

Executive Session Meeting Minutes 02-18-2020

**EXECUTIVE SESSION OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL
COUNCIL EXECUTIVE SESSION ROOM
FEBRUARY 18, 2020
EXECUTIVE SESSION COMMENCED AT 6:30 P.M.**

1. CALL TO ORDER

Mayor Rice called the Executive Session to order at approximately 6:34 p.m.

2. ROLL CALL

Present at roll call: Mayor Rice, Councilmembers Barnett, Freeburg & Skogquist.

Absent: Councilmember Wesp.

Staff present: City Manager Greg Lee, Assistant City Manager Amy Oehlers.

3. Pursuant to Minnesota Statutes § 13D.03, the Council held a Closed Executive Session to discuss Labor Negotiation Proposal for the 2020 through 2022 contracts for Electric, Parks/Streets & Sewer/Water.

After discussion, the closed executive session adjourned at approximately 6:58 p.m.

Approval Attestation:

Amy T. Oehlers, ACM/City Clerk

Regular Council Meeting Minutes 02-18-2020

**REGULAR MEETING OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL
CITY COUNCIL CHAMBERS
FEBRUARY 18, 2020**

1. CALL TO ORDER

Mayor Rice called the meeting to order at 7:00 p.m., followed by the Pledge of Allegiance.

2. ROLL CALL

Present at roll call: Mayor Rice, Councilmembers Barnett, Freeburg, and Skogquist.

Staff present: City Manager Greg Lee; Police Chief Eric Peterson; Recreation Manager Nickie Jenks; Engineering Technician Ben Nelson; and Public Services Director Mark Anderson, and Recording Secretary Cathy Sorensen.

Absent at roll call: Councilmember Wesp.

Mayor Rice recessed the regular meeting at 6:30 p.m. to enter into a closed session pursuant to Minnesota Statute 13D.03, for the purpose of discussing labor negotiation proposal for 2020 through 2022 for Electric, Parks/Streets, and Sewer/Water.

Mayor Rice reconvened the regular meeting at 7:00 p.m. He noted video and audio recording may not be working properly but was being addressed.

3. COUNCIL MINUTES

3.1 Minutes of the February 3, 2020, Regular Meeting.

Councilmember Skogquist said corrections were need to staff presence; City Manager Greg Lee, Finance Director Brenda Springer, Community Development Manager Doug Borglund, and City Planner Clark Palmer.

Councilmember Barnett said this has occurred before and asked that attendance listings be verified and corrected.

Motion by Councilmember Barnett, seconded by Councilmember Skogquist, to waive the reading and approve the February 3, 2020, Regular Meeting minutes as corrected.

Vote taken. All ayes. Motion carried.

4. OPEN FORUM

4.1 Police Activity Update.

Police Chief Eric Peterson shared crime rate data for 2019 showing calls for service increased from 17,988 in 2015 to 23,368 in 2019, an 8.8% increase. He said they responded to 30% more calls than in 2015 and average 64 calls per day or 30 calls per shift. He said Anoka accounts for 10% of all calls in Anoka County and was the fourth highest behind Coon Rapids, Blaine and Fridley. Chief Peterson was pleased to report Part I Crimes were down 7% from 610 in 2015 to 432 in 2019 and 36% from 2016 and surpassed the five-year low, adding rates were decreasing nationally as well. He stated Part II Crimes brought a 3% increase in 2019 of 975 from 818 in 2015 which shows we have a ways to go to show we live in a safe community and staff was working to decrease that number. He shared more details regarding larceny at a five-year low but how auto theft was at a five-year high, likely attributed to owners leaving vehicles unattended while warming up.

Councilmember Skogquist said the long cold winter likely increase vehicle thefts. Chief Peterson agreed, stating Anoka actively participated in the auto theft task force then added traffic accidents were at a five-year high up 25% from 2018 and said weather was a contributing factor as well as distracted driving. He said the City participated in Towards Zero Death campaign then shared the types of accidents, noting while no fatalities injuries doubled. He believed the most valuable measure is how citizens feel in Anoka and their mission is to improve the feeling of safety in the City.

Councilmember Barnett referred to the decrease in assaults and asked if the earlier closing of the bar district had any effects on assaults and vandalism. Chief Peterson said they had not correlated statistics yet to the bar district hours but were tracking and know they are way down, adding many of the 137 assaults last year were unfortunately domestic-related.

Councilmember Skogquist asked about trends and the increasing the number of narcotics cases. Chief Peterson said cases listed include everything from a traffic stop with a small amount of marijuana to a large seizure of drugs then spoke about Anoka County drug trends and the increase in heroin use and number of arrests are reactions to officers taking a hard stance on use and dealing. Councilmember Freeburg asked about the goal to decrease crime and steps being taken to being proactive about reducing crime. Chief Peterson said following up on crimes is important and the reduction in Part I crimes is based on societal change nationally and quality of life and while we are staying the course there is no exact answer.

Councilmember Freeburg said it was important to work with youth. Chief Peterson agreed, stating neighborhood watches and education is important and can affect efforts against crime and make residents feel safer living here, adding reporting crimes is important to accurately reflect data and hopefully stop and prevent. He said the Park Patrol has helped decrease vandalism but fraud or thefts but will continue to work to decrease crime in Anoka.

Mayor Rice said police presence in and around Anoka with uniformed officers and programs like Walk a Mile in Her Shoes helps educate and change culture.

5. PUBLIC HEARING(S)

None.

6. CONSENT AGENDA

Councilmember Freeburg encouraged senior or disabled residents who qualified to apply to have assessments deferred until their home was sold and to contact City Hall for more information.

City Manager Greg Lee said this program was shared during neighborhood meetings for street reconstruction projects as well.

Motion by Councilmember Freeburg, seconded by Councilmember Skogquist, to approve Consent Agenda 6.1 through 6.3.

6.1 Approve Verified Bills.

6.2 Revising and Setting Council Calendars.

6.3 Approving a Senior/Disabled Deferment for Timothy and Christine Swonger, 724 Polk Street.

Vote taken. All ayes. Motion carried.

7. REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

7.1. Planning Items

None.

8. PETITIONS, REQUESTS AND COMMUNICATION

None.

9. ORDINANCES AND RESOLUTIONS

9.1 ORD/Amending Chapter 22, Article X, Relating to the Sale of Tobacco and Tobacco Products. (2nd Reading)

ORDINANCE

Mr. Lee shared a background report stating based on recent legislation, a change to our City Code relating to the Sale of Tobacco was required. Federal law was changed to prohibit the sale of tobacco to persons under the age of 21. Current Code prohibited the sales to minors, defined as less than 18 years of age but State law still says 18. He said first reading was held at the February 3 meeting with no changes proposed.

Motion by Councilmember Freeburg, seconded by Councilmember Skogquist, to hold second reading and adopt an ordinance amending Chapter 22, Article X; Tobacco and Tobacco-Related Products of the Code of the City of Anoka Minnesota.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Freeburg, and Skogquist voted in favor. Motion carried.

9.2 ORD/Amending 2020 Master Fee Schedule; Aquatic Center Seasonal Pass Fee. (1st Reading)

ORDINANCE

Recreation Manager Nickie Jenks shared a background report stating on December 16, 2019, City Council approved the Aquatic Center seasonal pass fee to continue as an individual pricing structure for residents and non-residents. This pricing structure was set up for the first individual of a household to pay \$45 for their season pass, the second \$35, and the third individual or more would pay \$30 for each season pass. The rate for seniors (62+) was \$25 per pass. With the implementation of the new recreation management software system, CivicRec, standard settings are built in to it for pricing structures based on industry norms. The software's season pass or membership pricing structure is different from the current pricing structure and cannot be adapted to handle the current per person pricing. CivicRec provides membership sales (or season pass sales) in three categories as Individual, Dual, and Family. Staff developed four options for the Parks and Recreation Advisory Board to consider. The options created were a combination of individual passes based on age, family passes, senior passes, and two options that split into resident and non-resident pricing. These options were brought to the January Parks and Recreation Advisory Board meeting for discussion and recommendation. The Parks and Recreation Advisory Board is recommending that City Council consider the Option 2 rate change: Individual \$50 each, ages 1 – 61, Dual \$95 for 2 members of the same household, Family \$225 for 5 or more members of the same household, Senior \$35 ages 62+, Kids under 1 Free.

Councilmember Skogquist thanked staff for the information and minutes and said he contacted a board member because of the structure with the dual and graduated rates based on the number of

family members that has not changed since 2010 and reasoning to ensure the aquatic center be relatively neutral or subsidize. He asked if we want to have these 30% increases or take staff's recommendation and prefer phasing instead and suggested alternate pricing instead such as \$90 and \$200 and keep the increases to 18-25% in one year with the goal to review annually and implement smaller increases instead of one large increase.

Councilmember Barnett said a gradual increase was more palpable than suggested consideration of charging fees based on residents and non-residents stating an Anoka family pays the same flat rate but also subsidizes the center through property taxes. She said other cities offer resident savings and outlined some including St. Louis Park, Blaine, Maple Grove, and others and how residents pay for capital investments such as a new slide and should not shoulder more. She spoke about the possibility of pool reciprocity for cities such as Ramsey for those who have an indoor community center.

Ms. Jenks said they used to have some phased rates but did not see the benefits and changed to a flat rate structure in 2010 because many youth who attend might live a block away and attend Lincoln School and should not have to pay more.

Councilmember Skogquist Anoka noted 70% use is from outside the City and that resident rates could be difficult to administer and create ill will and while he agreed we should do more for Anoka residents it would be hard to manage and said the flat rate should remain for now.

Councilmember Freeburg suggested the Park Board bring ideas forward for our consideration.

Mayor Rice said as we raise prices, we deter pool use and with 70% of pool use coming from people outside the City it was true Anoka residents pay more overall. He stated he always felt swimming lessons is the best thing to offer as it is a necessary skill to have in Minnesota and therefore did not mind the subsidies.

Councilmember Freeburg referred to other amenities the City has such as a golf course that creates value for the City.

Councilmember Barnett said even cities with centers should be able to offer a benefit to the resident as they already had the initial buy-in to build and maintain and said residents should be charged a better rate and suggested further review in the future.

Ms. Jenks shared difficulties in rate differences and work arounds with administrative as staff would not question someone about their address and how it could create uncomfortable situations but if Council wants to create a different rate structure they would work to move forward.

Councilmember Skogquist said rates should be discussed each year. Mayor Rice agreed and would support a more modest increase and while he agreed with Councilmember Barnett, he did not want to result in arguments onsite based on address.

Councilmember Barnett suggested snack revenue be increased instead or other ways as options for revenue generation.

Ms. Jenks clarified for second reading rates should go back to the original option of \$90 dual and \$200 for family.

Motion by Councilmember Freeburg, seconded by Councilmember Skogquist, to hold first reading of an ordinance amending the 2020 Master Fee Schedule of the City of Anoka, Minnesota, based on staff's original Option 2.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Freeburg, and Skogquist voted in favor. Motion carried.

9.3 ORD/Purchase Agreement; City's Sale of 7th Avenue and Bunker Lake Boulevard Site.
(2nd Reading)

ORDINANCE

Mr. Lee shared a background report stating the City Council held the reading and discussed this item on January 21, 2020 where the Council stated concerns regarding the proposed ordinance. The City has been in discussions with Ryan Companies US, Inc. regarding property known 7th Avenue and Bunker Lake Blvd commercial development site. The property is zoned B-5 Highway Regional Business District. The subject property is made up of one parcel equaling 14.2 acres in size. The plan is to build a master planned commercial center meeting the City's design requirements. The City has received an offer of \$3.28 per square foot, \$142,857.00 per acre, or a total of \$2,000,000.00 for the 14.2-acre parcel contingent upon the City Council's approval to enter into a purchase agreement. The City Attorney from a legal perspective is satisfied with the purchase agreement and the Buyer plans to submit Planning Commission review as soon as possible. He shared the proposed schedule with closing yet to be determined.

Councilmember Skogquist asked questions regarding the due diligence period of 180 days with the option of 90 days considered prior to closing to ensure we are positioned and if an anchor it not identified how does the property revert back. Mr. Lee said the agreement states 180 dates from date of execution and the City would not have closed yet and may not want to close unless we have the tenants we want.

Councilmember Freeburg asked about feedback from the neighborhood meetings. Mr. Lee said there was some discussion but nothing negative and that the communication was for commercial, not residential.

Mr. Nelson noted the public outreach would occur at the Planning Commission meeting.

Mayor Rice noted this first approval is to market for tenants and that no design work has occurred at all. Mr. Nelson agreed, stating the concept was prepared by the City to share.

Councilmember Skogquist spoke about the agreed purchase price of \$2 million and City costs that include half the signal cost and others of not more than \$250,000 then asked where the proceeds go and do we have something delegated for the other parcels. Mr. Lee said nothing was determined prior to the Rum River Shores sale and part was paid for through the property purchase and this amount would be in excess and proceeds direction would be up to Council.

Mayor Rice suggested the topic be included as a worksession item as 40 years ago this site was never anticipated to sell but times change and this is a windfall for the tax base and it would be best to determine now a good purpose for the funds.

Councilmember Freeburg suggested using the funds for Greens of Anoka acquisition. Mr. Lee said that topic was already scheduled for a worksession and could be included in the April worksession.

Mayor Rice asked that staff provide history of the site at the worksession as well.

Motion by Councilmember Freeburg, seconded by Councilmember Barnett, to hold second reading and adopt an ordinance to convey real estate property to Ryan Companies US, Inc.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Freeburg, and Skogquist voted in favor. Motion carried.

Mayor Rice said this project has been part of a long discussion and search and will be a long process as the site develops.

9.4 RES/U.S. Highway 10/169 Improvement Project; Authorizing Approval of Appraised Values, Offers of Compensation, and Acquisition by Eminent Domain – Part I (Full Acquisition).

RESOLUTION

Mr. Nelson shared a background report stating in cooperation with Minnesota Department of Transportation (MnDOT) and Anoka County, the City is undertaking the U.S. Highway 10/169 Improvement Project. The Project will improve safety and mobility by eliminating at-grade signalized intersections, improving the frontage road system to better serve and separate local and through traffic; and, improving circulation for bicyclists and pedestrians. The City Council has already adopted several resolutions for the Project, including authorizing preliminary design, engaging Bolton & Menk to prepare final design, and securing funding, and it is now necessary to begin the process of acquiring real estate needed for the Project. Three total acquisitions are required for the Project, as well as numerous partial acquisitions. The owners of the three total acquisitions are aware of the imminent project and the consultants would like to begin making offers and negotiating for voluntary acquisitions as soon as possible. For the partial acquisitions, the engineers still need a few more weeks to complete all the legal descriptions. The proposed resolution orders the project, and with respect to the total acquisitions, authorizes offers,

negotiation, and eminent domain if necessary. Mr. Nelson outlined the subject properties as Parcel 7 – Wright Tire at 710 West Main; Parcel 14-15 – Tire Zoo at 604 Church Street; and Parcel 16 – Sign Station at 560 West Main then explained that eminent domain is a legal process used for acquiring property for public purposes, also known as condemnation. This process is used when the price of the property cannot be agreed upon by the seller and city. In this case, the need for authorization to utilize the City’s eminent domain powers is to ensure adherence to the construction schedule. Mr. Nelson said should the Council wish to proceed with this Project the next step in the public improvement process is to order the project. The City has obtained a real estate appraisal completed by Patchin Messner Valuation Counselors and staff is requesting that Council authorize city staff or agents to make an offer to purchase, subject to the eminent domain statutes. Pursuant to Minnesota Statute 117.52, the City must provide relocation assistance to all persons displaced by the Project and relocation benefits should they elect to relocate. All three properties are currently occupied. He said title February 2021, right-of-way have to be approved before we are allowed to advertise for the project, majority of work begin spring of 2022.

Councilmember Freeburg asked if the appraisals are available for review. Peter Mikhail, eminent domain Attorney with LeVander, Gillen & Miller, P.A., said that based on data practices that information is non-public until used in court and while a Councilmember would have access if there was a need it could not be in a public setting. He said he would be happy to answer questions on procedure but other questions should be asked during a closed session.

Councilmember Barnett asked if there not enough funds to purchase the needed property would the funding be local instead. Mr. Nelson said we should be able to cover all costs through the LRP but if the City wanted to split to have a remnant piece that would have to be done with City funds and a 37-year easement included for future development on one of the parcels.

Councilmember Freeburg clarified if we take Wright Tire for only one portion, we cannot sell the remaining for 37 years. Mr. Nelson said we would only purchase the portion needed and the remaining purchase would be with local funds for redevelopment.

Mr. Mikhail said we need to do a total taking but once the project is complete any excess taking must be offered back to a property owner and then if declined only then does the City have freedom to redevelop.

Mayor Rice said if a portion of land is not used could it be used for another property owner for relocation. Mr. Mikhail said there have been a total of three takings identified and did not think that scenario would be feasible as there would be legal challenges.

Councilmember Skogquist asked if the excess could be used for a new park shelter for example. Mr. Mikhail said if you determine you do not need the excess property for public use and offering it first back to the property owner it could then be used for park space.

Councilmember Skogquist asked how is value determined if we have to offer land back to the owner and use local funds. Mr. Mikhail said we remove value from the improvements price from the former owner, they pay the lesser of market value or what we paid them. He added as

Council considers eminent domain Sonya Henning will be very helpful in acquiring properties voluntarily instead of through eminent domain wherever possible. He said it is important to understand and commence the process now for the many parcels involved based on the timeline as the need for ownership is essential to ensure the project moves forward.

Motion by Councilmember Barnett, seconded by Councilmember Skogquist, to adopt a resolution U.S. Highway 10/169 Improvements Project; Authorizing Approval of Appraised Values, Offers of Compensation, and Acquisition by Eminent Domain – Part 1 (Full Acquisition).

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Freeburg, and Skogquist voted in favor. Motion carried.

9.5 RES/Green Haven Parkway Phase II; Authorizing Approval of Appraised Value, Offer of Compensation, and Acquisition by Eminent Domain.

RESOLUTION

Mr. Nelson shared a background report stating on Green Haven Parkway Phase II is a portion of Green Haven Parkway, as identified in the Greens of Anoka Redevelopment Master Plan (2012) and the Highway 10 Access Planning Study (2014). In 2017, Green Haven Parkway Phase I was constructed between Thurston Avenue and West Garfield Street. The proposed street improvements for Green Haven Parkway Phase II includes a 32 feet wide road, with a 12-foot bituminous trailway. The urban section will include B6-18 concrete curb & gutter within an 80-foot wide right-of-way. The alignment of the parkway includes a continuation of the parkway nature; minimizing driveway access, maximizing intersection spacing, provides traffic calming, adequate sight distances, and being a primary reliever roadway to US Highway 10/169. On October 21, 2019 City Council adopted a resolution approving the feasibility report, ordered the project, and authorized the preparation of plans & specifications. This is the next step in the acquisition process. To date the City has purchased 26 properties on a voluntary basis in the Green Haven Parkway Project Area. The current subject property is an 8-plex rental townhome located at 731 Brighton Street, upon which the proposed public road will go through.

Councilmember Barnett spoke about the home purchase and relocation and if we may have to pay more in the event of rental relocation differences. Mr. Mikhail said the Statute refers to tenancy to another tenancy and if the rent is higher the City has to the pay difference and moving expenses as we are responsible for relocation whether we buy or condemn because the public process disrupts housing.

Councilmember Barnett asked if the rental differences are paid into perpetuity. Mr. Mikhail said he would verify the federal regulations on those calculations.

Councilmember Skogquist asked what triggers rental relocation costs. Mr. Mikhail said Minnesota law states the trigger is whether the tenant leaves because of the public project and is

paid if the lease is terminated but noted non-renewal is still eligible for relocation, adding Minnesota law is different than many other states.

Councilmember Freeburg asked what happens when a tenant moves and buys a house instead of leasing. Mr. Mikhail said the law is intended to compare apples to apples and if it costs more to relocate that is acceptable but funds would not be enough to buy a house. He said in some cases the City and tenant could negotiate a settlement upfront and then the tenant can do what they want with those funds.

Mr. Lee said a similar process was used with the 27 homes purchased and how funds were used to purchase homes which was good for them and the City.

Mayor Rice asked if a closed session could occur now to further ask more detailed questions. Mr. Lee suggested questions be forwarded to him for dissemination and response by Mr. Mikhail but that a closed session could be called in the future if needed.

Mr. Mikhail said this will be a lengthy process and that advanced notice of a closed session was best and could then include more detailed questions. He cautioned against the perception of serial meetings and preferred one-way communication and that he would be prepared to questions promptly. He said it is important to maintain the open meeting law and being transparent throughout this process at all times.

Mr. Lee said staff would schedule a closed session for March to allow Council the opportunity to ask more detailed questions.

Motion by Councilmember Freeburg, seconded by Councilmember Skogquist, to adopt a resolution Green Haven Parkway Phase II; Authorizing Approval of Appraised Value, Offer of Compensation, And Acquisition by Eminent Domain

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Freeburg, and Skogquist voted in favor. Motion carried.

9.6 RES/Adopting 2020-2021 City Goals.

RESOLUTION

Mr. Lee shared a background report stating on at the Goals Session on February 10, 2020, the City Council discussed overall City goals for 2020-2021. Based on that discussion, the City Council goals for 2020-2021 are established in the Resolution that included development, redevelopment, and housing, finance and organization, parks, trails, and rivers, roads and transportation, and others. He said staff would provide the City Council with a Goals Status Report throughout the year.

Councilmember Skogquist said this was a very beneficial process to understand direction and move work forward. He said even if everyone did not agree we can direct staff on work projects and serve one common vision then noted one typo for correction from 2020 to 2021.

Motion by Councilmember Skogquist, seconded by Councilmember Freeburg, to adopt a resolution adopting the 2020-2021 City Goals as corrected.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Freeburg, and Skogquist voted in favor. Motion carried.

10. UNFINISHED BUSINESS

None.

11. NEW BUSINESS

11.1 Approval of Labor Contracts; 2020 through 2022; Electric, Parks/Streets and Sewer/Water.

Mr. Lee stated that prior to the meeting this evening, Council held a closed session to review the proposed Labor Contracts 2020 thru 2022 for Electric, Parks/Streets and Sewer/Water and at this time staff was recommending approval of the contracts as proposed.

Motion by Councilmember Skogquist, seconded by Councilmember Freeburg, to approve the proposed Labor Contracts; 2020 thru 2022 for Electric, Parks/Streets and Sewer/Water.

Vote taken. All ayes. Motion carried.

12. UPDATES AND REPORTS

12.1 Tentative Agenda(s).

The Council reviewed the tentative agendas of the upcoming Council meetings.

Mayor Rice reminded the public of the open house on February 20 at Green Haven.

12.2 Staff and Council Input.

Councilmember Freeburg said the Winterfest event went very well.

Councilmember Skogquist agreed, stating the event had 250 people and included food trucks and dog sled races and thanked Parks staff for their work.

Mr. Lee noted there was a video available on social media of the dog sled race from a driver's point of view. Ms. Jenks thanked everyone for their work.

Councilmember Barnett asked if the event would be held George Enloe Park again next year. Ms. Jenks said it would as it works well and provided sledding as well.

13. ADJOURNMENT

Councilmember Freeburg made a motion to adjourn the Regular Council meeting.
Councilmember Barnett seconded the motion.

Vote taken. All ayes. Motion carried.

Time of adjournment: 8:26 p.m.

Submitted by: Cathy Sorensen, *TimeSaver Off Site Secretarial, Inc.*

Approval Attestation:

Amy T. Oehlers, City Clerk