



MINUTES
CITY COUNCIL WORK SESSION
April 29, 2008

CALL TO ORDER

The meeting was called to order by Mayor Gilbert at 5:36 pm.

Present: Mayor: Randy Gilbert; Council: Sam Rettinger, Sharon Henderson, Ben Goodwin, and Jim Benson

Staff Present: City Administrator: Steve Stahmer; Finance Director: Terry Post; and City Planner: David Abel; City Landscape Consultant Brady Halverson.

Absent: None

APPROVE AGENDA

A motion was made by Goodwin, seconded by Henderson, to approve the Agenda with the following changes (to accommodate Brady Halverson who was running late):

3. *Community Event Participation/Charitable Gambling*
4. *Wayzata Boulevard Landscaping*
5. *Downtown Redevelopment Sites/Priorities*
6. *Assessing Services RFP*

Ayes: all.

DISCUSSION ITEMS

Community Event Participation/Charitable Gambling

Stahmer stated that the Council had discussed multiple times (most recently during 2008 budget discussions in December, 2007) the City's financial participation in community events such as Buckhorn Days and Corn Days. He noted that the previous funding source, the City's Charitable Gambling Fund has continued to shrink, and no dollars are coming into the fund given that there are no charitable gambling operations currently being conducted.

Stahmer stated that the other primary use of the Charitable Gambling Fund has been to fund the City's participation in the Orono Community Education Summer Playground Program for Long Lake youth. That program cost the City \$888 in 2007, and the Charitable Gambling Fund has a current balance of \$1,546. Stahmer recommended that the Council decide at what levy, if any, it planned to support Buckhorn and Corn Days. A general policy regarding support for community events may also be considered.

Mayor Gilbert asked whether any Council members were concerned about supporting Corn Days since it is an even conducted by a religious institution (St. George Church).

Henderson stated that she does have concerns and feels it is not acceptable to provide public money to a religious institution. She stated that she has had other residents and/or business owners express the same concern to her.

Rettinger stated that he had no real problems supporting either event, but did not think that such support should be included in the tax levy.

Goodwin stated that he supported both events.

Stahmer noted that City's do not typically have the statutory authority to donate money to non-profit organizations. However, the City Attorney has previously noted that cities do have some limited authority to support city-wide community events. Therefore, the City would be allowed to provide some service to such events (e.g., paying for refuse/sanitation services related to a community event).

Benson stated that he has no problem with the religious connection of Corn Days and he supports some amount of participation in each event.

Gilbert stated that he also had no problem supporting/participating in Corn Days.

Henderson agreed with Rettinger in that the participation in community events should not be levy supported.

Gilbert stated that he would support providing support of approximately \$300 to each of the two events, to be funded out of the Charitable Gambling Fund, given that the City would need to reserve approximately \$800 to pay for the Summer Rec Program.

Henderson stated that she would prefer to use those funds for City programs.

Gilbert noted that the Corn Days Parade is actually organized by the Chamber of Commerce, not the Church. He supported contributing specifically to the parade to avoid any issues with religious institutions.

The Council reached the consensus of planning to support Buckhorn Days and the Corn Days Parade in the amount of \$300 each.

Jim Gulbranson, representing the Chamber of Commerce and Buckhorn Days, invited the Council and staff to volunteer to work Buckhorn Days. The Council thanked Mr. Gulbranson for his attendance and his invitation.

Wayzata Boulevard Landscaping

Halverson recapped the most recent discussion by the Council. He stated that he and Stahmer had both discussed the project with the Xcel representative.

Stahmer noted that, regarding the retaining walls, Xcel could not/would not stop the City from building dry-stacked boulder walls over top of the utilities, but that the City would be at risk with regard to Xcel removing the walls should maintenance be needed in the future.

Halverson stated that the dry stacked walls would be significantly less expensive, saving \$30,000 over the previous plan which showed poured concrete walls.

Halverson noted that he and Stahmer were informed by Xcel that the transformer boxes could not be painted.

Benson stated that he would prefer sticking to the concrete walls and concentrating them on the west/downtown end of the project, rather than doing stacked boulder walls along the entire length.

The Council debated various aspects of the walls, screening of the transformer boxes and other elements of the project.

The consensus of the Council was to revise the plan to show all seven planters/retaining walls to be built with dry-stacked stone. The Council also asked Park Board Member City Borgert and resident Bob Hardin (both present) to work with Halverson to suggest plant species.

Halverson stated that he would bring construction documents back to the Council for final approval and bid solicitation on May 20, 2008.

Downtown Redevelopment Sites/Priorities

Stahmer stated that the purpose of this worksession was to discuss downtown redevelopment priorities and concepts in light of the current redevelopment situation/market. Goodwin had asked for such a discussion at a recent Council meeting, and staff agrees that it is important to continue to revisit priorities to make sure that Council and staff are able to communicate about goals and priorities.

Stahmer stated that he and Abel had been working to prepare marketing literature to be distributed to developers in order to generate new interest. Such brochures will be site specific. Stahmer distributed a draft of the Virginia Avenue brochure.

Gilbert asked if, given that the Dunbar development is not currently proceeding, the City could place a City-owned sign on the Virginia Avenue property, stating that the area is a potential redevelopment site, as identified by the City.

Stahmer stated that the idea of erecting a City-owned sign was an excellent idea and staff would pursue this.

Goodwin stated that he believed the City should consider writing down the land cost of Virginia Avenue if this was a deterrent.

Henderson asked about the status of the Kenny's Market property.

Stahmer stated that staff has not had any further contract from the previous developers.

Gilbert stated that he believed that a new developer now had the site under purchase agreement, but that no details were known.

Henderson stated that she knew of one other developer that is also interested in Kenny's.

Stahmer noted that current market conditions are making redevelopment difficult. Two of the very few sectors still seeing growth are medical office a senior housing uses. Stahmer asked whether the Council would consider a senior housing project (condo, high-end rental, etc.) on Virginia Avenue.

Goodwin stated that he would consider senior housing, but only if some other public amenity or "draw" were also included in the development area.

Henderson stated that she would be open to senior housing if it were well done.

The Council briefly discussed the reconveyance of the Virginia Avenue parcel from MnDOT to the City.

Stahmer stated that, regardless of whether a development were to move forward in 2008, he would recommend that the City close on the purchase of this property from MnDOT given that the market value is likely at or near it's lowest level. Buying now will save the City money on the purchase in the long term.

It was the consensus of the Council that the property should be purchased during 2008, per Stahmer's recommendation and that a City-owned sign should be placed on the Virginia Avenue property, identifying it as a potential redevelopment site.

Assessing Services Request for Proposals

Stahmer stated that Council and staff have previously discussed the desirability of implementing a policy whereby City consulting services would be evaluated and re-bid on a rotating basis to ensure that such services are being delivered in a reliable and cost-effective manner.

Stahmer stated that he would recommend that the Council adopt such a policy, beginning with issuance of a Request for Proposals for Assessing Services in 2008.

The Council discussed the recommendation and agreed that such a policy should be enacted and that Assessing Services should be the next service to be solicited.

ADJOURN

Hearing no objection, Mayor Gilbert adjourned the April 29, 2008 City Council Work Session at 7:17 pm.

Respectfully submitted,

Steve Stahmer
City Administrator