

**BIG LAKE CITY COUNCIL  
WORKSHOP MINUTES**

**APRIL 17, 2013**

**1. CALL TO ORDER**

Mayor Danielowski called the meeting to order at 6:00 p.m.

**2. ROLL CALL**

Council Members present: Dick Backlund, Nick Christenson, Raeanne Danielowski, Seth Hansen, and Mike Wallen. Also present: City Administrator Todd Bodem, Finance Director Paula Mastey, City Clerk Gina Wolbeck, Public Works Director Mike Goebel, Police Chief Joel Scharf, Liquor Store Manager Jan Muehlbauer, Consultant City Planner Ben Wikstrom, City Attorney Soren Mattick from Campbell Knutson, and City Engineer Brad DeWolf from Bolton and Menk. Also in attendance was the Big Lake Township Board and Senator Mary Kiffmeyer for discussions relating to the Rail Park item.

**3. PROPOSED AGENDA**

Council Member Wallen motioned to adopt the proposed Agenda as presented. Seconded by Council Member Hansen, unanimous ayes, agenda adopted.

**4. BUSINESS**

**4A. Retail Analysis Discussion**

Todd Bodem reviewed previous Council discussion on the possibility of conducting a retail analysis study. As the McComb Group is working on a TOD analysis of all the cities along the Northstar rail line, staff invited them provide an overview of their services. James McComb provided information on the consulting services they provide which includes consulting and analytical services including market and consumer research, financial feasibility, economic impact assessments, design assistance, and development consulting. McCombs indicated that the TOD rail site analysis results will be presented in early June and that they will also be meeting with station cities including Big Lake to discuss potential development and strategies.

Council discussed the benefits of conducting a manufacturing analysis in addition to a retail analysis. McCombs indicated that the City would benefit by doing both at the same time as some of the base data is the same. Discussion was also held on what data is used for projects outside Met Council estimates. McCombs explained that the Met Council estimates tend to be unrealistic as they are policy driven. McCombs stated that they rely more on the State Demographer when they conduct their surveys.

#### **4B. Public Transportation Needs Survey Discussion**

Todd Bodem discussed the draft transportation survey developed by the Transportation Committee and other community representatives. The survey was developed to gauge public transportation needs in Big Lake, especially with the utilization of the River Rider Public Transit System. The committee has had discussions with MNDOT who has determined that a survey is needed. Bodem reviewed potential distribution costs showing various costs for newspaper inserts, ads, and a city wide mailing. City resident Bev Anderson discussed efforts to produce this survey and that the City needs to prove that there is a transportation need. Council directed staff to work with the Decklan Group to set up a Monkey Survey to be available from the City Website.

#### **4C. City Attorney Update**

Soren Mattick discussed the encroachment issue at the former liquor store site. Discussion was held that Council feels the City acted in good faith when they sold the property years ago. Discussion was also held relating to real estate sales and the benefits of purchasing title insurance. The general consensus of the Council was to offer no settlement to the current property owner.

Todd Bodem reviewed Homeowner's Association covenants that are sometimes tied to certain developments. Soren Mattick noted that these types of agreements are private agreements between the property owners within the associations.

Brad DeWolf reviewed the history of the Hudson Woods Development and explained that the developer did not complete the project and the letter of credit is defunct. Todd Bodem noted that the vacant parcels in this development are being sold through a tax forfeiture process and potential buyers have inquired about the City completing the project and what potential costs will be the responsibility of the adjacent property owner. DeWolf reviewed that the Meadows of Big Lake development had the same type of defunct letter of credit and Council approved an assessment of 40% of the street costs and the City covered the remaining costs to complete the project. Staff asked for Council direction on how they want staff to proceed with answering these types of inquiries. Council discussed that this project should be the last one of its kind as it has the only remaining defunct letter of credit. Council directed staff to provide no commitment at this time, but to inform them that there will be an assessment of some kind.

Soren Mattick reviewed insurance requirements needed to protect the City during community events and festivals. Mattick noted that it is in the City's best interest if the City is listed as additional insured on all insurance policies where the City issues some type of permit or license, or if the event is held on City property.

#### **4D. Farm Animal Code Discussion**

City Administrator Todd Bodem discussed requests received from residents asking for the City to allow farm animals in the City limits. Specific requests have included allowing chickens and goats on a limited basis. Bodem discussed staff concerns with changing the current ordinance due to sanitation and waste removal issues, determining what types of farm animals would be allowed and the potential cost to the City to monitor nuisances, neglect, and neighboring complaints. Council discussed that some communities have allowed farm animals but did so with substantial restrictions. Joel Scharf expressed his concern with the potential increase in nuisance complaints and questioned how law enforcement will be able to effectively service these types of complaints. It was also discussed that allowing chickens or goats would set precedence for other types of farm animals. The general consensus of the Council was that the restrictions in place benefit the City as a whole and that a change to the ordinance is not warranted at this time.

#### **4E. Regional Rail Park Discussion**

Also in attendance during this discussion was Big Lake Township Chair Bob Hofer and Supervisors Norm Leslie and Larry Alfords, Township staff Ken Warneke and Laura Hayes, and District 30 Senator Mary Kiffmeyer.

Brad DeWolf provided a history of rail park discussions dating back to the build-out of the Marketplace Development. DeWolf noted that there has been a number of attempts to secure funding through special legislation and that the Transportation Economic Development Program (TED) could be funded during current legislation. DeWolf explained that job and local commitments are vital to improving our grant application.

Senator Mary Kiffmeyer expressed that the City needs to build a broader base of support from our community to increase our chances at a successful application. Sen. Kiffmeyer noted that the strongest applications are those that come in with substantial local support. Sen. Kiffmeyer expressed that the City should focus on increasing its tax base and make good use of our rail system. Sen. Kiffmeyer stated that she wants to help position Big Lake to be successful, and that once we get the spur commitments that we need, other support will come our way to help finish the infrastructure.

Mayor Danielowski stressed that Big Lake has to establish its "nitch" and stated that she believes the rail is our nitch. Mayor Danielowski stated that the rail park concept had great potential before the economy downturn, and that this project can now help our tax base.

Discussion was held on the shared Orderly Annexation land with Big Lake Township. Larry Alfords stated his concern that the land area is too small to have a successful rail park. Alfords stated his concern with the potential cost of the project in relation to what will come back to benefit the Big Lake Community. Alfords questioned if the spur will be located on BNSF land, and if the City would own the rail and BNSF would own the right of way. DeWolf explained that there would have to be an agreement established. Alfords also reminded Council that years back the City clearly decided that a majority of the rail park

land would not be a joint effort between the City and the Township and that only a small portion of the area is actually located in the Orderly Annexation Area. Brad DeWolf reviewed the revised funding ratio figures that would be included in the TED Grant application. \$1.4 million would need to be funded locally, split out based on area and taxes collected. DeWolf noted that only approximately 50 acres in the rail park area are located in the joint orderly annexation area. The local contribution could be split between Big Lake Township (\$4,000), Sherburne County (\$28,000), and the City (\$28,000) annually over a 15 year period.

Discussion was held on the potential return on investment and indirect benefits to the housing market and businesses region wide. Discussion was also held on if we are going to be able to be competitive on land prices, or whether we will price ourselves out of the market. The need to control what types of projects will be allowed to operate in the Rail Park was discussed, and Ben Wikstrom discussed implementation of a new Industrial Zoning District (I4) which would focus on rail users, and that all uses in this district should require Conditional Use Permits.

Board Members discussed the need for the Rail Park to make financial sense, and recognized that economic growth in Big Lake is vital. Discussion was held on possible State incentives to potential rail park businesses. Sen. Kiffmeyer reviewed various requirements for state assistance which generally will be tied to job creation. Sen. Kiffmeyer also informed board members that the last time we applied for a grant for this project, it made it all the way to the Governor's desk. Sen. Kiffmeyer noted that this project is being talked about at the State level, and that City Engineer Brad DeWolf has done a great job of testifying on the City's behalf. Members discussed involvement of BNSF and noted that this project is prime for them also. Sen. Kiffmeyer excused herself from the meeting at 7:30 p.m. Big Lake Township thanked the City for honoring the Townships request to attend their Workshop, and Mayor Danielowski stated that the City appreciates the continued joint workings between the City and Township. Big Lake Township Supervisors excused themselves from the meeting at 7:33 p.m.

#### **4F. EDA Bond Refinancing Discussion**

Paula Mastey discussed the possible refinancing of EDA issued debt including the 2005A EDA Revenue Bonds, the 2008 Taxable Lease Revenue Bonds, and the 2010 G.O. Temporary Tax Increment Bonds. Mastey noted that the EDA Board has recommended the City refinance these bonds. Council directed staff to proceed with the refinancing process and to meet with the EDA Finance Sub-Committee to determine the best structure of the debt.

#### **4G. City Revenue Enhancements**

Todd Bodem discussed possible new revenue sources the City could utilize to help fund mandated debt payments and special projects the City want to do. Possible revenue sources discussed included a street light fee, vacant lot fees, a storm water management fee, utility franchise fees, wireless/cell tower leases, property/building/land leases, selling

unused land, administrative fines, a Joint Powers Agreement with the school for grounds maintenance, single family home rental licensing, and possible grants/loans. Council directed staff to offer these options showing potential budget savings during budget workshops.

**5. OTHER**

Council wished Paula Mastey the best of luck on her new work endeavors.

Paula Mastey discussed conversations she has had with Doug Hayes from the Legacy Foundation who has received donations that are written out to the City, and has asked the City to cash the checks and to reissue a check to the Legacy Foundation. Council directed that the Legacy Foundation is separate from the City and all donations need to be made out to the Legacy Foundation.

Gina Wolbeck asked for Council feedback on allowing staff to authorize gambling/raffle exempt permits to alleviate the waiting time of non-profits to get the City signature before the application can be sent to the State. Council authorized staff to review and execute exempt permit applications. Wolbeck also reminded Council that the League of MN Cities annual conference is coming up and the deadline for registering is May 1<sup>st</sup>.

Council thanked Bolton and Menk for their sponsorship of the Music in the Park events.

Mayor Danielowski noted that Movie in the Park sponsorships are down and that the May event will most likely have to be cancelled.

**6. ADJOURN**

Council Member Backlund motioned to adjourn at 9:05 p.m. Seconded by Council Member Wallen, unanimous ayes, motion carried.

Gina Wolbeck  
Recorder

04/24/13  
Date Approved By Council