



**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, NOVEMBER 22, 2022
7 P.M. IN THE COUNCIL CHAMBERS**

1. CALL TO ORDER AND ROLL CALL

Mayor Dan Louismet called the meeting to order at 7 p.m. The City Clerk took attendance for Councilmembers Kevin Edberg, Steven Engstran, Heidi Hughes, Dan Jones and Bill Walsh. Staff in attendance were City Manager Lindy Crawford, Finance Director Kerri Kindsvater, Community Development Director Jason Lindahl, City Clerk Caley Longendyke and City Attorney Troy Gilchrist.

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

A. Minutes of the Regular City Council Meeting on November 9, 2022

It was moved by Councilmember **Walsh**, seconded by Councilmember **Engstran**, to approve the minutes. Motion carried unanimously. Councilmember Edberg abstained from the vote.

3. APPROVAL OF THE AGENDA

Mayor Louismet noted the addition of a special event application submitted by Main Street, Inc. (consent agenda item 4K). He moved the Ramsey County Critical Corridor Grant Funding (consent agenda item 4H) to new business for discussion. It was moved by Councilmember **Edberg**, seconded by Councilmember **Engstran**, to approve the agenda as presented. Motion carried unanimously.

4. CONSENT AGENDA

- A. Resolution designating polling places for 2023 elections **Res. No. 13089**
- B. Resolution authorizing a contract renewal with the Woodbury Animal Humane Society **Res. No. 13090**
- C. Resolution executing a Limited Use Permit with the State of Minnesota Department of Transportation for a monument sign at Trunk Highway 694 and White Bear Avenue **Res. No. 13091 and Res. No. 13092**
- D. Resolution certifying miscellaneous private property assessment for recovery of city expenses **Res. No. 13093**
- E. Resolution authorizing renewal of Ramsey County Law Enforcement Consortium Mutual Aid Agreement **Res. No. 13094**
- F. Resolution designating board of director appointees for the Local Government Information Systems Association **Res. No. 13095**
- G. Resolution authorizing staff to solicit request for proposals for a downtown mobility and parking study **Res. No. 13096**
- H. Resolution authorizing support for an application for Ramsey County Critical Corridor Grant Funding from WBL Lochner, LLC **Moved to New Business**

- I. Resolution approving the Planned Unit Development agreement for Schafer Richardson Phase II **Res. No. 13097**
- J. Resolution approving the Willow Ridge 2nd addition final plat **Res. No. 13098**
- K. Resolution approving a special event application for White Bear Lake Main Street, Inc. **Res. No. 13099**

It was moved by Councilmember **Edberg**, seconded by Councilmember **Engstran**, to approve the consent agenda as presented. Motion carried unanimously.

5. VISITORS AND PRESENTATIONS

A. Swear-in Police Officers

Police Chief Swanson introduced Police Officers Phonvelai Sorensen and Will Fink. They were given the Oath of Service and sworn in.

B. Quarterly Sports Center Report

City Manager Crawford presented the third quarterly report for the Sports Center. She said the City and JLG Architects were awarded the 2022 AIA Minneapolis Merit Award for architectural design during the Sport Center's 2018 renovation. She said the solar panel installation was completed in September and will help offset the costs of electricity for the facility. She reported that ice time utilization hours were strong this past quarter, and that usage and revenue totals are on par with budget projections. She said the fall session for the City's Learn-to-Skate program started in September and the hockey training facility is staying busy with both youth and high school players. She said there has been a general increase in revenue for the aerobic room, birthday parties and concessions. Overall, revenue for the Sports Center was up by about \$39,000 compared to this time in 2021. She said an upcoming skate competition will bring in over 300 figure skaters to the White Bear Lake area, which help the local economy. She shared a photo of an advertising board that will be installed in the ice rink with the City's website link and social media information.

6. PUBLIC HEARINGS

Nothing scheduled.

7. UNFINISHED BUSINESS

Nothing scheduled.

8. NEW BUSINESS

A. Resolution awarding the sale of the 2022B General Obligation Bonds

Finance Director Kindsvater recalled for members of public that the City Council authorized the issuance of \$6,990,000 in General Obligation Capital Improvement Bonds to partially fund the city's public safety facility renovation project at its November 9 meeting. She said the City continued working with Ehlers and Associates to prepare for the bond sale. She restated that S&P Global Ratings affirmed the City's AA+ bond rating for the current issue and all outstanding bond issues. Kindsvater said there was a great turnout for the bid opening, with eight

investment firms submitting bids and the top five bidders being all within a tenth of a percent of true interest costs. The lowest bid came from Minneapolis-based Piper Sandler & Co. with a true interest cost of 3.7567%, which is 81 points less than the true interest cost the City used for planning at 4.565%. For comparison purposes, she said the true interest cost is a half-percent more than the issue earlier in the year, which is still relatively good considering the market, she explained. The bid included a premium of \$340,310, and staff chose to retain the bond sale issue amount of the \$6.99 million to eliminate the need for a contribution from the Community Reinvestment Fund. Director Kindsvater said it's possible there will be funds available to cover the costs of the delayed portions of the project. Director Kindsvater said the pre-sale report presented to the City Council at the November 9 meeting estimated the annual tax levy for the bond's life to range between \$372,000 and \$566,000. Using the actual true interest cost, the average annual tax levy needed is \$17,000 less, so the new range will be between \$358,000 and \$556,000. She recommended the City Council to approve the resolution awarding the sale of the General Obligation Bonds Series 2022B in the aggregate principal amount of \$6,990,000.

Councilmember Edberg asked about the City's financial advantage with having an AA+ bond rating compared to a lower credit rating. Senior Financial Specialist Dan Tienter of Ehlers said the difference in costs vary at any point in time in the market, but it can generally be quantified between 10-12 basis points between the ratings. Mr. Tienter confirmed that a higher credit rating secures lower interest rates, resulting in reduced borrowing and a lower property tax levy.

It was moved by Councilmember **Engstran**, seconded by Councilmember **Jones**, to approve **Res. No. 13100** awarding the sale of the 2022B General Obligation Bonds. Motion carried unanimously.

B. First reading of an ordinance establishing the 2023 Fee Schedule

City Manager Lindy Crawford introduced the 2023 Fee Schedule Ordinance. She provided an overview for the following major changes:

- Ambulance rates increasing 5%;
- Pioneer Manor rent increasing 5% to support operations and capital expenditures (effective April 2023 for proper notice);
- Removing Armory facility rentals due to the City no longer owning the property;
- Increasing Sports Center ice rental rates increasing \$10 an hour to stay competitive;
- Skating School registration increasing \$2 per week;
- Sports Center ice rink contract and drop-in rates increasing;
- Figure skaters Skate Show participation fees increasing \$5;
- High school game fees, rink advertising and concession stand lease fees added to the list (previously charged, but not identified in the fee schedule);
- Differentiation of Marina slip rental rates between resident and non-residents;
- Water consumption rate and infrastructure fees increasing to fund operating and capital expenditures (residential median home value would see increase of \$15.29 per quarter);
- Surface water management fee increasing \$2 for resident and commercial, and

- multiplying rate based on the property's REUs;
- Refuse and recycling rates incorporating the 2023 vendor per unit collection and hauling contract fee and increasing tipping fee;
- Adding Community Development application escrow fees, and
- Commercial electric permit fees being calculated by valuation, plus a state surcharge.

A second reading and a public hearing is scheduled for the December 13 City Council meeting.

C. Resolution authorizing support for an application for Ramsey County Critical Corridor Grant Funding from WBL Lochner, LLC

Community Development Director Lindahl presented a resolution for authorizing support for a grant application for the Ramsey County Critical Corridor Grant Program. The applicant WBL Lochner, LLC is a subsidiary of Schafer Richardson, who is developing 3600 and 3646 Hoffman Road. The grant program offers assistance to qualifying organizations for place-based investments along major corridors. Lindahl said the goals of the program are to boost connectivity between housing, jobs, retail, services and transportation; create more compact, walkable environments; enhance pedestrian safety, and support vibrant business districts. The funds could be used to offset extraordinary costs of projects, such as demolition, site preparation, storm management, and public improvements. Lindahl explained that the applicant sought these grant funds outside of the application process with the City, but there was a step in the grant application requiring approval from local government. He noted that using the funds towards a full market-rate development is not an allowable use of funding source, so the applicant will be including affordable housing to make them eligible to receive the funds. Lindahl explained that the application is between the applicant and the County, so the applicant is welcome to share more information with the City Council. The resolution wouldn't tie the city to any other funding obligations nor would it change the land use approvals associated with the project.

Mayor Louismet asked what the benefit was for the applicant to seek this funding. Furthermore, he asked if it supports the costs of the brick-and-mortar site or if it offsets tenant rates. He called on Schafer Richardson Development Manager Peter Orth to provide more information in order to make a well-informed decision. Orth said the grant program came later in the project timeline than desired, but there was always a desire to incorporate some element of affordable housing in the development. He said of the 244 units, 10 units would be a part of the grant program. The units involved are two 1-bedroom units, five 2-bedroom units and three 3-bedrooms units. Orth acknowledged the need for affordable housing and the grant funding would help bridge the gap in total cost of the project and the loans received. He confirmed with Mayor Louismet that it does not benefit Schafer Richardson's bottom line.

Councilmember Edberg asked a series of questions about the grant totaling \$1 million and how it reflects in the rate of the affordable units. Orth said the average market rate unit is \$1,750 and the average affordable unit is \$1,311. The cost difference for the affordable units over the course of 30 years is more than the \$1 million received, so the renters will financially benefit more than the developer.

Lindahll answered Councilmember Jones' question about whether other counties were providing similar grant programs. Councilmember Jones understands Schafer Richardson was exploring options for affordable units, and recognized the need in the City.

It was moved by Councilmember **Jones**, seconded by Councilmember **Walsh**, to approve **Res. No. 13101** authorizing support for an application for Ramsey County Critical Corridor Grant Funding from WBL Lochner, LLC. Mayor Louismet asked about market interest rate and amortization schedule for this type of project. Mr. Orth said he would estimate 6% interest rate and a 30-year amortization schedule. Councilmember Edberg asked about the process for seeking and processing applications of tenants who qualify for the affordable units. Mr. Orth said it is similar screening process to the market rate applicant, ensuring they are within the income-rent ratio and that they will be able to make their monthly payments. Motion carried unanimously.

9. DISCUSSION

Nothing scheduled.


10. COMMUNICATIONS FROM THE CITY MANAGER

Crawford shared information about the food drive that is being organized by the White Bear Lake Community Emergency Response Team (CERT) in conjunction with the Police Department. She provided information for community members to sign up for Fire Safety with Santa and said there is a recycling drop-off for holiday lights at City Hall through January 13. Mayor Louismet shared about being voluntarily tasered while attending the Citizens Police Academy.

The City Manager and City Councilmembers scheduled a special Housing and Redevelopment Authority (HRA) meeting to convene immediately following the December 13 City Council meeting.

11. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Engstran**, seconded by Councilmember **Hughes**, to adjourn the regular meeting at 8:03 p.m. Motion carried unanimously.



Dan Louismet, Mayor

ATTEST:



Caley Longendyke, City Clerk