

COON RAPIDS CITY COUNCIL MEETING MINUTES OF DECEMBER 21, 2010

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OPEN MIC/PUBLIC COMMENT

No one appeared.

CALL TO ORDER

The second regular meeting of the Coon Rapids City Council for the month of December was called to order by Mayor Pro Tem Scott Schulte at 7:02 p.m. on Tuesday, December 21, 2010, in the Council Chambers.

ROLL CALL

Members Present: Councilmembers Denise Klint, Melissa Larson, Paul Johnson, Joe Sidoti, Jerry Nelson, and Scott Schulte

Members Absent: Mayor Tim Howe

PLEDGE OF ALLEGIANCE TO THE FLAG

1. ADOPT AGENDA

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MOTION BY COUNCILMEMBER SIDOTI, SECONDED BY COUNCILMEMBER LARSON, TO ADOPT THE AGENDA AS PRESENTED. THE MOTION PASSED UNANIMOUSLY.

2. PROCLAMATION RECOGNIZING EISENHOWER ELEMENTARY SCHOOL FOR THE KOOKIES PENNY DRIVE AND CONSIDER RESOLUTION 10-136 ACCEPTING THE DONATION OF MONIES

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City Manager Fulton presented a memorandum to Council stating Eisenhower Elementary School would like to donate monies collected from their Kookies Penny Drive.

Eisenhower Elementary's child nutrition staff is giving back to the community through a penny drive that lasts all school year. Proceeds from their penny drives are donated monthly to several different agencies and nonprofit organizations. "So many people have helped our school, we were just looking for a way to give back to the community," said Patty Sathre, child nutrition site supervisor. Students place pennies in a large jar in the cafeteria designated for a different organization each month. Ms. Sathre said the children are excited to place their pennies in the jar and often comment that they have been saving their pennies for a long time.

Captain Brad Wise and Officer Ken Young served lunch and visited with students in September, Chief John Piper and Fire Marshal Todd Williams served lunch in October, and Linda Heltemes and Karen Neumann represented Senior Services by serving lunch in November. Proceeds will be

donated to the Crime Prevention Association, Fire Prevention Association for Safety Camp, and to Senior Services for the purchase of new library furniture for the Civic Center. Students will be donating other collections to organizations such as the Christmas Committee, Coon Rapids North Star Lions Club, American Cancer Society, Alexandra House, and Anoka County Brotherhood Council Food Shelf.

Patty Sathre presented Eisenhower Elementary's total donation of \$83.45 and accepted the proclamation.

### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the *Civic Involvement* section of the 2030 Strategic Vision in the following way: Residents, businesses, and the City are all engaged in the community and support various organizations through civic opportunities such as this student penny drive.

Mayor Pro Tem Schulte read through the proclamation with the Council recognizing Eisenhower Elementary School for the Kookies Penny Drive.

MOTION BY COUNCILMEMBER LARSON, SECONDED BY COUNCILMEMBER NELSON, TO ADOPT RESOLUTION 10-136, ACCEPTING THE DONATION OF FUNDS FROM THE EISENHOWER ELEMENTARY SCHOOL PENNY DRIVE TO GO TOWARDS THE CRIME PREVENTION ASSOCIATION, THE FIRE DEPARTMENT'S SAFETY CAMP, AND NEW LIBRARY FURNITURE IN THE SENIOR CENTER. THE MOTION PASSED UNANIMOUSLY.

3. CONSIDER APPROVAL OF MINUTES:
    - A. DECEMBER 7, 2010, COUNCIL MEETING
    - B. DECEMBER 14, 2010, EXECUTIVE SESSION
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MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER KLINT, FOR APPROVAL OF THE MINUTES OF THE DECEMBER 7, 2010, COUNCIL MEETING AND THE DECEMBER 14, 2010, EXECUTIVE SESSION MEETING. THE MOTION PASSED UNANIMOUSLY.

4. CONSENT AGENDA:
  - A. APPROVE 2011 MASSAGE ENTERPRISE LICENSE FOR JUNGJA SALON AND SPA, 1818 COON RAPIDS BOULEVARD.
  - B. APPROVE ON-SALE 3.2% MALT LIQUOR WITH STRONG BEER IN CONJUNCTION WITH AN ON-SALE WINE LICENSE FOR YES AND FOOD, 3373 COON RAPIDS BOULEVARD

- C. CONSIDER RESOLUTION 10-139 ACCEPTING THE DONATION OF A POLICE CANINE TO THE COON RAPIDS POLICE DEPARTMENT FROM OFFICER MARK MCDONOUGH
  - D. AUTHORIZE FINAL PAYMENT, PROJECT 09-38, SHENANDOAH BOULEVARD
  - E. AUTHORIZE FINAL PAYMENT, PROJECT 10-9, CONCRETE REPAIRS
  - F. AUTHORIZE FINAL PAYMENT, PROJECT 10-10, EMERGENCY CONCRETE REPAIRS
  - G. AUTHORIZE FINAL PAYMENT, PROJECT 10-12, ICE ARENA DEMOLITION
  - H. CONSIDER RESOLUTION 10-131 ACCEPTING DONATIONS FOR THE FIRE PREVENTION BUREAU
  - I. ACCEPT EASEMENT FROM ESTES EXPRESS LINES, 11220 XEON STREET NW, PROJECT 97-18
  - J. ACCEPT COON RAPIDS MORTGAGE ASSISTANCE FOUNDATION 2010 ANNUAL REPORT
  - K. APPROVE 2011 WORKER'S COMPENSATION INSURANCE WITH LEAGUE OF MINNESOTA CITIES INSURANCE TRUST
  - L. AUTHORIZE DONATION OF FURNITURE TO COON RAPIDS YOUTH FIRST
  - M. APPROVE ENGINEERING CONTRACT WITH SEH, INC. FOR WATERMAIN LINING ON XEON STREET NW SOUTH OF 121<sup>ST</sup> AVENUE NW, PROJECT 11-6
  - N. APPROVE AGREEMENT WITH FINANCIAL CRIME SERVICES FOR WORTHLESS CHECK DIVERSION PROGRAM
  - O. CONSIDER AWARD OF QUOTES FOR GOLF SIMULATORS AND POS SYSTEM, BUNKER HILLS CLUBHOUSE, PROJECT 08-20
  - P. INFORMATIONAL ITEM:
    - 1. NOTIFICATION OF OFFICER CHANGE AND CORPORATE NAME CHANGE AT BOSTON'S GOURMET PIZZA, 12749 RIVERDALE BLVD NW
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Mayor Pro Tem Schulte explained a police dog was donated to the City by Officer Mark McDonough. The donation of this dog was a great cost savings to the City.

Coon Rapids Mortgage Assistance Foundation Chair Donna Naeve reported on the actions of the Foundation over the past year, adding this organization began in 1979. She indicated loans have been slow over the past two years given the current economy. However, repair work was continuing throughout the City to improve the housing stock.

MOTION BY COUNCILMEMBER SIDOTI, SECONDED BY COUNCILMEMBER KLINT, FOR APPROVAL OF THE CONSENT AGENDA AS PRESENTED. THE MOTION PASSED UNANIMOUSLY.

- 5. 2011 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM:

- A. PUBLIC HEARING, 7:00 P.M.
  - B. AUTHORIZE APPLICATION FOR FUNDS FOR PROGRAM YEAR 2011 FOR HOUSING REHABILITATION PROGRAM
  - C. AUTHORIZE EXECUTION OF AGREEMENT
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Housing and Zoning Coordinator Bennett presented a memorandum to Council stating staff requests the City Council authorize the Community Development Block Grant application for 2011 encompassing an 18-month program running from July 1, 2011, through December 31, 2012. Council is requested to conduct a public hearing on the proposed use of the funds for a Housing Rehabilitation Program and Council approval of the application is requested. The application must be placed on file with the Anoka County Community Development Department by January 13, 2011.

The City receives funds from the federal Community Development Block Grant (CDBG) program through a Joint Cooperation Agreement with the Anoka County Housing and Redevelopment Authority. The Agreement, in effect since program year 2002, provides for pass-through funding from the County to the City removing the City from the County's competitive application process for CDBG funds. The City receives an allocation in accordance with the funding guidelines established by the U.S. Department of Housing and Urban Development (HUD). The Anoka County Community Development Department requests the City complete the application process to provide program description and project documentation for HUD purposes.

Staff recommends the CDBG allocation continue to be designated for a Housing Rehabilitation Program reflecting previous Council direction to use block grant funds to assist our housing program efforts. Housing rehabilitation activities assisting low- and moderate-income persons is a housing goal of the Anoka County Consolidated Plan, a required component of the federal block grant program.

The amount of the CDBG award will be made according to HUD's allocation guidelines, however, because funding levels have not yet been established for program year 2011, Anoka County is using last year's funding levels for planning purposes. Funding in 2010 provided \$228,094 for housing rehabilitation projects. This represented 70 percent of our allocation; the remaining 30 percent is set aside for County program administration costs (15 percent) and County-administered public service program funding (15 percent) as provided for in a Memorandum of Understanding that is part of the Joint Cooperation Agreement.

The City's Housing Rehabilitation Loan Program provides deferred, zero-interest loans to low- and moderate-income residents to assist them in maintaining minimum housing standards in single- and two-family dwellings. Staff proposes to revise the Rehabilitation Loan Program guidelines at this time to permit interior rehabilitation work on owner-occupied dwelling units within common interest communities (including townhouses, quads, condominiums, et al.) and exterior rehabilitation in said properties when the homeowner, and not the association, is responsible for the work. Staff also proposes to remove a one year tenancy requirement of the program when used for the rehabilitation of foreclosed properties. This will allow persons with low- or moderate-incomes who have

purchased a foreclosed property to begin the rehabilitation process of the property immediately upon purchase.

The proposed project funding would provide assistance for an estimated eight to twelve homeowners. The maximum loan amount is \$20,000 however, additional funds of not more than \$5,000 per project may be provided to homeowners for lead paint abatement projects. The funds used for lead paint abatement are granted to the homeowner and are not included in loan amount.

The application process requires the City Council hold a public hearing to take comments on the proposal. Council is also requested to authorize the application for Community Development Block Grant funds for program year 2011 and to authorize the Mayor and City Manager to execute all necessary documents with Anoka County to implement the 2011 CDBG program.

Mayor Pro Tem Schulte opened and closed the public hearing at 7:15 p.m. since no one appeared to address the Council.

**MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER SIDOTI, TO AUTHORIZE THE APPLICATION FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR PROGRAM YEAR 2011 FOR A HOUSING REHABILITATION PROGRAM; AND AUTHORIZE THE MAYOR AND CITY MANAGER TO EXECUTE A CDBG AGREEMENT, TOGETHER WITH ANY OTHER NECESSARY DOCUMENTS, WITH ANOKA COUNTY REGARDING THE IMPLEMENTATION OF THE 2011 CDBG PROGRAM. THE MOTION PASSED UNANIMOUSLY.**

6. **CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP TO PROVIDE CHANGES IN THE ZONING CLASSIFICATION, INDUSTRIAL AND COMMUNITY COMMERCIAL TO INDUSTRIAL AND OFFICE, SPRINGBROOK DRIVE AND 87<sup>TH</sup> AVENUE NW, PC 10-30**
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Planner Harlicker presented a memorandum to Council stating the City is requesting approval of a zone change from Industrial and Community Commercial to Industrial and Office. The subject property is located between Springbrook Drive and Evergreen Boulevard at 87<sup>th</sup> Avenue NW.

In 2009 the City Council adopted its 2030 Comprehensive Land Use Plan, which guides future land use policies and decisions. The properties proposed for rezoning total 45.9 acres. Most of the site is undeveloped. A 1.2 acre lot is a chiropractic office/fitness center, .39 is a roadway and about 14 acres is use for stormwater ponding. On the previous plan the property had a land use designation of Industrial and Community Commercial; the current plan changed the land use designation to Industrial and Office. The Office designation provides for the location of office and other commercial uses. The Industrial designation is primarily a manufacturing, warehousing and similar industrial uses district.

State statute requires that the zoning of a parcel be consistent with its land use designation. To bring the zoning map into compliance with the new land use map, several areas of the city need to be

rezoned. This request is one of the rezonings that are needed so that the zoning map is consistent with the land use map.

The current zoning of Industrial and Community Commercial is consistent with the previous Industrial and Community Commercial land use designation. To make the zoning consistent with the current Industrial and Office land use designation, the zoning of the subject parcels should be changed to Industrial and Office.

The existing chiropractic office and fitness facility are allowed in both the Office and Community Commercial Districts. The Office and Community Commercial Districts are similar in what uses are allowed in each. However, there are differences whether a use is permitted or a conditional use. Retail stores, for example, are a permitted use in the Community Commercial District and a conditional use in the Office District. Attached is a table that compares the uses allowed in the Office and Community Commercial Districts.

In September, the City Council and Planning Commission held a joint workshop. One of the issues discussed at that workshop was the rezoning of this area. Following the workshop, the direction of the Council and Commission was to move forward with the proposed rezoning to Office and Industrial.

On December 7, 2010, the Council introduced the ordinance for the proposed zone change.

#### Planning Commission Meeting

At the Planning Commission meeting held on November 18, Jerry Teeson, representing Shamrock Development, spoke at the public hearing. They believe that, given the surrounding land uses, the current lack of demand for office space and proximity to Highway 47, the appropriate zoning for the area adjacent to Springbrook Drive is General Commercial. They are not opposed to the Industrial zoning along Evergreen Boulevard.

During the drafting of the Comprehensive Plan, the goal of job creation and retention was recognized as a top priority. To help meet this goal areas of the city were identified for long term industrial and office development. This area was identified because of the proximity to existing industrial and office development, proximity to Highway 47 and from there Highways 610 and 10, and because it is one of the last larger undeveloped tracts of land in the City.

The Commission voted 7:0 to recommend approval of the zone change.

#### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the City's long term strategic vision in that the proposed rezoning will promote a sustainable growing economic base.

Mayor Pro Tem Schulte indicated he would like this site to remain Community Commercial as there was an overabundance of Office within the City.

Councilmember Sidoti agreed, stating he was not in favor of the rezoning.

Councilmember Johnson did not see the need to rezone the site at this time.

Councilmember Klint questioned if Office would be more beneficial along Evergreen Boulevard.

Mayor Pro Tem Schulte indicated the property along Evergreen Boulevard would be better suited as Industrial. He explained the City would have to amend the Comprehensive Plan if the rezoning was denied. City Manager Fulton reviewed the allowable uses under Office.

MOTION BY MAYOR PRO TEM SCHULTE, SECONDED BY COUNCILMEMBER SIDOTI, TO DENY ADOPTION OF AN ORDINANCE APPROVING THE PROPOSED ZONE CHANGE FROM INDUSTRIAL AND COMMUNITY COMMERCIAL TO INDUSTRIAL AND OFFICE; AND DIRECT STAFF TO PREPARE THE NECESSARY DOCUMENTS TO AMEND THE COMPREHENSIVE PLAN REGARDING THIS SITE. THE MOTION PASSED UNANIMOUSLY.

7. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP TO PROVIDE CHANGES IN THE ZONING CLASSIFICATION, GENERAL COMMERCIAL TO HIGH DENSITY RESIDENTIAL, 3531 COON RAPIDS BOULEVARD, PC 10-32
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City Planner Harlicker presented a memorandum to Council stating the City is requesting approval of a zone change from General Commercial to High Density Residential.

In 2009 the City Council adopted its 2030 Comprehensive Land Use Plan, which guides future land use policies and decisions. The property proposed for rezoning consists of two lots and totals 1.6 acres. Pederson Floral and Greenhouse is located on the site. On the previous plan the property had a land use designation of General Commercial; the current plan changed the land use designation to High Density Residential. The General Commercial designation provides for the location of highway oriented commercial uses. The High Density Residential designation is primarily residential with multi-family at a density of seven to thirty units per acre.

State statute requires that the zoning of a parcel be consistent with its land use designation. To bring the zoning map into compliance with the new land use map, several areas of the city need to be rezoned. This request is one of the rezonings that are needed so that the zoning map is consistent with the land use map.

The current zoning of General Commercial is consistent with the previous General Commercial land use designation. To make the zoning consistent with the current High Density Residential land use designation, the zoning of the subject parcels should be changed to High Density Residential.

The proposed rezoning **would make** the existing business non-conforming.

On December 7, 2010, the Council introduced the ordinance for the proposed zone change.

#### Planning Commission Meeting

At the Planning Commission meeting held on November 18 one resident spoke at the public hearing. The Commission explained what type of density is allowed in the High Density Residential District. The owner of the subject property submitted a letter in which he explained that he was opposed to the proposed rezoning to high density residential. He believes that commercial zoning is appropriate because of the proximity to U-Haul. He also had some interest from developers about constructing an office building. The Commission also discussed access and how the limited access from Coon Rapids Boulevard is better suited for high density residential development than office development. The Commission voted 7:0 to recommend approval of the zone change.

#### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the City's long term strategic vision in that the proposed rezoning supports the 2030 Comprehensive Plan.

Councilmember Sidoti opposed the rezoning of this site. He stated he did not feel high density housing suited the parcel as it would be fully surrounded by Commercial.

Councilmember Nelson agreed explaining the rezoning did not suit the surrounding business uses.

Councilmember Johnson also agreed.

Mayor Pro Tem Schulte noted high density housing would directly affect the school district and a dense development would affect surrounding property values. He indicated he would not support the rezoning.

**MOTION BY COUNCILMEMBER LARSON, SECONDED BY COUNCILMEMBER KLINT, TO DENY ADOPTION OF AN ORDINANCE APPROVING THE PROPOSED ZONE CHANGE FROM GENERAL COMMERCIAL TO HIGH DENSITY RESIDENTIAL AND DIRECT STAFF TO PREPARE THE NECESSARY DOCUMENTS TO AMEND THE COMPREHENSIVE PLAN REGARDING THIS SITE. THE MOTION PASSED UNANIMOUSLY.**

8. **CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP TO PROVIDE CHANGES IN THE ZONING CLASSIFICATION, LOW DENSITY RESIDENTIAL TO MODERATE DENSITY RESIDENTIAL, 9095, 9085, 9065 AND 9055 EAST RIVER ROAD, PC 10-34**
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Planner Harlicker presented a memorandum to Council stating the City is requesting approval of a zone change from Low Density Residential to Moderate Density Residential.

In 2009 the City Council adopted its 2030 Comprehensive Land Use Plan, which guides future land use policies and decisions. The property proposed for rezoning consists of six lots and totals 1.7 acres. There are three single family homes the site. On the previous plan the property had a land use designation of Low Density Residential; the current plan changed the land use designation to Moderate Density Residential. The Low Density Residential designation is primarily residential with single family homes. The Moderate Density Residential designation is primarily residential with attached housing at a density of four to seven units per acre.

State statute requires that the zoning of a parcel be consistent with its land use designation. To bring the zoning map into compliance with the new land use map, several areas of the city need to be rezoned. This request is one of the rezonings that are needed so that the zoning map is consistent with the land use map.

The current zoning of Low Density Residential is consistent with the previous Low Density Residential land use designation. To make the zoning consistent with the current Moderate Density Residential land use designation, the zoning of the subject parcels should be changed to Moderate Density Residential.

The proposed rezoning **would make** the existing single family homes non-conforming.

On December 7, 2010, the Council introduced the ordinance for the proposed zone change. The question came up regarding the address for 9055. The placement of the address is an issue within the GIS system that needs to be addressed. The address applies to the northern most property within the area under consideration for rezoning, not the property on which it is shown.

#### Planning Commission Meeting

At the Planning Commission meeting held on November 18, no one spoke at the public hearing. The Commission discussed the fact that the existing single family homes would become non-conforming uses. They explained to one of the property owners what “non-conforming” means and that their home could be maintained, repaired or replaced but could not be expanded. They could also sell their home to someone and the buyers could continue using it as a single family home. The Commission voted 6:1 to recommend approval of the zone change.

#### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the City’s long term strategic vision in that the proposed rezoning supports the 2030 Comprehensive Plan.

Councilmember Klint stated she opposed the zone change as neighboring properties were single family residential. She recommended the site remain as is.

Councilmember Sidoti agreed, stating he would stand in opposition of this rezoning.

Mayor Pro Tem Schulte indicated East River Road was already a busy roadway and did not feel this site would suit a multi-unit dwelling.

Councilmember Johnson agreed, expressing concern with additional traffic that would be generated by a moderate density residential dwelling on this site.

MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER SIDOTI, TO DENY ADOPTION OF AN ORDINANCE APPROVING THE PROPOSED ZONE CHANGE FROM LOW DENSITY RESIDENTIAL TO MODERATE DENSITY RESIDENTIAL AND DIRECT STAFF TO PREPARE THE NECESSARY DOCUMENTS TO AMEND THE COMPREHENSIVE PLAN REGARDING THIS SITE. THE MOTION PASSED UNANIMOUSLY.

9. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP TO PROVIDE CHANGES IN THE ZONING CLASSIFICATION, GENERAL COMMERCIAL TO COMMUNITY COMMERCIAL, 8780 UNIVERSITY AVENUE, PC 10-35
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Planner Harlicker presented a memorandum to Council stating the City is requesting approval of a zone change from General Commercial to Community Commercial

In 2009 the City Council adopted its 2030 Comprehensive Land Use Plan, which guides future land use policies and decisions. The property proposed for rezoning consists of two lots and totals 1.6 acres. Two fast food restaurants are located on the site. On the previous plan the property had a land use designation of General Commercial; the current plan changed the land use designation to Community Commercial. The General Commercial designation provides for the location of highway oriented commercial uses. The Community Commercial designation is for moderately intense shopping centers.

State statute requires that the zoning of a parcel be consistent with its land use designation. To bring the zoning map into compliance with the new land use map, several areas of the city need to be rezoned. This request is one of the rezonings that are needed so that the zoning map is consistent with the land use map.

The current zoning of General Commercial is consistent with the previous General Commercial land use designation. To make the zoning consistent with the current Community Commercial land use designation, the zoning of the subject parcels should be changed to Community Commercial.

The proposed rezoning would **not** make the existing business non-conforming.

On December 7, 2010, the Council introduced the ordinance for the proposed zone change.

At the Planning Commission meeting held on November 18 no one spoke at the public hearing. The Commission voted 7:0 to recommend approval of the zone change.

### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the City's long term strategic vision in that the proposed rezoning supports the 2030 Comprehensive Plan.

MOTION BY COUNCILMEMBER SIDOTI, SECONDED BY COUNCILMEMBER JOHNSON, TO ADOPT AN ORDINANCE APPROVING THE PROPOSED ZONE CHANGE FOR THE PROPERTY LOCATED AT 8780 UNIVERSITY AVENUE FROM GENERAL COMMERCIAL TO COMMUNITY COMMERCIAL BASED ON THE FOLLOWING FINDINGS:

1. THE PROPOSED REZONING TO COMMUNITY COMMERCIAL IS CONSISTENT WITH THE LAND USE DESIGNATION OF COMMUNITY COMMERCIAL.
2. THE PROPOSED REZONING IS COMPATIBLE WITH THE ADJACENT LAND USE DESIGNATIONS AND LAND USES.
3. THE PROPOSED REZONING TO COMMUNITY COMMERCIAL WOULD NOT HAVE AN ADVERSE IMPACT ON THE ADJACENT PROPERTIES.

THE MOTION PASSED UNANIMOUSLY.

10. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP TO PROVIDE CHANGES IN THE ZONING CLASSIFICATION, INDUSTRIAL TO OFFICE, 1760 AND 1740 116<sup>TH</sup> AVENUE NW, PC 10-36
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Planner Harlicker presented a memorandum to Council stating the City is requesting approval of a zone change from Industrial to Office.

In 2009 the City Council adopted its 2030 Comprehensive Land Use Plan, which guides future land use policies and decisions. The property proposed for rezoning consists of two lots and totals 2.1 acres. Two office buildings are located on the site. On the previous plan the property had a land use designation of Industrial; the current plan changed the land use designation to Office. The Industrial designation provides for light manufacturing, warehouses and services. The Office designation is administrative, professional, medical or clerical services, and limited commercial.

State statute requires that the zoning of a parcel be consistent with its land use designation. To bring the zoning map into compliance with the new land use map, several areas of the city need to be rezoned. This request is one of the rezonings that are needed so that the zoning map is consistent with the land use map.

The current zoning of Industrial is consistent with the previous Industrial land use designation. To make the zoning consistent with the current Office land use designation, the zoning of the subject parcels should be changed to Office.

The proposed rezoning would **not** make the existing business non-conforming.

On December 7, 2010, the Council introduced the ordinance for the proposed zone change.

#### Planning Commission Meeting

At the Planning Commission meeting held on November 18 no one spoke at the public hearing. The Commission voted 7:0 to recommend approval of the zone change.

#### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the City's long term strategic vision in that the proposed rezoning supports the 2030 Comprehensive Plan.

MOTION BY COUNCILMEMBER LARSON, SECONDED BY COUNCILMEMBER NELSON, TO ADOPT AN ORDINANCE APPROVING THE PROPOSED ZONE CHANGE FOR THE PROPERTIES LOCATED AT 1760 AND 1740 116<sup>TH</sup> AVENUE NW FROM INDUSTRIAL TO OFFICE BASED ON THE FOLLOWING FINDINGS.

1. THE PROPOSED REZONING TO OFFICE IS CONSISTENT WITH THE LAND USE DESIGNATION OF OFFICE.
2. THE PROPOSED REZONING IS COMPATIBLE WITH THE ADJACENT LAND USE DESIGNATIONS AND LAND USES.
3. THE PROPOSED REZONING TO OFFICE WOULD NOT HAVE AN ADVERSE IMPACT ON THE ADJACENT PROPERTIES.

THE MOTION PASSED UNANIMOUSLY.

11. CONSIDER ADOPTION OF AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP TO PROVIDE CHANGES IN THE ZONING CLASSIFICATION, GENERAL COMMERCIAL TO CONSERVANCY, 2501 MAIN STREET, PC 10-38
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Planner Harlicker presented a memorandum to Council stating the City is requesting approval of a zone change from General Commercial to Conservancy.

In 2009 the City Council adopted its 2030 Comprehensive Land Use Plan, which guides future land use policies and decisions. The property proposed for rezoning consists of one lot and totals 10.3 acres. A stormwater pond is located on the site. On the previous plan the property had a land use designation of General Commercial; the current plan changed the land use designation to Park,

Recreation and Preserve, and Utility. The General Commercial designation provides for the location of highway oriented commercial. The Park, Recreation and Preserve designation is primarily public recreation activities. The Utility designation is public or private land occupied by power plant or substation or municipal water facility.

State statute requires that the zoning of a parcel be consistent with its land use designation. To bring the zoning map into compliance with the new land use map, several areas of the city need to be rezoned. This request is one of the rezonings that are needed so that the zoning map is consistent with the land use map.

The current zoning of General Commercial is consistent with the previous General Commercial land use designation. To make the zoning consistent with the current Park, Recreation and Preserve, and Utility land use designation, the zoning of the subject parcels should be changed to Conservancy

The proposed rezoning would **not** make the existing use non-conforming.

On December 7, 2010, the Council introduced the ordinance for the proposed zone change.

#### Planning Commission Meeting

At the Planning Commission meeting held on November 18 no one spoke at the public hearing. The Commission voted 7:0 to recommend approval of the zone change.

#### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the City's long term strategic vision in that the proposed rezoning supports the 2030 Comprehensive Plan.

MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER SIDOTI, TO ADOPT AN ORDINANCE APPROVING THE PROPOSED ZONE CHANGE FOR THE PROPERTY AT 2501 MAIN STREET FROM GENERAL COMMERCIAL TO CONSERVANCY BASED ON THE FOLLOWING FINDINGS:

1. THE PROPOSED REZONING TO CONSERVANCY IS CONSISTENT WITH THE LAND USE DESIGNATION OF PARK, RECREATION AND PRESERVE, AND UTILITY.
2. THE PROPOSED REZONING IS COMPATIBLE WITH THE ADJACENT LAND USE DESIGNATIONS AND LAND USES.
3. THE PROPOSED REZONING TO CONSERVANCY WOULD NOT HAVE AN ADVERSE IMPACT ON THE ADJACENT PROPERTIES.

THE MOTION PASSED UNANIMOUSLY.

12. A. CONSIDER RESOLUTION 10-130 AMENDING THE COMPREHENSIVE LAND USE PLAN, OFFICE TO INDUSTRIAL, COON RAPIDS BOULEVARD EXTENSION AND VALE STREET NW, PC 10-39

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Planner Harlicker presented a memorandum to Council stating the City is requesting approval of a Land Use Plan amendment to change the land use designation from Office to Industrial.

In 2009 the City Council adopted its 2030 Comprehensive Land Use Plan, which guides future land use policies and decisions. On the previous plan these properties had a land use designation of Industrial; the current plan changed the land use designation to Office. The current zoning of the properties is Industrial. The subject properties total 11 acres. There is a storage business on three of the lots that includes both indoor and outdoor storage. The remainder of the properties are undeveloped. The Industrial designation is primarily a manufacturing, warehousing and similar industrial uses district. The Office designation provides for the location of office and other commercial uses.

In September, the City Council and Planning Commission held a joint workshop. One of the issues discussed at that workshop was the rezoning of this area, bounded by Coon Rapids Boulevard, Coon Rapids Boulevard Extension and the BNSF railroad tracks. This area is currently zoned Industrial with a land use designation of Office. The City had initiated a rezoning request to change the zoning from Industrial to Office so that it is consistent with the land use designation of Office. Following the workshop, the direction of the Council and Commission was to retain the current Industrial zoning, initiate a comprehensive plan amendment to change the land use designation from Office to Industrial. The land use designation of Industrial is consistent with the current zoning of Industrial.

#### *Adjacent Land Uses*

The subject parcels are bounded by Coon Rapids Boulevard on the west and south, Coon Rapids Boulevard Extension on the north and BNSF Railroad tracks on the east. The area is very visible from Coon Rapids Boulevard as it goes over the railroad tracks where it is about 35 feet lower than the Boulevard. Near the north end of the site the grade changes so that the elevation of the site is about 20 feet higher than the Boulevard. On the east side of the railroad tracks are apartment buildings and a Center Point Energy natural gas facility; on the north side of Coon Rapids Boulevard Extension is City parkland and a Met Council sewer lift station; on the west side of Coon Rapids Boulevard are single family homes and several older apartment buildings. Because the properties are bounded by major arterials and railroad tracks, the proposed land use designation of Industrial would not have an adverse impact on adjacent land uses.

#### Planning Commission Meeting

At the Planning Commission meeting held on November 18, Charlie Pfeffer, representing Scherer Limited Partnership, said that his client was in favor of the proposed changes.

The Commission voted 7:0 to recommend approval of the land use amendment.

#### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the City's long term strategic vision in that the proposed rezoning will promote a sustainable growing economic base.

MOTION BY COUNCILMEMBER SIDOTI, SECONDED BY COUNCILMEMBER LARSON, TO ADOPT RESOLUTION 10-130, AMENDING THE COMPREHENSIVE LAND USE PLAN FROM OFFICE TO INDUSTRIAL, COON RAPIDS BOULEVARD EXTENSION AND VALE STREET NW BASED ON THE FOLLOWING FINDINGS:

1. THE PROPOSED LAND USE AMENDMENT IS COMPATIBLE WITH THE ADJACENT LAND USE DESIGNATIONS AND LAND USES.
2. THE PROPOSED LAND USE AMENDMENT WOULD NOT HAVE AN ADVERSE IMPACT ON THE ADJACENT PROPERTY.

THE MOTION PASSED UNANIMOUSLY.

- B. CONSIDER ADOPTION OF AN ORDINANCE AMENDING CITY CODE; REVISING THE RIVER RAPIDS OVERLAY DISTRICT PERMITTED USES AND ACCESSORY USES AND ADDING DEVELOPMENT GUIDELINES FOR LOADING SPACES, OVERHEAD DOORS, AND SERVICE AREAS WITHIN THE INDUSTRIAL ZONING DISTRICT, PC 10-40
- 

Planner Harlicker presented a memorandum to Council stating the City is proposing an ordinance amendment to amend the Section 11-2700 to specify what industrial uses are allowed in the River Rapids Overlay District when the underlying zoning is Industrial and to prohibit loading areas from facing Coon Rapids Boulevard.

#### Background

In September, the City Council and Planning Commission held a joint workshop. One of the issues discussed at that workshop was the rezoning of the area bounded by Coon Rapids Boulevard, Coon Rapids Boulevard Extension and the BNSF railroad tracks. This area is currently zoned Industrial with a land use designation of Office. The City had initiated a rezoning request to change the zoning from Industrial to Office so that it is consistent with the land use designation of Office. Following the workshop, the direction of the Council and Commission was to retain the current Industrial zoning, initiate a comprehensive plan amendment to change the land use designation from Office to Industrial and propose an ordinance amendment to allow certain industrial uses in the River Rapids Overlay District (RRO).

#### Proposed Ordinance Amendment

At this time the area bounded by Coon Rapids Boulevard, Coon Rapids Boulevard Extension and the BNSF railroad tracks is the only area in the RRO that is zoned Industrial. The Council and

Commission expressed concern about allowing all industrial uses in the RRO. The permitted, accessory and conditional industrial uses were reviewed to determine which would be appropriate for the Boulevard. The high visibility of this area and the Boulevard in general, and the impact of project generated traffic were among the issues considered while reviewing the industrial uses. The design standards that are required for any development in the RRO will impact what type of industrial uses might locate along the Boulevard and address the visual and aesthetic impacts of industrial buildings.

Attached is a list of industrial uses that would be allowed in the RRO. No changes are being proposed for Section 11-1600.

*Permitted Uses*

The proposed ordinance would allow all the permitted industrial uses except for agricultural uses, wholesale business, warehouses or freight terminals and self storage facilities. Self storage facilities are currently allowed in the RRO with specific conditions per current Section 11-2708(4)(b) [to be renumbered as 11-2708(5)(b)].

*Accessory Uses*

All accessory uses are allowed.

*Conditional Uses*

Because of the potential off site impacts such as noise, aesthetics, odor and traffic none of the conditional uses listed in the Industrial District are allowed.

*Changes to Design Standards*

To limit the negative aesthetic impacts of loading areas and loading doors, Section 11-2711 Development Guidelines, will be amended to include language that prohibits them from facing Coon Rapids Boulevard. The design standards were based on those in the Northstar Business Park Overlay District.

On December 7, 2010, the Council introduced the ordinance for the proposed ordinance amendment.

Planning Commission Meeting

At the Planning Commission meeting held on November 18, one person spoke at the public hearing. Charlie Pfeffer asked if warehousing as an accessory use to a manufacturing or assembly business would be permitted. Warehousing as an accessory use would be permitted but would not be permitted as a principle use. The Commission also discussed how the proposed changes would impact DOT Storage. Any expansion of the storage business would require a site plan and conditional permit under the current code and would still be required under the proposed changes. The Commission voted 7:0 to recommend approval of the ordinance amendment.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the **Community Development and Redevelopment** section of the City's long term strategic vision in that the proposed rezoning will promote a sustainable growing economic base.

MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER LARSON, TO ADOPT AN ORDINANCE APPROVING THE PROPOSED ORDINANCE AMENDMENT TO AMEND SECTION 11-2700 TO SPECIFY WHAT INDUSTRIAL USES ARE ALLOWED IN THE RIVER RAPIDS OVERLAY DISTRICT WHEN THE UNDERLYING ZONING IS INDUSTRIAL AND TO REQUIRE THAT LOADING AREAS AND DOOR FACE AWAY FROM COON RAPIDS BOULEVARD AND MEET CERTAIN DESIGN GUIDELINES. THE MOTION PASSED UNANIMOUSLY.

13. **AUTHORIZE CITY TO ENTER INTO AGREEMENT WITH JON SMOLUCH, 9741 FOLEY BOULEVARD**

---

Chief Building Official Whitney presented a memorandum requesting Council consider approval of an agreement with John Smoloch regarding the renovation of a dwelling he owns at 9741 Foley Boulevard.

Mr. Smoloch is the current owner of the property at 9741 Foley Boulevard, which he recently purchased from Mr. James Pasak in September of this year. The property has been the focus of various maintenance and building code enforcement actions over the past year and a half. Several fires have also occurred at the property. (Please see the Finding of Fact in Exhibit D for a chronology of contacts at the property.)

On August 10, 2010, the dwelling was posted as unfit for human habitation and ordered removed (Exhibit A). The order was appealed on August 20, 2010 and resulted in the drafting of an agreement by the City Attorney's office with the current owner, Mr. Smoloch to complete the restoration of the dwelling. In late November, Mr. Smoloch submitted a signed agreement which significantly modified numerous provisions of the agreement (Exhibit B) and with which staff does not concur.

Council is asked to approve a slightly revised agreement (Exhibit C) and authorize the City Manager to execute it. Findings of Fact are attached (Exhibit D) The agreement details performance requirements that need to be achieved in restoring the dwelling and consequences for failing to meet those requirements.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the Housing & Neighborhoods section of the City's long term strategic vision of providing safe, stable and well maintained neighborhoods and housing opportunities by addressing structural and maintenance conditions which fail to meet state laws and local codes.

Mayor Pro Tem Schulte noted the date on this agreement should read 2010 and not 2012.

Jon Smoluch, 9741 Foley Boulevard, thanked City staff for working with him to get the proper permits and power in place. He indicated the timeline within the agreement may need to be altered as the roofing would not be completed in 90 days. He requested this be amended to 180 days.

Councilmember Sidoti questioned how long it would be before power was restored at this home. Building Official Whitney stated an electrical permit and inspection would need to be completed before power would be available at this home.

Mayor Pro Tem Schulte questioned if staff was in favor of allowing the roof to be completed in spring. Staff was in favor of amending the agreement to allow Mr. Smoluch to complete the roof per Chief Building Official recommendations.

**MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER SIDOTI, TO APPROVE THE AGREEMENT WITH JON SMOLUCH, 9741 FOLEY BOULEVARD AND AUTHORIZE THE CITY MANAGER TO EXECUTE AND AMEND AGREEMENT TO ALLOW MR. SMOLUCH TO COMPLETE THE ROOF PER CHIEF BUILDING OFFICIAL'S RECOMMENDATIONS. THE MOTION PASSED UNANIMOUSLY.**

**14. CONSIDER RESOLUTION 10-138 REQUESTING REPEAL OF STATE STATUTE FOR MISSISSIPPI RIVER CRITICAL CORRIDOR AREA (MRCCA) RULEMAKING**

---

Community Development Director Nevinski presented a memorandum to Council requesting the Council consider a resolution requesting the Legislature repeal the statute directing the DNR to establish rules for the Mississippi River Critical Corridor Area (MRCCA).

In October Council adopted a resolution requesting the DNR take a balanced approach in establishing rules for the MRCCA. Several communities and Anoka County have recently adopted a resolution requesting the Legislature repeal the statute directing the DNR to establish rules for the MRCCA. Council recently indicated it may wish to do the same.

**ALIGNMENT WITH STRATEGIC VISION**

This item relates to the Community Development and Redevelopment section of the City's strategic vision by advocating concerns regarding regional policies that may negatively impact land use standards.

Councilmember Sidoti indicated this item would request local representatives to repeal current legislation.

Mayor Pro Tem Schulte said he felt this was a great idea as he did not want to see the City become restricted in how residents can build along the river.

MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER SIDOTI, TO ADOPT RESOLUTION 10-138, REQUESTING THE LEGISLATURE REPEAL STATE STATUTE CHAPTER 172, ARTICLE 2, SECTION 5(E) AND 27 AND LEAVE IN PLACE EXISTING MRCCA STANDARDS AND GUIDELINES. THE MOTION PASSED UNANIMOUSLY.

15. CONSIDER RESOLUTION 10-134 APPROVING THE 2010/2011 LABOR AGREEMENT WITH THE LAW ENFORCEMENT LABOR SERVICES FOR POLICE SERGEANTS

City Manager Fulton presented a memorandum to requesting Council to approve the terms of the labor agreement for 2010 through 2011 between the City of Coon Rapids and Law Enforcement Labor Services (LELS), Local No. 362, which represents the Police Sergeants collective bargaining unit.

For 2010 bargaining, the Sergeants Unit agreed to mirror the 2010 Police Officers settlement. Council may recall due to an impasse in negotiations, the Police Officers and City went to interest arbitration in July 2010 and an arbitration award was made in August for the Police Officers 2010 collective bargaining agreement.

Also in August 2010, Law Enforcement Labor Services, Inc. (LELS) petitioned the Minnesota Bureau of Mediation Services to certify LELS as the exclusive representative for the Sergeants group, and on September 3, 2010, LELS was certified as the exclusive representative for the Sergeants bargaining group.

The terms of the 2010-2011 LELS collective bargaining agreement, including the awarded items from the 2010 LELS Patrol interest arbitration, are summarized below:

- 1) New language referencing the BMS unit determination description and date.
- 2) Replaced references of the Unit to the "Union" throughout the new collective bargaining agreement.
- 3) Replaced "manpower" with "personnel."
- 4) The City agreed to two Union stewards.
- 5) The City designated City representatives for the grievance procedure, allowed for a mediation step, and provided time lines to keep the grievance process moving.
- 6) Seniority was clarified by length of continuous full time employment.
- 7) Probationary period language was separated into two separate paragraphs to clarify the difference between a newly hired or rehired employee, and a promoted or reassigned employee.
- 8) Standby pay will be eliminated:
- 9) The existing practice of court-time standby compensation at the rate of one hour's pay for each hour on standby is documented in a Memorandum of Understanding
- 10) The 2010 and 2011 uniform allowance will be \$810.

- 11) For purposes of holiday hours cash out, the month of November will be changed to December, to reflect current practice.
- 12) Increased vacation accrual as follows.

During 21 <sup>st</sup> year	21 days
During 22 <sup>nd</sup> year	22 days
During 23 <sup>rd</sup> year	23 days
During 24 <sup>th</sup> year	24 days
During 25 <sup>th</sup> year and subsequent years	25 days
- 13) A one-time only extension on accrued vacation for the year 2010 was added to allow bargaining unit employees to carry over accrued vacation in amounts not to exceed 200 hours.
- 14) Sick leave language modified to mirror sick leave language in the City's Employee Handbook regarding sick leave accrual above 960 hours.
- 15) New language regarding reimbursement of any out-of-pocket charges for an absence where any employee is suspected of misusing sick leave which requires a doctor's certificate, excluding FMLA certification, workers' compensation matters, or employee-initiated visits to document work restrictions.
- 16) 1% general increase for 2010, retroactive to January 1, 2010. For 2011 the Sergeants compensation differential of 22 percent above the top patrol hourly rate will remain the same.
- 17) A Memorandum of Understanding (MOU) was drafted authorizing Sergeants to participate in December 2011 biometric screenings to allow bargaining unit to take part in the City's 2012 wellness program. In exchange for participation in the City's 2012 wellness program, the Sick Leave Incentive program (referenced as Article 23.4 of the 2007-2009 Sgts MOA) will cease for Sergeants on December 31, 2011. If the 2012 wellness program incentives change in value from 2011 program, the parties may renegotiate this issue. Both parties agree it is reasonable the City will modify biometric screening categories and thresholds from time to time to better meet City wellness programming goals.
- 18) Duration – two year agreement – January 1, 2010 through December 31, 2011.

The Sergeants ratified the 2010-2011 contract on December 14, 2010.

### **BUDGET IMPACT**

With the 2010 LELS Patrol Interest Arbitration, the one percent salary increase was to be honored. A one percent (1%) salary increase for the Sergeants group is approximately \$7,102.65 annually which is roughly .038% of the levy.

The 2011 Sergeant wages will mirror the Patrol Agreement as well, with the premium rate of 22% above the top patrol rate continuing through December 31, 2011.

### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the Public Safety section of the City's long term strategic vision in the following way:

Individuals, neighborhoods, businesses, and the community are considered safe with proactive, well-trained, and respectful Police Officers and Firefighters ensuring professional and timely administrative and emergency service delivery.

Councilmember Sidoti questioned if the contract would be retroactive to January 1, 2010. City Manager Fulton indicated this was the case and the contract would follow through December 31, 2011.

MOTION BY COUNCILMEMBER KLINT, SECONDED BY MAYOR PRO TEM SCHULTE, TO ADOPT RESOLUTION 10-134, APPROVING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY OF COON RAPIDS AND THE LAW ENFORCEMENT LABOR SERVICES, LOCAL NO. 362, POLICE SERGEANTS FOR THE TERM JANUARY 1, 2010, THROUGH DECEMBER 31, 2011. THE MOTION PASSED UNANIMOUSLY.

16. CONSIDER RESOLUTION 10-137 ESTABLISHING 2011 WAGE SCHEDULE FOR UNREPRESENTED EMPLOYEES

---

City Manager Fulton presented a memorandum requesting Council adopt a resolution establishing the 2011 wage schedule for unrepresented employees. This resolution is being presented in compliance with City Code Section 3-301, which requires the annual presentation of a compensation plan to the City Council.

Nonunion employees did not receive any base wage adjustments, due to current economic conditions. The Council did provide a non-base wage payment of \$600 to offset increased costs of health insurance. Due to an arbitration award, Police Officers did receive a 1% base wage adjustment, effective on January 1, 2010. In order to maintain internal equity within the City's personnel classification system as well as with external comparisons, some form of adjustment is merited for 2011.

The City's 2011 Compensation Plan includes the following components:

1. There are 23 pay grades.
2. Each salary range minimum is approximately 75 percent of its range maximum.
3. The wage schedule includes a six percent merit pay range to reward employees who demonstrate excellent work performance.
4. The 2011 wage schedule includes a 1% annual pay adjustment for unrepresented positions.

The number of regular full-time positions approved for 2011 is 227. This is commensurate with 2000 staffing levels.

All regular full-time and part-time employees will be compensated at a rate between the minimum and maximum of their salary range. The only exceptions are employees who exceeded the maximum rate when the new pay plan was implemented January 2005.

Due to the tight timeframe, if the resolution is approved, unrepresented employees would see the increase on the second payroll in January 2011, retroactive to January 1, 2011.

### **BUDGET IMPACT**

A one percent (1%) salary increase for the Nonunion group is approximately **\$81,491** annually. The General Fund portion of the increase equals **\$71,373** which is roughly **0.39 %** of the levy. This action would require the reappropriation of funds within the approved 2011 budget and will not have any impact on other budgeted activities.

### **ALIGNMENT WITH STRATEGIC VISION**

This item is aligned with excellence in City government and fiscal responsibility. The City's operation is dependent on the successful and professional delivery of public services by our municipal employees. This comes with the responsibility to provide competitive compensation as measured against benchmark communities and as required by the MN State Pay Equity Act.

Councilmember Johnson felt it was fair that the non-union employees be recognized and be treated in a like manner as those represented by a union.

Mayor Pro Tem Schulte agreed.

MOTION BY COUNCILMEMBER SIDOTI, SECONDED BY COUNCILMEMBER JOHNSON, TO ADOPT RESOLUTION 10-137, ESTABLISHING 2011 WAGE SCHEDULE FOR UNREPRESENTED EMPLOYEES. THE MOTION PASSED UNANIMOUSLY.

#### 17. A. RESOLUTION 10-132 PROVIDING REAPPROPRIATION OF THE 2010 GENERAL FUND CONTINGENCY

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A memorandum was presented from Manager of Accounting/Treasurer Vouk stating labor and benefits for 2010 should be allocated to the General Fund activities. All 2010 contracts have now been settled.

Reappropriation to the personal services line item is now being requested based on the 2010 labor contracts and approved salary adjustments. Also reflected in the reappropriation are adjustments for the City contribution toward insurance and changes in the number of employees enrolled in single vs. family health care plans.

Resolution 10-132 reappropriating the personal services line item to the General Fund activities is attached for your consideration. The allocation totals \$200,588. The resolution moves funds from the contingency account to individual activities within the General Fund for budgetary purposes.

MOTION BY COUNCILMEMBER LARSON, SECONDED BY COUNCILMEMBER NELSON, TO ADOPT RESOLUTION 10-132, PROVIDING REAPPROPRIATION OF THE 2010 GENERAL FUND CONTINGENCY. THE MOTION PASSED UNANIMOUSLY.

**B. RESOLUTION 10-133 REAPPROPRIATING FUNDS WITHIN THE 2010 GENERAL FUND BUDGET AND AMENDING THE 2010 AND 2011 BUDGETS**

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A memorandum was presented from Manager of Accounting/Treasurer Vouk stating at the close of each year, the General Fund budget is compared to year-to-date expenditures to ensure that each activity does not exceed budgeted amounts. Net adjustments equal to zero are being recommended.

General Fund expenditures have been reviewed with activity managers or department heads. It is anticipated that overall expenditures for 2010 will be \$23,576,685 or \$533,283 under the 2010 estimate shown in the 2011 budget document. This includes \$89,458 for certain budgeted items that will not be received before year-end or are not needed until 2011 and therefore need to be carried forward to next year. Accounting standards require that purchases be recorded in the year the items or services are actually received.

The 2010 revenues are estimated to be \$25,344,688 or \$474,924 more than previously estimated in the 2010 budget document.

The 2010 General Fund balance, is projected to increase by \$1,008,207, after carry-forwards, over the estimate shown in the 2011 budget.

Comparisons of the 2010 estimated General Fund revenues and expenditures to the 2010 amended budget are as follows:

REVENUES

Revenues are estimated to be \$25,344,688 which is \$581,511 or 2.3% over the amended revenue budget of \$24,763,177. A summary of budgeted General Fund revenues compared to the current estimate is as follows:

	<u>Amended Budget</u>	<u>Mid Year Estimate</u>	<u>Current Estimate</u>	<u>Current Estimate Over (Under) Amended</u>
<u>Budget</u>				
General Property Taxes	\$17,402,579	\$17,329,000	\$17,276,000	\$(126,579)
Business Licenses	327,100	434,070	477,785	150,685
Non-business Licenses/Permits	685,500	856,500	958,100	272,600
Fines and Forfeitures	513,000	358,000	406,708	(106,292)
Investment Income	326,700	301,700	276,000	(50,700)
Intergovernmental Revenue	894,642	982,145	995,379	100,737
Charges for Services	1,349,537	1,366,265	1,535,347	185,810

Utilities Tax	3,043,119	2,930,211	3,099,616	56,497
Other	<u>221,000</u>	<u>311,873</u>	<u>319,753</u>	<u>98,753</u>
TOTAL	<u>\$24,763,177</u>	<u>\$24,869,764</u>	<u>\$25,344,688</u>	<u>\$581,511</u>

EXPENDITURES

Expenditures, including carry-forwards of \$89,458, are estimated to be \$23,576,685 which is \$898,118 or 3.7% under the amended budget of \$24,474,803. A summary of expenditure estimates compared to budget by department is as follows:

(Under)	Amended <u>Budget*</u>	Mid Year <u>Estimate</u>	Current Estimate (Including <u>carry-forwards</u> )	Current Estimate Over <u>Amended</u>
<u>Budget</u>				
City Manager Department	\$1,649,174	\$1,589,631	\$1,554,674	(\$94,500)
Legal Department	766,453	763,352	700,253	(66,200)
City Clerk Department	317,073	311,589	313,273	(3,800)
Finance Department	1,686,519	1,581,533	1,552,819	(133,700)
Community Development Dept	1,730,044	1,750,171	1,737,844	7,800
Police Department	8,074,427	7,876,048	8,007,327	(67,100)
Fire Department	3,820,628	3,805,775	3,681,128	(139,500)
Public Works Department	6,234,767	6,118,845	6,029,367	(205,400)
Contingency	<u>195,718</u>	<u>313,024</u>	<u>                    </u>	<u>(195,718)</u>
TOTAL	<u>\$24,474,803</u>	<u>\$24,109,968</u>	<u>\$23,576,685</u>	<u>(\$898,118)</u>

\*prior to reallocating funds

Personal Services

It is estimated that expenditures in the Personal Services category will be \$18,872,258 or \$18,903,904 with carry-forwards. This is \$472,889 under budget due to vacancies, fewer overtime and seasonal employee hours than budgeted.

Other Charges and Services

It is estimated that expenditures in the Other Charges and Services category will be \$3,288,005 or \$3,315,255 with carry-forwards. This is \$405,529 under budget primarily due to less being spent than was budgeted for utilities, travel and conferences.

Supplies

It is estimated that expenditures in the Supplies category will be \$1,214,180. This is \$14,200 over budget primarily due to a slight increase in motor fuels and lubricants.

#### Capital Outlay

It is estimated that expenditures in the Capital Outlay category will be \$109,784 or \$140,346 with carry-forwards. This is \$33,900 under budget primarily due to savings from the amounts originally budgeted.

#### Other Disbursements

It is estimated that expenditures in the other disbursements category will be \$3,000 which is the amount budgeted.

### 2010 CARRY-OVER TO 2011 BUDGET

Council is asked to consider carrying forward \$89,458 in the General Fund and \$261,662 for other funds into fiscal year 2011 for items not purchased or completed in 2010. An explanation of these requests follows:

#### General Fund

Activity 122 – Information: \$10,400 for newsletter and maps

Activity 123 – Management:       \$31,646 for intern  
  \$6,400 for sexual harassment prevention training

Activity 143 - Information Technology:    \$9,130 for (10) desktop computers  
  \$9,832 for network equipment  
  \$1,100 for battery backup for file servers

Activity 421 – Building Inspection: \$10,500 for City Works software

Activity 508 – Geographic Information System:       \$10,450 for ArcGIS applications development

#### Other Funds

Activity 716 – Public Communications Fund: \$1,500 for uniforms  
  \$4,037 for central video editing storage  
  \$5,219 for Harris test equipment

Activity 788 – Capital Equipment Fund: \$17,207 for car

Activity 601 - Water System Maintenance: \$29,017 for various City Works & GIS hardware and software

Activity 620 - Sewer System Maintenance: \$27,339 for various City Works & GIS hardware and software

Activity 640 - Storm Water Utility Fund: \$27,343 for various City Works & GIS hardware and software  
\$150,000 for storm sewer relining

### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the *Excellence in Government* section of the 2030 Strategic Vision in the following way: The City of Coon Rapids budget process ensures a strategic direction established and monitored by the City Council.

City Manager Fulton indicated expenses in 2010 were approximately \$500,000 less than predicted and revenues were almost \$500,000 higher than budgeted. He felt this reflected well on the City's Finance Department, City staff and the budgeting process.

MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER SIDOTI, TO ADOPT RESOLUTION 10-133, RE-APPROPRIATING FUNDS WITHIN THE 2010 GENERAL FUND BUDGET AND AMENDING THE 2010 AND 2011 BUDGETS. THE MOTION PASSED UNANIMOUSLY.

C. CONSIDER RESOLUTION 10-135 AMENDING 2010 BUDGET TO ALLOW  
FOR THE PURCHASE OF A RECONDITIONED COPIER

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A memorandum was presented from Purchasing Clerk Lincoln stating staff is requesting approval to re-appropriate funds for the purchase of a reconditioned copier.

A copy machine in the Public Works building has become obsolete in terms of repairs and replacement parts, and is very expensive to maintain. Additionally, a fax machine in the mailroom at City Hall is in need of an expensive part. The mailroom also has a copier which could be moved to the public works area to meet their needs. Therefore, staff requested quotes for copiers which would include faxing capabilities to replace the fax machine and copier in the mailroom. This allows the mailroom copier to be moved to public works and replace the fax.

A proposal for a reconditioned machine with a five year warranty was received which meets all of the required needs. Additionally it includes scanning capabilities. The reconditioned machine will cost \$2,875 and was much less expensive than a new machine and has many more features.

### **ALIGNMENT WITH STRATEGIC VISION**

This item relates to the Excellence in Government section of the City's long term strategic vision by improving efficiency and cutting costs.

### **BUDGET IMPACT**

Although funds were not included in the 2010 or 2011 budgets, the savings over five years in maintenance costs for the public works copier will pay for the purchase price of this reconditioned machine. And, funds are available in the Purchasing Activity to fund the initial purchase price, sales tax and the cost to move the copier for a total of \$3,200.

Councilmember Johnson thanked staff for using funds wisely on this copier machine.

Mayor Pro Tem Schulte agreed.

MOTION BY COUNCILMEMBER NELSON, SECONDED BY COUNCILMEMBER LARSON, TO ADOPT RESOLUTION 10-135, AMENDING THE 2010 BUDGET TO ALLOW FOR THE PURCHASE OF A RECONDITIONED COPIER. THE MOTION PASSED UNANIMOUSLY.

#### 18. OTHER COUNCIL BUSINESS

##### A. POWER POLE AT COON RAPIDS BOULEVARD AND CROOKED LAKE BOULEVARD

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Public Services Director Gatlin presented a memorandum to Council explain that at the December 7, 2010 Council meeting, Councilmember Johnson inquired about the construction taking place at the intersection of Crooked Lake Boulevard and Coon Rapids Boulevard adjacent to the Arby's Restaurant. Councilmember Johnson questioned what kind of construction was taking place and wondered about the need to support the power pole.

Staff has reviewed this item. Qwest is installing major modifications to their distribution system in the area. They are currently working in an underground vault immediately adjacent to the pole. Because of concerns about the stability of the pole during adjacent construction, it was necessary to provide support to the pole. Qwest was unable to build a fixed brace for the pole because of frozen ground conditions. Instead, they have parked a boom truck with a support attachment on the site to support the pole during the construction operation. It is anticipated that the construction will take several weeks and will result in upgraded Qwest service.

##### B. STREET SIGN DOWN AT COON RAPIDS BOULEVARD AND HANSON BOULEVARD

---

Public Services Director Gatlin presented a memorandum to Council explaining that at the December 7, 2010 Council meeting, Councilmember Schulte informed staff that a street name sign had been knocked down in the southeast quadrant of the intersection of Coon Rapids Boulevard and Hanson Boulevard. He requested that the item be repaired.

Staff reviewed the situation in the field. Due to a traffic accident, the street name sign in the southeast corner of the intersection had been knocked down and the pole and sign face were on the ground. Staff has since retrieved the pole and the street name sign. Because of the high snow banks and frozen ground, the sign will not be reinstalled until spring of 2011. Street name signs are located in the other quadrants of the intersection and overhead on signal mast arms.

C. PROPOSED COUNCIL WORK SESSIONS DATES AND TOPICS

---

City Manager Fulton reviewed the proposed Council work session dates and topics with the Council.

Mayor Pro Tem Schulte stated Personal Rapid Transit (PRT) may be a topic of discussion for the Riverdale development at an upcoming work session meeting.

Councilmember Johnson indicated he would be in favor of discussing this further.

City Manager Fulton suggested this be discussed on February 22 as the County Board would have several representatives present. The Council was in favor with this suggestion.

Mayor Pro Tem Schulte thanked Councilmember Nelson for serving on the City Council for the past six months.

Councilmember Nelson thanked the residents in Ward Five for supporting him over the past six months. He was proud to serve the community and indicated Councilmember Sanders would serve the City well in 2011. He indicated the dedication of Councilmembers and City staff greatly benefit the residents of this community well.

19. ADJOURN

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MOTION BY COUNCILMEMBER SIDOTI, SECONDED BY COUNCILMEMBER JOHNSON, TO ADJOURN THE MEETING AT 8:01P.M. THE MOTION PASSED UNANIMOUSLY.

\_\_\_\_\_  
Scott Schulte, Mayor Pro Tem

ATTEST:

\_\_\_\_\_  
Joan A. Anderson, City Clerk