

**City of West St. Paul
Open Council Work Session Minutes
June 22, 2020**

1. Roll Call

Mayor Napier called the meeting to order at 5:01 p.m.

Present: Mayor Dave Napier
Councilmembers Wendy Berry, Lisa Eng-Sarne,
Anthony Fernandez, John Justen, Bob Pace (arrived at 5:03 p.m.)
and Dick Vitelli (arrived at 5:03 p.m.)

Absent: None

Also Present: City Manager Ryan Schroeder
City Attorney Kori Land
Police Chief Brian Sturgeon
Parks & Public Works Director/City Engineer Ross Beckwith
Assistant Parks & Recreation Director Dave Schletty
Community Development Director Jim Hartshorn
Finance Director Char Stark
City Clerk Shirley Buecksler

2. Review and Approve the OCWS Agenda

Motion was made by Councilmember Eng-Sarne and seconded by Councilmember Berry to approve the OCWS agenda, as presented.

All members presented voted aye. Motion carried.

3. Review the Regular Meeting Consent Agenda

Motion was made by Councilmember Vitelli and seconded by Councilmember Eng-Sarne to approve the Consent Agenda, as presented.

All members present voted aye. Motion carried.

4. Agenda Item(s)

A. License Fees for Those Affected by the COVID Shutdown

On March 25, 2020, Police Chief Sturgeon said Governor Walz issued Executive Order 20-20 directing Minnesotans to stay at home and limit activities outside of their home beyond essential needs. This order went into effect on March 26, 2020 and essentially shut down all non-essential businesses included restaurants and bars.

On June 1, 2020, through Executive Order modification, bars and restaurants could operate outdoor dining at a maximum capacity of 50 patrons. The City Council took action to expedite the approval process to implement outdoor dining spaces for those bars and restaurants that wished to operate under these circumstances.

On June 10, 2020, through Executive Order modifications, bars and restaurants could now operate at 50 percent capacity in their indoor seating areas.

Over the past couple of months, Staff has received several requests from On Sale Liquor License holders requesting some type of assistance in the form reduced liquor license fees due to the inability to operate.

The On Sale Liquor License fee is \$7,500 and can be paid either annually or bi-annually. If a license holder pays bi-annually, there is a small additional service fee. Currently, there are 15 of these licenses issued. For a perspective on what a potential fee reduction could potentially look like, take for example, if you reduce the On Sale Liquor License fees by 50 percent for 2020, that would come to \$56,250.00.

Staff has received an additional request from Clear Channel to reduce their lease agreement payment, due to loss of revenue. This request however, at face value, is quite different, as Clear Channel is a global company that continues to operate the electronic billboard at the Sports Center throughout the pandemic.

Even though there have not been any requests from other business license holders that have been shut down through Executive Orders, the following list of business licenses were affected:

- Pawnbroker – One license issued - \$7,100.00
- Precious Metal Dealer – One license issued - \$1,925.00
- Second Hand Dealer – Four licenses issued - \$280.00
- Tobacco – Two licensees - \$500.00
- Beer and Wine License – Two licenses issued - \$2,000
- Massage Licenses – 10 licenses issues – \$190.00 or \$95.00

Mayor Napier said fees are directly related to costs associated with on-going Police concerns. If they weren't in business, he would like to see them get a credit for how many months they weren't in business, i.e., "credit by request."

Councilmember Pace agreed but not for Clear Channel. Any business forced to close, give them credit, but not have to submit a request.

Mayor Napier said we also need to consider 50% capacity.

Councilmember Justen said 50% capacity at two months. He wants to help those businesses but don't want to over-contribute. He also does not want to reduce all fees.

Councilmember Berry agreed with prorating but for all, and don't make them come and request.

Chief Sturgeon said with the CARES Act, there is a potential that we could recover costs associated with business license costs.

Councilmember Vitelli agreed and suggested that we wait, in case they have to close again in the fall. We don't want to do this more than once.

Councilmember Justen asked if we can prioritize in regards to the CARES Act. Can Staff attend to the idea of lost revenues? City Manager Schroeder said lost revenues don't qualify as much as business losses qualify. Waiting will allow us to word it properly.

Councilmember Eng-Sarne said it seems the consensus is that we want to do something but it is a matter of when.

Councilmember Fernandez agreed with doing it but questioned if we should wait.

Councilmember Vitelli said a letter could be sent to license holders letting them know what we're doing. Councilmember Fernandez said to equate in the letter, as well.

Councilmember Berry asked if we refund now versus prorating in 2021.

City Manager Schroeder if we provide business grants, it's CARES Act eligible.

Councilmember Pace agreed with Councilmember Vitelli to wait but reach out to license holders now.

Councilmember Justen asked about the CARES Act timeline. Police Chief Sturgeon said the next special session is in two to three weeks and it should get passed. He also said Staff will draft a letter to businesses.

Councilmember Vitelli said there needs to be two letters – one to Liquor License holders and one to restaurants. The other letter to Clear Channel and other folks.

City Manager Schroeder said the consensus he heard is to address Liquor License holders and wait on the others.

B. On-Sale Liquor License Limit

Police Chief Sturgeon said West St. Paul City Code 112.03 (H)(3)(h) states , “Not more than one license shall be directly or indirectly issued with the city to any one person.”

Staff has been contacted by an On Sale Liquor License establishment that would like to sell their business to another individual who already holds a West St. Paul Liquor License. The potential purchaser would operate both establishments within the City of West St. Paul if the sale is conducted. Currently this is not allowed.

The current ordinance could also potentially hinder some companies from expanding into our community, as well. The operations of a restaurant are expensive and consolidation of chain restaurants is very common. In 2018 alone, Business Insider reported more than 700 food and beverage industry mergers and acquisitions took place. A company such as Darden Restaurants owns several different chains of restaurants and the company could only obtain one Liquor License from the City.

At the direction of Council, Staff could have in place at a Council meeting in July, revisions to the current ordinance that would either increase or eliminate the cap on Liquor Licenses one person may hold depending on direction given.

Councilmember Pace said he fails to see the reason for a limit and is in favor of it being unlimited.

Councilmember Justen asked if we know what historical means? He said he is happy with removing the limit. Police Chief Sturgeon said historical was referring to issues with a particular license holder.

Councilmembers Vitelli, Eng-Sarne and Berry agreed with having no limit.

C. Report from the Public Safety Committee

On June 8, 2020, City Manager Schroeder said the City Council directed the Public Safety Committee to review the Police Department's Use of Force policy. The Public Safety Committee met on June 16, 2020 to conduct that review and has brought it back to Council.

Councilmember Berry said this was a great start and good to ask those questions. She would recommend that we keep the conversation going at these meetings.

Councilmember Justen asked if we engage in the "bulletproof warrior" training? Police Chief Sturgeon said no, we stopped that six or seven years ago. Councilmember Justen asked about "reality based" training. Chief Sturgeon said, yes, quite often training and de-escalation training takes place.

Councilmember Fernandez said the Public Safety Committee is asking for direction from Council to keep this going forward and open it up further.

Councilmember Pace agreed with Councilmember Berry to keep this going. How do new Federal laws effect ours? Chief Sturgeon said the policy would need to be changed and that we use Lexipol. Policies are reviewed to reflect State and Federal guidelines.

Councilmember Eng-Sarne thanked the Committee for their thorough discussion. We talk about West St. Paul is different but the public make assumptions about the Police Department. We need to keep telling the story of how we are different. Councilmember Eng-Sarne asked about funding for a citizen oversight committee and how the conversation can happen with more people.

Councilmember Vitelli said we have a program with West St. Paul Officer Mettner, South St. Paul Officer Kruse and Dakota County Social Services.

Chief Sturgeon said things we can do is a Chief's roundtable discussion so the public can get to know him and his Department – education is huge. Also the Citizen's Academy and adding policies to the website. Feedback on policies could come back to the Public Safety Committee. Oversight committees are generally for larger departments, such as those with populations of 50,000 or more.

Mayor Napier agreed on education and commended our Police Department for how much education they provide. The newsletter is also important, as well as COPS in the Park. Those are the things that will build strong relationships. Mayor Napier added that he likes the roundtable. Keep Police Chief Sturgeon in the forefront as our team builder.

Councilmember Berry suggested more Facebook Live sessions with Chief Sturgeon.

Councilmember Justen said he is interested in targeting underserved areas. Chief Sturgeon commented that Laura Vaughan has Wednesday activities focused for the Hispanic population, which will continue again in 2021. He said he is willing to hear any other ideas.

Councilmember Fernandez said, in order to get better, the Council and Police Department need to keep getting stronger. West St. Paul's Police Department is on the cutting edge.

Councilmember Eng-Sarne said exposure by some children to the Police Department has caused mistrust. How do we address that? Mayor Napier said people need to put down their phone and look at what we have in our Police Department. We have a great Department. We need to focus on what's going on in our community.

Mayor Napier said when concerns come up, we should charge the Public Safety Committee to dig in deeper on the topic.

Councilmember Berry said we have to do it from the community's standpoint, not the Council's standpoint.

Chief Sturgeon said education is huge. There are daily verbal assaults. But you don't see on social media how we do things right. We've only fired our weapons twice in

the past 30 years. Being in the schools is huge. We have a great relationship with Moreland Elementary. We need to value what's working and what's not.

Councilmember Eng-Sarne said we need to make people understand, rather than assume. We need to look for creative ways on how people see Officers.

City Manager Schroeder said we can send this back to the Public Safety Committee, specifically on improving education to the community and the City Council and inclusion.

Councilmember Fernandez said it should be an organizational dialogue, data, an evolving document. Make decision-making more fluid.

D. Ice Arena Lease

On November 12, 2019, City Manager Schroeder said Staff introduced a proposal of expanding the Ice Arena to Council, included in the Council's packet, which had been requested by two of the major customers of the facility. At that meeting, we discussed preliminary cost estimates of \$1.6 million for high school locker rooms and dry floor training facility space. Five members of Council were present and consensus from members in attendance was to continue to the next step of officially contacting our prospective project partners of Mendota Heights and ISD197. Initial discussions indicated funding might not be immediately available from these partners.

At the January 13, 2020 OCWS, a more refined project estimate and timeline were presented. The approach was suggested that funding partner participation would be fulfilled within the 2020-2022 timeframe with a project development cost of \$2,330,000 to construct the shell space and to complete improvements including reconstruction of the parking lot. Tenant Improvements (TI's) and furniture, fixtures, and equipment (FFE) would be in addition to this project cost. It has been discussed that the major tenants of the individual spaces would address these TI/FFE costs. It was proposed that each of the School District, Mendota Heights, and West St Paul would contribute \$580,000 toward this project.

Since that time, one of the major user groups, Sibley Area Youth Hockey Association (SAYHA), approached the City with an alternate proposal. That proposal includes leasing the entire facility to SAYHA for a term of 10 years and they (SAYHA) would, in turn, develop the site with expanded training space and locker rooms. The City Attorney developed a draft lease agreement (attached). Some highlights of the lease agreement include:

- SAYHA would assume total operation of the ice arena.
- SAYHA would assume all costs associated with running the facility.
- SAYHA would be invoiced for all costs associated with the City's two regular ice arena employees who would remain City employees assigned to SAYHA.

- SAYHA would develop and build, at their expense, the dry floor and locker improvements with approval of the City.
- SAYHA would allow existing renters to retain their normal ice usage, and allow for public usage (open skating and open hockey).
- City would only be responsible for future major maintenance/replacement of the parking lot, HVAC, Dehumidification, water heater and roof. We anticipate the roof may need replacement within the term of this lease. The parking lot would be proposed to be reconstructed within 12 months of completion of the dry floor and locker facilities. The parking lot is currently estimated at a \$600,000 improvement. Over the past four years, the City has subsidized the Ice Arena operation just short of \$100,000. In addition, the City has invested in capital improvements and levied for asset depreciation. Levy (or similar) contributions to the capital plant would continue (parking lot, roof, etc.). Operating cost subsidies would not be a responsibility of the City under the lease. Alternatively, the City would not benefit by any operating surpluses either.

The lease, as proposed here, has not yet been considered by the SAYHA. Staff is looking for Council direction on the proposal as noted above. If approved, the lease would last for 10 years, with the option for two additional 5-year terms.

Councilmember Vitelli said this is a great approach for the City and SAYHA. We would get nice improvements.

Councilmember Pace agreed and said this is a great move.

Councilmember Justen asked if there is any fiscal downside to consider?

City Manager Schroeder said we always rely on their performance and they rely on ours. But we are confident about the operating piece. We hope they receive operating success more than we have. We are confident we can make it work.

Councilmember Fernandez asked where they are at in terms of fundraising?

Assistant Parks & Recreation Director Schletty said pull tabs are open and people are anxious to gamble. There are other fundraisers, also.

Jason Booth of Sibley Area Youth Hockey Association said fundraising stopped until we had a plan. He thanked the Council and said we think this is what we are looking for.

E. Art Park Project Review

Schletty introduced the art park project. A subcommittee of the Parks and Recreation Advisory Committee began working on this project to bring public art to West St Paul in early 2019. The group wanted to come up with some sort of project for the “Art

Park” lot at Butler and Oakdale. Through multiple meetings, including a public meeting with residents in the park in July, the subcommittee narrowed in on the idea of small sculpture in the park. Knowing the City funds were scarce, Staff and committee members researched multiple grant opportunities and narrowed in on the Metropolitan Regional Arts Council (MRAC) Grant. The Grant application had very specific requirements that needed to be met including having an artist and project already selected, reaching underserved populations in the community and including the public in the process and creation of the project. Several local artists were interviewed and artist Lori Greene was chosen with her idea of a mosaic column sculpture. Mosaic art columns can take many forms. A few different ideas are included but, ultimately, the final design will be developed through the public process by residents. There will be three to five public meetings in which residents will receive education about the art project and provide input to help shape what form and look the project takes, partake in the design of the project, and help with the actual creation of the sculpture. The artist will do the final construction of the whole project and finally a public installation of the finish project will take place. Residents will be informed of the public meetings in numerous ways. All flyers will also be translated to Spanish to reach the Hispanic community. The original plan was to also hold at least one meeting with our older population at the Thompson Park Activity Center, although, due to the current pandemic, that may need to be modified. The pandemic has caused our whole schedule and timeline to be shifted. The hope is to kick off the project with the first public meeting this July and hold the finished installation in May or June 2021. It should also be noted that the \$10,000 grant requires a \$2,500 match, of which \$500 has already been donated by the South Robert Street Business Association. Committee members plan to raise the remaining \$2,000 through local business donations, but need to have time to begin this fundraising campaign. This project is intended to be a true first step of public art in West St. Paul. If successful, the Committee plans to research other opportunities, such as murals in the bike tunnel under Charlton and the future Robert Street tunnel, as well as other sculpture forms in other parks.

Councilmember Vitelli said he is concerned about vandalism.

Councilmember Fernandez said there is zero art in this community and we need this improvement.

Councilmember Justen said it seems odd to approve a grant. He feels the process seemed backwards and that something in the procedure broke down.

Councilmember Eng-Sarne said she has no concerns about it nor the order it was presented. She doesn't feel we need full oversight and approves.

Schletty said they hope to be back with something for public input by July or early August.

F. 1010 Dodd Temporary Alternative Use

At the January 13, 2020 OCWS, development of a community arboretum and gathering space was discussed for the vacant lot at 1010 Dodd. Schletty said this project of the Environmental Committee has been temporarily put on hold due to the COVID-19 crisis. Recently, the idea of a temporary gathering and picnic space on this lot has been suggested by Council. With a number of restaurants in the immediate vicinity and current limited indoor and outdoor seating, it would be a good alternate location for residents to gather and enjoy their meals.

Picnic tables could be temporarily placed in the now empty lot in a socially distanced layout, along with trash and recycling containers. Maintenance and trash removal would need to be temporarily assigned to either parks or streets maintenance staff. The Parks Department currently has five older picnic tables that were recently replaced with new and are still usable. Additionally, other tables could be temporarily moved from picnic shelters in other parks. Since this is a temporary use, tables would be placed in the grass and would need to be shifted from time to time to trim and mow the grass beneath. Since there is a long-term use identified, that may surrender some of the space to a future roadway realignment project, no permanent improvements, besides possibly some well-placed trees, should be made at this time.

Street parking is permitted on the both the Dodd and Smith sides of the vacant EDA owned lot, which could also be used for temporary placement of Food Trucks.

Councilmember Pace said he would like to move forward with this.

Councilmember Fernandez would like to add some more elements. Some flair, color and vibrancy. Planter boxes and flowers. Maybe stores would donate or adopt flower beds. Not permanent but they could look permanent.

Councilmember Justen said it is important to remember that this is the less safe intersection. Suggested some passive traffic calming or presence from the Police Department.

Councilmember Vitelli asked about the budget. Schletty said five picnic tables and other spare tables could be used from other closed shelters. He agreed with Councilmember Fernandez. And make it walkable.

Councilmember Eng-Sarne said the grass looks better now. The fence belongs to the neighbor. An artist lives nearby who could possibly work with the neighbor to beautify that fence. Councilmember Fernandez said the City owns the fence.

Councilmember Berry commented on trash cans and maintenance. Schletty said Parks Staff take care of them Monday and Friday. Public Works could mow. Parks & Rec could do the trash.

Councilmember Justen said the trash can needs to fit a pizza box.

Councilmember Pace agreed with Councilmember Fernandez. He suggested tasking the Environmental Committee to come up with some plantings.

Councilmember Fernandez asked if there is enthusiasm from the last concept drawing yet? Or should we wait and go full steam in the spring?

Schletty said the Environmental Committee is still interested and it is at the top of their list. We would also like to add some trees for shade, he said.

Councilmember Eng-Sarne said she is the Environmental Committee liaison. A very small subcommittee of two people and asking them to drive the outreach from garden centers is asking a lot.

Schletty said we will figure it out.

City Manager Schroeder reminded Council that this is EDA property. Someday a good portion of this land will be eaten up by roadway issues. This is just temporary for a quick community gathering space and to do something with it.

G. Food Truck Ordinance Amendment Discussion

The Police Department receives a few requests annually for food truck businesses to set up in West St. Paul on a temporary basis, usually in shopping center parking lots. The City currently has a “food vending” ordinance, but this ordinance provides very little regulatory authority to manage these operations. Example, we have no authority to grant or deny any food truck staying longer than 21 days. Currently, we have no authority that allows us to regulate their duration in one particular spot. The proposed food truck ordinance repeals and replaces the “food vending” ordinance we have today.

1. They would not need a Peddler’s License. They would not need any other City license either – just proof of insurance, permission on public property, and follow performance standards. We can issue administrative citations if they violate the ordinance.
2. They are allowed in industrial zones in a parking lot (with permission) or on a public street adjacent thereto with permission of the abutting property owner.
3. They are allowed on residential property with permission as part of an event (wedding, graduation) or on a public street adjacent thereto with permission of the abutting property owner and it is not open to the general public.

Hartshorn said there is currently one food truck in the Menard’s parking lot.

Councilmember Justen suggested removing the 300 feet requirement from food establishments. Breweries may have a foot truck come in, for instance.

Councilmember Berry said both sides of Robert Street are 300 feet apart and agreed with Councilmember Justen.

Councilmember Eng-Sarne asked if this should be sent to the Planning Commission for zoning? City Attorney Land said it's not a Planning Commission item.

Councilmember Pace agreed regarding the 300 foot requirement and recommended moving this forward.

Mayor Napier said the direction to Hartshorn is to move this forward.

Councilmember Justen said there are food trucks at MGM. Remove industrial.

The Open Council Work Session was recessed at 6:29 p.m. and resumed at 8:00 p.m.

In regards to the food trucks, City Attorney Land said she is hearing we don't want a zoning district, then we can remove that restriction so they can be anywhere in the city.

Council agreed.

H. Housing Improvement Area (HIA) Discussion

Hartshorn said that one of the City Council's new initiatives includes improvement of the City's Housing stock. One option to accomplish this goal could be the creation of a Housing Improvement Area (HIA). This is an area defined by the City where housing improvements in a condominium or townhome association are made through a low-interest loan from the City.

Staff was contacted by the President of "The West" apartment complex, 1450 Bidwell, asking for West St. Paul's consideration to create an HIA.

The property has some deferred maintenance items beyond the ability of the Housing Association to fund without third party involvement. Staff believes there are other associations that would move forward with improvements to their buildings if an HIA existed. If the Council would like to move forward, the association would need to petition its membership (65%) to move forward with an application to the City. The funds would come from a bond issued by the City, and the City would take on the role as the bank. Payments to associations would be in the form of a low-interest loan, and the City would perform the due diligence (for a small fee). The costs are paid through a special assessment on the property taxes. Staff met with representatives from the City of Oakdale and they provided information detailing their HIA program.

City Manager Schroeder added that this is about a \$500K project.

Councilmember Berry asked about the 65% signatures, will those property owners see an increase in their association fees? Schroeder said each unit would get a special assessment but, part of what Oakdale does, is they take a look at their association dues to make sure that this doesn't happen again.

Mayor Napier said he likes it. Council agreed.

Councilmember Berry asked if they are limited, in that they cannot put in a pool? Hartshorn said he believes it is all exterior, and fixing the furnace, things like that.

Councilmember Berry asked if this is similar to the homeowner loans, in that it has to improve the property? Hartshorn said yes. Schroeder said it has to be HOA assets. For individual units, nothing in there unless it's an HOA item. Roofs, windows, decks, things like that.

Councilmember Justen commented that it's not for a bathroom remodel. Hartshorn agreed.

Mayor Napier said Staff has direction.

I. Consideration of 2021 and 2022 Council Salaries

City Manager Schroeder said on May 22, 2018, the Charter Commission met and recommended an increase in Council salaries for 2019 and 2020. This recommendation was adopted by the then sitting City Council on July 23, 2018. On February 26, 2020, the Charter Commission met and recommended increases in current Council and Mayoral salaries for 2021 and 2022. In front of Council, at this time, is consideration of that recommendation.

Under State law, a City Council can only adopt an increase in salary that takes effect after the next General Election. The Charter Commission is recommending consideration of the following:

Current Mayoral Salary:	\$9,356
Proposed 2021:	\$9,613
Proposed 2022:	\$9,878
Current Council Salary:	\$7,508
Proposed 2021:	\$7,714
Proposed 2022:	\$7,927

Councilmember Berry no; if we could take a little bit out of debt.

Councilmember Vitelli said the increase gets bigger each time we put it off. The Charter Commission agreed to it, so we should. He said it fell way behind in the past.

Councilmember Eng-Sarne questioned if the Charter Commission would have made this decision post-COVID.

Council agreed to move this forward to the July 13, 2020 Regular City Council meeting.

5. Adjourn

Councilmember Fernandez suggested that OCWS, Regular EDA and EDA Work Sessions be available by audio if not televised. Mayor Napier said they should be televised.

Council said they like being in the Council Chambers for the Open Council Work Session.

Councilmember Justen said he wants it recorded. If not televised, then web streamed.

Motion was made by Councilmember Berry and seconded by Councilmember Pace to adjourn the meeting at 8:13 p.m.

All members present voted aye. Motion carried.

David J. Napier
Mayor
City of West St. Paul