite the slowing economy, the City of Lonsdale is in strong financial condition. The accounting firm of Eide Bailly audited the City finances and reported that the City is strong with healthy fund balances. According to the Minnesota State Auditor’s position of City fund balances, Lonsdale continues to be at the optimum level for a general fund balance. This is important not only for the City’s financial security but also for cheaper bonding rates on future capital improvements. As you may have seen, the State of Minnesota is suffering from a huge financial deficit. Therefore, in December, they cut a percentage of Local Government Aid (LGA) to the Cities and Counties. For the City of Lonsdale, the cut was approximately $75,000.00. While this amount will not directly affect services it will force us to tighten our belts. The City Council has been proactive in these budget cuts because we believe more LGA cuts will be forthcoming. In cutting outside engineering services, outside contracted services, eliminating overtime and downsizing future capital improvement projects we have been able to cut approximately 4% of our budget.

Additionally, we have refinanced a City loader to save on interest and cash flow. We have also prepaid a City bond on the maintenance facility, which will result in over $50,000 of interest savings over the remaining life of the bond contract. For the 5th straight year, the City Council lowered the City’s portion of your property tax statement. The City Council has and will be very cognizant of spending. We believe a City needs to be run as efficiently as possible and yet provide the basic services to our community.

The Planning and Zoning Department reports for 2008 show modest construction activity. According to City Planner Ben Baker and Office Manager Janet Jirik as of December 31st 2008, a total 207 permits have been issued for a total valuation of $7,175,567.00. Of that total, 8 permits were for new homes and the remainder for existing structures. While these figures are down from previous years, they are in fact above the year 2000 permits
and total dollar valuations and near the 2001 year figures. In the first week of 2009, there already has been 3 new home building permits submitted.

Speaking of housing, this past year brought into the City of Lonsdale its first “Habitat for Humanity” home. The initiative was lead by a number of great local volunteers and the area parish congregations. This wonderful addition to the community is located in the Ray Ann Acres subdivision. The Jeff and Tamitha Olson family are the new residents. On behalf of the City of Lonsdale, we welcome to the Olson family and say “Thank you” so much to all the great volunteers in the entire process. Great job.

In 2008, we saw a change in the City Council; with longtime past City Administrator and Councilmember Fritz Duban retiring on October 1st. Fritz has served approximately 48 years in some sort of capacity with the City of Lonsdale. He has currently been reappointed as the City representative to the Northfield Ambulance Board, of which he is the current President. Thank you to Fritz Duban for all his years of dedication to our city!

Replacing Fritz on the City Council is Joe Daleiden. Joe has been a lifelong resident of this community as well as a former longtime Main Street business owner in Lonsdale. Joe’s experience includes: past member of the Lonsdale Planning and Zoning Commission, activist for the Montgomery/Lonsdale School District, past Lonsdale Jaycee member and active in many volunteer efforts if our community. We wish to welcome Joe Daleiden to the city council, I am positive he will do a great job.

During the selection process we had a number of great applicants. They were: Evelyn Duban, Don Novak, Scott Peleva, RJ Sticha, Todd Uplegger, and Lynn Russell. Any of these candidates would have done a great job. I wish to thank them for their applications.

The Planning and Zoning Commission has worked on a variety of issues this past year. One issue is signage, which have brought questions from residents. The P&Z Commission has addressed this by creating a new detailed sign ordinance and by working to clean up development directional signs along State Highway 19. This new sign ordinance will assist in cleaning up the cluttered boulevard areas throughout the city. The P & Z Commission is also working on the downtown business/property district by producing a new “Central Business District” ordinance allowing residential rental units on the second floor of businesses.
The City is in the process of finalizing the Codification of Ordinances, and coming soon, the entire City Code will be accessible online and available with quick search/query options. In 2009, the Planning and Zoning Commission will focus on clarifying unzoned parcels, updating all of the official land use applications, reviewing regulations restricting additions in the original residential areas of the city and creating two new zoning districts for “parks” and “public facilities”.

I would like to thank all of the volunteer advisory board members for your time, effort and service in advising the City Council. Your work is invaluable and very much appreciated.

Lonsdale Police Chief Jason Schmitz and the rest of his department have been working on a variety of public safety issues such as Safe and Sober campaigns, seat belt buckle up campaigns and the National Night Out event. Councilmember Blaine Smith and Chief Schmitz have put a lot of work into the efficient scheduling of our police force. These efficiencies save the city money in employee costs. I would like to welcome the addition of part-time police officer Andy Sirek. Officer Sirek is a welcome addition to our police force.

Fire Chief Mike Yetzer reports that the fire department continues to be busy as the population grows within the fire district. The Lonsdale Fire Department is a volunteer force made up of outstanding people of our community. These people spend many hours on training, education and safety. They are prepared for any situation from accidents and rescue to natural disasters. Thank you to the entire past and present fireman for your service, dedication and efforts, which make the Lonsdale Fire Department one of the best in the area.

Lonsdale Emergency Services or “Skywarn” is another volunteer service organization which is vital to our community. Their role is primarily associated with severe weather related issues in our community. Skywarn President Mike Walters reports that his group has been very dedicated over the years. Their office in the lower level of the police station, has received major upgrades over the last couple of years. Most of their funds come from community fundraisers during the course of the year. City Councilmember Cindy Furrer is the city council liaison to this department.
Our Public Works Department has also been very busy this past year. You may have noticed Russ Vlasak and his staff have been doing much more work in house instead of contracting for outside services. This will likely increase in the future, with potential budget cuts ahead it is very beneficial to have a talented and versatile Public Works department to handle maintenance and small capital improvement projects. I personally and on behalf of the City want to thank all of them for their snowplowing efforts during this winter season.

For 2009, we have set a number of goals, which I am excited about. First is the development of our business park on the east side of town. As staff and Council, we have met recently with the developers, Onsite Marketing, this project appears to be on track for an early summer construction. The developers have brought in Apro development group to assist in the construction, development, and marketing of this business park. This proposed business park concept application is currently being submitted to City staff for research and placement on the advisory board agendas in February and March. Public hearings will be held and anyone is encouraged to attend.

The second goal is the revitalization of our Main Street in Lonsdale. The City Council is cognizant of the needs of our downtown. As mentioned, we held a joint public meeting with the EDA to gather input from the public. We appreciated all the comments. Issues brought up included: the aged infrastructure, the conditions of existing buildings, the economic downturn, and financing available for business. We have already started to address some of these issues with grant applications, EDA funding availability and the start of the marketing processes. The EDA will continue to work on marketing and creating strategies to better promote the downtown businesses and Main Street. It is very important to patronize our local businesses and give them an opportunity to succeed.

There is no question all communities are suffering because of the economy, but I believe we have a lot of advantages here. We have so much to offer these businesses such as: the strong work ethic of our residents, the proximity to the I-35 interstate, land availability, infrastructure capacity and the JOBZ program. Business retention and recruitment for our City is so important. The employment opportunities, the increased tax base and the facilities all add to making a community vibrant.
Recently, staff and I have met with a firm strongly considering relocating their business in Lonsdale. They seem very interested because of the very reasons I just mentioned. We are scheduled to meet again in the near future. Competition between cities is a reality. It will take continued effort but I believe in being proactive and we should all promote our community at every opportunity.

Another goal is the continued improvement and development of our parks and recreational areas in Lonsdale. I believe our residents will continue to use the park system more and more. While the funding from developments will not be available in the near future, we need to continue to come up with creative ways to improve our parks, trails and facilities in an efficient manner. An example of this is in 2010, State Hwy 19 will have a new mill and overlay project through Lonsdale and to the north for a few miles. The City has previously set aside funding for new sidewalks along Highway 19, therefore we have instructed staff to continue meeting with MnDot on a joint project which could save both entities money on the construction through Lonsdale. I believe that because funding will be so short that this is the way projects will need to be done in the future, through partnerships with the state, the county or the school districts.

The City Council continues to work on improving communication with residents. A current gaol is the continued improvement of our City website. We continue updating the City’s website to include information about EDA, City Council, Planning and Zoning, Parks, Police projects, fees, etc. We also host sites for the Ambassador Program, Lonsdale Community Days, LACC, local churches and schools. The City’s website address is: www.lonsdale.govoffice.com.

I and another Councilmember will continue to hold the “Meeting with the Mayor” gatherings on designated Saturdays. This has been a valuable effort to address the concerns, thoughts and ideas of residents. We appreciate the input at these meetings.
The scheduled monthly City meetings are as follows:

City Council meetings are the 2nd and last Thursdays of the month @ 7:00 pm.

Planning and Zoning meetings are the 3rd Thursdays of each month @ 6:30 pm.

Park and Recreation Board meetings are the 2nd Tuesdays of each month @ 6:00 pm.

Economic Development meetings are the 3rd Thursday of each month @ 7:00 am.

All meetings are held in the City Council Chambers @ 415 Central Street West and are open to the public. Everyone is always welcome.

In closing, as Mayor, I would like to say Thank You to the citizens of Lonsdale for allowing me the honor and privilege of being your Mayor. In 2009, I promise to continue to work hard towards the betterment of our community, be responsive to the needs of our residents and always have the lines of communication open to you the residents.

Respectfully,

Tim Rud
Mayor
City of Lonsdale