



**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, FEBRUARY 12, 2019
7:00 P.M. IN THE COUNCIL CHAMBERS**

1. CALL TO ORDER AND ROLL CALL

Mayor Emerson called the meeting to order at 7:05 p.m. Councilmembers Doug Biehn, Dan Jones, Kevin Edberg, Steven Engstran and Bill Walsh were present. Staff members present were City Manager Ellen Hiniker, Assistant City Manager Rick Juba, Finance Director Don Rambow, Assistant Finance Director Kerri Kindsvater, Community Development Director Anne Kane, City Engineer/PW Director Paul Kauppi, City Clerk Kara Coustry and City Attorney Troy Gilchrist.

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

A. Minutes of the Regular City Council Meeting on January 22, 2019

It was moved by Councilmember **Walsh** seconded by Councilmember **Biehn**, to approve the Minutes of the Regular City Council Meeting on January 22, 2019.

Motion carried. Councilmember Engstran abstained.

B. Minutes of the Closed City Council Meeting on January 22, 2019

It was moved by Councilmember **Biehn** seconded by Councilmember **Jones**, to approve the Minutes of the Closed City Council Meeting on January 22, 2019.

Motion carried. Councilmember Engstran abstained.

3. APPROVAL OF THE AGENDA

Councilmember Walsh asked for Item D, under the Consent Agenda be moved to 9G under New Business.

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

Motion carried unanimously.

4. VISITORS AND PRESENTATIONS

A. Emergency response recognition – The Waters of White Bear Lake

Fire Chief Greg Peterson relayed the events of a fire call on Dec. 29, 2018 at the Waters of White Bear Lake in which an 88-year-old man who was confined to his burning bed was rescued by Justin Ullrich, Undrea Bell, Jade Parnell and Cheryl

Hunter.

Fire Chief Peterson presented merit awards to Justin, Jade and Cheryl (Undrea was unable to attend) in recognition of their efforts to pull the man from his smoke filled room, which saved his life.

B. Don Rambow's retirement recognition

City Manager Hiniker recognized Don Rambow for nearly 25 years of service as the City's Finance Director. She highlighted the City's recently upgraded bond rating of AA+ and Don's success in merging the Fire Relief Association Pension with PERA. Mayor Emerson thanked Don for his hard work and dedication to the City and presented him with the bear plaque.

Shelly Eldridge from Ehlers (formally with Ramsey County) presented Don with a framed "Departing Bond", recognizing nearly 40 years of public service and wished him, "Bond Voyage".

Don recognized the people who support him including his finance team, members of Ramsey County and Ehlers. He expressed appreciation working for the community, and a City that supports the practice of sound, conservative financing. Don explained it has been an honor and privilege to serve this community, the Council and the City Manager.

5. PUBLIC HEARINGS

Nothing scheduled

6. LAND USE

A. Consent

Nothing scheduled

B. Non-Consent

1. Consideration of a Planning Commission recommendation regarding a request by Schafer Richardson for a concept plan Planned Unit Development (Case No. 19-1-PUD)

Community Development Director Kane reported that the subject site is located at the northwest corner of County Road E and Linden Avenue. The site is comprised of five parcels totaling 4.61 acres in size: including two vacant lots and three single-family residences. She stated that White Bear Lake's current rental vacancy rate is 1% compared to a healthy vacancy rate of 5-7% for the rental housing market. This low rate is a significant contributing factor to the recent drastic increase in rental rates.

Ms. Kane explained the City recently approved the reguiding of the subject site from a "Commercial" land use category to "High Density Residential" land use category, allowing the opportunity for a multi-family apartment building proposal. In response, Schafer Richardson, a property acquisition and development company in the upper Midwest, is proposing to construct a new market rate, four-story apartment building with 189 units and 275 parking spaces.

As a result, Ms. Kane stated, Schafer Richardson is requesting General Concept Plan approval of a Planned Unit Development (PUD). The proposed PUD deviates from current zoning regulations with regard to number of units, number of parking stalls, and amount of open space. The first two deviations are planned changes to either the comprehensive plan or the zoning code, and the third deviation related to open space, is the only significant part of the request. Ms. Kane explained, the zoning code allows four-stories with an additional 5% setback, and pointed to the site design, which provides a minimum 10% increase in setback.

Ms. Kane reported the subject site is an appropriate location for the proposal due to its access to a roadway designated as a minor expander under County jurisdiction, and its proximity to the future Bruce Vento Regional Trail extension and the Rush Line Bus Rapid Transit line. For these reasons, this area was identified as appropriate for higher-density, transit-oriented type development. Ms. Kane explained that these properties are proposed as "Mixed Use Transit Oriented Development" in the 2040 Comprehensive Plan Update. The Draft 2040 Comprehensive Plan designates the subject site for 25 to 50 dwelling units per acre. She explained this project is a timely example of the type of development intended in a new Transit-Oriented Development (TOD) land use category.

Ms. Kane revealed the code requires two parking stalls per unit, half of which are fully enclosed, however, this proposal provides 1.45 stalls per unit, half of which are fully enclosed. Taking into consideration the size of the units, Ms. Kane stated, a more refined requirement would correlate with the number of bedrooms per unit. Based on local industry standards staff recommends: 1 stall per studio, 1.5 stalls per 1 bedroom, 2 stalls per 2 bedroom, and 3 stalls per 3 bedroom. At those rates, 297 stalls would be required and 275 stalls are planned, still 22 short.

Ms. Kane reported that an open space area in the northeast corner of the site can accommodate an additional 41 stalls. Staff recommends that a proof of parking agreement be established, which would ensure that, should the parking on site become an issue in the future, the City can require construction of additional parking.

Ms. Kane relayed that multi-family housing, requires 500 square feet of useable open space per unit, according to the zoning code. Including the outdoor area, the pet park, the pool/patio/front entry green, and setbacks around the perimeter, the developer estimates 436 square feet per unit; a 13% deviation from code. Staff believes that the main open space area, which is 20,000 square feet (almost half an acre) in size will provide this.

Ms. Kane reported that in addition to open space, Park Dedication is also required when platting. Developers typically provide a monetary contribution to meet the park dedication requirement. She stated, the current mix of units would result in roughly \$100,000 in dedication; however, the subject site is in an area where there is a slight gap in public park coverage, so staff and the developer have discussed the possibility of a land dedication. At the rate of 10% of the parcel size, the project could dedicate almost half an acre, or some combination, of land and monetary dedication.

Ms. Kane mentioned the subject site has the same owners as the Stadium Bar and Grill, which is helpful because the Bruce Vento Regional Trail extension is planned to run along the west side of the Stadium's triangular parking lot located on the west side

of Hoffman Road. The northern portion of the triangular lot could be dedicated to serve as a trailhead. The planned trail alignment encroaches slightly into this area and at minimum, the County will need a small easement. City staff have been in contact with the County's Parks and Recreation Department who indicated support of a trailhead at this location. Ms. Kane explained that the details of ownership, design, construction and long-term maintenance still need to be negotiated between the City and the County, but the general concept is supported.

Ms. Kane reported the site is proposing two access points, one from County Road E and one from Linden Avenue. A traffic study calls for an adjustment of signal timing at Linden, deliveries and truck activity outside of peak hours, inside and outside bicycle parking and marked pavement designating the crossing in the southeast corner. Other features of the proposed complex reported by Ms. Kane include a tree trench for stormwater infiltration near the front entry, a buffer between the Stadium Bar & Grill to the west and the townhome development to the east.

Ms. Kane relayed that the Ramsey County Property Appraiser's office indicated this development would have no effect on the assessed values of the adjacent townhomes. She reported the current properties have a taxable value of less than one million, while this development is a 30 million dollar investment that will provide a boost to the local tax base in addition to housing. The increase in residential households from 2 to 189 will have a significant positive economic impact in the immediate area and the improvement of these properties will help attract and retain businesses, stimulating opportunities for the enhancement of the County Road E corridor.

Ms. Kane stated the proposed apartment building complies with the City's draft 2040 Comprehensive Plan and is supported by goals and objectives from both the current Comp Plan and the City's Strategic Plan. She forwarded the Planning Commission's unanimous recommendation for approval of the Concept Plan, subject to the conditions listed in the staff report.

In response to Councilmember Walsh, Ms. Kane clarified that during the concept plan, staff would work with the engineer to identify the accommodation of 22 parking spaces through a proof of parking agreement. Then, the development agreement outlines a procedure for addressing parking in the event that parking on the street becomes an issue.

Councilmember Walsh stated that Council has learned that development projects such as these require four-stories to make the financing of them work. He asked if this project needs to be four-stories to make enough units to make the bank loan work. Ms. Kane agreed that the increased density of this project is needed for viability in the face of high construction costs.

Councilmember Edberg asked for clarification related to the calculation of green space being used to double as a parking space. Ms. Kane reviewed a scenario under which the Park Advisory Commission and the City Council could consider a parkland dedication in conjunction with some financial consideration, in the event the proof of parking moves forward. Ms. Kane explained, that would be at the City's choosing and at the expense of the developer.

While not keen about this subsidy, Councilmember Edberg expressed greatest concern for parking and the traffic implications of this project. In response to the parking

requirement, Ms. Kane explained that the City's zoning code reflects a 1990's standard of multi-residential living that is no longer applicable today. For example, White Bear Woods conforms to the two-stalls per unit code, but much of their parking is underutilized. Ms. Kane stated she felt comfortable with the variance, and pointed out the developers will have a difficult time renting units if the parking is insufficient.

Councilmember Edberg addressed the curb cut and the entrance, including ingress and egress on County Road E. Ms. Kane clarified the worst case scenario, right in, right out, would be west bound direction in, and west bound departing only. Ms. Kane expressed hope that since the driveway was shifted west of Linden, that the County might allow greater access, including a left in.

Councilmember Edberg referenced a condition in the resolution in which evidence of approval from Ramsey County traffic engineering for access via County Road E and asked what happens if approval is not reached. Ms. Kane explained that if Ramsey County prohibits access through County Road E, the project would be returned to the drawing board.

In future discussions, Councilmember Edberg expressed an interest in knowing how the height of this development compares to Hoffman Place (looking north and south).

Mayor Emerson noted that the people who signed up to speak had presented during the Planning Commission Public Hearing and the Council received those comments. At the request of Councilmember Jones, the developer was called up to speak.

Maureen Michalski, Vice President of Development with Shafer Richardson introduced Trevor Martinez, Project Manager for Shafer Richardson and stated their business address is 900 N. 3rd Street in Minneapolis. In response to Councilmember Jones, the development being proposed would not make financial sense to build if it were less than four-stories tall.

Karen Bushee of 3614 Linden Avenue stated there are two main reasons against Linden as the main entrance. She explained the first driveway on Linden from County Road E is only 48 feet in (school buses are 45 feet long), and she has been lucky not to have been rear-ended here. Also, there is no right turn lane, or room for a right turn lane onto County Road E.

Laura Kunde of 3692 Linden Place wanted to ensure that the homeowners abutting the open space are also provided with a privacy barrier of some kind. She also mentioned the desire for contact information related to tree removal that may affect the Linden Townhomes.

In response to both comments, Ms. Kane stated these are the kinds of details that will arise in the development phase analysis of this project.

Noah Young of 3744 Linden Avenue inquired as to whether the green space of this development would be accessible to the general public. Ms. Kane explained that if the green space is on the development, it would be private, but if the green space is incorporated into a trailhead, that would be considered a public park.

Councilmember Jones stated that not every project is perfect and not everyone will agree a project is perfect, but he trusts staff and the recommendation of the Planning

Commission who are also residents of White Bear Lake. He believes that apartments are an extremely important component to City's housing stock and the other apartment complexes in town are over 30 years old.

Mayor Emerson acknowledged that change is scary and stated that at one point, everyone in the room has likely been a renter. She stated this looks like a good development for market rate apartments.

Councilmember Walsh stated the most compelling argument for him is an assessment of the City as a whole – there are no other parcels for a development of this type available within the City.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Jones**, to adopt **Resolution No. 12341** a request by Schafer Richardson for a concept plan Planned Unit Development (Case No. 19-1-PUD).

In response to Councilmember Biehn and Councilmember Edberg, Ms. Kane confirmed the issues expressed with regard to access and traffic patterns would be addressed during the general development phase of this project. Ms. Kane mentioned working with the Engineers and Ramsey County to assess the built environment further in relation to the traffic study. She stated that consideration would be given to a turn lane on westbound County Road E, potentially a deceleration lane upon approach to the driveway, and potentially a right turn lane on southbound Linden Avenue.

Councilmember Edberg expressed his desire for researching all options to address expressed concerns related to traffic, parking, and the privacy of existing neighbors.

Councilmember Engstran stated he is not against apartment complexes, but he thinks this location should be slotted for townhouses instead. He mentioned the north side of Buerkle Road as a location for this apartment complex as there are many warehouse districts that are empty. He believed that townhouses would generate tax revenues of \$100,000 – \$150,000 compared to \$75,000 in taxes from the apartment complex.

Motion carried 4:1, Councilmember Engstran nay.

2. Consideration of a Planning Commission recommendation regarding a request by Lisa Stonehouse for a Planned Unit Development (Case No. 19-2-PUD)

Ms. Kane reported the subject site is located east of Centerville Road and south of Highway 96. Zoned B-3: Auto-Oriented Business as it was first constructed as a car wash with a caretaker's apartment on the second floor. The apartment was approved by the City through a special use permit in 1983 (83-21-S). In 2014, the building was remodeled to accommodate a furniture resale store, while maintaining the rental unit above.

Ms. Kane relayed, the applicant wishes to set up a catering company on the first floor and add another rental unit to the building. Subsequently, the applicant, Lisa Stonehouse, is requesting both general concept phase and development stage approval of a PUD to allow for a mixed-use development, in order to establish a catering company and two residential units at 4466 Centerville Road.

Ms. Kane explained that the proposed catering company is a permitted use in the B-3 zoning district. The first floor improvements include only those that are needed to operate a commercial kitchen, while there are hopes for expansion of the business, none of those improvements are proposed now. Modifications, such as seating, that would intensify the business will require future Council approvals.

Ms. Kane reported the site currently offers four parking stalls for the two proposed residential units, and ten for staff and visitors to the site. She said the applicant is asking for PUD flexibility from City parking standards in the following two ways. First, the site provides four required stalls for the residential units, but not the requirement that two of them be enclosed. Requiring enclosed spaces would increase the cost of the project, which could increase the cost of rent for tenants. Further, unenclosed parking stalls are not out of character with the commercial district. Second, based on square footage of the retail space, Ms. Kane stated that 13 stalls are required for employees and customers – three more than what exists on site. Considering there are currently four employees and that generally, large numbers of customers will not be visiting the site; staff finds that the number of parking stalls adequately serves the proposed use.

Ms. Kane reported that the applicant is requesting a second residential unit on the commercial property. Both units will be two-bedroom and approximately 1,000 square feet – the rest of the upstairs will be meeting space. Ms. Kane stated an easement runs adjacent to the south side of the property. To alleviate concerns of cluttering the easement, a condition was added to the PUD that visitors not park vehicles along the access road and snow not be piled there.

Ms. Kane forwarded a Planning Commission recommendation for approval of the request, subject to the conditions listed in the staff report.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Biehn**, to adopt **Resolution No. 12342** a request by Lisa Stonehouse for a Planned Unit Development (Case No. 19-2-PUD).

Motion carried unanimously.

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

A. First Reading of a revision to the Massage Ordinance

City Manager Hiniker stated that these proposed revisions to the Massage Ordinance will mitigate time spent administratively to process and approve an applicant. In the event an applicant is denied, an appeal process has been established as a mechanism for due process. She explained some provisions were tightened up in the hopes of being weeded out as license denials before they become license revocations. Ms. Hiniker stated that second reading is proposed for the next meeting in February. Typically, the City allows a month between readings, however, licensees were notified of the proposed timeline as it fits in with business license renewals process ending in March.

Councilmember Jones encouraged Council to forward this resolution to the state legislature for state license action. He does not believe the City should be the entity regulating this and suggested the state give up their license fees for cutting hair and nail technology.

Councilmember Edberg noted a number economic development organizations nationwide are addressing over-reaching regulation for small business, particularly service businesses. The issue being that unneeded regulation serves to protect incumbents while impeding competition. He stated there is a strand of conversation that says the state should have fewer regulations.

Councilmember Walsh agreed with Councilmember Edberg and relayed a personal employment experience with licensing that involved completion of a form, payment of a license fee and some continuing education. Regarding the ordinance, Councilmember Walsh noted that the Council (and therefore the people) would surrender power to the City Manager. He suggested provisional administrative approval, with final approval by the Council.

Mayor Emerson expressed concern for property owners who do not adequately research tenants and end up renting to dubious people. Councilmember Jones was intrigued by this and inquired whether there is a fine that could be imposed on a property owner who rents to these people.

Councilmember Edberg liked the idea of being faster and of delegating power to the City Manager and suggested rather than looking at provisional approval, look at how the Council could hold the City Manager accountable with that power.

9. NEW BUSINESS

A. Resolution authorizing the purchase of a new ambulance

City Manager Hiniker stated that a replacement ambulance was anticipated in the 2019 budget. The unit being replaced was purchased in 2010 and has had repetitive expensive repairs over the years. This ambulance replacement will cost \$235,000, which is under budget by \$15,000.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Jones**, to adopt **Resolution No. 12343** authorizing the purchase of a new ambulance.

Motion carried unanimously.

B. Approval of a special event for Tally's Dockside to have music on Thursday night, July 4, 2019

City Manager Hiniker stated that special event applications are generally approved administratively; however, events with outdoor music have typically been approved by the City Council. Tally's has requested the ability to host live music on Thursday, July 4th from noon until 10:00 p.m. Staff notified Daron Close, the owner of Acqua who has been impacted in the past by similar events, but he did not express any concerns. A notice was also mailed to Ron Trach, the owner of the shopping center whose parking has been impacted by past events. Ms. Hiniker forwarded staff's recommendation for approval with a condition that Tally's provide shuttle service to mitigate parking.

In response to Councilmember Edberg's inquiry regarding a similar request by other enterprises, Ms. Hiniker explained that the VFW is the only entity that does not provide music currently. She stated that staff would coordinate, track and work with additional applicants as they are received

It was moved by Councilmember **Edberg**, seconded by Councilmember **Biehn**, to adopt **Resolution No. 12344** a special event for Tally's Dockside to have music on Thursday night, July 4, 2019.

Motion carried unanimously.

- C. Resolution receiving feasibility report and ordering a public hearing for 2019 Street Reconstruction Project / 2019 Mill and Overlay Project, City Project Nos. 19-01, 19-04, 19-06, 19-13

Public Works Director/City Engineer Kauppi reported that feasibility studies for the 2019 Street Reconstruction Project and the 2019 Mill and Overlay Project were prepared. He reviewed the reconstruct area that will be getting curb, gutter, storm sewer facilities, utility repairs and new pavement. Water service lines are also reviewed for replacement of any galvanized steel or lead piping with cooper piping.

Mr. Kauppi explained that a new Sewer Y Replacement Program will provide residents with the ability to upgrade inadequate sanitary sewer services before becoming a bigger problem. Each resident may review footage of their sewer service lines and are provided with staff recommendations for replacement if needed. Xcel Energy will also be conducting gas main replacements at this time.

Mr. Kauppi explained that the Mill and Overlay Project is less invasive. Curb and utility repairs will be done as needed, along with a mill of the top layer and road resurfacing to extend the life of the road another 20-25 years. Mr. Kauppi mentioned a cooperative project with Ramsey County for two trail rehabilitation projects; one along White Bear Avenue from Highway 61 to S. Shore Blvd and one on Highway 96 from White Bear Parkway to Birch Lake Blvd.

Mr. Kauppi asked for Council's input based on staff's recommendation to construct sidewalk as part of the comprehensive plan. He provided a recommendation for sidewalk on the east side of Morehead Avenue, south of 7th, which would help complete the sidewalk grid since adding sidewalk to 9th and 11th Streets last year. Another proposed sidewalk under review is in the Garden Lane/Lemire area. A comprehensive engineering review revealed that Garden Lane only has 40 feet of right-of-way, with overhead power lines, fire hydrants and other utilities crammed in on a flat profile road that already experiences drainage issues. Mr. Kauppi stated a sidewalk in this area is a huge engineering challenge and based on low volumes on the roadway, he did not recommend adding this sidewalk. He pointed instead to Bald Eagle and other alternatives to fill trail and sidewalk gaps in a more planful way in the future.

Mr. Kauppi asked that Council receive the feasibility studies and order the public hearing for March 12, 2019.

City Manager Hiniker added that these overall project costs will be about 5.5 million dollars in which assessments will cover approximately 1.2 million. The Construction

Fund will cover the majority of this expense; however, staff will likely recommend a 1.5 million dollar bond sale to finance the costs of these improvements. Staff and Council will have an opportunity to further discuss this during the CIP work session.

Councilmember Edberg inquired as to whether property owners have commented regarding the sidewalk on Morehead. Mr. Kauppi stated there was no reaction to the sidewalks during the neighborhood meeting but if that changes after meeting with individual property owners, staff may forward a different recommendation during the public hearing meeting.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Walsh**, to adopt **Resolution No. 12345** receiving feasibility report and ordering a public hearing for 2019 Street Reconstruction Project / 2019 Mill and Overlay Project, City Project Nos. 19-01, 19-04, 19-06, 19-13.

Motion carried unanimously.

D. Resolution approving change orders for the Sports Center Renovation Project, City Project No. 18-09

Mr. Kauppi reported that retired Mark Burch continued to work through and finalize the Sports Center renovation project. As with any construction project, unforeseen issues are resulting in change orders, which is common. He forwarded change orders totaling \$192,000 for the Sports Center Renovation Project.

Councilmember Walsh inquired as to whether this amount was accounted for within the contingency fund, for which Mr. Kauppi confirmed.

Ms. Hiniker also pointed out that after a thorough review by Finance Director Rambow, revised resolutions were placed at the Council's dais for adoption.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Engstran**, to adopt **Resolution No. 12346** approving change orders for the Sports Center Renovation Project, City Project No. 18-09.

Motion carried unanimously.

E./F. Resolution accepting work and authorizing final payment for the White Bear Lake Sports Center Renovation, City Project No. 18-09 and Resolution accepting work and authorizing final payment to Kraus-Anderson Construction Company for the Sports Center Renovation Project, City Project No.: 18-09

Mr. Kauppi stated this item is to close out 24 contracts for the Sports Center Renovation Project by issuing final payment, included those noted in the previous change order.

Ms. Hiniker also pointed to 9F as part of the closeout process for which another revised resolution was placed at the Council's dais for consideration. She relayed terrific feedback regarding the renovated Sports Center, stating it was remarkable what was achieved on a budget of 5.3 million. Ms. Hiniker thanked Mark Burch for his work on this project and noted it was completed under budget.

In response to Councilmember Walsh, Ms. Hiniker stated that staff was confident in the ability of the White Bear Hockey Association to meet its funding obligations of this project (\$84,000 annually) given the revenues they have historically earned through charitable gambling activities.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Biehn**, to adopt **Resolution No. 12347** accepting work and authorizing final payment for the White Bear Lake Sports Center Renovation, City Project No. 18-09 and **Resolution No. 12348** accepting work and authorizing final payment to Kraus-Anderson Construction Company for the Sports Center Renovation Project, City Project No.: 18-09.

Motion carried unanimously.

G. Resolution amending the Loan Agreement with Lakeside East, LLC (d/b/a MIZU Japanese Restaurant).

Ms. Kane stated that in 2016, the City authorized an economic development loan for the MIZU Restaurant in order to attract them to the Boatworks Commons location. Staff was notified in December 2018, of a change in the partnership of Lakeside Eats, LLC. Ms. Kane stated that one of the personal guarantors of the loan, John Malistski (J.J) was replaced by another personal guarantor. Ms. Kane stated that the business is up to date on the loan repayment.

In response to Councilmember Walsh, Ms. Kane confirmed this was short-term, 10-year loan.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Edberg**, to adopt **Resolution No. 12349** amending the Loan Agreement with Lakeside East, LLC (d/b/a MIZU Japanese Restaurant).

10. CONSENT

- A. Acceptance of minutes of the January Planning Commission Meeting
- B. Approval of temporary liquor license for Frassati Catholic Academy. **Resolution No. 12350**
- C. Resolution amending the Boatworks Commons Declaration of Cross Easements and Restrictive Covenants. **Resolution No. 12351**

It was moved by Councilmember **Edberg**, seconded by Councilmember **Biehn**, to adopt the Consent Agenda.

Motion carried unanimously.

11. DISCUSSION

- A. Rush Line Station Area Planning Update – Survey Summary of Public Input

Andy Gitzlaf with the Ramsey County Regional Rail Authority provided an overview of the Rush Line project and revealed results of a community survey and open house

comments received regarding the downtown station location in White Bear Lake.

Mr. Gitzlaf displayed six downtown station options being evaluated, which is just one stop among five in the City and, one among 21 on the entire Rush Line BRT route.

- A. 7th Street and Washington Avenue
- B. 4th Street and Division Avenue (4th Street or 7th Street routing)
- C. 4th Street and Highway 61 (In line platform)
- D. 2nd Street and Clark Avenue
- E. Banning Avenue and Highway 61
- F. Arrive at 4th Street & Highway 61; depart from 7th Street & Washington Ave

Mr. Gitzlaf reviewed the public engagement process, which consisted of the following:

- January 4: Pop-up at the White Bear Lake Library
- January 8: Pop-up at the White Bear Area YMCA
- January 10: Open House at White Bear Lake City Hall
- January 9-31: Online Survey

Mr. Gitzlaf reviewed the results of station location option preferences based on feedback from the public engagement process described above. He reported that 75 people completed the survey during the open house while 365 responded to the online survey. Mr. Gitzlaf pointed to station option "A" located at 7th Street and Washington Avenue as a front-runner. He stated that 80% of respondents chose a station location, while only 20% voted against any station location at all.

Mr. Gitzlaf described the next step is to obtain a recommendation from the City Council for a preferred downtown station location, which is scheduled for vote during the February 26, 2019 City Council meeting. He referenced www.rushline.org as a resource for the public to continue to provide comment on the project.

Councilmember Edberg asked for the process that is followed in cases where private property will be required. Mr. Gitzlaf stated there are multiple steps to this process, the first being identification of potential impacts compared to the public benefit – this occurring during the environmental analysis. If there are impacts with property owners, there are processes for seeking appraisals and second appraisals, which takes two years from start to finish.

Councilmember Edberg asked if there were other station locations in the City that have potential facility or land use acquisition issues. Mr. Gitzlaf mentioned the need to fit a two-lane road on Buerkle Road in which a strip of land may be needed.

Cindy Bloom of 1838 Spruce Court stated that the survey was essentially flawed as it did not provide an option for people to select, that they do not like any of these. She stated they had to write that in, if that was the case.

Mr. Gitzlaf stated there was an option for people to write in, for which many took advantage. He mentioned a few people had trouble with the online survey, but they were able to assist those who called for help.

12. COMMUNICATIONS FROM THE CITY MANAGER

- General Fund – Year End Report

Finance Director acknowledged the work of Kerri Kindsvater in pulling together a lot of information in a short time. He stated that the Council received a preliminary snapshot of the General Fund ending 2018. He mentioned the City runs a tight budget and was proud of estimated General Fund revenues being only over by \$34,000, attributed to revenue from building and heating permits.

Mr. Rambow stated the General Fund expenditures were \$132,000 under budget, putting the City at 98.7% of budgeted expenditures. While the City remains within its 2018 budget, he highlighted accounts that were over budget as follows:

- City Hall was over by \$18,000 due to a miscalculation of transferred IT salary
- Elections was over by \$1,200 due to additional equipment maintenance charges from Ramsey County.
- Police was \$30,000 over budget related to overtime to cover officers on workers compensation and family medical leave.
- The Building Department is over by \$3,000 related to electrical inspections.
- Streets are \$500 over budget due to snow removal salaries not being utilized.

Mr. Rambow stated that bond raters look at how cities budget and levy to meet expenditures. The State Auditor's Office recommends a budget of 30 - 50% of expenditures, while this budget will come in at 35.7% of expenditures. He stated the City remains conservative at the low end. Finally, enterprise operations look good. Ambulance operations are below expenditures, due to a lag in revenue collections.

➤ Water Gremlin/MPCA update

City Manager Hiniker relayed that the MPCA had not yet set a new meeting date, but staff will disseminate that information when new dates are established. Ms. Hiniker stated that the production line in question has been taken off service. The MPCA will be mailing meeting notices to all residents in the area of concern.

➤ 2019 Legislative Session Activity

Ms. Hiniker reported that legislation has been introduced for additional funding of the Lake Links Trail, more specifically to the north side of the trail. A White Bear Lake apportion of \$380,000 is slated for a portion of the trail on Highway 96, and an equal amount for White Bear Township along Highway 96 north of the lake. A significant portion of this funding will go toward Dellwood's section of trail, which is very complicated.

Ms. Hiniker stated that all DVS's have joined in requesting reimbursement for expenses incurred by the rollout of MNLars. Ms. Hiniker reported that a comparison of License Bureau costs post MNLars indicates increased costs of \$110,000 directly related to increased need for staffing. MNLars has shifted much of the data entry to frontline DVS staff for completion.

Ms. Hiniker mentioned the City of White Bear Lake was one of four DVSs asked to participate in a test of a fix that will allow for the transfer of special plates. The test was a success and has now been rolled out statewide. Ms. Hiniker expressed pride in being considered as a test site and spoke the efficiencies and competencies of an incredible License Bureau staff under the supervision of Miken Binman and Kerri Kindsvater.

Ms. Hiniker mentioned there was a request for funding through the Metropolitan Council to address the need for a transit connection to Century College.

Councilmember Edberg and Mayor Emerson mentioned the cities and counties are rallying together for local government aid (LGA) funding.

➤ Autonomous Vehicles Pilot Project

Ms. Hiniker mentioned that Tom Snell, the Chamber of Commerce Director, has been promoting the idea of partnering with the University of Minnesota – Humphrey Institute to submit a grant to pilot an autonomous vehicle project. A committee has been formed with members from City, School District, Chamber of Commerce and NewTrax to explore the possibility. Ms. Hiniker invited Mr. Snell to present more information on this topic at a Council meeting in March.

➤ Refuse/Recycling contract extension update

Ms. Hiniker stated that staff continues to negotiate with Republic Services toward a possible extension to the refuse and recycling contract.

➤ Donatelli's lunch provided by 5th Graders from Willow School occurs on Tuesdays in February, ending on March 5th.

➤ City Attorney Troy Gilchrist stated an agreement has been reached on the price for the purchase of property north of Public Works. Sarah Sonsalla from Kennedy Graven drafted a purchase agreement for the seller who has engaged an attorney for its review. He stated a title commitment was also ordered, which uncovered some issues that the seller will need to work through. If everything goes according to plan, Mr. Gilchrist believed a purchase agreement would be ready for the Council's consideration during the February 26, 2019 City Council meeting.

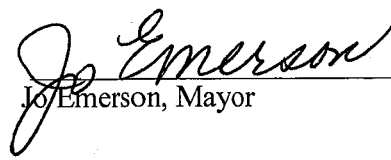
➤ City Engineer/Public Works Director Kauppi mentioned that crews have been working diligently to clear streets and reminded folks to remove cars from roads that have not been cleared from curb to curb. He also explained that sidewalks may be delayed a day or two as crews attend to snow removal on streets. He also mentioned there were nine water main breaks in January and three so far in February.

➤ Mayor and Council acknowledged the work of all City staff in these extreme cold temperatures and recent snowfalls.

➤ Community Development Director Kane stated that a Public Hearing will be held on February 25, 2019, at the Planning Commission meeting on a draft of the Comprehensive Plan. In addition to notice in the newspaper and website, staff mailed notices to all property owners within 350 square feet of any parcel that has a proposed change in Future Land Use designation. Lastly, Ramsey County held two open houses last fall in White Bear Lake to discuss extension of the Bruce Vento Trail north of Highway 96. Based on public input and strong opinion, there was interest in following the Highway 61 corridor through downtown, Ramsey County prepared a concept plan which revealed impacts on private property that have not been well received. As such, Ramsey County plans to meet with the railroad to see about the possibility of obtaining an easement.

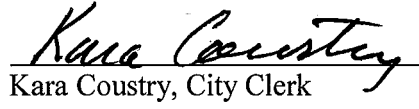
13. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Walsh** seconded by Councilmember **Biehn** to adjourn the regular meeting at 10:07 p.m.



Jo Emerson, Mayor

ATTEST:



Kara Coustry, City Clerk