

**CITY OF LINO LAKES
CHARTER COMMISSION**

DATE	: July 10, 1997
TIME STARTED	: 7:00 P.M.
TIME ENDED	: 10:00 P.M.
MEMBERS PRESENT	: Bening, Corson, Dahl, DeMotts, Dunn, Lane, Montain, Rehbine, Solfest, Sullivan, Trehus and Turner
MEMBERS EXCUSED	: Bernier, Scharpen, Stoullil
STAFF MEMBERS PRESENT	: Community Development Director Brian Wessel

CALL TO ORDER AND ROLL CALL

Chair Montain called the regular meeting of the Lino Lakes Charter Commission to order on July 10, 1997, at 7:07 p.m.

Chair Montain wished Commissioner Scharpen the best of luck with her move out of the community. She has served the Charter Commission for a long time and will be missed. An advertisement will be made for her vacant position in the next couple of weeks.

Chair Montain offered condolences on behalf of himself and the Charter Commission to Commissioner Dahl whose mother recently died.

Commissioners Corson and Rehbein arrived at 7:13 p.m.

CONSIDERATION OF MINUTES

December 3, 1996

MOTION by Solfest, seconded by DeMotts to accept the corrected version of the Charter Commission minutes of December 3, 1996. The motion carried unanimously.

January 9, 1997

These minutes were approved with corrections at the April 10, 1997 meeting.

April 10, 1997

MOTION by DeMotts, seconded by Bob to approve the Charter Commission minutes of April 10, 1997. The motion carried unanimously.

REPORTS AND OLD BUSINESS

FIVE-YEAR FINANCIAL PLAN

Staff member Mary Vaske was unable to attend this meeting but will be scheduled for the October meeting.

VISION STATEMENT

Presentation by Mr. Brian Wessel

A great deal of effort has been spent on projected commercial growth. The focus of commercial growth is in District 1, and a final plan will be submitted for Council approval in 1998. Commercial businesses that have been approached have expressed concerns about numbers. The Town Centre concept is an effort to give definition to a commercial growth area in the City. The City has received proposals and hopes to acquire Rehbein property for a quality industrial park. There is also a variety of retail interest as well as restaurants and small hotel possibilities. He anticipates that planning efforts for utilities and marketing the area will begin to bring commercial and industrial growth as early as next year.

The most recent Town Centre plan for retail and professional development also includes a community center. The community center has been moved to public park land to accommodate a full scale YMCA. He indicated on the map changes that will occur to the area including roads, utilities, and various sites for business and retail development. A complicating factor to these plans are the two land owners in the area. These development plans are long range, and the City is working with them to be sensitive to their issues. Interested business developers have begun to ask about future housing development for their employees, and the City is considering possible financial assistance to address this need.

The City Council has approved a contract with Leonard Parker Associates to design public facilities for an early childhood center (12,000 square feet) to be built by the City for the Centennial School District who will lease it for 10 years and a Police Department building (15,000 to 20,000 square feet). The Council is debating about a new City Hall, as there would be many benefits to including a new City Hall with this complex. One of the strongest criteria for the selection of Leonard Parker is their expertise with environmental concerns. They are working with the Rice Creek Watershed District.

One Commissioner asked about commercial incentives and the level of financial commitment for the City for these projects.

Mr. Wessel estimated that the public facilities portion would cost in the range of \$3 to \$4 million. Mary Vaske is knowledgeable about the financial details and will report to the Commission at the next meeting.

Commissioner DeMotts asked if the new City Hall would include a senior center.

Mr. Wessel answered, yes.

Commissioner Dunn asked if a conference hotel is being considered.

Mr. Wessel answered that is a possibility.

Commissioner Turner stated that she would prefer to see more open space and trees along Lake Drive as an entrance to the City, instead of heavy commercial development; and questions were raised about traffic issues on Lake Drive with the current plan for commercial development.

Mr. Wessel explained that traffic lights at the freeway ramps and improvements to Lake Drive will control traffic. Light industrial development is desirable as a buffer between residential and commercial areas. Light industry includes manufacturing parts and assembly work that is usually enclosed and contained within a building, environmentally clean and quiet.

Chair Montain thanked Mr. Wessel for the information and urged Commissioners to attend the public meetings and/or talk to staff about further questions.

ROAD RECONSTRUCTION

Commissioner Dunn reported that a subcommittee of five Charter Commission members (Al DeMotts, Don Dunn, Ron Solfest, John Sullivan and Mike Trehus) has been working with City staff regarding the need for a road reconstruction plan and to set aside funding within the general fund for this purpose. A document from the Minnesota League of Cities, showing that there is nothing to prohibit the City from beginning a road reconstruction fund, was presented to the Council at a work session. It was suggested that the City consider establishing a road reconstruction fund from three revenue sources: 1) additional dollars from increased valuation of property; 2) tax increment financing (TIF) that will generate revenue in 1998; and 3) new revenue from new construction of business and residential development. Committee members met with City staff July 2, 1997. The same three sources of revenue were identified with a fourth one of prioritizing current expenditures to put funding into road reconstruction. The outcome of this meeting was twofold: 1) City Engineer Dave Ahrens agreed to reanalyze road reconstruction priorities applying a time phase for the work and the cash flow needed against the time phases; 2) Mary Vaske will analyze how that cash flow requirement fits with the influx of new revenue. The Charter Commission does not have authority to fund road reconstruction, and how that fund is spent is not controlled by the Charter Commission. A follow-up meeting is scheduled for July 22, 1995.

In response to an inquiry about assessments, Commissioner Dunn stated that cities are only allowed to assess an amount that reflects the benefited increase in value to the property. That has typically been found to be approximately \$.25 on the dollar. This means that only 25 percent to 30 percent of the total cost can be assessed. The balance must be paid from other sources.

Commissioner Rehbein asked if the previously identified sources of revenue for road reconstruction would be used for the balance of costs so that taxes would not be raised. He expressed concern whether adequate funding will be available 10 years into the future or that the priority will be to use the funding for something other than fixing roads.

Chair Montain answered, yes. He noted, however, that if these revenue sources are used

for other purposes, then taxes may have to be increased for road reconstruction work.

Commissioner Trehus stated that he is pleased that work is moving forward to create a road reconstruction fund, but does not believe that a Charter Commission subcommittee should have to inform the City Council that funds can be set aside for road reconstruction. It puts the Charter Commission in the position of being a watch dog over the budget.

Commissioner Corson expressed concern that a plan be developed with specific projects scheduled into the future, so that residents understand the benefit is equally distributed and that residential streets are the primary target. He referred to the areas that the Charter Commission has exempted from Chapter 429, the state law regulating special assessments and asked how project costs in those areas would be handled.

Chair Montain stated that the exempted areas are commercial and industrial. Until a specific project is presented, it is difficult to determine how the numbers would work.

It was the consensus of the Commission to support the efforts of the subcommittee to establish a road reconstruction plan. The subcommittee was requested to continue to work toward long-term planning, address revenue resources and how they will be used for future phases. He asked the subcommittee to present an updated report at the October Charter Commission meeting that will hopefully conclude this project.

PETITION, INITIATIVE & REFERENDUM

Commissioner Dunn stated that a public meeting may be held to inform residents of the purpose of a referendum for approval of the concept of a road improvement fund from which money can be spent on roads.

Commissioner Turner stated that a clear way to present the issue to voters would be to simply ask if they would support the City designating a portion of the general fund toward road reconstruction. It will be important for residents to understand how this step will affect them.

Chair Montain informed the Commission that another phase of road reconstruction activity is that the City has ordered a feasibility study for Lakes Addition. A public hearing will be held by the City Council at the July 28, 1997 Council meeting. This project includes road reconstruction that will be funded by state aid and developer money. The same process will be used for Ware Road.

One Commissioner noted that the newspaper reported that the Ware Road project is planned with \$1.2 million of state aid funds, \$400,000 of City funding and \$300,000 of assessments--\$100,000 of which is to be paid by the developer. His concern is what will happen if residents oppose it and/or the referendum does not pass.

Chair Montain stated that if there is a petition against the Lakes Addition or Ware Road projects, the motivation for a referendum will be lost.

Commissioner Turner disagreed and stated that establishing a road reconstruction fund needs to be addressed regardless of whether specific projects are approved or not approved.

(This small portion of the tape stopped often so that gaps of words and sentences could not be heard. Then it clearly switched to another meeting regarding a specific development on Birch Road. Then one entire side was blank.)

APPLY (re) CHARTER

Chair Montain reported that the City Attorney has indicated that the City could have been liable for tens of thousands of dollars, rather than \$15,000. Another issue is the procedure of the Council Members working with one another. The Charter specifically states that the Mayor is the head of City government.

Commissioner Turner stated she would like to see a report on the difficulty of working with Section 8 and whether the decision solely rests on elected officials for improvement projects. However, Commissioners believe that the fall election may have a significant impact on Section 8, and a report would be more appropriate after the election.

Chair Montain stated that the 1997 Annual Report will be submitted by September 30, to be included in the packet for the Charter meeting October 8, 1997.

Chair Montain stated that the motion carried unanimously to accept the change in the Charter Bylaws. The new bylaws will be distributed at the October meeting. He thanked

A letter will be submitted indicating nine (9) vacancies and requesting new people to apply to serve on the Charter.

NEW BUSINESS

Chair Montain stated that the Commission was conceived in 1982. He expressed concern about complete records to show a history of Commission action. This means that often the wheel is reinvented because Commissioners cannot refer to past discussions. He stated that the files will now contain meeting packets and minutes of the meetings, and he is in the process of contacting past presidents to add documentation that may be available to an official file for the Charter Commission.

Chair Montain suggested a time line check list of charter responsibilities for consistent follow-up and oversight of duties of the Charter Commission.

Commissioner Turner informed the Commission that there is approximately \$21,000 recently approved as an official fund set aside in the 1997 budget for road reconstruction. She is unsure why this amount was not combined with the other funds created from Trapper's Crossing but suggested continuing to build this fund through a provision added to Section A of the Charter that would indicate that a certain percentage of general revenue funds would be allowed to go into this fund.

Commissioner Dunn stated that the fund is revenue from the rental space on the water tower for antennas.

It was the consensus of the Commission to not take action at this time.

There was a brief discussion about TIF districts overlaying school districts. The White Bear and Forest Lake school districts are benefiting from the business development tax base of TIF districts in their school districts. It was noted that the Centennial School District does not have that resource because there is no TIF district that overlays the boundaries of that school district. There may be options along Lake Drive for commercial development TIF districts but not industrial. However, authority to establish TIF districts rests solely with the City Council.

OCTOBER AGENDA

The following items were identified for the agenda of the October 8, 1997 Charter Commission meeting:

Roll Call
Minutes
Road Reconstruction
Subcommittee Report on Referendum
5-year Plan - Mary Vaske
Annual Report
Communications - Public Awareness of the Charter
To Do Check Lists
Open Discussion.

ADJOURNMENT

MOTION by Commissioner Bening, seconded by Commissioner Dunn to adjourn the meeting at 10:00 p.m.

Respectfully submitted,

Deanne Gueblaoui
Transcriber
TimeSaver Off-Site Secretarial, Inc.