



**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, MAY 12, 2020
7:00 P.M. IN THE COUNCIL CHAMBERS**

1. CALL TO ORDER AND ROLL CALL

Mayor Jo Emerson called the meeting to order at 7:00 p.m. under MN Statute Section 13D.021, in which the City Council will be conducting its meetings during this emergency by electronic means until further notice. The clerk took roll call attendance for Councilmembers: Doug Biehn, Steven Engstran, Dan Jones and Bill Walsh. Kevin Edberg arrived at 7:03 p.m. Staff in attendance were City Manager Ellen Hiniker, Assistant City Manager Rick Juba, Community Development Director Anne Kane, Housing and Economic Development Coordinator Tracy Shimek, Public Works Director/City Engineer Paul Kauppi, Finance Director Kerri Kindsvater, City Clerk Kara Coustry and City Attorney Jason Hill and Troy Gilchrist (arrived 8:25 p.m.).

2. APPROVAL OF MINUTES

A. Minutes of the Regular City Council Meeting on April 28, 2020

It was moved by Councilmember **Jones**, seconded by Councilmember **Biehn**, to approve the Minutes of the Regular City Council Meeting on April 28, 2020.

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

3. APPROVAL OF THE AGENDA

City Manager Hiniker added 9G, a resolution to provide financial support for Marketfest. Under Discussion, she added the License Bureau and local business support efforts.

It was moved by Councilmember **Biehn** seconded by Councilmember **Walsh**, to approve the Agenda as amended.

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

4. VISITORS AND PRESENTATIONS

A. Marketfest and Manitou Days Presentation

Lisa Beecroft, Event Director for Marketfest, provided an overview of the events planned for a delayed 2020 Marketfest. In its 30th year, Marketfest is planned from 6-9 p.m. on Thursdays from July 30 – August 20, 2020. She reviewed COVID-19 safety measures in addition to other preparations for the event.

On behalf of Marketfest, Ms. Beecroft requested \$7,000 in funding from the City, its use of the streets and sidewalks in downtown White Bear Lake, and assistance from the Public Works and Public Safety Departments.

Dale Grambush spoke on behalf of Manitou Days and reported a downsized parade is being planned for August 21st. They suggested to the Fireworks Committee to consider August 22nd should those need to be pushed back. He mentioned Bears That Roar would be announced on August 23rd. He noted that events can sign up online at manitoudays.com and mentioned a few events have gone virtual, while some have cancelled including the Rotary/Explore White Bear Beach Dance and the Classic Boat Show.

On behalf of Manitou Days, Mr. Grambush requested support from the City through the use of staff time and public spaces throughout the City.

B. Presentation of Business Survey Results

Housing and Economic Development Coordinator Tracy Shimek reported on the results of a recent business survey from April 24 – May 5, which received 90 responses during that time. She explained that the Economic Development Corporation (EDC) partnered with the City to create and help disseminate the survey which provided a pulse of community businesses as they respond to COVID-19.

Councilmember Edberg asked what a helpful response by the City might look like. Ms. Shimek reported that of the 16 businesses that asked for follow-up, the City reached out to those with specific questions, while the EDC divided the remaining businesses for additional follow up.

Reed Vanderzee reported reaching a few of those who requested follow up. He mentioned that once the EDC has had more time to digest the information they can make recommendations for next steps that the City might take to better assist the business community. He noted that many business owners are passively running their businesses and not seeking all of the assistance that is available to them, which is an opportunity.

5. PUBLIC HEARINGS

Nothing scheduled

6. LAND USE

A. Consent

1. Consideration of a Planning Commission recommendation for approval of a request by Mark Olson on behalf of Charles and Ginny Schroeder for a variance at 3790 Cranbrook Drive. (Case No. 20-4-V). **Resolution No. 12577**
2. Consideration of a Planning Commission recommendation for approval of a request by Rane Kostron for a variance at 3576 Jerry Street. (20-5-V). **Resolution No. 12578**
3. Consideration of a Planning Commission recommendation for approval of a request by Lake Area Marina for a conditional use permit at 4453 Lake Avenue. (20-3-CUP). **Resolution No. 12579**
4. Consideration of a Planning Commission recommendation for approval of a request by John Grant on behalf of Robert Gross and Lydia Najera for a variance at 1885 Orchard Lane. (20-7-V). **Resolution No. 12580**

It was moved by Councilmember **Jones** seconded by Councilmember **Edberg**, to approve the Land Use Consent Agenda as presented.

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

B. Non-Consent

1. Consideration of a Planning Commission recommendation for approval of a request by Brett and Emily Witter for a conditional use permit at 2281 Lilac Lane. (20-2-CUP)

Community Development Director Kane reported that the owners of 2281 Lilac Lane wish to convert the north end of the garage into an efficiency apartment, which requires a conditional use permit for an accessory dwelling. She explained the owners reside in the principal structure, have sufficient off street parking and have a plan for a conforming secondary entrance as required by code.

Ms. Kane reported the code requires all accessory apartments cease upon transfer of title, meaning if the applicant ever sells the home, the new owner will need to reapply for Council approval to utilize the accessory unit.

Mayor Emerson opened the public hearing at 7:57 p.m.

The applicants, Brett and Emily Witter needed another bathroom, but were unable to connect this portion of the garage to their split level, therefore an external entrance had to be

considered. Mr. Witter said they decided to make this into an efficiency apartment, primarily for visiting family.

Councilmember Jones appreciated the level of detail in the application.

There being no further public comment, Mayor Emerson closed the public hearing at 7:59 p.m.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Jones** to adopt **Resolution No. 12581** approval of a request by Brett and Emily Witter for a conditional use permit at 2281 Lilac Lane. (20-2-CUP).

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

2. Consideration of a Planning Commission recommendation for approval of a request by Celine Carlson for a conditional use permit and four variance at 4312 Cottage Park Road. (20-4-CUP & 20-8-V)

Community Development Director Kane reported the subject site, 4312 Cottage Park Road, is located on the east side of Cottage Park at the south end of Circle Drive. She said the subject site used to be the private tennis court of the neighboring lot to the north, which was subdivided in 2018. Ms. Kane relayed the new owner desires to construct a 5-bedroom, two story residence with a 995 square foot garage, which would require the following:

- A 14 foot variance from the 20 foot setback for an attached garage,
- A 3 foot variance from the 77.6 foot average lakeside setback for the home,
- A 6.5 foot variance from the 69.6 foot lakeside setback for the unenclosed porch,
- A 6.5 foot variance from the 72.6 foot lakeside setback for the second floor balcony,
- A conditional use permit for a second curb cut.

Councilmember Biehn asked Ms. Kane if staff had specific concern with the proximity of the garage to the road. Ms. Kane confirmed the garage is not out of scale or character in this neighborhood.

Mayor Emerson opened the public hearing at 8:11 p.m.

Celine Carlson of 4312 Cottage Park Road expressed gratitude for staff and the community.

Councilmember Jones expressed concern over what he felt was inconsistent staff recommendations, noting a recent fence just down the road that was built too high. Ms. Kane stated that particular case had different circumstances and noted that staff has been consistent

in its application of the Zoning Code, it has been at the recommendation of the Planning Commission to grant approval and ultimately the decision of the City Council.

Jean Raykamp Larson 2732 West 43rd Street, Minneapolis the architect opined that the job of these Commissions is to take the blanket rule in the context of the situation, which is a bigger driver than a broad rule. She explained that the placement of the garage felt good in the neighborhood spatially as did the other features of the home such as the turnaround.

Councilmember Biehn noted that this makes sense in the neighborhood and it was applied for, while the fence was built without a permit.

Mayor Emerson closed the public hearing at 8:22 p.m.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Biehn** to adopt **Resolution No. 12582** a request by Celine Carlson for a conditional use permit and four variance at 4312 Cottage Park Road. (20-4-CUP & 20-8-V).

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

- A. First Reading of a City-initiated request to amend the Zoning Code to clarify the intent of the language that relates to accessory structures in commercial and industrial districts. (20-1-Z)

Community Development Director Kane explained this is a text amendment to the accessory uses language for commercial and industrial zoned districts. The intent of the amendment is to clarify that this section of code does not allow for any use, but only applies to the accessory structures themselves. She noted a second reading would be scheduled in June.

9. NEW BUSINESS

- A. Resolution accepting bids and awarding contracts for the 2020 Bituminous Seal Coating Project, City Project No. 20-02

City Engineer/Public Works Director Kauppi reported receiving three bids with the low bid going to Pearson Bros, Inc., \$119,182.78, and well below the \$200,000 budget. He explained, seal coating is a surface rejuvenator that fills in smaller cracks, and is done every five to seven years to keep pavement in good shape.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Jones** to adopt **Resolution No. 12583** accepting bids and awarding contracts for the 2020 Bituminous Seal Coating Project, City Project No. 20-02.

Walsh Aye
 Biehn Aye
 Jones Aye
 Edberg Aye
 Engstran Aye

Motion carried unanimously.

B. Resolution accepting bids and awarding contract for the 2020 Crack Sealing Program, City Project No. 20-03

City Engineer/Public Works Director Kauppi reported receiving three bids with the low bid going to Allied Black Top Company, \$38,800.00, and well within the budget of \$100,000. He explained that crack sealing is typically completed one year prior to seal coating.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Walsh** to adopt **Resolution No. 12584** accepting bids and awarding contract for the 2020 Crack Sealing Program, City Project No. 20-03.

Walsh Aye
 Biehn Aye
 Jones Aye
 Edberg Aye
 Engstran Aye

Motion carried unanimously.

C. Resolution approving the sale of General Obligation Bonds for 2020 Street Improvement Projects

Finance Director Kindsvater reported that the City’s 2020 budget incorporates bond issuance as the funding source for a fire truck ladder, painting of the water tower, a dump truck and the annual street reconstruction and maintenance projects. She explained that the City’s Municipal Advisor, Ehlers, Inc., recommended combining the three bond types into one combined General Obligation Bond of \$4,880,000 in order to reduce the costs associated with each issue.

Bond Type	Amount	Term	Annual debt service payment
Equipment Certificates	\$ 1,275,000	10 Years	\$153,200 – \$157,200
Water Revenue Bonds	930,000	20 Years	\$56,400 - \$61,400
Street Improvement Bonds	2,675,000	20 Years	\$108,000 - \$220,010
	4,880,000		

She noted that an annual tax levy will provide payment for the equipment certificates and a portion of the street improvement bonds. In addition to the tax levy, the City will collect special assessments from benefiting property owners to pay the street improvement bonds. Water revenue bonds will be paid with water utility rates.

Ms. Kindsvater forwarded staff recommendation that the Council adopt the resolution authorizing Ehlers to assist in the bond sale, establishing June 23, 2020 as the meeting for considering the bond sale proposal, setting June 23, 2020 as the date for awarding the bond sale, and authorizing Ehlers and City staff to participate in preparation of an official statement for the bonds.

In response to Councilmember Edberg's inquiry as to the savings from a combined issue, Shelly Eldridge with Ehlers, Inc. noted efficiencies with one issue and provides approximately \$30,000 in savings of bond and financial advisor fees, annual agent fees, maintenance costs, and disclosure requirements for each issue.

Councilmember Walsh asked if timing of a bond issue was being considered given the economy and Ms. Kindsvater explained that the issue is timed to meet contract payments for the street reconstruction projects.

In response to Councilmember Biehn, Ms. Eldridge explained that the bonds are repayable in 2030, so that would be the point at which the City could consider re-bonding at a lower rate. She stated that market has recently stabilized and the bond rate has been lower than in November 2018.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Edberg** to adopt **Resolution No. 12585** approving the sale of General Obligation Bonds for 2020 Street Improvement Projects.

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

D. Resolution approving the carryover of expenditures from the 2019 Budget to the 2020 Budget

Finance Director Kindsvater reported the City's 2019 revised budget included funding for the replacement of a police squad car to replace one that was involved in an accident. She explained the vendor had to revise delivery from 2019 to 2020. She added that, in addition to the vehicle purchase, expenditures include the replacement of the in-squad DVR unit also damaged in the accident. Ms. Kindsvater asked the City Council to consider adopting the resolution allowing carryover of the budgeted expenditures to the 2020 Budget year based upon prior approval of the above expenditures in the 2019 Revised Budget.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Walsh** to adopt **Resolution No. 12586** approving the carryover of expenditures from the 2019 Budget to the 2020 Budget.

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

E. Resolution authorizing a liquor extension license for Brickhouse Restaurant on City Right of Way

Community Development Director Kane reported that Elizabeth Lawin, on behalf of Brickhouse Restaurant has requested permission to install an outdoor dining patio on the public sidewalk in front of the restaurant and neighboring business, Rust Architects, just for the 2020 summer season. She explained that as the restaurant prepares to reopen to diners following COVID-19 closures, safe distance requirements will result in a 50% reduction in seating, therefore they propose installing temporary outdoor dining on the sidewalk and street, allowing the cobblestone area open to pedestrians.

Ms. Kane reported that Brickhouse understands they will need to remove the outside seating to accommodate the Farmers' Market, Marketfest and Manitou Days events, should they occur. She relayed similar conversations with Main Street and the Economic Development Corporation to encourage dining facilities to explore use of private property and/or public right of way to replace lost internal seating and adequate safe space for customers and employees. Given the limited duration of this request and the economic challenges at this time, Ms. Kane did not recommend a formal lease or financial exchange for use of the public space for the 2020 year.

It was moved by Councilmember **Jones**, seconded by Councilmember **Walsh** to adopt **Resolution No. 12587** authorizing a liquor extension license for Brickhouse Restaurant on City Right of Way.

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

F. Resolution supporting Ramsey County’s placement of no parking signs along Hoffman Road

City Engineer/Public Works Director Kauppi reported that Ramsey County asked the City for a resolution of support to restrict parking along the east side of Hoffman Road along West Goose Lake. He explained the reason for this is for the safety of motorist and pedestrian along a curved road with narrow shoulders and poor visibility around parked cars. He also reported that vehicles are also pulling on the gravel shoulders which is accelerating shoreline erosion.

Mr. Kauppi mentioned that when the Bruce Vento Trail is established, the County will reassess the side of the road that should restrict parking at that time.

It was moved by Councilmember **Jones**, seconded by Councilmember **Walsh** to adopt **Resolution No. 12588** supporting Ramsey County’s placement of no parking signs along Hoffman Road.

- Walsh Aye
- Biehn Aye
- Jones Aye
- Edberg Aye
- Engstran Aye

Motion carried unanimously.

G. Resolution authorizing financial participation in Marketfest 2020

City Manager Hiniker noted \$7,000 of financial support is budgeted in the City’s Economic Development Fund, which is not paid for through tax payer dollars, but from leases throughout the City and other non-tax revenue.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Biehn** to adopt **Resolution No. 12589** authorizing financial participation in Marketfest 2020 with revised dates of July 30 – August 20, 2020.

- Walsh Aye
- Biehn Aye
- Jones Aye
- Edberg Aye
- Engstran Aye

Motion carried unanimously.

10. CONSENT

A. Acceptance of Minutes: February Environmental Advisory Commission, February White Bear Lake Conservation District, April Planning Commission

It was moved by Councilmember **Biehn** seconded by Councilmember **Jones**, to approve the Consent Agenda as presented.

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

11. DISCUSSION

A. License Bureau Update

City Manager Hiniker reported the layoff of four license bureau positions now that only limited services are provided through dropbox and dealer work. Ms. Hiniker touched on the 2017 MNLARS glitch, which increased transaction times threefold and the peak demand for REAL ID in 2019. She said DMV's are lobbying to increase state set driver's license fees, and the City's breakeven under the current level of service would mean \$15-16 reimbursements for driver's license transaction.

Ms. Hiniker stated the License Bureau Fund can be carried in the near term due to a recent state reimbursement of staff time as a result of the MNLARS roll out. She said soon the City would offer full driver's license services on a limited staffing basis with one employee processing appointments. She expected they could process approximately 16 driver's licenses per day until that time in which car sales return and dealer work can sustain a larger work force. Dealer work is more profitable per transaction, which in a good economy helps to subsidize the cost of other services for which the City does not get adequately reimbursed.

Councilmember Edberg stated, the City is running a loss-leader not recovering costs for a system that the state designs and maintains. He said the state decrees the level of service and what the end product needs to look like, so how best to get the state to increase the fees, the services allowed or reimburse City's for their losses.

Ms. Hiniker mentioned conversations with local representatives and heavy engagement by the League of Minnesota Cities. She said the City is involved in the DMV lobby and welcomed ongoing conversations that Council might have with local elected officials.

Councilmember Jones shared the importance of people coming to the License Bureau and into City Hall and downtown. He expressed desire to put forward a formal resolution and asked if it was time to move forward as a Council.

Ms. Hiniker noted that the 2020 budget reflected a \$75,000 transfer to the construction fund, but is now operating at a monthly deficit with operations impacted by COVID restrictions. Ms. Kindsvater reviewed various options for revised service levels to maximize revenues. Ms. Hiniker mentioned this information will be reviewed in more detail with Council at the upcoming Work Session (June 2).

Councilmember Biehn expressed desire to retain the License Bureau noting that other entities

are pulling together for change. He said there will be a time in the future that the License Bureau will be profitable and fund street projects again.

B. Report on Local Business Support Efforts

Ms. Kane provided an overview of the City's efforts support local businesses since the third week of March when the pandemic and stay at home order began impacting businesses.

Ms. Hiniker highlighted the importance of staying in touch and supporting local businesses. She mentioned a select few cities have offered financial assistance to businesses, and asked for Council's direction regarding this.

After hearing the extent of staff engagement with businesses, Mayor Emerson stated that the City cannot be everything to everybody and suggested the City can be a resource for Main Street and the Chamber of Commerce. She reminded staff about the non-profits as well and said that if staff spreads too thin, nothing will get accomplished.

Councilmember Biehn appreciated all the information and was supportive of the City temporarily removing barriers for businesses to the extent possible, such as allowing for more signs and use of public property and/or parking lots. Not knowing how long this will last, he does not believe the City is in a position to provide financial support to businesses.

Councilmember Jones agreed with Councilmember Biehn and did not want to get into financial support. He said staff has done a great job being that connection point and the City should continue to be the vehicle for information and awareness. He has been leaning more toward opening businesses as well.

Councilmember Walsh also agreed with taking down the barriers for businesses and providing information, and that the City is not geared to provide loans to businesses. He said all of these things are just bandages unless businesses are allowed to open back up again and suggested a legislative action requesting the Governor to reopen.

Councilmember Edberg did not believe the City should provide financial assistance to businesses. He believes the City should be flexible in permitting and allow for innovations through reasonable accommodations. Regarding technical assistance, he stated the City's role is to know who is doing what in order to make those connections for businesses. Finally, he noted that these businesses are not those of the City and cautioned that way of thinking.

12. COMMUNICATIONS FROM THE CITY MANAGER

Nothing scheduled.


13. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Biehn** seconded by Councilmember **Jones** to adjourn the regular meeting at 10:08 p.m.

Walsh Aye

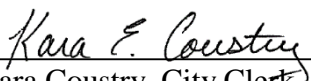
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously



Jo Emerson, Mayor

ATTEST:



Kara Coustry, City Clerk