



MAYOR & COUNCIL COMMUNICATION

DATE: 7/16/2013

CONSENT

ITEM #: 10

AGENDA ITEM: Master Escrow Agreement for Municipal Services

SUBMITTED BY: Dean Zuleger, City Administrator

THROUGH: City Attorney Dave Snyder

REVIEWED BY: Dean Zuleger, City Administrator

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item City Administrator
- Report/Presentation.....City Administrator
- Questions from Council to Staff..... Mayor Facilitates
- Public Input, if Appropriate Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

FISCAL IMPACT: Recovery of all review fees (sum sufficient) associated with new development in the City of Lake Elmo.

SUMMARY AND ACTION REQUESTED: Approval of a Master Escrow Agreement for Municipal Review Services as they related to planning, public works, legal and engineering review with the intent of recovering all costs incurred by the City in the comprehensive review of development. The recommended motion for this action is as follows:

“Approve the 2013 City of Lake Elmo Master Escrow Agreement for Municipal Services complete with Exhibits and subject to the 2013 Fee Schedule where applicable”

BACKGROUND INFORMATION: The City of Lake Elmo has historically absorbed the cost of development review either through undercharging for municipal services or in some cases performing review function at gratis to the developer. With Met Council-mandated growth projects on the rise, and staff resources at the minimum, it is now necessary for the City to recover review costs associated with development in the areas planning, public works, legal and

contracted engineering. Staff and the City Attorney reviewed (6) similar agreements from surrounding communities to construct the agreement with (4) particular items added specific to Lake Elmo. They are:

1. Specific accountability between the review function and the accounting function of the City;
2. Addition of review schedules for developer service and City Accountability;
3. Lean government precepts;
4. Eliminate taxpayer burden for developer costs

The Agreement also assures that there will be enough funds in the review account for work to commence / terminate or in other words no escrow funds no project advancement.

STAFF REPORT: The staff has reviewed workload and technical needs for development review in light of no less than (7) planned developments in the City of Lake Elmo. In light of the current demand, and to bring the city up to speed it is agreed among all Departments that a Master Escrow Agreement is needed for Concept Plat, Preliminary Plat, Final Plat, Planned Unit Development, Open Space Development and other items that will take up at least 5 FTE man hours to complete. A flat fee schedule was developed based on a review of surrounding communities and a contracted consulting services Exhibit was created.

RECOMMENDATION: It is the staff recommendation to:

“Approve the 2013 City of Lake Elmo Master Escrow Agreement for Municipal Services complete with Exhibits and subject to the 2013 Fee Schedule where applicable”