

**CITY COUNCIL WORK SESSION
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The Ramsey City Council conducted a City Council Work Session on Tuesday, January 17, 2012, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Bob Ramsey (via Skype at 6:58 p.m.)
Mayor Pro Tem Jeffrey Wise
Councilmember Randy Backous
Councilmember David Elvig
Councilmember Colin McGlone
Councilmember Sarah Strommen
Councilmember Jason Tossey

Member Absent: None

Also Present: City Administrator Kurtis Ulrich
Deputy City Administrator Heidi A. Nelson
Public Works Director Brian Olson
City Engineer Tim Himmer
Parks Supervisor Mark Riverblood
Economic Development/Marketing Director Aaron Backman
Senior Planner Tim Gladhill
Planning Intern Patrick Brama
City Attorney William Goodrich
Development Manager Darren Lazan

CALL TO ORDER

Mayor Pro Tem Wise called the City Council Work Session to order at 6:01 p.m. He announced that Mayor Ramsey is out of town and, as allowed by State Law, attending this meeting via Skype. However, Mayor Ramsey will be reflected as being absent during votes.

TOPICS FOR DISCUSSION

1) Review City Owned Land Inventory

Planning Intern Brama reviewed the staff report.

City Attorney Goodrich explained a private property dedicated to the City for public use or other restrictions, if not followed, reverts back to the original dedicator. The City holds those properties in trust for the public. To remove that designation takes a court action and the Attorney General is the overseer in representing the public. The process also provides notice to property owners adjacent to the property. City Attorney Goodrich indicated it is difficult to

estimate how much it will cost beyond the \$325 filing costs with the court. He clarified the City does not get the property; it has to go back to the person/company that dedicated the property and/or its heirs.

Councilmember McGlone stated the estimated costs have a \$66,000 swing and asked if all of the properties can be handled in one action before the judge. He stated the motivation for this consideration was to gain revenues, wherever possible, to put back into the Park Dedication Fund to enhance other City parks. Councilmember McGlone felt a case could be made to the judge that the City has 51 parks and needs to reevaluate its park system moving forward. He noted that when the pocket parks came into existence, Ramsey was a developing community so small parks served isolated neighborhoods. However, that has changed and the City now has miles of trails. He supported having only five parks and selling whatever land possible.

City Attorney Goodrich stated it may be possible to combine the lots into one District Court action but it would require investigating all of the parcels and, in the end, the property goes back to the dedicators and the City will not receive title.

Councilmember McGlone suggested staff determine who the property would go back to and ask if they would be willing to pay for the cost to cover that process. Then the City would get tax dollars from those properties.

Councilmember Backous agreed the context of the discussion was pocket parks, the strain on staff with maintenance, costs to the City, and how to get the property back on the tax rolls. He supported staff investigating first to try and locate the dedicators and ask if they are willing to buy back the property. This will result in lowering the City's maintenance costs and getting the property back on the tax rolls. Councilmember Backous asked about the dedicated versus restricted parcels and how many are involved.

Planning Intern Brama explained the types of restrictions on donated property, such as for park dedication.

City Attorney Goodrich explained that dedicated property is generally received through a plat for a specific use and restricted property is received through a deed process.

Councilmember Strommen asked whether the investigation is worth doing since the court needs to first determine whether the property can be returned. She stated she also wants to know the location of the parcels, maintenance costs on those parcels, and how developable are the parcels. If containing significant wetlands, they City may not receive any revenue on them, and it is expensive to resolve title issues. Councilmember Strommen stated she wants to assure the benefits being assumed will actually be received. She would also like to see a balance sheet that includes estimated revenue in taxes. She stated the younger neighborhood children use the pocket park on her street a lot and asked what the City's maintenance costs are.

Parks Supervisor Riverblood indicated the City has no maintenance costs on that pocket park. It was noted this type of pocket park results in constant complaints because the park is not mowed or maintained.

Mayor Pro Tem Wise noted an abutting property owner may be willing to purchase the property, even if it is not developable.

Councilmember Elvig indicated he was pleased to learn that one-quarter of the properties are available for sale and supported moving forward. He supported determining which tot lots are being used, which ones are not being used, and to look first at the properties where the contributor can be easily identified.

City Attorney Goodrich stated he will talk with a title company to get input on the best process.

Mayor Pro Tem Wise stated staff can determine whether some properties are developable and act on those properties first

Councilmember Tossey noted that all of the parks and area demographics are different. He supported keeping tot lot parks that are being used and handling this effort in a cost effective manner.

City Administrator Ulrich suggested staff first proceed with the eight salable lots. With the 24 dedicated/restricted properties, it will depend on how much the parcel is worth as a park. He suggested staff gather additional information on the City's maintenance costs and determine whether the park is being used.

Councilmember McGlone stated he is not suggesting to get rid of every park in Ramsey but the Council needs to make decisions from financial, maintenance, and staff utilization standpoints. He stated he has three years of experience in being on the Council and does not need more study. Councilmember McGlone pointed out that the public will have an opportunity to provide input and protest to the City and the court. He supported the Council making a sound business decision and moving forward.

Councilmember Strommen asked for a balance sheet, which is needed for a sound business decision, so the City does not spend more to get rid of the property than it would ever receive in taxes or spend in maintenance.

Councilmember McGlone stated the Council also needs to look at tax revenue in the future, current and future maintenance costs, and liability on the City. He requested more information on the eight sellable parcels.

The consensus of the Council was to direct staff to move forward with rezoning and marketing properties 34 and 13, which both have clear title and are not being used for anything today.

The Council discussed property 11, Water Tower Complex, which has clear title.

Councilmember Elvig stated another option is to talk about redevelopment of the entire region and create more viable retail. This would mean holding this property until a more viable time and that is what he hears residents prefer.

City Engineer Himmer explained property 11 was purchased utilizing Water Utility Funds so if sold, the money would be paid back into that Fund. He noted if the City were to subdivide this property, it would trigger eliminating the access to Elmcrest Park.

Mayor Pro Tem Wise stated he would not support platting property 11 because a developer may not like that plat and have to replat it.

Councilmember Elvig commented on the need for empty nester housing and pointed out this location is between a golf course, restaurant, park complex with walking trails, and near the River. Some property may be more viable for redevelopment because of its location.

Councilmember McGlone stated he would oppose doing anything that triggered putting in a road. He thinks this property could spark taking down properties on the north side of 167th Avenue. In addition, a developer would pay to install roads and watermain so the City will not need to do that.

Councilmember Backous supported that idea, especially if marketed to senior housing.

City Administrator Ulrich stated staff can approach senior housing developers about this property to determine if there is interest in the market.

Mayor Pro Tem Wise suggested also contacting the strip mall and golf course owners.

Councilmember Elvig agreed with the benefit of contacting people in the whole area because there is property to the east and north that developers want to move on. He noted it would be more affordable to extend utilities if there is a cluster of interested property owners.

Councilmember Strommen asked if the City can put out “feelers” in the context of a larger redevelopment without declaring surplus land.

City Attorney Goodrich advised staff can provide preliminary information.

The consensus of the Council was to direct staff to prepare a marketing plan for property 11, Water Tower complex, and surrounding developable properties.

Planning Intern Brama stated Peltzer Park will be discussed tonight during Case 3.

Parks Supervisor Riverblood stated, compared to other neighborhood parks, Peltzer Park would be a 2 out of 10, at best. He stated he will provide demographics of Peltzer Park during presentation of Case 3.

Planning Intern Brama asked whether the City should go through the process of quiet title action for properties 22 and 32.

The consensus of the Council was to direct staff to move forward with City Attorney Goodrich getting additional information on the quiet title action and estimated costs for properties 22 and 32.

Planning Intern Brama asked if the City should go through the process of removing dedications from each of the 22 properties, estimated at \$44,000 to \$110,000 and return the property back to the original developer.

The Council discussed the benefit of first contacting property owners who were easily located to ask if they would be willing to remove the dedication restrictions.

Councilmember McGlone suggested the dedicators also be asked to pay the fees to get the land transferred back.

City Attorney Goodrich indicated there was nothing legally wrong with asking.

Councilmember Elvig expressed concern if staff is viewed as trying to market the properties behind the scenes, especially if the parcel is a heavily used tot lot.

Councilmember McGlone stated he is not recommending negotiating a sale but for staff to make some telephone calls. He would support spending any money gained on trails to provide connection to parks.

Planning Intern Brama clarified that even if the dedication restriction was removed, the property is to be given back to the dedicator, not sold back, so there would be no revenues to put into parks or trails.

Councilmember McGlone stated he was addressing the titled properties, not the dedicated properties.

Mayor Ramsey joined the meeting via Skype at 6:58 p.m.

City Attorney Goodrich noted another option is that the person making the dedication may be willing to release the restriction and give the parcel to the City without restriction.

Mayor Pro Tem Wise stated there may be small parcels abutting two properties where they want to purchase and add it to their property, resulting in a minimal tax but it would take that parcel off the City's books.

Councilmember Tossey noted if the properties are worth a lot, one negotiating point would be to mention the property owner would have to pay taxes/estate taxes, which may be quite high.

The consensus of the Council was that it may not be worth looking at some dedicated/restricted properties if it is too expensive to find the dedicator and to direct City Attorney Goodrich to move forward with the dedicated/restricted properties where the dedicator can easily be contacted.

2) Consider Accepting MnDOT Municipal Cooperative Agreement Funding for the Extension of Riverdale Drive

City Engineer Himmer reviewed the staff report.

Councilmember Wise asked about the location of the utilities under the interchange.

City Engineer Himmer stated there would be minimal impacts to the infrastructure.

Councilmember Elvig indicated some property owners donate easements while others charge for the easement. He noted projects get to be unaffordable if the City has to pay for easements and the improvement. If easements are given and sewer and water installed, he suggested the Council consider deferring some costs until the property is built out and connected. Councilmember Elvig pointed out it would make the property more salable if the improvements are already installed. He asked how long the grant lasts.

City Engineer Himmer advised the City has to inform Mn/DOT if it will accept the grant by January 24, 2012, and if the grant is accepted the project has to be let by June 2013.

Councilmember Elvig stated concern with considering franchise fees to fund road construction and then considering this project. In addition, it will open more competitive property to The COR, in which the City is heavily invested and trying to sell to raise cash flow. Councilmember Elvig indicated there may also be an argument that if this sells there will be more interest in The COR.

Councilmember McGlone noted someone had mentioned earlier that this improvement relates to Armstrong interchange improvements and would add equity into the bridge project by reducing the overall costs. If that is the case, the City will have a better chance of getting it done. Councilmember McGlone stated he likes the idea of deferred payback from property owners. He did not feel this would create competitive properties to The COR until the bridge is constructed, especially since this project would actually reduce access at this point.

Councilmember Strommen asked about the timing, noting the next \$500,000 grant is to be submitted next month.

City Engineer Himmer indicated he does not yet have that information.

Councilmember Strommen supported accepting this first Mn/DOT grant and to consider constructing, at a minimum, the roadway. If the City receives another grant, the Council could consider making it a bigger project by adding utilities.

Public Works Director Olson explained that if the sewer and water comes down Riverdale, the assessments would be deferred because they would pay lateral and trunk fees. When development occurs in that area, the City would not charge lateral benefit if they gave the right-of-way but would charge trunk fees.

Councilmember Elvig asked whether, much like the Sunwood realignment, the City can count its contribution towards this project as part of its investment into the overpass project.

Public Works Director Olson stated staff will start to track those dollars because the more the City invests the better its grants will be ranked.

Councilmember Elvig asked if the City needs a letter of no prejudice so the City does not lose these dollars as part of that initiative.

Public Works Director Olson stated if the City is preparing the application for a large grant, staff will be sure to include that letter but he was not sure if a letter of no prejudice improves grant ratings. He noted it is a great step to have Mn/DOT score the City's grant high enough on its independent grant process and Mn/DOT has told staff numerous times that the City has done a good job in right-sizing this project.

Councilmember McGlone asked whether these grant dollars are only for that stretch of non-roadway and there is no other use for the dollars.

City Engineer Himmer confirmed that is the case.

Matt Kuker, 7533 Sunwood Drive NW, stated he is working with the PACT Charter School, which is an asset to Ramsey, and got good competitive bids. He believed the School was a great use for the facility and will get rid of the blight condition.

Eric Henry, 15491 Xkimo Street NW, Hope Fellowship Chairman, stated the Church appreciates its relationship with the City and was pleased with its location on 167th Avenue. He indicated they own 30 acres along Highway 10 and are looking to sell that property. Mr. Henry stated they are open to those discussions and would like their property to become more marketable.

Senior Planner Gladhill advised the property is zoned commercial.

Councilmember McGlone asked Mr. Kuker how close they are to closing the deal with the Charter School.

Mr. Kuker stated the school will present a formal letter of intent at their February 16, 2012, board meeting. The School still needs a letter of approval from the Department of Education.

Public Works Director Olson asked about the number of students.

Mr. Kuker indicated there will be up to 300 students initially and if that fills instantly, there is a large parking lot and the hockey rink could also accommodate a building. He explained the property is currently listed for sale but they would lease to the School.

Councilmember Elvig supported moving forward with the grant and to hold a closed session on terms and how to negotiate with the property owners.

Mayor Pro Tem Wise stated the Council also needs to know the dollars being put towards the interchange project.

Councilmember McGlone stated this is where PACT would have a home and use other facilities for sports. Initial students would be 300 coming two days a week.

The consensus of the Council was to accept the \$702,000 Mn/DOT grant, move forward with a smaller project, not including utilities, bring back the topic of utilities at a later date, staff is to track costs coming off the interchange by doing this project, and to have future discussion at a closed session about extending sewer down Riverdale.

3) Consider Strategic Development Proposal for North Commons

Parks Supervisor Riverblood reviewed the staff report.

Councilmember McGlone complimented Parks Supervisor Riverblood for his report on this comprehensive case. He stated it meets most of his target issues and he likes the idea, once and for all, of putting science to water, dirt, and grass.

Councilmember Elvig stated this is the most creative approach he has seen to selling a park project and asked if there are grant opportunities for the grass ideas. He indicated he has noticed areas along wetlands where testing is being done.

Parks Supervisor Riverblood stated there may be a grant but this is new technology and he has been unable to find additional research. He explained staff will send out an RFP to contractors of top soil and irrigation so they can be named in the study and create a partnership.

Mayor Ramsey stated his full support.

Councilmember Tossey stated he is contacted weekly about North Commons and he supports Parks Supervisor Riverblood with this project.

Councilmember Backous stated he supports this project and finds Parks Supervisor Riverblood to be the best at raising and getting money without going to the taxpayers.

Parks Supervisor Riverblood stated the process will be difficult with Peltzer Park and staff needs to assure the park equipment relocation is handled correctly.

Councilmember Strommen stated she finds this proposal to be a fabulous idea and suggested an 11th option to involve local students in the monitoring and graphing effort, maybe becoming eligible for an educational grant.

Councilmember Tossey agreed and indicated support to tie in schools, university, and/or builders and maybe get the monitoring paid for.

Parks Supervisor Riverblood stated staff will start to draft the RFP, work out the Peltzer Park piece, and may put out a notice to see what the reaction is.

Councilmember McGlone noted this may be the perfect experiment into the grander thought of changing the City's park system to be leaner and to gauge feedback from this effort. He stated there may also be an opportunity to have corporate sponsors, such as Toro.

Parks Supervisor Riverblood stated he will look for distributors to talk to national reps to get funding for this experiment.

Public Works Director Olson thanked Parks Supervisor Riverblood, noting this proposal hits a lot of points mentioned over the past several years. He also thanked City Administrator Ulrich for fostering an environment so staff can think "outside the box" and find creative solutions.

The consensus of the Council was to direct staff to move forward, develop this notion, and keep the Council updated on the process.

FUTURE TOPICS FOR DISCUSSION

Noted

MAYOR, COUNCIL AND STAFF INPUT

City Administrator Ulrich announced the upcoming strategic session and meetings. He advised that a survey will be sent to Councilmembers prior to the next Work Session to rate core functions.

ADJOURNMENT

Motion by Councilmember Tossey, seconded by Councilmember Backous, to adjourn the Work Session meeting.

Motion carried. Voting Yes: Mayor Pro Tem Wise, Councilmembers Tossey, Backous, Elvig, McGlone, and Strommen. Voting No: None. Absent: Mayor Ramsey.

The Work Session of the City Council was adjourned at 8:09 p.m.

Respectfully submitted,

Kurtis G. Ulrich
City Administrator

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Carla Wirth
TimeSaver Off Site Secretarial, Inc.