



**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, NOVEMBER 23, 2021
7:00 P.M. IN THE COUNCIL CHAMBERS**

1. CALL TO ORDER AND ROLL CALL

Chair Kevin Edberg called the meeting to order at 7:00 p.m. The clerk took attendance for Councilmembers Doug Biehn, Kevin Edberg, Steven Engstran, and Bill Walsh. Mayor Emerson and Councilmember Dan Jones were excused. Staff in attendance were City Manager Ellen Hiniker, Community Development Director Anne Kane, Housing and Economic Development Coordinator Tracy Shimek, City Clerk Kara Coustry and City Attorney Troy Gilchrist.

PLEDGE OF ALLEGIENCE

2. APPROVAL OF MINUTES

A. Minutes of the Regular City Council Meeting on November 9, 2021

It was moved by Councilmember **Biehn** seconded by Councilmember **Engstran**, to approve the Minutes of the November 9, 2021 City Council meeting as presented.

Motion carried unanimously.

3. APPROVAL OF THE AGENDA

It was moved by Councilmember **Walsh** seconded by Councilmember **Engstran**, to approve the Agenda as presented.

Motion carried unanimously.

4. VISITORS AND PRESENTATIONS

Nothing scheduled

5. PUBLIC HEARINGS

Nothing scheduled

6. LAND USE

A. Consent

1. Consideration of a resolution granting a one year time extension for a preliminary plat at 1800 County Road E (Blustone Villas – Case No. 20-1-P). **Resolution No. 12885**

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

Motion carried unanimously.

B. Non-Consent

Nothing scheduled

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

Nothing scheduled

9. NEW BUSINESS

A. Resolution requesting the Metropolitan Council to pause planning activity on the Purple Line

It was moved by Councilmember **Walsh** seconded by Councilmember **Engstran**, to adopt a resolution requesting the Metropolitan Council to pause planning activity on the Purple Line.

Councilmember Walsh began by explaining there have been many small votes by the Council related to the Purple Line, but never a vote on whether the City supports the project. This summer the Legislature passed a provision that the University of Minnesota Center Transportation Studies assess ridership of all transit systems post COVID. He listed the items to be studied per the legislation, the results of which are due by February 2023:

1. Analysis and projections on anticipated changes in ridership
2. Demand for different modes and forms of active ad public transportation
3. Transit service levels and features
4. Revenues and expenditures
5. Long term impacts

It is Councilmember Walsh's belief that the Metropolitan Council should pause the Purple Line for this study and the ridership numbers. He also believes that the University of Minnesota Transportation Studies staff will work diligently, but fairly, to show ridership in order to make it work. He explained that this data is what should be used when they apply for the federal grant, which has its own requirements for ridership. Having these numbers will help the Metropolitan Council determine whether or not to award \$500 million for the Purple Line, and this resolution is asking the Metropolitan Council to pause for those numbers.

Councilmember **Biehn** moved an amendment to the resolution that in addition to ridership, the Metropolitan Council also reassess cost effectiveness, environmental benefits, congestion relief, land use and economic development in its final application to the Federal Transit Administration (FTA) for funding. Councilmember **Walsh** seconded for purposes of discussion.

Councilmember Walsh expressed his appreciation for the addition of the other criteria to the resolution, but explained that Councilmember Biehn's amendment does not ask the Metropolitan Council to do anything it doesn't already have to do as part of the process. He noted that by

removing the ask for a pause, all the amendment does is encourage the Metropolitan Council to continue with its planning. He disagreed and said it is appropriate for cities to voice their opinions to the Metropolitan Council, and he believes that residents of our City would like to pause this project.

Councilmember Biehn understood that the only thing being done on this project at this time is this study, so if they would agree to pause they cannot do the evaluation for which a grant has already been received and has no mechanism for pause. He wanted to ensure that the results of the University study are incorporated into Metropolitan Council's submission to the Federal Transportation Administration for the final analysis on whether this project is viable.

Councilmember Edberg asked Councilmember Walsh what "pause" means to him. Councilmember Walsh said, "It means we are listening to the people we represent." He explained that the message he has been getting is to stop this project. He indicated that this request for a pause is a bit of a compromise.

This is not the City's project, Councilmember Edberg explained, and the Legislature has placed matters of regional transit in a body that is not the City. He believed it is the City's responsibility to hold them accountable as they continue to do their work. He did not believe it is the City's authority to make regional transit determinations.

Councilmember Walsh believes a Municipal Consent vote to be within the limits of City's authority, stating it has been past practice of the Metropolitan Council to obtain Municipal Consent votes from cities along transit corridors. He would have put forward a Municipal Consent vote in the first place, but compromised with this request for a pause.

Chair Edberg called for a roll call vote on the amendment.

Biehn - aye
Walsh - nay
Engstran - nay
Edberg - aye

Motion failed 2:2.

As a means to support his stance, Councilmember Biehn laid out the following ten corrections to misinformation related to the Purple Line (aka Rush Line) BRT Project:

First, he indicated that he has heard the statement that Rush Line has been misnamed because it will take approximately 45 minutes to get from here to downtown St. Paul. His response to this was:

- 1) Rush Line was named because Rush City was its original terminus. Soon after being formed in 1998, the terminus was extended to Hinckley.
- 2) In addition, Rush Line is an 80-mile corridor, with the first portion from St. Paul to White Bear Lake being renamed through Metro Transit as the Purple Line.
- 3) It is not uncommon to spend 45-minutes in rush hour traffic, which does not rush either, to get to downtown St. Paul. At least on the BRT you can use that time spending 45 minutes to work, read or catch up on personal business.

Second, he has heard that Rush Line is being rushed without public input. His response to this was:

- 1) The Rush Line Task Force was established in 1998.

- 2) During the past 23 years there have been many, many open houses, hearings, public information meetings, presentations, surveys and other opportunities for public input.
- 3) The White Bear Press has carried announcements and provided coverage over the last two decades regarding these discussions.

Third, he has heard that residents' concerns were not taken seriously. His response to this was, numerous changes have been made over the years to address residents' preferences.

- 1) For example, it was changed from light rail to electric-battery powered buses, so it would be clean, quiet, less disruptive during construction and be more economical for projected ridership.
- 2) Stations have been relocated and redesigned to preserve and enhance our beautiful downtown.

Fourth, he has heard that the Bruce Vento trail will be destroyed. His response to this was:

- 1) For decades the development of the Bruce Vento Trail and the Rush Line corridor have been tied together. They are both part of Bruce Vento's legacy as a great environmental leader who was dedicated to reducing pollution and protecting our environment.
- 2) For twenty years there have been signs on the Bruce Vento Trail noting that it is aligned with a future transit corridor.
- 3) Under the leadership of our Metropolitan Council representative Sue Vento, the extension of the Bruce Vento Trail into White Bear Lake is part of Rush Line.

Fifth, he had heard that the Rush Line will bring crime to White Bear Lake. His response to this was:

- 1) It would be ironic to expect criminals to travel to White Bear Lake to commit a crime and to wait for an electric bus to escape. Not even taking into consideration that the bus route is known, and the bus will have video cameras observing the bus interior.

Sixth, he has heard that the dedicated buses will be diesel powered rather than electric. His response to this was:

- 1) The Metro Purple Line bus fleet will be electric battery powered vehicles from day one when it is scheduled to begin operations in 2026, at the soonest.

Seventh, he has heard that the impact of the pandemic on ridership has not been considered. His response to this was:

- 1) The Federal Transit Administration has detailed requirements regarding ridership, the environment, economic impact, congestion relief, and cost effectiveness.
- 2) The Metropolitan Council's job is to continually re-evaluate all transit projects to meet or exceed the requirements. They are doing their job.
- 3) It is fully expected that re-evaluation will result in changes during the next phases of the project, just as they did during the phases leading up the transition to the Metropolitan Council.

Eighth, he has heard that the money for the project could be spent for other things in the community. His response to this was:

- 1) The money cannot be spent on other things in our community. The funding is dedicated to transit projects that meet all federal requirements; if not in our community, then it will be spent on transit projects in another community.

Ninth, he has heard that there will not be enough ridership, and that there will be too many people coming into our downtown. His response to this was:

- 1) What mathematical trick simultaneously has too few and too many riders?
- 2) Ridership projections are continually being studied and the level of service will be designed to meet the demand.

Tenth, the proposed resolution calls for the Metropolitan Council to pause activity on the Purple Line until the legislatively mandated study is complete and such data is incorporated into the updated ridership forecasts. His response to this was:

- 1) This vote has no legal effect.
- 2) The Metropolitan Council is legally required to use a \$1.25 million grant to evaluate ridership, the environment, economic impact, congestion relief, and cost effectiveness prior to submitting for final approval.
- 3) The Metropolitan Council makes the decisions on this matter. White Bear Lake can, and should, influence the project to move it forward in a way that is best for our community.

While respecting Councilmember Walsh's right to put forward a future resolution of Municipal Consent, Councilmember Edberg did not support the resolution to pause, primarily because this is not the City's project. He intended to let the Metropolitan Council do its job while encouraging folks to direct their concerns to those having authority over the project. He was amenable to a resolution that sets certain standards for this project and that expresses expectations that the Metropolitan Council and FTA manage this project in a cost conscientious manner using data to inform decisions along the way.

Chair Edberg called for a roll call vote on the original motion.

Engstran - aye

Walsh - aye

Biehn - nay

Edberg - nay

Motion failed 2:2.

B. Resolution accepting Housing Task Force Recommendations Report

Gretchen Nichols of Local Initiatives Support Corporation noted her work with Barbara Raye from The Center for Policy Planning in support of the Housing Task Force throughout this process. She introduced members of the Housing Task Force whose work since April has led to a report of housing recommendations. The objective of this effort, she described, was to provide a community informed plan to help guide the Council in creating Housing policies and priorities that balance tension between evolving housing needs with the desire to retain the character of the community. Ms. Nichols explained that members of the task force were selected to represent a diverse group of community stakeholders and community input and outreach continued throughout this effort with two Community Housing Forums, a booth at Marketfest, the community Housing Survey, direct marketing and media.

Various members of the Task Force provided an overview of the Housing Report which was derived through community consensus building.

The following four goals were identified:

1. Create an Affordable Housing Trust Fund to provide needed resources to meet housing goals.
2. Address the growing need for affordable housing options.
3. Support a range of lifecycle housing options.
4. Update development pre-application review process.

The following four guiding principles were established to measure the success of housing investments and developments, which will ensure the character and charm of White Bear Lake is maintained.

1. Healthy communities through safe and stable housing that is convenient to services and amenities.
2. Prosperity with access to workforce by businesses and access to jobs by community members. Housing is affordable, allowing for spending beyond rent/mortgage.
3. Authenticity reflects the values, history and culture, while contributing to a sense of belonging.
4. Sociability - design that encourages neighborhood interactions, such as front porches allowing for eyes on the street and social interaction.

Investing in affordable housing in the community offers a return on investment for the entire community. The Housing and Redevelopment Authority (HRA) and through sale of City land, monies could be used to establish an affordable housing trust fund. Such a fund could incentivize developers through grants or fund additional housing programs. Tax Increment Financing is another potential tool.

The following Program & Policy Recommendations were presented:

- Establish affordable housing goals and priorities.
- Encourage and invest in production of new affordable housing options (rental & ownership)
- Preserve existing affordable housing: Naturally Occurring Affordable Housing (NOAH) and subsidized owned and rented.
- Investigate and enact renter protections.
- Encourage and invest in housing preservation.
- Encourage and ensure sustainability and walkability.

Change is hard for communities, so to ensure that development proposals are in line with the City's housing goals and needs, and to enhance the public review process, a pre-application review process would implemented for certain redevelopment infill proposals. **Developments that require a reguiding, rezoning or request public financing would follow this new pre-application process:**

- Submit site plan to the City's Planning Department for initial staff review and zoning analysis.
- New - Present preliminary concept in a City Council meeting for feedback and direction to applicants and staff.
- Notifications.
- Hold neighborhood meetings.

- New - Primary conception presented to a Housing and Redevelopment Advisory Commission for review and feedback whether the proposal is in line with the City's goals and Comprehensive Plan.
- New - Returns back to the Council for one more review prior to applicant submitting a Formal Application.

The Housing Task Force Committee identified publicly owned sites for pursuing housing development opportunities. Such projects should diversify current housing stock to meet changing community needs.

Key Takeaways from the Housing Task Force:

- White Bear Lake needs affordable housing and the City should take an active role in addressing the need.
- New lifecycle housing options are very important for the community.
- Partnerships with local organizations and engagement with the community to build awareness about the need for housing.

The Housing Task Force identified the following near term actions.

- Further discussion of these recommendations at the Council Work Session.
- Implement updated development pre-application review process.
- Update the zoning code.
- Actively pursue projects that meet City's housing needs.

Councilmember Walsh asked whether zoning regulations were an impediment to developers. Ms. Kane was familiar with the Home Builders Association study but explained that White Bear Lake has considerably smaller lots with minimal setbacks as a result of historical development patterns, and development fees are comparatively low. In the report, Councilmember Walsh indicated that he liked the creativity of inviting a competition among developers to submit proposals for use of publicly owned land. He also liked the pre-application which puts these communications out to the public quicker. He challenged, however, the role of government regarding prosperity in which tax payers pay for homes for others.

While campaigning, Councilmember Biehn observed much more multi-family housing and believed that permitting this to occur, if it isn't already, is one way to make housing more affordable. He expressed appreciation for the City's efforts to acquire land for redevelopment/development, but would like consideration given to commercial developments as well. Lastly, he encouraged an ongoing commitment to spread affordable housing throughout the community.

Councilmember Edberg asked if the City was overbuilt with regard to senior housing. He explained, there is value in the life experience of seniors and the savings and a lifelong accumulation of connections and resources in the community to be balanced with future housing needs, and perhaps on a regional basis. He said, the greatest economic value to the community is schools, which attract young families that spend money in the community. With regard to the affordability of housing, he said, somehow it needs to be taken out of the market, perhaps through land trusts or limited equity finance. He would like more thought on long term sustainability rather than one-cycle buydowns.

Ms. Nichols relayed that at the first Housing Task Force Community Forum, the City of Edina shared a program in which people could work with the city to preserve the single family home for sale as affordable housing in lieu of it being purchased to be torn down and redeveloped as a larger and more expensive single family home.

It was moved by Councilmember **Walsh** seconded by Councilmember **Biehn**, to adopt **Resolution No. 12886** accepting Housing Task Force Recommendations Report.

Motion carried unanimously.

Councilmember Edberg thanked the Housing Task Force Policy Committee for their commitment and engagement.

C. Resolution authorizing City Manager to execute contract with Kraus-Anderson for Construction Management Services for the Public Safety Building Project

City Manager Hiniker reported that as a result of Council action on October 12, staff sought proposals for Construction Management Services for the Public Safety Building Project. She explained that as a result of applications and interviews, staff selected Krause Anderson (KA) as the preferred Construction Manager advisor. In that role, KA would act as the City's advocate on the construction site, manage the contractors, the budget and daily construction activity.

It was moved by Councilmember **Engstran** seconded by Councilmember **Biehn**, to adopt **Resolution No. 12887** authorizing City Manager to execute contract with Kraus-Anderson for Construction Management Services for the Public Safety Building Project.

Motion carried unanimously.

D. Resolution authorizing internal loan for energy performance project

Ms. Hiniker recalled that at the October 12th meeting, Council approved a resolution authorizing the City to enter into a Guaranteed Energy Performance Contract with Trane Technologies to execute project recommendations identified through the energy performance audit conducted at the Sports Center, as well as a citywide lighting analysis. Through consultation with staff and Ehlers, rather than bonding for this, Ms. Hiniker proposed financing remaining costs of the energy performance contract through an internal loan from the Economic Development and Non-Bonded Funds over a 15-yr period at a 1.5% interest rate, (\$641,250 & \$213,750, respectively). The internal loan would be paid back through a portion of the guaranteed energy savings realized from the improvements, which had already been contemplated as the source of revenue for any debt service related to a bond issuance.

It was moved by Councilmember **Biehn** seconded by Councilmember **Engstran**, to adopt **Resolution No. 12888** authorizing internal loan for energy performance project.

Motion carried unanimously.

E. Resolution approving reimbursement resolution for energy performance project

In relation to previous agenda item 9D, staff further recommends that the Council adopt a reimbursement resolution to maintain the option to bond for these costs for up to three years in the event the City Council determines liquidity of these funds is a more immediate priority.

Council will have an opportunity to again review and discuss these and other non-operating funds at its annual long-range financial planning work session next spring. Adoption of a reimbursement resolution would allow the City flexibility to bond for expenses related to the Energy Performance Contract for up to three years.

It was moved by Councilmember **Engstran** seconded by Councilmember **Biehn**, to adopt **Resolution No. 12889** approving reimbursement resolution for energy performance project.

Motion carried unanimously.

- F. Resolution approving 2022 Union Contract with Law Enforcement Labor Services; Police Sergeants

City Manager Hiniker reported this contract is the same and similar to other contracts with a 3% increase on January 1st with 1% increase mid-year; 75% of the health insurance increase would be covered by the City, with 25% of the increase being covered by the employee. She noted that the start step has been removed. She said Martin Luther King Jr. would be added as a paid holiday as well as Juneteenth following adoption by the State.

It was moved by Councilmember **Biehn** seconded by Councilmember **Engstran**, to adopt **Resolution No. 12890** approving 2022 Union Contract with Law Enforcement Labor Services; Police Sergeants.

Motion carried unanimously.

10. CONSENT

- A. Resolution approving a lease agreement with Verizon at Centerville Road Water Tower Site. **Resolution No. 12891**
- B. Resolution approving a lease agreement with Verizon at Miller Avenue Monopole Site. **Resolution No. 12892**
- C. Resolution approving a lease agreement with Verizon at Century Avenue Water Storage Site. **Resolution No. 12893**
- D. Resolution approving a lease with White Bear Dance Center at 2446 County Rd F E. **Resolution No. 12894**
- E. Resolution approving a lease with the White Bear Lake Area School District at 2446 County Rd F E. **Resolution No. 12895**
- F. Resolution certifying private property assessment for recovery of city expenses. **Resolution No. 12896**
- G. Resolution correcting one year assessment payback to ten year payback period. **Resolution No. 12897**

It was moved by Councilmember **Walsh** seconded by Councilmember **Engstran** to approve the consent agenda as presented.

11. DISCUSSION

Nothing scheduled

12. COMMUNICATIONS FROM THE CITY MANAGER

- Truth and Taxation Hearing – December 14, 2021 City Council meeting
- Staff have been meeting with incoming City Manager Lindy Crawford
- Brief report by the Welcoming and Inclusive Task Force – December 14, 2021
- Community Development Director Kane mentioned many items on the last Planning Commission meeting of the year, which will be coming to the Council on December 14.

13. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Biehn** seconded by Councilmember **Walsh** to adjourn the regular meeting at **8:57** p.m.

Motion carried unanimously.



Jo Emerson, Mayor

ATTEST:



Kara Coustry, City Clerk