

**INVER GROVE HEIGHTS CITY COUNCIL WORK SESSION
MONDAY, OCTOBER 5, 2020. 6:00 PM - 8150 BARBARA AVENUE**

A. CALL TO ORDER: The City Council of Inver Grove Heights met for a Work Session on Monday, October 5, 2020. Mayor Tourville called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited.

Roll Call: Present in person were Mayor Tourville; Council Members Piekarski Krech, Perry, Bartholomew, and Dietrich; City Administrator Joe Lynch, Convention & Visitor's Bureau Director Eric Satre, Parks and Recreation Director Eric Carlson, Police Lieutenant John Daniels, and City Clerk Rebecca Kiernan.

Present Via Zoom/Phone: City Attorney Bridget McCauley Nason, Finance Director Amy Hove, Community Development Director Heather Rand, Public Works Director Scott Thureen, City Planner Allan Hunting, Associate City Planner Heather Botten, and Technology Manager Marc Gade.

1) 2021 Budget Update:

Finance Director Amy Hove stated the following eight funds will be up for discussion. Additional budget discussion will take place at the November 2nd Work Session.

- Convention & Visitor's Bureau
- EDA
- Debt
- Host Community
- Pavement Management
- Recreation
- Golf Course
- Community Center

Some are not new funds, but new budgets that have not had adopted budgets in the past. This would be the first attempt to gather what was discussed in the CIP Plan.

Eric Satre, Director with the Inver Grove Heights Convention & Visitor's Bureau, stated the Mission of the Convention & Visitor's Bureau (CVB) is to market and promote Inver Grove Heights to visitors to maintain and stimulate the Communities economic vitality. The CVB is governed by the CVB Board. Board Members come from industries such as restaurants, hotels, attractions, businesses, and a City representative. The work of the CVB is carried out by recommendation of the Board who approved the 2021 Draft Budget on September 24, 2020. The following items were discussed:

Revenues:

- The CVB is funded by a dedicated 2% hotel lodging tax paid by guests who stay at Inver Grove Heights Hotels.
- 2020 revenues are projected to be down 38% compared to 2019 totals. Statewide CVB lodging taxes are down 50%.
- April and May 2020 have been the worst.
- Since then it has been increasing along with lodging taxes.

- In 2021 the CVB is forecasting a 27% lodging tax increase from 2020. Statewide is projecting a 25% increase. Inver Grove Heights is slightly above that based on how the City is positioned as a destination. This is leisure travel, not conventions and events. Essential travelers also included.

Expenditures:

- In 2020 the CVB has paid attention to where revenues and expenses are at. They have cut back on budgeted marketing and advertising by \$27,000. Even with cutting those expenses they wanted to maintain those resources to the Community such as:
 - Developed a new tourism map for residents and visitors.
 - Partnered with Organizations. For example: River Heights Chamber on developing a restaurant guide.
 - Push for Social Media and Website to support small and local businesses that are hurting.
 - Highlighting new safety protocols with hotels. Restaurants and services such as take out and hours of operation.
 - Promoting social distancing activities. Staycation ideas for residents. Outdoor recreation.

With the marketing and advertising cuts made in 2020, the CVB will continue to maintain that level of spending. A few examples of that in 2021 include:

- Making the current map more interactive.
- Going less print, more digital.
- During the Pandemic, the CVB has continued to emphasize the theme "We are ready when you are ready".

He stated the CARES Act has helped with unforeseen expenses. By cutting expenses in 2020, the CVB would end up about even, or with a slight deficit.

Councilmember Bartholomew thanked Mr. Satre for showing the proactive attempt. He asked about the Professional Membership Fees that are down and if that was one membership or more. Mr. Satre responded one has significantly dropped because it is a CVB related industry group.

Councilmember Dietrich thanked him for being agile and pivoting work so quickly during the Pandemic. Mayor Tourville appreciated the work being done.

EDA (Fund 290) was presented by Community Development Director Heather Rand who stated the Budget for EDA was approved on August 10th. The EDA meets quarterly. She listed four 2021 Priorities & Goals:

- Identify and support smart, high-value development opportunities City-wide.
- Provide Inver Grove Heights entrepreneurial support - Open for Business Counseling Service. This has been invigorated and renewed with new Staff and new approaches. Hopeful to hold a Small Business Resource Fair in 2021 with partnerships including Chambers and other partners showcasing small businesses and entrepreneurs.
- Support the development of a variety of housing types. In the last year there has been a more objective way of evaluating assistance requests from some of the multi-family development

projects and set aside a new funding stream to be used in the future to support affordable housing.

- Engage in effective marketing partnerships. Requesting the 2021 Budget be kept status quo and come back before Council and gain support in terms of the way funds are spent marketing the Community.
- Operating revenues are a transfer from the General Fund. \$65,800.
- Expenditures:
 - \$20,000 Personnel
 - \$44,600 Professional
 - \$16,200 Other purchased services/allocations/supplies
 - Total of \$80,800

Debt was discussed by Finance Director Amy Hove who stated this is a new budget. In the past the City has adopted levies to pay for the general obligation debt. The next step is to frame a budget around that. These are bond principle and interest payments. There are six general obligation debt issuances that are levied for including special assessments. The maturities range from 2027 to 2039. She stated they are looking at refinancing the 2010B Bonds. This item will be brought before the Council at an October Meeting. She stated the City carries water and sewer debt in the water and sewer funds. Information will be included at the November Work Session. Funding sources for Debt Service is under Revenues:

- Property Tax Levy
- Special Assessments and the City Share of Special Assessments
- Investment Interest

Expenditures:

- Principle Payments - \$1,190,000
- Interest Payments - \$868,789
- Administrative Fees

Councilmember Bartholomew asked what the proposed debt levy was and if it covered the principle and interest. Finance Director Hove responded the debt service levy is \$2,867,158. He asked if that was different because of water and sewer. Finance Director Hove responded no; it would be the City's share of special assessments. With debt service levies, they levy 1 ½ years ahead. They are levying for taxes collected in 2021 for bond payments in 2022. These are principle interest payments based on levies scheduled in prior years.

The Host Community Fund (Fund 451) was discussed by Finance Director Hove who stated this budget has been based on the June 2020 CIP Plan approved by Council. Priorities and Goals for 2021:

- Finish up 2020 Broadband Project
- Railroad Quiet Zone Project
- Transfers to VMCC for Capital/Operations
- Funding for Pavement Management Program (new)
- Funding for Public Works Facility (new)
- Cover any shortfalls in the Recycling Grant
- Provide funding for EDA acquisitions/remediation

- Annual Initiatives:
 - \$1,000 Music in the Park
 - \$3,000 IGH Fireworks (paid in 2020 for 2021)
 - \$16,000 Volunteer Coordinator Position

Councilmember Piekarski Krech asked why there were shortfalls for the Recycling Grant. Finance Director Hove responded there are costs no longer covered under the Dakota County Grant, shortfalls are related to programming. The Host Community Fund meets the gap. Councilmember Piekarski Krech asked why those were not covered by the position for Environment. City Administrator Joe Lynch responded the Host Community Fee and the money set aside has been combined into the same fund. The \$250,000 negotiated with the landfill is currently combined with Host Community Fund monies becoming one fund. He stated the County, through the State, changed the way the County Grant can be used and are short approximately \$5,000. The Host Community Fund has been used to cover that.

Councilmember Piekarski Krech asked how it is known which is which. She commented they really do not know how much is in the Host Community Fund if adding an extra \$250,000 a year, and then taking other things out. City Administrator Lynch responded the last report has a breakdown of the fees generated by the volume of garbage received, it is also enumerated on the \$100,000 and the \$125,000 payments by the landfill. Councilmember Piekarski Krech stated she has not viewed that information. Finance Director Hove responded they are not under the new Agreement yet. They are just receiving Host Community fees, not the incentive payments. City Administrator Lynch stated there was a report that was sent out by Ally Sutherland that gave a description of the fee generated and the additional amounts of \$100,000 and \$125,000. There was a projection based on the useful life left in the landfill, the initial air space granted, and closure in 2031. Mayor Tourville requested the information be sent out again. City Administrator Lynch stated the thought was to combine the two, they did not do a "set aside", but said it was available and believe it to be revenue received, such as fee generated or specialty money. It is available for the City to use for environmental sustainability, recycling, education, marketing. Recycling bins were purchased with some of the Grant and Host Community money.

Finance Director Hove stated the budget is the framework. If determining later to shift things into different accounts, the change can be made easily.

2021 Host Community Revenues:

- \$2,300,000 Host Agreements
- \$85,000 Interest
- Total \$2,385,000

20201 Operating Expenditures:

- \$85,100 Personnel
- \$50,000 Barr Engineering (permitting)
- \$41,000 Messerli & Kramer (Lobbyist)
- \$60,000 Railroad Quiet Zone
- \$25,100 Other Expenses
- Total \$261,200

Mayor Tourville asked if the City part of permitting is done. City Administrator Lynch responded yes. Mayor Tourville asked if they would have to hire Barr every year or if it is one time. City Administrator Lynch responded the Certificate of Need process was completed. In recent weeks, the landfill across the street has requested a Certificate of Need. They would like to change the material accepted at that site to also include household hazardous waste. Barr would be hired to help the City analyze the process. He stated this still needs to go through the City, County, and State. Mayor Tourville explained this is the SKB Site that is looking at a municipal waste change from construction materials.

Finance Director Hove discussed the Host Community 2021 Transfers Out stating the numbers are based off the CIP Plan with the exception of the VMCC numbers. Those in the CIP Plan were originally \$3.4 million dollars, large capital projects. Due to what is currently going on with the Community Center, proposed cuts, deferrals, and delays are being planned so the VMCC would need a larger operating transfer but a lower capital transfer.

- \$1,227,950 VMCC Operations
- \$192,000 VMCC Capital
- \$1,000,000 Public Works Facility
- \$500,000 Pavement Management
- \$5,000 Recycling Grant
- \$25,000 EDA Land Acquisitions/Remediations (placeholder)
- Totaling: \$2,949,950

For 2021:

- \$2,385,000 Revenues
- -\$261,200 Expenditures
- -\$2,949,950 Transfers Out
- \$826,150 Net Activity Projected

Councilmember Bartholomew asked when the process proposes notifying the Council of requested transfers out. He asked if this would take place at the time the budget is approved, if there would be an approval by Council before the transfer is done, or if accepting the budget eliminates the opportunity. Finance Director Hove responded she expects they would bring the transfers back before the Council at the beginning of every year. She stated it is not known every year how much the VMCC would need, the recycling figure, or EDA acquisitions and remediation. This is an estimate based on the CIP. Once the year has passed, they would know more in terms of what was budgeted and if more or less was needed. Councilmember Bartholomew wanted to be certain they do not overspend, it be looked at diligently, and is not approaching a transfer amount unexpected by the Council. He would like to know what the anticipated transfer is, where things are at as it relates to the CIP, and what they want to do with the transfers out. His concern was that they do not spend themselves into an obligation they did not anticipate. Finance Director Hove responded by setting a budget they should be able to track things better.

Councilmember Piekarski Krech stated the only item she has on Host Community is from June. She is concerned about the ending fund balance in the next few years. It is significantly lower than what it had been and was unsure they would be able to build it up to what is projected by 2029. She stated significant discussions are needed to determine what is being taken out of Host Community and if it is

really needed. This should include where it is going, what they are doing with it, and how they have come to the point they are currently at. She commented she has always looked at Host Community for one-time expenses. They have used it in the recession, to reduce property taxes, and for buying one-time things. She stated the \$5,000 should be a part of the \$250,000 and was the whole idea behind the negotiation.

Mayor Tourville stated there is \$1.5 million for the Public Works Facility and Pavement Management. He commented they do not want January 2nd to have the funds drawn upon. He requested it come back to the Council. He commented that approving the budget is not an automatic, it should be looked at before the transfer happens. Councilmember Piekarski Krech stated she does not want to put any less into Pavement Management. She asked if there were other things coming out that should be weaned off. Mayor Tourville stated the Pandemic and Covid-19 have created a different budget process. This is not the fund that gets to be automatic. Councilmember Dietrich stated transferring out that type of money from the Host Community Fund for the VMCC is not sustainable, especially when dealing with Pavement Management.

Finance Director Hove stated they can discuss the Host Community Fund further. The CIP is well positioned to show what the original plan was in June, and can be brought back for further discussion to see if that is still what Council would like happen, or if there was anything to adjust within the plan. She stated the June CIP Plan showed a projected ending fund balance of around \$7 million dollars for year end 2020. This was before a Community Center transfer. Throughout the next four years in the plan, it shows drawing that down for larger projects with the idea the balance in 2024 will start building back up. Information can be sent out about what the Host Community Fund would look like within the plan and the current situation.

Councilmember Bartholomew wanted to make sure of flexibility. He suggested keeping the fund balance liquid and robust for other needs that may come up. Mayor Tourville stated the fund is helpful to see within the last five years and the projected next five years. He stated the County has passed off on the existing landfills in the City, and looking into a new one.

Public Works Director Scott Thureen discussed Pavement Management (Fund 440) and the estimated expenditures. The Finance Director will discuss revenues. 2021 Proposed Projects with major costs/projects include:

- Carleda Way (2016-09F) and Bryant Lane Area (2021-09D). These are in the approved 2020-2024 CIP for Pavement Management. Also includes an additional placeholder for an additional \$1 million dollars.
- Delaney Circle/Court (2022-09D). A petition came in with a high percentage of people in the neighborhood wanting their street done.
- Crack Seal (2021-09A) and Seal Coat (2021-09B).
- Also does parking lots and trails.
- Broad Area Patching Materials. With this year's budget process, they discussed moving \$200,000 for bituminous material for the Broad Area Patching Program over to Pavement Management.

- Annual ICON Data Update. A Consultant will do the updating to the ICON model which helps predict pavement condition.

Pavement Management Expenditures: \$6,978,000

- Engineering Costs, Street Repairs/Maintenance, Street Reconstruction/Improvements, and other Administrative/Miscellaneous Expenses.

Finance Director Amy Hove discussed Pavement Management - Funding Sources stating this was the first attempt to translate the Pavement Management Plan into a Pavement Management Budget. The numbers are high level. This is a work in progress. Engineering is still working on them. Some are estimates.

Pavement Management: Funding Sources - Revenues:

- Property Tax Levy (\$2,250,000)
- Special Assessments: Plus, the City's share of SA - \$131,300
- MSA Maintenance
- Investment Interest

Transfers in:

- Franchise Fees (\$1,070,000). Staff's recommendation is to close the Franchise Fee Fund and transfer the balance permanently to the Pavement Management Fund and record future Franchise Fee revenue to the Pavement Management Fund. This is one of the recommendations for next year.
 - 2018-2020 Collections (\$3,200,000)
- Host Community Fund (\$500,000)
- Utilities - Estimated share of project costs (\$304,600)
- Total Sources (Revenues + Transfers In) = \$8,133,350

Councilmember Bartholomew stated it was a good idea to have the funds deposited directly into the Pavement Management Fund. He wanted to be clear that none of the Franchise Fees have gone to anything else except Pavement Management. Finance Director Hove responded that was correct. She stated it did not seem as transparent to have them sitting in a different fund when the intent was to use them 100% for Pavement Management.

Recreation (Fund 204) was discussed by Parks and Recreation Director Eric Carlson as follows:

- \$90,000 Program Fees
- \$70,000 Field Rentals
- \$16,500 Other Revenues
- Total of \$176,500
- \$299,300 Transfer In, from the General Fund
- Total of \$475,800

Finance Director Hove stated research was done to determine the purpose and intent of creating a Recreation Fund. There was not a lot of history to explain why. Most Cities have Parks and Recreation Departments within the General Fund. Especially considering the primary source of support for this activity is a Property Tax Levy in the form of a transfer from the General Fund. To make accounting more transparent and clear the recommendation is to create a Recreation Department within the General Fund. She stated that would leave a residual balance within the Recreation Fund, which could

be reallocated toward Parks Capital Replacement. If Council is interested, further information can be brought back on the Agenda with updates on the fund balance and requesting approval of a transfer. If approved, it is proposed making the shift in 2021.

Councilmember Piekarski Krech asked if program fees and field rentals fees would be allocated to the General Fund. Finance Director Hove responded it would be earmarked to be able to see what revenues were directly related to Recreation Programming.

Councilmember Bartholomew asked if this allows the use of funds for land acquisition or only for capital replacement. Finance Director Hove responded the funds could be utilized in any use chosen. Parks and Recreation Director Carlson responded Fund 444 is the Parks Capital Replacement Fund, funded by the General Fund. The primary purpose is to replace existing capital investments such as a playground or tennis court. He stated this is the fund that Finance Director Hove is suggesting the balance be transferred to as there is a shortage in the fund for Parks Capital Replacement projects in the future.

Councilmember Bartholomew asked if putting this fund toward the Capital Replacement Fund 444, cannot be used for parkland acquisition. Parks and Recreation Director Carlson responded it could because Fund 444 is at the Council's discretion.

Councilmember Dietrich said this sounds like a great idea and appreciated the linear thought process. Mayor Tourville suggested listing the reasons for the change and how it can and cannot be used. Finance Director Hove stated they can draft up information on this item for a future Council meeting.

Parks and Recreation Director Carlson discussed the following items relating to the Golf Course 2021 Priorities and Goals (Fund 503):

- Total Revenues of \$2,148,000. Includes: Green Fees, Anniversary Memberships (annually), Golf Car Rentals, Food/Beverage, Practice Center, and other revenues
- Anticipated Expenditures: \$2,023,950
- \$124,050 Projected profit

He stated earlier this year all of the capital equipment internal borrowing was paid off. It is \$82,000 a year for approximately the next 20 years. Expenditures include \$250,000 budgeted for depreciation expenses.

Councilmember Bartholomew referenced the Anniversary Membership and asked if it was the pro-rated share for 2021. Parks and Recreation Director Carlson responded it is 1/3. The number will also be shown in the 2022 and 2023 Budgets.

Parks and Recreation Director Carlson discussed the Community Center (Fund 205) stating the Mission of the City of Inver Grove Heights is to provide services and facilities that enhance the quality of life in our vibrant Community. Accomplishing this has been financially challenging during the Pandemic. The City Strategic Plan:

- Guiding Principles and Goals: Culture and Recreation
- Veterans Memorial Community Center provides:

- Affordable programs and classes for all ages. Promoting physical, mental, and social well-being within the Community
- Community gathering spot for Non-Profits, Community Organizations, events, tournaments, and games for people of all ages
- Kids learn to swim. (Safety around water)
- Home for the Simley High School Boys and Girls Swim/Hockey Teams
- Inver Grove Heights Youth Hockey Association
- Senior Center. Helping seniors stay active and engaged in the Community

Historical Perspective:

- 1996. The ice arena/meeting rooms part of the facility opened up. Operated at a deficit in 1998. When built, prime time ice was M-F 5:00 to 10:00 p.m. and Saturday's and Sunday's from 6:00 a.m. to 10:00 p.m. This has changed over time as more and more ice arenas have been built.
- 2001. The City constructed and opened the Fitness/Aquatics addition to the Community Center. That facility planned to operate at a deficit. The deficit was covered by the Host Community Fund ever since opening.
- City Council has approved the construction, financing, and operations of the VMCC since its inception.
- As of 2016, the City has retired all construction debt of the VMCC. This includes the ice arena portion and Fitness/Aquatics portion.

Relationships: ISD 199:

- High School Boys and Girls Hockey ice time (JV and Varsity) practice and games. Purchase ice, pay market rate. Spend approximately \$94,000 on ice time.
- High School Boys and Girls Swim Team. Pays 50% of the market rate for pool time. \$42,000/year. Includes swim practices and meets.
- Pays escalating fee averaging \$286,000 per year for operations (Expires in 2026).

ISD 199/Community Education:

- Pays \$52,000 of Recreation Coordinator salary for Senior Programming (expires in 2021). This arrangement will need to be re-negotiated.

If the City decides to sell the Community Center, the Agreement with the School District suggests they have first right of refusal.

- Inver Grove Heights Youth Hockey Association (IGHHA)
 - Approximately 225 participants from 175 families
 - \$400,000 over 20 years (1997 to 2017). \$20,000 per year towards the operations of the Community Center.
 - When the recession took place in 2008, the Agreement was modified and reduced the annual payment to \$14,000 and extended the term of the Agreement to expire in 2023. Also pay \$10.00 per hour less for ice time.
 - 875 hours of ice annually (\$180,000)
 - Run the concession stand with volunteers - pay \$10,000 annually (expires 2025)
 - Sell Dasher Board Advertising - \$1,500 annually (expires 2022)
- Inver Grove Heights American Legion Post 424
 - Naming Rights, \$100,000

- Pledged \$10,000 per year from 1996-2016 (Gambling operation ended before completing commitment)
- \$500 per year for the storage of gambling paraphernalia. Still storing items, but not paying for the storage area.
- State of MN - National Guard Armory
 - City pays the National Guard \$5,500 annually
 - City Staff cuts grass, maintains irrigation, landscaping, and plows snow/ice
 - City can use meeting rooms and gymnasium for programming
 - Scheduling of facility is done by the City
 - City retains all revenue generated

Relationships: City of Rosemount:

- West Rink Floor and 2nd Zamboni
- \$90,000 per year for 10 years to pay for project (not operations)
- 2nd Zamboni allows for 10-minute ice resurfacing increasing our revenue
- 550 hours of ice to Rosemount Youth Hockey (\$120,000). Rosemount Youth Hockey Association pays market rate
- 10-year Agreement (November 2018 - February 2028)

Relationships: Bee Elite Gymnastics:

- Gymnastics program in the VMCC
- Verbal Agreement to pay City 20% of all gross revenue
- 2009 to 2012 - \$14,000 to \$15,000 averaging \$14,500
- 2013 to 2015 - \$8,000 to \$10,000 averaging \$9,300
- 2016 to 2019 - \$4,600 to \$9,500 averaging \$7,100
- Plan to bring forward new written formal lease in October

*VMCC Membership Metrics: Comparisons on what is happening at the Community Center end of year. Family, Singles, Duals, and Senior's are all below this year due to dropped memberships as some are not comfortable coming to the facility at this time.

*VMCC Member Check-In Metrics: Averaging 160,000 -180,000 member check-ins in a typical year. Currently down to under 60,000 so far in 2020.

*VMCC Facility Metrics: Meeting rooms, ice was not too impacted as the Pandemic hit right after the hockey season. Hopeful it will not impact this coming hockey season. Turf use was significantly down.

*VMCC Program Metrics: Swimming lessons, personal training, and birthday parties. Unable to have the Kids Rock Program this summer.

*Veterans Memorial Community Center 5-year Budget Operating and Capital: In 2020 the adopted budget was \$4.7 million dollars, with \$2.8 million dollars of program revenue, needed an operating transfer of \$477,000 and a Capital Transfer of \$1.5 million dollars.

*2020 VMCC Budget Summary: In May it was estimated operationally that the Community Center was going to need more than the \$477,000 amount. It would be approximately \$900,000. Currently it is estimated at \$1.1 million dollars. More people have chosen to cancel than predicted. To help offset that they are reducing planned capital spending.

*Steps taken:

- Eliminate 3-month commitment (accepting month to month)
- No enrollment fee specials

- Working on improvements to the Website
- Reservation system for drop-in fitness classes
- Attended Community events promoting programs and services (Food Truck, Community Band, Farmer's Market, etc.).
- Modified hours of operations
- Reduced staffing levels where able

*2021 Operating Projections January - May

- Experience similar participation in programs/events as had over the last several months as capacity limits will be in place
- Membership revenue will be 40-50% of pre-COVID
- Admissions will slowly increase by 2-3% per month
- Room rental will continue to be minimal
- Birthday Party bookings will be slow to rebound
- Expect ice and turf to be "normal" as long as there is a hockey season (will be limits within the building as far as how many people can watch) Working on setting up camera's for people to log in and watch a game from home, online

*2021 Operating Projections June - December

- Begin to experience some similar participation in programs as pre-COVID
- Membership revenue will be 50-60% of pre-COVID
- Admissions will slowly increase by 3-5% per month
- Room rental will begin to increase
- Birthday Party bookings will begin to increase
- It will take until 2022 (maybe longer) to see pre-COVID membership/admissions

*2021 Budget Operating Revenue

- Projecting program revenue of \$2.1 million dollars. This year's budget has \$2.8 million dollars
- Host Community Fund Transfer of \$1.4 million dollars. Tied to less capital spent

*2021 Budget Operating Expense

- Overall operating expenses would be \$3.3 million dollars. 2.8% increase over the 2020 Budget
- Capital spend would be \$192,000. Versus \$1.5 million dollars from 2020

*Future Capital Projects:

- 2021 Grove Parking Lot replaced along Barbara Ave. \$300,000 (Pavement Management)
- 2022 ½ Pool Filters \$430,000
- 2023 ½ Pool Filters \$430,000
- 2024 LED Lighting \$275,000
- 2025 Grove Roof over the Fitness/Aquatics Ctr. \$830,000
- \$100K to \$200K per year on miscellaneous (fitness, pumps, motors, equipment)

*In Summary

- COVID-19 pandemic has presented unprecedented challenges
- City has used Host Community Fund to balance the financial needs of the VMCC
- Doing what they can to minimize the financial impact
- Anticipate 2021 to be another challenging year financially
- Predict slow recovery in 2022

Councilmember Bartholomew asked if he could have a copy of the presentation. Parks and Recreation Director Carlson responded he would send it to the entire Council.

Councilmember Perry stated she has been using the VMCC consistently since it reopened and was impressed with how things are run. Swimming lessons have been small groups, the turf area is in use and all have been very diligent in wearing masks. She appreciated the efforts. Parks and Recreation Director Carlson responded the CDC and Department of Health Guidelines have changed the way they can do business. They are offering many of the same programs and opportunities with fewer participants. He stated the business is based on volume and they are unable to get the volume it takes to produce the financial results Council and Staff are used to. He commented that he cringes at these numbers. He is not happy or proud that these are the numbers he has to report.

Mayor Tourville stated nobody expected 2020 to take place the way it did, nor the effects. The Community Center, prior to COVID-19, dependence on outside funding was lowering due to programming. There are very important relationships with the National Guard, School District, and other organizations within the City. Some come from other Cities because of the activities being held. He stated those on the Council in 2021, 2022, 2023 will have their hands full. The facility is a tremendous asset to the City, activities need to be done in a safe way, if able to handle that, it is doing a great service to our youth.

Councilmember Dietrich stated in 2019 pre-COVID, when things were going well, there was a \$1.6 million dollar transfer from the Host Community Fund. She commented she sees this as a good area of opportunity. There are other business entities that have approached City leadership who haven't been received very favorably, but are open to communication about this property going out to private bid. She stated that is definitely something to consider to be true to residents and the money put into the VMCC. She stated with the Strategic Plan those needs would still be met. She stated she is very excited to entertain those conversations in the future. Parks and Recreation Director Carlson responded Council can direct Staff to entertain those. He stated it was his understanding the Council would like the Community Center to continue to be run the way it has.

Mayor Tourville asked Councilmember Dietrich about the numerous organizations that have approached the City to run programming and the building. Councilmember Dietrich responded one of the entities said they had met with the Mayor. She stated she would like to go forward with some of those conversations. Mayor Tourville stated it is a Council decision. It has been 12-15 years since organizations have approached. He stated if Council would like to look at RFP's they could. Councilmember Piekarski Krech commented she would like to know what they were looking at, if it was someone to do recreation programs, the pool, ice arena. She stated it is a complicated building due to what it does and the areas it serves. She stated several years ago a larger entity was suggested.

Councilmember Dietrich stated conversations have been recent. She asked Parks and Recreation Director Carlson if he has had any conversations in 2019. He responded the YMCA came to the City because they lost their facility in West St. Paul. The YMCA is trying to figure out what their service model is going forward. They have spoken to other Communities. He has not heard from them for a while. He stated there was a discussion with the City Administrator and the Community Development

Director and some of their Staff sat down with some of our Staff. Nothing was proposed or put in writing. He was not sure where things stood. Councilmember Dietrich stated if there was transparency there would not be all this confusion. If Council had known those conversations were going on it could have gone a long way to where the conversations ended. She suggested working on transparency.

Mayor Tourville suggested inviting the YMCA to talk with Staff and see what they would like. They are currently using the Pep Boys location in Inver Grove Heights. Some of their members came to the Community Center because of the pool and hot tub. He stated some conversations were not necessarily about partnering but about where they could build a facility in the City. He stated LifeTime took a look a few years ago, they wanted the exercise area and the pools and wanted to run it. Councilmember Perry stated the School District has first right of refusal and would be a part of the conversation. There may be other opportunities aside from one place taking over. She stated they should be inclusive of all options and not just one potential. Councilmember Piekarski Krech stated another consideration is how the building was funded. The hockey arena and Community rooms were a Community build.

Parks and Recreation Director Carlson asked for direction. Mayor Tourville stated there were a lot more questions than answers. Councilmember Dietrich stated even during the good times of 2019 they were getting a transfer of \$1.6 million for that facility. She commented she would love to look at options. Councilmember Piekarski Krech stated the recreation portion could be considered a part of the Parks and Recreation Department. It was separated out but she was unsure why. Councilmember Bartholomew stated the Council needs to know if someone is interested and what their interest level and intent is. He reminded everyone that the Community Center is a Community asset. Administration was held to a percentage that had to be maintained. Over the years that percentage has been maintained. He asked if it was 80% or 85% paid by revenue. Parks and Recreation Director Carlson responded he began working here in 2007, prior to that the City had engaged in an operational audit. At that time, it was suggested to be able to generate or cover 90% of operational expenses with operations revenues. He stated they have always strived to be at 90% of their operating expenses with operating revenue. They have been between 85% and 88%. Each year the expense budget increases due to personnel costs at 60%. The building is at an age where they have had to invest a significant amount of capital and is where the \$1.6 million dollar figure comes from. There are expensive pieces within the facility that have had to be replaced, for example the roof in one area. Operationally over the last 10 years they have averaged a transfer \$380,000. He stated it is difficult to keep up with increasing the fees to keep up with the cost of expenses.

Councilmember Bartholomew stated the Council has made a commitment that this is a Community asset and will generate a set amount from revenue, the balance would be as a Community investment, and an asset. He stated to change the percentages, there could be a partner or reassessment of the formula. A decision would have to be made about whether it was a Community asset or not.

Councilmember Perry stated they are asking Staff to make cuts and reduce the budget. She asked if Council would be willing to take a pay cut for the next 12 to 24 months, beginning January 1st. She asked if that was a possibility to help out a little. Councilmember Bartholomew stated he had no problem with it. Councilmember Dietrich thought it was an excellent idea. Councilmember Dietrich questioned if the City Administrator would like to offer his 3% increase from last year to help the cause.

Councilmember Piekarski Krech responded she felt that was an unfair question. Mayor Tourville agreed.

Finance Director Hove reminded the Council they would be discussing water, sewer, stormwater, water/sewer debt funds, internal service funds, and the central equipment replacement schedule at the November Work Session.

2) VMCC Financial Update Discussion:

This item was discussed in the previous Agenda Item.

3) Proposed Changes to B-3 Zoning Ordinance as it Relates to Mini-Storage Use:

City Planner Allan Hunting discussed the Amendment to change the B-3 Zoning District eliminating mini-storage. The First Reading was adopted eliminating the use. Prior to the Second Reading Staff mailed letters to all B-3 properties and received input. Action was not taken on the Second Reading. Further research was done and results were that self or mini-storage were typically allowed in commercial and industrial districts. Indoor storage was allowed and outdoor was allowed with limitations. Staff discussed options with the City Attorney. He stated there are three possibilities for consideration:

1. Follow the original direction eliminating mini-storage both indoor and outdoor in the B-3 Zoning District.
2. Eliminate only outdoor mini-storage facilities, but continue to permit indoor in the B-3 District.
3. Permit both indoor and outdoor in the B-3 but establish limitation on the size of the outdoor storage.

He stated the request is to give Staff further direction so Staff can come back with a Second Reading.

Mayor Tourville stated there may be some indoor B-3 Zoning that does not cause the concern that outdoor does. He does not see the value in B-3 Zoning for outdoor storage. Councilmember Bartholomew stated he felt they should regulate the outdoor storage in B-3 because of the value of land. He believed indoor storage to work as it is not as intrusive as outdoor. He supports B-3 with indoor only. Councilmember Piekarski Krech stated there was one B-3 area on Highway 52 that is bordered by industrial. She commented that saying that you could not have outdoor storage would not make sense there because it is outside of residential and in a developed area of the City.

Mayor Tourville asked if there was a possibility of addressing with the type of lots or zoning located around the B-3. City Planner Hunting asked if they were referencing land located on the north side of 494 by Highway 52. Councilmember Piekarski Krech responded she was talking about south on Highway 52. City Planner Hunting stated he has had discussions with that land owner and knows he would like to do some type of mini-storage. The proposal would not impact the I-1 or I-2. He stated the individual could rezone to an industrial use and keep moving forward with B-3 indoor only. Councilmember Piekarski Krech asked if that would be difficult to rezone. City Planner Hunting responded it would be unknown until going through the process but may make sense because there are industrial zoned properties along the highway and would be a reasonable application. Mayor Tourville stated criteria would be if it was within MUSA or outside of MUSA. If within MUSA guidelines,

using the property for outdoor storage is not a good idea. He commented the property is outside of MUSA and may get consideration to do outdoor.

Mr. David Langer, Langer Commercial, stated the property is located on a corner and has two abandoned homes on it right next to the mini-storage facility that is doing well. Currently nothing further can be done on the property due to things going on around it and zoning. It is area that would not be viewed from the public, outdoor storage could be screened from public view with ease. Another issue was 50th Street as public right of way. He stated a discussion may be had with the City about vacating 50th at that point. It may not make much sense for the City to maintain the road if they were to incorporate it into an entire parcel. He stated some amount of outdoor storage may be requested. There are multiple purposes the site would benefit from.

Mayor Tourville asked if zoning for the area was known. Mr. Langer responded it was office park. City Planner Allan Hunting responded the property is currently guided as Community Commercial, that was a request change by the landowners. Zoning is still Industrial Office Park. Typical zoning with Community Commercial is B-3 and is the zoning of the property to the east. Mr. Langer asked what the current zoning is. City Planner Hunting responded they are still zoned Industrial, consistent with the old Comprehensive Plan. If used as a commercial endeavor it would have to be rezoned to a B-3 with any type of use proposed.

Mr. Langer stated the two parcels are pin holed in the area and would be difficult to get another use other than mini-storage. The road situation could be revisited as that would make for better buffer, distance, and setbacks if they could landscape. He stated knowing it is B-3 and the current requirements for mini-storage, it would be good to know going further. Mayor Tourville asked what the owners of the properties thought. Mr. Langer responded the owners just want to sell their property and move on. They are two generations of families that say it is time to move but do not know what to do with their property. This was prior to the mini-storage going in. He stated it would make sense to tag on to the mini-storage success with the current ownership or a different one. It is a very good non-threatening commercial use because of the low traffic and quieter noises. It is about as quiet of a neighbor you could ask for in a commercial setting.

Mayor Tourville asked if there was any way they could exclude a property or state if something is zoned Industrial now, would be under Council discretion. City Planner Hunting responded it is zoned Industrial Office Park and did not believe that was an option. If zoned B-3 and uses are established, it has to follow the same rules as another B-3 property.

Mr. Langer asked if the determination has been made that B-3 does not allow Conditional Use for outside storage. For example, if fully screened from all public right of way, or built with other buildings that screen areas designated as outside storage. He asked how that negatively impacts the Community if it cannot be seen and what harm that caused. Councilmember Bartholomew responded the harm is its use by condition. They need to be sure they are not getting into unintended consequences. He commented he does not believe outdoor storage by condition is the path to follow either. He said he was at a loss as to how to approach this. He wanted to be sure parcels that can be used in a B-3 manner are not disruptive to a neighborhood. He commented the properties are isolated, but wasn't sure the right path is by condition.

Mayor Tourville commented if doing nothing they would end up with outdoor storage in B-3 areas they do not want. An area where indoor storage was done people had concerns. He suggested Staff look at how to write things up for B-3. Mr. Langer agreed and suggested understanding what the owner is proposing and which designated areas would be outside storage. One question would be if designated in the area, is the area visible to the public. Another question is if it would be no higher than the building, will it provide screening where it will not be seen. He commented if buildings are providing the screening for outside storage, with an open courtyard in the middle for storage, he was not sure what harm that would cause. He stated more buildings would be built to provide screening with some amount of designated outside storage in the middle of it all. Mayor Tourville stated there is more than just vision with outdoor storage. He suggested City Planner Hunting go back and discuss with Legal. There are two locations of B-3 that may be able to support outdoor storage. He stated the one in the MUSA District would not work. City Planner Hunting responded he was unsure if it could be addressed that way and have two properties treated differently than others but would discuss with the City Attorney.

Councilmember Piekarski Krech asked if the current storage facility in the area had outdoor storage. City Planner Hunting stated arial photos show Wasatch Storage has two buildings along north and south boundaries with outdoor storage in between. It was designed to screen. Mr. Langer agreed. Mayor Tourville stated the situation on 50th Street is unique and unlike other B-3 zoning. Mr. Langer responded it would be tax base growth for the City with two residential properties that are non-conforming uses and valued at \$450,000 to \$500,000 total. If zoned for commercial use it should triple or quadruple the tax generation it would create if it stayed in the exact same value. There could be ½ million dollars of improvements to the property, the taxable value will increase to about \$1 million dollars or more. With a tax rate difference between residential and commercial there would be growth in the taxable income.

Mayor Tourville commented they do not want open storage everywhere. Mr. Langer suggested determining what was approved before and if it was under a screening requirement. Mayor Tourville suggested Staff and Legal discuss further.

4) Discussion on Home Occupation Ordinance Regulations:

Associate City Planner Heather Botten stated amending the Home Occupation Ordinance has been discussed several times by the Planning Commission and Council relating to if the home business could be run out of an accessory building. Currently City Code allows home occupations that comply with Chapter 101526 of the City Code and includes a list of criteria such as:

- No outside employees
- Allowed only when the business is conducted entirely within the principle structure, not in an attached or detached structure.

She stated during previous discussions, Council and the Planning Commission struggled with possibly amending the Ordinance to allow home businesses to be run out of accessory buildings. Staff conducted a survey which was included in the Insights newsletter and on the City Website and Facebook page. The survey was open from July 17th through August 31st with 147 participants. The survey asked the following:

- If the City should require a license or special permit for the operation of a home business. 44% said yes, 56% said no.
- Do you think the City Home Occupation Ordinance should be amended to allow the use in garages and accessory structures. 63% said yes, 37% said no.
- Do you think an occupation operated out of a garage or accessory structure could have an adverse impact to the neighborhood. 63% said yes, 37% said no.

Of those 147 people, 79 provided comment. She stated Staff does not support a change to the Home Occupation Ordinance. They believe businesses located in residential accessory buildings are an incompatible land use and could compromise the quality of life in residential neighborhood, could have an adverse impact, conflicts with the City Comprehensive Plan Policy, and allowing commercial industrial uses operated out of accessory buildings takes away from the possibility of filling some of the vacant and commercial and industrial spaces in the City. Staff requests direction from the Council if they believe the Occupational Ordinance should be amended to allow businesses to be operated out of accessory buildings. She stated if going that route, direction about whether the Ordinance should include all residential districts, larger rural or lots with acreage, or if a process should be required if any, for the home businesses to be followed.

Councilmember Piekarski Krech stated the survey responses were conflicting. Mayor Tourville agreed. Councilmember Bartholomew stated they were inconclusive and contrary.

Mayor Tourville stated type of home business makes a big difference. Councilmember Bartholomew stated his concern was labeling it a business if you are not running a business. He commented it has somehow been determined that if you are storing business materials in your garage its defined as a business. He does not believe it is. If having a garage, you can put in it whatever is legal, running a business, is different criteria.

Mayor Tourville stated it was discovered some people work for someone and having a take home vehicle was confusing. Councilmember Piekarski Krech stated the question was when you are just storing something or keeping it out of the elements in the garage, and when taking pieces of equipment in and out of the garage daily to run the business. She questioned if that creates noise and problems in a neighborhood. She stated she did not have a problem with something completely kept inside and no one coming to the home. She commented the issue could be when it starts spilling out and how much traffic is generated. Councilmember Bartholomew asked how it was defined when storage of equipment in your garage becomes a business. He stated for example, if he owns a business washing windows, has two pickup trucks to go wash windows and keeps them in his garage and shuts the door. He does not run a business out of his home, he was unsure why he could not do that. Councilmember Piekarski Krech responded two trucks are one thing. She asked when does it become a trailer with a lift taken out daily. Mayor Tourville stated another term they looked at was the term "shingle" where you advertise to come to a residential piece of property to do business. That is not fair to the neighbors.

Mayor Tourville stated this was not an easy topic. Another item would be the threshold of the neighborhood. If the neighborhood changes there could be an issue. Councilmember Piekarski Krech stated some of the comments mentioned there were a few businesses in the neighborhood and most do not create problems. If there are multiple businesses run in a neighborhood, what could that do to

the neighborhood. Mayor Tourville noticed comments about people doing car and truck repairs in neighborhoods. That is running a business, neighbors have complained. He stated it was about whether they were being paid or not. Councilmember Piekarski Krech stated selling Avon and repairing engines are different. Councilmember Dietrich stated part of the issue that she hears from residents is that it is ok in some neighborhoods but not in others. She suggested addressing that.

Mayor Tourville stated beauty shops get a permit and are allowed, they have a separate entrance. Councilmember Piekarski Krech responded that is a licensed profession, a lot are not licensed professions. Associate City Planner Botten stated the Ordinance change would be specific to accessory buildings, attached or detached garages, not home occupations within the home. Councilmember Dietrich stated she would like to hear from Police about actual calls that come in about these types of things, which may help narrow it down. Associate City Planner Botten responded she could get the information from Code Enforcement and Police. Associate City Planner Botten responded she would get updated information, the last one received was from July 2019.

Councilmember Piekarski Krech asked about the point that Councilmember Bartholomew made about just storing items inside, but not technically operating out of there. Associate City Planner Botten responded there has been an agree/disagree about how that is interpreted. For example, a landscaper or tree trimmer is storing their equipment on the property but not actually doing the business there. There is still a great impact on the neighborhood with the equipment coming in and out of a garage. Councilmember Piekarski Krech stated the comparison of selling Avon and being a tree trimmer with boxes of cosmetics versus equipment. Associate City Planner Botten responded if an Avon person is storing items in a garage, that would not be allowed.

Mayor Tourville asked if information about how neighboring Communities handle this could be brought back to the Council. Associate City Planner Botten responded earlier this year she provided the Ordinances for Eagan, West St. Paul, and South St. Paul, those prohibited home occupations in accessory buildings. The Cities of Plymouth, Bloomington, and North St. Paul had some flexibility. She would resubmit that for additional review. Councilmember Piekarski Krech suggested getting the information for further discussion and to let Council know when she would like a response back so a date can be determined.

5) NWA Park Financing:

Parks and Recreation Director Eric Carlson discussed the Northwest Area Park Plan as follows:

- 5-6 Parks
- Connected by 10-20 miles of trails
- Tax advantage of 20% open space requirements
- Flexible program space to respond to change in demographics
- Use parks to promote and encourage active living and healthy lifestyles

Current City-Wide Park Service:

- Approximately 35,000 people in the City
- 27 parks (1,300 per park)
- 31 miles of trail (1,100 people per mile)
- 677 acres (52 residents per acre)

- 14 playground sites in City parks (2,500 residents per playground)

Projected City-Wide Park Service:

- Projected population at maturity is approximately 49,000 people
- Adding 5-6 parks (1,500 and 1,400)
- 40-50 miles of trail (1,200 to 1,000 residents per mile of trail)
- 740-760 acres of parkland (66 to 64 residents per acre)
- 18-19 playgrounds (2,700 to 2,600 residents per playground)

Current Park Dedication Rates:

- Last time this was updated in the Park Dedication Ordinance was in 2014
- The City has a choice when developers develop, in taking land or cash
- Cash collected is paid at the fee in place at the time of final plat
- Money collected can only be used to pay for parks for the first time (land, equipment, improvements). Cannot be used to replace an existing playground

Park Acquisition and Development Fund (Fund 402) Revenue Assumptions:

- End of 2019 balance of \$2,100,000
- Anticipate revenue of approximately \$3,000,000 in the next 1-2 years
- Longer out it is difficult to predict what may happen. Anticipate revenue potential of approximately \$4,000,000 in the next 3-5 years

Northwest Park Acquisition/Development Assumptions:

- Conversations about parks in the northwest area have been west of Highway 3
- Intersection of 70th and Argenta. Both very busy roads
- Would like to have a park in each one of the quadrants
- Recently the City Council approved a Purchase Agreement for property. Plan to close and own the property before the end of the year
- At the Council Meeting on October 12th, discussion in an Executive Session about acquiring a parcel of property.
- Working with Dakota County on a parcel of property. The property owner is still living on the property and does not want to be bothered by negotiations and Purchase Agreements at this time. The person living there is older and the family doesn't want the stress. The family is open to discussion in the future
- Struggle to find a piece of property in the southeast corner. He stated the following information for Council's attention to make the best decision long term. A map was shown.
 - The yellow represents ½ mile around each of the parks in the City
 - One of the goals is to have a park within ½ mile of where people live
 - North of 55 (more suburban parts of the City) good job covering the City
 - South of town (more rural) not a very good job, but figure they do not have to as those lots are 5, 10, and 20-acre parcels
 - Northwest area does not have parkland yet, working to change that
 - Circles represent the areas they are probably going to acquire parkland
 - One parcel does not have anything yet
 - The County has determined that an underpass or tunnel, south of 70th underneath Argenta, is feasible if done as a part of the Argenta project. If that is done, a portion of the area would be provided with a safe way to get to a park close by

Mayor Tourville questioned if there would be stop signs going east and west on the new Argenta for roads coming in. Parks and Recreation Director Carlson assumes there would be. Mayor Tourville stated looking at Amana, people would have to go north to go through a tunnel and then south. He did not believe people would do that. He commented if there is not anything in the southeast quadrant, he thought people would go over Amana to get to the park. Kids that go out on their own would not take the safest route, they take the quickest route. He commented teenagers are not big users of neighborhood parks.

Councilmember Perry asked what the distance was between Amana and the underpass. Parks and Recreation Director Carlson responded he was unsure but could find out. Councilmember Piekarski Krech guessed it to be less than ¼ mile. Parks and Recreation Director Carlson responded the Mayor could be correct but he has a duty to share the information with the Council so they can make an informed decision about how to move forward.

Councilmember Piekarski Krech asked what the County would be doing with Amana. Parks and Recreation Director Carlson responded his understanding was that Amana was not going to have another road on the west side of Argenta. Councilmember Piekarski Krech asked if an overpass could be done there. She agreed with the Mayor that the location is a more logical crossing point for those in the area. Parks and Recreation Director Carlson stated an overpass could be engineered but very expensive, closer to \$2 million dollars. A tunnel is approximately \$420,000. Councilmember Piekarski Krech asked if the tunnel has to be at Argenta and 70th. If the tunnel could be moved south it would make more sense getting people to use it. Parks and Recreation Director Carlson responded that was a question that could be asked. Councilmember Piekarski Krech commented they would be using up all of the Fund 429 money for acquisition and minimal development, she would rather have more funds for nicer parks. Mayor Tourville asked if they could have a more controlled intersection at Argenta and Amana.

City Administrator Lynch responded about the tunnel stating the further away they get from the intersection of Argenta and 70th, the less cost participation from the County. It is being done in conjunction with the County along with sidewalks and paths along 70th and Argenta. He responded about Amana stating the County has already said if wanting a controlled intersection, such as a roundabout or lights, the lights would be at a cost to the City. LED lighting a four-way intersection could cost \$750,000 to \$1 million dollars. Mayor Tourville stated they have to stop Amana traffic. City Administrator Lynch stated the study done on Argenta predicts it will be a higher volume road. Instead of going east the traffic will want to go north to get off at 494. They would not put a control device on Argenta. He stated if they did not have the park in the southeast area, they may be able to do some of those things.

Mayor Tourville asked if it was settled to have a roundabout at 70th and Argenta. City Administrator Lynch responded that is the preferred controlled intersection the County would be constructing. Mayor Tourville stated the first neighborhood in the area, Argenta Hills, 10-12 years ago, may end up being one of the last ones due to terrain unless something is determined in cooperation with another development on the Target portion. This could be a shared park use. He suggested pushing hard for that, and for safety.

Parks and Recreation Director Carlson discussed the Northwest Park Acquisition/Development Assumptions:

Current Approach West of Highway 3:

- SW = \$1,400,000 (estimated cost to own and develop into a very basic park)
- NE = \$1,600,000 (estimated to own and develop)
- SE = (To be determined) \$2,000,000 (estimated)
- Total investment: \$5,000,000
- Fund 402 balance \$0

Optional Approach West of Highway 3:

- SW = \$1,400,000 (same as listed above)
- NE = \$1,600,000 (same as listed above)
- SE = \$1,000,000 The area has the oldest homes in the area. Not having anything in the area may be very disappointing to those there. As a way to make it more plausible, there was discussion to try to do something in what the City owns (#8) and envision the City building a retaining wall along the hillside and creating an area that is approximately 15,000 or 20,000 square feet, level with the trail in the area. A playground could be put there giving the neighborhood a safe place to go and play.
- Total investment \$4,000,000
- Fund 402 balance \$1,000,000

Councilmember Piekarski Krech asked if all the parks would be connected by trails. Parks and Recreation Director Carlson responded they would try but the topography is challenging. The Mendota/Lebanon Regional Greenway is there and there are sidewalks. As other plats come in, they would continue to push for sidewalks, and try to make trail connections when needed. He stated there could be some walking on local streets. Councilmember Piekarski Krech stated having bigger parks in some areas would not be far for others to go to get to a larger area with more space. She suggested having more in the largest area.

Parks and Recreation Director Carlson stated Council directed Staff to speak with two property owners. He heard back from one on September 23rd. He wanted to discuss this item with Council first before engaging with the land owner (Fleming). Further discussion could take place on Monday night. Mayor Tourville requested further discussion with the landowner (Fleming) to see if they are interested or not.

Councilmember Dietrich asked what feedback and expectations residents in the area have suggested. Parks and Recreation Director responded at the beginning of the park planning process, a ZOOM call was done. At that point, the goal was to put a park in each one of the four quadrants. He has not spoken to anyone since then. If going with a tunnel under the road and not purchasing a piece of property for a park, he believes they need to do something in the area. There are other opportunities once other places develop. The people in the area have been more than patient.

Councilmember Bartholomew suggested pursuing #8, #9, and #5 as aggressively as they can, a park is needed somewhere in that quadrant. He stated he was fine with partnering with Dakota County on an underpass by Argenta. He commented with the traffic in the area, that quadrant deserves a park area.

Mayor Tourville commented the park issue could help developers. He stated he knew #5 would be difficult with all that is involved with the parcel.

Councilmember Perry asked about Park Dedication rates last being updated in 2014 and if those were solid rates or need to be re-evaluated. Parks and Recreation Director Carlson responded the Community Development Director presented a report from Ehler's stating Single Family Residential and Industrial rates were below average and the Apartment rate was above average. She commented it was the first time she had heard about parcel #8 and asked when/if it has been discussed with residents and when. Parks and Recreation Director Carlson responded he discussed it with Council and residents in late July. #8 is owned by the City.

6) Potentially Dangerous Dogs:

Police Lieutenant John Daniels stated he has been with the Police Department for almost 23 years. He stated he looked at information about 5-4-6 Dangerous and Potentially Dangerous Dog Ordinance from the last two years and has the following information:

Critical Thinking Model: Used to go through the process

- Includes Reasoning, Problem-solving, and Evaluating

Reason for the Ordinance: Council and the Police Department created the Ordinance to:

- Identify and designate dangerous dogs
- Hold the dog owner responsible
- Keep the Community safe
- Create incident reports
- Dogs are quarantined
- Follow up with owners and Vets
- Dogs are designated as dangerous or potentially dangerous

Problem Solving:

- Reviewed the last two years (2019/2020) of Police reports
- Spoke with some dog owners and parties that were bit
- Case study

He stated people were upset about the current status of the Ordinance. Some were crying, some hostile.

Potentially versus Dangerous:

- For 2019: There was a total of 17 reports. Of those reports 16 were potentially dangerous.
- -1 for Dangerous Dog. Reason behind negative was due to the two reports reported to Police Department were not home owners or dog owners within the Community. Letters were sent to those Cities explaining the circumstances of those dogs. Unsure of outcome.
- For 2020: There have been 25 Police reports. 24 were potentially dangerous. This year there was one dangerous dog, did not bite anyone, but jumped the fence and tried to attack another dog and the homeowner fell and had injuries.

Case Study:

- Neighbor gets a call from the dog owner requesting assistance dismantling playground equipment. The neighbor heads over to the dog owner's residence, resident opens the gate, dog gets startled and bites. The neighbor proceeds to help take down the equipment.

Neighbor later notices the dog bite appears to be infected. He and the dog owner decide to contact the Police Department to document the incident for Homeowners Insurance purposes.

- Since the homeowner called the Police Department the owner is required to follow the City Ordinance/Guidelines. Dog is quarantined for 10 days, was designated potentially dangerous and comes with the following requirements in the current Ordinance:
 - 14 days to appeal the potentially dangerous dog. Declaration, cost of appeal is \$200.00. If the skin was broken, winning was minute. Due to that:
 - Leach/muzzle requirements
 - Confinement requirement
 - Dog must be sterilized within 30 days
 - Must obtain liability insurance
 - Dog must be registered annually at a cost of \$150.00
- A letter is sent to the homeowner advising, if failing to follow the above mentioned, could become a criminal issue

Police Lieutenant Daniels stated he discussed this subject with others and one of the questions that came up was "What's Potentially Dangerous"? Potential means having or showing the capacity to become or develop into something in the future. In some cases when a dog is scared or injured, the dog may likely bite someone. In looking at the calls for service he noticed the Police Department was creating more potentially dangerous dog reports than actually creating dangerous dogs. He stated there were nine appeals in 2019 at \$200 per person/per incident. So far in 2020 there are four appeals. He looked into the Minnesota State Statute and noticed the Ordinance speaks about dangerous dogs.

Councilmember Bartholomew asked what the Statute number was. City Clerk Rebecca Kiernan responded 347.50. Police Lieutenant Daniels stated he had copies and would give them to Council.

Police Lieutenant Daniels stated looking at Ordinance 5-1, guidelines were given for dangerous dogs, potentially dangerous was not discussed. He stated the City is in line with the State Ordinance. He recommends re-writing the City Ordinance and removing the word "Potential". By doing this, they would still be able to continue the way they had been:

- Keeping the Community Safe
- Designate dogs
- Document reports

This can all continue to be done without having the word "potentially" included. He referenced the blue areas of the Ordinance, stating the "E" would become "D", "F" would become "E", and so on.

Mayor Tourville asked if he had worked with the City Attorney on the language of the Ordinance. Police Lieutenant Daniels responded he has not, he was looking for Council guidance to start with.

Councilmember Dietrich stated she would like to read the handouts and thanked him. Councilmember Bartholomew asked if he could receive an electronic version. Police Lieutenant Daniels responded he could send via email. Mayor Tourville suggested items be given to the City Clerk who would send it along to Council. Copies can be given to Council if he has them available.

City Administrator Lynch suggested Police Lieutenant Daniels send out electronically. Comments or feedback should be sent to Lieutenant Daniels who can incorporate the feedback. He suggested before speaking with the City Attorney, it would be revised to reflect the comments.

B. Adjourn:

Mayor Tourville stated the next regular City Council meeting takes place on October 12th at 7:00 p.m.

Motion by Piekarski Krech second by Perry to adjourn the meeting at 9:25 p.m.

Ayes: 5

Nays: 0 Motion carried.

Minutes prepared by Recording Clerk Sheri Yourczek.