

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

The Ramsey City Council conducted a City Council Work Session on Tuesday, March 26, 2013, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Sarah Strommen
Councilmember Randy Backous
Councilmember David Elvig
Councilmember Mark Kuzma
Councilmember John LeTourneau
Councilmember Chris Riley
Councilmember Jason Tossey (arrived at 5:41 p.m.)

Also Present: City Administrator Kurtis Ulrich
Parks and Assistant Public Works Superintendent Mark Riverblood
Public Works Superintendent Grant Riemer
Development Services Manager Timothy Gladhill
Assistant Planner/Environmental Coordinator Chris Anderson

1. CALL TO ORDER

Mayor Strommen called the City Council Work Session to order at 5:32 p.m.

2. TOPICS FOR DISCUSSION

2.01: Consider Work Plan to Finalize Housing Assistance Policy

Development Services Manager Gladhill reviewed the staff report, past consideration by the Council, and recommendation to forward the Housing Assistance Policy framework to the Planning Commission and Economic Development Authority for review and recommendation. He asked the Council to address the policy level questions and offered the option to schedule meeting time to further this discussion; to form a three person ad hoc subcommittee comprised of one member each from the City Council, Planning Commission, and EDA; or, an ad hoc subcommittee that is a subset of the Planning Commission. Development Services Manager Gladhill noted there is currently a request for assistance that would be considered at tonight's Council meeting.

Councilmember Elvig stated he was concerned staff would be asking for approval of a policy tonight before those issues were addressed. He agreed this would be a fairly long discussion to include looking at developer incentive programs and indicated support for an ad hoc committee that included representation by the Council, Planning Commission, and EDA.

Councilmember LeTourneau agreed this will be a time-consuming endeavor because it is complex. He supported referring this to the EDA and Planning Commission to develop the overarching policy language and once it has structure, to develop an ad hoc subcommittee to address it in more depth prior to presentation to the Council.

Councilmember Kuzma asked if a policy has not been in place previously.

Development Services Manager Gladhill stated the City has overarching goals but not a policy with details relating to ranking or scoring requests that come in. A checklist is needed identifying minimum thresholds and types of housing that would be considered.

Mayor Strommen stated it became a bigger issue when the City was approached for financial assistance which brought to light the need for a policy so the City sets the agenda of what it wants in the community and where the dollars will be used. Mayor Strommen noted these decisions cannot be made arbitrarily.

Councilmember Backous stated he likes the idea of a cooperative and collaborative effort but wonders if the EDA is the right body since this policy addresses housing.

Councilmember Tossey arrived at 5:41 p.m.

Development Services Manager Gladhill stated he had suggested the EDA because it has experience in how to respond to a financial package request.

Councilmember Backous stated it seems unfair to ask the EDA to take this on since it has a lot of important work to do and a housing policy is outside of its mission. He noted the Council also wants the industrial and commercial sectors of the City to grow.

Development Services Manager Gladhill suggested the Planning Commission be allowed to have the first review of this effort.

Councilmember Backous stated another option is to ask EDA members who have expertise in housing to be part of the ad hoc subcommittee on a voluntary basis.

Councilmember Elvig stated he understands that concern but noted the Planning Commission does not usually deal with financial requests, which the EDA does have experience considering. He stated the City is trying to encourage mixed use, which would be a commercial application with EDA involvement. Councilmember Elvig stated he does not want to take 6-9 months to “polish the penny” and not be able to move forward when there is interest because the policy is not yet in place. He suggested determining if there are “low hanging” opportunities that should first be considered.

Development Services Manager Gladhill stated a lot of the timing has to do with the priority level the Council places on this effort. Once known, staff can determine timing and if professional services would be needed. He indicated staff can deal with the highest priority projects followed by the longer-term vision by the end of the year.

Councilmember LeTourneau stated he assumes that this effort can be managed while the organization continues to operate. With regard to the HRA/EDA co-mingling their resources, he noted the Economic Development Manager will have HRA responsibility as well.

Councilmember Riley stated he likes the idea of involving more people with expertise who serve on the Planning Commission and EDA. At the same time, he would like staff to assure they remain on task and are aimed in the direction dictated by the Council.

City Administrator Ulrich stated he finds this to be a high priority since there are other projects interested in this option. He suggested dedicating professional services and replenishing it, if needed, to complete the process by the end of the year. City Administrator Ulrich also suggested considering the EDA budget for funding since this is part of economic development as it brings jobs and tax base.

Development Services Manager stated staff will provide weekly updates to assure the process remains transparent. He noted the Council will be considering the proposal from MFW Properties at tonight's Council meeting and asked if there was interest in considering the project prior to forming policy.

Councilmember Backous supported offering under the current rules and policy so opportunities can move forward. He stated it is a good exercise but will take time to do it right and he does not want development to stop during that process.

Councilmember Riley concurred and noted the property is posted with a "For Sale" sign.

Mayor Strommen stated she would prefer to not provide direction this evening on the Council's case because in the absence of policy, some direction is needed for staff in what to look at with a financial assistance package. She felt it was not a good use of staff time to research and analyze proposals if the Council will not support it. Mayor Strommen stated if staff is being directed to pursue these projects, then the Council should determine how much to allocate towards that effort as well as the level of funding and types of projects the Council would be willing to entertain.

Councilmember Elvig stated it will be awkward tonight because the project will be presented to the Council and the HRA will be asked to consider it. He stated he is against the use of TIF for housing in most cases.

Councilmember Backous stated he understands that concern but prefers to look at each case as facts present themselves until a policy is completed. He noted the point is that City resources are being spent exploring these projects and while the Council wants to see the projects, he does not want to spend staff time if it is not supported.

Mayor Strommen asked if the project should first be presented to the Council to determine if there is support. She stated the Council has indicated it would like to move in the direction to set the policy and then let staff bring those results so the developer is not in the "driver's seat."

Councilmember Riley asked if “low hanging fruit” decisions can be made now to give some direction.

Mayor Strommen asked staff to develop a strategy for the interim until the policy is completed.

Development Services Manager Gladhill suggested that be a Work Session topic for discussion.

Councilmember Tossey stated he arrived late and is not in a position to give input but would not support TIF for housing.

Development Services Manager Gladhill stated tonight staff would like the Council to identify the policy issues and resources.

Councilmember Tossey supported having the first review of the policy by the Planning Commission.

Councilmember LeTourneau stated it sounds like “low hanging fruit” would take an entire Work Session but he would prefer having that addressed by the Planning Commission.

Development Services Manager Gladhill suggested the Planning Commission develop that information with a recommendation to the Council.

Mayor Strommen supported that suggestion.

Councilmember Backous noted three Councilmembers have already indicated they would not support TIF for housing so he would ask why the Planning Commission should even consider that as an option.

Councilmember Elvig suggested staff prepare a list of the top five issues for the Planning Commission to first consider and provide recommendation, noting that would expedite the plan.

Mayor Strommen suggested following the list of categories with potential financial assistance being considered first, then the minimums, and then the enhanced ones.

Development Services Manager Gladhill stated staff does not want to talk about asking for a local contribution and then lead into a closed session. He noted local assistance could include land write-down, TIF, or grants.

Councilmember Elvig suggested staff identify the parameters of the financing avenues and type of qualifications that would be required.

Development Services Manager Gladhill explained why Section 42 is not part of a City financing mechanism, noting one criterion is a financial contribution.

Mayor Strommen suggested the Council entertain the presentation from MWF Properties for an apartment development in The COR but delay offering comment until a recommendation is received from the Planning Commission relating to the Housing Assistance Policy.

Development Services Manager Gladhill stated the Section 42 deadlines are approaching in two weeks so it may be a project for next year.

Mayor Strommen suggested staff provide an overview of various financing packets to those on the Planning Commission who will be considering the Housing Assistance Policy.

With regard to sites that would be considered, Development Services Manager Gladhill noted the zoning will set the “where” and the policy will direct resources that will be used. He suggested the Planning Commission address sites that would be best considered and provide that recommendation.

Councilmember LeTourneau volunteered to act as the Council’s liaison.

The consensus of the Council was to forward the Housing Assistance Policy framework to a subgroup of the Planning Commission for review and recommendation during April and once policy is formed, to then gain information from the EDA, followed by presentation to the Council. During this process, staff was asked to provide periodic updates.

2.02: Presentation by / Discussion with Metropolitan Council Representative Ed Reynoso

This case was not considered due to the absence of Metropolitan Council Representative Ed Reynoso.

3. FUTURE TOPICS FOR DISCUSSION

Noted.

4. MAYOR / COUNCIL / STAFF INPUT

4.01: Items for Placement on Work Session and Regular Session and Consent Agendas

Mayor Strommen asked for comment on the types of issues the Council would like placed on agendas for the Work Session and Regular Session and Consent.

Councilmember LeTourneau stated there have been several cases that appeared on both the Work Session and Regular Session meeting agendas. He stated he is willing to have the same conversation on camera at the Regular Session and if it is important enough to be placed on two agendas, he would prefer it be placed on the Regular Session agenda. He noted that would also conserve resources and the Council’s time.

Councilmember Tossey stated sometimes staff makes a longer presentation during the Work Sessions. He stated he felt bargaining contracts and appointment of Commissions should never be on Consent Agendas.

Councilmember Elvig stated it is not necessarily the issue of being on camera at the Regular Session, but when discussing aspects of a policy that is not yet adopted, he would prefer that discussion not be in front of a developer. Once the policy is developed, it can then be presented at the Regular Session.

Development Services Manager Gladhill explained that sometimes priority items need to be on Work Session agendas and to keep it moving forward, it needs to also be on the Regular Session agenda.

Mayor Strommen noted a presentation can be made at a Regular Session and the decision tabled so it is not a forced action. She agreed there are items that need discussion at a Work Session setting.

City Administrator Ulrich stated if staff feels the item can be handled at a Council meeting, it will be placed on the Regular Session agenda. He noted the other issue is time management and how much can be handled at a Work Session; however, that does not provide public notice that the item will be discussed.

Councilmember Backous suggested not holding Work Sessions and starting the Regular Session meeting at 5:30 p.m.

City Administrator Ulrich stated when in Regular Session on camera, discussions can take a different tone, but the agenda could be organized to include presentations in one section of the agenda.

Mayor Strommen stated when developing policy, a Work Session format is more conducive.

4.02: Staff Report Detail and Recommendation

Councilmember LeTourneau stated the case work coming forward is very complete with a lot of great information addressing every variable and issue. He also liked that strong recommendations are included in the case and options are offered. Councilmember LeTourneau stated he likes that staff deliverable and asked them to push for the recommendation they feel best fits the case.

Councilmember Kuzma stated he feels the same way and has found it helpful to get feedback from staff on the variables of each outcome.

Parks and Assistant Public Works Superintendent Riverblood stated staff tries to prepare detailed information that the public is also interested in and presumes the Council has enough time to read that detail before the meeting. During presentation, staff can hit the highlights and not

belabor the issue. However, if the Council lets staff know, additional details can be presented while on camera.

Councilmember Riley agreed the information provided is good and anticipates the questions most often asked. He also preferred staff not read the case during its presentation.

4.03: Weekly Report Format and Level of Detail

City Administrator Ulrich described the contents of the Weekly Report and requested feedback on the pieces that are the most useful and if attachments are important.

Councilmember LeTourneau stated he is drawn to the Weekly Report when he sees it but thinks the itemized list of tasks completed by Department Heads is not as important. He stated he likes reading the Police Report and Fire Report so he knows what is happening inside the City relating to issues and conditions. He stated he does not read the attachments so it could be briefer.

Councilmember Riley stated the Weekly Report should not take much work for each department and agreed if noteworthy or interesting it should be included but not things like how long it takes to change a light ballast.

Councilmember Elvig supported making the Weekly Report briefer. He felt the attachments were important to provide additional detail and agreed that the Police Report, Fire Report, and Public Works Reports were important for the Council's information.

City Administrator Ulrich stated Public Works is using a paragraph of important things that happened and with Community Development, the update on projects is contained in an attachment

Development Services Manager Gladhill stated they changed the format because staff receives a lot of inquiries so the latest update is italicized for each project.

Councilmember Backous stated he does not have time to review all of that detail and thinks the Weekly Report is not a good use of staff time. He noted if it is a big issue, the Council will be aware through Staff input at a meeting.

Mayor Strommen stated some Commission members found it was a link to what was going on in the City and their role in that so the Council may have a different perspective since it has multiple modes to obtain that information. She stated if it is routine, she does not need to see it weekly but if it is out of the ordinary or unusual, it should be included in the report.

Councilmember LeTourneau stated after hearing from his colleagues, he would be okay if the update is no longer included and suggested the Commissions be asked if it is valuable and if not, to eliminate it.

Mr. Bucholz stated he does read the Weekly Report and finds them to be useful.

4.04: Highway 10 Funding

Councilmember Tossey reported on the meeting he and City Administrator Ulrich attended last week relating to Highway 10 along with Representatives and interested business owners. He stated Senator Dibble will include earmarking \$17 million for the bridge overpass for Ramsey, which is an unusual undertaking and may not get through conference. Councilmember Tossey stated the testimony at the House did not go as well as had been hoped but Representative Hausman said even if not in the Trunk Highway Funds, she wants it included in the bonding bill. He pointed out the City will need to address where it will get the remaining \$9-\$10 million. Councilmember Tossey reported the representative from Senator Amy Klobuchar's office asked why it is not in the (Mn/DOT) Statewide Transportation Improvement Program (STIP) and that may need to be addressed. Senator Franken's office representative was excited at the prospects and thinks there will be a way to find the remaining money.

Mayor Strommen stated she talked with Representative Hausman who had heard the testimony, is very supportive, and looking for ways to ensure Ramsey's project is funding. Representative Horenstein's staff indicated it is still on their radar and shared that he is also looking at a program called Corridors of Commerce, transportation corridors with an economic development component, even if not in the STIP. She thanked Councilmember Tossey for the time and effort he has put into this endeavor, noting it has increased the enthusiasm of Ramsey's representatives.

Councilmember Elvig asked about posturing in financing and if Ramsey is putting forward that it has already put "X million dollars" into the project or if it will be another \$10 million. He noted the City has contributed a lot into the project by purchasing Wisser Choice Liquor and moving the road, estimating it may already total \$10 million.

Mayor Strommen indicated that ledger sheets have not yet been submitted.

Councilmember Tossey stated Anoka County Engineer Doug Fisher has repeatedly testified that Ramsey has contributed its portion to the project and believes it will be counted towards the City's portion. In addition, he has been mentioning that Ramsey made these investments and will need County and State and Federal money to come up with the rest of the funding.

City Administrator Ulrich noted it is a \$33 million project and staff will check on the City's costs for Sunwood/Armstrong, property acquisitions, and the frontage road projects.

4.05: Drinking Water as a Regional Issue

Councilmember Elvig stated the Metropolitan Council is hosting an open house on April 4, 2013, to address drinking water as a regional issue and is now taking the lead to develop that issue. He noted the City is charging \$30 million to construct a regional water treatment plant, which may no longer be needed so perhaps that charge to residents can be eliminated.

Mayor Strommen stated there is a lot of proposed legislation on ground water including raising fees on appropriations, water conservation methods, and drinking water. She supported the City keeping up-to-date on this issue but believed it was not yet time to make a change in the rates.

Councilmember Elvig agreed it should be monitored since residents are being charged for something that may not happen.

Mayor Strommen pointed out that not enough information is known at this time and maybe after session a DNR hydrologist can provide information on the current direction. She noted there may be a new fee for Ramsey under the Metropolitan Council's initiative.

City Administrator Ulrich explained the City tracks records of charges so if the Council determines, rebates could be considered. Also, the City received a grant to explore surface water treatment options and that study is available for review.

5. ADJOURNMENT

Mayor Strommen declared the Work Session of the City Council adjourned at 6:54 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.