

**BIG LAKE CITY COUNCIL
WORKSHOP MINUTES
JULY 13, 2016**

1. CALL TO ORDER

Mayor Raeanne Danielowski called the meeting to order at 5:00 p.m.

2. ROLL CALL

City Council Members Present: Ms. Raeanne Danielowski
Mr. Seth Hansen
Mr. Duane Langsdorf
Mr. Scott Marotz- *arrived at 5:02 p.m.*
Mr. Mike Wallen

City Staff Present: Mr. Clay Wilfahrt, City Administrator
Ms. Deb Wegeleben, Finance Director
Ms. Hanna Klimmek, Community Development Director
Mr. Michael Healy, City Planner
Mr. Mike Goebel, Public Works Director
Mr. Joel Scharf, Big Lake Police Department Chief
Mr. Jared Voge, City Engineer
Ms. Deb Boelter, Accounting/Deputy City Clerk

3. PROPOSED AGENDA

Council Member Wallen motioned to adopt the proposed Workshop Agenda as presented. The motion was seconded by Council Member Langsdorf. The motion was carried 5-0 and the Agenda was adopted as presented.

4. BUSINESS

4A. Commercial Park Dedication Discussion

Mr. Clay Wilfahrt, City Administrator stated that under the direction of the City Council, he conducted research on commercial and industrial park dedication fees for surrounding cities.

Mr. Wilfahrt presented his findings for park dedication fees for commercial and industrial developments in other area communities. Mr. Wilfahrt stated that he used the cities of Otsego, Elk River and Becker for his comparative research. He stated that Monticello does not appear to charge any commercial and /or industrial park dedication fees.

Mr. Wilfahrt stated that staff chose to use a park dedication fee of \$7,000 per acre for commercial development as one comparable and \$1.64 per square foot as another comparable. Mr. Wilfahrt referenced the spreadsheet included in the Workshop packet that showed what the *Projected Annual Revenue* would have been for the years 2011 through 2016 if park dedication fees would have been used for the commercial and industrial development that took place in the City of Big Lake in the aforementioned years.

Mr. Wilfahrt stated that the City's auditor prefers that the City charge a percentage of land value for park dedication fees on commercial development. Values of land are based off of the Sherburne County's Assessors' figures. He continued by stating that the closest whole number percent of land value to neighboring communities' fees would be four percent (4%) of commercial land value which equated to \$7,565 per acre or \$1.63 per square foot. Mr. Wilfahrt asked the City Council to bear in mind that commercial land in prime areas would be worth more and pay a higher value, while land in less desirable areas would pay less than this amount.

Mr. Wilfahrt presented his research findings on industrial park dedication fees. He stated that staff chose to use \$3,000 per acre and \$1.64 per square foot for industrial park dedication fees. He continued by referencing two recent industrial park developments that were completed in the City of Big Lake and what the *Projected Annual Revenue* would have been for the City had there been a park dedication fee.

Mr. Wilfahrt stated that typically, park dedication fees are charged when the property is platted. He stated that this protocol follows Minnesota State Statutes. He continued by stating that this is done so that properties are charged park dedication fees when they begin to be used. Any legal logistics will be cleared with the City Attorney prior to an ordinance change.

Mr. Wilfahrt presented a draft of a park dedication ordinance with a four percent (4%) land value park dedication fee for commercial development and a five percent (5%) land value fee for industrial development. These fees are for illustrative purposes only.

Council Member Wallen shared his concerns about potential businesses deciding not to locate in Big Lake due to having to pay park dedication fee. Mr. Wilfahrt stated that smaller businesses may have an issue with paying a park dedication fee. He continued by stating that the larger businesses or business chains are familiar with having to pay a park dedication fee when they develop in most cities.

Mayor Danielowski asked if the City would be allowed to negotiate park dedication fees with any smaller businesses that may be interested in locating to Big Lake. Mr. Wilfahrt stated that there may be other ways to help smaller businesses; however, waiving the park dedication fees would likely not happen. Council Member Wallen stated that a small business would not be purchasing a large plat of land; so, their park dedication fees would not be a large amount of money.

Mr. Hansen stated that the park dedication fees for commercial and industrial development in other communities is what is funding the larger parks that they have.

The City Council directed staff to move forward with drafting a park dedication ordinance for commercial and industrial development with the fee as recommended by staff.

4B. Recreational Vehicle (RV) Storage Standards Discussion

Mr. Michael Healy, City Planner stated that the City of Big Lake regulates vehicular storage, applying different surfacing standards depending on what part of the property a vehicle is being stored. In general, vehicles can be stored in the front yard area only if they are on an improved surface (asphalt, concrete), can be stored in the side yard only if on a semi-improved surface (gravel, Class V), and can be stored in the back yard on an unimproved surface. Staff has long interpreted "unimproved surface" to mean that parking a car in the back yard, directly on grass, is permissible as long as it is in a consistent spot that functions as a "parking pad." The parking standards do contain some confusing language that says that "parking on landscaping is prohibited" in all yard areas. Grass is technically part of the City Code's official definition of landscaping. Historically, staff has interpreted the seemingly conflicting rules to mean that residents cannot park in a haphazard fashion in the back yard grass but can utilize distinct well-defined grass "parking pads."

Mr. Healy stated that until recently, City staff has held RV storage to a similar standard as other vehicles with a few added conditions. The Code contains a special section on RV's which says that RV's can be stored in the front, side, and rear yards. RV's stored in the front yard need to be set back fifteen (15) feet from the street curb and storage is not allowed to encroach on any sidewalks. Only RV's that are less than thirty-six (36) feet long are able to be stored on site. Staff has attempted to consistently enforce these provisions. It was recently brought to staff's attention; however, that there are two additional conditions in the RV code section that have not been enforced in the past. Residents are likely unaware of these code conditions and many residents are currently violating them. It is unclear to staff whether these two conditions are something that the City's policymakers would even want enforced since full enforcement would make it extremely difficult for many residents to store their RV's at their homes.

Mr. Healy presented two potentially controversial conditions:

1. The first potentially controversial condition that staff recently became aware of is that RV's **"Must be on a surface material that is durable, weather resistant, and suitable to control dust and drainage. Landscaped yard areas are not suitable for storage."** As previously mentioned, the Code is not consistent about its definition of a "landscaped yard area." With normal vehicles, the condition that back yard parking pads can be unapproved surfaces suggests they are allowed to be parked on grass. The language in this RV condition; however, seems to prohibit grass parking because grass would probably not be considered durable and weather resistant. Many residents currently park RV's on grass in their back yard and would need to construct parking paved parking pads to comply with this condition. This could pose a problem for many residents, especially those living by the lakes, if it pushed them over their twenty-five percent (25%) lot coverage limit for impervious surfaces.
2. The second potentially controversial condition declares that **"The designated storage area shall maintain at least a 5-foot setback from side or rear property lines and shall be screened from adjoining properties through either landscaping or fencing."** Staff has already been enforcing the five (5)-foot setback which is the same as the required setback for parking any vehicle on any parking surface. However, there has never been any type of enforcement of a screening requirement. It likely would not be possible to require RV's to be fully screened without severely limiting which houses were able to have them. Fences are allowed to be no taller than six (6) feet in the back yard or four (4) feet in the front yard (and front yard fences are actually required to be at least seventy-five percent (75%) transparent). This means that while the Code currently allows front yard storage it simultaneously requires levels of screening that are prohibited in front yards. It may be appropriate to require some level of screening depending on where the RV is being stored but the current language is very vague and seems to mandate that RV's be completely shielded from view rather than just requiring them to be partially obscured or their surroundings beautified.

Mr. Healy stated that at their May 18, 2016 meeting, the Planning Commission discussed the intent of the existing ordinance and whether changes to its language might make that intent clearer. The Commissioners were in agreement that RV's should be able to continue to be parked on grass parking pads in the back yard. Many properties in the City would not be able to pave over their backyard parking pads without going over impervious surface limits and on-site RV storage would consequently become impossible for them. The Planning Commission did not believe that this was desirable. The Commission directed staff to eliminate the existing code language regarding RV parking surfaces needing to be "durable, weather resistant, and suitable to control dust and drainage."

Mr. Healy stated that the Planning Commission also discussed the idea of screening requirements and determined that, realistically, there is no good way to fully screen an RV on most City lots. Privacy fences in back yards can only go up to six (6) feet tall and many RV's are significantly taller than this. The only types of screening that would be possible in front yards would be landscaping and this can be both financially

burdensome and aesthetically inconsistent. The Planning Commission felt that the screening requirement was overly burdensome and, since it has never been enforced anyways, they directed staff to eliminate it from the ordinance.

Mr. Healy stated that staff prepared an amended ordinance which the Planning Commission reviewed in a public hearing at their June 1, 2016 meeting. The Planning Commission was supportive of the new language and passed a motion recommending that the City Council adopt the ordinance amendment as proposed.

Mr. Healy presented the proposed ordinance amendment and stated that staff supports the revisions and believes that they are necessary in order to eliminate confusion regarding storage requirements for RV's. The current language suggests that grass parking in the back yard is prohibited and that screening is required for all RV storage. These requirements have never been enforced and the Planning Commission has indicated that they do not believe these requirements are in keeping with the Community's aesthetic values.

The City Council discussed and directed staff to move forward with the ordinance amendment as presented by Mr. Healy.

4C. Accessory Structure Design Standards Discussion

Mr. Healy stated that the City of Big Lake currently has design standards in place for accessory structures but the ordinance language makes it unclear exactly what the design standards are and what they are intended to achieve. The existing ordinance language is as follows:

1020.07: BUILDING MATERIALS: *All accessory buildings larger than 120 square feet shall be constructed with a design and exterior materials that are compatible with the general character of the principal structure on the lot. Metal corrugated siding or permanent sheet metal shall hereby be prohibited in all zoning districts. Horizontal, steel siding or vertical, standing-seam steel siding (if different from the siding of the principal structure) may be permitted if determined by the Planning Commission to be compatible with the principal structure. (Ord. 2015-09, 07/22/15)*

Mr. Healy stated that the current language uses the word "compatible" which lacks a formal definition and creates a subjective standard that will vary depending on which staff person or policymaker is asked to weigh in on whether a building is compatible or not. This language could easily leave the City vulnerable to accusations of being arbitrary and capricious if some residents were told that their creatively decorated accessory buildings were compatible but other residents were told that theirs were unsightly and therefore not compatible. Another issue with the existing language is that it requires residents who wish to erect a shed with steel siding to appear before the Planning Commission to determine if their shed is compatible with their house or not. The first problem with this is that it again uses that subjective word "compatible." An even larger problem, however, is the fact that shed permits cost only \$55 and this language seems to suggest that a public hearing is necessary for every metal shed. This would impose both a significant financial burden and a significant time burden on the City.

Mr. Healy stated that staff believes that the ordinance should be revised so that it contains objective language that can be enforced administratively. Staff does not feel like it is a good use of City resources to have accessory structure design decisions made at the Planning Commission level.

Mr. Healy stated that staff facilitated a discussion with the Planning Commission on May 18, 2016; which was aimed at determining what the true intent of the existing ordinance is and what is meant by the word "compatible." Staff wanted clarification whether compatible meant a color match, whether it meant a material match, or whether there was some sort of other objective standard that could be employed.

Mr. Healy stated that the Planning Commissioners were in agreement that "compatible" is intended to mean that the materials used must be consistent with urban/suburban aesthetics and should not be rurally oriented. Specifically, they believe that the Code is intended to prohibit metal corrugated siding and sheet metal from

being used as building materials. The Code is also meant to prohibit the use of tarp-covered poles as make-shift accessory structures. These structures are currently referred to as “carports” and banned under that name. The Commissioners did not believe that the Code was intended to prevent the use of steel siding.

Mr. Healy stated that the Planning Commission felt that it was appropriate to set a higher bar for large accessory structures and require them to actually match the principle structure, both in terms of design and in type of exterior material. Existing policy already holds that all accessory structures larger than two hundred (200) square feet are regulated by the building code and held to higher engineering standards. Most structures larger than two hundred (200) square feet are garages rather than sheds. The Planning Commission therefore was in favor of retooling the existing ordinance to say that all structures larger than two hundred (200) square feet must match the principal structure. All accessory structures smaller than two hundred (200) square feet may be constructed of any material that is not listed as a banned material.

Mr. Healy stated that the Planning Commission held a Public Hearing on June 1, 2016 and further discussion resulted in three additional components being added to proposed ordinance revision:

1. Staff and the Planning Commission determined that the ordinance would be strengthened by including language that required that all accessory buildings be made out of sufficiently durable materials. This would give staff the ability to reject any sheds that were proposed to be made of makeshift materials or nonpermanent siding such as Tyvek wrap. The Planning Commission decided that it makes the most sense to have the building official be the authority on whether a material is sufficiently durable or not.
2. The Planning Commission felt that while the proposed ordinance should prohibit plastic and fabric sheet storage structures it should not prohibit the use of screen tents or fabric gazebo-style canopies when they are used for recreational purposes.
3. The Planning Commission does not believe that it is necessary to require a 4:12 roof pitch for smaller accessory structures, especially since most of the pre-built sheds do not have a 4:12 roof pitch. The Commission directed staff to modify the ordinance language to only require 4:12 roof pitch for structures larger than two hundred (200) square feet.

The City Council discussed the Planning Commission’s proposed amendments to the ordinance and agreed that the word “compatible” should be replaced with the wording “architectural match”; the ordinance should include either a list of *prohibited* or *approved material types*; and they were in agreement with modifying the language to only require a 4:12 roof pitch for structures larger than two hundred (200) square feet.

The City Council directed staff to research the construction of greenhouses in the City. They were interested in requiring permanent greenhouses to obtain a conditional use permit (C.U.P.) from the City. The City Council also asked staff to research temporary greenhouses and requiring them to obtain a temporary use permit (T.U.P.) for a certain period of time.

Mr. Healy stated that staff would research greenhouses and bring the information back to the City Council at a future Workshop.

4D. LELS Union Contract Discussion

Mr. Wilfahrt stated that City staff has been working with The Police Union, *Law Enforcement Labor Services* (LELS), to discuss a new contract for the Big Lake Police Department’s employees. Mr. Wilfahrt referenced the the draft agreement that was included in the Workshop packet. He continued by giving a brief overview of the major changes that would occur as part of the contract:

- Agreement dates to be changed to two years, 2017 and 2018.
- For the year 2016, the first \$960 of health insurance was covered by the City. The employee was then responsible for the next \$175, and the City paid anything above that. For the year 2017, the agreement

would be that the City pays the first \$1,000 and the employees pay the next \$200. In the year 2018, the increase would be divided seventy percent (70%) / thirty percent (30%) between the City/staff. For instance, if premiums were to increase ten percent (10%), the City would pay an additional \$70, and the staff would pay an additional \$30.

- Night Shift Differential will increase from \$.50 to \$.75. The statewide average for communities 5,000 to 15,000 is \$.71.
- All officers will be placed on the new wage scale as long as they receive a minimum of a two percent (2%) increase (the same as what all other staff received last year).
- Annual wage increase of two percent (2%). The current statewide average of cities between 5,000 and 15,000 is 2.22%.
- Increase uniform allowance from \$750 to \$800 annually. The Police Chief has indicated that the increasing cost of uniforms justifies this.
- Overtime will be calculated based on hourly pay before adding in the 4.62% for holiday pay. Currently overtime pay includes the 4.62%.
- The City won't list uniform items; however, will make items available at the Chief of Police's discretion. The current list is outdated, and would cost more than what the City budgets.
- Removing longevity and educational pay per the wage scale.
- Floating Holidays were switched to be vacation time. This reduces time spent administering multiple leave banks.
- Overtime hours on New Year's Day, Thanksgiving, and Christmas will be paid at double time vs. time-and-a-half.
- Weapons language was changed to reflect the City's change to department issued weapons.
- Step increases are subject to a positive performance review.

Mr. Wilfahrt stated that there were some additional typographical and organizational changes to the agreement; however, nothing else was substantive.

Mr. Wilfahrt stated that the agreement has been reviewed by the Personnel Committee and the City's attorney and deemed acceptable by both.

Mayor Danielowski asked Mr. Wilfahrt and Mr. Scharf if the Police Department employees were in agreement with the conditions of the union contract. Mr. Wilfahrt and Mr. Scharf stated that the employees approved of the contract.

The City Council directed staff to present the LELS Union Contract at a future City Council Regular meeting for approval.

5. OTHER

No other.

6. ADJOURN

Council Member Hansen motioned to adjourn the Workshop at 5:55 p.m. The motion was seconded by Council Member Langsdorf. The motion was carried 5-0 and the Workshop was adjourned.

Deb Boelter
Accounting/Deputy City Clerk

07/27/16
Date Approved By Council