

**OFFICIAL PROCEEDINGS
CITY OF COLUMBIA HEIGHTS
CITY COUNCIL MEETING
SEPTEMBER 11, 2017**

The following are the minutes for the regular meeting of the City Council held at 7:00 PM on Monday September 11, 2017 in the City Council Chambers, City Hall, 590 40th Ave. N.E., Columbia Heights, Minnesota

1. CALL TO ORDER/ROLL CALL

Mayor Schmitt called the meeting to order at 7:02 p.m.

Present: Mayor Schmitt, Councilmember Williams, Councilmember Buesgens and Councilmember Novitsky

City Manager Walt Fehst reported Councilmember Murzyn, Jr. notified him earlier in the day that he would not be attending the meeting, due to illness.

Also Present: Walt Fehst; City Manager, Jim Hoeft; City Attorney, Kevin Hansen; Public Works Director, Joe Hogeboom; Community Development Director, Renee Dougherty; Library Director, Joe Kloiber; Finance Director, and Katie Bruno; City Clerk/Council Secretary

Mayor Schmitt shared words of remembrance for September 11, 2001. A moment of silence was observed.

2. INVOCATION

Invocation provided by Dan Thompson, Heights Church

3. PLEDGE OF ALLEGIANCE

4. MISSION STATEMENT, Read by Mayor Schmitt.

Our mission is to provide the highest quality public services. Services will be provided in a fair, respectful and professional manner that effectively address changing citizen and community needs in a fiscally-responsible and customer friendly manner.

5. APPROVAL OF AGENDA

Mayor Schmitt announced the addition of item 6F; Citizens for Safer Streets announcement.

Motion by Councilmember Buesgens, seconded by Councilmember Williams to approve the agenda as amended. 4 Ayes, 0 Nays; Motion Carried.

6. PROCLAMATIONS, PRESENTATIONS, RECOGNITION, ANNOUNCEMENTS, GUESTS

A. Update from John Connelly, President; Twin Cities North Chamber of Commerce

John Connelly gave an overview of the Twin City North Chamber's programs, and invited the council to join in the events.

B. National Library Card Sign-up Month announcement from Steve Smith, Library Board member.

Steve Smith, Library Board member spoke of the numerous benefits offered through the library, and encouraged participation.

C. Domestic Violence Awareness Month Proclamation

Councilmember Buesgens read the proclamation. Mayor Schmitt presented the proclamation to Jackie Bridgeman, Community Program Manager, Alexandra House.

D. Constitution Week Proclamation.

Mayor Schmitt read the proclamation in its entirety.

E. American Legion Day Proclamation.

Councilmember Novitsky read the proclamation. Mayor Schmitt presented the proclamation to Ray Eiden, Fallidin American Legion Post 555.

F. Announcement from Citizens Concerned for Safer Streets

Mary Granlund, Sean Broom and Stacy Nekora announced the Citizens for Safer Streets will be meeting September 30th at the Columbia Heights Library to discuss safety improvements for 49th Ave.

7. CONSENT AGENDA

(These items are considered to be routine by the City Council and will be enacted as part of the Consent Agenda by one motion. Items removed from consent agenda approval will be taken up as the next order of business.)

Mayor Schmitt requested item E be removed for discussion.

A. Approve Minutes of the City Council

MOTION: Move to approve the minutes of the City Council meeting of August 28, 2017

MOTION: Move to approve the minutes of the City Council work session of September 5, 2017

B. Accept Board and Commission Meeting Minutes

MOTION: Move to accept the EDA commission minutes from August 7, 2017

MOTION: Move to accept the Library Board minutes from August 2, 2017

MOTION: Move to accept the Planning & Zoning Commission minutes from July 5, 2017

C. Acceptance of a Matching Cost-share Grant for Playground Equipment Replacement at Keyes Park

MOTION: Move to accept the grant for Keyes Park in the amount of \$20,661, appropriating matching funds of \$27,063 from the Park Development Fund 412, and furthermore authorize the Mayor and City Manager to enter into an agreement for the same.

D. Central Avenue Enhancement Grant

MOTION: Move to wave the reading of Resolution No. 2017-92, there being ample copies available to the public.

MOTION: Motion to adopt Resolution 2017-92, approving the MnDOT Transportation and Economic Development Program Application.

E. Community Development 2018 Fee Schedule *Removed for discussion

F. Approve Business License Applications

MOTION: Move to approve the items as listed on the business license agenda for September 11, 2017.

G. Payment of Bills

MOTION: Move that in accordance with Minnesota Statute 412.271, subd. 8, the City Council has received the list of claims paid covering check number 167208 through 167399 in the amount of \$1,253,658.89.

Motion by Councilmember Buesgens, seconded by Councilmember Williams to approve the Consent Agenda items A, B, C, D, F and G. 4 Ayes, 0 Nays; Motion Carried.

The following items were removed for discussion:

E. Community Development 2018 Fee Schedule

Community Development Director Joe Hogeboom explained that the Community Development Department has worked to create a comprehensive fee schedule for all of their services; Planning & Zoning, Economic Development, Building Inspections, and Permits & Licensing.

Mayor Schmitt questioned if the Short Term Rental Unit fee is currently being issued. Director Hogeboom indicated that was added as a place holder, in the event that we do offer that in the future. Schmitt indicated she would prefer that it be removed from the Fee Schedule and made the following motion:

Motion by Mayor Schmitt, seconded by Councilmember Novitsky to remove the proposed fee for "Short Term Rental Unit." 4 Ayes, 0 Nays; Motion Carried.

Motion by Councilmember Buesgens, seconded by Councilmember Novitsky to wave the reading of Resolution No. 2017-91, there being ample copies available to the public. 4 Ayes, 0 Nays; Motion Carried.

Motion by Mayor Schmitt, seconded by Councilmember Buesgens to adopt Resolution 2017-91, approving the 2018 Community Development Fee Schedule as amended. 4 Ayes, 0 Nays; Motion Carried.

8. PUBLIC HEARINGS

9. ITEMS FOR CONSIDERATION

A. Other Ordinances and Resolutions

a. Resolution 2017-84 adopting a Proposed Budget for the year 2018, setting the Proposed City Levy, approving the HRA Levy, approving a Tax Rate Increase, and Establishing a Budget Hearing Date for Property Taxes Payable in 2018

Finance Director Joe Kloiber explained tonight's action is a starting process for the State mandated Truth in Taxation process. Kloiber reminded the council the preliminary levy; which cannot increase, is submitted to Anoka County, notices are sent to property owners with the proposed levy and hearing dates. Kloiber indicated the 2018 City Manager's Budget Message contains pertinent information regarding the proposed levy, and it is available on the city's website, or at City Hall.

Motion by Councilmember Novitsky, seconded by Councilmember Buesgens to waive the reading of Resolution 2017-84, there being ample copies available to the public. 4 Ayes, 0 Nays; Motion Carried.

Mayor Schmitt indicated the council will discuss the proposed budget in greater detail at the October and November work sessions. Schmitt questioned if the proposed 4.9% is consistent with recent years. Kloiber indicated in 2017 it was 3.25%, 2016 it was 2.2% and 2015 it was 3.25%. Kloiber pointed out that there are additional services proposed by the council in 2018, the most significant being the addition of a full time Communication Coordinator. Kloiber also gave a brief explanation of the cyclical fiscal disparities subsidy.

Motion by Councilmember Buesgens, seconded by Councilmember Novitsky to adopt Resolution 2017-84, being a resolution adopting a proposed budget for the year 2018, setting the proposed city levy, approving the HRA levy, approving a tax rate increase, and establishing a budget hearing date for property taxes payable in 2018 of December 11, 2017, at approximately 7:00 p.m. in the city council chambers. 4 Ayes, 0 Nays; Motion Carried.

B. Bid Considerations

C. New Business and Reports

10. CITY COUNCIL AND ADMINISTRATIVE REPORTS

Councilmember Buesgens attended a community water meeting in Anoka, and the Anoka County Local Officials meeting. It was reported that the schools are full in Anoka County, and with future developments bonding may be necessary.

Councilmember Williams attended the Library Board meeting on September 6th. Steve Smith was thanked for his presentation.

Councilmember Novitsky attended the Library Board meeting, and the Planning & Zoning Commission meeting. Novitsky reported Dominion's request for a site plan was tabled.

Mayor Schmitt reported she, along with City Staff met with a Tibetan Group looking for space in the City for a Community Center. She met with Columbia Village residents at Crest View, attended the recent Chamber meeting, and attended the Grand Opening of Adama Restaurant.

City Manager Walt Fehst thanked Steve Smith for the great presentation he gave regarding Library Card Sign-up Month. Fehst announced the Library Foundation will host a Spaghetti Dinner Fundraiser on September 13th at 4:30 PM at Murzyn Hall. The Fire Department Open House scheduled for September 23rd was announced.

11. CITIZENS FORUM

Steve Smith-3813 Lincoln St NE encouraged anyone interested to visit a Toastmaster's event. Meetings are held Mondays at 6:00 PM at Murzyn Hall.

Carol Ternes-4130 Tyler St NE asked the council to speak to the owner of the vacant property next to her. She indicated there is a woman sleeping in a vehicle in the driveway of the property. Councilmember Williams stated it is his property and he is working with the woman to find a better solution.

Jemal Hassen-Property Owner at 1336 43 ½ Ave NE indicated he is requesting an appeal to the Council's decision (August 28, 2017) to revoke the rental license for his property. Mr. Hassen indicated he was not able to attend the Public Hearing at the August 28th meeting, as he was working that evening.

Mr. Hassen reported he addressed all of the 19 items included on a list of required repairs/maintenance received from the inspections department. Hassen indicated he was not aware that he was required to remove the tree stump as it was not listed on the list.

City Attorney Jim Hoeft indicated the Housing Maintenance Code addresses the process for tree removal, giving very specific instructions. City Manager Fehst directed the council to the report form the inspection department outlining numerous violations.

Hoeft indicated the City has followed procedure, treating the individual the same as anyone else with similar violations. Hoeft also noted it is a violation to have anyone living at the property, and staff will address anyone currently living there. Mayor Schmitt stated property owners are responsible to see that the properties are safe and well maintained.

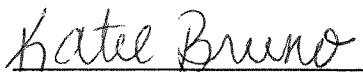
Councilmember Buesgens clarified that the license has been revoked and the process has been explained. She suggested Mr. Hassen clean up the property and follow the process for a new license.

Malcom Watson-1717 49th St NE reported he will be interested in the upcoming detailed budget information meetings, as he serves on the Anoka County Board of Equalization.

12. ADJOURNMENT

Motion by Councilmember Williams seconded by Councilmember Novitsky to adjourn. 4 Ayes, 0 Nays; Motion Carried.

Meeting adjourned at 8:42 p.m.



Respectively Submitted,
Katie Bruno, Council Secretary/City Clerk

RESOLUTION NO. 2017-91

RESOLUTION APPROVING 2018 COMMUNITY DEVELOPMENT FEE SCHEDULE

BE IT RESOLVED BY the City Council (the "Council") for the City of Columbia Heights, Minnesota (the "City") as follows:

WHEREAS, the City's Community Development Division supports the Permitting, Licensing, Land Use Planning, Zoning and Economic Development functions of the City; and

WHEREAS, the certain fees are associated with various action items within the Community Development Division; and

WHEREAS, occasionally, fee pricing is evaluated and adjusted based on comparable area rates as well as staff time used for processing and evaluating requests; and

WHEREAS, the City has not adjusted Community Development fee pricing since 2012; and

WHEREAS, the passage of this Resolution will create one, unified "Community Development Fee Schedule".

NOW, THEREFORE BE IT RESOLVED that the City Council authorizes the passage of Resolution 2017-91, adopting the Community Development Fee Schedule, which will take effect January 1st, 2018.

RESOLUTION NO. 2017-92

TRANSPORTATION AND ECONOMIC DEVELOPMENT PROGRAM APPLICATION

BE IT RESOLVED that the City Council (the "Council") for the City of Columbia Heights act as the legal sponsor for the project contained in the Transportation Economic Development (TED) Program Application to be submitted on September 15th, 2017 and that the Community Development Director and the City Manager are hereby authorized to apply to the Minnesota Department of Transportation for funding of this project on behalf of the City of Columbia Heights, MN.

BE IT FURTHER RESOLVED that the City of Columbia Heights, MN has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure matching funds and adequate construction of the proposed project.

BE IT FURTHER RESOLVED that the City of Columbia Heights, MN has not violated any Federal, State or local laws pertaining to fraud, bribery, graft, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the state, the City of Columbia Heights, MN may enter into an agreement with the State of Minnesota for the above-referenced project, and that it will comply with all applicable laws and regulations as stated in all contract agreements.

BE IT FURTHER RESOLVED that the City of Columbia Heights, MN has committed \$814,551.16 towards the local match requirement.

BE IT FURTHER RESOLVED that the City of Columbia Heights, MN confirms if the project cost increases above the amount listed in the Application, the City of Columbia Heights, MN will provide or secure all additional funds necessary to complete the project.

The City of Columbia Heights, MN certifies that it will comply with all applicable laws, regulations, and rules of the Application.

BE IT FURTHER RESOLVED that the sources and uses, private investors, equity, and other financing commitment represented in the attached document are accurate.

NOW, THEREFORE BE IT RESOLVED that the Community Development Director and the City Manager or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project on behalf of the applicant.

RESOLUTION NO. 2017-84

ADOPTING A PROPOSED BUDGET FOR THE YEAR 2018, SETTING THE PROPOSED CITY LEVY, APPROVING THE HRA LEVY, APPROVING A TAX RATE INCREASE, AND ESTABLISHING A BUDGET HEARING DATE FOR PROPERTY TAXES PAYABLE IN 2018.

Now, in accordance with all ordinances and regulations of the City of Columbia Heights, the City Council of the City of Columbia Heights makes the following

ORDER OF COUNCIL

IT IS HEREBY RESOLVED:

Section A. The budget for the City of Columbia Heights for the year 2018 is hereby approved and adopted with appropriations for each of the funds listed below.

	<u>Revenue</u>	<u>Expense</u>		
Governmental Funds				
General Fund	11,904,000	13,508,438		
Planning & Inspections	469,682	469,682		
Economic Development Authority Adm	448,242	448,242		
Cable Television	227,400	190,331		
Library	952,644	952,644		
After School Programs	22,000	43,562		
Special Project Fund	25,000	25,000		
Public Safety - Other	-	-		
Capital Project Funds	2,932,500	1,720,659		
Debt Service Funds	1,833,520	2,428,120		<i>Debt Principal</i>
Proprietary Funds			<u>Capital Assets</u>	<u>Paid (Adv.)</u>
Water Fund	3,309,564	2,868,462	87,500	(70,000)
Sewer Fund	2,063,310	2,276,539	27,500	(196,712)
Refuse Fund	2,067,228	2,195,880	-	-
Storm Sewer Fund	493,375	606,084	-	(76,288)
Liquor Fund	8,943,200	8,803,000	-	185,000
Central Garage	686,885	723,060	45,500	-
Building Maintenance	205,500	205,448	-	-
Information Systems	337,000	387,575		
Use of Fund Balance	<u>931,676</u>	<u>-</u>	<u>60,000</u>	<u>-</u>
Total Including Interfund Transfers	37,852,726	37,852,726	220,500	(158,000)

Section B. The following sums of money are levied for the current year, collectable in 2018 upon the taxable property in the City of Columbia Heights, for the purposes listed below.

Estimated General Fund Levy	9,481,000
Estimated Library Levy	919,244
Estimated EDA Fund Levy	<u>220,100</u>
Total	10,620,344

Section C. The City Council of the City of Columbia Heights hereby approves the Columbia Heights Housing and Redevelopment Authority Tax Levy for the fiscal year 2018 in the amount of \$224,592.

BE IT FURTHER RESOLVED: That the public budget hearing is scheduled for December 11, 2017 at approximately 7:00 p.m. in the City Council Chambers.

BE IT FURTHER RESOLVED: That the County Auditor is authorized to fix a property tax rate for taxes payable in the year 2018 that is higher than the tax rate calculated for the City of Columbia Heights for levied in 2016 collectable in 2017.

BE IT FURTHER RESOLVED: That the City, pursuant to Resolution 2015-07, will call and redeem on February 1, 2018, all outstanding bond principal and interest payments on General Obligation Bond Series 2008B, and that the County Auditor is authorized to cancel the related Bond Levy in its entirety for taxes payable in 2018 and all subsequent years.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2009A in the amount of \$10,000 and that the County Auditor is authorized to cancel \$10,000 of the related Bond Levy for taxes payable in 2018, leaving a balance of \$227,349 to be levied for taxes payable in 2018 for Series 2009A.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2015A in the amount of \$270,000 and that the County Auditor is authorized to cancel \$270,000 of the related Bond Levy for taxes payable in 2018, leaving a balance of \$214,667 to be levied for taxes payable in 2018 for Series 2015A.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2017A in the amount of \$329,989 and that the County Auditor is authorized to cancel \$329,989 of the related Bond Levy for taxes payable in 2018, leaving a balance of \$0 to be levied for taxes payable in 2018 for Series 2017A.

BE IT FURTHER RESOLVED: That the City has adequate fund balances and reserves to pay bond principal and interest payments on General Obligation Bond Series 2017B in the amount of \$300,000 and that the County Auditor is authorized to cancel \$300,000 of the related Bond Levy for taxes payable in 2018, leaving a balance of \$262,553 to be levied for taxes payable in 2018 for Series 2017B.

BE IT FURTHER RESOLVED: That the Finance Director/Treasurer of the City of Columbia Heights is hereby instructed to transmit a certified copy of this resolution to the County Auditor of Anoka County, Minnesota.