

**CITY OF SHOREVIEW  
MINUTES  
REGULAR CITY COUNCIL MEETING  
January 20, 2015**

**CALL TO ORDER**

Acting Mayor Johnson called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on January 20, 2015.

**PLEDGE OF ALLEGIANCE**

The meeting opened with the Pledge of Allegiance.

**ROLL CALL**

The following members were present: Acting Mayor Johnson; Councilmembers Quigley, Springhorn, and Wickstrom.

Mayor Martin was absent.

**APPROVAL OF AGENDA**

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to approve the January 20, 2015 agenda as submitted.

**PROCLAMATIONS AND RECOGNITIONS**

There were none.

**CITIZEN COMMENTS**

**Mr. Jerry Logajohn**, 5990 St. Albans Street, expressed his concern about the increased traffic on County Road J, especially trucks using engine brakes at night. He asked if a sign could be posted to prohibit use of engine brakes at night. He is especially concerned that in 2016, traffic will increase even more with the I-694 closure for reconstruction.

City Manager Schwerm explained that County Road J is a county road under county jurisdiction, but staff will contact appropriate officials to find out if there is anything that can be done.

Councilmember Wickstrom noted that an ordinance would be required to enforce any posted sign. Enforcement of a sign would mean working with bordering cities.

**COUNCIL COMMENTS****Councilmember Wickstrom:**

The Environmental Quality Committee (EQC) will begin its 2015 Environmental Speaker Series on January 21, 2015, at 7:00 p.m. in the City Council Chambers. The program focus is *Organics Recycling: The Next Frontier for Reducing Your Waste*. Future programs will be on the third Wednesday for the next four months. All are encouraged to attend.

**Councilmember Springhorn**

Announced a meeting about the Snail Lake Marsh Area on January 28, 2015.

Information on the Human Rights Commission Middle School Essay Contest will be posted on the website within the next week. Sixth, seventh and eighth graders are invited to write an essay. He noted that in the last couple of years the local Shoreview essay winner was also recognized at the Minnesota League of Human Rights Commission.

All are encouraged to attend the “Rockin’ Road Variety Night’ of the Rotary Club to be held at the Community Center on January 31, 2015. Information is on the City website. Tickets are \$15 or \$20 at the door.

**Acting Mayor Johnson:**

On February 19, 2015, the *Taste of Shoreview* will be held sponsored by the *Slice of Shoreview*. Tickets are available on the *Slice of Shoreview* website and at City Hall. All are invited.

**CONSENT AGENDA**

The following items were pulled for discussion:

**Item No. 1:** January 5, City Council Meeting Minutes were corrected on page 1 to reflect that Councilmember Springhorn was in attendance, not Councilmember Withhart.

**Item No. 2.a.:** Economic Development Commission (EDC) Meeting Minutes, November 18, 2014: Councilmember Wickstrom stated that she found it confusing to read that the Chair had an excused absence but had several comments during the meeting. Mr. Simonson responded that the EDC met earlier that day and made the necessary corrections.

**MOTION:** by Councilmember Wickstrom, seconded by Councilmember Quigley to adopt the Consent Agenda for January 20, 2015, and all relevant resolutions for item Nos. 1 through 9, with the correction to the January 5, 2015 City Council Meeting Minutes:

1. January 5, 2015 City Council Meeting Minutes, as corrected
2. Receipt of Committee/Commission Minutes:

- Economic Development Commission - November 18, 2014
  - Economic Development Authority - December 1, 2014
  - Planning Commission - December 16, 2014
  - Economic Development Authority - January 5, 2015
  - Park and Recreation Commission - December 11, 2014
3. Monthly Reports:
    - Administration
    - Community Development
    - Finance
    - Public Works
    - Park and Recreation
  4. Verified Claims in the Amount of \$1,771,502.32
  5. Purchases
  6. License Applications
  7. Developer Escrow Reductions
  8. Resolution 15-04 - Limited Use Permit with MN/DOT for City Trail Located in MN/DOT Right-of-way in Ramsey County Lexington Avenue/County Road F Project
  9. Approval of 2015 Insurance Coverage

VOTE:                      Ayes - 4                      Nays - 0

## **PUBLIC HEARINGS**

There were none.

## **GENERAL BUSINESS**

### **APPROVE OPEN APPOINTMENT POLICY AND POLICY ON ATTENDANCE FOR COMMITTEES AND COMMISSIONS**

#### **Presentation by City Manager Terry Schwerm**

City Manager Schwerm stated that as part of the process to update the Committee/Commission Handbook, two key policies are being reviewed--the Open Appointment policy and the Attendance policy. As a result of recent Council discussions, both policies have been revised. The Open Appointment policy has been changed to reflect that members of the Planning Commission who complete two full terms (6 years) and members of the Economic Development Authority who complete one full term (a statutory 6 years) must reapply and be considered with other applicants in order to be reappointed.

The Attendance Policy was adopted in the 1980s with a goal for 80% attendance by appointees of commissions and committees. That requirement is proposed to be changed to 67%, attending at least 4 of 6 meetings, to address absences because of busy schedules. Also, if a committee/commission member is absent 3 consecutive meetings without notifying staff that will be considered a resignation. After missing 2 meetings, staff automatically sends an email notice to find out the reason for the absences.

Councilmember Quigley stated that it is important to maintain flexibility as people have obligations that come and go.

Councilmember Wickstrom stated that it is important for a quorum to be present at committee and commission meetings. If an appointee has a problem attending meetings, it is only fair to give up the position and allow someone else the opportunity of being appointed.

Acting Mayor Johnson expressed appreciation for all the volunteers who serve on committees and commissions.

**MOTION:** by Councilmember Quigley, seconded by Councilmember Wickstrom to adopt Resolution 15-05, Open Appointment Policy for Committees and Commissions.

**ROLL CALL:** Ayes: Quigley, Springhorn, Wickstrom, Johnson  
Nays: None

**MOTION:** by Councilmember Quigley, seconded by Councilmember Wickstrom to adopt Resolution 15-06, Attendance Policy for Committees and Commissions.

**ROLL CALL:** Ayes: Springhorn, Wickstrom, Quigley, Johnson  
Nays: None

## **REVISED ADVANTAGE SHOREVIEW BRE BUSINESS LOAN POLICY GUIDELINES**

### **Presentation by Asst. City Manager/Community Development Director Tom Simonson**

The City was granted legislative approval for the “Shoreview Tax Increment Financing Pilot Project” in 2014. This allows the City to establish up to three special Economic Development TIF Districts for business retention and expansion for a period of 12 years rather than the typical time frame of 8 years. The legislation also allows creation of a special Business Retention and Expansion (BRE) Fund that provides for special pooling provisions to utilize TIF revenues to support business growth and jobs. Special authority was granted to the City to develop and implement this pilot program for 5 years and will expire June 30, 2019.

For the past five years, a priority of the City has been a Business Retention and Expansion Program. The City has adopted a comprehensive plan for retaining key businesses and fostering their growth rather than trying to attract new businesses because of the lack of available land. The BRE Program identifies key businesses thought to be “landmark” or “emerging” companies in the City that are essential to the City’s tax base, experiencing growth or companies in high tech.

BRE Visit Teams have been established and consist of Councilmembers, EDC members and staff to visit businesses regularly. Approximately 30 BRE visits have been conducted to date. These visits have resulted in discussions that have led to business expansions. In 2013, the City was awarded the 2013 Business Retention and Expansion Project of the Year by the Economic

Development Association of Minnesota (EDAM). The award was partly for the City's work with TSI Incorporated and PaR Systems expansions.

The BRE Fund to be established must be for the purpose of business retention, expansion and job creation. The Economic Development Authority (EDA) has discussed at length a number of options on how to fund the BRE Fund. A BRE Fund Policy is proposed consistent with the terms of the Special Legislative Authority.

A second part to this process is to establish the Advantage Shoreview BRE Business Loan Fund & Program. The Advantage Shoreview guidelines established in 2010 have been revised and updated to comply with the new Special Legislative Authority. The loans would supplement TIF opportunities to support economic development. Loans cannot be provided directly through TIF. Loans can be in conjunction with or separate from TIF assistance. The EDA recommends a balanced approach between TIF assistance and BRE fund loans to maximize flexibility. The BRE fund would not be fully funded because once funds have been put into the BRE fund, they can only be used within that Fund's guidelines and cannot be accessed for other purposes.

The loan criteria include loans of up to 30% of total project cost that would be subordinate to a primary lender and subject to bank due diligence. The maximum loan amount would be \$500,000; the minimum \$50,000. The Fund is set up as a revolving fund. The City may only be able to make two or three loans in the five-year period depending on resources available. Interest rates would be negotiable. Loan terms would be 15 years for building construction and 10 years for machinery/equipment purchase. Job creation is required as part of the loan program. The City is not able to use BRE fund loans for an existing business from another community or relocation of a business from outside Minnesota.

The EDA unanimously recommends City Council approval for the BRE Loan Fund Policy and the Advantage Shoreview Business Loan Guidelines.

Councilmember Wickstrom asked if there are restrictions on who the primary lender could be. Mr. Simonson responded that the primary lender must be an accredited financial institution.

Councilmember Quigley noted that the EDA has discussed not being in competition with primary lenders. The amount available is capped. He commended the EDC, which has built the BRE Program by notifying businesses of the possible assistance programs available through the City. There has been good discussion that resulted in this new financial tool for the City.

**MOTION:** by Councilmember Quigley, seconded by Councilmember Springhorn to approve the revised and updated Advantage Shoreview BRE Loan Fund Policy and Advantage Shoreview Loan Guidelines/Loan Application, as recommended by the Economic Development Authority.

**ROLL CALL:** Ayes: Wickstrom, Quigley, Springhorn, Johnson  
Nays: None

**ADJOURNMENT**

MOTION: by Councilmember Springhorn, seconded by Councilmember Quigley to adjourn the meeting at 8:32 p.m.

VOTE: Ayes - 4 Nays - 0

Acting Mayor Johnson declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 2<sup>nd</sup> DAY OF FEBRUARY 2015.

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Terry Schwerm  
City Manager