

City of Red Lake Falls
Public Hearing – Sale/Transfer of City Hall
July 15, 2024
Minutes

Pursuant to due call and notice thereof, a public hearing meeting of the City of Red Lake Falls, Red Lake County, Minnesota, was duly held in the Council Chambers of said City on the 15th day of July, 2024.

Members Present: Allen Bertilrud, Cheryl Matzke, Joyce Kalbakdalen, Sara Kenfield, Neil Knaack

Members Absent: Briana Ingraham

Others Present: Kathleen Schmitz, Delray Sparby, Jane Thibert, Matt Swendra, Cavin Berube, Mitch Bernstein, John Thibert, Rusty Remick

Mayor Bertilrud called the public hearing to order at 6:15 p.m.

Mayor Bertilrud asked if there was anyone who would like to address the council to please come forward and state your name and purpose.

John Thibert asked if there was any public information or numbers available on the facility for operation & maintenance. Mayor Bertilrud responded that there was an ad in the paper several months ago concerning the sale of the property. He continued to explain that we do not have any intention of demolishing the property, but we do have a party interested in buying the property, however those details are yet to be worked out.

Administrator Schmitz stated that we had a feasibility study completed, and in 2018 we had an engineer give us an estimate of \$650,000 for repairs. The 2024 budget for city hall is \$70,000, this includes \$30,000 construction/remodeling/repair, \$7,000 electricity, \$7,000 heating, \$9,200 insurance, \$8,500 repairs & contracted services, \$3,000 debt service from the furnace/LED, plus maintenance, supplies and elevator.

Mr. Thibert asked if there was a replacement plan for city hall. Mayor Bertilrud stated that we have an application in with Federal Government, for the possibility of a new building through the US Senators & US Representatives. They are working on a bill, however we are not sure if we will be included in it or not. If that does not go through, we will be looking for grants for 50-70% of the cost of a community center, since there are no grants for city hall. He went on to explain that the estimate of repair in 2018 was 650,000 it would be over a million today. There is very little usage or rental of the building, and basically no income coming in. The city only uses approximately 20% of the building, so it doesn't make sense for us to continue to put that kind of money back into this building. Especially if we have someone interested in fixing it & using it as a usable building for the foreseeable future.

Administrator Schmitz stated that they have been discussing the future of city hall since she has been here, and it needs some major repairs, such as gutters, tuck points, and leaking between the two layers of bricks. The roof was replaced in 2016. We have not been able to find anyone to replace the gutters. She went on to inform him that the Public

Hearing was to see whether the city should get a smaller building for City Hall & a community center, and have another business take this building over.

It was also noted that the building would go onto the tax roll if it was sold. Council member Knaack informed him that the estimated tax roll from the county would be \$24,000 per year.

Mayor Bertilrud stated that the reason we do not want to demolish the building is that it would cost the city \$400,000 - \$500,000 to demolish it & haul it away.

Mr. Thibert asked where the elections would be held. Mayor Bertilrud stated that it used to be held in the schools, and that would probably be a possibility.

Council member Kenfield added that there is still use for this building for the right entity.

Public Hearing adjourned at 6:25

Respectfully submitted,

Allen Bertilrud, Mayor

Kathleen Schmitz, City Administrator