

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

The Ramsey City Council conducted a City Council Work Session on Tuesday, May 23, 2023, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Mark Kuzma  
Councilmember Chelsee Howell  
Councilmember Debra Musgrove  
Councilmember Chris Riley  
Councilmember Dan Specht  
Councilmember Matt Woestehoff

Members Absent: Councilmember Michael Olson

Also Present: City Administrator Brian Hagen  
Finance Director Diana Lund  
Parks and Assistant Public Works Director Mark Riverblood  
Administrative Services Director Colleen Lasher  
Economic Development Manager Sean Sullivan  
City Attorney Fritz Knaak  
Community Development Director Stephanie Hanson  
City Engineer/Public Works Director Bruce Westby  
Police Chief Jeff Katers

**1. CALL TO ORDER**

Mayor Kuzma called the City Council Work Session to order at 5:30 p.m.

**2. TOPICS FOR DISCUSSION**

**2.01: Review Proposal for Market Rate Apartment on City Owned Land in The COR**

Economic Development Director Sullivan reviewed the Staff report regarding the proposal from Norhart for market rate apartments on Parcel 46. He noted that there is still a pause on apartments on City owned land within Ramsey.

Councilmember Musgrove asked where the plot of land is located.

Economic Development Director Sullivan showed the graphic of the proposed location.

The applicant, MaryBeth Wise, from Norhart, came forward and reviewed the proposed project of a 150-unit market rate apartment complex. She added that it would be an upscale apartment complex with many amenities with an attached 5000 square foot retail space.

Mayor Kuzma explained that there is currently a moratorium on The COR area; however, they need additional apartments for workers in the area. He asked what the rent prices will be for the units.

Ms. Wise stated that on average it would be approximately \$2 a square foot.

Mayor Kuzma asked if they will also be looking at short term rentals.

Ms. Wise said typically not, as they like 12-month leases, but could make accommodations for shorter leases if it made sense.

Councilmember Woestehoff stated that overall this seems like a good idea. He asked if there has been any consideration for a shared parking agreement with the potential hotel located to the south. He noted that he is not a fan of lots of asphalt everywhere and would like to figure out a way to minimize the parking impacts.

Ms. Wise shared that they have not approached the hotel nor has the hotel approached them in regard to a parking agreement. She noted that they would like islands within the parking lot that have lots of trees. She stated that Norhart has done lots of research on parking and this proposal is in the 'sweet spot'.

Councilmember Musgrove asked if Norhart has done other apartment buildings that also had a retail component.

Ms. Wise stated that they have not; however, they are currently doing one in Oakdale.

Councilmember Musgrove asked if there would be underground parking and if that was included in her numbers.

Ms. Wise said yes to both.

Councilmember Riley asked if any City funding was anticipated.

Ms. Wise stated that they would not be asking for any City funds.

Mayor Kuzma shared that he thinks this is a good project.

Councilmember Specht noted that he would still like to see a pause on the apartments within The COR area.

Councilmember Musgrove shared that she tends to agree with that idea; however, this project has retail aspects to it which is an attractive feature. She shared her support for the project. She stated that she is not opposed to the project being in this area or potentially looking at another area.

Councilmember Riley agreed and noted that this project checks a lot of boxes with being higher end, market rate apartments with great amenities on the first floor. He added that now is an appropriate time to consider apartments within The COR.

Councilmember Woestehoff agreed with Councilmembers Riley and Musgrove and added that when looking at the math, from a tax-base per acre standpoint, this is a very dense and good source of revenue for taxes.

Councilmember Riley asked if this helps the numbers for the MET Council.

City Administrator Hagen said yes and that a high density project would help build up this number.

Councilmember Howell commented there is an unwillingness to accept a restricted use agreement on short-term rentals. She stated that she would like to honor this and not put a restriction on it.

Economic Development Director Sullivan stated that they can talk further about the things that would need to happen in order to bring this project to life. He added that this area would need to be rezoned to accommodate residential. He continued to review the project discussing the location of the project. He asked Council if they liked the site where it is now or would like to see it shifted at all.

Mayor Kuzma stated that he has no problems with the current site.

Councilmember Woestehoff asked to clarify where the site would be shifted.

Economic Development Director Sullivan showed on the map where this would be shifted to the east towards Affinity.

Mayor Kuzma stated that he likes the idea of this project being next to the hotel because the hotel will be four stories and this apartment building would be five stories.

Councilmember Musgrove stated that in the Consent Agenda for the Council meeting, there is a discussion for Parkside Townhomes which is withdrawing their application. She asked if this is in the area that they were just discussing. She asked if this site would also be a possibility.

Economic Development Director Sullivan shared that this area is zoned 2-B, residential.

Councilmember Woestehoff stated that the City does not own this parcel.

Councilmember Specht asked if the hotel has shown any concern with having the apartment building next door.

Economic Development Director Sullivan stated that the EDA reviewed a case and shared that the hotel requested a 6-month rental use restriction but the EDA did not support this and recommended potentially making the area that would be restricted less in size and reduce the period of time that the use restriction would be in place. He noted that if the project were to be moved to the area to

the east it would be out of the area that the hotel was requesting a use restriction which would likely make the hotel feel more comfortable. He shared that the hotel has expressed concerns with the dome project being in limbo as this was one of their items that attracted them to make an investment in Ramsey. He stated that the hotel is nervous about the apartments next door while they are still getting established.

Mayor Kuzma stated that Norhart has already said that they do not want leases less than six months.

Ms. Wise clarified that they would like 12-month leases; however, they have had people ask at times for shorter leases. She stated that they do not want a six month restriction on them.

Councilmember Musgrove mentioned that the hotel will likely benefit from the apartment residents having family in town and could be a huge win for the hotel. She added that they could be losing out on customers if they say that they do not want the apartment next door.

Economic Development Director Sullivan discussed the secondary suggested location. He asked if there was a consensus to not put a use restriction on the apartments.

Councilmember Woestehoff shared that he would prefer this to be in Parcel 46 rather than on Sunwood. He stated that this being located in Parcel 46 it creates walkability to the Draw which is a better opportunity for business.

Councilmember Howell agreed.

Economic Development Director Sullivan asked if the Council would like him to let the hotel know that there is not a lot of support for a use restriction in this area.

Councilmember Musgrove stated that this is appropriate to share.

Councilmember Riley clarified that the EDA was only suggesting making the restricted area less than what was being asked.

Councilmember Howell noted that if most rentals are more than six months this kind of fulfills what they are trying to achieve naturally.

The consensus of the Council was to move forward with this at the current proposed location.

## **2.02: Amend 2023 Schedule of Rates, Fees and Charges**

Finance Director Lund reviewed the Staff report in regard to amending the 2023 rates, fees, and charges schedule for the water treatment plant project.

Councilmember Riley asked if this proposal is a worst case scenario increase but they are already anticipating that better things will happen, how will this change.

Finance Director Lund stated that they can attribute the bonds to different areas and the interest could help the numbers.

Councilmember Riley asked if rates could be decreased at that point.

Finance Director Lund stated that she would recommend holding the rates steady for water and sewer, as Ramsey's rates are not even as high as most cities. She stated that if the Council wishes to do a 5% rate increase on the sewer and decrease the amount of the loan from the sewer and any grant funds that come in could be applied against that.

Councilmember Musgrove asked if the rate would increase 10% in 2023 and 2024 then down to 8% in 2025.

Finance Director Lund said yes but explained that there are two factors that could come into play here, if they do not have to bond then the interest rate would go away and secondly, we don't yet know the true cost to run the water treatment plant. She explained that as the market value continues to rise on investments this should increase the investment total.

Councilmember Musgrove asked if the 8% in 2025 could end up being 10%.

Finance Director Lund added that it could possibly go lower.

City Administrator Hagen noted the future COR infrastructure projects and that these funds could be used if Council wanted to move forward with infrastructure improvements in the coming years under TIF-14. He asked how that would play into this fund.

Finance Director Lund stated that if they are talking about sewer and water related to TIF-14, this would be eligible for TIF-14 bonding. She stated that park improvements are the only thing not eligible for TIF-14 funds.

City Administrator Hagen asked if these funds can be used and then paid back through TIF revenue rather than having interest on the bonds.

Finance Director Lund stated that this would be an interfund resolution to pay this back. She stated that if there were projects outside of The COR area they could use the sewer and water funds.

Councilmember Specht shared that he is comfortable approving this worst-case scenario plan knowing that they may not need to go this high.

Councilmember Musgrove asked for clarification that Councilmember Specht was in support of the 10% increase.

Councilmember Specht said yes.

Councilmember Musgrove agreed that this will help cover costs and can later be readjusted.

Finance Director Lund added that there are 4800 residential accounts that are charged for sewer and water.

Councilmember Riley stated that he was comfortable with either a 5% or a 10% increase. He noted that fiscally this plan is rather sound and he is grateful for what the State gave them for this project. He also recognized that market wise, they are one of the cheapest cities around for these services. He stated that they need to do some sort of increase this year and then later reevaluate.

Councilmember Howell agreed with an 8% or 10% increase.

Finance Director Lund added that there is also a request to add \$35 per copy charge of any footage needed from the police body cameras.

Councilmember Musgrove asked how much this \$35 charge covers. She noted that she would be willing to charge more to offset these costs if it would end up costing the City at a lower rate.

Police Chief Katers stated that this covers the cost of the media and part of the time. He added that the Council authorized a position last year to work part-time on the body worn camera project so there is office Staff dedicated to this. He noted that the charge is in line with the charge of other cities.

Councilmember Musgrove shared that she would like to hear back on how this did in a year with a report of what actual costs were versus the charge.

Councilmember Riley asked if there is a downside to charging more.

Police Chief Katers said no and stated that he would have to check to see if there is a statutory limit that can be charged for this. He stated that he will look into this and can also bring the numbers back to Council. He stated that there has not been an overwhelming amount of requests for the body camera footage.

Finance Director Lund asked what fee would be proposed.

Councilmember Woestehoff stated that he does not have an issue with this and shared that he was thinking they could charge \$35 per half hour of footage so that the fees are metered. He noted that other jurisdictions do this. He asked if this charge is for a request from the public rather than someone from the media.

Police Chief Katers stated that there are lots of regulations on police body worn cameras. He noted that this would be for public data requests. He stated that the cost increases when they need to redact some information in the footage.

Councilmember Woestehoff stated that he is okay with a \$35 charge for this year and getting feedback and possibly charging for increments of time in the future.

Police Chief Katers stated that they also attempt to limit the scope of public requests as some people request unreasonable amounts of requests.

Councilmember Howell shared that she liked Councilmember Woestehoff's suggestion of making this metered. She suggested a cap on the price as well after a certain number of hours.

Police Chief Katers stated that most body camera footage is only a short amount of time in most situations.

Councilmember Musgrove asked if they should set a minimum to make sure that they collect the whole fee.

Councilmember Specht suggested not having a cap on the price.

There was consensus of the Council for a 10% increase in water and sewer fees and a \$35.00 per half hour for a copy of body worn camera footage with a minimum of \$35.00 to help offset administrative costs.

### **2.03: Discuss the Recreational Specialist Vacancy, Current Work and Proposed Position Changes**

Parks and Assistant Public Works Director Riverblood reviewed the Staff report concerning the Recreational Specialist position, which has now been held by three different individuals over the last three years. He emphasized the need to discuss this position and what needs to be changed to break this cycle. He highlighted the changes that will take place over the summer to accommodate the absence of this position.

Administrative Services Director Lasher reviewed the numbers associated with this change. She noted that based on other cities in the area, she would recommend increasing the salary by approximately 23%. She stated that this would fall in line with the salaries of the lead workers at Public Works. She added that this would come out to be \$30 to \$38 an hour. She stated that this would give them more success in recruiting someone at a professional level. She mentioned that it is a large bump but it is what is needed. She stated that this would be a non-union position.

Mayor Kuzma asked how this would affect the budget for this year.

Administrative Services Director Lasher stated that it would take at least 10 weeks to get someone new hired on. She stated that for this year it will not be an issue.

Councilmember Specht asked if it is known why there is so much turnover in this role.

Administrative Services Director Lasher stated that the City does exit interviews with employees that leave and she shared that she reviewed the file and there was nothing contradictory found in the exit interviews that there are situations going on that would make them want to leave. She stated that this was initially an intern position which then became a part-time position, to a full-

time position. She noted that this position is much more than entry level; however it is at entry level pay.

Parks and Assistant Public Works Director Riverblood noted that he is not a part of the exit interviews so if his leadership was an issue it would have been discovered. He noted that former Recreation Specialist Martinez-Flynn left for a better salaried job.

Councilmember Howell asked what positions are similar to what the City currently has or what is suggested in surrounding cities.

Administrative Services Director shared what roles the surrounding cities have in place that are similar to what they are proposing. She noted that the title 'Recreation Program Coordinator' is very common. She noted that all of these employees in other cities would report to an employee similar to Parks and Assistant Public Works Director Riverblood.

City Administrator Hagen shared that Champlin has a Parks and Facility Manager, a Recreation Manager, two Recreation Supervisors, and a Parks and Public Works Admin.

Councilmember Howell stated that for the Communications Specialist, Staff visited Elk River because they had a process. She asked if there are cities in the area that Staff likes how things are being run that they would want to go visit.

Administrative Services Director Lasher noted that Elk River does have a Recreational Coordinator that reports to a Recreational Manager with a salary within the range that they are proposing. She stated that they are very friendly with sharing job descriptions and she will be reaching out to them.

Councilmember Woestehoff shared his support for this as he does not imagine the parks and event workload decreasing anytime soon.

Councilmember Specht noted the budget and asked if this is where they want to invest the resources that the City has or if they would rather invest more in the infrastructure and come back to this item later. He added that there are a lot more capital investments that need to be made and that it will likely be a tight budget year.

Councilmember Riley commented that they have a lot of great people in this position but it is an entry level position which is why people leave. He asked if they can shoot for a more experienced individual for this role. He shared his hesitancy to committing to adding another Staff member. He asked if they bumped up wages and experience if this could fix the problem.

Administrative Services Director Lasher shared that she thinks this would significantly help. She discussed the success that they had finding a Communications Specialist once the role was adjusted.

Councilmember Specht asked if adding this role they will be able to fit this into the budget while still raising salaries to fight inflation.

City Administrator Hagen asked how they should measure rising inflation. He stated that as Ramsey grows it is hard to match inflation.

Councilmember Riley stated that he would still be interested in staying at an inflationary rate and then it comes down to what the City's priorities are.

Mayor Kuzma added that they need to consider that this is the third person to leave the role in three years and all of the training and expenses that have nothing to show for them. He shared that he would see it as a savings to have someone stay in this role who can build relationships with the community.

Councilmember Specht noted that he wants to ensure that the budget will pass.

Councilmember Howell shared that if money were no object she would totally be in support of this as she loves arts and having that involved in the community. She stated that if this person spends their time working on things that are available in the private sector, such as yoga, then they will be competing with the private sector and this could temporarily do less of this if they are not charging high enough for these programs and still fine tuning the job description. She noted that she would rather see one person in this role than one full-time and one part-time.

Councilmember Musgrove commented that people are moving around so much in this economy and stated that they can hire someone on at a higher wage but they cannot guarantee that this person will stay. She shared her support for changing the position and not hiring on a part-time person as well. She stated that they should also look into staying with things that are unique to the City rather than things that are available in the private sector. She added that former Recreation Specialist Martinez-Flynn will be greatly missed as she was a diamond in the rough and wished her well on her next endeavor. She asked to confirm that Administrative Services Director Lasher was suggesting a 23% increase in salary for this role.

Administrative Services Director Lasher said yes.

Councilmember Musgrove asked if there was any flexibility in this or not increasing the salary quite this much. She asked if the 23% increase salary is the average entry level salary for most coordinator positions.

Administrative Services Director Lasher stated that it is the average and acknowledged that 23% seems like a big job; however, it is only a difference of \$7.06 an hour on the pay scale. She stated that this increase would expect the person in the role to work very independently and take on extra duties and responsibilities.

The consensus of the Council was to increase the wages for this role and look for someone who has experience to serve in a full-time capacity while not hiring a part-time employee as an assistant.

#### **2.04: City Policy Review: Policy to Preserve Leisure and Quality of Experience For Park Patrons**

City Administrator Hagen reviewed the Staff report concerning updating City policies to be more cohesive and uniform.

Parks and Assistant Public Works Director Riverblood discussed the policy to preserve leisure and quality experiences for park patrons. He reviewed the updates in this policy including limiting sales and advertising during the summer concerts.

Councilmember Specht shared that he likes this policy update.

Parks and Assistant Public Works Director Riverblood explained that the concerts are programmed for a particular purpose and people go there to socialize and do not want to be sold to while enjoying their time.

Councilmember Woestehoff stated that the draft policy seems to be revolving around the summer concerts series. He asked if this policy should be broadened to cover any event of a similar nature.

Parks and Assistant Public Works Director Riverblood stated that some other events are excluded from the public and are private events. He stated that if they are renting out a facility for a private event or private use then the public does not have access to it anyway.

Councilmember Specht asked if there happened to be a church group, for example, that wants to pass out flyers across the street from the Draw as people are leaving if this would be allowed. He noted that he is looking at this from a First Amendment standpoint.

Parks and Assistant Public Works Director Riverblood stated that this policy refers to the amphitheater and the surrounding area. He added that if people are on another street corner passing things out there are other policies and laws that would come into play.

Councilmember Howell asked if this only affects people who are pedaling or salespeople, not politicians or religious people.

Parks and Assistant Public Works Director Riverblood explained that the policy as written prohibits solicitation in any manner within the amphitheater and limit any sales or advertising to a City sanctioned place as a part of a sponsorship. He stated that the religious and political solicitation would be prohibited under this policy.

Councilmember Howell shared that she does not have an issue with this policy if someone is renting out a City space; however, if it is a City funded event then she does have an issue with this.

Councilmember Musgrove stated that this policy seems to only do with the Draw. She stated that the title of the policy needs to be specific to the Draw or the information in the policy needs to be general to the whole parks system. She asked if there is fundraising that goes into these events that help support the concerts.

Parks and Assistant Public Works Director Riverblood agreed that the title of the policy needs to be updated. He acknowledged that there are fundraisers that support this event as a sponsorship. He shared that in the past they have had a City table with flyers and information on Happy Days, recreational programming, and even information on the comprehensive plan.

Mayor Kuzma asked Parks and Assistant Public Works Director Riverblood to continue to work on this policy and bring it back to the Council.

Councilmember Specht noted that when he was out handing out flyers in the past there were a lot of people asking for information on the whole concert series and stated that this would be good information to have at the City table. He asked if this policy only has to do with the Draw, what about other events.

Parks and Assistant Public Works Director Riverblood stated that the policy is just for this amphitheater area with an event.

Councilmember Specht asked if there is a potential for First Amendment audits in limiting this speech in a public area.

City Attorney Knaak stated that he does not see any concerns.

Councilmember Howell added that this reminds her of ‘free speech zones’ at the Grand Canyon.

There was a consensus of the Council for staff to continue to work on the policy and bring it back to Council.

### **3. TOPICS FOR FUTURE DISCUSSION**

#### **3.01: Review Future Topics/ Calendar**

Noted.

### **4. MAYOR / COUNCIL / STAFF INPUT**

None.

### **5. ADJOURNMENT**

The Work Session of the City Council was adjourned at 6:55 p.m.

Respectfully submitted,

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Brian S. Hagen  
City Administrator

ATTEST:

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Katie M. Schmidt  
City Clerk

Drafted by Ava Rokosz  
*TimeSaver Off Site Secretarial, Inc.*