



**MINUTES  
REGULAR MEETING OF THE CITY COUNCIL  
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA  
TUESDAY, DECEMBER 13, 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, Housing and Economic Development Coordinator Tracy Shimek, Public Works Director/ City Engineer Paul Kauppi, Building Official Ben Egan, City Clerk Caley Longendyke, and City Attorney Troy Gilchrist.

**PLEDGE OF ALLEGIANCE**

**2. APPROVAL OF MINUTES**

**A. Minutes of the City Council Work Session on November 22, 2022**

It was moved by Councilmember **Engstran**, seconded by Councilmember **Jones**, to approve the minutes. Motion carried unanimously.

**B. Minutes of the Regular City Council Meeting on November 22, 2022**

It was moved by Councilmember **Engstran** seconded by Councilmember **Walsh**, to approve the minutes. 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. CONSENT AGENDA**

- A. Accept Minutes – October Park Advisory Commission, October Environmental Advisory Commission, October White Bear Lake Conservation District, November Planning Commission
- B. Resolution accepting work and authorizing final payment to Park Construction Company for the completion of the 2022 Pavement Rehabilitation Project, City Project No. 22-01 **Res. No. 13102**
- C. Resolution requesting the SCORE Fund Allocation and authorizing submission of the grant application **Res. No. 13103**
- D. Resolution authorizing exclusive use of Podvin Park ice rink for hockey tournament **Res. No. 13104**
- E. Resolution authorizing issuance of massage therapist license for Cassandra Tracy at A Little TLC Massage **Res. No. 13105**
- F. Resolution not waiving the monetary limits on municipal tort liability **Res. No. 13106**

- G. Resolution granting a Conditional Use Permit amendment for 4455 White Bear Parkway **Res. No. 13107**
- H. Resolution granting two setback variances for 2289 Lilac Lane **Res. No. 13108**
- I. Resolution calling for a public hearing on the intention to issue General Obligation Capital Improvement Plan Bonds and the proposal to adopt a Capital Improvement Plan for 2023- 2027 **Res. No. 13109**

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

## 5. VISITORS AND PRESENTATIONS

- A. Resolution accepting the County Road E Corridor Development Initiative, County Road E Coalition

Housing and Economic Development Coordinator Tracy Shimek introduced Gretchen Nicholls of Local Initiatives Support Cooperation (LISC) to provide an overview of the County Road E Corridor Action Plan. The purpose of the project was to bring together White Bear Lake, Vadnais Heights and Gem Lake staff and community members to discuss what's best for their communities and how they can create a more cohesive, connected corridor. Nicholls shared which properties each city identified as being ready for redevelopment, and these "opportunity sites" were a large focus of the discussion. The goal of the project was to create a community driven vision that transforms the County Road E corridor into a place that fosters a sense of community and connects people to economic opportunities. Nicholls summarized the objectives of the project, including gaining perspective on community needs, attracting investment to the corridor and improving quality life for corridor residents and stakeholders. She noted that the team wanted to ensure the principles and values of the project aligned with each city's Comprehensive Plan. She shared information about the series of meeting that started with a combined informational session on September 14, followed by each city's workshop September 28- October 5, a developer panel on October 12, and framing the recommendations on October 26.

Nicholls described the Project Team and how they worked together. Members included City Council members and Planning Commission members from each city, Ramsey County staff, and representatives from the White Bear Lake Area School District, Newtrax, Xcel Energy and economic development corporations. She shared about the Community Advisory Group, consisting of members of each community who were charged with community outreach. Nicholls shared information about the Corridor Development Initiative Teams who helped with the facilitation of the meetings and included experts in land use, planning, transportation, financial analysis and a developer panel. She summarized the participation of community members, saying that over 100 people participated in the multiple sessions and each session shared common themes of input. Examples of expressed needs include the following: overall identity of the corridor, safer crossings, walkability, variety of residential development, family-friendly gathering places, mix of residential and commercial uses and efforts from partnered communities to attract investments.

Nicholls described the workshop's block exercise, which entails participants using miniature

block pieces to make three-dimensional maps. The movable blocks help determine what can fit in the area and how the sites complement each other. The White Bear Lake workshop focused on the four-corner intersection of County Road E and Bellaire Avenue. She highlighted the take-aways from the Developer Panel recommendations, including signaling to developers about the city's desires, cities aligning land use codes with their Comprehensive Plans, using programmed activities or events to create themes or an identity for the area, making compatible housing and commercial uses, and building a greater market demand with more housing. Nicholls shared the recommendations that were created based on the series of workshops and response from the Project Team. The recommendations would help the project objective to create a cohesive theme and overall sense of place for the corridor. The recommendations address traffic, safety, identity, housing, intersection reconfigurations and connectivity. Lastly, she described the near- and long-term strategies for the cities.

Community Advisory Group member Joy Erickson of White Bear Lake Area Chamber of Commerce and Community Project Team member Jan Johnson of White Bear Lake Economic Development Corporation shared their reflections on the process. They complimented the opportunities provided to community members and the collaboration. Ryan McKilligan of Element Design Build, LLC expressed his interest in a property at the Bellaire Avenue intersection and got involved in the process to hear community input. He spoke highly of the process and acknowledged its transparency. Mayor Louismet shared positive feedback for the process and appreciated the project team's engagement of the communities for feedback. In the interest of momentum, Councilmember Jones expressed urgency and requested action now. He recognized the uniqueness of County Road E compared to other areas. Shimek addressed Councilmember Walsh's comment about the stretch of homes in the corridor, saying the elements of traffic calming measures and pedestrian safety would benefit that area most and acknowledged the varying areas between retail, industrial and residential along the corridor. Lindahl said staff plan to be vigilant about new proposals for the area, making sure it flows with the corridor.

Councilmember Edberg attended all workshops and provided positive feedback of the process and recognized the synergy between staff of the three communities. In response to his question about possible next steps, Shimek said her top two priorities would be the work of the future coalition on a marketing campaign to establish an identity and, second, to address what to do with the city-owned parcel at 2511 County Road E East to help bring energy to the intersection. Lindahl echoed Shimek and talked about the importance of thoughtfully establishing the coalition. Councilmember Edberg made comments about working closely with Ramsey County on the road itself and how people move through it, keeping in mind road improvements, accessibility and safety. He addressed potential tension between developer and community vision for the parcels and the need for businesses to be vital and viable to the community. He also mentioned the option for the Bellaire Avenue intersection to remain quiet. Mayor Louismet agreed it is not a typical corridor and is open to the different visions. His one concern is for residents who live near that intersection and expect it to remain quiet for their families and kids playing around the area. Crawford thanked those who worked on the project and attended the sessions, and gave special thanks to Shimek for her dedicated work to the project over the years.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Jones**, to approve **Res. No. 13110** accepting the report and authorizes staff to engage with project partners to explore the formation of a cross-jurisdictional coalition to advance report recommendations. Motion carried unanimously.

## 6. PUBLIC HEARINGS

### A. 2023 Final Budget, Tax Levy and Truth-In-Taxation Hearing

City Manager Crawford presented the 2023 final budget and tax levy. She provided an overview of the budget timeline which is a year-round process. She said the purpose of the truth-in-taxation hearing is to provide a summary of the general fund budget, explain the property tax implications of the budget and allow for comment from members of the public. She provided information for additional public engagement opportunities and reminded the public that they can always contact staff with questions.

Crawford provided an overview of the budget commitments that stayed at the forefront when staff planned the 2023 budget. These commitments include supporting a public safety model that is oriented to be proactive, preventative and prepared while meeting the staffing, support and facility needs; gradually eliminating reliance of Local Government Aid (LGA); maintaining a 10-year Capital Improvement Plan (CIP) and Financial Management Plan (FMP), and maintaining a fund balance not less than 35% of the subsequent year's budgeted operating expenditures. She outlined the significant revenue and expenditure changes that were considered in the budgeting planning. She said the 2023 CIP has no impact on the tax levy and will cover the following purchases: fleet and replacements for Police, Park and Building departments, police squad equipment and body-worn cameras, technology maintenance upgrades and replacements, and a fire rescue boat.

Crawford said the proposed tax levy reflects an increase of \$1 million for general fund operations, an increase of \$198,000 for the 2022 street improvement project debt service levy and an increase of \$669,000 to the debt service levy to cover most of the expenditures for the public safety facility project. The overall levy increase totals \$1,875,000, an increase of 23.21%. She explained the City will be using unrestricted surplus from the General Fund balance to offset the tax levy increase, but will still maintain its recommended balance threshold per City Council policy.

She presented a breakdown of property taxes, explaining that taxes are divided among the county, school district and city, and the City of White Bear Lake receives only about 18 cents per tax dollar. She explained the expenditure categories of property taxes, with the major categories including police service, general government, debt service, fire service and public works. She presented data comparing revenue collection with comparable cities and said White Bear Lake, despite having a larger population than some other comparable cities, collects less revenue in taxes. She showed a chart depicting comparisons of tax levy amounts and increases in the last five years among comparable cities, White Bear Lake continues to have the lowest tax levy.

Revisions to the 2022 budget were proposed, including revenue totals exceeding the adopted budget and an expenditure adjustment after factoring out a transfer to the Municipal Building Fund. Crawford offered a list of resources to property owners for property tax assistance.

Mayor Louismet opened up the public hearing at 8:06 p.m. There being no public comment, he closed the public hearing. Mayor Louismet commented that the City needs to increase its taxes in order to provide essential city services to its community members. He said projects like the public safety building are long overdue. He said the City must stay competitive to recruit and retain the best staff for the City's residents. He commented on LGA and said it's not a sustainable funding source for long-term planning. Councilmember Jones agreed with the Mayor's comments and thanked Crawford and staff. He addressed the loss of LGA, the increase in public safety service calls and being able to maintain capital improvement projects. He emphasized the graphic that depicts the City's taxes being much lower than comparable cities and the need for more tax revenue. Councilmember Walsh had clarifying questions about CARES Act funds, expenditures about employee recognition and the language around a reduction in permit revenue. Councilmember Edberg suggested to not compare White Bear Lake with other communities, as each community has difference cultures, values and processes. Mayor Louismet explained it is helpful to use it as a tool to see where White Bear Lake stands compared to similar-sized cities. Councilmember Hughes encouraged community members to review the budget to understand the reasons why there is an increase in the tax levy and expressed support for the proposed budget.

It was moved by Councilmember **Hughes**, seconded by Councilmember **Edberg**, to approve **Res. No. 13111** adopting the 2023 budget and revising the 2022 budget as adopted by Res. No. 12898. Motion carried unanimously.

It was moved by Councilmember **Jones**, seconded by Councilmember **Engstran**, to approve **Res. No. 13112** approving the 2022 final tax levy for taxes collectible in 2023. Motion carried unanimously.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Hughes**, to approve **Res. No. 13113** committing fund balances for specific purpose. Motion carried unanimously.

It was moved by Councilmember **Jones**, seconded by Councilmember **Walsh**, to approve **Res. No. 13114** authorizing City contributions towards volunteer and employee recognition presented in the 2022 revised and 2023 budget. Motion carried unanimously.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Hughes**, to approve **Res. No. 13115** authorizing and acknowledging City contributions and involvement in promoting business and cultural activities in the 2022 revised and 2023 budgets. Motion carried unanimously.

## 7. UNFINISHED BUSINESS

### A. Second Reading and public hearing of an ordinance adopting the 2023 Fee Schedule

At the November 22 City Council meeting, Crawford presented a detailed description of the

proposed changes to the 2023 fee schedule. Since that presentation, all proposed changes remain the same except one new addition of a proposed increase to passports from \$15 to \$17, which is similar to other passport service providers. Mayor Louismet opened up the public hearing at 8:33 p.m. There being no public comment, the mayor closed the public hearing.

It was moved by Councilmember **Jones** seconded by Councilmember **Engstran**, to adopt Ordinance No. 22-12-2059 adopting the 2023 Fee Schedule.

It was moved by Councilmember **Jones**, seconded by Councilmember **Hughes**, to approve **Res. No. 13116** approving the summary publication of the ordinance adopting the 2023 Fee Schedule. Motion carried unanimously.

Crawford expressed her gratitude to Mayor Louismet and the City Council for their support with the budget and fee schedule as she wraps up her first year as City Manager.

## **8. NEW BUSINESS**

- A. Resolution approving an amendment to the Revenue Note (Northeast Residence, Inc. Project), Series 2017, and a master amendment agreement

Finance Director Kindsvater presented an amendment to a Revenue Note that is part of a conduit debt issue completed by the City in 2017. She explained that a city has the ability to issue debt in its name to provide capital financing for a third party that is not part of the city's financial reporting structure. She said the debt the City issues is primarily for non-profit organizations that can't issue debt to help them qualify for tax-exempt rates and said the City has multiple outstanding issues of conduit debts. Kindsvater summarized the key points to conduit debt, explaining that the debt doesn't constitute a general or moral obligation of the City, the debt is not secured by or payable by any of the property or assets that are owned by the City, the debt is not secured by any taxing power of the City, and the debt is not subject to any debt limitations that are imposed on the City. She said it's just the City's name on the issuance and the non-profit organization pays back the City the amount and fees.

Kindsvater said the original agreement amount for the Revenue Note bonds issued in May 2017 to Northeast Residence, Inc. The project total was \$5,665,000 and was used to refinance supervised living facilities for developmentally disabled persons at multiple locations; finance the acquisition, renovation, and equipment of a new facility for office space and client services, and to pay the costs of the issuance of the bonds. The amendment includes changing the name of the borrower since the original borrower, Northeast Residence, Inc. Project, merged with Hammer Residence, Inc., which will be listed as the new borrower. The note also needs to be revised to include a new interest rate and update the interest rate calculation mechanism. She said the amendment will not impact the City's ability to issue bonds in a calendar year and will not affect any other bond issues.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Engstran**, to approve **Res. No. 13117** approving an amendment to the Revenue Note, Series 2017, and a master amendment agreement. Motion carried unanimously.

B. Resolution ordering the abatement of hazardous property and public nuisance located at 2239 Carlyle Court

Community Development Director Lindahl introduced the item ordering the abatement of hazardous property and public nuisance located at 2239 Carlyle Court. He summarized the information provided in the staff report and attachments provided to the Mayor and City Council. He said this process started on May 19 when staff contacted the homeowner of 2239 Carlyle Court following a neighbor's complaint of concern about a large hole in the roof. Initial determinations were made that the conditions at the property could potentially be unhealthy. Staff tried to connect the homeowner with social services and alternative housing options at that time. With an administrative search warrant, staff inspected the home on May 25 and concerns of unhealthy living conditions were confirmed. Lindahl provided an overview of the unhealthy conditions and damage to the home that were documented staff, and at which time the property was determined to be unfit for human habitation.

On June 8, staff issued a formal notice of the violations, specifically citing City Code and Housing Code, a 120-day timeline to comply with the notice and information about the appeal process. Since June 8, staff have been in conversation with the homeowner and Ramsey County regarding potential funds to assist the homeowner with repairs. Lindahl reported that none of the funds from the County have been secured by the homeowner. He said the homeowner has secured some bids for initial repair work of the roof, but it wouldn't address the other required repairs involving plumbing, electrical, sheetrock, and other water-damaged areas. Lindahl said the homeowner and the mortgage company received notice of the City Council meeting and the proposed action being taken on the property. Given the timeline passed and unchanged conditions of the home, staff recommends the resolution ordering the abatement, which will start a new 60-day timeline for the homeowner to abate the hazardous conditions before the City proceeds to Ramsey County Court to obtain a judgement, allowing the City the right to access the property to remedy the conditions. The cost of the action is billed to the homeowner and unpaid bills will be assessed against the property.

The homeowner, Nan Remus, shared testimony and recounted the repair history of the home. She asked the City Council to reconsider the abatement and to give her more time to make the repairs. Mayor Louismet expressed his sympathy for the circumstances she has endured and acknowledged the difficultness of the topic. He explained the City Council voting on the abatement order is not the last step, but a step in the process for the Ramsey County District Court to take over. Given the current state of the property in regards to health and safety, Mayor Louismet supported the actions taken by staff to deem it unsafe and unfit for human habitation to protect the homeowner and other residents. While a difficult position to be in, he explained the City has a responsibility and duty to take the appropriate steps to ensure its residents are safe. He encouraged Councilmembers to pass the resolution and allow a district court judge to get involved and make a determination. Councilmember Hughes asked Remus clarifying questions about the repairs and offered sympathy, but acknowledged the formal process needing to take place.

City Attorney Gilchrist outlined the process for a city's abatement of a property and the role of the Ramsey County District Court. He clarified that the property is not being condemned, but

rather the property will enter a process with the district court in 60 days. He said there will be time for the homeowner to make corrections to the property before it gets to the actual time that the City has access to it. Councilmember Jones expressed concern for Remus' wellbeing living in a house that wouldn't be safe, and her risking spending all of her money. He said the timeline of the abatement order is necessary to take the next steps to address the unsafe home. Councilmember Edberg had concern about setting a timeline in the middle of winter. Councilmember Walsh wondered if there is discretion of the Council to extend the number of days before the abatement order is filed with the district court. Councilmembers discussed options to vote on the resolution, postpone the resolution or adjust the number of days in the resolution before filing with the court. Councilmember Hughes acknowledged that 60 days allows Remus to start addressing the home repairs and to make a case to the judge of her progress and an opportunity for an extension to continue making repairs.

Crawford clarified that it is not staff's desire to bring this type of proposal to the City Council, but explained the extensive work staff have done to assist, and have not seen progress in seven months. She said every option has been exhausted and it is the duty of the City to ensure the health, safety and general welfare of each resident in the community.

It was moved by Councilmember **Jones**, seconded by Councilmember **Walsh**, to approve **Res. No. 13118** ordering the abatement of hazardous property and public nuisance at 2239 Carlyle Court. Councilmembers asked Gilchrist about the 60-day process and the City's involvement before and after it gets to the county court. Motion carried 4-1, with Councilmember Edberg opposing the resolution.

C. Resolution approving the decertification of Tax Increment Financing District No. 25

Shimek provided an overview of Tax Increment Financing (TIF) District No. 25. The district, created in 1999, is located in the downtown area both east and west of Highway 61 and north of 4<sup>th</sup> Street and was created to facilitate redevelopment in the area. Development that resulted with the district includes The Arbors, Oakridge Office Building, White Bear Lake Professional Building, and CVS Pharmacy, among other public improvements to the area. Shimek explained that the City has met its financial obligations through the collection of tax increment and is required to decertify the district. Councilmember Jones recalled the initial conversation of this tax increment financing was centered around CVS Pharmacy.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Engstran**, to approve **Res. No. 13119** approving the decertification of Tax Increment Financing District No. 25. Motion carried unanimously.

D. First reading of a Zoning Ordinance Text Amendment: Development Review Process

Lindahl provided an overview of the land use and zoning review process. Since the first presentation on November 9, staff has drafted the concept language into an ordinance for its first reading. He reported that the Planning Commission was supportive of the ordinance, there was no comment at the public hearing and staff haven't received any additional comment from members of the public. Lindahl summarized the neighborhood meeting process that is outlined



in the ordinance which will expand and enhance the dissemination of information and encourage more public participation. The ordinance explains when the neighborhood meeting process would apply, the timeline and notice for the neighborhood meeting, meeting materials and the applicant responsibilities. Included in the ordinance is a modification section where it allows for some discretion by the city manager.

The neighborhood meeting is one component of the concept plan review process. Other areas of the concept plan review process include outlining applicability, a Planning Commission meeting with a presentation by the applicant and an opportunity for public comment, and a presentation to the City Council, after which the applicant may choose to use feedback gathered through the concept review process to prepare a future formal application. Lindahl addressed the concern expressed by the City Council regarding how to prevent this process from falling on residents for their own modifications to their homes. He said the ordinance would allow staff to waive the neighborhood meeting process for individual residents submitting conditional use permit applications.

In response to Councilmember Edberg's question about how the City Council provides direct feedback to an applicant, Lindahl explained that the applicant's information would be presented during a regularly scheduled meeting as a discussion item. He said this amended process will blend opportunities for both casual and formal settings for feedback, all of which would allow for a more informed public. Councilmember Edberg reiterated that he would like a process requiring open discussion among Councilmembers, so each member of the Council and members of the public can hear what everyone has to say to the applicant. Councilmember Jones expressed his support for Councilmember Edberg's request. When asked about when Councilmembers are able to share information about a proposed project with the community, Lindahl said staff would not be able to disclose the applicant information until the public meeting components are scheduled and promoted.

Councilmember Edberg asked how staff will determine which residents get notified during the review process. Lindahl said staff and the Council have discretion for who gets notified and how, but that the proposed radius of 350 feet from a project site reflects the same distance as the statutory minimum requirement for public hearing notices. However, he explained that there is a difference between an invitation to a neighborhood meeting and an official public hearing notice, and they should be treated differently. Councilmember Edberg encouraged a larger radius for invitation to neighborhood meetings. In order to reach to reach a broader community, Councilmember Hughes recommended using multiple methods of delivery for invitations, including social media platforms and the newspaper. Lindahl confirmed Crawford's statement that the responsibility of the resident invitations falls on the applicant, and he said staff will be encouraging applicants to use every platform they can to inform residents. Crawford requested a strikeout in the ordinance that incorrectly mentions the Park Advisory Commission being involved in the process.

The Council is scheduled to conduct a second reading and vote on the ordinance at its January 10 meeting.

## 9. DISCUSSION

Nothing scheduled.

**10. COMMUNICATIONS FROM THE CITY MANAGER**

Crawford shared information for the grand opening and ribbon cutting for Factory Direct Mattress. She reminded members of the public that there is only one City Council meeting in the month of December, so the next City Council meeting is January 10. On behalf of staff, Crawford thanked the City Council for being supportive and recognizing the needs of the City. She thanked department heads and finance staff for their hard work on the City's budget.

**11. ADJOURNMENT**

There being no further business before the Council, it was moved by Councilmember **Engstran**, seconded by Councilmember **Jones**, to adjourn the regular meeting at 10:07 p.m. Motion carried unanimously.



---

Dan Louismet, Mayor

**ATTEST:**



---

Caley Longendyke, City Clerk