

**CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
September 7, 2010**

CALL TO ORDER

Pursuant to due call and notice thereof, a regular meeting of the Shoreview City Council was called to order by Mayor Martin on September 7, 2010, at 7:00 p.m.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance to the flag.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Huffman, Quigley, Wickstrom and Withhart.

APPROVAL OF AGENDA

During the *Special Order of Business* portion of the meeting, Councilmember Wickstrom requested a brief discussion in regard to a letter from Ramsey County Commissioner Tony Bennett about the Rice Street bridge. Councilmember Withhart requested a brief discussion about wild turkeys.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Huffman to approve the September 7, 2010 agenda with the two additional items added to *Special Order of Business*.

VOTE: Ayes - 5 Nays - 0

PROCLAMATIONS AND RECOGNITIONS

Mayor Martin announced Will Sulzbach as Ramsey County Senior Citizen of the Year. Mayor Martin presented a plaque and read the following proclamation:

WHEREAS, Will Sulzbach is an active senior citizen residing in the City of Shoreview;
and

WHEREAS, Will Sulzbach spends countless hours volunteering his time to various groups and organizations; and

WHEREAS, Will Sulzbach has volunteered his time with the Boy Scouts for 35 years;
and

WHEREAS, Will Sulzbach also volunteers as a Tax Return Preparer and Tax Site Assistor with Accountability Minnesota; and

WHEREAS, Will Sulzbach is the President of The Bavarian Musikmeisters, a traditional Germanic wind-instrument band and also a member of the St. Paul Police Band; and

WHEREAS, Will Sulzbach is also a member of several organizations such as the Friends of St. Paul and Ramsey County Parks, Parks and Trails Council of Minnesota, Bicycle Alliance of Minnesota, Rails-to-Trails Conservancy, Minnesota Conservation Federation and National Wildlife Foundation; and

WHEREAS, Will Sulzbach was awarded the 2010 Ramsey County Senior Citizen of the Year Award.

NOW, THEREFORE, BE IT RESOLVED, that I, Mayor Sandra C. Martin, on behalf of the Shoreview City Council and the entire City of Shoreview, hereby present this proclamation to Will Sulzbach on this 7th day of September 2010 in recognition of his outstanding volunteerism throughout the community.

Mayor Martin also presented Mr. Sulzbach with a Certificate of Appreciation from Governor Pawlenty in recognition of his being named Outstanding Senior Citizen Volunteer from the Minnesota Board on Aging and the Minnesota of County Affairs.

Mr. Sulzbach expressed his appreciation for receiving the award and noted that there are hundreds of thousands of seniors and others who volunteer. He announced that on Saturday, September 11, 2010, the Boy Scouts and Girl Scouts will host an event from 10:00 a.m. to 3:00 p.m. at Island Lake Park to help parents understand the benefits of scouting. Mr. Sulzbach stated that he was able to participate in a ride from Seattle to Minnesota last year, riding approximately 75 miles a day. The St. Paul Classic Ride is Sunday, September 12, 2010, which is the biggest ride in Minnesota with some 10,000 riders.

Councilmember Quigley asked the contact information for those who might be interested in participating in this biking organization. Mr. Sulzbach stated that the headquarters is in Cannon Falls. The website cycleamerica lists their events.

With his participation in a German band, Mayor Martin encouraged Mr. Sulzbach to plan to work on a possible joint effort with the Einhausen Band, which has been invited to Shoreview in September 2012.

CITIZEN COMMENTS

There were none.

COUNCIL COMMENTS

Mayor Martin:

The pool and children's indoor playground are closed for two weeks for annual cleaning and maintenance. The indoor playground may be closed a little longer to install a sprinkler system.

Please call before coming to use the indoor playground to make sure it is reopened. The fitness center remains open.

The Farmers' Market will run through the second week of October. Many residents are taking advantage of the wonderful produce that is offered each week.

Councilmember Wickstrom:

The Ramsey County Sheriff's Department is offering Citizen Civil Defense Corps training sessions starting September 8, 2010. Anyone interested can call Barb at 651-266-7338.

CONSENT AGENDA

MOTION: by Councilmember Withhart, seconded by Councilmember Wickstrom to adopt the consent agenda of September 7, 2010, approving the necessary motions and resolutions for item Nos. 1 through 9:

Councilmember Huffman offered an amendment that No. 2, August 16, 2010 City Council Meeting Minutes, be voted on separately. The amendment was accepted.

Discussion:

Councilmember Wickstrom asked if the licensees would be notified of the changes in the tobacco and liquor ordinances. Mr. Schwerm stated that the City ordinance changes are for consistency with State law. Licensees will be notified.

1. August 9, 2010 City Council Workshop Meeting Minutes
3. Receipt of Committee/Commission Minutes:
Human Rights Commission, June 23, 2010
4. Verified Claims in the Amount of \$1,353,834.67
5. Purchases
6. Developer Escrow Reduction
7. Approval of Easement to Xcel Energy
8. Approval of Ordinance No. 871 Relating to Tobacco Products
9. Approval of Ordinance No. 872 Relating to Liquor Licensing

VOTE: Ayes - 5 Nays - 1

MOTION: by Council member Withhart, seconded by Councilmember Quigley to approve the August 16, 2010 City Council Meeting Minutes.

VOTE: Ayes - 4 Nays - 0 Abstain - 1 (Huffman)

Councilmember Huffman abstained as he was not present at the August 16th meeting.

PUBLIC HEARINGS

There were none.

GENERAL BUSINESS**ITEMS RELATED TO 2011 TAX LEVY AND BUDGET****A. ADOPT PRELIMINARY TAX LEVY****B. ESTABLISH DATE FOR BUDGET HEARING****Presentation by Assistant Finance Director Fred Espe**

The budget hearing date proposed is December 6, 2010. The City is required to send a preliminary levy to Ramsey County by September 15, 2010, for the preliminary tax statements that are mailed in November. The Council will be holding further budget workshops in October and November. The objectives of the levy are: 1) maintain existing services, programs and infrastructure; 2) meet existing debt obligations; and 3) support capital replacements.

Budget requests were discussed with the Council at a workshop meeting in August. After extensive discussion, the Council cut a number of items from the proposed budget, reducing it by \$88,300. With that reduction, the proposed gross City tax levy would increase 4.9% in 2011. City tax collections would increase by \$420,961, which is a 4.8% increase.

The City is not anticipating collection of state aid in market value credit. The County Assessor has estimated a 6% decrease in taxable value in Shoreview. That decrease plus the 4.9% increase in the levy works out to a 12% increase in the City tax rate. The City expects receipt of a 4% increase in the fiscal disparities contribution.

Items causing the levy increase are: 1) police and fire contracts representing 1.4%; 2) debt payments representing 0.7%; 3) capital replacement funds representing 1.1%; 4) capital improvement fund representing 0.1%; 5) EDA representing 0.4%; and 6) other revenues and operating expenses representing 1.1%. The HRA levy is separate from the City levy at \$60,000, which is a \$10,000 increase from 2010.

It is estimated that only 19 properties in Shoreview will experience a property value increase. Approximately 20% of properties will have no change in value. The percentage of properties decreasing in value up to 4.9% represent 29.5% of Shoreview properties. Properties decreasing in value between 5% and 9.9% represent 23.9%. Properties decreasing in value from 10% to 14.9% represent 15.1%; and those decreasing value of 15% or more represent 10.5%. This means that almost 79% of properties in Shoreview will experience a decrease in value.

The median value of a home in Shoreview, as set by the County Assessor, is now \$249,350. Last year the value was \$262,200. This is a 4.9% decrease. A median valued home with a property

value decrease of 15% will see a reduction of City taxes of \$38.20. A median valued home with property value remaining the same will see an increase of City taxes of \$83.11. The City's share of the total tax bill for a median valued home is approximately \$64.21 per month.

Staff is recommending adoption of a preliminary tax levy in the amount of \$9,514,700 and a preliminary HRA levy of \$60,000. These amounts establish the maximum levy for the City in 2011. The final levy may not exceed these amounts but may be lower. Mr. Schwerm noted that once the preliminary levy is adopted, staff will prepare booklets for residents that explain the City tax levy.

Councilmember Withhart noted that the market value homestead credit that used to be revenue for the City from the state is no longer available. He commended Finance Director Jeanne Haapala and Fred Espe who have worked hard to increase the City's bond rating, which has reduced the City's cost for debt service. Although much of the proposed levy is needed to address City streets and infrastructure requirements, he is uncomfortable with this amount of increase given the economy today. He is willing to support this preliminary levy but believes the Council has serious work to do to make further reductions.

Councilmember Huffman stated he would support the preliminary levy. He appreciates the cuts already made but also believes the increase of almost 5% is too high for residents in these economic times.

Councilmember Wickstrom agreed but noted that the increase in the levy is less than the total market value homestead credit lost from the state and the increase in the police and fire contracts, which the City has little or no control over. It is difficult with the decrease in property values to increase the levy, but City costs continue to increase. Further cuts will be painful. It is her hope that the new Community Survey will give direction regarding cutting services.

Councilmember Quigley stated that the past year has been prudently operated. Staff will be resourceful, but he does not see any other huge items that can be cut between now and December.

Mayor Martin stated that staff was asked to bring in as tight a budget as possible. At the Council workshop, further cuts of \$88,000 were made, which are significant. She also does not see where further significant cuts can be made. One question she receives from residents is how can taxes go up when property values are going down? The explanation is that there are costs spread across the City through the levy that do not change. Those costs go up, especially for police and fire protection, which is increasing \$129,000 in 2011. Staff cuts have been made in the past and are no longer an option, as the City already operates with as limited a staff as possible. Comparisons will be considered with other cities of the size of Shoreview. In past years, Shoreview has ranked fourth lowest with other cities of its size in the metro area. It is important that residents understand that Shoreview invests in its future with a long-range financial plan, so that what needs to be replaced in 2020 is known, as well as where funds will come from for that replacement. The levy includes a \$50,000 increase for the General Fixed Asset Replacement

Fund, so those improvements can be made in the future. The Street Renewal Fund increased \$50,000. To cut those increases is shortsighted and will not maintain the type of city Shoreview residents are used to living in. The Council is very aware of the impact to residents in this economy, but the Council is also trying to do the best it can for Shoreview.

MOTION: by Councilmember Quigley, seconded by Councilmember Wickstrom to adopt resolution number 10-81 establishing a preliminary City tax levy of \$9,454,700, and a preliminary HRA tax levy of \$60,000 for collection in 2011.

ROLL CALL: Ayes: Huffman, Quigley, Wickstrom, Withhart, Martin
Nays: None

MOTION: by Councilmember Quigley, seconded by Councilmember Withhart to set a public budget hearing for Monday, December 6, 2010, at 7:00 p.m. to discuss the 2011 City budget, tax levy and capital improvement program.

ROLL CALL: Ayes: Quigley, Wickstrom, Withhart, Huffman, Martin
Nays: None

WEED ABATEMENT - 3561 COHANSEY

Presentation by City Planner Kathleen Nordine

A hearing is requested to approve abatement of tall grasses and vegetative growth at the subject property. Section 211.060 stipulates that property is to be kept from the growth of weeds and noxious species, that grass shall not exceed a height of nine inches and that landscaping shall be maintained to prevent unsightliness or unsafe conditions.

The City has a process for this nuisance abatement with costs charged to the property owner. If the costs are not paid, the charges are certified to the property taxes. The City has contracted with a lawn care company for the cleanup work. The property owner was notified and a notice was posted on the property August 25, 2010. A compliance date was set for September 1, 2010, with notice of the abatement hearing at this meeting. As of today, the violations continue to exist. The property is in foreclosure, and the attorney and bank handling the property have been notified.

Approval of abatement allows continued monitoring through the 2010 and 2011 growing season.

Mayor Martin opened the hearing. There were no comments.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Withhart to adopt Resolution No. 10-80, pursuant to Section 210.020(A), approving the abatement of vegetative growth for the property located at 3561 Cohansey Street and to charge the property owner the cost of the abatement, including administrative

costs. The City Manager is authorized to monitor the property throughout the 2010 and 2011 growing seasons and abate any vegetative growth on the property that does not comply with City regulations.

Discussion:

Councilmember Withhart stated that he is pleased to say that former foreclosed properties in his neighborhood have been purchased and are being well maintained. It is worth the City's time and effort to keep up neglected properties to keep property values.

ROLL CALL: Ayes: Wickstrom, Withhart, Huffman, Quigley, Martin
 Nays: None

SPECIAL ORDER OF BUSINESS

Rice Street Bridge

Councilmember Wickstrom noted receipt of a letter from Ramsey County Commissioner Tony Bennett requesting the City to encourage Mn/DOT to include the reconstruction of the Rice Street bridge across I-694 with interchange improvements.

Councilmember Withhart requested that staff present a motion that would request Mn/DOT to consider this area as a higher priority. He would like to see the improvements include the Rice Street bridge, interchange and section of I-694 from I-35W to I-35E, as that portion of road has become a bottleneck for traffic.

Councilmember Wickstrom added that some re-striping of lanes would also help.

Mayor Martin stated that replacement of the bridge will not be as great an improvement without the road improvements needed. Mr. Schwerm stated Mn/DOT is planning a road project at Snelling, Hamline and Highway 10 in 2011. Mn/DOT sees that portion of road as the biggest bottleneck in this area. The staff has attended meetings regarding these issues.

Mr. Maloney stated that Mn/DOT is seeking municipal consent from Arden Hills on the first stage of the project for addressing the connection between I-35W and I-35E. The first stage is the Snelling/Hamline/Highway 10 interchanges. The schedule has not been set pending local municipal approval. At one time the segments between I-35W and I-35E consisted of five projects.

Wild Turkeys

Councilmember Withhart stated that late last winter there was damage to homes by wild turkeys. The problem was exacerbated by residents feeding the turkeys. He would like residents informed of the penalties imposed by the City for feeding the birds. He requested a full discussion of this issue at an upcoming Council workshop.

Mayor Martin noted that there are residents who have resumed feeding them. Letters have been sent to those residents. She would like to see stricter ordinances to give the Council more authority regarding this issue. Mr. Schwerm stated that an amended ordinance addressing feeding wild animals will be presented to the Council in the near future.

Councilmember Wickstrom stated that she would support increasing the penalty fees in light of the City's tight budget. She does not want this work to be paid for by Shoreview taxpayers but paid for by those who are feeding turkeys.

ADJOURNMENT

MOTION: by Councilmember Huffman, seconded by Councilmember Quigley to adjourn the meeting at 8:00 p.m. on September 7, 2010.

ROLL CALL: Ayes - 5 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 20TH DAY OF SEPTEMBER 2010.

Terry C. Schwerm
City Manager