

**BIG LAKE CITY COUNCIL
WORKSHOP MINUTES**

JUNE 22, 2016

1. CALL TO ORDER

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

2. ROLL CALL

Council Members present: Raeanne Danielowski, Seth Hansen, Duane Langsdorf, Scott Marotz, and Mike Wallen. Also present: City Clerk Gina Wolbeck, Finance Director Deb Wegeleben, Public Works Director Mike Goebel, City Planner Michael Healy, Liquor Store Manager Jan Muehlbauer, and Assistant City Engineer Jared Voge from Bolton and Menk, Inc.

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. Dock Site License Violation of Contract and Request for Exception Discussion

Hanna Klimmek reviewed the City's current dock license program. The program allows private property owners within 750 feet of a City owned dock site to rent a site and install their own private dock there. The City has 11 dock sites and each of these sites is just large enough to comfortably fit a dock and have room for boats. Klimmek noted that the City does not regulate docks that are located on private property, but does regulate the City dock license program for the City owned lease sites. One of the regulations in the program applies to setbacks. Residents who rent a dock site from the City are required to set up their dock so that it is at least 10 feet from any private property lines. Klimmek explained that a situation has arisen with a new dock site license. Erica Clark and Dean Petersen have knowingly placed their dock in violation of the 10 foot setback requirement. Klimmek explained that this is the first license issued for this particular site which has a large culvert in the middle of the site. Clark and Petersen were informed of the culvert when they applied for the license and were provided information on another dock site that was available at the time. Clark and Petersen selected the site that had the culvert. Clark and Petersen placed their dock on the southside of the culvert which is only 2 feet from the adjacent property line. The owners of this property have filed a complaint with the City as the Clark Petersen dock encroaches on their property line. Clark and Petersen were sent a violation letter on June 20, 2016 and a 2nd violation letter on July 11, 2016. Clark and Petersen were

given until July 21, 2016 to move their dock or they would face an administrative citation. Klimmek also explained that the City has the right to revoke the dock license contract if conditions are violated. Mr. Petersen appeared at the July 13, 2016 City Council Meeting and spoke during Open Forum requesting that the City grant them a temporary exception from the setback requirement for the duration of the summer. Mr. Petersen also explained that they would be willing to move the dock to different license site next year. Klimmek noted that Dock Administrator Clay Wilfahrt and herself have spent a great deal of time arbitrating the dispute between Clark/Petersen and the adjacent property owners. Staff believes that Clark and Petersen were given accurate information regarding the culvert's location at the time that they entered into their license contract. They were also made aware of what their responsibilities were regarding setbacks. Clark and Petersen chose to install their dock in direct violation of their contract. Klimmek stressed that staff is not recommending Council grant an exception to the dock site license program rules and recommends that they be required to relocate their dock immediately and bring it into accordance with the rules outlined in their contract. Klimmek informed Council that Petersen has agreed to move his dock into a compliant location. Council directed staff to look at the Ordinance to see if future amendments are necessary.

4B. State Law on Temporary Health Care Dwellings Discussion

Michael Healy reviewed the recently adopted City Ordinance that allows caregivers to live in RV's while providing caregiving. The Council imposed fairly strict regulations on these living arrangements with the goal of preventing RV occupancy resulting in a negative visual impact to neighborhoods. Healy noted that in the past session, the MN State Legislature passed new legislation to legalize temporary family health care dwellings in all MN cities and counties with an opt-out clause. Under their plan, physically or mentally disabled individuals would be able to move onto their caregiver's property and reside in an RV after providing proof of disability and acquiring an administrative permit. No public hearing is required and the fees are capped at \$100. The City's ordinance requires a higher fee for an IUP application in addition to a public hearing. The State law does not allow for caregivers to live on the property of the person they are taking care of, only for the disabled person to live in the RV. As the new state law offers an opt-out clause, the City will need to either accept the new state statute, or decide to opt-out prior to the statute's effective date of September 1, 2016. If Council chooses to move ahead with the opt-out option, direction would be needed to proceed with a Public Hearing and Ordinance Amendment. Council directed staff to proceed with opting-out of the State Statute regarding Temporary Health Care dwellings.

4C. Veterans Memorial Project Discussion

Mike Goebel reviewed the plans for the Veterans Memorial Project and discussed quotes the City has received to complete the construction and installation of concrete footings and foundation, one center monolith, two wing monoliths, and two outside monoliths. Goebel noted that additional landscaping would be completed in conjunction with the project but at different phases. Deb Wegeleben reviewed funding options for the completion of the Veterans Memorial at Jefferson Square Park. Currently, donations received for the memorial are made payable to the City and recorded in a Special Revenue Fund (SRF) to be used only for the completion of the Veterans Memorial. Wegeleben noted that as of June 30, 2016 the fund totaled \$17,659.58

and another \$5,000 has come in since then and another \$5,000 is expected to be brought in soon. A quote has been received for the project in the amount of \$48,762. Staff is seeking Council feedback on authorizing an Interfund loan to up to \$100,000 between the Infrastructure Improvement Capital Project Fund and the Veterans Memorial SRF. Staff would draw on this Interfund loan as needed to complete the project. Staff is recommending that the Interfund loan be at 0.00% interest for a maximum of 5 years. Wegeleben noted that the Big Lake Beyond the Yellow Ribbon committee would continue to seek donations for the project until all costs are paid. Incoming donations would be used to pay back the Interfund loan. Any excess donated funds would remain in the SRF to be used for additional phases to complete the project.

Mayor Danielowski discussed planning efforts of the Beyond the Yellow Ribbon organization, and thanked the Council for their support of the memorial. Council directed staff to proceed with setting up an Interfund loan to up to \$100,000 between the Infrastructure Improvement Capital Project Fund and the Veterans Memorial SRF, and to proceed with finalizing the low quote submitted by Michelich Granite Company.

5. OTHER

Hanna Klimmek discussed a request from the developer of the Northern Star Apartments Phase II development to increase the maximum principal balance of the SAC/WAC Payment Plan Policy from \$100,000 to \$200,000. Klimmek reviewed the policy that was adopted by Council at the June 22, 2016 meeting. The developer for the Northern Star Apartments Phase II development has shown an interest in applying for the SAC/WAC Payment Plan as they have indicated that they have a gap financing and cannot move forward without taking advantage of this program. The developer has indicated that the \$100,000 maximum principal balance amount prohibits them from applying as they need \$200,000 for their financing to go through. Klimmek reviewed that the Plan was to incentivize expansion and to market for new development. Deb Wegeleben noted that whether the Plan max's out at \$100,000 or \$200,000, sewer and water will be the funds that will be impacted during the duration of the 5 year repayment term. Wegeleben also explained that the increase would affect all other future applications to the program.

Council discussed concerns with the developer asking for additional subsidy when they haven't completed their punch list items on their first phase. Discussion was also held on the impact on water and sewer funds and implementing a "but-for" clause to prove a need for financing. Council also discussed implementing a maximum for the policy as a whole. Council also discussed the need for the developer to finish the punch list items on the first phase or the City will complete the items by utilizing the developer's escrow funds.

Council directed staff to proceed with drafting an amendment to the SAC/WAC Payment Plan Policy to increase the maximum amount to \$200,000 for Council consideration at the August 10th meeting, and directed staff to bring additional discussion items to the BLEDA for their feedback.

6. ADJOURN

Council Member Hansen motioned to adjourn at 5:45 p.m. Seconded by Council Member Langsdorf, unanimous ayes, motion carried.

Gina Wolbeck
City Clerk

08/10/16
Date Approved By Council