

**WORKSESSION OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL
CITY COUNCIL CHAMBERS
MARCH 28, 2022**

1. CALL TO ORDER

Mayor Rice called the worksession meeting to order at 5:06 p.m.

2. ROLL CALL

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

Staff present: City Manager Greg Lee; Finance Director Brenda Springer; Assistant City Engineer Ben Nelson; Community Development Director Doug Borglund; Senior City Planner Clark Palmer; Public Services Administrator Lisa LaCasse; Public Services Director Mark Anderson; City Attorney Scott Baumgartner; Communications Manager Pam Bowman.

Absent: None.

3. COUNCIL BUSINESS and/or DISCUSSION ITEMS

3.1 Discussion; Northstar Commuter Rail.

Community Development Director Borglund shared a staff report with background information stating at the March 21 City Council meeting, the Council directed staff to prepare for a worksession discussion regarding proposed legislation affecting the Northstar Commuter Rail. Northstar has been in operation since November 16, 2009. The Northstar corridor runs from the City of Big Lake to downtown Minneapolis, stopping at stations in Elk River, Ramsey, Anoka, Coon Rapids, and Fridley. According to Metro Transit, "Like transit agencies in most metropolitan areas, Metro Transit relies heavily on state and federal money to finance its operations and capital programs. About 1/3 of Metro Transit's operating budget is covered by fares and advertising revenue, the remainder comes from regional, state, federal, county and other sources". He reviewed current legislation, ridership data, Metro Transit mission and guiding principles, transit oriented development (TOD), commuter rail in the City, and construction of the commuter rail transit village (CRTV) parking ramp and said staff would like Council to provide direction on preparing a letter or resolution of support for the continued operations of the Northstar Commuter Rail.

City Manager Greg Lee noted staff had invited representatives from both the Metropolitan Council and Metro Transit to attend this worksession but were unable to attend.

Councilmember Barnett spoke about the financial aspect of any major decision and how taxpayers are paying for this service and the need for more detailed data to make an informed decision, including actual success and ridership. She referred to an article in the *Star Tribune* that spoke about lack of ridership and projections resulting from COVID-19 with more people working remotely and no weekend service. She shared statistics on crime including car jackings and other concerns and said if the Northstar was no longer supported funding could be spent elsewhere to improve bus connectivity and safety concerns and said she would not in favor of adopting a resolution of support.

Councilmember Skogquist commented on the need to focus not only on the broader region but the City and said Anoka is a beneficiary of Northstar and likened it to highways and railways and those subsidies for expenses not covered by taxpayer funds. He spoke about government expenditures for a greater use and how they are just starting to see the investment in the Commuter Rail Transit Village (CRTV) which is a big selling point because of Northstar and without it we would not be seeing this type of investment. He stated the Northstar has benefitted the City as a good investment and while he agreed there needs to be monitoring to not support Northstar would be short-sighted and that we should work to see continue to operate and be functional.

Councilmember Barnett said the comparison to highways and Northstar was not the same as we do not have a track record for Northstar and to speculate that David Weekley Homes or others would not have invested in this area was not right because the area contained beautiful property already. She commented how the train was never going to work or be an anchor and that Highway 10 needed to be improved instead which was now occurring and would prefer to see more bus routes instead that could adapt as trends change, adding accessing downtown is not as important as it was before COVID-19 and the riots.

Councilmember Weaver said he is a supporter of trains and while he sees Northstar as a service the model is broken as routes should have gone to St. Cloud, adding he would like to see Anoka be a whistle-stop for Amtrak as well.

Councilmember Wesp said he supported the Northstar as well but agreed it was very costly and was unsure.

Mr. Lee clarified no action was needed tonight but the topic was requested to be discussed and suggested waiting for the status of the bills in the House and Senate as this may be a moot point anyway if they do not move forward in the process.

Mayor Rice said he would like to see the train continue but also would like to see smaller vans in place of large buses if not full of riders. He said he believed development occurred because of the trains and suggested the City not take a formal position as it will likely solve itself and agreed he would like to see routes go to St. Cloud for more viability.

Councilmember Weaver said it will be interesting to see if ridership increases as Highway 10 reconstruction continues.

Communications Manager Pam Bowman shared that Northstar use was being encouraged as alternative transportation in the City's communications regarding construction. Councilmember Weaver encouraged tracking of parking data as time goes on to better understand the impacts.

Councilmember Barnett asked about the CRTV and ownership of the ramp and if there are any long-term plans if not used for Northstar. Mr. Borglund said the City has a 100-year lease with Metro Transit for the ramp which includes an escape clause.

City Attorney Scott Baumgartner explained the expectation was to have a ramp available but could review the lease further. Mr. Lee said the lease could be terminated by Metro Transit but not by the City.

Barb Thurston, Anoka, inquired about a schedule for the train for routes to the airport. Councilmember Weaver said those routes no longer occurred because Anoka County chose to no longer support that schedule.

Mayor Rice noted the benefit to the train needs to include use for Twins games and other events.

Councilmember Barnett shared concerns about bus safety and dollars being better spent towards safety and travel times with commuters and how this could be considered a disservice to those with lower incomes and that we have to assume the station is only catering to those who own cars or could walk to the station and asked if we are focusing efforts to the wrong group of people.

Councilmember Skogquist disagreed, stating the station caters to many more people and as a result has developed more, adding the County is strangling this effort and if they continue to cut services this will be a self-fulfilling prophecy. He said the Northstar is here and instead should focus on how to increase routes again.

Councilmember Barnett asked why the County decided not to pay the full amount and if their reasons were based on ridership and said we should not continue to fund empty trains.

Councilmember Weaver said then we should also ask why the County continues to tax for the Northstar as well then cautioned against being too forceful against the train because once gone it will not return.

Councilmember Barnett suggested selling the parking ramp to a big business and allowing use for employee parking as it would provide jobs and be a great reuse

of the ramp. She shared doubts on why ridership and cost data would not be shared until year-end then asked if other cities are supportive of the Northstar. Mr. Lee said most cities are having similar conversations but believed many were supportive of Northstar continuing but possibly not Big Lake.

Mayor Rice said he believed investments around the CRTV happened because of the Northstar but agreed the line has to become viable.

Councilmember Weaver agreed, stating development along Ramsey and Coon Rapids also occurred because of Northstar.

Council consensus was to continue to monitor status of bills in the Legislature and solicit input from the City's Representatives before any formal resolution of support be considered.

3.2 Discussion; Heritage Preservation Ordinance and City Register. Designation of Site and Structure to Historic City Register; Anoka Water Works, Electric Light and Power Company Building, 2831 Ferry Street.

Senior City Planner Clark Palmer shared a staff report with background information stating in recent months the Heritage Preservation Commission (HPC) has been discussing the City Register and three specific properties including the Anoka Water Works, Electric Light & Power Company Building (2831 Ferry Street); Anoka City Hall; and the Giddings "Stone House." It is the intent and desire of the HPC to discuss with the City Council and consider adding these properties to the City Register starting with a discussion of the Anoka Water Works building. It is also the intention of the HPC to discuss and consider the other two properties at upcoming meetings. He said the future of Windego Park Amphitheater will be a topic of discussion on the April 25 worksession. He outlined the HPC's goal to expand the City Register and explained it was a local historic preservation tool that provides for the preservation of buildings, sites and neighborhoods that possess historical, cultural or architectural significance to the City. He outlined how the City Register is defined in City Code and the process used to evaluate and designate any property of historical significance. He said the HPC is currently recommending amending the City Register to include these properties as the regulations seek to protect property from negative alterations or demolition, as well as maintaining its historic integrity and character. Mr. Palmer said these regulations concern two areas of interest, demolition and alterations, and that it was important to note that these regulations do not limit the City Council's authority to make any decision it deems appropriate regarding a locally designated historic property.

Councilmember Barnett asked how the list was created and utilized and if something is placed on the Register how it helps protect the sites and features. She said inclusion seems to limit options and add costs and asked how this was different from a walking tour or something similar and when Council wants to do

something could the HPC come in and then identify property for significance. She said it seemed that the process was just adding costs especially if Council makes the final decision anyway.

Mr. Palmer said City ordinance states the Register is maintained by the City Clerk and is easily accessible and that it has been assumed up to this point that the HPC, enacted by the Council, specializes in this topic but noted it is a little different when direction comes with a formal evaluation report and findings that can be used in the future.

Mayor Rice said the reason for inclusion of a property on the Register is because there are costs and review are peripheral and the person who owns the building should be invested in the property as well as anyone who is looking to purchase a property that could be deemed historic.

Mr. Palmer noted the Register is different than the historic districts as those were properties the City wanted to purchase. He said the Register is different and that the HPC is only asking to review demolition permits to be able to share input about memorializing a site.

Councilmember Weaver said while he believed the Water Works building was significant he had concerns with upcoming projects nearby occurring in the next few years as we do not know what the road alignment will be and what properties may be needed as well as the amount of deferred maintenance that will be needed.

HPC Commissioner Elizabeth McFarland explained the purpose of the HPC was to present and make everyone aware of historic sites and referred to the loss of the library and fire station. She said the HPC has come to learn a lot about these buildings and that Anoka is unique for a reason and if we do not retain such buildings, we will no longer have a historic rivertown.

Councilmember Barnett said she does not see the need for a formal declaration as it the Council would make the right decision by leaning on the HPC to share the historic information. She said the HPC is a body within our own government and that Councils will look to them anyway and suggested keeping the list up to date then market and share the list with everyone so it is well known.

Mr. Borglund explained studies performed on three properties totaled \$10,000 which was very reasonable for the work done and that the list applied to both public and private property and if someone wanted to demolish private property the process may help retain a significant property.

Mr. Baumgartner the ordinance itself has two scenarios, Council has control over property whether on register or not, and public-owned property is your control, this is more for private-owned property if needed.

Mayor Rice and the goal was encumbrance and if there is going to be a review process it should be discussed why a site is valuable or should be demolished.

Councilmember Weaver said he did not mind the list but was concerned about deferred maintenance as there will be a cost and budget line item needed to address.

HPC Commissioner Colleen Hansen said we do not want to find ourselves in a position of being too late because once a property is gone it is gone. She said they were just trying to formalize the process and create a list so everyone was prepared and could correct any missteps before a property is lost forever.

HPC Commissioner Barb Thurston said it was urgent to get this site on the list now as there could be other uses for it towards the fairgrounds, kayaking, and other activities. She said the HPC works to provide good insight and reports so we can make good recommendations to the Council.

Councilmember Skogquist agreed with formalizing the process and then suggested marketing and publicizing all sites. He agreed that with Highway 47 something has to be done with the building and said leverage is important with the historic district nearby, adding while there is a story to tell the control is still with the Council.

Councilmember Barnett commented how reports can get expensive and suggested instead having criteria for identifying a historic location and if something comes up where construction is being considered then the site is reviewed first rather than having the entire history prior to consideration.

Councilmember Skogquist noted the HPC has done the work for this site and would like it added to the Register.

Councilmember Weaver said he would support having this discussion once we know the proposed road alignment and can add property to ensure proper access.

Commissioner Thurston asked if criteria for this site was included on the Register and said this site met the criteria and should be included.

Mr. Lee used Woodbury House as an example of developing but retaining a historic site and how the City stepped in to help and how the site could become a brewpub or something similar.

Mayor Rice spoke about the need to balance input and community values.

Darrin Larson, 111 Harrison Street, spoke about streamlining the process so if something comes up there is a place to start, adding they knew they wanted to do

something for their site but if it had already been established it would be important for a private property owner to know beforehand.

Councilmember Barnett asked if the knowledge would have been a disincentive knowing there were going to be limitations if designated as a historic site. Mr. Larsen in our case no because we wanted to preserve the site anyway.

Mayor Rice said this action could narrow the market but agreed that those who wanted a historic property could increase the value then referred to the former tobacco shop, 201 building and the Mexican restaurant which had declined but now was upgraded and showed very well.

3.3 Discussion; Letter of Intent for Restaurant Pad Behind City Hall.

Mr. Borglund shared a staff report with background information stating the City has been in conversation and has received a second letter of interest to acquire the restaurant pad that has been marketed by the City behind City Hall.

Jesse Hauf, 10K Brewing, presented an overview of 10K Brewing and their proposal to expand the brewhouse as well as food offerings. He said the proposal would require significant renovation and how they learned during the pandemic that the local community supported them. He spoke about their goal to invest in Anoka and not just do distribution and would be proposing a brewpub and adding a kitchen to provide two additional offerings and have full-service food offerings at 10K and the pad behind City Hall.

Adam Meyer, Studio Architects, shared more about the proposal and concept that focused on water and brewing and creating a transition between the riverfront and Memorial Park. He spoke how they planned to engage the park and draw people from downtown to the park and vice versa and create connections with the park and downtown parking for bikes, outdoor seating, snowmobiling, and rooftop space.

Mr. Hauf said the goal was to invest the right way and do it now, adding the building has four faces and needs to have to look good from all elevations. He spoke about a service window and events that would result in donating proceeds from sales to a local charity, the creation of public restrooms and bike parking but still brew their beer and offer other brews too so they can focus on their best beers. He said they did not intend to have a full restaurant as they still want the taproom atmosphere but would offer small plates instead then liquor from Minnesota distilleries along with music. He recognized the need for partnership with the City which would result in bringing more people to Anoka overall and said they liked involving businesses in the revitalization of downtown Anoka and Highway 10 which should be completed once this project is done.

Councilmember Wesp said this was a well thought out plan that captured what was important to Anoka and would not be just another chain. He said he liked the focus on the river and snowmobile trail to access downtown which has benefited all restaurants during the winter.

Councilmember Skogquist asked about the ability to have open area space when the weather is good and asked what deters from open concepts. Mr. Hauf explained the two exterior doors and patio areas that would be constructed to leverage the outdoors as much as possible and how being on one level is great but that they would encourage the public to use even if they are not a patron of the restaurant. He said they still intend to provide a dog-friendly atmosphere then explained how liquor liability works to be able to serve in more locations if identified which could be used for the entire park and parking lot for special events as a licensed caterer. He noted if another Anoka bar wanted to serve, he would be open to that as well as allow use of the area for food trucks.

Councilmember Barnett said Mr. Hauf has impressed the restaurants from the beginning with his goal of partnerships and agreed this would be something different and successful. She complimented him on his business acumen and asked if parking would be sufficient through use of the ramp.

Mr. Hauf said the rooftop event space would be small and said they could partner with the Mill Site which would be a great opportunity to cater food. He said parking would need to be addressed then noted the increase in electric vehicle use could include electric charging stations and then spoke about their intent to include music.

Mr. Borglund stressed the importance of focusing on the snowmobile trail and corral and memorializing it to ensure it remains. Mr. Hauf agreed.

Councilmember Weaver said he agreed with the overall concept but said he would be abstaining from any future formal votes due to a potential conflict of interest.

Councilmember Skogquist noted the other proposal was a full restaurant which would be good as it was important to many people in the community. Mr. Hauf said he understood then clarified how if opened they would not be a full-service restaurant as that is the hardest part to manage but would rather be known for good food that pairs well with beer and small plates coupled with wine, other spirits, and craft sodas. He explained how they currently see a decrease in customers during the dinner hour and that they want to capture that business as well as breakfast on Sundays.

Councilmember Wesp agreed the business has been built well but that diversification in the community is great and that this proposal is different from the other proposal which was another restaurant only.

Mr. Borglund summarized next steps that included review of both proposals and then scheduling a closed session to review land values, etc.

Mr. Baumgartner clarified how containment of alcohol would occur in the park area. Mr. Hauf said that would be determined as they move forward but recognized the importance of that aspect as part of any proposal. Mr. Lee said that element could likely be included as part of an overall entertainment district as well.

Mr. Borglund explained current trends in other parts of the country that allowed for alcohol service within a specific area called a social district and their work to do something similar to Fremont Street in Las Vegas in Minnesota.

Mr. Hauf reiterated how he would like to partner with the City and would be willing to present an offer for the land when appropriate.

Councilmember Barnett asked if an offer was received from the first group. Mr. Borglund said not yet but noted they shared updated building elevations for Council consideration.

Council consensus requested a closed session be scheduled for further consideration of both proposals on April 18.

3.4 Discussion; Policy Review; Social Media and Communications.

Ms. Bowman shared a staff report with background information stating at the July 26, 2021 worksession, staff provided information to Council about the use of social media by elected officials, boards and commission members and City employees. Staff encouraged the Council to watch the webinar offered for elected officials through the League of Minnesota Cities. Staff also presented a revised policy based off of the League's example. She explained that after Council viewed the webinar, they inquired about including the following language in the policy "The policy below is written to explicitly exclude social media accounts of elected officials." As noted by the League, "Some cities may choose to have and control social media accounts for their council members. In that case, this policy would be changed to include those Councilmember accounts as City accounts. This policy should not pertain to solely personal accounts of Councilmembers or any other social media accounts outside the control of the City's social media managers." Since there was some delay in following up on this, staff thought it best to bring back to Council for discussion again, prior to bringing the final policy for adoption at a regular meeting, then outlined the proposed changes in detail.

Mayor Rice said he liked the concept of personal accounts, either individual or elected, that contained City images.

Councilmember Skogquist noted some cities have inhouse managers for Council-related accounts by wards but felt this should not be staff's job and supported the League's model.

Mr. Baumgartner asked about any timeframe for posting by the City and if staff had concerns about timely postings. Ms. Bowman replied she did not see that as a concern and that Council would be the stakeholders and abide by the policy, same as boardmembers and commissioners.

Councilmember Barnett highlighted the section that stating acting in a way of showing care and thought for the future as councilmembers and personal accounts. She said Council is acting as an agent and should be discouraged from identifying ourselves as an employee or agent and if post a disclaimer and lead with these are my opinions to ensure transparency, including any threads. Ms. Bowman suggested including a static disclaimer on City pages and starting every initial post with a similar disclaimer.

Councilmember Skogquist spoke about the potential of City-issued accounts to help address concerns and supported the League's policy, adding if staff tries to monitor it will be very difficult and could be open to interpretation.

Councilmember Wesp said he support Council having the right to post but shared concerns about Councilmember Skogquist's posting on February 26 as representing the City which bothered him and it implied his was a comment from the Council.

Councilmember Skogquist said he has been trying to follow regulations but did not want to be limited in responding to the public. He said we should not be focusing on disclaimers but understand the points and shared frustrations about being overburdensome regarding this topic.

Mayor Rice said that is why it is important because if it can be implied then it could be so including the disclaimer. He said if a disclaimer is placed before and after any post it will be very clear and could solve some of the concerns.

Councilmember Barnett spoke about how she had concerns when posting and when it occurs and when we can share and if she had a concern that was not addressed by speaking with the Councilmember then she should be able to address them with staff.

Councilmember Skogquist said he did not want to place staff in a difficult position because they are the elected officials and it should be up to us. He referred to his post, adding others have posted similar opinions in the past but that it was clear it was not the City of Anoka's position.

Mayor Rice referred to emails and disclaimers being a little different and that the policy will dictate the actions needed.

Councilmember Wesp said he believed all Council should communicate this way and not just as one Councilmember, similar to the Chairman of the Boards meeting, adding this was only his.

Councilmember Skogquist said he will monitor accordingly then noted there are formats for comment and that he did not believe we were being equitable.

Councilmember Barnett said the topic was in response to earlier conversations and was being brought back because of continued concern then asked about similar policies for email. Ms. Bowman said the City does have a technology policy which could be outdated and will be reviewed further, adding the difficulty is in monitoring and policing activity.

Mayor Rice outlined the process that if a concern arises the Councilmember should speak with the other Councilmember and if the concern is not addressed then bring to the full Council for further review and criticism.

Councilmember Weaver said he was criticized for an email regarding the Northstar train and suggested marketing Northstar as part of Highway 10 traffic solutions but will add disclaimers in the future.

Councilmember Skogquist said he did not believe that email was a concern but felt it would be worse not saying anything.

Ms. Bowman stated the revised policy would be brought to Council for formal consideration in April.

3.5 Discussion; 2022 SSIP and SRP Bond Funding.

Assistant City Engineer Ben Nelson shared a staff report with background information stating on March 22, 2022, the City received bids for the 2022 Street Surface Improvement Project (SSIP) and had received a total of six competitive bids ranging from \$2.1M to \$2.5M. The apparent low bidder was North Valley, Inc. with a total bid of \$2,038,565.60. When this project was presented to Council this past February, the total estimated project cost including engineering was \$2,407,000. Base on the low bid received from North Valley, Inc. the total project cost is \$2,344,000 or approximately \$60,000 less than the estimate total cost. The streets that are included in the 2022 Street Surface Improvement Project were shared. He said in partnership with Anoka County Highway Department there is a turn lane extension being included in the bid to westbound Pleasant Street at Trunk Highway 47 (Ferry Street) to accommodate the increase of traffic from the Highway 10 Anoka projects. On March 24, 2022, the City received bids for the 2022 Street Renewal Project (SRP) - Swede Town Phase II and had received a

total of six competitive bids ranging from \$1.9M to \$2.5M. The apparent low bidder was Kuechle Underground Inc. with a total bid of \$1,911,582.19. When this project was presented to Council this past February, the total estimated project cost including engineering was \$2,047,000. Base on the low bid received from Kuechle Underground Inc., the total project cost is \$2,198,300 or approximately \$150,000 over the estimate total cost. The streets included in the Street Renewal Project - Swede Town Phase II were shared and it was proposed that the Street Renewal Fund will be financed by the Municipal Public Works 444 Waterworks; Storm; Sanitary Sewer Systems bond. He shared two bond impacts scenarios, one being the financial impact to the levy moving forward if we do both the 2022 SSIP and the SRP and the second being the financial impact to the levy if we just do the 2022 SRP. He reminded the Council that Park Capital funds and Anoka County Highway funds will also be a portion of the SSIP project funding.

Finance Director Brenda Springer commented about using special bond and special assessments, stating this time there was not enough special revenues which would require any project to be a levy bond instead. She shared current debt obligations and projections and how it will affect the levy going forward and explained the impact of doing the project this way.

Councilmember Skogquist said based on the proposal we will have to include funding each year to keep this rate. Mr. Lee explained the average rate and current street surface projects and said it really is a question of whether the Council wants to continue at an accelerated rate or reduce with a goal to do a five-year analysis going forward. He said staff was suggesting Council bond but that it was up to Council's direction. Mr. Lee commented about possibly holding back the amount of rate based on the current situation.

Mayor Rice said if we did not do one improvement area it would be a disappointment to many and agreed to stop spending to guarantee 7-8%, adding it will never go down unless we stop.

Councilmember Skogquist said he was concerned because there are some very bad roads that need to be addressed.

Mr. Lee suggested focusing on the 2022 budgeted plan and then coming back in May with a five-year plan and scenarios.

Councilmember Barnett said if we held this off until next year could we have another solution and if there is research, she did not want to spend this money and then find another alternative. She said roads are a top priority and would support infrastructure over other projects.

Councilmember Skogquist said if we are going to bond for a project it should be sooner rather than later.

Ms. Smith said staff will provide other projections going forward.

3.6 Discussion; Anoka City Council Serving on the Anoka City Charter Commission.

Mr. Lee shared that in recent months, the issue of City Councilmembers serving on the City's Charter Commission was raised and discussed by the City of Ramsey. This prompted a request by Anoka City Councilmembers for the Council to hold a discussion on whether or not City Councilmembers may/should serve on the City's Charter Commission. Appointments to the Charter Commission are made by the 10th Judicial District Court (by Statute). Minnesota Statute 410.05 states "the Commission shall be composed of not less than 7 nor more than 15 members, each of who shall be qualified voters of the City." This section further states that "Except as otherwise provided in the charter, no person shall be disqualified from serving on a charter commission by reason of holding any other elective or appointive office other than judicial. The Charter may provide that members of the governing body of the city cannot serve on the charter commission." Please note that the highlighted section allows for a Charter that states City Councilmember cannot serve on the Charter Commission. If this is the direction the Council would like to go, a meeting of the Charter Commission should be called and a recommendation to the Charter Commission from the City Council, to reflect such a change would be forwarded to the Charter Commission. An ordinance amending the Charter would be required and would have to receive an affirmative vote of all members to the City Council.

Mr. Baumgartner stated although allowed by Statute he felt the intent was to be separate bodies to avoid the perception of any conflict.

4. OTHER BUSINESS

None.

5. ADJOURNMENT

Motion by Councilmember Weaver, seconded by Councilmember Wesp to adjourn the Worksession at 8:44 p.m. Motion carried.

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

Approval Attestation:

Amy T. Oehlers, City Clerk