

LAUDERDALE CITY COUNCIL MEETING AGENDA

TUESDAY, APRIL 13, 2004

CITY HALL, 7:00 P.M.

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 MEETING TO ORDER AT 7:00 P. M.**

2. **ROLL:**

Councilmembers:

McCloskey _____ Christensen _____
Gill-Gerbig _____ Giannetti _____
Mayor Dains _____

Staff: Getschow _____

3. **APPROVAL OF THE AGENDA**

4. **APPROVAL**

- A. Approval of minutes of 3/23/04 City Council Meeting
- B. Approval of claims totaling \$44,301.77

5. **OPPORTUNITY FOR THE PUBLIC TO ADDRESS THE COUNCIL ON ITEMS NOT ON THE AGENDA**

Any member of the public may speak at this time on any item NOT on the agenda. In consideration of the public attending the meeting for specific items on the agenda, 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 under Additional Items 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 Council's 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.

6. CONSENT

7. SPECIAL ORDER OF BUSINESS/RECOGNITIONS/PROCLAMATIONS/ CITIZENS ADDRESSING STREET AND UTILITY IMPROVEMENTS

8. 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.

9. INFORMATIONAL PRESENTATIONS

- A. 2003 Financial Statements and Audit: Andrew Berg-Abdo, Abdo, Eick and Myers

10. EXECUTIVE SESSION RELATING TO ATTORNEY/CLIENT PRIVILEGE TO DISCUSS PENDING LITIGATION AGAINST THE CITY OF LAUDERDALE (KARKOC PARCEL)

11. ACTION

- A. Approval of the 2003 Financial Statements and Audit Report
- B. Resolution 041304A: A Resolution Authorizing Eminent Domain Proceedings to Acquire Certain Real Property (Karkoc Parcel)
- C. Consideration of the 2005-2006 Joint Powers Agreement for Police Services with the City of Saint Anthony
- D. Set a Date for 2004 Lauderdale Spring Clean-Up

12. ADDITIONAL ITEMS

13. SET AGENDA FOR NEXT MEETING

14. WORK SESSION DISCUSSION

- A. Draft Zoning Ordinance – Chapters 4-6
- B. Fulham Street County Improvement Project
- C. Larpenteur Avenue Redevelopment

15. ADJOURNMENT

**Lauderdale City Council
Meeting Minutes
March 23, 2004**

1. Meeting called to order at 7:05 P.M.

2. ROLL

Council present: Giannetti, Christensen, McCloskey, Gill-Gerbig and
Mayor Dains

Staff present: Administrator Getschow and
Assistant to the Administrator Bownik

3. APPROVAL OF THE AGENDA

A. Approval of Agenda. Motion by Giannetti, second by McCloskey to approve the agenda. Roll: Yes: all. Motion carried.

4. APPROVAL

A. Approval of Minutes. Motion by McCloskey, second by Christensen to approve the minutes of the March 9, 2004 City Council meeting. Motion carried unanimously.

B. Approval of Claims totaling \$49,162.12. Motion by Gill-Gerbig, second by Giannetti to approve the claims totaling \$49,162.12. Motion carried unanimously.

5. OPPORTUNITY FOR THE PUBLIC TO ADDRESS ITEMS NOT ON THE AGENDA

6. CONSENT

7. SPECIAL ORDER OF BUSINESS/RECOGNITIONS/PROCLAMATIONS
8. INFORMATIONAL PRESENTATIONS
9. PUBLIC HEARINGS

A. Lot Coverage Variance at 1808 Eustis Street for a house addition.
Assistant to the City Administrator Bownik stated that Daniel Sherman, 1808 Eustis Street, is applying for a 6% variance to the lot coverage requirements to go from 29% to 35% for the purpose of completing an addition to his house.

The lot size of the subject property is 40' x 132.20' (5,288 square feet). The two structures on the property total 1,516 square feet, or 28.67% lot coverage. The square footages of the existing structures are 796 for the house and 720 for the garage. The addition to the house would add 333 square feet to the principal structure, and 6.30% to the lot coverage. This would bring the total square feet of covered structures on the property to 1,849 square feet, or 34.97% lot coverage.

Bownik stated that the Planning Commission did not meet to discuss the variance request but did receive the information packet and have been invited and encouraged to attend the council meeting in order to provide input to the Council.

The Mayor opened the public hearing at 7:10 p.m.

No one wished to address the City Council.

The Mayor closed the public hearing at 7:11 p.m.

10. ACTION

A. Lot Coverage Variance at 1808 Eustis Street for a house addition.

Council member Giannetti requested clarification on the lot size.

Motion by Gill-Gerbig, second by Christensen to approve the variance to the lot coverage requirements to go to 35% for a house addition. Roll: Yes: all. Motion carried.

B. Approval of Resolution 032304A: Authorizing Application for the Development of New Park at Walnut/Ione Street. Kevin Walsh, Deputy Clerk stated that at the last meeting the Council requested that the details of the grant and the development of the park should be discussed at the next Park and Community Involvement Committee meeting as a result of the suggestion to include exercise equipment in the application. Following this meeting, Walsh was now ready to present the final components of the grant to the City Council.

The Park and Community Involvement Committee (PCIC) has made recommendations regarding the development of the park that include installing a fence around the perimeter of the north and west side of the park, a bituminous pathway, building a bench shelter, landscaping on the north and west border lined along the fence, and providing fitness equipment/stations. The DNR Grant is a 50/50 matching grant with funds available and budgeted in the Park Improvement Fund to cover these expenses.

Council member Giannetti stated that this looks like a great grant application. She thanked the Committee for their input and hard work.

Council member Gill-Gerbig also supported the grant application. She thought the process that was employed to bring this final application to the Council was to be commended.

Council member McCloskey stated that the City should consider placing this exercise equipment in the Community Park where it may be used more often.

PCIC member Kim Hanson and PCIC Chair Karen Doherty stated the Committee's reasoning for proposing to place the equipment in this park as opposed to the Community Park. The reasoning was to based on the privacy that this park can provide, along with the desire to emphasize the use of this park for adults as opposed to young children because of the park's proximity to Highway 280.

The Mayor asked if the Committee was planning on discussing trail improvements in the Community Park. Chair Doherty stated that this discussion can be placed on a future Committee agenda.

Motion by Giannetti, second by Gill-Gerbig to approve of Resolution 032304A: A Resolution Authorizing Application for the Development of New Park at Walnut/Ione Street. Roll: Yes: all. Motion carried.

C. *Consider Revising Year-End Financial Transfer Allocations.* The City Administrator stated that the City has a policy whereby year-end excess general fund dollars greater than 55% of general fund budgeted expenditures for the year are transferred to certain capital improvement funds. The excess general funds dollars are generated through revenues that are greater than what was budgeted and through expenditures that come in under budget.

Currently the allocations are:

Street Improvement Fund (401)	70%
Storm Sewer Improvement Fund (403)	15%
Park Improvement Fund (404)	10%
General Capital Improvement Fund (402)	5%

The Administrator then stated that currently the highest percentage of excess funds is sent to street and storm sewer capital funds. This was based on assisting in the financing of the street and utility improvements. Now that the improvements are being finalized and current discussions have been focused on park improvements and general capital improvements such as the purchase of city trucks and social room improvements, new allocations could be considered.

For discussion and consideration, the Administrator presented the following possibility:

Park Improvement Fund (404)	30%
Street Improvement Fund (401)	30%
General Capital Improvement Fund (402)	20%
Storm Sewer Improvement Fund (403)	20%

The Administrator stressed once again that these percentages are excess general fund dollars. They are unrealized gains that cannot always be counted on. In fact, with the recent state aid cuts there will be less dollars for 2003 than there was in prior years.

The Council consensus was that the proposed percentages are appropriate. They represent where the City would like to place its capital spending priorities.

Motion by Christensen, second by McCloskey to adopt new percentage allocations in the packet (above) for year-end transfer of excess general fund dollars. Roll: Yes: all. Motion carried.

D. Consideration of 2004 Street Sweeping Quotations. Motion by Gill-Gerbig, second by Giannetti to approve Mike McPhillips for a quotation not to exceed \$4,400 to perform street and alley sweeping for the year 2004. Roll: Yes: all. Motion carried.

11. EXECUTIVE SESSION RELATING TO ATTORNEY/CLIENT PRIVILEGE TO DISCUSS PENDING LITIGATION AGAINST THE CITY OF LAUDERDALE (KARKOC PARCEL)

The City Council went into executive session at 7:37 p.m. for the purpose of attorney-client privilege to discuss pending litigation against the City of Lauderdale regarding the Karkoc/Walsh Lake parcel.

The Council came back into open session at 9:06 p.m.

12. DISCUSSION

13. ITEMS REMOVED FROM THE CONSENT AGENDA

14. ADDITIONAL ITEMS

15. SET AGENDA FOR NEXT MEETING

1. 2003 Financial Statements and Audit
2. Work Session – Draft Zoning Ordinance, Fulham Street Project, and Larpenteur Avenue Redevelopment

16. ADJOURNMENT

Motion by Giannetti, second by Gill-Gerbig to adjourn at 9:08 P.M. Ayes: All.

CITY OF LAUDERDALE

Claims for Approval

April 13, 2004 City Council Meeting

Payroll

03/26/04 Payroll:	Check # 7553-7558	\$6,501.62
03/26/04 Payroll:	EFT: Federal Withholding Taxes/FICA	\$2,628.50
03/26/04 Payroll:	EFT: PERA	\$1,068.26
03/26/04 Payroll:	EFT: ICMA Retirement Fund	\$1,137.52
March04 Payroll:	EFT: State Withholding Taxes	\$945.30

04/09/04 Payroll:	Check # 7566-7570	\$6,544.99
03/26/04 Payroll:	EFT: Federal Withholding Taxes/FICA	\$2,641.76
03/26/04 Payroll:	EFT: PERA	\$1,075.46
03/26/04 Payroll:	EFT: ICMA Retirement Fund	\$1,137.52

Vendor Claims

04/13/04 Claims:	Check # 16814-16839	\$20,620.84
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Subtotal of Claims From Above

\$44,301.77

Total Claims for Approval

\$44,301.77

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CITY OF LAUDERDALE
Vendor Transactions

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CHECK Nbr	Check Date	Batch Name Invoice	Amount	Comments
Search Name AFSCME				
016814	4/13/04	041304 4/13	\$75.90	3/04 union dues
<i>Search Name AFSCME</i>			\$75.90	
Search Name AVENET, LLC				
016815	4/13/04	041304 6475	\$90.00	2q04 website hosting
<i>Search Name AVENET, LLC</i>			\$90.00	
Search Name BFI				
016816	4/13/04	041304 4/13	\$2,472.50	02/04 recycling
<i>Search Name BFI</i>			\$2,472.50	
Search Name BONESTROO, ROSENE, ANDERLIK				
016817	4/13/04	041304 106989	\$340.48	2/04 2003 st/util imp
016817	4/13/04	041304 106988	\$343.00	2/04 general engineering
<i>Search Name BONESTROO, ROSENE, ANDERLIK</i>			\$683.48	
Search Name CINTAS				
016818	4/13/04	041304 4/13	\$86.40	3/25, 4/1, 4/8 pw uniforms
<i>Search Name CINTAS</i>			\$86.40	
Search Name CITY OF ROSEVILLE				
016819	4/13/04	041304 4437	\$164.08	4/04 technical services
<i>Search Name CITY OF ROSEVILLE</i>			\$164.08	
Search Name CITY OF WHITE BEAR LAKE				
016820	4/13/04	041304 4452	\$225.00	2004 ramsey co gis users group
<i>Search Name CITY OF WHITE BEAR LAKE</i>			\$225.00	
Search Name GLENWOOD INGLEWOOD				
016821	4/13/04	041304 4/13	\$51.76	3/04 water cooler
<i>Search Name GLENWOOD INGLEWOOD</i>			\$51.76	
Search Name GOVERNMENT TRAINING SERVICE				
016822	4/13/04	041304 4/13	\$199.00	mcma/maca annual conference
<i>Search Name GOVERNMENT TRAINING SERVICE</i>			\$199.00	
Search Name HOME DEPOT CRC				
016823	4/13/04	041304 4/13	\$24.46	garage door opener
016823	4/13/04	041304 4/13	\$90.67	maintenance supplies
016823	4/13/04	041304 4/13	\$297.46	garage improvements
<i>Search Name HOME DEPOT CRC</i>			\$412.59	
Search Name HUGHES & COSTELLO				
016824	4/13/04	041304 4/13	\$850.00	4/04 legal retainer
016824	4/13/04	041304 4/13	\$49.75	4/04 print/process
<i>Search Name HUGHES & COSTELLO</i>			\$899.75	
Search Name KENNEDY & GRAVEN				
016825	4/13/04	041304 60611	\$19.95	2/04 print/process
016825	4/13/04	041304 60611	\$1,586.00	2/04 legal fees
<i>Search Name KENNEDY & GRAVEN</i>			\$1,605.95	
Search Name MET-COUNCIL ENVIRONMENTAL SER.				

CITY OF LAUDERDALE

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Vendor Transactions

CHECK Nbr	Check Date	Batch Name Invoice	Amount	Comments
016826	4/13/04	041304 772579	\$7,655.87	5/04 wastewater services
Search Name MET-COUNCIL ENVIRONMENTAL SER.			\$7,655.87	
Search Name MN STATE TREASUER				
016827	4/13/04	041304 4/13	\$14.00	1q04 bldg permit surcharges
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Search Name NORTH STAR BANK, PETTY				
016828	4/13/04	041304 4/13	\$18.13	mileage kw
016828	4/13/04	041304 4/13	\$47.73	mileage rg
016828	4/13/04	041304 4/13	\$35.52	mileage jb
016828	4/13/04	041304 4/13	\$2.67	certified mail
016828	4/13/04	041304 4/13	\$6.00	nonresi reimb s wilberts rv rec
Search Name NORTH STAR BANK, PETTY			\$110.05	
Search Name OFFICE MAX				
016829	4/13/04	041304 4/13	\$5.31	video tapes
016829	4/13/04	041304 4/13	\$157.43	general office supplies
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Search Name PARK HARDWARE HANK				
016830	4/13/04	041304 4/13	\$37.31	tools
Search Name PARK HARDWARE HANK			\$37.31	
Search Name PARK SERVICE				
016831	4/13/04	041304 4/13	\$187.44	3/04 truck fuel
016831	4/13/04	041304 4/13	\$23.34	3/04 truck fuel
016831	4/13/04	041304 4/13	\$22.57	3/04 truck maintenance
Search Name PARK SERVICE			\$233.35	
Search Name RAMSEY COUNTY, PROP REC & REV				
016832	4/13/04	041304 risk699	\$1,012.72	4/04 health benefits
016832	4/13/04	041304 pubw4450	\$1,806.72	2/04 plow/sand
Search Name RAMSEY COUNTY, PROP REC & REV			\$2,819.44	
Search Name RAPIT PRINTING				
016833	4/13/04	041304 104533	\$52.61	bldg permit hard cards
Search Name RAPIT PRINTING			\$52.61	
Search Name ROSEHILL SERVICE STATION				
016834	4/13/04	041304 k152935	\$156.46	truck repair, muffler and tail pipes
016834	4/13/04	041304 k152935	\$156.46	truck repair, muffler and tail pipes
Search Name ROSEHILL SERVICE STATION			\$312.92	
Search Name SAFE ASSURE CONSULTANTS, INC.				
016835	4/13/04	041304 4/13	\$780.00	2004 safety training
Search Name SAFE ASSURE CONSULTANTS, INC.			\$780.00	
Search Name SBC PAGING				
016836	4/13/04	041304 4/13	\$50.80	2004 pw pager
016836	4/13/04	041304 4/13	\$50.80	2004 pw pager
Search Name SBC PAGING			\$101.60	

CITY OF LAUDERDALE

Vendor Transactions

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Search Name WAGERS BUSINESS SYSTEMS				
016837	4/13/04	041304 arin24818	\$199.60	toner for copier
Search Name WAGERS BUSINESS SYSTEMS			\$199.60	
Search Name WASTE MANAGEMENT				
016838	4/13/04	041304 4/13	\$30.56	4/04 garbage service
016838	4/13/04	041304 4/13	\$30.55	4/04 garbage service
Search Name WASTE MANAGEMENT			\$61.11	
Search Name XCEL ENERGY				
016839	4/13/04	041304 4/13	\$198.85	3/04 utilities city hall
016839	4/13/04	041304 4/13	\$66.28	3/04 utilities city hall
016839	4/13/04	041304 4/13	\$107.60	3/04 utilities city hall
016839	4/13/04	041304 4/13	\$35.87	3/04 utilities garage
016839	4/13/04	041304 4/13	\$53.60	3/04 utilities garage
016839	4/13/04	041304 4/13	\$53.60	3/04 utilities garage
016839	4/13/04	041304 4/13	\$8.90	3/04 utilities garage
016839	4/13/04	041304 4/13	\$8.90	3/04 utilities garage
016839	4/13/04	041304 4/13	\$144.06	3/04 utilities park
016839	4/13/04	041304 4/13	\$9.30	3/04 utilities park
016839	4/13/04	041304 4/13	\$426.87	3/04 utilities st lighting
Search Name XCEL ENERGY			\$1,113.83	
Grand Total			\$20,620.84	

Lauderdale City Council Memorandum

Council Meeting Date: April 13, 2004
To: Mayor and City Council
From: Rick Getschow, City Administrator
Agenda Item: 2003 Financial Statements and Audit Report

BACKGROUND:

Andrew Berg from Abdo, Abdo, Eick & Myers will be at the Council meeting to present the audit and financial statements for fiscal year 2003.

Enclosed in the packet under separate cover is a copy of the audit and its accompanying management letter.

ENCLOSURES: *UNDER SEPARATE COVER*

1. 2003 Annual Financial Report
2. 2003 Financial Report Management Letter

COUNCIL ACTION REQUESTED:

Motion to approve the audit and financial statements for fiscal year 2003.

Lauderdale City Council Memorandum

Council Meeting Date: April 13, 2004
To: Mayor and City Council
From: Rick Getschow, City Administrator
Agenda Item: Karkoc Property

BACKGROUND:

Mary Tietjen, an attorney Kennedy and Graven, who has been working on the Karkoc case and appeared at the March 23, 2004 Council meeting will once again be present at this meeting to update the City Council on the Karkoc issue.

Following an update on the issue in executive session, the Council can consider the separate item of Resolution 041304A: A Resolution Authorizing Eminent Domain Proceedings to Acquire Certain Real Property.

ENCLOSURES:

1. Resolution 041304A: A Resolution Authorizing Eminent Domain Proceedings to Acquire Certain Real Property.

RESOLUTION NO. 041304A

A RESOLUTION AUTHORIZING EMINENT DOMAIN PROCEEDINGS TO ACQUIRE CERTAIN REAL PROPERTY

WHEREAS, the City of Lauderdale is a Minnesota municipal corporation organized and operating under Minnesota law and is authorized by Minnesota Statutes Sections 412.211 and 465.01 to acquire private property for an authorized public purpose, using the procedure prescribed in Minnesota Statutes, Chapter 117; and

WHEREAS, the City desires to preserve significant portions of open space within the City for park, natural resources, recreation and open space purposes; and

WHEREAS, the Subject Property contains approximately 0.25 acres, is partially wooded lake- front property adjacent to similar city-owned property and would be desirable for the City and its citizens to use for park, natural resources, recreation and open space purpose; and

WHEREAS, the Subject Property is designated as not buildable under the City's zoning and subdivision ordinances and applicable City and State shoreline setback requirements; and

WHEREAS, the Subject Property is currently guided for open space under the City's Comprehensive Plan; and

WHEREAS, the City owns property adjacent to the Subject Property and thus, the acquisition of the Subject Property would provide a contiguous area of open space.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lauderdale, Minnesota, as follows:

1. It is convenient, desirable and necessary to acquire the Subject Property for the City for park, recreation, natural resources and open space purposes.
2. Acquisition of the Subject Property for such purposes by eminent domain, in the manner provided by Minnesota Statutes, Chapter 117, is for public purposes and is hereby authorized.
3. Due to the nature of the Subject Property, specifically that is unavailable for private development, the City has determined that it would be an excellent parcel for addition to the City's open space.
4. The City has been unable to reach a negotiated agreement with the owner of the Subject Property.
5. The Property is in private ownership and use. There is no existing public use on the

Property.

6. The City Council determines that it is necessary, convenient and reasonable to acquire the Subject Property for park, natural resources, recreation and open space purposes. The City Council further determines that it is in the public interest to authorize and direct the acquisition of the Subject Property for such purposes.

7. The City attorney and staff are authorized and directed on behalf of the City to acquire fee simple title to the Subject Property as legally described below by the exercise of the power of eminent domain pursuant to Minnesota Statutes Chapter 117.

8. The Subject Property is legally described as follows:

GARCELON'S ADDITION TO ST. PAUL N 1/2 OF LOT 5 AND ALL OF
LOT 4 BLK 3

Adopted by the City Council in and for the City of Lauderdale, Minnesota this _____ day
of _____, 2004.

The foregoing resolution was moved by _____ and
seconded by _____.

The vote was by roll call: _____.

The following Councilmembers voted in the negative: _____.

Mayor

ATTEST:

City Administrator

Lauderdale City Council Memorandum

Council Meeting Date: April 13, 2004
To: Mayor and City Council
From: Rick Getschow, City Administrator
Agenda Item: 2005-2006 Police Contract

BACKGROUND:

As was stated in the March 26, 2004 Friday report, the City of Saint Anthony has submitted a police contract proposal for 2005 and 2006.

The Saint Anthony and Falcon Heights City Councils' have approved or are planning to approve their contracts. The draft of the contract is included in the packet and is similar to the current contract that expires at the end of 2004. This agreement proposes a 3% cost increase to the contract for 2005, and a 3.25% increase for 2006.

Below is a summary of the cost increases for the police contract over the past eight (8) years:

- 1997: 8.4%
- 1998: 4%
- 1999: 5%
- 2000: 4%
- 2001: 3.5%
- 2002: 3.5%
- 2003: 4.5%
- 2004: 4.25%

The Saint Anthony City Manager's letter enclosed with the draft agreement states that the proposed increase is necessary due to personnel increases, health insurance increases, and cost increases due to the need to upgrade computer and radio systems.

ENCLOSURES:

1. February 9, 2004 letter from the City of Saint Anthony
2. Draft of Joint Powers Agreement for Police Services

COUNCIL ACTION REQUESTED:

Consider the approval of the Joint Powers Agreement for Police Services with the City of Saint Anthony for 2005-2006.



February 9, 2004

Rich Getschow
City of Lauderdale
1891 Walnut Street
Lauderdale, Minnesota 55113

Dear Rich:

Enclosed is a Joint Powers Agreement for police services for ^{2005 + 2006} ~~2004~~ & 2005 between the Cities of Lauderdale and St. Anthony. Staff will recommend to the St. Anthony City Council a 3% increase for contract year ~~2004~~ & for ^{2005 + 2006} ~~2005~~ a 3.25% increase.

The proposed increase is necessary to offset increased costs in the following areas:

- ✓ Salaries and benefits will increase over the next two years.
- ✓ Health insurance premiums have significantly increased.
- ✓ Increasing costs of maintenance (labor, tires, parts & etc.).
- ✓ Fuel costs continue to rise.
- ✓ Hennepin/Ramsey County 800 MHZ/VHF communications costs.

The proposed increase listed below is contingent on a favorable approval of the St. Anthony City Council. In addition, as of this date, we have not settled our contracts for wages and benefits with the Police Union for ^{2005 + 2006} ~~2004 & 2005~~. They have filed for mediation and if we are unsuccessful to negotiate a contract that is favorable to the current budget, the proposal is subject to change.

Here is a current Summary:

2004 <u>Contract</u>	Proposed <u>2005</u>	Proposed <u>2006</u>
\$240,818	\$247,219	\$255,254

Sincerely,

Michael J. Mornson
City Manager

JOINT POWERS AGREEMENT FOR POLICE SERVICES

This Agreement is made and entered into as of _____, 2004 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, 2005.

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 preparation by Lauderdale of a Request for Proposal for Police Services and the submission of a responsive Proposal by St. Anthony (the "Proposal"). To the extent that any of the provisions of this Agreement are inconsistent with the provisions of the Proposal, the provisions of this Agreement will control. If any provision of this Agreement is ambiguous, the parties agree that the Proposal may be looked to as evidence of the parties' intent.

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 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. 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;
- E. Ticketing for traffic violations will be done routinely during normal shifts;
- F. Crime prevention programs that encourage community involvement and investment in the City of Lauderdale, including participation in the Mayor's Commission, Family Violence Network, Neighborhood Watch Programs, "McGruff Houses," and "Combat Auto Theft" programs; in appropriate cases, referrals will be made to the Northwest Youth and Family Services Youth Diversion Program;
- G. Criminal investigations, crime lab service and supervisory service;
- H. Reports on police services and activities, including weekly, monthly and annual police reports;
- I. 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;

- J. 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;
- K. License inspections, background investigations and license enforcement services as called for under applicable state law or city ordinances;
- L. Review and comment, upon request, of proposed Lauderdale ordinances affecting police services or enforcement;
- M. 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
- N. Special event traffic patrol services, including ten days per year during the State Fair; and other events such as periodic parades and the National Street Rods Association Convention.

V. PAYMENT FOR SERVICES

This Agreement will be effective January 1, 2005 and will continue until December 31, 2006. In consideration of the services to be provided under this Agreement, Lauderdale will pay St. Anthony an annual fee of \$247,219 for the year 2005, and an annual fee of \$255,254 for the year 2006, for the police services under this Agreement. This Agreement will be effective January 1, 2005 and will continue indefinitely unless canceled in accordance with the procedure outlined in Section XX of this Agreement. In consideration of services provided for under this Agreement, St. Anthony and Lauderdale shall establish the fee for these services on a biennial basis by May 15th of the even numbered year preceding each biennium.

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 St. Anthony police officers under this Agreement, and will hold Lauderdale, its officers and employees harmless for any liability resulting from actions of a St. Anthony employee and shall defend Lauderdale, its officers and employees, against any claim for damages arising out of St. Anthony's performance of this Agreement; provided, however, that if the claim, action or liability is one which is insured by St. Anthony's liability insurer, Lauderdale will bear the first \$5,000.00 of expense for any such claim, action or liability, or expenses relation thereto, including attorneys' fees, to the extent not covered by the insurer because of a deductible amount under the policy (which deductible amount is currently \$10,000.00).

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 through the Minnesota Police Recruitment System.

IX. JOINT ADVISORY COMMITTEE

Both cities will appoint members to a joint advisory committee. The committee will meet at least four times each 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 officers 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, 2005 and will continue 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 on a biennial basis on or before May 15th of the even numbered year preceding each biennium.

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 April 15th of even numbered years that St. Anthony or Lauderdale intends to terminate the Agreement. Termination of this Agreement shall be effective on December 31st at 11:59 of the year that either St. Anthony or Lauderdale terminate the Agreement.

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: _____

Lauderdale City Council Memorandum

Council Meeting Date: April 13, 2004
To: Mayor and City Council
From: Rick Getschow, City Administrator
Agenda Item: Set Dates for the 2004 Spring Clean-Up

BACKGROUND:

Each spring all properties in Lauderdale are inspected pursuant to Section 2-4-3 of Lauderdale City Code. The Code mandates that all properties in the city be inspected annually for violations that relate to public health and safety.

On an annual basis, the City Council must set a date for spring clean-up because the City Code states "that all premises within the City shall be cleaned up by such date as may be established by the City Council". Last year, the Council set April 28-May 2 as Clean-up week and May 5-9 as Inspection week.

In the Spring City newsletter that was recently mailed, it was stated that residents should clean their yards throughout April and that the City would undertake inspections in early May. Therefore, staff is recommending that Clean-up Week be April 26-30 and that Inspection Week be May 3-7. This schedule matches up very well with last year's Spring Clean-Up Week.

COUNCIL ACTION REQUESTED:

Motion to set April 26-30 as Clean-Up Week and May 3-7 as Inspection Week.

Lauderdale City Council Memorandum

Council Meeting Date: April 13, 2004
To: Mayor and City Council
From: Rick Getschow, City Administrator
Agenda Item: Work Session Discussion

BACKGROUND:

Zoning Ordinance Draft

Included under separate cover in the March 8, 2004 packet was a draft of Chapters 4-6. Since this item was tabled, it is now scheduled to be discussed at this work session.

Please come to the meeting with the draft material from that packet along with any comments or suggestions that you may have.

Fulham Street (Non) Turnback

Even though several Friday reports have been devoted to updates on the Fulham Street maintenance project, I felt that there should be some discussion on the issue as the County prepares to undertake the recycle and overlay project this summer. Items of discussion could include:

1. County plans to deal with drainage issues;
2. County neighborhood meeting plans; and
3. Scheduling and timing of the maintenance project

Larpenteur Avenue Redevelopment

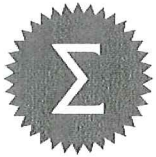
I would like to update the City Council on some preliminary discussions that I have had with a consultant regarding redevelopment services. Jim Prosser of Ehlers and Associates, who was previously the city manager in the City of Richfield, presented me with some material regarding his firm's redevelopment services. His firm has recently worked with the cities of Saint Anthony, Falcon Heights, and Little Canada on their redevelopment projects.

Based on the work session discussion and Council interest, Prosser could attend a future Council work session to provide a presentation on his firm's redevelopment processes and strategies.

Included in this packet is some background material on Ehlers redevelopment services.

ENCLOSURES:

1. City Case Studies of Ehlers and Associates Redevelopment Projects
2. Power Point Presentation slides for "Redevelopment Strategies"



EHLERS
& ASSOCIATES INC

Working in your Community!

P R O J E C T M A N A G E M E N T

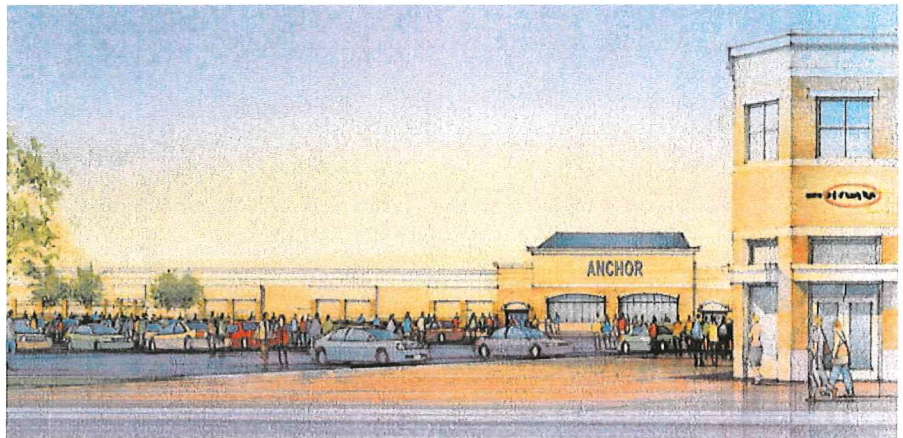
Ehlers & Associates knows what it takes to convert redevelopment plans into reality. This knowledge comes from helping cities face the challenges of redevelopment. The following case studies highlight Ehlers' experience with redevelopment. These projects demonstrate the variety of redevelopment services available from Ehlers.

St. Anthony

Our redevelopment planning process has enabled St. Anthony to finally get results in efforts to replace the obsolete Apache Plaza Mall. The 50-acre redevelopment site will feature new retail, office space, townhomes, urban flats, senior cooperative units, as well as a 5.6-acre central park. When completed, the development will bring a total of 662 new housing units, 228,000 new sq. ft. of retail and 25,000 sq. ft. of office space to the community.

Critical to the success of this redevelopment has been a public involvement process in which thousands of residents and business people worked together in open houses, forums and workshops to create a vision for the new development, "Silver Lake Village." Ehlers' success with redevelopment has found that for redevelopment to be completed, four elements must be present in the proposed project:

- ◆ financial feasibility;
- ◆ market feasibility;
- ◆ consistency with community goals; and,
- ◆ an experienced developer.



The Pratt Ordway Development Team is phasing the development on the 50-acre site, with first phase – the retail and office space – to be completed in 2005 and the final phase expected to be completed by 2007. Residents like the proposed development because it will bring new life cycle housing choices to residents in a walkable, compact neighborhood that incorporates green spaces, the park, trails, along with shops. The graphic is courtesy of the architect for the retail portion of the project, KKE architects.

Elk River

Elk River is very much like many small historic communities. Its historic downtown was experiencing pressure from large retailers on the edge of town, and in need of revitalization. But like many communities Elk River had a number of failed proposals and efforts to begin redevelopment.

Elk River began working with Ehlers & Associates as its redevelopment consultant in 2001. In September 2001, Elk River's Housing & Redevelopment Authority developed a problem statement, identified the core business district as the focus of the redevelopment, and developed a primary goal for redevelopment.

In February 2002, the HRA held an open house for the community on design objectives, concepts and development strategies. In March, the HRA issued a request for proposals from developers and received five submittals.

Developer MetroPlains is completing financial feasibility and final site plans on the project which will encompass two blocks, Bluff and Jackson. The project will include 20,000 square feet of commercial development and both for-sale and rental housing units, along with a riverwalk connection to a city park to be built among the river.



Falcon Heights

The major Twin Cities metropolitan area intersection of Snelling and Larpenteur in Falcon Heights will soon have a new look and new function. The old 1940s-style Northhome strip mall is being replaced with new housing and 12,000 square feet of retail. The new development will include 119 apartments, 56 senior housing units, 14 owner-occupied town homes and 12,000 square feet of retail space. The development, by Sherman Associates, will be \$35 million to \$40 million in new value on a site that had about \$2 million of previous value.

Falcon Heights had been trying for 15 years to put together a way to redevelop this high profile corner. Falcon Heights brought Ehlers and Associates in as its redevelopment consultant in 2000 to get past the stalled planning/development efforts of the past. Ehlers provided a redevelopment process and public involvement process to get the community to participate in the vision for the redevelopment.

After a process that involved about three years and about 20 community meetings, the community has not only been included but has taken ownership in the project. The public initiated the discussion on multi-family housing and senior housing and provided input on development design guidelines. Early neighborhood involvement helped to reduce resistance to the project, including the "not in my backyard" factor. Developing a relationship early with the developer and beginning public involvement early enabled the public to help shape the development. Recalling the previous failed efforts and the noting the completion of demolition October 29 and beginning of construction the mayor told a newspaper reporter, "It's a dream come true."



Richfield

Richfield proves that redevelopment is a powerful force. In recent years, significant redevelopment successes can be seen in:

- ◆ Shops at Lyndale
- ◆ Richfield Rediscover
- ◆ Airport expansion
- ◆ Best Buy



Ehlers has played an extensive role in the redevelopment of Richfield. Our staff has played an active role in creating and implementing the finance plans that were keys to each of these projects.

In 1999, Richfield City Manager Jim Prosser joined Ehlers. He brings direct experience on what it takes for a city to be successful in redevelopment. With Ehlers, Jim continues to play an active role in the implementation of Richfield projects.

Ehlers is currently involved with the Cedar Avenue Redevelopment Area (CARA). CARA is a redevelopment project which was necessitated by the expansion of adjacent Minneapolis - St. Paul airport. The 300+ acre residential area will be redeveloped to airport compatible uses including retail, office, hospitality and specially insulated replacement housing. Ehlers is providing project management services including:

- ◆ Preparation of master development agreement
- ◆ Preparation of project budget
- ◆ Assistance with special legislation
- ◆ Coordination of acquisition, communications, project marketing
- ◆ Project financial feasibility analysis
- ◆ Development pro forma analysis
- ◆ TIF qualification
- ◆ TIF process coordination
- ◆ Developer negotiations

Edina

Edina has long set the standard for quality redevelopment projects. The City's latest redevelopment effort, Grandview Square, continues the trend. Ehlers assisted the City in the evaluation of development proposals for a key redevelopment site. Ehlers created a financial model to create an "apples-to-apples" analysis for four different mixed use development proposals. The analysis evaluated the critical elements of each proposal: property value created, timing of development, amount and form of city assistance, and flow of funds. Ehlers prepared detailed information for staff evaluation and summary profiles for City Council use.

Following selection of a development team, Ehlers participated in the negotiation of a development agreement. Ehlers' financial analysis provided the information needed to set the form and amount of city assistance. The Grandview Square project will result in 80,000 square feet of office and 150 units of owner-occupied housing. The project will also contain a senior center and new county library.

In previous years, Ehlers staff assisted Edina with the design and the implementation of the finance plan for the Centennial Lakes redevelopment area.

Hopkins

Downtown. The Downtown area is the heart of Hopkins.

Ehlers has played an extensive role in the redevelopment of downtown Hopkins. The City's most recent achievement is the construction of the Hopkins Center for the Arts. Ehlers evaluated options and assisted the City in the implementation of the facilities finance plan. Other recent downtown projects include a restaurant/theater complex.

Oaks of Mainstreet. Housing is an important part of the vitality of downtown Hopkins. Ehlers assisted the City with the redevelopment of a mobile home park into sixty-six townhomes. This redevelopment had been a City goal for more than 15 years and was realized in 1996. The financing for the development included a complex mixture of five series of revenue bonds, general obligation tax increment bonds, and pay-as-you-go notes. Our first objective was to protect the City's longterm financial interests while at the same time providing an incentive to the developer of the project to build quality town homes and stay on budget for the project. Attesting to the success of the project are the sale of all housing units and the retirement of two of the bond issues

County Road 3 Corridor Study. Ehlers' staff served on a multi-firm team that created a comprehensive plan for the reconstruction of County Road 3 and the redevelopment of the adjacent land uses. Ehlers conducted financial analysis to determine the feasibility of project alternatives.

The finance plan created through the Corridor Study will allow the City to finance its share of the project without a complicated application of special assessments. In 1997, Ehlers implemented phase 1 of the plan with the issuance of G.O. Tax Increment Bonds.

Mound

Mound shows that vision and patience are essential qualities of the redevelopment process. In 1989, the City of Mound prepared a downtown redevelopment plan. Rusty Fifield of Ehlers was part of the multi-firm consulting team that worked with the City to create the plan. Ten years later, the City retained Jim Prosser of Ehlers to serve as project manager as the actual redevelopment process begins. Mound's Downtown Redevelopment includes five project areas encompassing 30 acres providing a projected 125,000 s.f. of retail, 275 housing units, hotel, banquet facility and farmers market. Public improvements include relocation and expansion of a County highway, a greenway, a new harbor and channel.

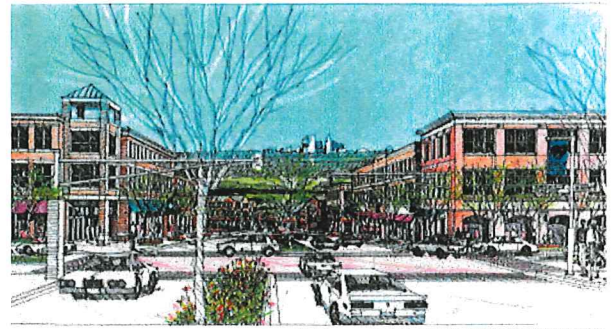
There are currently three separate developers involved in the redevelopment effort. Ehlers' project management services include:

- ◆ developer qualification
- ◆ coordination of acquisition, communications, project marketing
- ◆ project financial feasibility analysis
- ◆ development pro forma analysis
- ◆ TIF qualification
- ◆ TIF process coordination
- ◆ Developer negotiations



Burnsville

In 1999, the City of Burnsville finalized its "Heart of the City" plan. The plan serves as a guide for the redevelopment of this commercial and civic core area. Like many plans, Heart of the City provides an exciting vision with limited guidance on implementation. Burnsville turned to Ehlers & Associates for assistance with the challenges of redevelopment. The first step has been a developer RFP. Ehlers helped the City solicit and evaluate proposals for development projects in the planning area.



Apple Valley

Transit can play an important role in development projects. Ehlers & Associates is familiar with transit issues through our work with the Minnesota Valley Transit Authority (MVTA). Ehlers prepared the financial analysis on the viability of a mixed use development for the Apple Valley transit station for MVTA. This project required a balanced perspective on transit needs, cooperation with adjacent private development, and support from other governmental entities which were not accustomed to dealing with transit needs.

St. Louis Park

St. Louis Park's efforts to revitalize the Excelsior Boulevard corridor and define a town center serve as an excellent redevelopment case study.

Park Commons. The cornerstone of the City's redevelopment efforts is Park Commons. At completion, this project will bring over 500 housing units and 240,000 square feet of office/retail development into St. Louis Park. The project produces over \$120,000,000 in private investment.

Ehlers staff plays a critical role on the staff/consultant team leading the City's efforts. We provide the financial analysis of the City's ability to participate in the project. Our analysis

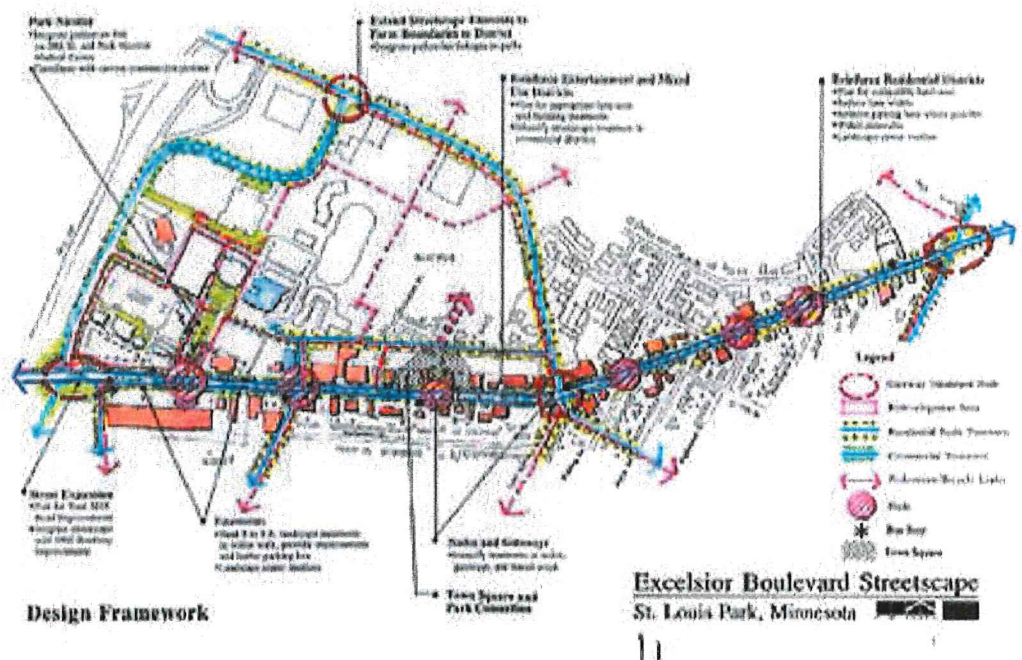
forecasts tax increment and other project revenues and links the revenues to project expenses and debt. Ehlers created the tax increment financing district that forms the key finance tool for the City. Ehlers served as financial advisor on \$20,000,000 of bonds issued by the City to finance land acquisition and site preparation.

EDA Financial Planning. With over \$40,000,000 in outstanding TIF bonds, tax increment financing is an essential financial management issue for the City. Ehlers is assisting City Staff with financial analysis and planning for TIF districts and debt. The first phase of the planning process focuses on meeting existing debt obligations. With a plan to support debt, the City can then explore the capacity to use existing TIF districts to meet future redevelopment needs. The planning process:

- ◆ Project and test future tax increment revenues from each district.
- ◆ Estimated LGA/HACA penalty amounts.
- ◆ Designed plan to meet debt obligations and provide funding for other projects.
- ◆ Identified bond covenant and arbitrage compliance issues.
- ◆ Identified future debt management objectives and opportunities.

The second phase of the planning process will examine financing issues related to the Park Commons redevelopment project. Part of this phase will look at the ability to drop parcels from existing TIF districts for new districts.

Special Service Districts. How do you make sure that your investment in redevelopment is sustainable? The City of St. Louis Park turned to special service districts. As part of its comprehensive redevelopment plans, the City instituted improvements and enhance-



ments to Excelsior Boulevard. Funds from the districts will be used to support a variety of services related to improvements made to Excelsior Boulevard. In creating the districts, Ehlers:

- ◆ Analyzed the impacts on individual parcels from various funding options.
- ◆ Analyzed service charge options.
- ◆ Advised the City on the process to create the districts and impose the service charges.
- ◆ Prepared information explaining the district and finance concepts.
- ◆ Worked with City Staff and property owners to create consensus on plan.

Tax Abatement. Tax abatement is the newest development tool for local government. Ehlers helped the City undertake an abatement that will result in a 54,000 square foot medical office building and small restaurant/commercial use on a polluted site. Ehlers advised the City on the process and financial implications of tax abatement. To make this project possible, the City obtained tax abatement commitments from the County and the School District.

Minnetonka

The City of Minnetonka was interested in producing a mixed use development which would integrate retail, family rental housing, townhomes, condominiums, various types of senior housing, common space and transit facilities in a redevelopment site along I-394. Ehlers assisted the City in attracting a major developer to acquire the existing land and construct 250,000 square feet of retail and 100 luxury condominiums. Ehlers' involvement also was also heavily concerned with evaluating the benefits of certain public and private amenities with the need for public assistance through tax increment financing. The tax increment from the retail and condominiums was used to finance over 300 single family and multi-family affordable housing units, public improvements, and public spaces. Moreover, this project was balanced with redevelopment concerns of traffic, neighbors, a relocated church, and other existing land owners.



Little Canada

Our work in Little Canada shows the variety of ways Ehlers helps Minnesota cities meet the challenges of redevelopment. Development Guide. Ehlers & Associates designed and led the planning process that resulted in the creation of a guide for the redevelopment of Little Canada's core commercial area. Ehlers assembled a consulting team that consisted of Maxfield Research and the Hoisington Koeigler Group to work on the project. We believe that this project represents an important first—a significant planning study led by a financial consulting firm. The value of this approach is enhancing the ability to implement the plan. As the ongoing financial advisor to the City of Little Canada, we have been able to carry the objectives of the Development Guide into real projects.

Work performed by Ehlers in this project include:

- ◆ Design and coordination of planning process.
- ◆ Create and lead public participation elements of process.
- ◆ Analysis of finance implications of development options.
- ◆ Preparation of implementation strategies.
- ◆ Preparation of final plan report.
- ◆ Creation of TIF district within study area.

The true test of a plan is the ability to help move towards the vision articulated in the plan. Here are some examples of how Ehlers works with Little Canada to make the Development Guide become reality.

Market Place Renovation. Ehlers created a plan that made use of tax increment financing and the City's borrowing capacity to encourage the redevelopment of a shopping center. Faced with the loss of the anchor grocery store, the City worked with a private developer on a major renovation of the Market Place shopping center. The City issued bonds and loaned the proceeds to the developer for the acquisition and renovation of the center. This step attracted new tenants to the center, including a larger grocery store. The City also retained influence over the exterior improvements to the facility. The City's loan was paid off in less than three years. In addition, the City received almost \$200,000 in revenues that can be used to meet other development needs.

Developer RFP. An early step in the implementation process was to seek a private development "partner" for the area. Ehlers worked with City Staff to create a solicitation of developer interest process. The objective of the process was to attract and select a

developer capable of creating new development within the parameters of the Development Guide. Development Guide serves as a tool to attract and evaluate development projects. Ehlers created a cash flow model to identify the revenue and expense components of the proposed projects and to test the feasibility of various development options.

Monticello

Downtown and Riverfront Plan. Ehlers & Associates served on a multi-firm consulting team that created a plan for the redevelopment of the commercial core in Monticello. Ehlers played several roles in the planning process:

- ◆ Assist with the design of public participation elements.
- ◆ Assist with the creation of development plan alternatives.
- ◆ Evaluate finance options for use by the community.
- ◆ Prepare implementation strategies for the plan.

Ehlers' contributions to this project extend well beyond the adoption of the Plan. As the financial advisor to the City, Ehlers has worked to make the Plan happen.

Revolving Loan Fund. Ehlers assisted the economic development authority with the creation of a downtown revolving loan program. Ehlers created guidelines for the loan that tied to Plan objectives. We also analyzed the financial implications for various loan and grant structures.

TIF Management. Ehlers provides tax increment financing assistance to the Monticello Housing and Redevelopment Authority (HRA). We assisted the HRA with the creation of seven new TIF Districts and the management of 25 existing districts. Ehlers assisted in the creation of tax increment financing district encompassing the downtown and riverfront planing area. This TIF district will be an important tool for Plan implementation.

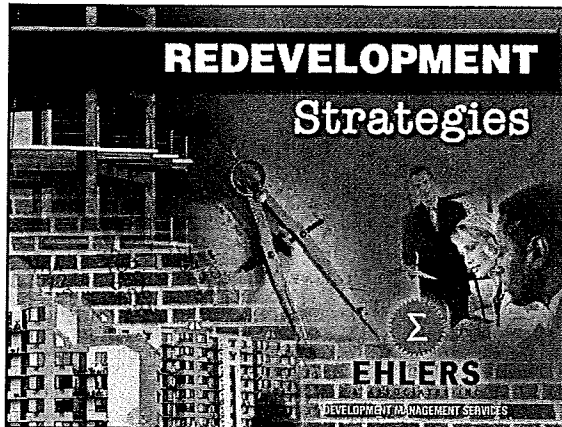
Monticello Mall Renovation. The redevelopment of the Monticello Mall anchors the south end of downtown planning area. The major renovation of this shopping center revolves around the anchor tenant—Cub Foods. Ehlers advised the City on the use of TIF and in negotiations with the developer. This project achieved three important objectives. It brought about the redevelopment of an aging commercial center. The project kept commercial activity concentrated in the downtown area. Finally, the project will spin off tax increment revenues that can be used to meet other redevelopment needs.

Community Center. Ehlers played an active role in the planning for a multifunction community center. The 78,000 square foot facility houses City offices, senior center, meeting rooms, aquatics center, gym and fitness facilities. The community center will also serve as a National Guard training facility. Ehlers role in the project included:

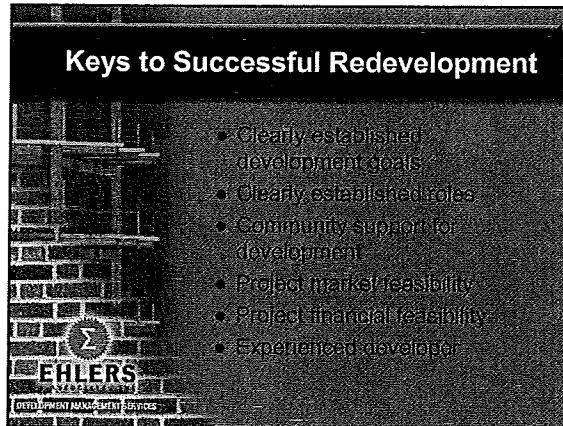
- ◆ Identify and evaluate of finance options.
- ◆ Analyze financial impacts of project design options.
- ◆ Assist with National Guard use and funding agreement.
- ◆ Structure and implement finance plan.

At the time of sale, new members of the City Council threatened to terminate the project. This action made the long-term bonds unmarketable. Ehlers creates and negotiated a temporary bond issue that allowed construction to continue and to protect the bond holders. The City Council has since affirmed commitment to the project. In 2000, the facility opened and Ehlers assisted with permanent financing.

REDEVELOPMENT Strategies

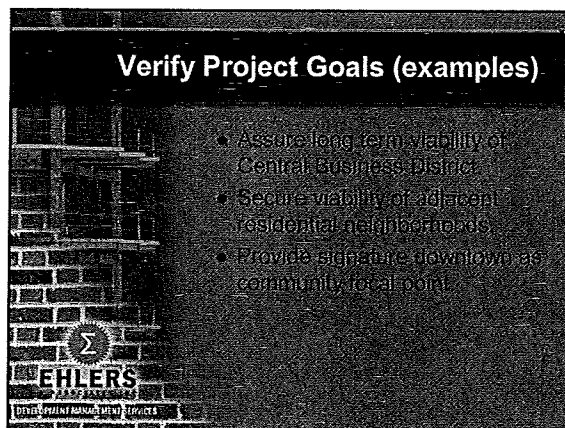


Keys to Successful Redevelopment



- Clearly established development goals
- Clearly established roles
- Community support for development
- Project market feasibility
- Project financial feasibility
- Experienced developer

Verify Project Goals (examples)



- Assure long term viability of Central Business District
- Secure viability of adjacent residential neighborhoods
- Provide signature downtown as community focal point

Redevelopment Roles

- Elected officials
 - Champions of redevelopment vision (purpose)
 - Champions of redevelopment process
 - Assume community feedback
 - Approve and monitor communication plan for project
 - Select developer(s)
 - Review final development for approval when appropriate

Redevelopment Roles

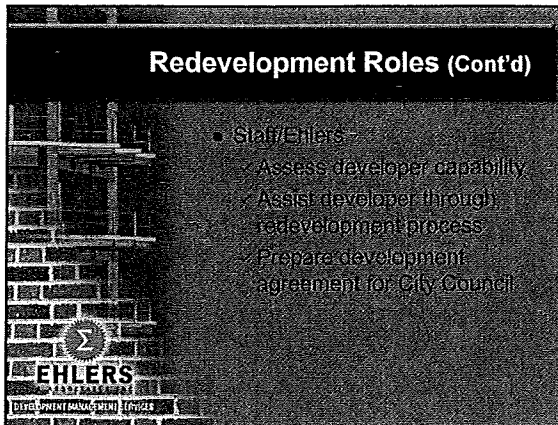
- Staff/Ehlers
 - Prepare recommended development process
 - Implement and communicate redevelopment process
 - Draft communications plan

Redevelopment Roles (Cont'd)

- Staff/Ehlers
 - Develop and recommend phasing plans for target redevelopment areas
 - Implement communications and public participation plan
 - Track and communicate issues

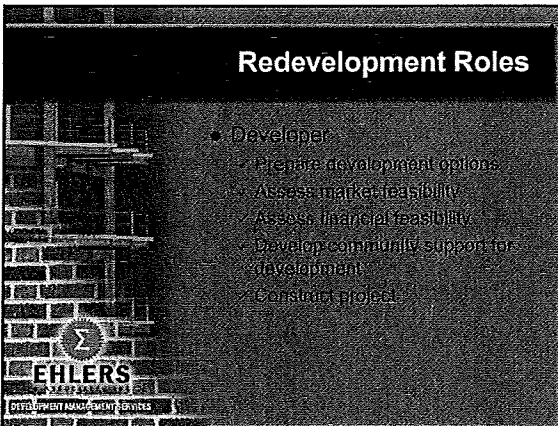
Redevelopment Roles (Cont'd)

- Staff/Ehlers
 - Assess developer capability
 - Assist developer through redevelopment process
 - Prepare development agreement for City Council



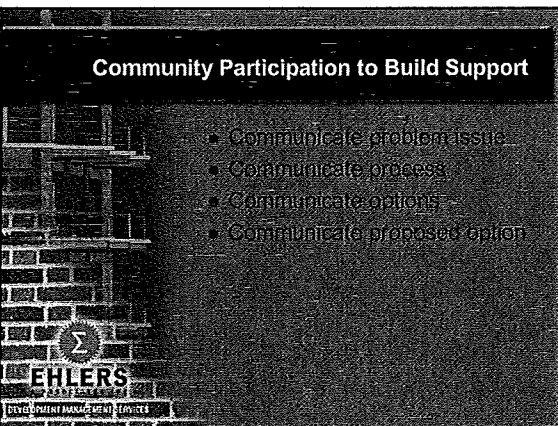
Redevelopment Roles

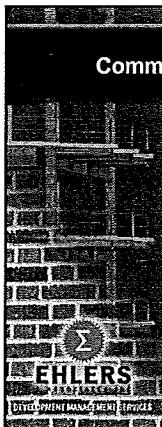
- Developer
 - Prepare development options
 - Assess market feasibility
 - Assess financial feasibility
 - Develop community support for development
 - Construct project



Community Participation to Build Support

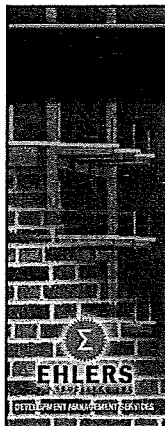
- Communicate problem issue
- Communicate process
- Communicate options
- Communicate proposed option





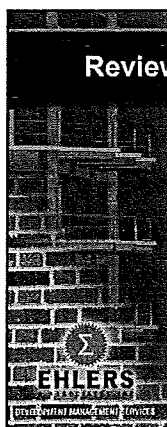
Community Participation to Build Support

- Community open houses to receive public input on problem, process, options and proposed development
- Communication plan coordinated with open houses to engage and involve public



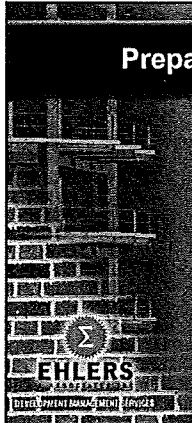
Communication

- Redevelopment is controversial
- Forecast time frame, upcoming decisions, opportunities for public involvement
- Encourage questions
- Identify direct and indirect development issues
- Respond to concerns (housing type and density)



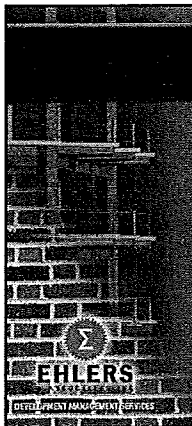
Review Target Development Uses

- Review developer reaction to target development types
- Identify potential site restrictions and issues
- Review potential time frame for redevelopment



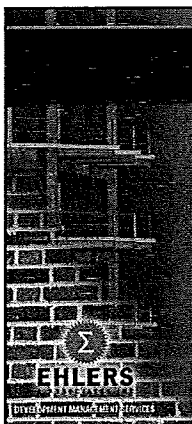
Prepare Request for Proposals

- Affirm redevelopment goals
- Identify target site
- Establish target development uses
- Provide community and market background
- Market RFP to developers



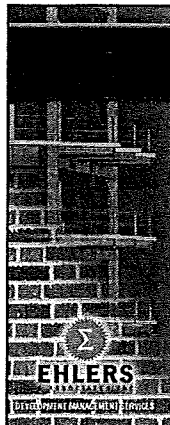
Developer Analysis

- Review concept for initial financial feasibility
- Assess developer experience with similar projects
- Assess developer financing capability
- Assess ability to work with neighbors
- Identify site issues



Developer Selection

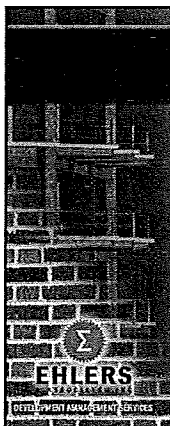
- *Redevelopment is a relationship based activity not a transaction*
- *City is selecting a developer not a development*



Process Steps

1. Affirm development goals
2. Prepare development concept (design standards and uses)
3. Pre-market development concept
4. Re-affirm goals and development concept
5. Develop phasing plan for redevelopment
6. Prepare RFP

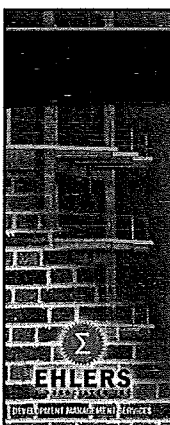
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Process Steps (cont'd)

7. Identify target developers
8. Review/analyze development proposals
9. Prepare developer analysis
10. City Council/EDA review of developer analysis and selection for interviews
11. Interview and select developer

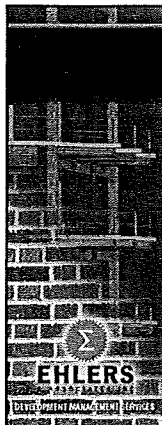
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Process Steps (cont'd)

12. Preliminary development phase
 - Refine site plan
 - Refine development program
 - Refine financial feasibility
 - Affirm marketability
 - Prepare final agreement issues and concept for City Council

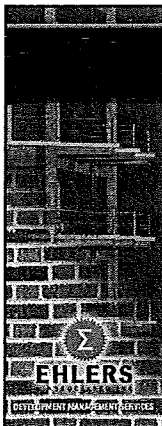
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Process Steps (cont'd)

13. Draft final agreement for City Council consideration
14. Final agreement phase
 - ✓ Secure financing
 - ✓ Secure land use/regulatory approvals
 - ✓ Secure land
15. Initiate Construction

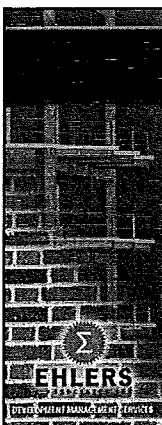
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Concepts are Framework

- Concepts are not plans
- Final development is likely to be different than concepts and even proposals
- Final plan impacted by community input, market, financing and regulatory reviews
- Be flexible

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Final Thoughts

- Redevelopment is a long process
- Take measured steps
- Many small (but important) decisions
- Don't dismiss any concerns

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