

City of Foley Council Agenda Report for February 2, 2016

To: Mayor Dave Mosford, City Council Members & Interested Parties:

From: Robert Barbian, Administrator

Date: January 28, 2016

MEETING START 4:30 !

4. Closed Session: Labor negotiations: Attorney Pamela Steckman with Rinke Noonan is planning to go over the proposed contract. It was indicated that there would not be advance materials as the information and discussion is to be confidential as allowed under MN Statute 13D.03.
5. Mayor's Comments & Open Forum
6. Consent Agenda:
 - a. Minutes
 - b. Transient Merchant Application & Bond Waiver Sara Liebeck: This is who operated the Ice Cream Truck in 2015. She is interested in coming back this summer. As you may recall last year when the research on transient permits was completed we added language to the application form to have applicants provide indemnifying the City should any claims arise. The Ice Cream Truck went over well last year and creates a good home town charm.

The background check is being completed, no issues are expected, it is recommended to approve.
 - c. St. John Catholic Church is hold a Bingo even. It is March 6th. The application is in order and approval is recommended.
 - d. A summary of the Silt Sock Site Plan & Variance application follows. The Plan Commission action and proposed Resolution is in the packet.

Background:

The company is planning to construct an initial 60K square foot facility with a 20,000 square foot addition. The attached plans show the location of the facility and future additions. This application also includes a dust collector on the east side of the building. As the plans reflect the company will be utilizing 333 Bronder Drive to set the building and majority of the improvements, as well as 145 3rd Avenue to allow greater access to the facility from the east. Please note, there is a site plan approval for each site.

The site plans shows a grading plan, landscaping plan, elevation view and the general use of the property. Please note the overhead doors are approximate locations and upon finalizing the equipment layout may shift a little right or left. The exact overhead door placement will be finalized prior to a building permit application. The proposed use and facility meets zoning code with the exception of parking, although the need to keep the building and loading dock, if attached, kept on 333 Bronder Drive has been discussed and is required.

The Company plans to employ approximately 10 to 15 employees. On the site plan you will find 24 asphalt spots being created. There is also a large truck traffic area and material storage area on the east side of the building. This area is on both 333 Bronder and 145 3rd Avenue. 333 Bronder is a narrow area east of the building used for material storage and truck traffic. This narrow area is to be rocked matching that on 145 3rd Avenue. The rock was approved last month for 145 3rd. Avenue previously for Gary Swanson. The Company would like the 24 spots in front the designated automobile parking. Parking is covered in Zoning Section of the City Ordinances. The related section states the following:

Manufacturing, fabricating or processing of a product or material; warehouse, storage, handling of bulk goods, post offices. At least eight (8) spaces, plus one (1) space for each two (2) employees on each shift based on maximum planned employment or at a minimum one (1) space for each six hundred (600) square feet of floor area.

Accordingly the need for 100 spaces far exceeds any demand projected by Silt Sock and a variance is requested.

Analysis:

As shown on the site plan the majority of the improvement is on 333 Bronder Drive and access to the facility spills onto 145 3rd Avenue. The situation was reviewed and discussed by staff and determined that rights to use a portion of 145 3rd Avenue by and for 333 Bronder Drive is appropriate to accommodate the improvement now and in the future. A number of options were considered, including combining the lots which upon investigation is problematic legally and administratively for establishing a TIF district. Adjusting property lines combines base values and the projected increased values. Separating single property tax revenues between TIF and non TIF is a problem. Therefor two additional directions were discussed and considered on proceeding. These involved setting an easement in place and or requiring a transfer of property ownership upon the closing of the TIF District. It was concluded that an agreement to facilitate a future transfer does not address current use rights whereas an easement does address current and future use rights. Therefor it is recommended that the City require that an easement be placed upon that portion of 145 3rd Avenue labeled as B to 333 Bronder Drive. This easement to specify a purpose of providing access to facilitate use of the building located at 333 Bronder Dr. Please note that both sites will be under the ownership of Eugene & Paul Properties LLC.

As previously covered the Parking requirement needs to be addressed. The situation is very similar to the site south of Bronder Drive. The Planning Commission has completed the finding of order and is recommending the City Council hold a Public Hearing on the Parking Variance request. The Site Plan approval & calling for the public hearing moves the project forward. The Public Hearing would be held on February 16th at 5:30.

The Planning Commission recommended approval of the Site Plan as covered on 333 Bronder Drive and 145 3rd Ave provided the follow staff recommendation is met:

1. The building be solely located on 333 Bronder Drive meeting all Zoning Ordinance and building code requirements including setbacks,
2. The City Engineer approve the storm water, grading and location of handicap parking in relation to the entrance,
3. An easement be placed on 145 3rd Avenue for the benefit of access and use by 333 Bronder Drive with format approved by City Attorney,
4. A variance be considered by the City Council for the Parking allowing the use as planned and reflected on the site plan being initially 60K square feet with the parking needs reviewed when the 20K square feet is added.
5. Recommended that water shut offs valves be placed for the domestic and fire lines.

& included Nancy Scott's email to Judy:

1. All zoning ordinance and building code requirements must be met, with the exception of the variance request being reviewed for recommendation to the Council in regard to the number of parking spaces required. My only comment regarding the variance request would be that any future building expansion (5,000, 20,000 or otherwise,) trigger another review of the parking needs for the business. My understanding is that the current request is for the 60,000 square foot building only.
2. All concerns/recommendations raised by Jon, City Engineer, and Mark, Public Works Director, be followed.
3. Final construction plans have not been submitted to date, upon receipt these plans will again be reviewed by all staff prior to a building permit being issued.

Motion Carried.

Silt Sock has been working with their engineers to make the changes outlined and recommended by staff and the Planning Commission. The revised plans provided last week are being reviewed and discussed by staff.

A proposed resolution is included in the packet which approves the site plan and calls for a public hearing.

e. Bills

Other Activity Updates:

- Geronimo Energy: This is an alternative energy development company. They have a proposal to construct a solar garden in the area. They have asked if the City of Foley is interested in obtaining subscriptions which provide a lower cost for City electric usage. Council member Bettendorf, Weis and me are planning to hear their proposal and gather information for the Council to consider. The meeting is being set up for February with Council discussion in March. An informational flyer is attached.

The site that is being considered is on Hwy 23 & 4. As you may recall this was covered in the last report as the County is in the process of revising County Ordinance to allow solar gardens. The question that is being raised by City staff to the Council and County is: Are there areas within the Urban Growth area in the County but near the city that are better set aside for higher uses. For example, do State Highway intersections and/or areas planned for sewer/water have a value that is not being put to the best use?

The County Planning Commission held a public hearing on the matter January 28th and decided to table it to February. Your input on this issue is appreciated.

- LGA Support: The City Council recently passed a resolution of support that has been sent to: Sen David Brown, Speaker of the House Rep. Kurt Daudt, Senate Majority Leader Sen. Tom Bakk, House Tax Chair Rep. Greg Davids, Senate Tax Chair Sen. Rod Skoe, and Governor Mark Dayton. In addition a meeting is set up with Representative Newberger that Foley is holding with the Mayors of Royalton, Rice and Clear Water participating to share the importance of LGA to our communities. The Coalition has been working with a number of communities to educate local officials to work with state elected officials. Communicating the harm caused by recent proposals to dismantling funding for metro cities which essential ignores the formula of LGA splintering long term support for LGA. The Coalition has been working with the Senate to build support for bringing LGA to past levels which is an increase of \$45.5 million. More information can be found at Greater MN Cities page <http://greatermncities.org> and the attached handouts.
- Transportation Alternative Program (TAP): Good news arrived from the School Board discussing the need for pedestrian crossing improvements at Hwy 23. The School Board believes that collaborating with the City on the project is to the best interest of the community and committed to fund up to \$50K as outlined in the application. The outline previously provided to the Council lead to the application being submitted to MNDOT. The City share of the TAP application is 219K of a \$ 648K project which would occur in 2020/21 if a grant from MNDOT is awarded.

Should you have questions, comments and or concerns please contact me. Cell: 715-497-5262

- If you want to see me it is best to call ahead but you are welcome to just stop to see if I am available.
 - My regular office hours are 7:45 to 5, I take about 30 minutes for lunch around 1.
 - Scheduling after 5 is fine as I generally work 2 evening a week.

Key Messages for Legislators

- A \$45.5 million increase in LGA for calendar year 2017 is the CGMC's highest priority for the 2016 session. Legislators should support this as part of a balanced tax bill.
- Efforts to arbitrarily cut Minneapolis, St. Paul, and Duluth undermine LGA and threaten the long-term viability of the program for all cities.
- An increase for greater Minnesota cities should not be held hostage to efforts to limit aid for the first class cities.
- It is unacceptable if there is no LGA increase when the state has a \$1 billion-plus surplus. If LGA can't be increased now, when would it ever be possible?
- Funding for workforce housing, broadband, infrastructure and other priorities are important, but they are not a substitute for raising LGA.
- Its time for legislators who *say* they support LGA to start *showing* it by speaking up to their colleagues who are against an increase and start publicly talking about the importance of LGA.



Top LGA Myths

1. LGA was never intended for first class cities.

FACT: The original 1971 statute refers to Minneapolis and Saint Paul, specifically (Minn Stat. 477A.02, subd. 14 (1971)). In fact, 25% of the original LGA appropriation went to Minneapolis. For 2015, Minneapolis receives 15% of the total LGA appropriation.

2. LGA was originally only for small rural cities.

FACT: The first LGA formula distributed aid on a per person basis to counties who then redistributed it to cities within the county based on their levy size, the larger the levy the more LGA a city received. Aid went to cities across the state regardless of their size or geographical position and clearly based on a formula that was not just for small rural cities.

3. The original intent of LGA was to fund “essential services” that cities couldn’t otherwise pay for.

FACT: At no time since the inception of the program has there been a directive as to how LGA dollars are to be spent by cities. In fact, the first formula gave more aid to cities that levied more which has no relation to just “essential services.”

4. First class cities have extremely high property tax base and do not need LGA.

FACT: When compared to Minnesota’s 852 cities, Minneapolis ranks 113 in per-capita property wealth (\$1,014), St Paul ranks 216 (\$813), and Duluth ranks 261 (\$739). Cities receiving LGA with similar per-capita tax bases include Marshall (\$806), Mounds View (\$811), and Hampton (\$819).

Moreover, in the last ten years, there was not a large change in Minneapolis, Duluth, or Saint Paul’s property tax base (an 18% increase, 12% increase, and a 9% decrease, respectively). The average change in tax base (ANTC) for a Minnesota city from 2005 to 2015 was 18%.

5. Duluth, Minneapolis, and Saint Paul are receiving more LGA funds than in the past.

FACT: These cities’ share of LGA has declined since 1986. From 1986 to the reform of 2013, the share going to these first class cities fell from 39% of the total appropriation to 33% of the appropriation.

Since the formula reform of 2013, the total LGA share going to Minneapolis, Saint Paul, and Duluth *decreased* by 0.6% points (2013 to 2016).

6. The LGA formula is “political.”

FACT: The 2013 LGA formula reform was developed by a working group including legislators and all city groups. The bill containing the LGA formula (HF 1608/ SF 1491) had broad bipartisan support. Authors included Reps. Lien; Davnie, Lenczewski, Simonson, Faust, Mahoney, Davids, Carlson, C. Johnson, Hamilton, Torkelson, Kiel, Nelson, McNamar, Hansen, Marquart, Fabian, Loeffler, Bly, and Bernardy.

The formula is based on objective statistical analysis and is blind to where a city is located or who their legislator is. What would be political – and unprecedented – would be changing the formula based on incorrect ideas about what cities have high property tax wealth, receive the most LGA, and deserve to be cut without reference to objective formula factors.