

**WORKSHOP
OAKDALE CITY COUNCIL
January 12, 2021**

The City Council held a workshop on Tuesday, January 12, 2021, at Oakdale City Hall, 1584 Hadley Avenue North, Oakdale, Minnesota. The meeting began at 5:02 PM.

Present: Mayor Paul Reinke

Council Members: Jake Ingebrigtsen
Susan Olson
Colleen Swedberg
Kevin Zabel

Also Present: Christina Volkens, City Administrator
Jim Thomson, City Attorney (arrived at 6:04 PM)
Brian Bachmeier, Public Works Director/City Engineer
Susan Barry, City Clerk
Alyssa MacLeod, Communications Specialist
Bahea Manasra, Administrative Intern (virtual)
Chelsea Petersen, Administrative Services Director (virtual)
Emily Shively, City Planner
Bob Streetar, Community Development Director
Bill Sullivan, Chief of Police
Kevin Wold, Fire Chief (virtual)

Other: Tom Campbell, Bethesda Lutheran Communities
(virtual) Jon Fletcher, Presbyterian Homes
Kristine Giornalista, Bethesda Lutheran Communities
Libby Pritchett, Presbyterian Homes

PRESBYTERIAN HOMES AND SERVICES: Helmo Station

Jon Fletcher, Presbyterian Homes and Services, presented an overview of the organization and their proposed apartment project at the Helmo Station development at Helmo Avenue and 3rd Street. He noted that the apartment would be four-story on two and one-half acres, for tenants 55 and older, with twenty percent of the units designated as affordable with preference given to current Oakdale residents. Mr. Fletcher commented on the need to acquire tax increment financing (TIF) for the project.

In response to a question from Mayor Reinke, Mr. Fletcher replied that Oakdale was chosen based on the housing demand for persons 70 and over, availability of staffing, access, and visibility.

Community Development Director Streetar noted that Ken Larson of Slumberland serves on the Presbyterian Homes and Services board. He also noted that staff determined that the proposed project would work on the site.

Council Member Zabel supported the proposed project but not the use of tax increment financing.

Council Member Olson supported the proposed project but was undecided about the use of tax increment financing.

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Council Member Swedberg supported the proposed project but not the use of tax increment financing. She asked whether Presbyterian Homes and Services had participated in any density bonuses with other communities in lieu of TIF.

Mr. Fletcher explained that a density bonus would not be financially beneficial for the project being proposed. He further explained that TIF offers an important financing mechanism to developers and noted that the city would not need to provide any cash.

City Administrator Volkens noted that the TIF on the Echo Ridge Senior Living project would expire around the time when the Helmo Station project begins.

Council Member Ingebrigtsen expressed concern with general financial uncertainty and did not support using tax increment financing.

Mayor Reinke supported the proposed project and the use of tax increment financing for the affordable housing component as it addresses the comprehensive plan goal for the city.

Community Development Director Streetar indicated that without the potential of using tax increment financing for the proposed project, the developer would not proceed.

BETHESDA LUTHERAN COMMUNITIES: Cornerstone Village

Council Member Zabel recused himself due to a conflict of interest.

Tom Campbell, Bethesda Lutheran Communities, presented an overview of the organization and of their proposed project at the Helmo Station development at Helmo Avenue and 3rd Street. He noted that the apartment, named Cornerstone Village, would include housing for adults with special needs who have abilities to live independently.

Kristine Giornalista, Bethesda Lutheran Communities, reviewed the components offered by Cornerstone Village, including, independent, inclusive housing, intentional community that offers social activities and interaction, and designed to maximum independence.

Community Development Director Streetar noted that a component of the project would a land conveyance from the city for access.

3M DRINKING WATER SETTLEMENT

City Administrator Volkens updated the City Council on discussions with Kirk Koudelka of the Minnesota Pollution Control Agency relating to the drinking water settlement lawsuit. She indicated that the state had not yet responded to Oakdale's October letter of request and issues but planned to do so in February.

Public Works Director/City Engineer Bachmeier noted that the state had addressed the Well 7 project and locally preferred alternatives.

WILLOWBROOKE MASTER DEVELOPMENT AGREEMENT

Community Development Director Streetar provided details of the draft Master Development Agreement for the Willowbrooke project, located north of County Road 14 and east of I-694. He explained that the agreement be presented as part of the upcoming plat approval.

In response to a question from Council Member Ingebrigtsen, Community Development Director Streetar indicated that the Willowbrooke project would produce a high amount of property taxes and more than needed to add city staff associated with the large development. He further indicated that hiring could commence following final plat approval.

(Attorney Thomson arrived).

In response to questions from Council Member Ingebrigtsen, Community Development Director Streetar explained that assessments would be applied to any residential property each January. He also noted that sold parcels would not be permitted to remain undeveloped.

In response to questions from Council Member Zabel, Community Development Director Streetar explained when infrastructure costs would occur as well as the city's only upfront costs for 40th Street and for park development.

In response to a question from Council Member Olson, Community Development Director Streetar explained when assessments would be paid by the developers.

In response to a question from Council Member Zabel, Community Development Director Streetar explained that a pedestrian access was not planned for the 40th Street bridge but could be considered as part of the city's bike and pedestrian plan.

Attorney Thomson provided an overview of the negotiation process with Lennar Development and Maplewood Development and that an amended master development agreement would be available the following day. He noted that the changes relating mostly to wording and not to business points.

Mayor Reinke stated that the general sense of the City Council was to move ahead with the agreement but to inform the City Council of any substantive changes. He asked the City Council to contact City Administrator Volkens or Community Development Director Streetar with any comments on the agreement.

Attorney Thomson noted the development would also entail subdivision agreements for each plat and requested approval for staff to approve the agreements.

COUNCIL TOPICS

Workshops

Council Member Ingebrigtson asked that the City Council schedule weekly workshops.

Council Member Swedberg asked that fewer items be placed on workshop agendas or to meet more often.

Mayor Reinke noted that the City Council can hold workshops after regular meetings held on the second and fourth Tuesdays of each month.

Council Member Zabel suggested that special workshops be scheduled, when needed.

Joint Meetings with Advisory Bodies

Council Member Zabel asked that the City Council's annual meetings with its advisory boards and commissions be scheduled later in spring when in-person meetings are more likely.

Staff was directed to reschedule the meetings for late spring.

Teamwork

Council Member Olson commented on importance of the City Council's discussions and the need to work as a team.

City Administrator Volkens shared that the City Council's strategic planning and teambuilding training would start to address this. She added that workshop items could be added after regular meetings, when needed.

Council Member Zabel asked that the City Council's strategic planning topics continue where the 2020 discussions left off.

Helmo Station

Council Member Olson asked about consequences for not providing tax increment financing for the Presbyterian Homes project.

Mayor Reinke noted that the majority of the City Council does not support tax increment financing for the Helmo Station site.

In response to a question from Council Member Zabel, Community Development Director Streetar explained that land owners typically connect with developers who then approach the city. He commented on the high demand for affordable and market rate housing in the area and suggested doing a market rate study for the Helmo Station site.

Council Member Ingebrigtsen indicated that the City Council is not opposed to affordable housing, but does not favor the use of tax increment financing on that site.

Community Development Director Streetar commented on how affordable housing and tax increment financing go together and further commented on the need for the City Council to provide certainty to staff on the use of tax increment financing.

Council Member Swedberg noted that she was only recently aware of the tax increment financing request for Helmo Station.

Council Member Olson expressed concern that the site might not develop without tax increment financing.

Council Member Ingebrigtsen replied that the city could reconsider tax increment financing in the future, if needed, but did not see any scenarios where the site sits vacant in his opinion,

Community Development Director Streetar informed the City Council that staff would advise developers that no tax increment financing is available for the Helmo Station site. However, the Mayor later stated and clarified that is not the decision now or at this workshop.

USED CAR DEALERS

City Administrator Volkens reported back on the city's licensing of Used Car Dealers.

Community Development Director Streetar explained that Used Car Dealers operate under a Conditional Use Permit with an annual license renewal.

Council Member Ingebrigtsen stated that dealers pay \$275 for a state and \$400 for a city license. He suggested the city issue a license but charge no associated fee. He asked to be provided with information on any other business that require licenses from both the state and the city.

Council Member Swedberg suggested reducing the city's license fee for 2021 to \$275.

Council Member Olson asked that the city's fees cover staff costs.

After further discussion, staff was directed to charge \$275 for any Used Car Licenses issued in 2021 and to refund \$125 for 2021 licenses already issued.

ADJOURNMENT

The meeting adjourned at 6:56 PM.

Respectfully submitted,
Susan Barry,
City Clerk