

**BELLE PLAINE CITY COUNCIL
REGULAR MEETING
SEPTEMBER 16, 2019**

1. PLEDGE OF ALLEGIANCE.

Mayor Christopher Meyer led those present in the Pledge of Allegiance.

2. CALL TO ORDER. 2.1. Roll Call.

The Belle Plaine City Council met in Regular Session on Monday, September 16, 2019 at 6:30 PM in the council chambers of City Hall, 218 North Meridian Street, Belle Plaine, MN. Mayor Meyer called the meeting to order with Councilmembers Ben Stier, Cary Coop, Paul Chard and Renee LeMieux present.

Also present were City Administrator Meyer, Finance Director Jirik, Community Development Smith Strack, Public Works Superintendent Fahey, City Engineer Duncan, City Attorney Vose, Police Chief Stolee and Community Services Director Koller. Fire Chief Stier and Ambulance Director Sweeney were not present. Wanda Savage served as video recording operator.

Mayor Meyer took a moment to recognize Leo "Sonny" Albrecht for his service on the Belle Plaine City Council Fire Department and time served as Fire Chief. Meyer expressed condolences to the Albrecht family on his passing.

3. APPROVAL OF AGENDA.

MOTION by Councilmember Coop, second by Councilmember LeMieux, to approve the agenda as presented. ALL VOTED AYE. MOTION CARRIED.

4. APPROVAL OF CONSENT AGENDA.

- 4.1. Regular Session Minutes of September 3, 2019.
- 4.2. Closed Session Minutes of September 3, 2019.
- 4.3. Resolution 19-1116 Call for Public Hearing on Final Assessment for the 2019 Street Improvement Project.
- 4.4. Resolution 19-121 A Resolution Authorizing a 180-Day Extension of Recording of Plat Deadline for Jane Properties Subdivision.
- 4.5. Authorize Advertising to Seek Candidates for Full-time Assistant Public Works Superintendent.

MOTION by Councilmember Coop, second by Councilmember LeMieux, to approve the consent agenda items as follows: 4.1. Regular Session Minutes of September 3, 2019; 4.2. Closed Session Minutes of September 3, 2019; 4.3. Resolution 19-1116 Call for Public Hearing on Final Assessment for the 2019 Street Improvement Project; 4.4. Resolution 19-121 A Resolution Authorizing a 180-Day Extension of Recording of Plat Deadline for Jane Properties Subdivision and 4.5. Authorize Advertising to Seek Candidates for Full-time Assistant Public Works Superintendent. ALL VOTED AYE. MOTION CARRIED.

5. DEPARTMENT REPORTS.

5.1. Ambulance Report.

Ambulance Supervisor Sweeney was not present. The Council acknowledged receipt of the Ambulance Department Report.

5.2. Fire Report.

Fire Chief Stier was not present. The Council acknowledged receipt of the Fire Department Report.

5.3. Community Services Report.

Community Services Director Koller was present. Koller highlighted the Community Services report.

5.4. Police Report.

Police Chief Stolee was present. Stolee highlighted the Police Department Report. Stolee noted a meeting with the Scott County Attorney to present True Narc.

Mayor Meyer inquired on the national training. Police Chief Stolee explained the Belle Plaine Police Department is hosting a nationwide training in December regarding the cell phone forensics technology currently used within the City. Councilmember Stier inquired on the time of Coffee with the Cop. Stolee explained the third Wednesday of every month; they start at Kingsway at 9:30 AM and move to the Lutheran Home at 10:00 AM.

5.5. Community Development Report.

Community Development Director Smith Strack was present. Smith Strack highlighted the Community Development report.

6. PUBLIC HEARINGS.

Mayor Meyer introduced the agenda item.

6.1. Municipal Development District No. 3, Tax Increment Financing District No. 3-1. The City Council will hold a public hearing relating to the proposed establishment of Municipal Development District No. 3 and the proposed adoption of a Development Program therefor, and the proposed establishment of Tax Increment Financing District No. 3-1, a housing tax increment financing district, within the Development District and the proposed adoption of a Tax Increment Financing Plan therefor, pursuant to Minnesota Statutes 469.124 to 469.133 and Sections 469.174 to 469.1799.

Community Development Director Smith Strack presented a slideshow on the Tax Increment Financing request for Belle Court apartments. Smith Strack explained items for review are the establishment of a proposed development district and setting a boundary, and the establishment of proposed housing TIF district. Smith Strack noted the public hearing focus on the development district and TIF District criteria. Smith Strack explained this agenda item process of staff presentation on request, public hearing, council discussion and council action. Smith Strack explained tax increment as new taxes paid minus taxes paid equals the amount of tax increment financing for the project to work with. Smith Strack noted no development means no tax increment. Smith Strack explained TIF is used when a developer cannot move forward on a project without the TIF financing, noting tax increment financing is used for financing and can't exceed the amount of new taxes generated. Smith Strack explained the current taxes collected keep going to the City, County and school and the agreed upon portion of new taxes paid by the property owner will be used for financing. Smith Strack noted the 561 Elk Street South is proposed to be two 36-unit apartment buildings.

Smith Strack explained the Mayor is the moderator for the public hearing noting the public can give testimony on the proposed Tax Increment Financing District. Smith Strack noted Todd Hagen of Ehlers in the Audience for questions.

Mayor Meyer opened the public hearing at 6:43 PM and asked for public comment.

Tom Meger, 520 Main Street West gave testimony against the TIF district noting a past council decision to deny TIF. Meger expressed concern on the tax payer and stated the City does not have a job base to support the apartment buildings.

Doug Anderson, 525 Elk Street South gave testimony against the TIF district. Anderson inquired on the amount of TIF being financed. Community Development Director Smith Strack explained the max amount proposed is \$475,700.00 plus 5% interest per phase for a total of \$680,145.00 per phase. Anderson

questioned the city's financial decisions regarding recent and ongoing projects within the City and noted timeline before the City will start collecting the new tax revenue.

MOTION by Councilmember Coop, second by Councilmember Chard, to close the public hearing at 6:51 PM. ALL VOTED AYE. MOTION CARRIED.

Community Development Director Smith Strack explained the EDA committee recommended approval of development district and TIF district. Councilmember Chard requested clarification on what the property currently contributes for taxes and what the estimated tax revenue will bring in after the TIF is completed. Smith Strack referred the question of anticipated revenue when the project is done to Todd Hagen of Ehlers and Associates. Hagen explained upon completion with two buildings and an estimated net worth of 3.4 million each the property will pay approximately \$130,000.00 per tax year. Chard expressed concern regarding the amount of raw land around the city not being developed and the amount of revenue developed land would bring to the City. Chard stated his rental properties are full with an additional 3-4 calls per week looking for openings. Chard stated City Ordinances help keep the buildings looking nice and the management company taking care of them. Chard closed by stating the Councilmembers are voted in to do what they believe is best for the citizens of Belle Plaine. Mayor Meyer requested clarification of the market rate apartment's verses HUD apartments. Smith Strack explained the Housing TIF district applied for calls for 20% of the apartments be available for income qualified individuals making \$50,000.00 or less for one person. Smith Strack explained the other 80% of the apartments are available at market rate. Smith Strack explained market rate in Scott County for a two bedroom is up to \$1,500.00 and noted the developer does not have to disclose the projected rent amounts. Councilmember LeMieux stated the Lutheran Home is always in need of employees noting many nurses aids are making \$12.00 per hour. LeMieux explained the benefit for the housing to assist in the long-term care facilities employee retention for our City.

6.1.1. Resolution 19-117 A Resolution Approving A Development Program For Municipal Development District No. 3 And A Tax Increment Financing Plan For Tax Increment Financing District No. 3-1.

MOTION by Councilmember Coop, second by Councilmember Chard, to approve Resolution 19-117 A Resolution Approving A Development Program For Municipal Development District No. 3 And A Tax Increment Financing Plan For Tax Increment Financing District No. 3-1. ALL VOTED AYE. MOTION CARRIED.

7. BUSINESS.

7.1. Presentation of Claims.

MOTION by Councilmember Chard, second by Councilmember Stier, to approve the presentation of Claims as presented. ALL VOTED AYE. MOTION CARRIED.

7.2. Resolution 19-118 A Resolution Authorizing Internal Loan For Advance Of Certain Costs In Connection With Tax Increment Financing District No. 3-1.

Community Development Director Smith Strack explained an interfund loan program is requested to be set up as the City may incur administrative expenses for management of TIF District 3-1 prior to receipt of increment. Smith Strack explained Interfund loans provide s for payment of administrative expenses when incurred and reimbursement of those expenses with initial TIF proceeds. Smith Strack explained this loan is not covering developer costs as an escrow was required with the application and any shortfall is payable upon receipt of invoice.

MOTION by Councilmember LeMieux, second by Councilmember Stier, to approve Resolution 19-118 A Resolution Authorizing Internal Loan For Advance Of Certain Costs In Connection With Tax Increment Financing District No. 3-1. ALL VOTED AYE. MOTION CARRIED.

7.3. Contract for Private Development: Belle Court Apartments – 561 Elk Street South
7.3.1. Resolution 19-119 A Resolution Approving Contract For Private Development
With Belle Court LLC.

Community Development Director Smith Strack presented a brief presentation regarding Belle Court Apartments request for TIF. Smith Strack noted the maximum term of repayment is 13.5 years with a maximum increment per phase of \$473,700.00 with 5% interest for a total of \$680,145.00 per phase. Smith Strack noted the City retains 10% of the increment for administration costs and explained the TIF contract ends when either the maximum payment or maximum term is reached. Smith Strack explained only new taxes generated at 561 Elk Street South would be used and no debt will be issued by the City. Smith Strack noted if property taxes are not paid TIF payment is not paid and an annual certification of affordable units will expire after 20 years. Smith Strack explained requirements and insurance required by the developer.

MOTION by Councilmember Coop, second by Councilmember Stier, to approve Resolution 19-119 A Resolution Approving Contract For Private Development With Belle Court LLC. ALL VOTED AYE.
MOTION CARRIED.

7.4. Final Planned Unit Development Plan – Belle Court Apartments – 561 Elk Street South.
7.4.1. Specify Resolution “A” or “B” Resolution 19-120(A) A Resolution Conditionally
Approving A Final Stage Planned Unit Development Plan For Belle Court Apartments
561 Elk Street South. Resolution 19-120(B) A Resolution Denying A Final Stage
Planned Unit Development Plan For Belle Court Apartments 561 Elk Street South.

Community Development Director Smith Strack presented a brief slideshow on the final planned unit development plan review for Belle Court Apartments. Smith Strack explained a review of the final site/civil plans, and if requested changes were made in the information submitted. Smith Strack noted staff has reviewed the proposal but as practice does not endorse a project. Smith Strack explained the proposed Belle Court Apartments as two 36 unit apartment buildings in a phase project with three stories, detached garages, ancillary parking, landscaping and a play feature. Smith Strack noted a turning movement analysis based on a 40' vehicle which resulted in reconfiguration of some parking. Smith Strack explained 141 spaces are provided and 144 are required per code requirements, the developer is aware and will make adjustments to the parking. Smith Strack noted a revised landscaping plan has been submitted illustrating the placement of all vegetation which includes 52 trees and 104 foundation plantings. Smith Strack noted the developer met with concerned neighboring citizens and agreed to the addition of privacy fencing which is illustrated in the plan. Smith Strack explained phase one will include mass grading for both phases along with sewer/water services to both buildings. Phase two will include construction of the second apartment building, garages two and three, the western infiltration basin and sidewalks adjacent to second apartment building and remaining bituminous paving. Smith Strack explained a revised photometric plan was requested illustrating perimeter light intensity of less than 4-foot candles along with the removal of the proposed wall packs for the garages and the requested detail of the wall packs on apartments which are downcast only. Smith Strack noted garage elevations and cited vinyl siding with asphalt shingles are proposed. Smith Strack explained the access road plan is to narrow the width to accommodate installation of sidewalk and curb. Smith Strack finished by noting the snow storage in infiltration basins and excess snow to be moved off site. Smith Strack noted the drinking water, sanitary sewer and storm water mains traverse the property but have not been accepted by the City, prior to consideration of accepting the previously placed mains the property owner must furnish proper test results to the City. Smith Strack closed her presentation explaining the planning commissions recommendation of approval and noting the two resolutions one for recommending conditional approval and one recommending denial.

Councilmember Stier inquired on the WAC and SAC fees collected on the project. Community Development Director Smith Strack explained the multi units get a twenty percent discount and the fees

have not been calculated yet however she estimates fees at \$9,210.00. Councilmember Chard requested staff research the state guidelines and whether a City can require an elevator for future buildings.

MOTION by Councilmember Coop, second by Councilmember Chard, to approve Resolution 19-120(A) A Resolution Conditionally Approving A Final Stage Planned Unit Development Plan For Belle Court Apartments 561 Elk Street South. ALL VOTED AYE. MOTION CARRIED.

7.5. Resolution 19-122 Providing for the Sale of \$1,445,000 General Obligation Bonds, Series 2019A, to Finance the Construction of the 2019 Street Reconstruction Improvements in the City of Belle Plaine.

Finance Director Jirik explained City Council awarded the contract for the 2019 Street Project in March to OMG Midwest Inc. dba Chard. Jirik explained funding for the project will be from General Obligation Bonds and repaid using Special Assessments and Tax Levy. Jirik noted water, sewer and storm sewer funds will pay their portion of the project up front and are not included in the bond amount. Jirik explained it is appropriate for the Council to review the presale report and call for the sale of the bonds on October 21, 2019.

MOTION by Councilmember Coop, second by Councilmember Stier, to approve Resolution 19-122 Providing for the Sale of \$1,445,000 General Obligation Bonds, Series 2019A, to Finance the Construction of the 2019 Street Reconstruction Improvements in the City of Belle Plaine. ALL VOTED AYE. MOTION CARRIED.

8. ADMINISTRATION.

8.1. Upcoming Meetings.

1. Design, 5:15 PM, Monday October 7.
2. City Council, 6:30 PM, Monday, October 7.
3. Work Session, 6:45 PM, Monday, October 7.
4. Public Safety, 4:00 PM, Tuesday, October 8.
5. Public Works, 9:00 AM, Thursday, October 10.
6. Park Board, 5:00 PM, Monday, October 14.
7. Truth in Taxation, 6:15 PM, Monday, December 2.

Mayor Meyer reminded the Council of the upcoming meetings as listed.

9. ADJOURN.

MOTION by Councilmember LeMieux, second by Councilmember Stier, to adjourn the meeting at 7:22 PM. ALL VOTED AYE. MOTION CARRIED.

Respectfully submitted,

Renee Eyrich
Recording Secretary