

Falcon Heights City Council Workshop

**City Hall
2077 W Larpenteur Ave.
6:30 p.m.**

AGENDA Wednesday, May 7, 2014

- 1) Discussion relating to a multi-year Police partnership/contract with St. Anthony.**
- 2) Continued discussion on future staffing. (No Attachments)**
- 3) Continued discussion regarding the City's possible adoption of a PACE program through the St. Paul Port Authority**

If you have a disability and need accommodation in order to attend this meeting, please notify City Hall 48 hours in advance between the hours of 8:00 a.m. and 4:30 p.m. at 651-792-7600. We will be happy to help.



The City That Soars!

Council Workshop Staff Report

Meeting Date	May 7, 2014
Agenda Item	Workshop 1
Attachment	Letter from St Anthony City Manager Mark Casey
Submitted By	Bart Fischer, City Administrator

Item	Discussion relating to a multi-year Police partnership/contract with St Anthony.
Description	<p>Recently, discussions have taken place between representatives of Falcon Heights, Lauderdale and St Anthony relating to the Police Services Contract that is up for approval this year.</p> <p>Because of the longstanding relationship with St Anthony and the quality service the Police Department provides, conversation has revolved around the possibility of approving a long-term, multi-year contract with the SAPD for Police Services.</p> <p>Staff would like to discuss this option with Council. In addition, the City Manager of St Anthony Mark Casey will be present to answer any questions Councilmembers may have regarding operation of the Police Department and the mutually beneficial partnership between the cities.</p>
Budget Impact	N/A
Attachment(s)	- Letter from St Anthony City Manager Mark Casey
Action(s) Requested	Discussion



3301 Silver Lake Road, St. Anthony, Minnesota 55418-1699

Office: (612) 782-3301 • Fax: (612) 782-3302 • www.ci.saint-anthony.mn.us

February 28, 2014

Bart Fisher	Heather Butkowski
City Administrator	City Administrator
City of Falcon Heights	City of Lauderdale
2077 Larpenteur Ave. W	1891 Walnut St.
Falcon Heights, MN 55113	Lauderdale, MN 55113

RE: Long Term Police Contracts

Dear Bart and Heather,

We believe resiliency and sustainability are core attributes for which all cities strive. These elements span all aspects of a city's operation. Continuity of operations ensures continued functions of core city responsibilities over a wide variety of potential emergencies, along with the ability to perform day to day business.

Our current model of contracting law enforcement services to Falcon Heights and Lauderdale has been very successful, and after 20 years of productive mutually beneficial services, begs for a longer-term contractual relationship that can accomplish several things:

1. Recognize our already long-term relationship.
2. Provide some stability and some assurances to all involved cities.
3. Stabilize the police department and help to recruit/retain qualified and experienced officers.

All three cities mutually benefit from our current police contractual relationship, and all three cities can also benefit from a longer-term contractual relationship as well. Like private business, we all function better and more efficiency when there is stability within our business environment. Stability and strength are born from expectations, and when expectations can be reliably forecast, energy can be focused in areas of the greatest concern and benefit for the citizens we serve.

In order to provide an appropriate level of comfort for all three cities, I proposed adding "re-openers" or triggers to the term portion of the contract. If none of the re-openers are not experienced, then the contract is automatically renewed. St. Anthony will continue to provide a budget and the annual meeting with the mayors would also continue.

For discussion purposes, I would like to suggest the following re-openers:

- 10% change of decrease State Aids
- 5% change of increase wage & benefits
- 5% change in increase capital mandates
- 5% of decrease revenue or increased expenditures due to changes in Federal/State laws

Law enforcement is one of the most visible arms of city government, and is also the most expensive. Stabilization of this expense and forecasting this model years in advance will simply allow for a more resilient and sustainable financial relationship. This type of model will also allow the planning and consistency necessary to be as responsive to our tax payers as possible. Simply put, our existing long-term relationship could be effectively enhanced for all three cities with a long term contract. This would recognize our 20 year successful and mutually beneficial relationship and provide all three cities the financial stability for continuity of operations years into the future.

If you two are agreeable to this concept, we can sit down and discuss the number of years for the contract and percentage of change that would trigger the re-opener. Please let me know when you wish to meet to review this proposal.

Sincerely,



Mark Casey
City Manager

CC: John Ohl, Chief of Police



The City That Soars!

Council Workshop Staff Report

Meeting Date	May 7, 2014
Agenda Item	Workshop 3
Attachment	-PACE Brochure -SPPA PACE Agreement with City of Oakdale
Submitted By	Bart Fischer, City Administrator

Item	Continued discussion regarding the City's possible adoption of a PACE program through the St. Paul Port Authority
Description	<p>At the April City Council Workshop, Jeremy Kallin presented information on the St. Paul Port Authority's (SPPA) Property Assessed Clean Energy Program (PACE) and how the City could partner with the SPPA for implementation of the program in Falcon Heights.</p> <p>Attached is a brochure and example agreement between the SPPA and the City of Oakdale that was recently approved.</p> <p>Staff is asking Council to continue discussing this item and provide direction on whether or not it is something staff should continue to pursue at this time.</p>
Budget Impact	N/A
Attachment(s)	-PACE Brochure -SPPA PACE Agreement with City of Oakdale
Action(s) Requested	Discussion

Property Assessed Clean Energy



MINNESOTA

For More Information

Contact Pete Klein
Vice President of Finance
Saint Paul Port Authority
380 St. Peter St., Suite 850
Saint Paul, MN 55102
P - 651-204-6211
TOLL FREE - 800-328-8417
pmk@sppa.com



Economic Development Driver

PACE drives spending in local communities through the installation of energy efficient equipment and implementation of renewable energy measures.

PACE Performs

PACE uses the same kind of land-secured districts that American cities and towns have used for over 100 years to pay for improvements in the public interest.

PACE Minnesota

PACE Innovation

Property Assessed Clean Energy (PACE) is an innovative way to finance energy efficiency and renewable energy upgrades to buildings.

Interested property owners evaluate measures that achieve energy savings and receive 100% financing, repaid as a property tax assessment for up to 20 years.

PACE overcomes challenges that have hindered adoption of energy efficiency and related projects in our nation's buildings. It does this by eliminating up-front costs, providing low-cost, long-term financing, and making it easy for building owners to transfer repayment obligations to a new owner upon sale.

HERE'S HOW PACE WORKS

Local government establishes PACE assessment or charge

Building owner evaluates projects that reduce energy costs

Local government provides financing and adds assessment to tax rolls

Property owner pays assessment (for up to 20 years)

PACE BENEFITS

Saves consumers MONEY on utility bills

Tax neutral and no exposure to general fund

Promotes local jobs



**Port Authority of the City of Saint Paul
Property Assessed Clean Energy Program
(PACE OF MN)
JOINT POWERS AGREEMENT**

Saint Paul Port Authority
850 Lawson Commons
380 St. Peter Street
Saint Paul, MN 55102
(651) 224-5686
(651) 223-5198 (fax)
www.sppa.com

REV 10/21/2013

JOINT POWERS AGREEMENT

This Agreement, made and entered into as of the ____ day of _____, 2014, by and between the Port Authority of the City of Saint Paul (the "Port Authority"), a body corporate and politic, and the City of Oakdale, Minnesota, a municipal corporation (the "City"), provides as follows:

WHEREAS, the Port Authority has been engaged in governmental programs for providing financing in the City of Saint Paul and in other areas of the State of Minnesota (the "State") by making loans evidenced by various financing leases and loan agreements, and in the process of operating these programs the Port Authority has developed a high degree of financial expertise and strength; and

WHEREAS, Minnesota Statutes, Sections 216C.435 and 216C.436 and Chapter 429 (the "Act") authorize the City to provide for the financing of the acquisition and construction or installation of energy efficiency and conservation improvements (the "Improvements") on properties located within the boundaries of the City through the use of special assessments; and

WHEREAS, the Act authorizes the City to designate a local government unit other than the City to implement the program under the Act on behalf of the City; and

WHEREAS, the City has identified one or more projects within the boundaries of the City that will result in Improvements in need of financing, and has adopted its Resolution No. _____ (a copy of which is attached hereto as Exhibit A) to designate the Port Authority to implement and administer a program on behalf of the City to finance such Improvements; and

WHEREAS, the Port Authority has created a program under the Act known as the Property Assessed Clean Energy Program ("PACE OF MN") for purposes of implementing and administering the activities described in the Act, and the Port Authority is willing to implement and administer that program on behalf of the City as requested herein; and

WHEREAS, the City has expressed a desire to make energy improvement financing programs of the kind managed by the Port Authority available for improvements of eligible properties within its boundaries, including but not limited to the Energy Savings Partnership, Trillion BTU (within the portion of the City served by Xcel Energy) and PACE OF MN, and a joint powers agreement is required between the City and the Port Authority in the case of PACE OF MN authority; and

WHEREAS, the Improvements will serve citizens of the City of Saint Paul and the City, as well as Ramsey and Washington Counties and the State of Minnesota.

NOW THEREFORE, in consideration of the mutual covenants herein made, the parties to this Agreement hereby agree as follows:

1. The Port Authority shall exercise the powers of the Act on behalf of the City by utilizing to provide financing for Improvements located within the boundaries of the City. Except as otherwise provided in this Joint Powers Agreement, the Port Authority shall be solely responsible for the implementation and administration of PACE OF MN and the financing of the Improvements.

2. In connection with its implementation and administration of PACE OF MN, and its financing of the Improvements located within the boundaries of the City, it is anticipated that the Port Authority will enter into various agreements with persons wishing to obtain financing for Improvements located within the boundaries of the City as well as with sources of financing for such Improvements (collectively the "Program Documents").

3. The Port Authority will charge a fee for its implementation and administration of PACE OF MN, which fee will be described in, and payable under, the Program Documents.

4. The Port Authority will have the sole duty and responsibility to comply with or enforce covenants and agreements contained in the Program Documents. This power shall specifically include the responsibility for monitoring and enforcing compliance with the provisions of the Program Documents.

5. The source of funds to finance the Improvements shall be a taxable special assessment revenue bond(s) (the "Bond(s)") issued by the Port Authority in favor of a designated lending institution (the "Lender"), pursuant to which the Lender will advance funds under the Program Documents.

6. The Bond(s) shall be a special/limited obligation of the Port Authority, payable solely from special assessments levied by the City as provided herein. The Bond(s) and interest thereon shall neither constitute nor give rise to a general indebtedness or pecuniary liability, or a general or moral obligation, or a pledge or loan of credit of the Port Authority, the City, the City of Saint Paul or the State of Minnesota, within the meaning of any constitutional or statutory provision. To that end, the Port Authority hereby agrees to indemnify and hold harmless the City from and against any claims or losses arising out of the failure of the Port Authority to provide for the payment of principal of, and the interest or any premium on the Bond(s), from special assessment payments actually paid to the Port Authority by the City. This indemnity shall not, however, be construed to relate to any claims or losses which might arise by virtue of the exercise, by the City, of its governmental powers in connection with the Project, or by virtue of the failure of the City to levy and collect special assessments with respect to the Improvements or promptly remit such special assessment payments to the Port Authority as provided in the Program Documents.

7. As and for its contribution to the financing of the Improvements, and as provided in the Act, the City shall impose and collect special assessments necessary to pay debt service on that portion of the Bond(s) attributable to the Improvements located within the boundaries of the City. Evidence that the City has imposed such special assessments is a precondition to the Port Authority's obligation to provide financing to any Improvements located within the boundaries of the City.

8. Once the City has imposed special assessments to finance Improvements located within the boundaries of the City, the City shall collect and transfer all collections of the assessments upon receipt to the Port Authority for application to the payment of the applicable Bond(s). The City will take all actions permitted by law to recover the assessments, including without limitation, reinstating the outstanding balance of assessments when the land returns to private ownership, in accordance with Minn. Stat. Section 429.071, Subd. 4. The City acknowledges that the Lender is a third-party beneficiary of the City's covenants herein with respect to the imposition, collection and transfer of special assessments described herein.

9. Unless otherwise provided by concurrent action of the Port Authority and the City, this Agreement shall terminate upon the retirement or defeasance of all Bond(s), and this Agreement may not be terminated in advance of such retirement or defeasance.

10. This Agreement may be amended by the Port Authority and the City, at any time, by an instrument executed by both of them. No amendment hereof may be entered into by the Port Authority or the City, however, if the effect of such amendment would impair the rights of the holder of the Bond(s), unless such holder has consented to such amendment.

11. This Agreement may be executed in any number of counterparts, each of which when taken together shall constitute a single agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Port Authority and the City have caused this Agreement to be executed on their behalf, by their duly authorized officers, as of the day and year first above written.

PORT AUTHORITY OF THE
CITY OF SAINT PAUL

By: _____
Its: President

By: _____
Its: Chief Financial Officer

CITY OF OAKDALE, MINNESOTA

By: _____
Its: _____

By: _____
Its: _____

EXHIBIT A

Extract of Minutes of Meeting of the
City Council of the City of Oakdale, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Oakdale (the "City"), was duly held at the City Hall in the City, on _____, _____, 20____, at _____ P.M.

The following members were present:

and the following were absent:

* * * * *

The Mayor announced that the next order of business was consideration of the designation of the Port Authority of the City of Saint Paul to implement and administer a program under Minnesota Statutes, Sections 216C.435 and 216C.436 and Chapter 429 on behalf of the City.

Member _____ introduced the following resolution and moved its adoption, the reading of which had been dispensed with by unanimous consent:

RESOLUTION NO. _____

RESOLUTION DESIGNATING THE PORT AUTHORITY TO IMPLEMENT AND ADMINISTER A PROJECT ASSESSED CLEAN ENERGY IMPROVEMENT FINANCING ON BEHALF OF THE CITY, AND PROVIDING FOR THE IMPOSITION OF SPECIAL ASSESSMENTS AS NEEDED IN CONNECTION WITH THAT PROGRAM

BE IT RESOLVED by the City Council of the City of Oakdale (the "City"), as follows:

1. The Port Authority of the City of Saint Paul (the "**Port Authority**") has established the Property Assessed Clean Energy Program ("**PACE OF MN**") to finance the acquisition and construction or installation of energy efficiency and conservation improvements (the "**Improvements**"), on properties located throughout the State of Minnesota through the use

of special assessments pursuant to Minnesota Statutes Sections 216C.435 and 216C.436 and Chapter 429 (the "Act").

2. The City has received and approved one or more applications and petitions for Special Assessments from owners of property located in the City desiring to participate in and receive financing pursuant to the Act.

3. In order to finance the Improvements, the City hereby determines that it is beneficial to participate in PACE OF MN, and to designate the Port Authority as the implementor and administrator of that program on behalf of the City for purposes of financing Improvements located within the City.

4. The City understands that the Port Authority will issue its PACE OF MN special assessment revenue bond(s) to finance the Improvements, and that the sole security for the bond(s) will be special assessments imposed by the other cities participating in PACE OF MN.

5. To facilitate and encourage the financing of Improvements located within the City, the City covenants to levy assessments for said Improvements on the property so benefitted, in accordance with the Application and Petition for Special Assessments received from the owner(s) of the Property and approved by the Port Authority. The interest rate on the Special Assessments shall be the interest rate on the Bond(s), plus _____%.

6. After imposition of the special assessments, the City shall collect such assessments and remit them to the Port Authority for use in the repayment of the Bond(s). The City will take all actions permitted by law to recover the assessments, including without limitation, reinstating the outstanding balance of assessments when the land returns to private ownership, in accordance with Minn. Stat. Section 429.071, Subd. 4.

7. The Mayor and City Clerk are authorized to execute on behalf of the City, any documents, certificates or agreements necessary to implement the program authorized by this resolution.

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:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA)

COUNTY OF _____) SS.

CITY OF _____)

I, the undersigned, being the duly qualified and acting City Clerk of the City of _____, hereby certify that I have carefully compared the attached and foregoing extract of minutes of a meeting of the City Council of said City held _____, with the original thereof on file and of record in my office and the same is a full, true and complete transcript therefrom.

WITNESS My hand officially and the seal of the City this _____ of

_____.

City Clerk
City of Oakdale

(Seal)