

LAUDERDALE CITY COUNCIL MEETING AGENDA
7:30 P.M. TUESDAY, JUNE 25, 2019
LAUDERDALE CITY HALL, 1891 WALNUT STREET

The City Council is meeting as a legislative body to conduct the business of the City according to Robert's Rules of Order and the Standing Rules of Order and Business of the City Council. Unless so ordered by the Mayor, citizen participation is limited to the times indicated and always within the prescribed rules of conduct for public input at meetings.

1. CALL TO ORDER THE LAUDERDALE CITY COUNCIL MEETING

2. ROLL CALL

3. APPROVALS

- a. Agenda
- b. Minutes of the June 11, 2019 City Council Meeting
- c. Claims Totaling \$106,805.26

4. CONSENT

- a. May Financial Report
- b. Post Issuance Compliance Policy – Resolution No. 062519A
- c. Performance Agreement with Lazy Does It for Day in the Park
- d. Temporary Liquor License for Day in the Park

5. SPECIAL ORDER OF BUSINESS/RECOGNITIONS/PROCLAMATIONS

6. INFORMATIONAL PRESENTATIONS / REPORTS

- a. 2019 Infrastructure Improvement Project
- b. Day in the Park
- c. City Council Updates

7. PUBLIC HEARINGS

Public hearings are conducted so that the public affected by a proposal may have input into the decision. During hearings all affected residents will be given an opportunity to speak pursuant to the Robert's Rules of Order and the standing rules of order and business of the City Council.

- a. Alley Vacation Petition for the Alley between Eustis Street and Malvern Street North of Spring Street and South of Summer Street

8. DISCUSSION / ACTION ITEM

- a. Decision on Variance Requests for 1821 and 1831 Eustis Street – Resolution No. 062519B and Resolution No. 062519C
- b. 2019-2020 Liability Insurance Renewal – Liability Limits
- c. MWMO Neighborhood Clean Up Event

9. ITEMS REMOVED FROM THE CONSENT AGENDA

10. ADDITIONAL ITEMS

- a. Petition and Waiver Agreement for Tree Removal at 1820 Carl Street

11. SET AGENDA FOR NEXT MEETING

- a. Resolution Finalizing Conditions for Redevelopment of 1795 Eustis Street
- b. Annual Stormwater Public Hearing – July 23
- c. GARE Follow Up Training – July 23

12. WORK SESSION

- a. Opportunity for the Public to Address the City Council

Any member of the public may speak at this time on any item not on the agenda. In consideration for the public attending the meeting, this portion of the meeting will be limited to fifteen (15) minutes. Individuals are requested to limit their comments to four (4) minutes or less. If the majority of the Council determines that additional time on a specific issue is warranted, then discussion on that issue shall be continued at the end of the agenda. Before addressing the City Council, members of the public are asked to step up to the microphone, give their name, address, and state the subject to be discussed. All remarks shall be addressed to the Council as a whole and not to any member thereof. No person other than members of the Council and the person having the floor shall be permitted to enter any discussion without permission of the presiding officer.

Your participation, as prescribed by the Robert's Rules of Order and the standing rules of order and business of the City Council, is welcomed and your cooperation is greatly appreciated.

- a. Police Contract Discussion with City of St. Anthony Staff
- c. Community Development Update

13. ADJOURNMENT

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MEETING MINUTES
Lauderdale City Hall
1891 Walnut Street
Lauderdale, MN 55113

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June 11, 2019

Call to Order

Mayor Gaasch called the Regular City Council meeting to order at 7:35 p.m.

Roll Call

Councilors present: Roxanne Grove, Andi Moffatt, Kelly Dolphin, and Mayor Mary Gaasch.
Councilor absent: Jeff Dains.

Staff present: Heather Butkowski, City Administrator; Jim Bownik, Assistant to the City Administrator; and Miles Cline, Deputy City Clerk.

Approvals

Mayor Gaasch asked if there were any additions to the meeting agenda. Butkowski stated that she would like to add a farmer's market update to the Informational Presentations/Reports section of the agenda. There being nothing else, Councilor Dolphin moved and seconded by Councilor Grove to approve the agenda. Motion carried unanimously.

Mayor Gaasch asked if there were any corrections to the meeting minutes of the May 14, 2019 special city council meeting. There being none, Councilor Grove moved and seconded by Councilor Mofatt to approve the minutes of the May 14, 2019 special city council meeting. Motion carried unanimously.

Mayor Gaasch asked if there were any corrections to the meeting minutes of the May 28, 2019 city council meeting. There being none, Councilor Mofatt moved and seconded by Councilor Dolphin to approve the minutes of the May 28, 2019 city council meeting. Motion carried unanimously.

Mayor Gaasch asked if there were any corrections to the meeting minutes of the May 29, 2019 special city council meeting. There being none, Councilor Dolphin moved and seconded by Councilor Grove to approve the minutes of the May 29, 2019 special city council meeting. Motion carried unanimously.

Mayor Gaasch asked if there were any questions on the claims. There being none, Councilor Dolphin moved and seconded by Councilor Grove to approve the claims totaling \$92,629.32. Motion carried unanimously.

Consent

Councilor Grove moved and seconded by Councilor Moffatt to approve the Consent Agenda thereby approving the deputy clerk step increase and the 2019 Infrastructure Improvement Project pay request number 1. Motion carried unanimously.

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Informational Presentations/Reports

A. 2019 Infrastructure Improvement Project Update

Administrator Butkowski provided an overview of the progress on the project.

B. City Council Updates

Councilor Moffatt shared that the staff and city council had their first Government Alliance on Race and Equity (GARE) training last week. Councilor Dolphin stated that she attended a Cable Commission meeting where they discussed CenturyLink's decision not to renew their franchise agreement. The Commission also discussed the FCC's small cell wireless decisions and how they are being appealed by local units of government across the country. Mayor Gaasch added that she and Councilor Grove attended a Ramsey County League of Local Governments meeting.

C. Farmers Market Update

Assistant to the City Administrator Bownik provided the Council with an update on the farmers markets for this year. Bownik stated that they will be held on the third Thursdays of each month this summer from 4-7 p.m. with an additional hour being added for the July event coinciding with Day in the Park (4-8 p.m.). Dawn Tanner and Adam Granger will be providing musical entertainment at the June 20 event.

Public Hearings

A. Variance Requests for 1821 and 1831 Eustis Street

Bownik approached the Council to present variance applications for 1821 and 1831 Eustis Street. Both proposals exceed the allowable lot coverage on the sites.

After Council discussion, Mayor Gaasch opened the floor to anyone in attendance that wanted to address the council.

Craig Zbacnik, 1837 Eustis Street, read a letter that he submitted to the Council prior to the meeting. He stated that he is upset about the variance being considered in advance of the alley vacation public hearing.

Bev Powell, 1819 Eustis Street, is concerned about the size of the new houses and asked that the Council adhere to the current code.

Susan and John Shepperd, 1721 Pleasant Street, stated that they are buying one of the new homes. They explained that the foundation of their house will only be 998 square feet and will not dwarf neighboring homes. They also said they assumed that the alleyway going through was part of the deal.

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Tim Helin, general contractor for the new home constructions, explained that they created plans for the new houses assuming that the alleyway would go through. He felt eliminating the coverings for the porches would degrade the value of the homes. He said they are using plans they have used on similar sized lots with no issues.

Michelle Schumacher, Lake Elmo, spoke as the owner of the Eustis Street lots. She said she was requesting the variance to be able to cover the porches with roofs. She believes the proposed homes are inviting and not too big for the lots at 950 square feet. She said other cities she builds in allow 35-40% lot coverage or don't factor in porches in the calculation. She also mentioned that she was under the assumption that the alleyway was part of the deal when purchasing the lots and was not something she requested.

Mayor Gaasch closed the floor at 8:11 p.m.

The Council discussed the matter and got answers to questions. The final decision will be made at the June 25 council meeting.

Discussion/Action Items

A. Resolution No. 061119A – A Resolution Awarding the Sale of General Obligation Improvement Bonds, Series 2019A, in the Original Aggregate Principal Amount of \$1,000,000; Fixing their Form and Specifications; Directing their Execution and Delivery; Providing for their Payment; and Authorizing the Execution of Documents in Connection Therewith

The bond sale to finance the Eustis Street and Roselawn Avenue construction project was held on June 11. The City received five competitive offers. The City Council was asked to adopt a final version of Resolution No. 061119A to accept the lowest offer.

Councilor Moffatt made a motion to adopt Resolution No. 061119A—A Resolution Awarding the Sale of General Obligation Improvement Bonds, Series 2019A, in the Original Aggregate Principal Amount of \$1,000,000; Fixing their Form and Specifications; Directing their Execution and Delivery; Providing for their Payment; and Authorizing the Execution of Documents in Connection Therewith. This was seconded by Councilor Dolphin and carried unanimously.

B. Review of Draft Conditions for Redevelopment of 1795 Eustis Street

The City's consulting planner, Jennifer Haskamp, from Swanson Haskamp Consulting, presented a memo based on the discussion from the previous meeting regarding conditions for the redevelopment of 1795 Eustis Street. Patrick Ostrom of Real Estate Equities said the conditions were reasonable and could be incorporate into the project.

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C. 2019 Infrastructure Improvement Project Construction Hours

Northdale Construction is asking the City Council for a change to their construction hours to allow them to complete the project in a more timely fashion. The current working are:

- 7:00 a.m. until 7:00 p.m. Monday through Friday
- 9:00 a.m. until 7:00 p.m. on Saturdays
- No work on Sundays or Holidays

Instead of being completed by 7:00 p.m. each day, they would use major construction equipment until 7:00 p.m. and then start their clean-up which includes maintaining erosion control measures and installing/maintaining ramps at driveways as needed with all personnel out of the area by 8:00 p.m.

After Council discussion, it was decided that since the project was on track, they would not amend the schedule at this time. Should the project fall behind, staff was given the discretion to change the construction hours upon giving notice to the neighbors.

D. Office Staffing during Fourth of July Holiday

Independence Day is on a Thursday this year and City Hall is scheduled to be open on Friday. Staff asked the City Council whether it would consider closing City Hall on Friday, July 5. Business traffic around holidays generally is very light. If the Council approved of this plan, staff wishing to take the day off would use a vacation day.

Councilor Moffatt made a motion to close City Hall on Friday, July 5. This was seconded by Councilor Grove and carried unanimously.

Set Agenda for Next Meeting

Administrator Butkowski stated that the June 25 council meeting may include the May Financial Report, the alley vacation public hearing, the decision on variance requests for 1821 and 1831 Eustis Street, the police contract discussion with City of St. Anthony staff, and the post issuance compliance policy update.

Work Session

A. Opportunity for the Public to Address the City Council

Mayor Gaasch opened the floor to anyone in attendance that wanted to address the Council. There being no interested parties to speak, Mayor Gaasch closed the floor.

B. City of St. Paul Plans for Como Avenue Reconstruction

Staff from St. Paul Public Works met with city staff to discuss their proposed reconstruction of Como Avenue and Hunting Valley Road in 2020. The total project cost is approximately

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\$8,000,000 of which they estimate Lauderdale's portion of the project to be \$850,000. They asked whether the City could contribute to construction costs, whether the City would specially assess benefitting properties, and whether the Council had an opinion of the installation of sidewalks through Lauderdale's portion of Como Avenue.

The Council noted the difficulty in paying for a portion of the construction with such little notice, their belief that benefitting properties should be specially assessed as they have been elsewhere in the City, and that the sidewalk was best left to the discretion of the City of St. Paul since they were paying for it.

C. Community Development Update

Butkowski mentioned the sinkhole on Roselawn Avenue was scheduled to be repaired by Northdale Construction. Staff are working towards resubmitting the Comprehensive Plan to the Met Council. Staff will be meeting with the neighbors of the Luther Seminary redevelopment project as well as the Minnesota Land Trust.

Adjournment

Councilor Moffatt moved and seconded by Councilor Grove to adjourn the meeting at 9:51 p.m. Motion carried unanimously.

Respectfully submitted,



Miles Cline
Deputy City Clerk



CITY OF LAUDERDALE
LAUDERDALE CITY HALL
1891 WALNUT STREET
LAUDERDALE, MN 55113
651-792-7650
651-631-2066 FAX

Request for Council Action

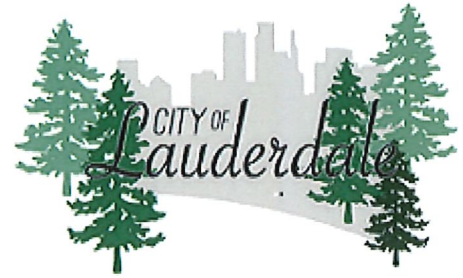
To: Mayor and City Council
From: City Administrator
Meeting Date: June 25, 2019
Subject: List of Claims

The claims totaling \$106,805.26 are provided for City Council review and approval that includes check numbers 26453 to 26484.

Accounts Payable

Checks by Date - Detail by Check Date

User: MILES.CLINE
 Printed: 6/20/2019 3:25 PM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
ACH	43	Public Employees Retirement Association PR Batch 51200.06.2019 PERA Coordinated PR Batch 51200.06.2019 PERA Coordinated	06/14/2019 PR Batch 51200.06.2019 PER PR Batch 51200.06.2019 PER	1,135.32 983.95
Total for this ACH Check for Vendor 43:				2,119.27
ACH	44	Minnesota Department of Revenue PR Batch 51200.06.2019 State Income Tax	06/14/2019 PR Batch 51200.06.2019 Stat	772.53
Total for this ACH Check for Vendor 44:				772.53
ACH	45	ICMA Retirement Corporation PR Batch 51200.06.2019 Deferred Comp PR Batch 51200.06.2019 Deferred Comp	06/14/2019 PR Batch 51200.06.2019 Defi PR Batch 51200.06.2019 Defi	1,008.18 1,638.63
Total for this ACH Check for Vendor 45:				2,646.81
ACH	46	Internal Revenue Service PR Batch 51200.06.2019 Medicare Employer Po PR Batch 51200.06.2019 FICA Employee Portio PR Batch 51200.06.2019 Federal Income Tax PR Batch 51200.06.2019 FICA Employer Portio PR Batch 51200.06.2019 Medicare Employee Pc	06/14/2019 PR Batch 51200.06.2019 Mec PR Batch 51200.06.2019 FIC. PR Batch 51200.06.2019 Fed PR Batch 51200.06.2019 FIC. PR Batch 51200.06.2019 Mec	263.28 1,125.76 1,617.95 1,125.76 263.28
Total for this ACH Check for Vendor 46:				4,396.03
Total for 6/14/2019:				9,934.64
26453	34	AFSCME MN Council 5 PR Batch 51200.06.2019 Union Dues	06/25/2019 PR Batch 51200.06.2019 Unio	204.64
Total for Check Number 26453:				204.64
26454	65 16199295	Allstream Inc. Fax Line	06/25/2019	51.61
Total for Check Number 26454:				51.61
26455	233 49720	Bond Trust Services Corporation 2018A Bond Interest - Ref 331520	06/25/2019	12,626.25
Total for Check Number 26455:				12,626.25
26456	184 062019 062019	Cintas May Uniforms May Uniforms	06/25/2019	47.43 47.43
Total for Check Number 26456:				94.86
26457	192	Comcast Holdings Corporation	06/25/2019	

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	83261355	June Internet		487.61
Total for Check Number 26457:				487.61
26458	25	County of Ramsey	06/25/2019	
		PR Batch 51200.06.2019 Long Term Disability	PR Batch 51200.06.2019 Lon	88.99
		PR Batch 51200.06.2019 Life Insurance	PR Batch 51200.06.2019 Life	303.53
		PR Batch 51200.06.2019 Short Term Disability	PR Batch 51200.06.2019 Sho	61.76
	EMCOM-007727	May Fleet Support		6.24
	EMCOM-007741	May 911 Dispatch Services		1,083.73
	EMCOM-007758	May CAD Services		222.13
	RISK-001991	Insurance Processing Fee		25.00
Total for Check Number 26458:				1,791.38
26459	249 062019	CVC Investments Rental Inspection Reimbursement	06/25/2019	40.00
Total for Check Number 26459:				40.00
26460	261 062019 062019	Keith Dyrud Rental Inspection Reimbursement - 1829 Fulhan Rental Inspection Reimbursement - 1810 Walnut	06/25/2019	40.00 40.00
Total for Check Number 26460:				80.00
26461	19 80477	Ehlers and Associates Inc 1795 Eustis Redevelopment	06/25/2019	3,908.75
Total for Check Number 26461:				3,908.75
26462	250 062019	Eric Ellingson Rental Inspection Reimbursement	06/25/2019	40.00
Total for Check Number 26462:				40.00
26463	262 062019	John Ellingson Rental Inspection Reimbursement	06/25/2019	40.00
Total for Check Number 26463:				40.00
26464	263 062019	Amy Feely Rental Inspection Reimbursement	06/25/2019	40.00
Total for Check Number 26464:				40.00
26465	251 062019	Brad Fesler Rental Inspection Reimbursement	06/25/2019	40.00
Total for Check Number 26465:				40.00
26466	252 062019	Xiaohong Guo Rental Inspection Reimbursement	06/25/2019	40.00
Total for Check Number 26466:				40.00
26467	196 062019	Ardell Hill Rental Inspection Reimbursement	06/25/2019	40.00
Total for Check Number 26467:				40.00
26468	253 062019	Tyler Johnson Rental Inspection Reimbursement	06/25/2019	40.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 26468:	40.00
26469	185 062019 062019 062019	Lauderdale Certified Auto Repair Inc May Fuel May Fuel May Fuel	06/25/2019	63.23 63.23 295.06
			Total for Check Number 26469:	421.52
26470	254 062019	Valerie Matthews Rental Inspection Reimbursement	06/25/2019	40.00
			Total for Check Number 26470:	40.00
26471	255 062019	Jeremy Newhouse Rental Inspection Reimbursement	06/25/2019	40.00
			Total for Check Number 26471:	40.00
26472	84 062019 062019 062019 062019 062019 062019 062019	North Star Bank Cardmember Services JB - GTS Seminar JB - GTS Seminar Food for GARE Training DIP Supplies Plant Pots USPS - Certified Letters MC - MCFOA Hotel	06/25/2019	-15.00 80.00 58.08 112.47 32.36 13.70 468.52
			Total for Check Number 26472:	750.13
26473	12 2019-090	North Suburban Access Corporation May Webstreaming & Archiving	06/25/2019	271.57
			Total for Check Number 26473:	271.57
26474	10 0000772916	On Site Sanitation Inc 06/15/2019 - 07/12/2019 Park Portable Restroom	06/25/2019	237.62
			Total for Check Number 26474:	237.62
26475	37 1010010	Park Service Inc Tractor Tire	06/25/2019	153.79
			Total for Check Number 26475:	153.79
26476	5 619861-05-19	Premium Waters Inc May Water Bottles	06/25/2019	33.68
			Total for Check Number 26476:	33.68
26477	256 062019	Kurtis Schaum Rental Inspection Reimbursement	06/25/2019	40.00
			Total for Check Number 26477:	40.00
26478	26 1511728 1511729 1520687 1520689	Stantec Consulting Services Inc Gen Eng Services 2019 Street Improvements Gen Eng Services 2019 Street Improvements	06/25/2019	312.00 30,864.63 1,405.00 41,953.84

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 26478:	74,535.47
26479	257 062019	Elaine Swanson Social Room Refund	06/25/2019	50.00
			Total for Check Number 26479:	50.00
26480	258 062019	Julian Taylor Rental Inspection Reimbursement	06/25/2019	40.00
			Total for Check Number 26480:	40.00
26481	259 062019	Bonnie Troska Rental Inspection Reimbursement	06/25/2019	40.00
			Total for Check Number 26481:	40.00
26482	90 9831185488 9831185488 9831185488	Verizon Wireless May Cell Phone May Cell Phone May Cell Phone	06/25/2019	16.00 16.00 31.99
			Total for Check Number 26482:	63.99
26483	260 062019	Zsolt & Maria Vincze Rental Inspection Reimbursement	06/25/2019	40.00
			Total for Check Number 26483:	40.00
26484	74 640174889 640184546 640314482 640678645 640678645 640678645 640678645 640678645 640682499 640682499	Xcel Energy Larpenteur Bridge Lights 2430 Larpenteur Avenue W May Street Lighting 1885 Fulham Street 1885 Fulham Street 1917 Walnut Street 1917 Walnut Street 1891 Walnut Street 1891 Walnut Street	06/25/2019	15.30 16.15 352.97 -7.17 25.84 27.93 13.71 50.91 52.11
			Total for Check Number 26484:	547.75
			Total for 6/25/2019:	96,870.62
			Report Total (36 checks):	106,805.26


**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent X
Public Hearing
Discussion
Action
Resolution
Work Session

Meeting Date June 25, 2019

ITEM NUMBER May Financial Report

STAFF INITIAL 

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Every month, staff provide the Council with an updated copy of the city's finances. Following are the revenue, expense, and cash balance reports for May 2019.

OPTIONS:

STAFF RECOMMENDATION:

By approving the consent agenda, the Council acknowledges the city's financial report for May 2019.

General Ledger

Cash Balances



User: heather.butkowski
 Printed: 6/13/2019 2:00:02 PM
 Period 05 - 05
 Fiscal Year 2019

Description	Account	Beg Bal	MTD Debit	MTD Credit	Current Balance
Cash	101-00000-000-10100	-3,317,358.12	229,489.45	148,186.68	-3,236,055.35
Change Fund	101-00000-000-10300	100.00	0.00	0.00	100.00
Cash	226-00000-000-10100	16,457.15	32.00	2,379.50	14,109.65
Cash	227-00000-000-10100	85,378.40	181.07	5,726.07	79,833.40
Cash	305-00000-000-10100	38,261.70	86.98	0.00	38,348.68
Cash	401-00000-000-10100	123,873.60	281.59	0.00	124,155.19
Cash	403-00000-000-10100	1,175,891.43	2,673.04	0.00	1,178,564.47
Cash	404-00000-000-10100	272,968.71	620.51	0.00	273,589.22
Cash	414-00000-000-10100	258,859.63	588.44	0.00	259,448.07
Cash	416-00000-000-10100	94,467.22	214.74	0.00	94,681.96
Cash	602-00000-000-10100	977,996.93	16,244.67	21,900.86	972,340.74
Cash	603-00000-000-10100	394,002.42	6,893.61	11,251.39	389,644.64
Current Assets		120,899.07	257,306.10	189,444.50	188,760.67
Petty Cash	101-00000-000-10200	300.00	0.00	0.00	300.00
Petty Cash		300.00	0.00	0.00	300.00
Investments - Fair Value Adj	101-00000-000-10410	3,650,251.24	8,271.99	200,000.00	3,458,523.23
Investments		3,650,251.24	8,271.99	200,000.00	3,458,523.23
Grand Total		<u>3,771,450.31</u>	<u>265,578.09</u>	<u>389,444.50</u>	<u>3,647,583.90</u>

General Ledger

Revenue vs Expense

User: heather.butkowski
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 Period 05 - 05
 Fiscal Year 2019



Account Number	Description	Budget	Current Period	YTD Balance	Variance	% ExpendCollect
101	General Fund					
	Revenue					
	Taxes	810,104.00	0.00	0.00	810,104.00	0.00
	Licenses and Permits	35,850.00	6,519.25	17,355.20	18,494.80	48.41
	Intergovernmental Revenues	540,820.00	0.00	0.00	540,820.00	0.00
	Charges for Services	11,800.00	1,652.62	3,710.74	8,089.26	31.45
	Fines and Forfeits	30,000.00	2,232.25	13,412.83	16,587.17	44.71
	Miscellaneous Revenue	10,000.00	736.49	16,372.50	-6,372.50	163.73
	Other Financing Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Revenue	1,438,574.00	11,140.61	50,851.27	1,387,722.73	3.53
	Expense					
	Personal Services	397,863.00	42,414.36	166,374.81	231,488.19	41.82
	Supplies	17,400.00	3,062.95	8,586.51	8,813.49	49.35
	Other Services and Charges	975,311.00	74,140.72	391,305.93	584,005.07	40.12
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
	Other Uses	<u>48,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>48,000.00</u>	<u>0.00</u>
	Expense	1,438,574.00	119,618.03	566,267.25	872,306.75	39.36
101	General Fund	0.00	-108,477.42	-515,415.98	515,415.98	0.00

General Ledger Revenue vs Expense



User: heather.butkowski
 Printed: 6/13/2019 2:00:38 PM
 Period 05 - 05
 Fiscal Year 2019

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
226	Communications					
	Revenue					
	Taxes	20,000.00	0.00	4,493.60	15,506.40	22.47
	Miscellaneous Revenue	40.00	32.00	127.02	-87.02	317.55
	Revenue	20,040.00	32.00	4,620.62	15,419.38	23.06
	Expense					
	Personal Services	8,930.00	974.17	3,655.13	5,274.87	40.93
	Supplies	600.00	0.00	650.00	-50.00	108.33
	Other Services and Charges	3,700.00	1,405.33	3,204.04	495.96	86.60
	Capital Outlay	5,000.00	0.00	0.00	5,000.00	0.00
	Expense	18,230.00	2,379.50	7,509.17	10,720.83	41.19
226	Communications	1,810.00	-2,347.50	-2,888.55	4,698.55	-159.59

General Ledger Revenue vs Expense



User: heather.butkowski
 Printed: 6/13/2019 2:00:38 PM
 Period 05 - 05
 Fiscal Year 2019

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
227	Recycling Revenue					
	Intergovernmental Revenues	6,000.00	0.00	0.00	6,000.00	0.00
	Miscellaneous Revenue	<u>46,460.00</u>	<u>181.07</u>	<u>751.72</u>	<u>45,708.28</u>	<u>1.62</u>
	Revenue	52,460.00	181.07	751.72	51,708.28	1.43
	Expense					
	Personal Services	22,996.00	2,528.17	9,472.57	13,523.43	41.19
	Supplies	0.00	0.00	0.00	0.00	0.00
	Other Services and Charges	38,500.00	3,197.90	12,791.60	25,708.40	33.22
	Capital Outlay	<u>350.00</u>	<u>0.00</u>	<u>0.00</u>	<u>350.00</u>	<u>0.00</u>
	Expense	61,846.00	5,726.07	22,264.17	39,581.83	36.00
227	Recycling	-9,386.00	-5,545.00	-21,512.45	12,126.45	229.20

General Ledger Revenue vs Expense



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 Period 05 - 05
 Fiscal Year 2019

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
305	GO TIF Revenue Bonds 2018A					
	Revenue					
	Miscellaneous Revenue	300.00	86.98	325.88	-25.88	108.63
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	300.00	86.98	325.88	-25.88	108.63
	Expense					
	Debt Service	18,939.00	0.00	19,414.38	-475.38	102.51
	Expense	18,939.00	0.00	19,414.38	-475.38	102.51
305	GO TIF Revenue Bonds 2018A	-18,639.00	86.98	-19,088.50	449.50	102.41

General Ledger Revenue vs Expense



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 Period 05 - 05
 Fiscal Year 2019

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
401	General Capital Projects					
	Revenue					
	Intergovernmental Revenues	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Revenue	1,000.00	281.59	1,055.03	-55.03	105.50
	Other Financing Sources	<u>27,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>27,000.00</u>	<u>0.00</u>
	Revenue	28,000.00	281.59	1,055.03	26,944.97	3.77
	Expense					
	Other Services and Charges	0.00	0.00	0.00	0.00	0.00
	Capital Outlay	70,000.00	0.00	0.00	70,000.00	0.00
	Other Uses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Expense	70,000.00	0.00	0.00	70,000.00	0.00
401	General Capital Projects	-42,000.00	281.59	1,055.03	-43,055.03	-2.51

General Ledger

Revenue vs Expense



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 Period: 05 - 05
 Fiscal Year: 2019

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
403	Street Capital Projects					
	Revenue					
	Intergovernmental Revenues	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Revenue	6,000.00	2,673.04	10,379.67	-4,379.67	172.99
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	6,000.00	2,673.04	10,379.67	-4,379.67	172.99
	Expense					
	Capital Outlay	0.00	0.00	102,304.36	-102,304.36	0.00
	Other Uses	0.00	0.00	0.00	0.00	0.00
	Expense	0.00	0.00	102,304.36	-102,304.36	0.00
403	Street Capital Projects	6,000.00	2,673.04	-91,924.69	97,924.69	-1,532.08

General Ledger Revenue vs Expense

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 Fiscal Year 2019



Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
404	Park Capital Projects					
	Revenue					
	Miscellaneous Revenue	3,500.00	620.51	2,328.02	1,171.98	66.51
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
		<u>3,500.00</u>	<u>620.51</u>	<u>2,328.02</u>	<u>1,171.98</u>	<u>66.51</u>
	Revenue					
	Expense					
	Supplies	0.00	0.00	0.00	0.00	0.00
	Capital Outlay	65,000.00	0.00	1,232.25	63,767.75	1.90
	Other Uses	0.00	0.00	0.00	0.00	0.00
		<u>65,000.00</u>	<u>0.00</u>	<u>1,232.25</u>	<u>63,767.75</u>	<u>1.90</u>
	Expense					
404	Park Capital Projects	-61,500.00	620.51	1,095.77	-62,595.77	-1.78

General Ledger

Revenue vs Expense



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 Period 05 - 05
 Fiscal Year 2019

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
405	Rosehill Tax Increment Revenue					
	Miscellaneous Revenue	0.00	0.00	0.00	0.00	0.00
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	0.00	0.00	0.00	0.00	0.00
	Expense					
	Other Services and Charges	0.00	0.00	0.00	0.00	0.00
	Expense	0.00	0.00	0.00	0.00	0.00
405	Rosehill Tax Increment	0.00	0.00	0.00	0.00	0.00

General Ledger Revenue vs Expense



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Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
414	Development Revenue					
	Miscellaneous Revenue	2,000.00	588.44	2,210.65	-210.65	110.53
	Other Financing Sources	<u>38,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>38,000.00</u>	<u>0.00</u>
	Revenue	40,000.00	588.44	2,210.65	37,789.35	5.53
	Expense					
	Other Services and Charges	20,000.00	0.00	1,556.04	18,443.96	7.78
	Other Uses	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	Expense	20,000.00	0.00	1,556.04	18,443.96	7.78
414	Development	20,000.00	588.44	654.61	19,345.39	3.27

General Ledger

Revenue vs Expense



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 Period 05 - 05
 Fiscal Year 2019

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
415	Housing Redevelopment					
	Revenue					
	Miscellaneous Revenue	0.00	0.00	0.00	0.00	0.00
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	0.00	0.00	0.00	0.00	0.00
	Expense					
	Other Services and Charges	0.00	0.00	0.00	0.00	0.00
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
	Expense	0.00	0.00	0.00	0.00	0.00
415	Housing Redevelopment	0.00	0.00	0.00	0.00	0.00

General Ledger

Revenue vs Expense



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 Period 05 - 05
 Fiscal Year 2019

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
416	TIF District No. 1-2					
	Revenue					
	Taxes	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Revenue	750.00	214.74	807.66	-57.66	107.69
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	750.00	214.74	807.66	-57.66	107.69
	Expense					
	Other Services and Charges	0.00	0.00	750.00	-750.00	0.00
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
	Other Uses	0.00	0.00	0.00	0.00	0.00
	Expense	0.00	0.00	750.00	-750.00	0.00
416	TIF District No. 1-2	750.00	214.74	57.66	692.34	7.69

General Ledger Revenue vs Expense



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Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
602	Sanitary Sewer Revenue					
	Intergovernmental Revenues	0.00	0.00	0.00	0.00	0.00
	Charges for Services	285,916.00	14,127.25	100,598.83	185,317.17	35.18
	Miscellaneous Revenue	10,000.00	2,205.32	8,269.86	1,730.14	82.70
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	295,916.00	16,332.57	108,868.69	187,047.31	36.79
	Expense					
	Personal Services	75,398.00	8,282.20	30,362.87	45,035.13	40.27
	Supplies	800.00	53.05	242.71	557.29	30.34
	Other Services and Charges	197,718.00	13,653.51	77,731.29	119,986.71	39.31
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
	Other Uses	22,000.00	0.00	0.00	22,000.00	0.00
	Expense	295,916.00	21,988.76	108,336.87	187,579.13	36.61
602	Sanitary Sewer	0.00	-5,656.19	531.82	-531.82	0.00

General Ledger Revenue vs Expense



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Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
603	Storm Water Revenue					
	Intergovernmental Revenues	0.00	0.00	0.00	0.00	0.00
	Charges for Services	107,194.00	6,025.39	35,420.34	71,773.66	33.04
	Miscellaneous Revenue	4,500.00	883.73	3,329.33	1,170.67	73.99
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	111,694.00	6,909.12	38,749.67	72,944.33	34.69
	Expense					
	Personal Services	63,844.00	7,015.19	25,684.12	38,159.88	40.23
	Supplies	700.00	53.05	242.71	457.29	34.67
	Other Services and Charges	27,150.00	4,198.66	9,310.60	17,839.40	34.29
	Capital Outlay	5,000.00	0.00	0.00	5,000.00	0.00
	Other Uses	10,000.00	0.00	0.00	10,000.00	0.00
	Expense	106,694.00	11,266.90	35,237.43	71,456.57	33.03
603	Storm Water	5,000.00	-4,357.78	3,512.24	1,487.76	70.24

General Ledger Revenue vs Expense

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 Period 05 - 05
 Fiscal Year 2019



Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
999	Fund					
	Revenue					
	Taxes	0.00	0.00	0.00	0.00	0.00
	Miscellaneous Revenue	0.00	0.00	0.00	0.00	0.00
	Other Financing Sources	0.00	0.00	0.00	0.00	0.00
	Revenue	0.00	0.00	0.00	0.00	0.00
	Expense					
	Personal Services	0.00	0.00	0.00	0.00	0.00
	Other Services and Charges	0.00	0.00	0.00	0.00	0.00
	Capital Outlay	0.00	0.00	0.00	0.00	0.00
	Debt Service	0.00	0.00	0.00	0.00	0.00
	Other Uses	0.00	0.00	0.00	0.00	0.00
	Expense	0.00	0.00	0.00	0.00	0.00
999	Fund	0.00	0.00	0.00	0.00	0.00

General Ledger

Revenue vs Expense



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 Period 05 - 05
 Fiscal Year 2019

Account Number	Description	Budget	Current Period	YTD Balance	Variance	% Expend/Collect
Revenue Total		1,997,234.00	39,060.67	220,948.88	1,776,285.12	0.1106
Expense Total		2,095,199.00	160,979.26	864,871.92	1,230,327.08	0.4128
Grand Total		-97,965.00	-121,918.59	-643,923.04	545,958.04	6.573

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent X
Public Hearing
Discussion
Action
Resolution X
Work Session

Meeting Date June 25, 2019

ITEM NUMBER Post Issuance Compliance

STAFF INITIAL 

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The City must update it's Post-Issuance Debt Compliance Policy and Procedures as it applies to the debt we are issuing and have already issued.

OPTIONS:

STAFF RECOMMENDATION:

By approving the consent agenda, the Council adopts Resolution No. 062519A—Adopting Post-Issuance Debt Compliance Policy for Tax-Exempt and Tax Advantaged Governmental Bonds and the Post-Issuance Debt Compliance Procedures as presented.

RESOLUTION 062519A

**CITY OF LAUDERDALE
COUNTY OF RAMSEY
STATE OF MINNESOTA**

**ADOPTING POST-ISSUANCE DEBT COMPLIANCE POLICY FOR TAX-
EXEMPT AND TAX ADVANTAGED GOVERNMENTAL BONDS**

WHEREAS, the City of Lauderdale, Minnesota (the “City”) from time to time will issue tax-exempt and tax-advantaged governmental bonds; and

WHEREAS, under the Internal Revenue Code of 1986, as amended and related regulations (the “Code”), and Securities and Exchange Commission (the “SEC”) the City is required to take certain actions after bond issuance to ensure that interest on those bonds remains in compliance with the Code and SEC; and

WHEREAS, the City has determined to adopt a policy regarding how the City will carry out its compliance responsibilities via written procedures, and to that end, has caused to be prepared documents titled Post-Issuance Debt Compliance Policy and Post-Issuance Debt Compliance Procedures; and

WHEREAS, The City Council (the “Council”) of the City has reviewed the Post-Issuance Debt Compliance Policy in connection with the Post-Issuance Debt Compliance Procedures and has determined that it is in the best interest of the City to adopt the Policy.

NOW THEREFORE, BE IT RESOLVED BY THE CITY OF LAUDERDALE, MINNESOTA; the Council approves the Policy as shown in the form attached; and

BE IT FURTHER RESOLVED; the City staff is authorized to take all actions necessary to carry out the Post-Issuance Debt Compliance Policy and Post-Issuance Debt Compliance Procedures.

Adopted by the City of Lauderdale, Minnesota this 25th day of June, 2019.

Mary Gaasch, Mayor

ATTEST:

Heather Butkowski, City Administrator

City of Lauderdale, Minnesota Post-Issuance Debt Compliance Policy

The City Council (the "Council") of the City of Lauderdale, Minnesota (the "City") has chosen, by policy, to take steps to help ensure that all obligations will be in compliance with all applicable federal regulations. This policy may be amended, as necessary, in the future.

IRS Background

The Internal Revenue Service (IRS) is responsible for enforcing compliance with the Internal Revenue Code (the "Code") and regulations promulgated thereunder ("Treasury Regulations") governing certain obligations (for example: tax-exempt obligations, Build America Bonds, Recovery Zone Development Bonds and various "Tax Credit" Bonds). The IRS encourages issuers and beneficiaries of these obligations to adopt and implement a post-issuance debt compliance policy and procedures to safeguard against post-issuance violations.

SEC Background

The Securities and Exchange Commission (SEC) is responsible for enforcing compliance with the SEC Rule 15c2-12 (the "Rule"). Governments or governmental entities issuing obligations generally have a requirement to meet specific continuing disclosure standards set forth in continuing disclosure agreements ("CDA"). Unless the issuer, obligated person, or a specific obligation is exempt from compliance with CDAs, these agreements are entered into at the time of obligation issuance to enable underwriter(s) to comply with the Rule. The Rule sets forth certain obligations of (i) underwriters to receive, review and disseminate official statements prepared by issuers of most primary offerings of municipal securities, (ii) underwriters to obtain CDAs from issuers and other obligated persons to provide material event disclosure and annual financial information on a continuing basis, and (iii) broker-dealers to have access to such continuing disclosure in order to make recommendations of municipal securities transactions in the secondary market. The SEC encourages issuers and beneficiaries adopt and implement a post-issuance debt compliance policy and procedures to safeguard against Rule violations.

When obligations are issued, the CDA commits the issuer or obligated person to provide certain annual financial information and material event notices to the public. Issuers and other obligated persons may also choose to provide periodic, voluntary financial information and filings to investors in addition to fulfilling the specific responsibilities delineated in their CDA. It is important to note that issuers and other obligated persons should not give any one investor certain information that is not readily available to all market participants by disseminating information to the marketplace, at large. Issuers and other obligated persons should be aware that any disclosure activities determined to be "communicating to the market" can be subject to regulatory scrutiny.

Post-Issuance Debt Compliance Policy Objective

The City desires to monitor these obligations to ensure compliance with the IRS Code, Treasury Regulations and the SEC Rule. To help ensure compliance, the City has developed the following policy (the "Post-Issuance Debt Compliance Policy"). The Post-

Issuance Debt Compliance Policy shall apply to the obligations mentioned above, including bonds, notes, loans, lease purchase contracts, lines of credit, commercial paper or any other form of debt that is subject to compliance.

Post-Issuance Debt Compliance Policy

The City Administrator of the City is designated as the City's agent who is responsible for post-issuance compliance of these obligations.

The City Administrator shall assemble all relevant documentation, records and activities required to ensure post-issuance debt compliance as further detailed in corresponding procedures (the "Post-Issuance Debt Compliance Procedures"). At a minimum, the Post-Issuance Debt Compliance Procedures for each qualifying obligation will address the following:

1. General Post-Issuance Compliance
2. General Recordkeeping
3. Arbitrage Yield Restriction and Rebate Recordkeeping
4. Expenditure and Asset Documentation to be Assembled and Retained
5. Miscellaneous Documentation to be Assembled and Retained
6. Additional Undertakings and Activities that Support Sections 1 through 5 above
7. Continuing Disclosure Obligations
8. Compliance with Future Requirements

The City Administrator shall apply the Post-Issuance Debt Compliance Procedures to each qualifying obligation and maintain a record of the results. Further, the City Administrator will ensure that the Post-Issuance Debt Compliance Policy and Procedures are updated on a regular and as needed basis.

The City Administrator or any other individuals responsible for assisting the City Administrator in maintaining records needed to ensure post-issuance debt compliance, are authorized to expend funds as needed to attend training or secure use of other educational resources for ensuring compliance such as consulting, publications, and compliance assistance.

Most of the provisions of this Post-Issuance Debt Compliance Policy are not applicable to taxable governmental obligations unless there is a reasonable possibility that the City may refund their taxable governmental obligation, in whole or in part, with the proceeds of a tax-exempt governmental obligation. If this refunding possibility exists, then the City Administrator shall treat the taxable governmental obligation as if such issue were an issue of tax-exempt governmental obligations and comply with the requirements of this Post-Issuance Debt Compliance Policy.

Private Activity Bonds

The City may issue tax-exempt obligations that are "private activity" bonds because either (1) the bonds finance a facility that is owned by the City but used by one or more qualified 501(c)(3) organizations, or (2) the bonds are so-called "conduit bonds", where the proceeds are loaned to a qualified 501(c)(3) organization or another private entity that finances activities eligible for tax-exempt financing under federal law (such as certain manufacturing projects and certain affordable housing projects). Prior to the issuance of

either of these types of bonds, the City Administrator shall take steps necessary to ensure that such obligations will remain in compliance with the requirements of this Post-Issuance Debt Compliance Policy.

In a case where compliance activities are reasonably within the control of a private party (i.e., a 501(c)(3) organization or conduit borrower), the City Administrator may determine that all or some portion of compliance responsibilities described in this Post-Issuance Debt Compliance Policy shall be assigned to the relevant party. In the case of conduit bonds, the conduit borrower will be assigned all compliance responsibilities other than those required to be undertaken by the City under federal law. In a case where the City Administrator is concerned about the compliance ability of a private party, the City Administrator may require that a trustee or other independent third party be retained to assist with record keeping for the obligation and/or that the trustee or such third party be responsible for all or some portion of the compliance responsibilities.

The City Administrator is additionally authorized to seek the advice, as necessary, of bond counsel and/or its financial advisor to ensure the City is in compliance with this Post-Issuance Debt Compliance Policy.

Adopted this 25th day of June, 2019 by the City of Lauderdale, Minnesota

City of Lauderdale, Minnesota
Post-Issuance Debt Compliance Procedures

The City Council (the "Council") of the City of Lauderdale, Minnesota (the "City") has adopted the attached Post-Issuance Debt Compliance Policy dated June 25, 2019. The Post-Issuance Debt Compliance Policy applies to qualifying debt obligations issued by the City. As directed by the adoption of the Post-Issuance Debt Compliance Policy, the City Administrator of the City will perform the following Post-Issuance Debt Compliance Procedures for all of the City's outstanding debt.

1) General Post-Issuance Compliance

- a) Ensure written procedures and/or guidelines have been put in place for individuals to follow when more than one person is responsible for ensuring compliance with Post-Issuance Debt Compliance Procedures.
- b) Ensure training and/or educational resources for post-issuance compliance have been approved and obtained.
- c) The City Administrator understands that there are options for voluntarily correcting failures to comply with post-issuance compliance requirements (e.g. as remedial actions under Section 1.141-12 of the Treasury Regulations and the ability to enter into a closing agreement under the Tax-Exempt Bonds Voluntary Closing Agreement Program described in Notice 2008-31(the "VCAP Program")).

2) General Recordkeeping

- a) Retain records and documents for the obligation and all obligations issued to refund the obligation for a period of at least seven years following the final payment of the obligation. If an obligation is refunded, then the final payment of the refunding obligation becomes the beginning of the period unless otherwise directed by the City's bond counsel.
- b) Retain electronic (preferred) and/or paper versions of records and documents for the obligation.
- c) General records and documentation to be assembled and retained:
 - i) Description of the purpose of the obligation (i.e. the project or projects) and the state statute authorizing the project.
 - ii) Record of tax-exempt status or revocation of tax-exempt status, if applicable.
 - iii) Any correspondence between the City and the IRS.
 - iv) Audited financial statements.
 - v) All accounting audits of property financed by the obligation.
 - vi) Obligation transcripts, official statements, and other offering documents of the obligation.
 - vii) Minutes and resolutions authorizing the issuance of the obligation.
 - viii) Certifications of the issue price of the obligation.

- ix) Any formal elections for the obligation (i.e. an election to employ an accounting methodology other than the specific tracing method).
- x) Appraisals, demand surveys, or feasibility studies for property financed by the obligation.
- xi) All information reports filed for the obligations.
- xii) All management contracts and other service agreements, research contracts, and naming rights contracts.
- xiii) Documents related to governmental grants associated with construction, renovation or purchase of property financed by the obligation.
- xiv) Reports of any prior IRS examinations of the City or the City's obligation.
- xv) All correspondence related to the above (faxes, emails, or letters).

3) Arbitrage Yield Restriction and Rebate Recordkeeping

- a) Investment and arbitrage documentation to be assembled and retained:
 - i) An accounting of all deposits, expenditures, interest income and asset balances associated with each fund established in connection with the obligation. This includes an accounting of all monies deposited to the debt service fund to make debt service payments on the obligation, regardless of the source derived. Accounting for expenditures and assets is described in further detail in Section 4.
 - ii) Statements prepared by Trustee and/or Investment Provider.
 - iii) Documentation of at least quarterly allocations of investments and investment earnings to each obligation.
 - iv) Documentation for investments made with obligation proceeds such as:
 - (1) investment contracts (i.e. guaranteed investment contracts),
 - (2) credit enhancement transactions (i.e. obligation insurance contracts),
 - (3) financial derivatives (e.g. swaps, caps, and collars), and
 - (4) bidding of financial products:
 - (a) Investments acquired with obligation proceeds are purchased at fair market value (e.g. three bid safe harbor rule for open market securities needed in advance refunding escrows).
- b) Computations of the arbitrage yield.
- c) Computations of yield restriction and rebate amounts including but not limited to:
 - i) Compliance in meeting the "Temporary Period from Yield Restriction Exception" and limiting the investment of funds after the temporary period expires.
 - ii) Compliance in meeting the "Rebate Exception."
 - (1) qualifying for the "Small Issuer Exception,"
 - (2) qualifying for a "Spending Exception,"
 - (a) 6-Month Spending Exception
 - (b) 18-Month Spending Exception
 - (c) 24-Month Spending Exception
 - (3) qualifying for the "Bona Fide Debt Service Fund Exception," and

- (4) quantifying arbitrage on all funds established in connection with the obligation in lieu of satisfying arbitrage exceptions including reserve funds and debt service funds.
 - d) Computations of yield restriction and rebate payments.
 - e) Timely Tax Form 8038-T filing, if applicable.
 - i) Remit any arbitrage liability associated with the obligation to the IRS at each five-year anniversary date of the obligation, and the date in which the obligation is no longer outstanding (redemption or maturity date), whichever comes sooner, within 60 days of said date.
 - f) Timely Tax Form 8038-R filing, if applicable.
 - i) Remit the form after the date in which the obligation is no longer outstanding (redemption or maturity date), whichever comes sooner, within 2 years of said date.
 - g) Procedures or guidelines for monitoring instances where compliance with applicable yield restriction requirements depends on subsequent reinvestment of obligation proceeds in lower yielding investments (e.g. reinvestment in zero coupon SLGS).
- 4) Expenditure and Asset Documentation to be Assembled and Retained
- a) Documentation of allocations of obligation proceeds to expenditures (e.g. allocation of proceeds to expenditures for the construction, renovation or purchase of facilities owned and used in the performance of exempt purposes).
 - i) Such allocation will be done not later than the earlier of:
 - (1) eighteen (18) months after the later of the date the expenditure is paid, or the date the project, if any, that is financed by the obligation is placed in service; or
 - (2) the date sixty (60) days after the earlier of the fifth anniversary of the issue date of the obligation, or the date sixty (60) days after the retirement of the obligation.
 - b) Documentation of allocations of obligation proceeds to issuance costs.
 - c) Copies of requisitions, draw schedules, draw requests, invoices, bills, and cancelled checks related to obligation proceed expenditures during the construction period.
 - d) Copies of all contracts entered into for the construction, renovation or purchase of facilities financed with obligation proceeds.
 - e) Records of expenditure reimbursements incurred prior to issuing obligations for projects financed with obligation proceeds (declaration of official intent/reimbursement resolutions including all modifications).
 - f) List of all facilities and equipment financed with obligation proceeds.
 - g) Depreciation schedules for depreciable property financed with obligation proceeds.

- h) Documentation that tracks the purchase and sale of assets financed with obligation proceeds.
 - i) Documentation of timely payment of principal and interest payments on the obligation.
 - j) Tracking of all issue proceeds and the transfer of proceeds into the debt service fund as appropriate.
 - k) Documentation that excess earnings from a Reserve Fund are transferred to the Debt Service Fund on an annual basis. Excess earnings are balances in a Reserve Fund that exceed the Reserve Fund requirement.
- 5) Miscellaneous Documentation to be Assembled and Retained
- a) Ensure that the project, while the obligation is outstanding, will avoid IRS private activity concerns.
 - b) The City Administrator shall monitor the use of all obligation-financed facilities in order to:
 - i) Determine whether private business uses of obligation-financed facilities have exceeded the *de minimus* limits set forth in Section 141(b) of the Code as a result of:
 - (1) sale of the facilities;
 - (2) sale of City capacity rights;
 - (3) leases and subleases of facilities including easements or use arrangements for areas outside the four walls (e.g. hosting of cell phone towers);
 - (4) leasehold improvement contracts, licenses, management contracts in which the City authorizes a third party to operate a facility (e.g. cafeteria);
 - (5) research contracts;
 - (6) preference arrangements in which the City permits a third-party preference (e.g. parking in a public parking lot, joint ventures, limited liability companies or partnership arrangements);
 - (7) output contracts or other contracts for use of utility facilities including contracts with large utility users;
 - (8) development agreements which provide for guaranteed payments or property values from a developer;
 - (9) grants or loans made to private entities including special assessment agreements;
 - (10) naming rights agreements; and
 - (11) any other arrangements that provide special legal entitlements to nongovernmental persons.
 - ii) Determine whether private security or payments that exceed the *de minimus* limits set forth in Section 141(b) of the Code have been provided by nongovernmental persons with respect to such obligation-financed facilities.

- c) The City Administrator shall provide training and educational resources to any City staff that have the primary responsibility for the operation, maintenance, or inspection of obligation-financed facilities with regard to the limitations on the private business use of obligation-financed facilities and as to the limitations on the private security or payments with respect to obligation-financed facilities.
 - d) The City shall undertake the following with respect to the obligations:
 - i) An annual review of the books and records maintained by the City with respect to such obligations.
 - ii) An annual physical inspection of the facilities financed with the proceeds of such obligations, conducted by the City Administrator with the assistance of any City staff who have the primary responsibility for the operation, maintenance, or inspection of such obligation-financed facilities.
 - e) Changes in the project that impact the terms or commitments of the obligation are properly documented and necessary certificates or opinions are on file.
- 6) Additional Undertakings and Activities that Support Sections 1 through 5 above:
- a) The City Administrator will notify the City's bond counsel, financial advisor and arbitrage provider of any survey or inquiry by the IRS immediately upon receipt. Usually responses to IRS inquiries are due within 21 days of receipt. Such IRS responses require the review of the above-mentioned data and must be in writing. As much time as possible is helpful in preparing the response.
 - b) The City Administrator will consult with the City's bond counsel, financial advisor and arbitrage provider before engaging in post-issuance credit enhancement transactions (e.g. obligation insurance, letter of credit, or hedging transaction).
 - c) The City Administrator will monitor all "qualified tax-exempt debt obligations" (often referred to as "bank qualified" obligations) within the first calendar year to determine if the limit is exceeded, and if exceeded, will address accordingly. For obligations issued during years 2009 and 2010 the limit was \$30,000,000. During this period, the limit also applied to pooled financings of the governing body and provides a separate \$30,000,000 for each 501 (c)(3) conduit borrower. In 2011 and thereafter it is \$10,000,000 unless changed by Congress.
 - d) Identify any post-issuance change to terms of obligations which could be treated as a current refunding of "old" obligations by "new" obligations, often referred to as a "reissuance."
 - e) The City Administrator will consult with the City's bond counsel prior to any sale, transfer, change in use or change in users of obligation-financed property which may require "remedial action" under applicable Treasury Regulations or resolution pursuant to the VCAP Program.

- i) A remedial action has the effect of curing a deliberate action taken by the City which results in satisfaction of the private business test or private loan test. Remedial actions under Section 1.141-12(d)(e) and (f) include the redemption of non-qualified obligations and/or the alternative uses of proceeds or the facility (i.e. to be used for another qualified purpose).
- f) The City Administrator will ensure that the appropriate tax form for federal subsidy payments is prepared and filed in a timely fashion for applicable obligations (e.g. Build America Bonds).

7) Continuing Disclosure Obligations

- a) Identify a position at the City to be responsible for compliance with continuing disclosure obligations as defined by the Rule and any policies of the City.
- b) The position responsible for compliance may have the ability to assign responsibilities, delegate where appropriate or engage a dissemination agent or third-party service providers to perform all or some of the duties described in this section. The City cannot delegate its compliance responsibilities.
- c) The City should specify how providers or delegated authorities will be monitored and supervised.
- d) The City should identify the documents that set forth the respective requirements being monitored at the time of closing for each obligation.
- e) The City should catalog all outstanding Continuing Disclosure Agreements and establish consolidated filing requirements based on the outstanding CDAs.
- f) The City should identify the frequency of the actions to be undertaken to ensure compliance, establish a system or filing alerts or reminders to administer the filing requirements.
- g) The City Administrator for compliance must be made aware of any new outstanding debt, changes to obligation or loan covenants, events of acceleration or default that would materially affect investors.
- h) The City should review a compliance checklist to verify compliance with CDA requirements, at least annually, although it may be advisable to provide more frequent reviews in connection to specific material events.
- i) The City should monitor mandatory material events specifically identified in accordance with the Rule and file required notices within 10 days of occurrence.
 - i) Principal and interest payment delinquencies.
 - ii) Non-payment related defaults, if material.
 - iii) Unscheduled draws on debt service reserves reflecting financial difficulties.
 - iv) Unscheduled draws on credit enhancements reflecting financial difficulties.
 - v) Substitution of credit or liquidity providers or their failure to perform.

- vi) Adverse tax opinion, IRS notices or material events affecting the tax status of the obligation.
 - vii) Modifications to rights of security holders, if material.
 - viii) Obligation calls, if material.
 - ix) Defeasances.
 - x) Release, substitution or sale of property securing repayment of the obligations, if material.
 - xi) Rating Changes.
 - xii) Bankruptcy, insolvency, receivership, or similar event of the obligated person(s).
 - xiii) Merger, consolidation, or acquisition of the obligated person, if material.
 - xiv) Appointment of a successor or additional trustee, or change of name of a trustee, if material.
 - xv) Incurrence of financial obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City, any of which affect security holders, if material.
 - xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the City, any of which reflect financial difficulties.
- j) In addition to the mandatory material events, the City should review and file any additional or voluntary event notices.
 - k) The City should maintain a catalog of all outstanding obligations whether publicly offered or privately placed, and the terms and conditions that govern default or acceleration provisions.
 - l) Any missed filing requirement should be remedied with a failure to file notice as soon as possible once the late filing is identified and the required information is available to file.
 - m) Sensitive information such as bank accounts and wire information should be redacted from documents prior to posting on EMMA.
 - n) The City needs to monitor for changes in law and regulations that effect continuing disclosure obligations and review disclosure policies and procedures periodically to ensure compliance and consistency with regulation and market expectations.
- 8) Compliance with Future Requirements
- a) Take measures to comply with any future requirements issued beyond the date of these Post-Issuance Debt Compliance Procedures which are essential to ensuring compliance with the applicable state and federal regulations.

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent X
Public Hearing
Discussion
Action
Resolution
Work Session

Meeting Date June 25, 2019
ITEM NUMBER Day in the Park Music
STAFF INITIAL Jim
APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Staff is asking the city council to consider approving the attached performance agreement with Lazy Does It for Day in the Park Music at a cost of \$400.

Day in the Park is scheduled from 4-8 p.m. on Thursday, July 18 along with the Farmers Market.

The Band is again planning to perform from 4:30-5:30 p.m. & from 6-7 p.m.

The break from 5:30-6:00 p.m. is when the P.A. system will be available for the Mayor, and other representatives to speak and make announcements.

OPTIONS:

Approve by adopting the consent agenda or remove for discussion.

STAFF RECOMMENDATION:

By approving the consent agenda, the city council is approving the performance agreement with Lazy Does It.

City of Lauderdale Performance Agreement

Event: Day in the Park/Farmers Market

Date & Time: Thursday, July 18, 2019 from 4-8 p.m.

Location: Lauderdale Community Park, 1885 Fulham Street

Performance Time: 4:30-5:30 & 6-7 p.m.

ARTIST or GROUP INFORMATION

Artist or Group Name: Lazy Does It

Artist/Group Leader: Len Yaeger

Daytime Phone: 612-331-8530

Cell Phone: _____

Email Address: yaege033@umn.edu

Website Address (if applicable): http://omelet.typepad.com/lazy_does_it

Chairs Needed: _____

PAYMENT INFORMATION

Performance Fee: \$400.00

Name & Address of Individual or Group for Payment of Fee: Len Yaeger
107 Orlin Ave SE
Minneapolis, MN 55414

PERFORMANCE PROVISIONS

- 1) The Artist or Group is considered an independent contractor and is responsible for all appropriate insurance, income taxes, and the licensed use of any or all copyright music performed.
- 2) The Artist or Group understands the City does not hold a public performance license, thus the artist agrees not to play music registered with ASCAP, BMI, SESAC, or any other licensing entity.
- 3) The Artist or Group will supply their own sound system and the following items as needed: music stands, stage etc.
- 4) The City will provide chairs, electricity and an extension cord.
- 5) Cancellation/Inclement Weather Policy:
 - If the performance is cancelled by the City before Noon the day of the performance, the City will pay 50% of the agreed performance fee as compensation.
 - If the performance is cancelled by the City after Noon the day of the performance, the City will pay 100% of the agreed performance fee as compensation.
- 6) Sale of promotional merchandise is allowed at the concert site.
- 7) Payment Information: The City will make every effort to present payment to the Artist or Group the day of the performance, but may mail payment within 2 weeks after performance date.
- 8) Indemnification: The Artist or Group agrees to defend and indemnify the City, and its employees, officials, volunteers and agents from and against all claims, actions, damages, losses and expenses arising out of the Artist or Group's performance or failure to perform its duties under this Agreement.

Signature of Artist/Group Leader: _____ Date: _____

_____	_____	_____	_____
Mayor	Date	City Administrator	Date

LAUDERDALE COUNCIL ACTION FORM

Action Requested

Consent X
Public Hearing
Discussion
Action
Resolution
Work Session

Meeting Date June 25, 2019
ITEM NUMBER Beer at Day in the Park
STAFF INITIAL Jim
APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Last year, the Day in the Park planning committee supported having beer and the applicable ordinances were updated to allow temporary on-sale liquor licenses for city events. Bent Brewstillery in Roseville has again agreed to sell and serve beer at Day in the Park.

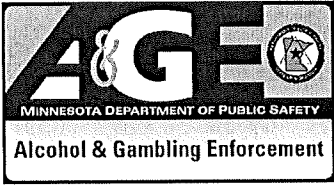
Attached is the application required by the State. Once approved by the City Council, staff will submit it to the State for approval.

OPTIONS:

Approve by adopting the consent agenda or remove for discussion.

STAFF RECOMMENDATION:

By approving the consent agenda, the city council is approving a temporary on-sale liquor license for Bent Brewstillery to sell beer at Day in the Park on July 18, 2019.



Minnesota Department of Public Safety
 Alcohol and Gambling Enforcement Division
 445 Minnesota Street, Suite 222, St. Paul, MN 55101
 651-201-7500 Fax 651-297-5259 TTY 651-282-6555
**APPLICATION AND PERMIT FOR A 1 DAY
 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE**

Name of organization	Date organized	Tax exempt number
Bent Brewstillery	Jun 11, 2011	45-2650832

Address	City	State	Zip Code
1744 Terrace Dr	Roseville	Minnesota	55113

Name of person making application	Business phone	Home phone
Bartley Blume	651-233-3843	

Date(s) of event	Type of organization
7/18/19	<input type="checkbox"/> Microdistillery <input type="checkbox"/> Small Brewer <input checked="" type="checkbox"/> Club <input type="checkbox"/> Charitable <input type="checkbox"/> Religious <input type="checkbox"/> Other non-profit

Organization officer's name	City	State	Zip Code
Bartley Blume	Roseville	Minnesota	55113

Organization officer's name	City	State	Zip Code
		Minnesota	

Organization officer's name	City	State	Zip Code
		Minnesota	

Organization officer's name	City	State	Zip Code
		Minnesota	

Location where permit will be used. If an outdoor area, describe.
 Lauderdale Community Park, 1885 Fulham Street, Lauderdale, MN 55113

If the applicant will contract for intoxicating liquor service give the name and address of the liquor license providing the service.

If the applicant will carry liquor liability insurance please provide the carrier's name and amount of coverage.
 West Bend Insurance Company
 Aggregate Limit: \$2,000,000
 Each Common \$1,000,000

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL AND GAMBLING ENFORCEMENT

City of Lauderdale, MN
_____ City or County approving the license
\$0
_____ Fee Amount
N/A
_____ Date Fee Paid

June 25, 2019
_____ Date Approved
July 18, 2019
_____ Permit Date
jim.bownik@lauderdalemn.org
_____ City or County E-mail Address
651-792-7650
_____ City or County Phone Number

Signature City Clerk or County Official

Approved Director Alcohol and Gambling Enforcement

CLERKS NOTICE: Submit this form to Alcohol and Gambling Enforcement Division 30 days prior to event.

ONE SUBMISSION PER EMAIL, APPLICATION ONLY.

PLEASE PROVIDE A VALID E-MAIL ADDRESS FOR THE CITY/COUNTY AS ALL TEMPORARY PERMIT APPROVALS WILL BE SENT BACK VIA EMAIL. E-MAIL THE APPLICATION SIGNED BY CITY/COUNTY TO AGE.TEMPORARYAPPLICATION@STATE.MN.US

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing X
Discussion X
Action _____
Resolution _____
Work Session _____

Meeting Date June 25, 2019

ITEM NUMBER Alley Vacation Request

STAFF INITIAL *AB*

APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Residents from Malvern Street and Eustis Street that abut the planned alley improvements submitted an alley vacation request to the City Council. Copies of the signed petitions are attached. As the City Council hadn't received an alley vacation request in decades, the city attorney was invited to explain the legal context of alley vacations and answer questions at the May 29 special city council meeting. He also provided the following memo which was in the packet for the May 29 meeting.

The purpose of this meeting is to hold a public hearing on the alley vacation request. Notice of the public hearing was sent to each property owner along Eustis Street and Malvern Street between Spring Street and Summer Street along with a copy of the vacation requests. Based on the discussion following in the public hearing, staff will draft a resolution with findings to formalize the Council's decision on the matter. That resolution will be considered at the July 9 city council meeting.

OPTIONS:

STAFF RECOMMENDATION:

Application for Vacation of a Public Right Way

Applicant name: <i>Dorothy Uman</i>		Applicant phone:	
Address: <i>1802 Malvern St</i>	City:	State: MN	ZIP code:
Contact name:		Contact Phone:	
Contact Email:			
Applicant signature: <i>Dorothy Uman</i>			Date:

Right-of-Way Information

Describe right-of-way to be vacated:

unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:

The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:

continued use, enjoyment, and privacy of our back yards

I don't care either way -

Application for Vacation of a Public Right Way

Applicant name: Tom Broich		Applicant phone:	
Address: 1814 MALVERN ST	City: LANDOVILLE	State: MN	ZIP code:
Contact name:	Contact Phone:		
Contact Email:			
Applicant signature: Thomas Broich			Date:

Right-of-Way Information

Describe right-of-way to be vacated:

unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:

The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:

continued use, enjoyment, and privacy of our back yards

Application for Vacation of a Public Right Way

Applicant name: <i>Bev Powell</i>		Applicant phone: <i>612-796-9200</i>	
Address: <i>1519 Eustis St</i>	City: <i>Lauderdale</i>	State: MN	ZIP code: <i>55113</i>
Contact name:	Contact Phone:		
Contact Email:			
Applicant signature: <i>Beverly A Powell</i>			Date: <i>May 14, 17</i>

Right-of-Way Information

Describe right-of-way to be vacated:

unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:

The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:

continued use, enjoyment, and privacy of our back yards

Application for Vacation of a Public Right Way

Applicant name: **WALT & JOANN NELSON** Applicant phone: **646-6982**

Address: **1826 MALVERN ST.** City: **LAUDERDALE** State: **MN** ZIP code:

Contact name: Contact Phone:

Contact Email:

Applicant signature: **Joann M. Nelson** Date:

Right-of-Way Information

Describe right-of-way to be vacated:

unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:

The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:

continued use, enjoyment, and privacy of our back yards

Application for Vacation of a Public Right Way

Applicant name: DAVID GREENLUND

Applicant phone: 651-276-3414

Address: 1836 MALVERN ST.

City: LAUDERDALE

State: MN

ZIP code: 55113

Contact name: DAVID GREENLUND

Contact Phone: 16 41

Contact Email: davegreenlund@gmail.com

Applicant signature: *David Greenlund*

Date: MAY 12, 2019

Right-of-Way Information

Describe right-of-way to be vacated:

unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:

The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:

continued use, enjoyment, and privacy of our back yards

Application for Vacation of a Public Right Way

Applicant name: <i>Craig Zbarnik</i>		Applicant phone: <i>651-245-3828</i>	
Address: <i>1837 Eustis St</i>	City: <i>Dauphin</i>	State: MN	ZIP code: <i>55113</i>
Contact name:	Contact Phone:		
Contact Email: <i>Craig.Zbarnik@gmail.com</i>			
Applicant signature: <i>[Signature]</i>			Date: <i>5-14-19</i>

Right-of-Way Information

Describe right-of-way to be vacated:

unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:

The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:

continued use, enjoyment, and privacy of our back yards

Application for Vacation of a Public Right Way

Applicant name: Peter Nielsch		Applicant phone: 651-226-7176	
Address: 1844 Malvern St	City: Lauderdale	State: MN	ZIP code: 55113
Contact name: Pete Nielsch		Contact Phone: 651-226-7176	
Contact Email: petchielsch@gmail.com			
Applicant signature: <i>Pete Nielsch</i>			Date: 5-14-19

Right-of-Way Information

Describe right-of-way to be vacated:

unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:

The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:

continued use, enjoyment, and privacy of our back yards

Application for Vacation of a Public Right Way

Applicant name: **GLEN YRIANE GRINDAHL**

Applicant phone:

Address: **1847 EUSTIS ST**

City: **LAUDERDALE**

State: **MN**

ZIP code: **55113**

Contact name: **GLEN**

Contact Phone: **651-208-6596**

Contact Email: **ggrindahl@live.com**

Applicant signature: 

Date: **5/14/19**

Right-of-Way Information

Describe right-of-way to be vacated:

unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:

The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:

continued use, enjoyment, and privacy of our back yards

Application for Vacation of a Public Right Way

Applicant name: <i>Catherine Wiles</i>		Applicant phone: <i>360.202.1385</i>	
Address: <i>1848 Malvern St</i>	City: <i>Lauderdale</i>	State: <i>MN</i>	ZIP code: <i>55113</i>
Contact name: <i>Catherine Wiles</i>		Contact Phone: <i>360.202.1385</i>	
Contact Email: <i>Catherine.wiles66@gmail.com</i>			
Applicant signature: <i>Catherine G. Wiles</i>			Date: <i>5.13.19</i>

Right-of-Way Information

Describe right-of-way to be vacated:

unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:

The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:

continued use, enjoyment, and privacy of our back yards

Application for Vacation of a Public Right Way

Applicant name:

DON STOWELL

Applicant phone:

Address:

1853 EUSTIS ST

City:

LACROIX

State: MN

ZIP code:

55113

Contact name:

DON

Contact Phone:

612-781-0531

Contact Email:

DJSTOWELL@COMCAST.NET

Applicant signature:



Date:

5/13/19

Right-of-Way Information

Describe right-of-way to be vacated:

unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:

The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:

continued use, enjoyment, and privacy of our back yards

Application for Vacation of a Public Right Way

Applicant name: *Sherry Mills* Applicant phone: *651-644-9605*

Address: *1856 Malvern St.* City: *Landersdale* State: *MIN* ZIP code: *55113*

Contact name: *Sherry Mills* Contact Phone: *651-644-9605*

Contact Email: *Sherbwca@gmail.com* C *651-399-2453*

Applicant signature: *Sherry L. Mills* Date: *5/13/2019*

Right-of-Way Information

Describe right-of-way to be vacated:
unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s):

Block(s):

Addition(s):

Reason for vacation:
The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:
continued use, enjoyment, and privacy of our back yards

Application for Vacation of a Public Right Way

Applicant name: Scott O'Brien		Applicant phone: 612-232-7401	
Address: 1857 Eustis St.	City: Landdale	State: MN	ZIP code: 55113
Contact name: Scott O'Brien		Contact Phone: 612-232-7401	
Contact Email: smobrien7721@gmail.com			
Applicant signature: Scott M. O'Brien			Date: 5/14/19

Right-of-Way Information

Describe right-of-way to be vacated:
unfinished alley between Eustis and Malvern Streets beginning at Spring Street and ending at Summer Street

Lot(s): **1857 Eustis St.**

Block(s):

Addition(s):

Reason for vacation:
The above-described portion of this alley is not necessary for traffic circulation

Future use of vacated land:
continued use, enjoyment, and privacy of our back yards

Kennedy

&

Graven

CHARTERED

Ronald H. Batty
470 US Bank Plaza
200 South Sixth Street
Minneapolis MN 55402

(612) 337-9262 telephone
(612) 337-9310 fax
rbatty@kennedy-graven.com
<http://www.kennedy-graven.com>

MEMORANDUM

To: Lauderdale City Council
Heather Butkowski, city administrator

From: Ron Batty, city attorney
David Anderson, assistant city attorney

Date: May 22, 2019

Re: Petition to Vacate Unimproved Alley

I. Introduction

The city of Lauderdale (the “City”) recently entered into a contract for the City’s 2019 Infrastructure Improvement Project (the “Project”). While the Project consists primarily of street and utility improvements along Eustis Street and Roselawn Avenue, it also includes improvements to the two existing gaps in the City’s alley system (the “Alley Improvements”). Due to their opposition to the Alley Improvements, approximately 12 property owners recently signed and submitted a petition requesting that the City vacate a 500-foot portion of the unimproved alley that is subject to said improvements. This memorandum outlines the procedural requirements for responding to the petition and outlines the legal standard that must be applied when considering the requested vacation.

II. Background

The Alley Improvements were carefully detailed in the Project’s feasibility study that was prepared and presented to the city council at its regular meeting on December 11, 2018. The Alley Improvements will complete the city’s alley system by improving approximately 650 feet of platted alley between Malvern Street and Eustis Street. Of the 650 feet, roughly 500 feet lies between Spring Street and Summer Street, and the remaining 150 feet is located just north of Summer Street. The Alley Improvements were included as part of the Project because paving these alleys will, in part, help the city address recurring maintenance issues, improve garbage and snowplowing routes, limit the need for front yard parking in the City, and provide additional access for residents and their guests.

On May 15, 2019, the City received a petition signed by 12 property owners requesting the vacation of the 500 feet of unimproved alley between Spring Street and Summer Street that is scheduled to be paved as part of the Project (the “Subject Alley”). The petition seeks vacation because, according to the petitioners, improving the Subject Alley is “not necessary for traffic circulation.”

III. Vacation Procedure and Legal Standard

a. Public Hearing Requirement

Vacating an alley is an official act that permanently divests the City of its right to utilize dedicated right-of-way for the public benefit. Alley vacations are subject to the procedural requirements contained in Minnesota Statutes, section 412.851. After receiving a petition to vacate, the City is required to hold a public hearing. Notice of the public hearing must be posted and published in the City’s official newspaper at least two weeks before the hearing. Furthermore, at least ten days before the hearing, notice needs to be mailed to all affected property owners with a copy of the petition or the proposed vacation resolution. The statute does not specifically define “affected property owner” but in this case, notice of the hearing and a copy of the petition should be mailed to all owners of real property on both Eustis Street and Malvern Street, north of Spring Street and south of Summer Street. Finally, because more than half of the owners abutting the Subject Alley signed the petition, vacation requires a simple majority vote of the city council.¹

b. Legal Standard

Dedicated right-of-way, including platted streets and alleys, is not owned in fee by the City. Rather, platted right-of-way is dedicated to the public and held in trust by the City.² Therefore, under state law, an alley can only be vacated if the city council finds that it is “in the interest of the public to do so.”³ Courts have likewise held that public right-of-way can be vacated only when such vacation “will prove beneficial to the public interests.”⁴

The Minnesota Attorney General has also opined that vacation “is a question of fact which the council alone must determine in the exercise of reasonable discretion” and that in making its determination, “the council is performing a legislative function, which unless the decision is arbitrary or the result of an abuse of discretion, is beyond judicial control.”⁵ Therefore, the city council’s decision whether to vacate an alley is legislative in character and will only be set aside if it appears that the council applied an incorrect standard or acted arbitrarily and capriciously against the best interests of the public.

¹ If less than a majority of abutting property owners petition for a vacation, the city council can still vacate but a 4/5 vote is required.

² See *Schurmeier v. St. Paul & P. R. Co.*, 10 Minn. 82, 105 (Minn. 1865).

³ Minn. Stat. § 412.851.

⁴ *Petition of Krebs*, 6 N.W.2d 803, 804 (Minn. 1942).

⁵ Minn.Ag.Op. 396g-16 (Sept. 18, 1958); see also Minn.Ag.Op. 396g-16 (May 4, 1954).

There is a presumption against vacations and in favor of retaining the public's interest in property. The default position is not to vacate. A vacation should occur only if a majority of the city council makes an affirmative finding that the vacation is in the public interest.

c. Application of Legal Standard to the Subject Alley

In the present case, vacating the Subject Alley is likely not in the interest of the public. Not only will construction of the Alley Improvements finally complete paving of the City's entire platted alley system, but the City recently determined that improving the Subject Alley was necessary to accomplish a public purpose. Specifically, the city council previously approved the Alley Improvements based on staff's determination that they will address recurring maintenance issues, improve garbage and snowplowing routes in the area, limit the need for front yard parking on Eustis Street and Malvern Street, and provide additional access for residents. To now find that vacating the Subject Alley is in the public interest would not only be inconsistent with those previous council actions, but it would also contradict the numerous benefits that the public will receive if the Subject Alley is improved as part of the Project. Therefore, it is unlikely that the legal standard required to vacate the Subject Alley is supported by the facts.

Although there are very few cases in Minnesota that examine whether the vacation of public right-of-way was in the interest of the public, the Minnesota Supreme Court has suggested that the mere fact that one or a few select individuals may have an individual interest to serve by the vacation must have no weight one way or another in a city council's decision to vacate.⁶ Rather, when determining whether to vacate right-of-way, a city council should keep in mind that the public consists of more than just "those in the immediate vicinity."⁷

IV. Conclusion

After holding a duly noticed public hearing on the vacation petition, the city council should determine whether vacating the Subject Alley is in the best interests of not one or a few residents in the City but rather whether it is in the interest of the public as a whole. Based on the above discussion and the underlying facts and circumstances, it is highly unlikely that vacating the Subject Alley is in the public interest.

I plan to attend the special city council meeting of May 29, 2019 to answer any questions you may have about this matter.

⁶ See *In re Hull*, 204 N.W. 534, 537 (Minn. 1925).

⁷ *Krebs*, 6 N.W.2d at 805.

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing _____
Discussion X
Action X
Resolution X
Work Session _____

Meeting Date June 25, 2019

ITEM NUMBER Variance Resolution 1821 Eustis

STAFF INITIAL Jim

APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

At the June 11 City Council Meeting, the Council decided to wait until after the public hearing for the alley vacation before taking action on the variance request for 1821 Eustis Street. I have attached the staff memo and variance application from the last meeting.

I have attached two resolutions for consideration, depending on approval or denial of the variance request. Both resolutions can be modified as needed for adoption.

OPTIONS:

1A) Motion to approve the variance without conditions and 1B) move to adopt the attached resolution of approval with findings of fact.

2A) Motion to approve the variance with conditions and 2B) move to adopt the attached resolution of approval with the conditions and findings of fact.

3A) Motion to deny the variance and 3B) move to adopt the attached resolution of denial with findings of fact for the next meeting.

Note: If the variance is denied, rationale for the denial must be stated in the motion.

STAFF RECOMMENDATION:

Choose from the above options.

Member _____ introduced the following resolution and moved its adoption:

**CITY OF LAUDERDALE
COUNTY OF RAMSEY
STATE OF MINNESOTA
RESOLUTION NO. 062519B**

**RESOLUTION APPROVING A 1.16% VARIANCE TO THE LOT COVERAGE
REQUIREMENT AT 1821 EUSTIS STREET**

WHEREAS, Helin Company applied for a 1.16% variance to the 30% lot coverage requirement to construct a new single-family home in the R-1 District; and

WHEREAS, Schumacher Holdings, LLC owns the property at 1821 Eustis Street, which is legally described as:

PIN: 172923320097

Lot 10, Block 7

Lauderdale's East Side Addition to Minneapolis, Ramsey County, Minnesota

WHEREAS, notification letters went to property owners adjacent to the subject property; and

WHEREAS, Section 10-8-8 (Setback Requirements in R-1) requires 30% lot coverage of all structures; and

WHEREAS, a new single-family home is proposed that would exceed the lot coverage by 1.16%; and

WHEREAS, the Lauderdale City Council has made the following findings:

- The applicant is requesting a variance to exceed the maximum allowable lot coverage by 60 square feet. This includes a 14' x 6' covered front porch. Were it not for the covered front porch, a variance would not be necessary.
- The owner is trying to meet minimum construction and list price standards included in the purchase agreement with the City.
- The City has a history of supporting lot coverage and front yard setback variance requests for front porches.
- Granting the variance request does not appear to impact the essential character of the neighborhood.
- Granting the variance request is in harmony with the purpose and intent of the Zoning Ordinance.
- Granting of the variance is consistent with the Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lauderdale, does hereby approve a 1.16% variance to the lot coverage requirements on the following conditions (if any): _____, based upon the above findings.

Dated: June 25, 2019

Mary Gaasch, Mayor

Attest: (SEAL)

Heather Butkowski, City Administrator-Clerk

The motion for the adoption of the foregoing resolution was duly seconded by Member _____ upon vote being taken thereon, the following voted in favor thereof:
Member _____, _____, _____, _____, _____.

And the following voted against same: _____.

Absent: _____.

Whereupon said resolution was declared duly passed.

Member _____ introduced the following resolution and moved its adoption:

**CITY OF LAUDERDALE
COUNTY OF RAMSEY
STATE OF MINNESOTA
RESOLUTION NO. 062519B**

**RESOLUTION DENYING A 1.16% VARIANCE TO THE LOT COVERAGE
REQUIREMENT AT 1821 EUSTIS STREET**

WHEREAS, Helin Company applied for a 1.16% variance to the 30% lot coverage requirement to construct a new single-family home in the R-1 District; and

WHEREAS, Schumacher Holdings, LLC owns the property at 1821 Eustis Street, which is legally described as:

**PIN: 172923320097
Lot 10, Block 7**

Lauderdale’s East Side Addition to Minneapolis, Ramsey County, Minnesota

WHEREAS, notification letters went to property owners adjacent to the subject property; and

WHEREAS, Section 10-8-8 (Setback Requirements in R-1) requires 30% lot coverage of all structures; and

WHEREAS, a new single-family home is proposed that would exceed the lot coverage by 1.16%; and

WHEREAS, the Lauderdale City Council has made the rationale for DENIAL:

- _____.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lauderdale, does hereby DENY a 1.16% variance to the lot coverage requirement, based upon the above findings.

Dated: June 25, 2019

Mary Gaasch, Mayor

Attest: (SEAL)

Heather Butkowski, City Administrator-Clerk

The motion for the adoption of the foregoing resolution was duly seconded by Member _____ upon vote being taken thereon, the following voted in favor thereof:
Member _____, _____, _____, _____, _____.

And the following voted against same: _____.

Absent: _____.

Whereupon said resolution was declared duly passed.

MEMO

DATE: JUNE 11, 2019
TO: MAYOR AND COUNCIL
FROM: JIM BOWNIK
RE: VARIANCE APPLICATION FOR 1821 EUSTIS STREET

Proposal: The applicant is proposing to construct a new single-family home, which includes a detached garage and open but covered porches on the front and back of the house. Total square footage of covered structures is proposed exceed the 30% maximum lot coverage by 60 square feet, or 1.16%. Thus, the applicant is requesting a 1.16% variance to the lot coverage requirements.

Applicant: Helin Company, 1485 Hamline Ave N, St Paul, MN 55208

Owner: Schumacher Holdings LLC, 9607 Whispering Valley Trail, Lake Elmo, MN 55042

POLICIES AND PROCEDURES FOR VARIANCE APPROVAL

In reviewing this variance request, the Council should consider the Zoning Ordinance requirements as well as relevant State Statutes. These requirements are outlined on the attached Variance Checklist.

Here is the general order of procedure.

- 1) Staff presentation.
 - Apply the Practical Difficulties Test
- 3) Public Hearing.
- 4) Approve or deny the variance, adding any conditions as necessary.

PRACTICAL DIFFICULTY TEST

The municipal variance standard requires the City to apply a three-factor test for “practical difficulties” consisting of (1) reasonableness, (2) uniqueness, and (3) essential character.

A variance should be granted if strict enforcement of the municipal variance standard as applied to a particular piece of property would cause the landowner a “practical difficulty.” The landowner is generally entitled to the variance if and only if the applicant meets the statutory three-factor test for practical difficulty. If the applicant does not meet all three factors of the statutory test, then a variance should not be granted.

ESTABLISHING THE FINDINGS OF FACT (Based on Answers to Questions on the Variance Checklist)

The applicant has described the proposed project and why a variance is requested in the attached letter and provided answers to the questions in the Variance Checklist:

- A) How does the proposal put your property to use in a reasonable manner?
- B) What are the unique circumstances to the property not created by the landowner?
- C) How will a variance, if granted, not alter the essential character of the locality?

D) How is granting of a variance in harmony with the purposes and intent of the Zoning Ordinance?

E) How are the terms of a variance consistent with the Comprehensive Plan?

STAFF REVIEW

A list of similar variance requests and resulting action by the City Council is listed below.

ENCLOSURES

A) Original variance application, site plan, and variance checklist.

PUBLIC HEARING

Adjacent property owners received notice of tonight's public hearing.

CITY COUNCIL ACTION OPTIONS

- 1) Motion to approve the variance without conditions and direct staff to prepare a resolution of approval with findings of fact for the next meeting.
- 2) Motion to approve the variance with conditions and direct staff to prepare a resolution of approval with findings of fact for the next meeting.
- 3) Motion to deny the variance and direct staff to prepare a resolution of denial with findings of fact for the next meeting.
 - If the variance is denied, rationale for the denial must be stated in the motion.
- 4) Hold off on taking action until the alley vacation public hearing has taken place.

RECENT VARIANCE REQUESTS & RESULTING ACTION BY THE CITY COUNCIL

July 22, 2014

1754 Walnut St, Wally & Jan Borner

Approved: 7' variance to the front yard setback requirement for a covered porch.

July 22, 2014

1784 Walnut St, Phyllis Carroll

Approved: 11' variance to the front yard setback requirement.

Approved: 3% variance to the lot coverage requirement for a new single-family home.

Conditions: property drainage is addressed through site planning in consultation with the City Engineer, and removal of the temporary driveway after construction of the house is completed.

June 11, 2013

1728 Malvern St, Jeremy & Jessica Newhouse

Approved: 3.5' variance to the front yard setback requirement for a new house.

May 8, 2012

1792 Walnut St, Christopher & Angela Brasel

Approved: 8' variance to the front yard setback requirement for a cedar arbor.

August 9, 2011

1732 Malvern St, Mike & Lindsey Gruttadaurio

Approved: 9' variance to the front yard setback requirements to construct an open deck.

CITY OF LAUDERDALE VARIANCE CHECKLIST

The following requirements must be met in order for your variance application to be considered complete:

- 1) Have a pre-application meeting with city staff before submitting a variance application. Please bring the completed application and all required documents to this meeting.
- 2) Submit the following:
 - A) Variance application and fee.
 - B) Site Plan:
 - Drawn to scale.
 - Delineating your property lines (by locating property stakes, submitting a Certificate of Survey, or other means).
 - Showing lot lines, street names, locations and dimensions of all existing or proposed buildings, setback distances, parking areas, lot coverage percentage (as defined by structures covered by a roof) and any other pertinent site information.
- 3) Describe your proposed project and why you are requesting a variance.
- 4) Answer the following questions:
 - A) How does the proposal put your property to use in a reasonable manner?
 - B) What are the unique circumstances to the property not created by the landowner?
 - C) How will a variance, if granted, not alter the essential character of the locality?
 - D) How is granting of a variance in harmony with the purposes and intent of the Zoning Ordinance (Lauderdale's Zoning Ordinance can be found online at www.ci.lauderdale.mn.us)?
 - E) How are the terms of a variance consistent with the Comprehensive Plan (Lauderdale's Comprehensive Plan can be found online at www.ci.lauderdale.mn.us)?

Information You Should Know

- The municipal variance standard requires the city to apply a three-factor test for "practical difficulties" consisting of (1) reasonableness, (2) uniqueness, and (3) essential character.
- Thus, the city is required to adopt findings based on the questions above.
- Conditions may be imposed on granting of variances if those conditions are directly related to and bear a rough proportionality to the impact created by the variance.

City of Lauderdale

1821 Eustis

MAIN 651-792-7650

LAND USE APPLICATION

Date: 5/22/19

Fee Escrow Type of Request

\$100	\$	0	Lot Consolidation/Division
\$150	\$	0	<input checked="" type="checkbox"/> Variance
\$200	\$	0	Conditional Use
\$500	\$1,000		Zoning Amendment
\$500	\$1,000		Subdivision
\$500	\$1,000		PUD

Summary of Request

~~Request cover~~ Propose
 to build new single family
 home where ~~lot~~ coverage
 exceeds allowable lot
 coverage by 60 sq ft. lot is
 5068 sq ft, 30% lot coverage = 1520,
 proposed house, garage, and porch
 cover 1580 square ft.

Applicant Information

Name: Helin Company
 Address: 1485 Hamline Ave N.
 C, S, Z: St Paul, MN 55208
 Phone: 613-479-1317
 Email: tim.helin@gmail.com
 Signature: [Signature]

Owner Information (if different)

Name: Schumacher Holdings LLC
 Address: 9607 Whispering Valley Trail
 C, S, Z: Lake Elmo, MN 55042
 Phone: 317-407-2638
 Email: dm.schumacher@msu.com
 Signature: Michelle Schumacher

By signing above, the applicant agrees to pay the application fee and deposit an escrow fee to cover the city's consultants' costs associated with reviewing the associated request. Prior to having the request considered by the city, the applicant must deposit an escrow fee in an amount that is estimated to cover the city's consultants' costs as determined by the city administrator. If the city's consultants' costs exceed the initial escrow deposited by the applicant, an additional escrow fee will be required to cover the additional costs. The city shall use the applicant's fees to cover the city's actual consultants' costs in reviewing the request regardless of the city's action on the applicant's request. If the applicant's escrow fees exceed the city's actual consultants' costs for reviewing the request, the remaining escrow fees shall be refunded to the applicant.

Review Timeline: All applications, other than concept plans, must be complete before being formally reviewed. Minnesota Statute provides 15 days to determine the application's completeness. Completeness depends on whether or not the checklist items are fulfilled.

Checklist: Please review the checklist for the type of application you are applying for.

For Office Use Only	PIN#:
Date of Complete Application: <u>5-28-19</u>	Amount Paid: <u>150</u> Receipt #: <u>14329</u>
Escrow Fee Paid: _____	Receipt #: _____ Date Escrow Returned: _____
PC Recommendation: (approve/deny) _____	Meeting Date: _____
Public Hearing Date: <u>6-11-19</u>	CC Action: (approved/denied) Meeting Date: _____
Conditions? _____	

FOR Tim Helin

I HEREBY CERTIFY THAT THIS SURVEY, PLAN OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

Randy L. Kurth, L.S. No. 20270
 Russell J. Kurth, L.L.S. No. 16113

ELEVATIONS SHOWN ARE NAVD, 1988

PROPOSED ELEVATIONS

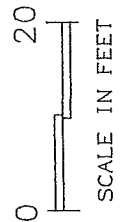
GARAGE SLAB =
 TOP FOUNDATION =
 BASEMENT FLOOR =

CERTIFICATE OF SURVEY

(MEASUREMENTS SHOWN IN FEET AND DECIMALS OF A FOOT)

DATE: May 21, 2019

- O = IRON PIPE MONUMENT SET
- = IRON PIPE MONUMENT FOUND
- ⊗ = SPIKE SET
- = WOOD FENCE -- wpf
- - - = CHAIN LINK FENCE - clf
- x100.1 = EXISTING SPOT ELEVATION
- (900.0) = PROPOSED ELEVATION
- = DRAINAGE ARROW

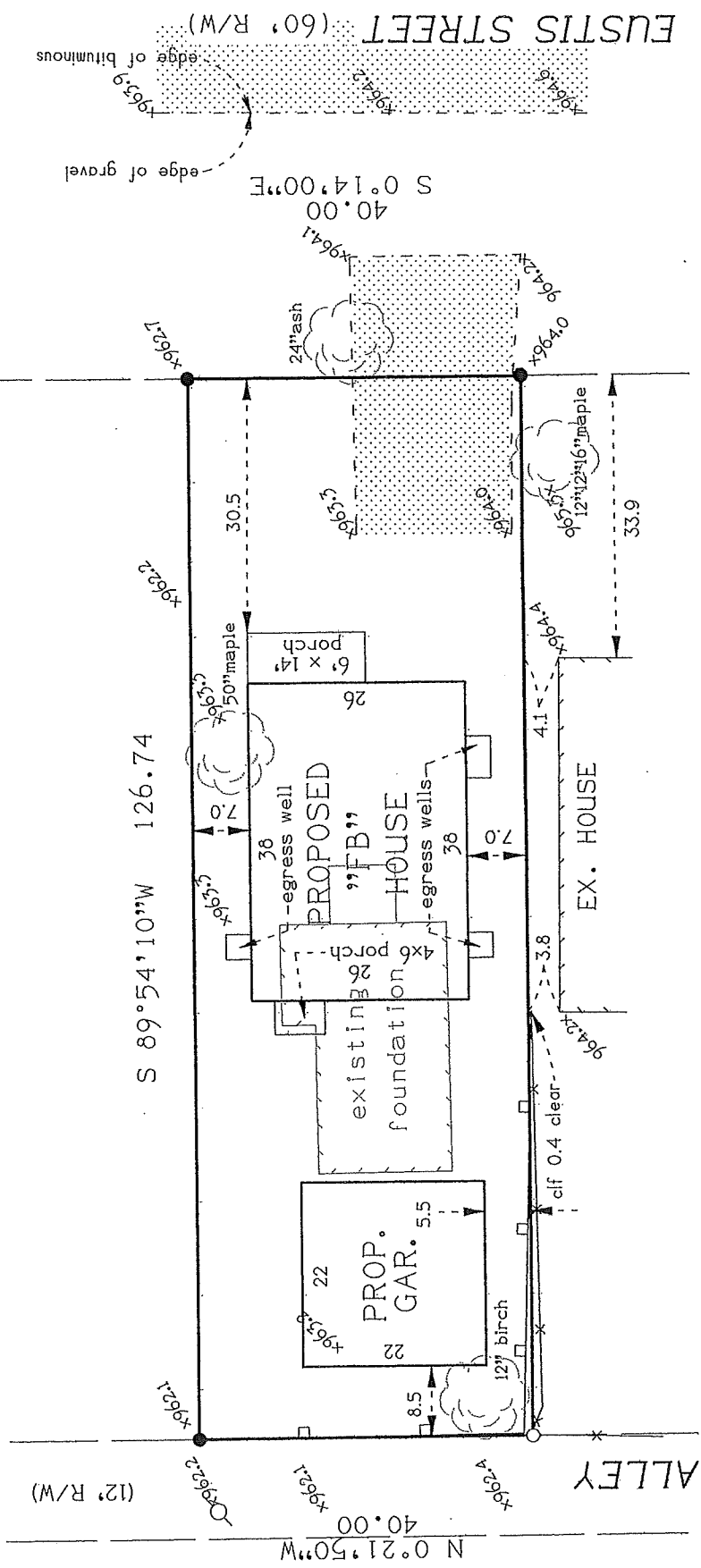


KURTH SURVEYING, INC.
 4002 JEFFERSON ST. N.E.
 COLUMBIA HEIGHTS, MN 55421
 PHONE (763) 788-9769 FAX (763) 788-7602
 E-MAIL: ksi@kurthsurveyinginc.com.



ADDRESS: 1821 EUSTIS ST
 TOTAL LOT AREA - 5066 SQ.FT.

1821 EUSTIS



PROPERTY DESCRIPTION (PER COUNTY TAX DEPT.)

Lot 10, Block 7, Lauderdale's East Side Addition To Minneapolis, Ramsey County, Minnesota

CORNERSTONE RENOVATIONS

SHARPLINE HOME DESIGN LLC

1801 Kankakee Ave., N. CHAMPLIN, ILL. 62516

OFFICE (708) 427-0246 EMAIL: shay@sharplinedesign.com

ALTHOUGH EVERY EFFORT HAS BEEN MADE IN OBTAINING AND PREPARING THESE PLANS INCLUDING CHECKING FOR ACCURACY, THE CONTRACTOR, OWNER, OR SUB-CONTRACTOR MUST CHECK AND VERIFY ALL DETAILS, DIMENSIONS AND BE RESPONSIBLE FOR ANY CHANGES OR ADJUSTMENTS REQUIRED BEFORE CONSTRUCTION.

DATE: May 14, 2019

1976 sq ft

PLAN FOR: EUGSTIE RESIDENCE

FLOOR AREAS ARE CALCULATED FROM THE OUTSIDE OF FOUNDATION WALLS AND/OR OUTSIDE FACE OF EXTERIOR STUD AT FRAMED WALLS.
STAIRS ARE INCLUDED IN CALCULATIONS AT ALL LEVELS.

GENERAL NOTES - EXTERIOR

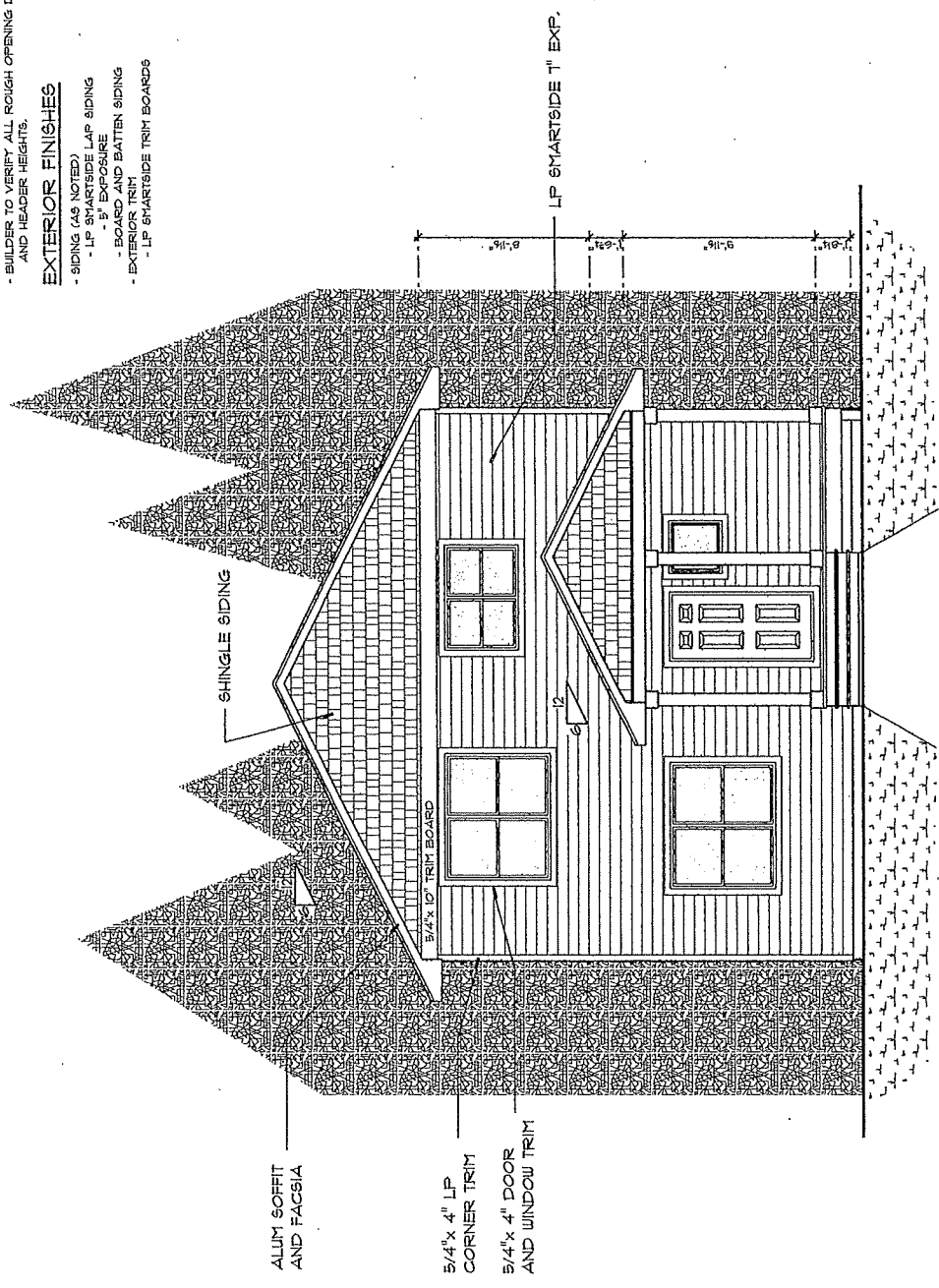
- KICKOUT FLASHING TO BE INSTALLED AS NEEDED
- EXTERIOR WALL FINISHER TO VERIFY KICKOUT FLASHING IS INSTALLED PRIOR TO FINISHING
- CARPENTER TO FLASH ALL EXTERIOR WINDOWS & DOORS PER MIN. AND IRC CODE REQUIREMENTS

WINDOWS

- ANDERSEN TO SERIES SHOWN
- TYPE AND SIZE PER PLAN
- WINDOWS DESIGNATED WITH 'E' MEET EGRESS CODES
- BUILDER TO VERIFY ALL ROUGH OPENING DIMENSIONS AND HEADER HEIGHTS.

EXTERIOR FINISHES

- SIDING (AS NOTED)
- LP SMARTSIDE LAP SIDING
- LP EXPOSURE AND BATTEN SIDING
- EXTERIOR TRIM
- LP SMARTSIDE TRIM BOARDS



FRONT ELEVATION

SCALE : 1/4" = 1'-0"

Variance Request for 1821 Eustis

Request made by Tim Helin, builder for Schumacher Holdings, Property owner

Contact: Tim at 513-479-1317 or email tim.helin@gmail.com

Description of project and reason for variance request:

We are proposing to build a new single family home at 1821 Eustis St and are requesting a variance to exceed the maximum allowable lot coverage by 60 sq. ft. The proposed structures including a house, its covered porches and garage is 1580 sq. ft and 30% of the square footage of the lot is 1520 sq. ft.

The reason for the this request is because we would like to build this home designed by the future owners, current Lauderdale residents Susan and John Shepperd according to the plans that Susan has designed. We believe it to be a reasonable request because the structures themselves do not exceed the 30% lot coverage requirement, rather the excess comes from the presence of covered front and rear porches; these porches are not enclosed or conditioned space, but are elevated, covered entry spaces.

What are the unique circumstances of the property not created by the landowner?

There are no physical characteristics of the property that are unique and would suggest the need for a variance, however there are two factors that should be considered. First is that a restrictive covenant was included in the purchase agreement made between the city and builder/developer at the time of purchase that included, among other things, minimum standards for construction and minimum list prices for the homes to be built. We think the list prices are a reasonable expectation, but also think we should do all we can to offer as much as we can within the target price point. We feel that the minimum list price is encroached upon to a certain extent by the maximum allowable lot coverage of 30%. The second consideration is the maximum allowable lot coverage of 30% include porches that are not part of conditioned space. Our assumption is that the intent of the lot coverage requirements is to prevent construction of homes that are disproportionately large in relation to the surrounding homes. In this case, the presence of the front and back porch does not make the house itself disproportionately large, it simply serves the practical need of covering and elevating entry spaces and provides a place to greet guests and interact with neighbors.

How does your proposal put your property to use in a reasonable manner?

Our proposal puts the property to use in a reasonable manner because it does not propose to deviate from the zoning for the parcel which is single family residential.

How will a variance, if granted, not alter the essential character of the locality?

If granted, this variance will not alter the essential character of the locality in that it requests to exceed maximum allowable square footage by only 60 sq. ft. This square footage is not enclosed or conditioned space, so it is more functionally outdoor space that it is indoor space. Additionally, the presence of a front porch makes the home a more inviting and welcoming structure. Contrast this with many newly built homes on infill sites where the front-entry, attached garage is the most noticeable feature and seems to convey the supremacy of the automobile over that of the person. By allowing the construction

of this plan, including its front porch, the urban and traditional scale of the neighborhood is preserved and enhanced.

How is granting of a variance in harmony with the purpose and intent of the Zoning Ordinance?

“The objective of this Title is to regulate the location, height, bulk, size of structures, the size of yards and other open spaces, the density of population and the use of land and buildings for residence, trade, industry, recreation and other activities by establishing standards and procedures regulating such uses to help promote the public health, safety and general welfare of the City. (Zoning Ord. as amd.)”

The granting of this request would serve the purpose of the zoning ordinance in that it is almost entirely in compliance with the letter of the law and completely in compliance with the spirit. The structure itself does not exceed lot coverage requirements, and furthermore, it enhances the general welfare of the city allowing existing residents to move into a home built to their standards and one that raises the overall quality of the housing stock for the city.

How are the terms of a variance consistent with the Comprehensive Plan?

The terms of this variance are consistent with the comprehensive plan in that it removes impediments to building new, high-quality, single family homes in Lauderdale. Improving the long term quality of Lauderdale’s house stock is in step with the spirit of the comprehensive plan. Additionally, by allowing or even encouraging the construction or improvement of homes with features like front porches and detached garages in the back of the house, the traditional scale and urban feel of the neighborhood is preserved. Finally, encouraging the construction of new single-family homes in areas zoned for this ultimately addresses long term housing affordability by increasing housing supply.

LAUDERDALE COUNCIL ACTION FORM

Action Requested

Consent _____
Public Hearing _____
Discussion X
Action X
Resolution X
Work Session _____

Meeting Date June 25, 2019

ITEM NUMBER Variance Resolution 1831 Eustis

STAFF INITIAL Jim

APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

At the June 11 City Council Meeting, the Council decided to wait until after the public hearing for the alley vacation before taking action on the variance request for 1831 Eustis Street. I have attached the staff memo and variance application from the last meeting.

I have attached two resolutions for consideration, depending on approval or denial of the variance request. Both resolutions can be modified as needed for adoption.

OPTIONS:

1A) Motion to approve the variance without conditions and 1B) move to adopt the attached resolution of approval with findings of fact.

2A) Motion to approve the variance with conditions and 2B) move to adopt the attached resolution of approval with the conditions and findings of fact.

3A) Motion to deny the variance and 3B) move to adopt the attached resolution of denial with findings of fact for the next meeting.

Note: If the variance is denied, rationale for the denial must be stated in the motion.

STAFF RECOMMENDATION:

Choose from the above options.

Member _____ introduced the following resolution and moved its adoption:

**CITY OF LAUDERDALE
COUNTY OF RAMSEY
STATE OF MINNESOTA
RESOLUTION NO. 062519C**

**RESOLUTION APPROVING A 3.66% VARIANCE TO THE LOT COVERAGE
REQUIREMENT AT 1831 EUSTIS STREET**

WHEREAS, Helin Company applied for a 3.66% variance to the 30% lot coverage requirement to construct a new single-family home in the R-1 District; and

WHEREAS, Schumacher Holdings, LLC owns the property at 1831 Eustis Street, which is legally described as:

**PIN: 172923320123
Lot 8, Block 7**

Lauderdale's East Side Addition to Minneapolis, Ramsey County, Minnesota

WHEREAS, notification letters went to property owners adjacent to the subject property; and

WHEREAS, Section 10-8-8 (Setback Requirements in R-1) requires 30% lot coverage of all structures; and

WHEREAS, a new single-family home is proposed that would exceed the lot coverage by 3.66%; and

WHEREAS, the Lauderdale City Council has made the following findings:

- The applicant is requesting a variance to exceed the maximum allowable lot coverage by 186 square feet. 125 square feet of this includes a 25' x 5' covered front porch.
- The owner is trying to meet minimum construction and list price standards included in the purchase agreement with the City.
- The City has a history of supporting lot coverage and front yard setback variance requests for front porches.
- Granting the variance request does not appear to impact the essential character of the neighborhood.
- Granting the variance request is in harmony with the purpose and intent of the Zoning Ordinance.
- Granting of the variance is consistent with the Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lauderdale, does hereby approve a 3.66% variance to the lot coverage requirements on the following conditions (if any): _____, based upon the above findings.

Dated: June 25, 2019

Mary Gaasch, Mayor

Attest:

(SEAL)

Heather Butkowski, City Administrator-Clerk

The motion for the adoption of the foregoing resolution was duly seconded by Member _____ upon vote being taken thereon, the following voted in favor thereof:

Member _____, _____, _____, _____, _____.

And the following voted against same: _____.

Absent: _____.

Whereupon said resolution was declared duly passed.

Member _____ introduced the following resolution and moved its adoption:

**CITY OF LAUDERDALE
COUNTY OF RAMSEY
STATE OF MINNESOTA
RESOLUTION NO. 062519C**

**RESOLUTION DENYING A 3.66% VARIANCE TO THE LOT COVERAGE
REQUIREMENT AT 1831 EUSTIS STREET**

WHEREAS, Helin Company applied for a 3.66% variance to the 30% lot coverage requirement to construct a new single-family home in the R-1 District; and

WHEREAS, Schumacher Holdings, LLC owns the property at 1831 Eustis Street, which is legally described as:

**PIN: 172923320123
Lot 8, Block 7**

Lauderdale's East Side Addition to Minneapolis, Ramsey County, Minnesota

WHEREAS, notification letters went to property owners adjacent to the subject property; and

WHEREAS, Section 10-8-8 (Setback Requirements in R-1) requires 30% lot coverage of all structures; and

WHEREAS, a new single-family home is proposed that would exceed the lot coverage by 3.66%; and

WHEREAS, the Lauderdale City Council has made the rationale for DENIAL:

- _____.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Lauderdale, does hereby DENY a 3.66% variance to the lot coverage requirement, based upon the above findings.

Dated: June 25, 2019

Mary Gaasch, Mayor

Attest:

(SEAL)

Heather Butkowski, City Administrator-Clerk

The motion for the adoption of the foregoing resolution was duly seconded by Member _____ upon vote being taken thereon, the following voted in favor thereof:
Member _____, _____, _____, _____, _____.

And the following voted against same: _____.

Absent: _____.

Whereupon said resolution was declared duly passed.

MEMO

DATE: JUNE 11, 2019
TO: MAYOR AND COUNCIL
FROM: JIM BOWNIK
RE: VARIANCE APPLICATION FOR 1831 EUSTIS STREET

Proposal: The applicant is proposing to construct a new single-family home, which includes a detached garage and open but covered porches on the front and back of the house. Total square footage of covered structures is proposed exceed the 30% maximum lot coverage by 185.84 square feet, or 3.66%. Thus, the applicant is requesting a 3.66% variance to the lot coverage requirements.

Applicant: Helin Company, 1485 Hamline Ave N, St Paul, MN 55208

Owner: Schumacher Holdings LLC, 9607 Whispering Valley Trail, Lake Elmo, MN 55042

POLICIES AND PROCEDURES FOR VARIANCE APPROVAL

In reviewing this variance request, the Council should consider the Zoning Ordinance requirements as well as relevant State Statutes. These requirements are outlined on the attached Variance Checklist.

Here is the general order of procedure.

- 1) Staff presentation.
 - Apply the Practical Difficulties Test
- 3) Public Hearing.
- 4) Approve or deny the variance, adding any conditions as necessary.

PRACTICAL DIFFICULTY TEST

The municipal variance standard requires the City to apply a three-factor test for “practical difficulties” consisting of (1) reasonableness, (2) uniqueness, and (3) essential character.

A variance should be granted if strict enforcement of the municipal variance standard as applied to a particular piece of property would cause the landowner a “practical difficulty.” The landowner is generally entitled to the variance if and only if the applicant meets the statutory three-factor test for practical difficulty. If the applicant does not meet all three factors of the statutory test, then a variance should not be granted.

ESTABLISHING THE FINDINGS OF FACT (Based on Answers to Questions on the Variance Checklist)

The applicant has described the proposed project and why a variance is requested in the attached letter and provided answers to the questions in the Variance Checklist:

- A) How does the proposal put your property to use in a reasonable manner?
- B) What are the unique circumstances to the property not created by the landowner?
- C) How will a variance, if granted, not alter the essential character of the locality?

D) How is granting of a variance in harmony with the purposes and intent of the Zoning Ordinance?

E) How are the terms of a variance consistent with the Comprehensive Plan?

STAFF REVIEW

A list of similar variance requests and resulting action by the City Council is listed below.

ENCLOSURES

A) Original variance application, site plan, and variance checklist.

PUBLIC HEARING

Adjacent property owners received notice of tonight's public hearing.

CITY COUNCIL ACTION OPTIONS

- 1) Motion to approve the variance without conditions and direct staff to prepare a resolution of approval with findings of fact for the next meeting.
- 2) Motion to approve the variance with conditions and direct staff to prepare a resolution of approval with findings of fact for the next meeting.
- 3) Motion to deny the variance and direct staff to prepare a resolution of denial with findings of fact for the next meeting.
 - If the variance is denied, rationale for the denial must be stated in the motion.
- 4) Hold off on taking action until the alley vacation public hearing has taken place.

RECENT VARIANCE REQUESTS & RESULTING ACTION BY THE CITY COUNCIL

July 22, 2014

1754 Walnut St, Wally & Jan Borner

Approved: 7' variance to the front yard setback requirement for a covered porch.

July 22, 2014

1784 Walnut St, Phyllis Carroll

Approved: 11' variance to the front yard setback requirement.

Approved: 3% variance to the lot coverage requirement for a new single-family home.

Conditions: property drainage is addressed through site planning in consultation with the City Engineer, and removal of the temporary driveway after construction of the house is completed.

June 11, 2013

1728 Malvern St, Jeremy & Jessica Newhouse

Approved: 3.5' variance to the front yard setback requirement for a new house.

May 8, 2012

1792 Walnut St, Christopher & Angela Brasel

Approved: 8' variance to the front yard setback requirement for a cedar arbor.

August 9, 2011

1732 Malvern St, Mike & Lindsey Gruttadaurio

Approved: 9' variance to the front yard setback requirements to construct an open deck.

CITY OF LAUDERDALE VARIANCE CHECKLIST

The following requirements must be met in order for your variance application to be considered complete:

- 1) Have a pre-application meeting with city staff before submitting a variance application. Please bring the completed application and all required documents to this meeting.
- 2) Submit the following:
 - A) Variance application and fee.
 - B) Site Plan:
 - Drawn to scale.
 - Delineating your property lines (by locating property stakes, submitting a Certificate of Survey, or other means).
 - Showing lot lines, street names, locations and dimensions of all existing or proposed buildings, setback distances, parking areas, lot coverage percentage (as defined by structures covered by a roof) and any other pertinent site information.
- 3) Describe your proposed project and why you are requesting a variance.
- 4) Answer the following questions:
 - A) How does the proposal put your property to use in a reasonable manner?
 - B) What are the unique circumstances to the property not created by the landowner?
 - C) How will a variance, if granted, not alter the essential character of the locality?
 - D) How is granting of a variance in harmony with the purposes and intent of the Zoning Ordinance (Lauderdale's Zoning Ordinance can be found online at www.ci.lauderdale.mn.us)?
 - E) How are the terms of a variance consistent with the Comprehensive Plan (Lauderdale's Comprehensive Plan can be found online at www.ci.lauderdale.mn.us)?

Information You Should Know

- The municipal variance standard requires the city to apply a three-factor test for "practical difficulties" consisting of (1) reasonableness, (2) uniqueness, and (3) essential character.
- Thus, the city is required to adopt findings based on the questions above.
- Conditions may be imposed on granting of variances if those conditions are directly related to and bear a rough proportionality to the impact created by the variance.

City of Lauderdale

1831 Gustis

MAIN 651-792-7650

LAND USE APPLICATION

Date: 5/22/19

Fee	Escrow	Type of Request
\$100	\$ 0	<input type="checkbox"/> Lot Consolidation/Division
\$150	\$ 0	<input checked="" type="checkbox"/> Variance
\$200	\$ 0	<input type="checkbox"/> Conditional Use
\$500	\$1,000	<input type="checkbox"/> Zoning Amendment
\$500	\$1,000	<input type="checkbox"/> Subdivision
\$500	\$1,000	<input type="checkbox"/> PUD

Summary of Request

Request to exceed maximum allowable lot coverage for 1831 Gustis st by 190 sq ft. max allowable sq footage is 1519 sq ft (30% of 5066 sq ft) propose to cover 1709

Applicant Information

Name: ~~Tim Helin~~ Helin Company
 Address: 1485 Hamline Ave N.
 C, S, Z: St Paul, MN 55208
 Phone: 513-479-1317
 Email: tim.helin@gmail.com
 Signature: [Signature]

Owner Information (if different)

Name: Schumacher Holdings LLC
 Address: 9607 Whispering Valley Trail
 C, S, Z: Lake Elmo, MN 55042
 Phone: 317-407-2638
 Email: amschumacher@msn.com
 Signature: Mulhelle Schumacher

By signing above, the applicant agrees to pay the application fee and deposit an escrow fee to cover the city's consultants' costs associated with reviewing the associated request. Prior to having the request considered by the city, the applicant must deposit an escrow fee in an amount that is estimated to cover the city's consultants' costs as determined by the city administrator. If the city's consultants' costs exceed the initial escrow deposited by the applicant, an additional escrow fee will be required to cover the additional costs. The city shall use the applicant's fees to cover the city's actual consultants' costs in reviewing the request regardless of the city's action on the applicant's request. If the applicant's escrow fees exceed the city's actual consultants' costs for reviewing the request, the remaining escrow fees shall be refunded to the applicant.

Review Timeline: All applications, other than concept plans, must be complete before being formally reviewed. Minnesota Statute provides 15 days to determine the application's completeness. Completeness depends on whether or not the checklist items are fulfilled.

Checklist: Please review the checklist for the type of application you are applying for.

For Office Use Only	PIN#:
Date of Complete Application: <u>5-28-19</u>	Amount Paid: <u>150</u> Receipt #: <u>14329</u>
Escrow Fee Paid: _____	Receipt # _____ Date Escrow Returned: _____
PC Recommendation: (approve/deny) _____	Meeting Date: _____
Public Hearing Date: <u>6-11-19</u>	CC Action: (approved/denied) Meeting Date: _____
Conditions? _____	

FOR Tim Helin

I HEREBY CERTIFY THAT THIS SURVEY, PLAN OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED LAND SURVEYOR UNDER THE LAWS OF THE STATE OF MINNESOTA.

Randy L. Kurth, L.L.S. No. 20270
Russell J. Kurth, L.L.S. No. 16113

ELEVATIONS SHOWN ARE NAVD, 1988

PROPOSED ELEVATIONS

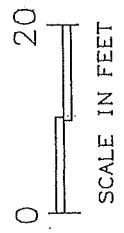
GARAGE SLAB =
TOP FOUNDATION =
BASEMENT FLOOR =

CERTIFICATE OF SURVEY

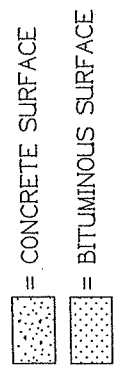
(MEASUREMENTS SHOWN IN FEET AND DECIMALS OF A FOOT)

DATE: May 21, 2019

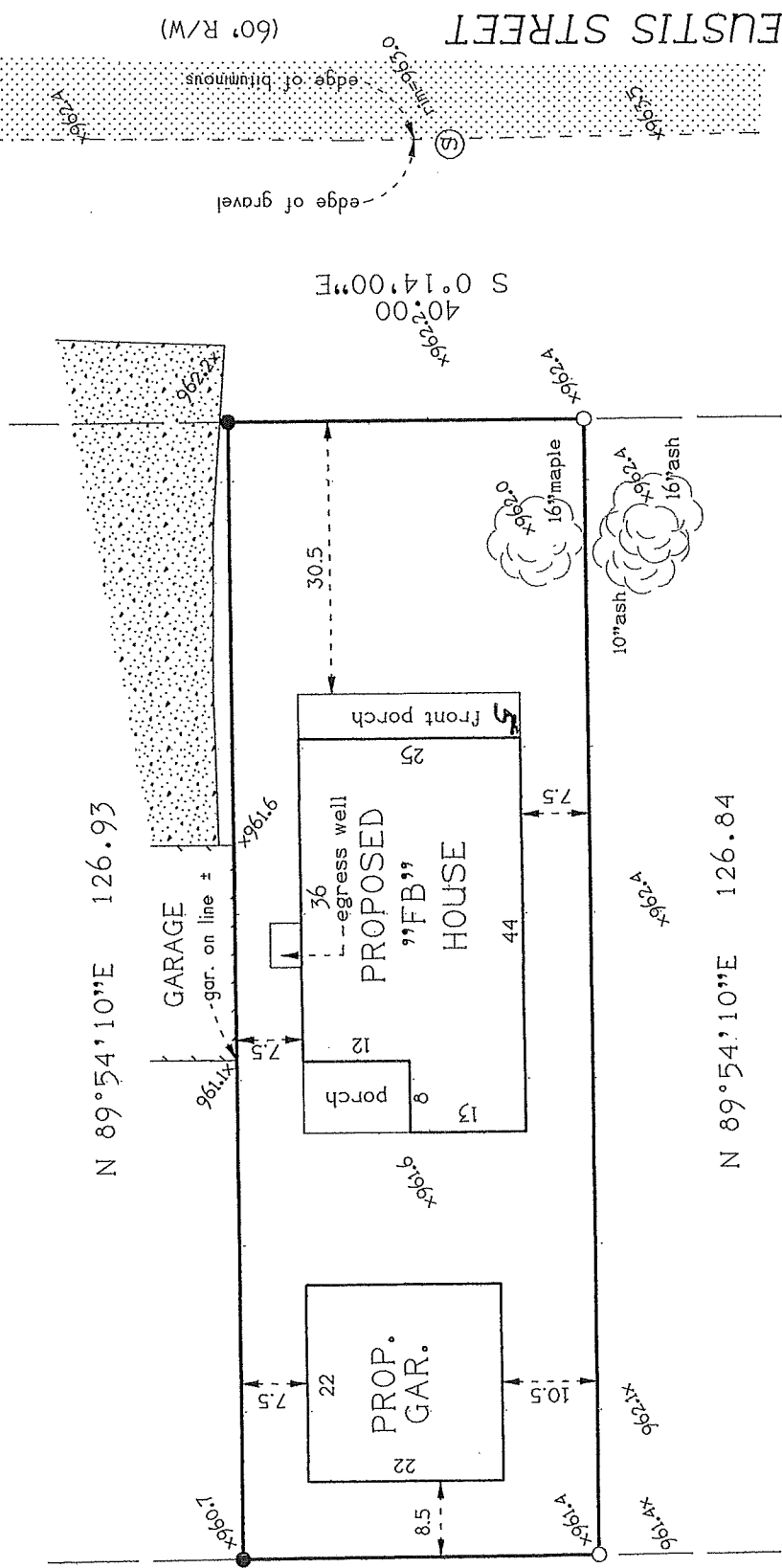
KURTH SURVEYING, INC.
4002 JEFFERSON ST. N.E.
COLUMBIA HEIGHTS, MN 55421
PHONE (763) 788-9769 FAX (763) 788-7602
E-MAIL: kst@kurthsurveyinginc.com.



- O = IRON PIPE MONUMENT SET
- = IRON PIPE MONUMENT FOUND
- ⊗ = SPIKE SET
- = WOOD FENCE - wpf
- - - = CHAIN LINK FENCE - clf
- x100.1 = EXISTING SPOT ELEVATION
- (900.0) = PROPOSED ELEVATION
- = DRAINAGE ARROW



ADDRESS: 1031 EUSTIS ST.
TOTAL LOT = 5066 SQ.FT.



PROPERTY DESCRIPTION (PER COUNTY TAX DEPT.)

Lot 8, Block 7, Lauderdale's East Side Addition To Minneapolis, Ramsey County, Minnesota

CORNERSTONE RENOVATIONS

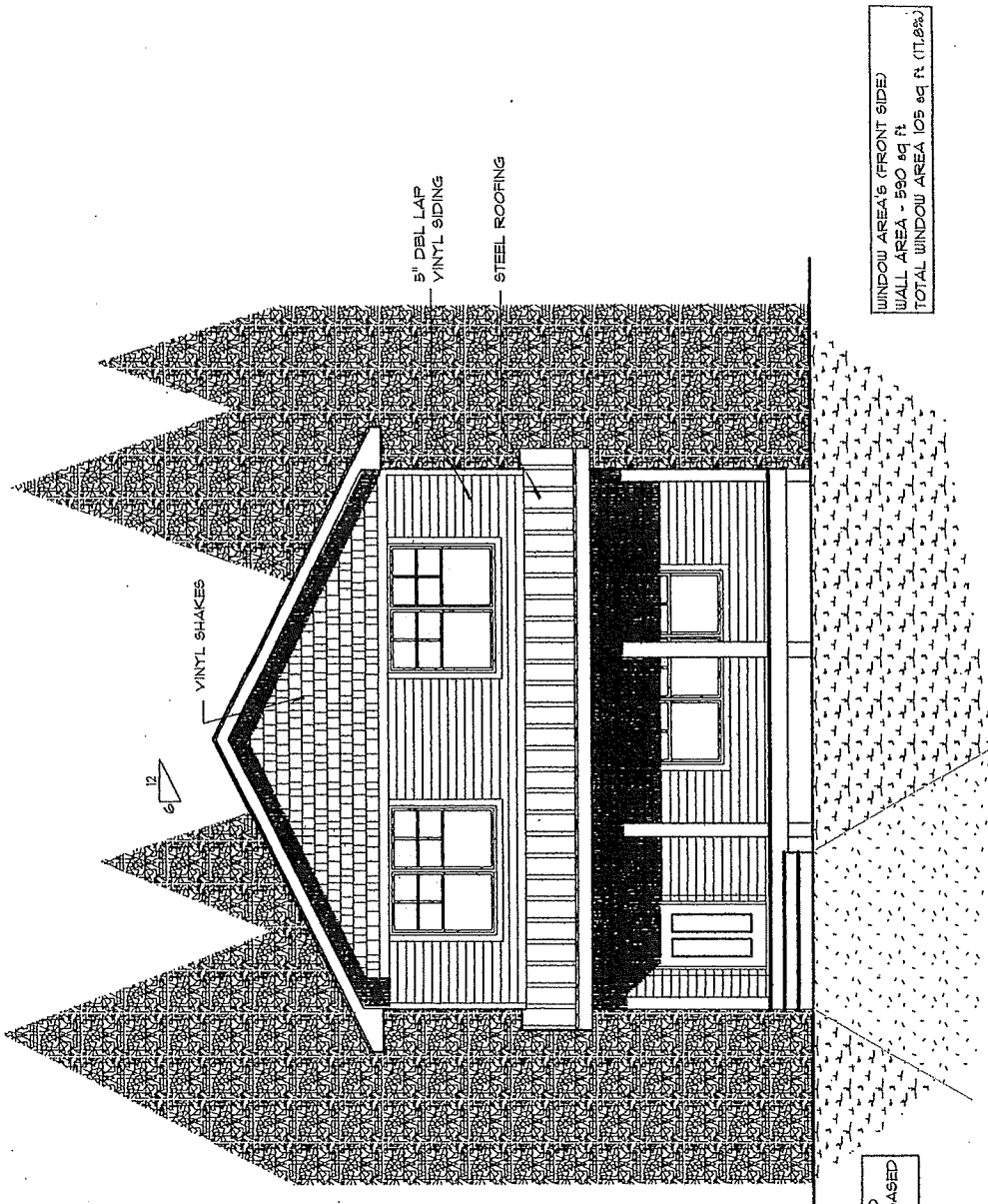
SHARPLINE HOME DESIGN LLC
 1201 Kamucky Ave. N
 CHAMPLAIN, VT. 05616
 OFFICE (763) 471-0846
 EMAIL: shv@sharplinedc.com

PLAN FOR: 1635 61. ALBANY STREET N 61. FAUL
 DATE: APR. 20, 2018
 80. FT.

ALTHOUGH EVERY EFFORT HAS BEEN MADE IN PREPARING AND PREPARING THESE PLANS INCLUDING CHECKING FOR ACCURACY, THE CONTRACTOR, OWNER, OR SUB-CONTRACTOR THAT CHECK AND VERIFY ALL DATA, DIMENSIONS AND BE RESPONSIBLE FOR ANY CHANGES OR ADJUSTMENTS REQUIRED DURING CONSTRUCTION.

GENERAL NOTES - EXTERIOR

- KICKOUT FLASHING TO BE INSTALLED AS NEEDED
- EXTERIOR WALL FINISHER TO VERIFY KICKOUT FLASHING IS INSTALLED PRIOR TO FINISHING
- CARPENTER TO FLASH ALL EXTERIOR WINDOWS & DOORS PER MIN. AND IRC CODE REQUIREMENTS
- WINDOWS**
- WINDOW GLASS SIZE SHOWN
- TYPE AND SIZE PER PLAN
- BUILDER TO VERIFY ALL ROUGH OPENING DIMENSIONS AND HEADER HEIGHTS.
- EXTERIOR FINISHES**
- SIDING (AS NOTED)



FIELD VERIFY STEP AND SIDEWALK REQUIREMENTS BASED ON FINISHED GRADE

FRONT ELEVATION
 SCALE: 1/4" = 1'-0"

Variance Request for 1831 Eustis

Request made by Tim Helin, builder for Schumacher Holdings, Property owner

Contact: Tim at 513-479-1317 or email tim.helin@gmail.com

Description of project and reason for variance request:

We are proposing to build a new single family home at 1831 Eustis St and are requesting a variance to exceed the maximum allowable lot coverage by 190 sq. ft. The proposed structures including a house, its covered porches and garage is 1709. Sq ft and 30% of the square footage of the lot is 1520 sq. ft.

The reason for this variance request is because we would like permission to a model of the home that we initially submitted to the city of Lauderdale as part of our proposal to buy the three lots on Eustis Street including 1831 Eustis. The footprint of the house and garage is 1513 sq ft, so if the porches are excluded from the square footage consideration, we are within the allowable square footage.

What are the unique circumstances of the property not created by the landowner?

There are no physical characteristics of the property that are unique and would suggest the need for a variance, however there are two factors that should be considered. First is that a restrictive covenant was included in the purchase agreement made between the city and builder/developer at the time of purchase that included, among other things, minimum standards for construction and minimum list prices for the homes to be built. We think the list prices are a reasonable expectation, but also think we should do all we can to offer as much as we can within the target price point. We feel that the minimum list price is encroached upon to a certain extent by the maximum allowable lot coverage of 30%. The second consideration is the maximum allowable lot coverage of 30% include porches that are not part of conditioned space. Our assumption is that the intent of the lot coverage requirements is to prevent construction of homes that are disproportionately large in relation to the surrounding homes. In this case, the presence of the front and back porch does not make the house itself disproportionately large, it simply serves the practical need of covering and elevating entry spaces and provides a place to greet guests and interact with neighbors.

How does your proposal put your property to use in a reasonable manner?

Our proposal puts the property to use in a reasonable manner because it does not propose to deviate from the zoning for the parcel which is single family residential.

How will a variance, if granted, not alter the essential character of the locality?

If granted, this variance will not alter the essential character of the locality in that it requests to exceed maximum allowable square footage by only 190 sq. ft. This square footage is not enclosed or conditioned space, so it is more functionally outdoor space that it is indoor space. Additionally, the presence of a front porch makes the home a more inviting and welcoming structure. Contrast this with many newly built homes on infill sites where the front-entry, attached garage is the most noticeable feature and seems to convey the supremacy of the automobile over that of the person. By allowing the

construction of this plan, including its front porch, the urban and traditional scale of the neighborhood is preserved and enhanced.

How is granting of a variance in harmony with the purpose and intent of the Zoning Ordinance?

“The objective of this Title is to regulate the location, height, bulk, size of structures, the size of yards and other open spaces, the density of population and the use of land and buildings for residence, trade, industry, recreation and other activities by establishing standards and procedures regulating such uses to help promote the public health, safety and general welfare of the City. (Zoning Ord. as amd.)”

The granting of this request would serve the purpose of the zoning ordinance in that it is almost entirely in compliance with the letter of the law and completely in compliance with the spirit. The structure itself does not exceed lot coverage requirements, and furthermore, it enhances the general welfare of the city allowing existing residents to move into a home built to their standards and one that raises the overall quality of the housing stock for the city.

How are the terms of a variance consistent with the Comprehensive Plan?

The terms of this variance are consistent with the comprehensive plan in that it removes impediments to building new, high-quality, single family homes in Lauderdale. Improving the long term quality of Lauderdale’s house stock is in step with the spirit of the comprehensive plan. Additionally, by allowing or even encouraging the construction or improvement of homes with features like front porches and detached garages in the back of the house, the traditional scale and urban feel of the neighborhood is preserved. Finally, encouraging the construction of new single-family homes in areas zoned for this ultimately addresses long term housing affordability by increasing housing supply.

LAUDERDALE COUNCIL ACTION FORM

Action Requested

Consent	_____
Public Hearing	_____
Discussion	X
Action	X
Resolution	_____
Work Session	_____

Meeting Date June 25, 2019

ITEM NUMBER Insurance Renewal

STAFF INITIAL AB

APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

The City's insurance policy runs from August to August. Annually, the City Council must determine whether or not to waive the municipal tort liability limits established by statute. The City has not waived them in the past as it opens the City to greater financial liability and would require the purchase of additional insurance. Staff recommend the following motion whereby the City Council does not waive the tort liability limits.

Also included is information from the League of Minnesota Cities related to statutory liability limits.

OPTIONS:

STAFF RECOMMENDATION:

1. A motion ***not*** to waive the monetary limits on municipal tort liability established by MS 466.04.



LIABILITY COVERAGE – WAIVER FORM

Members who obtain liability coverage through the League of Minnesota Cities Insurance Trust (LMCIT) must complete and return this form to LMCIT before the member’s effective date of coverage. Return completed form to your underwriter or email to pstech@lmc.org.

The decision to waive or not waive the statutory tort limits must be made annually by the member’s governing body, in consultation with its attorney if necessary.

Members who obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant could recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits would apply regardless of whether the member purchases the optional LMCIT excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could recover up to \$2,000,000 for a single occurrence (under the waive option, the tort cap liability limits are only waived to the extent of the member’s liability coverage limits, and the LMCIT per occurrence limit is \$2,000,000). The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants could recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name: City of Lauderdale

Check one:

- The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minn. Stat. § 466.04.
- The member **WAIVES** the monetary limits on municipal tort liability established by Minn. Stat. § 466.04, to the extent of the limits of the liability coverage obtained from LMCIT.

Date of member’s governing body meeting: _____

Signature: _____ Position: _____



RISK MANAGEMENT INFORMATION
LMCIT LIABILITY COVERAGE OPTIONS
Liability Limits, Coverage Limits, and Waivers

LMCIT gives cities several options for structuring their liability coverage. The city can choose either to waive or not to waive the monetary limits the statutes provide; and the city can select from among several liability coverage limits. This memo discusses these options and identifies some issues to consider in deciding which of the options best meets the city's needs.

What are the statutory limits on municipal tort liability?

The statutes limit a city's tort liability to a maximum of \$500,000 per claimant and \$1,500,000 per occurrence. These limits apply whether the claim is against the city, against the individual officer or employee, or against both.

What are the coverage limits for LMCIT's basic primary liability coverage?

For coverage written or renewed on or after November 15, 2014, LMCIT's liability coverage will provide a limit of \$2,000,000 per occurrence. Besides the overall coverage limit of \$2,000,000 per occurrence, there are also annual aggregate limits (that is, limits on the total amount of coverage for the year regardless of the number of claims), for certain specific risks. Aggregate limits apply to the following:

Products	\$3,000,000 annually
Failure to supply utilities	\$3,000,000 annually
Data security breaches	\$3,000,000 annually
EMF	\$3,000,000 annually
Limited pollution*	\$3,000,000 annually
Mold	\$3,000,000 annually
Employers liability (work comp)	\$1,500,000 annually
Land use/special risk litigation**	\$1,000,000 annually
Activities in outside organizations	\$100,000 annually

* Includes sudden and accidental releases of pollutants; herbicide and pesticide application; sewer ruptures, overflows and backups; and lead and asbestos claims. Dredging or excavation claims are subject to a \$250,000 sublimit. These limits apply to both damages and defense costs.

** Coverage is provided on a sliding scale percentage basis, which is based on participation in LMCIT's online land use training. Coverage applies to both damages and litigation costs.

Why does LMCIT provide higher coverage limits than the statutory limit?

The reason is to give member cities better protection. The statutory liability limit caps the city's liability for many types of claims. But some liability claims, which are listed in the next section, aren't covered by the statutory limit, so the city's potential liability is unlimited. The higher limit also protects against a major incident in which many people might be injured. The \$2,000,000 per occurrence coverage limit gives the city better protection for these types of claims, and makes it less likely the city could end up with liability exceeding its coverage limit.

Another reason to provide higher limits is because it's increasingly more common to see contracts require more than the statutory limit of \$1,500,000; a more common figure is a \$2,000,000 limit. LMCIT's higher limits will now meet this requirement, but if even higher limits are required, there is the option to carry LMCIT's excess coverage to meet the additional requirements. LMCIT can also issue an endorsement to increase the city's coverage limit only for claims relating to a particular contract.

If the statute limits our liability and LMCIT is already providing higher limits than required, why purchase even more limits?

There are four good reasons why cities should strongly consider carrying LMCIT's excess coverage, which provides higher limits of liability coverage. Excess coverage is available in \$1,000,000 increments, up to a maximum of \$5,000,000.

1. The statutory tort limits either do not or may not apply to several types of claims

The following are the types of claims the statutory limits do not apply to. LMCIT's higher limit of \$2,000,000 will definitely provide better protection against these types of claims, but there could be cases where even that limit might not be enough.

- *Claims under federal civil rights laws.* These include Section 1983, the Americans with Disabilities Act, etc.
- *Claims for tort liability that the city has assumed by contract.* This occurs when a city agrees in a contract to defend and indemnify a private party.
- *Claims for actions in another state.* This might occur in border cities that have mutual aid agreements with adjoining states, or when a city official attends a national conference or goes to Washington to lobby, etc.
- *Claims based on liquor sales.* This mostly affects cities with municipal liquor stores, but it could also arise in connection with beer sales at a fire relief association fund-raiser, for example.
- *Claims based on a "taking" theory.* Suits challenging land use regulations frequently include an "inverse condemnation" claim, alleging that the regulation amounts to a "taking" of the property.

2. LMCIT's primary liability coverage has annual limits on coverage for a few specific risks

The table on page 1 lists the liability risks to which aggregate coverage limits apply. If the city has a loss or claim in one of these areas, there might not be enough limits remaining to cover the city's full exposure if there is a second loss of the same sort during the year.

Excess liability coverage gives the city additional protection against this risk as well.

There are, though, a couple important restrictions on how the excess coverage applies to risks that are subject to aggregate limits:

- The excess coverage does not apply to the following types of risks:
 - Failure to supply utilities.
 - Mold.
 - “Limited pollution” claims if either the pollutant release or the damage is below ground or in a body of water.
 - Auto no-fault claims.
 - Uninsured/underinsured motorist claims.
 - Workers’ compensation, disability, or unemployment claims.
 - Claims under the medical payments coverage.
- The excess coverage does not automatically apply to liquor liability unless the city specifically requests it.

3. The city may be required by contract to carry higher coverage limits

LMCIT’s limit of \$2,000,000 will meet most contract requirements, but if even higher limits are required, LMCIT’s excess coverage is an option. LMCIT can also issue an endorsement to increase the city’s coverage limit only for claims relating to a particular contract.

4. There may be more than one political subdivision covered under the city’s coverage

An HRA, EDA, or port authority is itself a separate political subdivision. If the city EDA, for example, is named as a covered party on the city’s coverage and a claim were made that involved both the city and the EDA, theoretically the claimant might be able to recover up to \$1,500,000 from both the city and the EDA, since there are two political subdivisions involved. Excess coverage is one way to provide enough coverage limits to address this situation. Another solution is for the HRA, EDA, or port authority to carry separate liability coverage in its own name.

This issue of multiple covered parties can also arise if the city has agreed by contract to name another entity as a covered party, or to defend and indemnify another entity.

Who needs excess liability coverage?

If anything, excess liability coverage is even more important to a small city rather than to a large city. If a city ends up with more liability than it has coverage, the city will have to either draw on existing funds or go to its taxpayers to pay that judgment. A large city faced with, say, \$1,000,000 of liability over and above what its LMCIT coverage pays might be able to spread that cost over several thousand taxpayers. The small city by contrast might be dividing that same \$1,000,000 among only a couple hundred taxpayers. \$1,000,000 divided among 5,000 taxpayers is \$200 apiece – annoying but probably at least manageable for most taxpayers. \$1,000,000 divided among 200 taxpayers is \$5,000 apiece – enough to be a real problem for many.

What’s the effect of waiving the “per claimant” statutory liability limit?

For cities that choose to waive the statutory limits, the city is choosing to waive the protection of the statutory limits, up to the amount of coverage the city has. Someone with a claim against a

city that has waived the statutory limits would be able to recover up to \$2,000,000 (of course the individual would have to prove to the court or jury that he or she really does have that amount of damages), rather than the statutory limit of \$500,000 per claimant. Because the waiver increases the exposure, the premium is roughly 3% higher for coverage under the waiver option.

For cities that choose not to waive the statutory limits, the city's liability is limited by the statute to no more than \$500,000 per claimant and \$1,500,000 per occurrence. LMCIT's higher coverage limits would only come into play on those types of claims that aren't covered by the statutory liability limit.

Why would the city choose to pay more for the waiver-option coverage?

The statutory liability limit only comes into play in a case where:

- The city is in fact liable.
- The injured party's actual proven damages are greater than the statutory limit.

Very literally, applying the statutory liability limit means an injured party won't be fully compensated for his or her actual, proven damages that were caused by city negligence. Some cities, as a matter of public policy, may want to have more assets available to compensate their citizens for injuries caused by the city's negligence. Waiving the statutory liability limits is a way to do that.

Other cities may feel that the appropriate policy is to minimize the expenditure of the taxpayers' funds by taking full advantage of every protection the legislature has decided to provide. There's no right or wrong answer on this point. It's a discretionary question of city policy that each city council needs to decide for itself.

What's the effect of waiving the statutory limits if the city has excess coverage?

If the city has \$1,000,000 of excess coverage and chooses to waive the statutory tort limits, the claimants (whether it's one claimant or several) could then potentially recover up to \$3,000,000 in damages in a single occurrence. If the city carries higher excess coverage limits, the potential maximum recovery per occurrence is correspondingly higher.

Carrying excess coverage under the waiver option is a way to address an issue that some cities find troubling: the case where many people are injured in a single occurrence caused by city negligence. Suppose, for example, that a city vehicle negligently runs into a school bus full of children, causing multiple serious injuries. \$1,500,000 divided 50 ways may not go far toward compensating for those injuries. Excess coverage under the waiver option makes more funds available to compensate the victims in that kind of situation.

~~X~~ The cost of the excess liability coverage is about 25% greater if the city waives the statutory tort limits. ~~X~~ The cost difference is proportionally greater than the cost difference at the primary level because for a city that carries excess coverage, waiving the statutory tort limits increases both the per-claimant exposure and the per-occurrence exposure.

Is there an increase in risk if the city waives the statutory tort liability limits?

There is no increase in risk for the city to end up with liability if LMCIT doesn't cover it. The waiver form specifically says the city is waiving the statutory tort liability limits only to the extent of the city's coverage.

Of course, that's not to say there is no risk the city's liability could exceed its coverage limits. Listed earlier in this memo are a number of ways that could happen to any city, but the waiver doesn't increase that risk.

Can the city waive the statutory tort limits for the primary coverage but not for the excess coverage?

No. If the city decides to waive the statutory tort limits, that waiver applies to the full extent of the coverage limits the city has. The city cannot partially waive the statutory limits.

Is there a simple way to summarize the options?

It's not necessarily simple, but the table on the following page is a shorthand summary of what the effect would be of the various coverage structure options in different circumstances.

Your League Resource

Call the Underwriting
Department at 651.281.1200
or 800.925.1122 with any
questions.

LMCIT Liability Coverage Options

Coverage structure If the city:	On a liability claim to which the statutory limits apply		On a liability claim to which the statutory limits do not apply
	This is the maximum amount a single claimant could recover on an occurrence.	This is the maximum total amount that all claimants could recover on a single occurrence.	
Does not have excess coverage & Does not waive the statutory limits	\$500,000	\$1,500,000	\$2,000,000
Does not have excess coverage & Waives the statutory limits	\$2,000,000	\$2,000,000	\$2,000,000
Has \$1,000,000 of excess coverage & Does not waive the statutory limits	\$500,000	\$1,500,000	\$3,000,000
Has \$1,000,000 of excess coverage & Waives the statutory limits	\$3,000,000	\$3,000,000	\$3,000,000

This is the maximum amount of damages which LMCIT would pay on the city's behalf for a single occurrence, regardless of the number of claimants.

LAUDERDALE COUNCIL ACTION FORM

Action Requested

Consent _____
Public Hearing _____
Discussion X _____
Action _____
Resolution _____
Work Session _____

Meeting Date June 25, 2019

ITEM NUMBER MWMO Neighborhood Cleanup

STAFF INITIAL Jim

APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Tammy Schmitz from the Mississippi Watershed Management Organization (MWMO) is planning to recruit volunteers at Day in the Park for a neighborhood cleanup. The proposed date for the cleanup is Thursday, July 25, one week after the City's summer festival.

The likely target area will be neighborhoods east of Highway 280. There are no disposal sites within Lauderdale, so staff proposes using the public works dumpster. However, the garbage collected likely will not fit in the dumpster. Thus, the City will incur an expense in the form of a fee from Waste Management for collecting the overage. The MWMO will provide whatever other supplies are needed for volunteers. They will also weigh the material to see how much was collected.

The City does not need to sponsor the event or approve it. The MWMO is willing to sponsor, organize and staff the cleanup. But they would prefer to move forward after obtaining support from the City Council for the event.

The MWMO has created the Good Neighbor Guide for Healthy Yards & Clean Water, which they plan to share with residents at Day in the Park. A copy of the "Guide" will be available for you at the meeting. Tammy's proposal is attached with more information.

OPTIONS:

- Support the cleanup event .
- Don't support the cleanup event.

STAFF RECOMMENDATION:

Discuss and provide direction to staff and event organizers.

May 30, 2019

Good Neighbor Community Cleanups

Mississippi Watershed Management Organization

The Mississippi Watershed Management Organization recently developed an educational booklet called the “Good Neighbor Guide” to provide residents with tips on what they can do in their own yards and the community to protect lakes and rivers, helping to ensure we all have clean water. Examples of the guide are provided for your reference.

Residents who received the Good Neighbor Guide during its pilot phase indicated that participating in a Community Cleanup was the action they were most willing to take to keep lakes and the Mississippi River cleaner for all. As a result, the MWMO is conducting an outreach campaign this summer to engage and support a few neighborhoods in learning ways to protect water quality and then helping them implement their own local cleanup.

Our plan is to share the Good Neighbor Guide at a tabling event sponsored by a host organization and then conduct the community cleanup 1-2 weeks afterwards. This provides an opportunity for residents to take action to protect lakes and rivers while this information is fresh in their minds. Host organizations could be local neighborhoods, a nonprofit group, a school or a city such as Lauderdale.

During the Good Neighbor Guide tabling event, such as Lauderdale’s Annual Day in the Park, MWMO staff and volunteers will gather names of residents in that area who want to help with a cleanup. Following the event, our staff and/or volunteers would plan the details of the cleanup such as mapping out a cleanup area, talking with public works about waste disposal, and contacting residents with a date and location to meet. The MWMO will provide cleanup materials such as gloves, trash grabbers, a broom, dustpan and bags.

At the cleanup, MWMO staff and/or volunteers would have residents sign in, provide some safety tips and encourage them to return to a common site to weigh the amount of trash collected. That data will be shared with the host organization for their use in reporting and other communications. The MWMO will also be recording this data to help us learn how much debris was kept out of water bodies such as the Mississippi River.

The MWMO welcomes the City of Lauderdale’s participation in a Good Neighbor Community Cleanup and looks forward to partnering with your residents to protect our shared waters for the future.

Additional questions about the MWMO’s Good Neighbor Community Cleanups can be directed to Tammy Schmitz, Stewardship and Community Outreach Specialist at 612-746-4988 or tschmitz@mwmw.org.

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing _____
Discussion _____ X _____
Action _____ X _____
Resolution _____
Work Session _____

Meeting Date June 25, 2019

ITEM NUMBER Petition and Waiver Agrmnts

STAFF INITIAL AB

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

City staff is finding Emerald Ash Borer in greater numbers of private trees that are becoming hazards based upon their die back. For some, the unexpected expense poses a financial hardship. The City can provide the funding to remove the trees through petition and waiver agreements and recover the costs through special assessments. This results in a quicker and more amical resolution than through the abatement process.

Attached is the agreement for one property owner. In addition to approving this agreement, staff is asking the Council to authorize the mayor and clerk to sign future agreements for the removal of diseased or hazardous trees. Staff will work with property owners in setting terms based upon the costs they are incurring.

OPTIONS:

STAFF RECOMMENDATION:

Motion to approve the Petition and Waiver Agreement as presented and authorize the mayor and clerk to sign future agreements.

PETITION AND WAIVER AGREEMENT

THIS PETITION AND WAIVER AGREEMENT (the “Agreement”) is made this 25th day of June, 2019, by and between the city of Lauderdale, a Minnesota municipal corporation (the “City”), and Gary D. Zollner, owner of 1820 Carl Street, Lauderdale, Minnesota (the “Owner”).

WITNESSETH:

WHEREAS, the Owner is the fee owner of certain real property located in Lauderdale whose legal description is Lot 20, Block 3, Rosehill Addition, PIN 17.29.23.31.0060, (the “Property”); and

WHEREAS, the Owner has a diseased ash tree that the City has determined must be removed; and

WHEREAS, the tree has limbs that are dead and pose a threat to public safety; and

WHEREAS, the Owner has requested that the City cut down and remove the tree from the Property; and

WHEREAS, the City is willing to specially assess the Owner for the full cost of the tree removal project as the benefited property; and

WHEREAS, the City is willing to forgo notices and hearings, provided the assurances and covenants hereinafter stated are made by the Owner to ensure that the City will have a valid and collectable special assessment as it relates to the tree removal projects.

NOW, THEREFORE, ON THE BASIS OF THE OBLIGATIONS CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

1. The Owner represents and warrants that he is the fee owner of the Property and that he has legal power and authority to encumber the Property as herein provided and that there are no other liens or encumbrances against the Property except those of record.

2. The Owner hereby petitions the City for removal of the tree and hereby grants permission for the City and its contractor to enter the Property for the purpose of carrying out the removal of the tree (the “Project”). The City will remove the tree at such time as it is able to procure a qualified, licensed tree trimmer.
3. The Owner consents to the City levying a special assessment for the Project against the Property in accordance with Minn. Stat., Section 429.061. The principal amount of the special assessment shall be the actual cost to remove the tree, including all legal and administrative expenses associated therewith, but not to exceed \$2,000.00.
4. The Owner waives notice of hearing and hearing pursuant to Minn. Stat. Section 429.031 on the Project and notice of hearing and hearing on the special assessment levied to finance the Project pursuant to Minn. Stat. Section 429.061 and specifically requests that the Project be carried out and the special assessment be levied against the Property without notice of hearing or hearing.
5. The Owner waives the right to appeal the levy of special assessment in accordance with this Agreement pursuant to Minn. Stat. Section 429.081 and further specifically agree with respect to such special assessment against the Property that:
 - a. All requirements of Minn. Stat., Chapter 429 with which the City does not comply are hereby waived by the Owner; and
 - b. The increase in fair market value of the Property resulting from completing the Project will be at least equal to the amount of the special assessment levied against the Property and that such increase in fair market value is a special benefit to the Property.
6. The special assessment levied against the Property shall be payable over three years and shall bear an interest rate of six percent per annum. The first installment of principal and interest shall be included in the first tax rolls completed after adoption of the resolution levying the special assessment.
7. The waivers and agreements contained in this Agreement shall bind the Owner and his successors and assigns and shall run with the Property. It is the intent of the parties hereto that this Agreement be in a form which is recordable among the land records of Ramsey County, Minnesota and the Owner and the City agree to make any changes in this Agreement which may be necessary to effect the recording and filing of this Agreement against the title of the Property.
8. Any notice required to be given under this Agreement shall be deemed given if delivered personally or sent by U.S. mail:

- a) as to the Owner Gary D. Zollner
1820 Carl Street
Lauderdale, MN 55113

- b) as to the City City of Lauderdale
1891 Walnut Street
Lauderdale, MN 55331
Attn: City Administrator

or at such other address as either party may from time to time notify the other in writing in accordance with this paragraph.

- 9. This Agreement shall terminate upon the final payment of all special assessment levied against the Property for the Project.

IN WITNESS WHEREOF, the parties have set their hands the day and year first written above.

OWNER OF 1820 CARL STREET

By: _____
Gary D. Zollner

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this 25th day of June, 2019, by Gary D. Zollner, a single person, owner of 1820 Carl Street.

Notary Public

CITY OF LAUDERDALE

By: _____
Mary Gaasch, Mayor

By: _____
Heather Butkowski, City Administrator-
Clerk

STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this 25th day of June, 2019, by Mary Gaasch and Heather Butkowski, the mayor and city administrator-clerk, respectively, of the city of Lauderdale, a municipal corporation under the laws of the state of Minnesota, on behalf of the City.

Notary Public

**LAUDERDALE COUNCIL
ACTION FORM**

Action Requested

Consent _____
Public Hearing _____
Discussion _____
Action _____
Resolution _____
Work Session _____ X

Meeting Date June 25, 2019

ITEM NUMBER Contract with St. Anthony

STAFF INITIAL ASB

APPROVED BY ADMINISTRATOR

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

In March the City Council began discussing the police contract renewal as the current five-year agreement expires at the end of 2019. At that meeting, the Council invited staff from St. Anthony to attend a future meeting to discuss anticipated future increases and the cost-drivers behind them. Charlie Yunker, Assistant to the City Manager, will be at the meeting to discuss the contract proposal for 2020 and answer questions the Council has.

St. Anthony indicated they do not wish to make many changes to the contract language. Aside from the contract dates, they propose changing the contract reopener language from 3% to 5%. This means the contract could be reopened if the proposed cost exceeded 5%. A copy of the proposed contract and 2020 pricing is attached. The contract price was revised down word from the last version due to delaying squad car replacements.

STAFF RECOMMENDATION:

CONTRACT AGREEMENT
FOR POLICE SERVICES

This Agreement is made and entered into as of _____, 2014~~9~~ between the CITY OF ST. ANTHONY, a municipal corporation under the laws of the State of Minnesota ("St. Anthony") and the CITY OF LAUDERDALE, a municipal corporation under the laws of the State of Minnesota ("Lauderdale"). The services to be performed under this Agreement will commence January 1, 2015~~20~~.

I. PURPOSE

St. Anthony and Lauderdale have the power within their respective cities to provide for the prevention of crime and for police protection. Under Minnesota Statutes, Section 471.59, the cities may, by agreement, provide for the exercise of the police power by one city on behalf of the other city.

This Agreement sets forth the terms and conditions under which St. Anthony will provide police services for Lauderdale. St. Anthony will have full authority and responsibility to provide services in accordance with all enabling legislation under the laws of the State of Minnesota and the ordinances of Lauderdale. St. Anthony will provide feedback to the Lauderdale City Administrator and City Council on a regular and timely basis, and will actively support the creation of a Joint Advisory Committee pursuant to Section IX of this Agreement, whose members come from both cities, and whose purpose is to review, monitor, and ensure a successful relationship between the two cities under this Agreement.

II. INTERPRETATION

This Agreement is entered following the approval by the Lauderdale and St. Anthony City Councils. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Minnesota

III. SERVICES

St. Anthony will provide Lauderdale with 24 hour police service, and will physically place a certified officer within the boundaries of Lauderdale 24 hours each day, except in those instances when the officer makes an arrest and transports a prisoner, during mutual aid situations, when providing a backup for another officer, or when called away for a court appearance, booking or similar police matter. Subject to these exceptions and in normal circumstances, St. Anthony will provide 24-hour police protection and police presence each day within the City of Lauderdale. In those instances stated above when an officer is not physically present in Lauderdale, St. Anthony will respond to emergency police calls with other officers.

IV. LEVEL OF SERVICES

During the term of this Agreement, St. Anthony will provide to Lauderdale the same police service extended to persons and property within St. Anthony, which will include, but not be limited to, the following:

- A. Patrol services, with random patrolling of all residential, business and public property areas during all shifts;
- B. Police presence within the boundaries of Lauderdale 24 hours each day, subject only to the exceptions noted above;
- C. Animal control services as provided within the City of St. Anthony by the animal control service employed by St. Anthony;

- D. Dispatching services are to be paid directly by the municipality served by Ramsey County Dispatch;
- E. Enforcement of all ordinances of Lauderdale which are intended to be enforced by police officers, with special attention being given to parking, winter and nuisance ordinances;
- F. Ticketing for traffic violations will be done routinely during normal shifts;
- G. Crime prevention programs that encourage community involvement and investment in the City of Lauderdale; in appropriate cases, referrals will be made to the Northwest Youth and Family Services Youth Diversion Program;
- H. Criminal investigations;
- I. Reports on police services and activities, including weekly, monthly and annual police reports;
- J. Responses to medical emergencies, fires and other emergencies; responses shall include, where appropriate, securing the scene for fire/rescue personnel, accompanying fire/rescue personnel to the hospital upon request of such personnel, and providing follow-up information to fire/rescue personnel upon request of such personnel;
- K. Officers will be available at Lauderdale City Hall to answer questions from, and provide information regarding police activities to Lauderdale residents, business owners and staff on an as-needed basis;
- L. License inspections, background investigations and license enforcement services as called for under applicable state law or city ordinances;
- M. Review and comment, upon request, of proposed Lauderdale ordinances affecting police services or enforcement;
- N. Follow-up on reported crimes with the person(s) who reported the crime, including routine notification by telephone or mail as to the status of the investigation; and
- O. Special event traffic patrol services.

V. PAYMENT FOR SERVICES

In consideration of the services to be provided under this Agreement, Lauderdale will pay St. Anthony an annual fee of ~~\$634,386~~ 747,071 for the year 201520, for the police service under this Agreement. St. Anthony and Lauderdale shall establish the fee for the services for each subsequent year by each preceding June 15.

VI. METHOD OF PAYMENT

St. Anthony will bill Lauderdale monthly for 1/12 of the annual fee, and Lauderdale will promptly remit payments to St. Anthony within 30 days after receiving each billing from St. Anthony.

VII. LIABILITY

St. Anthony will be responsible for all liability incurred as a result of the actions of its employees, volunteers and agents under this Agreement, and will hold Lauderdale, its officers and employees harmless for any liability resulting from actions of a St. Anthony employee, volunteer or agent and shall defend Lauderdale, its officers and employees, against any claim for damages arising out of St. Anthony's performance or failure to perform its obligation under this Agreement. St. Anthony will bear the expense to defend itself and Lauderdale in the event of a claim, action or liability including attorney's fees and any deductible amount if the matter is covered by St. Anthony's insurer. This Agreement is a "cooperative activity," and it is the intent of the parties that they each shall be deemed a "single governmental unit" for the purposes of liability, as set forth in Minnesota Statutes, Section 471.59, Subd. 1a(a); provided further that for purposes of that statute, each party to this Agreement expressly declines responsibility for the acts or omissions of the other party.

VIII. ADMINISTRATIVE RESPONSIBILITY

The law enforcement and police services rendered to Lauderdale will be under the sole direction of St. Anthony. The standards of performance, the hiring and discipline of officers assigned, and other matters relating to regulations and policies related to police employment, services and activities, will be within the exclusive control of St. Anthony. The parties hereto expressly affirm the importance of work force diversity and St. Anthony agrees to use reasonable efforts, within applicable departmental budgetary limits, to recruit qualified female and minority police officers.

IX. JOINT ADVISORY COMMITTEE

Both cities will appoint members to a Joint Advisory Committee. The committee will meet at least once a year to ensure that this Agreement and the services performed pursuant to this Agreement are meeting the expectations of both cities. Any recommendations of the committee will be strictly advisory.

X. COMMUNICATIONS, EQUIPMENT AND SUPPLIES

St. Anthony will furnish all communication equipment and any necessary supplies required to perform the services, which are to be rendered under this Agreement.

XI. COOPERATION AND ASSISTANCE AGREEMENTS

Lauderdale will be included in all Cooperative Agreements entered into by the St. Anthony Police Department with other police services units.

XII. HEADQUARTERS

Headquarters for services rendered to Lauderdale under this Agreement will be located at offices owned or leased by St. Anthony. The citizens of Lauderdale may notify headquarters or Ramsey County radio dispatch for police services requested either in person or by some other means of communication. St. Anthony officers may take routine telephone calls and complete routine reports for Lauderdale at the Lauderdale City Hall, and Lauderdale will have facilities available to the officers at Lauderdale City Hall for this purpose. The facilities will include a desk, telephone, fax and copier.

XIII. EMPLOYEES OF ST. ANTHONY

Officers assigned to duty in Lauderdale will at all times be employees of St. Anthony. All obligations with regard to workers compensation, PERA, withholding tax, insurance and similar personnel and employment matters will be the obligation of St. Anthony. Lauderdale will not be required to furnish any fringe benefits or

assume any other liability of employment to any officer assigned to duty within Lauderdale.

XIV. ENFORCEMENT POLICIES

Enforcement policies of St. Anthony will prevail as the enforcement policies within Lauderdale. A written statement of the current enforcement policies of St. Anthony will be provided in writing to Lauderdale.

XV. ENFORCEMENT OF ORDINANCES OF THE CITY OF LAUDERDALE

St. Anthony officers assigned to duty within Lauderdale will enforce Lauderdale' ordinances to the extent appropriate for enforcement by police officers.

XVI. OFFICERS OF LAUDERDALE

The officer's assigned duty within Lauderdale will be provided with authority to enforce the laws of the City of Lauderdale by proper action to be taken by the Lauderdale City Council, and while performing services under this Agreement will be considered police officers of Lauderdale. The Chief of Police of St. Anthony will furnish to the Lauderdale City Administrator the names of all St. Anthony police officers assigned to Lauderdale, and all such officers will be appointed officers of the City of Lauderdale.

XVII. OFFENSES

All offenses within Lauderdale charged by police officers under this Agreement will be charged in accordance with Lauderdale' ordinances when possible; otherwise, the charge will be made in accordance with the laws of the State of Minnesota or the laws of the United States of America.

XVIII. COMMUNICATIONS

St. Anthony agrees to provide the Lauderdale Administrator with weekly, monthly and annual police reports, in a format as is mutually agreed to by the St. Anthony Police Chief and the Lauderdale City Administrator.

The St. Anthony Police Chief will regularly communicate with the Lauderdale City Administrator in order to ensure that Lauderdale is knowledgeable about any police activity in the City, and at the request of the Administrator the Police Chief will make presentations to the Lauderdale City Council.

XIX. PROSECUTION AND REVENUES

Lauderdale will pay all costs of prosecution for all offenses charged within its boundaries or under its ordinances. LEAA funds and confiscated drug funds will be retained by St. Anthony. Fine revenues will be paid to Lauderdale. P.O.S.T. training funds will be used for officer training.

XX. CONTINUATION OF AGREEMENT

This Agreement will be effective January 1, 2015~~2020~~ and will continue for a term of five years (until December 31, 2019~~24~~), or until terminated as described in Paragraph XXI below. In consideration for services provided under this Agreement, St. Anthony and Lauderdale shall establish the fee for police services for each subsequent year by each preceding June 15. If such fee reflects an increase of 35 percent (35%) or more from the prior year's fee, then the contract in its entirety may be re-opened for negotiation at the election of either St. Anthony or Lauderdale. Such election must be made in writing and noticed to the other contracting party by July 15. If such negotiations do not result in a newly entered contract by January 1 of the subsequent year, then this contract shall terminate effective as of that same January 1.

XXI. TERMINATION OF AGREEMENT

Either St. Anthony or Lauderdale may terminate the Agreement by submitting a written notification to terminate to the City Administrator of Lauderdale and the City Manager of St. Anthony by July 15. Termination of this Agreement shall be effective at 11:59 p.m. on December 31 of the same year such written notification is provided.

XXII. REVIEW OF AGREEMENT

From time to time the terms and conditions of this Agreement shall be reviewed and revised, as St. Anthony and Lauderdale deem necessary.

XXIII. ASSIGNMENT

The rights and obligations of the parties under this Agreement will not be assigned, and St. Anthony will not subcontract for any services to be furnished to Lauderdale (except as otherwise provided in this Agreement), without the prior written consent of the other party.

The parties hereto have executed this Agreement as of the date first above stated.

CITY OF LAUDERDALE

CITY OF ST. ANTHONY

By: _____
Mayor

By: _____
Mayor

By: _____
City Administrator

By: _____
City Manager

Date: _____

Date: _____

POLICE COST ANALYSIS

EXPENSES	* BASIS	ALLOCATION FACTOR		ALLOCATED DOLLARS		TOTAL
		SAV	LD	SAV	LD	
PERSONNEL DETAIL						
CHIEF	100%	95%	5%	\$ 167,581	\$ 8,820	\$ 176,401
WAGES				\$ 123,979	\$ 6,525	
PERA/FICA				\$ 23,497	\$ 1,237	
WORKER'S COMP				\$ 4,729	\$ 249	
HEALTH INSURANCE				\$ 14,521	\$ 764	
UNIFORM ALLOWANCE				\$ 855	\$ 45	
CAPTAIN	100%	95%	5%	\$ 147,864	\$ 7,782	\$ 155,646
WAGES				\$ 107,918	\$ 5,680	
PERA/FICA				\$ 20,453	\$ 1,076	
WORKER'S COMP				\$ 4,117	\$ 217	
HEALTH INSURANCE				\$ 14,521	\$ 764	
UNIFORM ALLOWANCE				\$ 855	\$ 45	
LIEUTENANT	100%	95%	5%	\$ 156,316	\$ 8,227	\$ 164,543
WAGES				\$ 114,213	\$ 6,011	
PERA/FICA				\$ 22,481	\$ 1,183	
WORKER'S COMP				\$ 4,246	\$ 223	
HEALTH INSURANCE				\$ 14,521	\$ 764	
UNIFORM ALLOWANCE				\$ 855	\$ 45	
INVESTIGATOR	100%	87.5%	12.5%	\$ 123,256	\$ 17,608	\$ 140,864
WAGES				\$ 88,716	\$ 12,674	
PERA/FICA				\$ 17,178	\$ 2,454	
WORKER'S COMP				\$ 3,201	\$ 457	
HEALTH INSURANCE				\$ 13,375	\$ 1,911	
UNIFORM ALLOWANCE				\$ 788	\$ 113	
SERGEANTS	3	2.50	0.50	\$ 384,220	\$ 76,844	\$ 461,064
WAGES				\$ 277,635	\$ 55,527	
PERA/FICA				\$ 55,918	\$ 11,184	
WORKER'S COMP				\$ 10,205	\$ 2,041	
HEALTH INSURANCE				\$ 38,213	\$ 7,643	
UNIFORM ALLOWANCE				\$ 2,250	\$ 450	
PATROL	13	8.75	4.25	\$ 1,168,316	\$ 567,468	\$ 1,735,784
WAGES				\$ 802,255	\$ 406,104	
PERA/FICA				\$ 139,857	\$ 77,983	
WORKER'S COMP				\$ 33,016	\$ 14,594	
HEALTH INSURANCE				\$ 133,709	\$ 64,962	
UNIFORM ALLOWANCE				\$ 6,825	\$ 3,825	
CSO	100%	95%	5%	\$ 51,240	\$ 2,697	\$ 53,937
WAGES				\$ 36,859	\$ 2,091	
PERA/FICA				\$ 5,507	\$ 312	
WORKER'S COMP				\$ 1,575	\$ 79	
HEALTH INSURANCE				\$ 10,116	\$ 192	
UNIFORM ALLOWANCE				\$ 371	\$ 23	
ADMIN	2.00	1.80	0.20	\$ 152,353	\$ 16,928	\$ 169,281
WAGES				\$ 108,185	\$ 11,948	
PERA/FICA				\$ 16,175	\$ 1,784	
WORKER'S COMP				\$ 4,626	\$ 454	
HEALTH INSURANCE				\$ 23,401	\$ 2,743	
MECHANIC ALLOCATION	100%	87.5%	12.5%	\$ 21,207	\$ 3,030	\$ 24,236
ADMINISTRATION/FINANCE ALLOCATION	100%	98.35%	1.65%	\$ 279,801	\$ 4,694	\$ 284,495
TOTAL PERSONNEL				\$ 2,652,155	\$ 714,098	\$ 3,366,253

86.9%

POLICE COST ANALYSIS

EXPENSES	*	BASIS	ALLOCATION FACTOR		ALLOCATED DOLLARS		TOTAL
			SAV	LD	SAV	LD	
PERSONNEL SUMMARY							
CHIEF		100%	95%	5%	\$ 167,581	\$ 8,820	\$ 176,401
CAPTAIN		100%	95%	5%	\$ 147,864	\$ 7,782	\$ 155,646
LIEUTENANT		100%	95%	5%	\$ 156,316	\$ 8,227	\$ 164,543
INVESTIGATOR		100%	88%	13%	\$ 123,256	\$ 17,608	\$ 140,864
SERGEANTS		3	2.50	0.50	\$ 384,220	\$ 76,844	\$ 461,064
PATROL		13	8.75	4.25	\$ 1,168,316	\$ 567,468	\$ 1,735,784
ADMIN		2.00	1.80	0.20	\$ 152,353	\$ 16,928	\$ 169,281
CSO		100%	95%	5%	\$ 51,240	\$ 2,697	\$ 53,937
MECHANIC ALLOCATION		100%	88%	12.5%	\$ 21,207	\$ 3,030	\$ 24,236
ADMINISTRATION/FINANCE ALLOCATION		100%	98.35%	1.65%	\$ 279,801	\$ 4,694	\$ 284,495
					\$ 2,652,155	\$ 714,098	\$ 3,366,253
							86.9%
OPERATING EXPENSES							
MOTOR FUELS MARKED	A	4.00	3.00	1.00	\$ 42,345	\$ 14,115	\$ 56,460
MOTOR FUELS UNMARKED		100%	95%	5%	\$ 4,813	\$ 253	\$ 5,066
SQUADS INSURANCE MARKED	A	4.00	3.00	1.00	\$ 4,108	\$ 1,369	\$ 5,477
SQUADS INSURANCE UNMARKED		100%	95%	5%	\$ 274	\$ 14	\$ 288
SQUADS CLEANING MARKED	A	4.00	3.00	1.00	\$ 1,552	\$ 517	\$ 2,069
SQUADS CLEANING UNMARKED		100%	-	-	\$ 193	\$ -	\$ 193
SUPPLIES- EQUIPMENT	B	100%	86%	14%	\$ 1,763	\$ 287	\$ 2,050
VEHICLE REPAIRS/PARTS MARKED	A	4.00	3.00	1.00	\$ 13,158	\$ 4,386	\$ 17,544
VEHICLE REPAIRS/PARTS UNMARKED		100%	95%	5%	\$ 835	\$ 44	\$ 879
FACILITY OPERATING EXPENSES		100%	100%	-	\$ 31,111	\$ -	\$ 31,111
GENERAL SUPPLIES	B	100%	86%	14%	\$ 17,470	\$ 2,844	\$ 20,314
SHOP SUPPLIES MARKED	A	4.00	3.00	1.00	\$ 641	\$ 214	\$ 855
SHOP SUPPLIES UNMARKED		100%	95%	5%	\$ 49	\$ 3	\$ 51
FED VEST GRANT SUPPLIES		20.00	15.25	4.75	\$ 5,575	\$ 1,736	\$ 7,311
CONTRACTED IT & SFTW SUPPOR	B	100%	86%	14%	\$ 70,455	\$ 11,469	\$ 81,925
MISC CONTRACTED SERVICES	C	20.00	15.25	4.75	\$ 3,991	\$ 1,243	\$ 5,234
COMMUNICATIONS	B	100%	86%	14%	\$ 60,157	\$ 9,793	\$ 69,950
HC PRISONER SERVICES		100%	100%	-	\$ 6,025	\$ -	\$ 6,025
TRAINING, CONF. & MTG.	C	20.00	15.25	4.75	\$ 22,162	\$ 6,903	\$ 29,065
MEMBERSHIPS & DUES		100%	95%	5%	\$ 2,014	\$ 106	\$ 2,120
PRINTED FORMS & ENVELOPES		100%	95%	5%	\$ 763	\$ 40	\$ 804
LIABILITY INSURANCE	C	20.00	15.25	4.75	\$ 47,752	\$ 14,873	\$ 62,625
DEDUCTABLE LOSSES	A	4.00	3.00	1.00	\$ 6,662	\$ 2,221	\$ 8,883
ANIMAL CONTROL CONTRACT		100%	75%	25%	\$ -	\$ -	\$ -
MISCELLANEOUS		100%	95%	5%	\$ 143	\$ 8	\$ 150
CONTINGENCY					\$ -	\$ -	\$ -
TOTAL OPERATING EXPENSES					\$ 344,008	\$ 72,439	\$ 416,447
							10.8%
CAPITAL EXPENSES							
CAPITAL REPLACEMENT- VEHICLES MARKED	B	100%	86%	14%	\$ 37,005	\$ 6,024	\$ 43,029
CAPITAL REPLACEMENT- VEHICLES UNMARKED		100%	95%	5%	\$ -	\$ -	\$ -
CAPITAL REPLACEMENT- EQUIP	B	100%	86%	14%	\$ 31,767	\$ 5,171	\$ 36,938
CAPITAL REPLACEMENT- FACILITY		100%	-	-	\$ 10,944	\$ -	\$ 10,944
TOTAL CAPITAL EXPENSES					\$ 79,715	\$ 11,195	\$ 90,911
							2.3%
TOTAL EXPENSES					\$ 3,075,878	\$ 797,732	\$ 3,873,611
REVENUES							
STATE AID- POLICE	C	20.00	15.25	4.75	\$ 157,075	\$ 48,925	\$ 206,000
FEDERAL GRANTS-VESTS	C	20.00	15.25	4.75	\$ 5,575	\$ 1,736	\$ 7,311
TOTAL REVENUES					\$ 162,650	\$ 50,661	\$ 213,311

*** COMMENTS**
A (4) Based on number of active, marked squad cars for each municipality
B Based on each municipality's share of St. Anthony Police resources
C (20) Based on head-count of sworn officers in the St. Anthony Police Department
D 4.76% Increase over 2019 contract

CONTRACT COST	\$	747,071	D
PRIOR YEAR COST	\$	713,141	
Increase	\$	33,930	
Increase %		4.76%	

POLICE COST ANALYSIS

SUMMARY OF 2020 CONTRACT INCREASES (DECREASES)

	<u>Increase</u> <u>(Decrease)</u>
TOTAL PERSONNEL	
1) Wages per finalized union contract	\$ 21,340
2) PERA/FICA includes legislated rate increase	\$ 12,227
3) WORKER'S COMP includes improvement in experience rating	\$ (1,763)
4) HEALTH INSURANCE based on 2020 premium rates and present elections	\$ 606
5) UNIFORM ALLOWANCE per finalized union contract	\$ 290
6) Administration	\$ 32,523
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TOTAL OPERATING EXPENSES	\$ 7,493
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TOTAL CAPITAL EXPENSES	\$ (6,418)
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TOTAL REVENUES (Increase)/Decrease	\$ 332
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2020 CONTRACT INCREASE	\$ 33,930
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