

**REGULAR MEETING OF THE ANOKA CITY COUNCIL  
ANOKA CITY HALL  
CITY COUNCIL CHAMBERS  
AUGUST 16, 2021**

**1. CALL TO ORDER**

Mayor Rice called the regular meeting of the City Council to order at 7:00 p.m., followed by the Pledge of Allegiance.

**ROLL CALL**

Present at roll call: Mayor Rice, Councilmembers Barnett, Skogquist, and Wesp.

Staff present: Finance Director Brenda Springer; City Planner Clark Palmer; Police Chief Eric Peterson; Public Services Director Mark Anderson; Engineering Technician Ben Nelson; and City Attorney Scott Baumgartner.

Absent at roll call: Councilmember Weaver.

**3. COUNCIL MINUTES**

- 3.1 July 26, 2021, Worksession.  
August 2, 2021, Budget Presentation.  
August 2, 2021, Regular Meeting.  
August 2, 2021, Executive Session.

Councilmember Skogquist shared corrections for the July 26, 2021, worksession on Page 9 clarifying Council consensus that directed staff to proceed with EV chargers on the 3<sup>rd</sup> floor of the parking ramp and Page 8 regarding the Anoka community social media page, then requested corrections to the August 2, 2021, regular meeting on Page 2 under Open Forum that stated Councilmember Skogquist read from an article about recent incidents regarding thefts and property damage at a local church and harassing behavior during a church service.

Motion by Councilmember Skogquist, seconded by Councilmember Barnett, to waive the reading and approve the July 26, 2021, Worksession, August 2, 2021, Budget Presentation, August 2, 2021, Regular Meeting, and August 2, 2021, Executive Session minutes as corrected.

Vote taken. All ayes. Motion carried.

**4. OPEN FORUM**

- 4.1 Anoka Halloween; Update on Halloween Festivities.

Liz McFarland, Anoka Halloween, shared an update on the 2021 Anoka Halloween activities that were to include the traditional parade and other events then asked for volunteers to assist. She said they were looking forward to the City's 101<sup>st</sup> year Halloween celebration and thanked the City for their support.

Councilmember Skogquist thanked Ms. McFarland for serving.

#### 4.2 Police Activity Update.

Police Chief Eric Peterson shared about the successful Night to Unite that included 25 parties with great dialogue that focused on current events. He spoke about the process to purge found property such as bicycles that results in donations to the non-profit Bikes for Kids then shared about the POST Board's upcoming department audit and shared how they always met the required standards. Chief Peterson spoke about the increased number of traffic accidents in the City and how to reduce speeds that highlighted 5<sup>th</sup> Avenue south of Main Street.

Councilmember Wesp inquired about Wingfield and State Avenues and upcoming traffic impacts due to extensive construction and ways to address. Chief Peterson spoke about options that included speed trailers.

Councilmember Barnett asked more about the Night to Unite events and topics of discussion. Chief Peterson responded about the key themes discussed that included activity in other cities such as Minneapolis and the incident at the Anoka County Fairgrounds.

Councilmember Skogquist thanked the Police Department for having such positive interactions.

#### **OTHER INFORMATION UNDER OPEN FORUM**

Scott Berndt, St. Paul, shared reasons why former Anoka resident Anna Arnold Hedgeman should be honored for her work against racial and gender discrimination. He shared his meeting with the Heritage Preservation Commission and their ideas that included plaques, statutes, renaming the library, inclusion of her work in high school curriculum, and designating her former home as historic property.

Councilmember Wesp thanked Mr. Berndt for his suggestions and noted Ms. Hedgeman will be included in the Anoka High School Hall of Fame alongside Henry Hill Jr.

#### **5. PUBLIC HEARING(S)**

None.

**6. CONSENT AGENDA**

Motion by Councilmember Wesp, seconded by Councilmember Skogquist, to approve Consent Agenda 6.1 through 6.2 as presented.

6.1 Approve Verified Bills.

6.2 Revising and Setting Council Calendars.

Vote taken. All ayes. Motion carried.

**7. REPORTS OF OFFICERS, BOARDS AND COMMISSIONS**

None.

**8. PETITIONS, REQUESTS AND COMMUNICATION**

None.

**9. ORDINANCES AND RESOLUTIONS**

9.1 ORD/Purchase Agreement; Weekley Homes LLC, Sale of 4<sup>th</sup> and Grant Street Site.  
(2<sup>nd</sup> Reading)

**ORDINANCE**

City Planner Clark Palmer shared a background report stating the City met at its regular meeting on August 2 to discuss the purchase agreement and made no changes or stated no concerns. He said the City has been in discussion with Weekley Homes LLC regarding property known as the 4th Avenue and Grant Street development site. The property is zoned Transit Oriented Development District. The subject property is made up of one parcel equaling 3.12 acres in size. The buyer Weekley Homes LLC is planning on constructing urban style, detached, ownership, association-maintained townhomes. Weekley Homes LLC originally offered \$405,000.00. City Council provided direction to negotiate with Weekley Homes LLC to increase the offering and negotiated a price of \$4.65 per square foot, \$202,692.00 per acre, or a total of \$632,400.00 for the 3.12-acre parcel contingent upon the City Council's approval to enter into a purchase agreement. The City Attorney from a legal perspective is satisfied with the purchase agreement and shared the proposed timeline for closing and the closing date is to be determined.

Councilmember Skogquist clarified negotiations still needed to occur regarding the purchase agreement and easement along 4<sup>th</sup> Avenue that could affect overall

unit count and asked for clarification of costs associated with stormwater improvements and Johnson Street. Engineering Technician Ben Nelson responded the developer would be paying for those costs.

Councilmember Wesp confirmed the pond was sized appropriately to accommodate the project's runoff.

Motion by Councilmember Wesp seconded by Councilmember Barnett, to hold second reading and adopt an ordinance to convey real property to Weekley Homes, LLC.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, and Wesp voted in favor. Motion carried.

9.2 ORD/Zoning Text Amendment; Adding Churches to the East Main Street Mixed Use District, EM-3 Subdistrict.  
*(1<sup>st</sup> Reading)*

Mr. Palmer shared a background report stating Emmanuel Church – OPC is seeking a zoning text amendment to allow the establishment of their church at 850 East Main Street which lies within the Main Street Mixed Use District (MS), East Main Street Subdistrict 3 (EM-3). The use of “churches” is not listed in the applicable zoning district and is therefore considered prohibited per City Code. A prohibited use may be changed to a permitted or conditionally permitted use upon an amendment to the Zoning Code. The applicant has entered into contract with the seller of the subject property to purchase the site contingent on City approval. The property is the location of a former funeral home and the site has been on the market for several years and is being marketed for office/retail/redevelopment or special use. One stipulation is that the property may not be sold to another funeral home. The site is approximately 1 acre, with 67 marked surface-level parking stalls. The principal building has two levels with nearly 12,000 sq. ft. of floor area. He reviewed use regulations for churches in other districts and noted all required a Conditional Use Permit (CUP), which would be recommended in this case if approved.

Councilmember Barnett supported the proposed CUP-concept and asked if the church sold in the future would a future church require a CUP. Mr. Palmer explained how the CUP runs with the land but a new church could require a site plan. City Attorney Baumgartner outlined the process the City had to reevaluate any future uses.

Mr. Palmer reviewed religious land use laws in detail that protected church uses and how the City allowed assembly uses in other areas. Mayor Rice spoke about impact to the property and its parking.

Rich (No last name/didn't sign in ) Emmanuel Church – OPC, explained how their church operated and that they anticipated 65 people upon opening with 200-250 eventually. He explained their church planting process that would limit the number of attendees and the plan for seating for 85-100 with multiple services if needed.

Mr. Palmer noted the City could review the CUP should issues with parking arise.

Councilmember Skogquist suggested including a maximum number of stalls as this or any future church grows.

Councilmember Barnett said it was good to have so many churches in the City as they worked together for the City's good and was excited to have them here.

#### **APPLICANT SHARED COMMENTS THAT WERE INAUDIBLE**

Motion by Councilmember Skogquist seconded by Councilmember Barnett, to hold first reading of an ordinance amending Chapter 78, Article V, Division 5, Section 78-316(h)(4), Conditional Uses, of the Code of the City of Anoka Minnesota.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, and Wesp voted in favor. Motion carried.

### 9.3 RES/American Senior Cooperative Closing Documents.

#### **RESOLUTION**

Mr. Baumgartner shared a background report stating the City Council has approved and entered into a purchase agreement with Gramercy Development LLC regarding property known as 641 Jacob Lane or the City Park/Golf Maintenance Building. The subject property is made up of one parcel equaling 4.01 acres in size. The plan is to build a new 87-unit residential structure, which has been approved by the City Council. A development agreement that has been approved by the City Council will be executed as part of the closing on August 30, 2021. He outlined documents needed to prepare for closing for City Council approval in detail and said Council's action would authorize the City Attorney to make and accept adjustments and/or revisions to the proposed documents as needed, up to and including the date of closing, unless said adjustments and/or revisions materially alters the intent of the document. He shared other details regarding funding processes with documents to move forward but would still protect the City should the closing not occur then referred to reconveyance documentation and discrepancy in legal descriptions that have been resolved.

Councilmember Barnett asked about escrow agreement remediation and if the resolution needed to be adopted with conditions. Mr. Baumgartner said he was

comfortable with the resolution as proposed as it would provide staff authority to adjust if necessary but not for anything material in substance.

Councilmember Skogquist inquired about the limited warranty deed. Mr. Baumgartner explained how the deed would provide additional safeguards for the City.

Motion by Councilmember Barnett seconded by Councilmember Wesp, to adopt a resolution approving American Senior Cooperative closing documents and to execute all necessary documents as based on the revised resolution presented this evening.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, and Wesp voted in favor. Motion carried.

9.4 RES/2022 Swede Town Phase II Street Renewal Project; Authorize Feasibility Report.

**RESOLUTION**

Mr. Nelson shared a background report stating at the in 2000 the Anoka City Council began the Street Renewal Program (SRP) for the reconstruction of City streets and infrastructure at or reaching the life expectancy typically around 70 years. He outlined the City's Street Renewal Program in detail then spoke about the total investment in public infrastructure of approximately \$50M. On April 5, 2021 Council awarded the construction contracts for the 2021 Swede Town Street Renewal Project and now that this project is underway, staff is anticipating beginning the 2022 street renewal project. The goal each year is to select the upcoming street segments during the spring so that the survey information can be collected over the fall. This will allow staff time for the engineering design, public meetings, and public hearings. Mr. Nelson noted Council should be mindful that the feasibility study will include the proposed infrastructure change of possibility of converting the 400 block of Van Buren Street into a street trail way and green space and that upcoming neighborhood meetings will provide staff direction on this topic which will be incorporated into the report. He outlined the proposed project area in detail and said the report would explore the project's costs and available funding sources.

Councilmember Skogquist asked about connectivity issues with pedestrians and suggested the possibility of including a sidewalk on the west side of 5<sup>th</sup> Avenue from Golf Street.

Motion by Councilmember Skogquist seconded by Councilmember Barnett, to adopt a resolution for the 2022 Swede Town Street Renewal Project Phase II; Authorize Feasibility Report.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, and Wesp voted in favor. Motion carried.

9.5 RES/2022 Street Surface Improvement Project; Authorize Feasibility Report.

**RESOLUTION**

Mr. Nelson shared a background report stating in 2009 the Anoka City Council began the Street Surface Improvement Program (SSIP) for City streets showing accelerated deterioration in order to create longer term benefits than just with roadway maintenance. Since this program began, over 2,100 properties have benefitted, and 20.0 miles of City streets have been resurfaced or 29% of the 69.1 miles of city streets. To date, the total investment in our roadway system with this program is approximately \$11.1M. This proposed project will involve the reconstruction of the street surface, including the bituminous pavement, minor replacement of the concrete curb and gutters, sidewalk and storm sewer reconstruction only as necessary. The program in 2022 is proposed to be approximately 2.2 miles of resurfacing for the neighborhood of the Brom and Dunham Oaks Additions and Randel Drive. Mr. Nelson outlined the streets that are to be included for study and said the project is in compliance with the City's current Capital Improvement Program and is in compliance with current budget considerations, adding it is staff's intention to concentrate efforts in neighborhoods with deteriorating bituminous surfaces, available funding, and the age of infrastructure.

Mayor Rice confirmed the project included full reclamation of the streets.

Motion by Councilmember Wesp seconded by Councilmember Skogquist, to adopt a resolution for the 2022 Street Surface Improvement Project; Authorize Feasibility Report.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, and Wesp voted in favor. Motion carried.

9.6 RES/Awarding the Sale of General Obligation Capital Improvement Plan Bonds Series 2021A, in the Original Aggregate Principal Amount of \$6,000,000.

**RESOLUTION**

Finance Director Brenda Springer shared a background report stating on May 3, 2021, the City held a public hearing regarding a five-year capital improvement plan for the years 2021-2025 and the issuance of bonds to finance the planned capital improvements. She said 30 days following the hearing there were no petitions for a referendum on the issuance of the bonds and on July 19, 2021, the City Council adopted an ordinance to issue General Obligation Capital Improvement Bonds not to exceed \$10,000,000. She said the action being

requested was to award the sale of \$6,000,000 in General Obligation Capital Improvement Bonds, Series 2021A and that adoption of the resolution would allow the City Council to award General Obligation Capital Improvement Plan bonds in the amount of \$6,000,000, to pay for both the Park Maintenance Building and a portion of the Law Enforcement Training Center/Animal Containment.

Shelley Eldridge, Ehlers and Associates, said they received five bids and outlined them in detail, stating the successful bidding firm included several partners interested in investing. She said the City's affirmed AA+ credit rating was very helpful in receiving successful bids then spoke about ways to increase that rating that resulted in a 20-year bond with an interest rate of 1.5937%.

Councilmember Skogquist said he was impressed by the rates and asked if refinancing current bonds was an option. Ms. Smith explained that Ehlers and Associates reviews bonds annually to see if any could be refinanced as well as any callable debt.

Motion by Councilmember Skogquist seconded by Councilmember Barnett, to adopt a resolution awarding the sale of General Obligation Capital Improvement Plan Bonds, Series 2021A, in the Original Aggregate Principal Amount of \$6,000,000; Fixing Their Form and Specifications; Directing Their Execution and Delivery; and Providing for Their Payment.

Upon a roll call vote: Mayor Rice, Councilmembers Barnett, Skogquist, and Wesp voted in favor. Motion carried.

## **10. UNFINISHED BUSINESS**

None.

## **11. NEW BUSINESS**

### **11.1 Appointment to Parks & Recreation Board.**

Mr. Baumgartner stated the City was in receipt of three applications to fill the vacancy on the Parks & Recreation Board; Donald Rowell III, Kiel Jenkin, and Rick Reiter, He explained Anoka residency is a requirement to serve on this Board and that the City currently has one 1 partial term vacancy that will expire on December 31, 2022. He noted that Donald Rowell currently works as a part-time senior van driver at the Senior Center and that City policy states that employees have the opportunity to be considered for openings on City advisory boards and "ad hoc" committees within certain parameters and noted that if appointed he would resign his position. He said since there are three applicants for this one vacancy, the Council will make this appointment by voting by ballot and that the individual who receives the highest number of votes will fill the vacancy.

Councilmember Skogquist clarified the process of vote totals that would result in the successful candidate then commented about the importance of having different perspectives from members based on their diverse backgrounds.

Mr. Baumgartner tallied the votes and announced a tie between two candidates. Discussion was held on ways to address the tie and concluded that postponement of the item in order to have a full Council present.

Motion by Councilmember Wesp, seconded by Councilmember Barnett, to postpone appointment to the Parks & Recreation Board to the next Council meeting.

Vote taken. All ayes. Motion carried.

11.2 Approve Capital Improvement Plan and Equipment Replacement Plan.

Ms. Springer shared the final draft of the 2022 – 2026 five-year Capital Improvement Plan (CIP) and Equipment Replacement Plan (ERP) for the City. She said Council and staff reviewed this document in detail at the worksession on June 28 and that all will be included in the 2022 budget process for discussion.

Councilmember Barnett confirmed items could still be removed from the CIP as part of the final budget process. Councilmember Skogquist asked that staff include property tax impacts as part of future discussions as well.

Motion by Councilmember Skogquist, seconded by Councilmember Barnett, to adopt the proposed City of Anoka 2022-2026 Capital Improvement Plan and Equipment Replacement Plan as presented.

Vote taken. All ayes. Motion carried.

11.3 Select Real Estate Offer Related to the Sale of 4 Lots Located at South Street/Washington Street and 8<sup>th</sup> Avenue.

Mr. Palmer shared a background report with Council stating the four vacant lots at South/Washington Street and 8th Avenue were placed on the market and listed for sale as directed by City Council. The City has received three full price offers at this time for the Council to review and consider. The lots were priced at \$85,000.00 per lot and the Council discussed the offers in executive session on August 2. He said the City Council has narrowed down the received offers to two builders then shared the proposals in detail including schedule and criteria and said Council was asked to select an offer/builder and direct staff to prepare a purchase agreement and development agreement for the sale of the four vacant lots at South Street/Washington Street and 8th Avenue.

Councilmember Skogquist spoke about the importance of blending construction into the neighborhood as well as receiving a good purchase price and felt Patriot Homes came closest to that goal. Councilmember Wesp agreed.

Motion by Councilmember Wesp, seconded by Councilmember Skogquist, to select the offer/builder Patriot Homes and direct City Staff to prepare a purchase agreement and development agreement for the sale of the 4 vacant lots at South Street/Washington Street and 8th Avenue.

Mayor Rice spoke about including the requirement of a storm shelter room as part of any slab on grade homes and suggested that possibility be mentioned as part of site plan review as it could affect overall costs for the developer. Councilmember Skogquist noted the plan encouraged full basements and the need for a shelter room may not be necessary.

Mr. Palmer referred to potential soil limitations and drainage constraints for the project. Discussion was held on whether to include the rooms as a condition

Vote taken. All ayes. Motion carried.

Mayor Rice said the City looked forward to working with Patriot Builders.

## **12. UPDATES AND REPORTS**

### **12.2 Distribution of 1<sup>st</sup> Half Round-Up Funds.**

Ms. Springer shared an update regarding the first half round-up funds and disbursement of revenues. The round up program, adopted November 21, 2011, has been in place starting 2012. She said funds collected are for donations that improve the lives of families, children and seniors in our community. Each new customer is introduced to the program when they sign up for service, and make the decision to enroll or not at that time. There is a slight increase in participants when compared to December 2020 (95 more, or 2%) due to increased awareness campaigns and diligent introduction from staff. Donations through July 23 are \$15,648 and there is a balance of \$17,070 available for disbursement. There have been several nonprofit organizations that have reached out to the City asking to be a recipient of these round-up funds. These new requests will be discussed at an upcoming worksession, for distribution consideration starting in 2022. She shared the proposed August disbursement of \$3,200 each for Alexandra house, ACBC Food Shelf, Youth First Community of Promise, and Anoka Community Mission with \$775 going to CEAP and \$3,425 going to CROSS for a total of \$17,000 of round up funds.

Councilmember Barnett shared Mayor Rice's suggestion to include a request in utility bills for any year-end giving.

Motion by Councilmember Skogquist, seconded by Councilmember Wesp, to accept the proposed distribution of 1<sup>st</sup> Half Round-Up Funds.

Vote taken. All ayes. Motion carried.

12.2 Second Quarter Financial Report.

Ms. Springer shared the City's second quarter financial reports that included governmental fund balances and assets of \$4.3 million and liabilities of \$13.2 million. She said the fund balance was -\$8.9 million then shared comparisons to 2020. Ms. Springer reviewed how the general fund was down \$71,000 over 2020 with expenditure percent allocations in 2021 that included \$83 million in assets in enterprise funds and liabilities of \$12 million, adding all enterprise funds were showing operating income. She reviewed internal service fund balances in detail and investments that included certificates of deposit, government securities, and money market funds.

Councilmember Skogquist asked further questions regarding licensing and permit revenue. Ms. Springer explained how the figures were shown compared to last year's activity to date.

12.3 Tentative Agenda(s).

The Council reviewed the tentative agendas of the upcoming Council meetings.

12.2 Staff and Council Input.

Mr. Nelson announced MnDOT will be closing BNSF railroad for repair on TH47 north of Pleasant Street beginning August 23 for two weeks for repairs.

Councilmember Skogquist requested appropriate signage be included in the area for detours.

**ADJOURNMENT**

Councilmember Wesp made a motion to adjourn the Regular Council meeting. Councilmember Skogquist seconded the motion.

Vote taken. All ayes. Motion carried.

Time of adjournment: 9:12 p.m.

Submitted by: Cathy Sorensen, *TimeSaver Off Site Secretarial, Inc.*

Approval Attestation:

Amy T. Oehlers, City Clerk