CITY COUNCIL WORK SESSION
January 25, 2022
After the Special City Council Meeting that takes place at 7pm
Robbinsdale City Hall
4100 Lakeview Avenue North

A G E N D A

1. CITY COUNCIL WORK SESSION CALLED TO ORDER BY MAYOR PRO TEM

2. ROLL CALL: Kline, Webb, Selman, Backen, Mayor Blonigan

3. Discuss 2022 legislative priorities in preparation for the multi-city legislative meeting on February 12th

4. ADJOURNMENT

Legislative Issue 1 - Ability to Invest

Minnesota law currently allows cities with population over 100,000 or those with AAA to invest funds with the Minnesota State Board of Investment. While there is risk of loss in this option, on balance, the greater earning potential is worth pursuing. Robbinsdale has a population of 14,000 and was recently rated at AA+.

What the statute says:

MN statue 118A.09 allows qualifying government subdivision 1

1. A County or statutory or home rule charter city with a population of more than 100,000;
2. A County or statutory or home rule charter city which had its most recently issued general obligation bonds rated in the highest category by a national bond rating agency; or
3. A self-insurance pool listed in section 471.982, subdivision 3

Subdivision 2 Additional investment authority. Qualifying governments may invest the amount described in subdivision 3

(1) In index mutual Funds based in the Untied States and indexed to a board market Unites States equity index; or
(2) With the Minnesota State Board of Investment subject to such terms and minimum amounts as may be adopted by the board Index mutual fund investments must be made directly with the main sales office of the fund.

Qualify government under subdivision 1, clause (1) or (2) may invest up to 15 percent of the sum of

(1) Unassigned cash;
(2) Cash equivalents;
(3) Deposits; and
(4) Investments.

What this earing option could mean for Other Cities:

Our book yield as of 10/31/2021 is 1.091% vs 7% if MN statue 118A.09 apply to cities with population over 14,000
Current yield = $10,000,000.00*1.091% = $109,100.00
MN State Board= $10,000,000.00*7%= $700,000.00

Difference of $590,900.00

What this earing option could mean for Robbinsdale:

Our book yield as of 10/31/2021 is 1.091% vs 7% if MN statue 118A.09 apply to cities with population over 14,000.
Looking at 15% of cash as described above - $5,600,112
Current yield = $5,600,112*1.091% = $61,097
MN State Board= $5,600,112*7%= $392,008

Difference of $330,911

Legislative Issue #2 State Bonds for Upcoming Projects

(repeated from last year – Consider addition of 2nd water tower)

Shoreline Drive Reconstruction – currently projected for 2025 reconstruction
Shoreline Drive is an important East West connection between Dowling Avenue and County Road 81. It includes one of our trunk sanitary sewer mains that collects a major portion of the central part of the City prior to discharge to the Met Council meter station and interceptor. Work on adjacent streets will also be necessary to connect the numerous elements of infrastructure together.

36th Avenue – Partnership with Crystal (including Roundabout at Regent Avenue) currently projected for 2025 reconstruction
36th Avenue is a primary east-west route in the City linking CR81 and Highway 100 that carries approximately 12,000 vehicles per day. From June Avenue to Highway 100, the road acts as the southern border between Robbinsdale and Crystal. In addition to replacing the aged underground infrastructure along this route, a review of traffic management along the route including improved traffic control at Regent Avenue will be part of the project.

Traffic to and from Robbinsdale Middle School travels through the Regent Avenue intersection. Signalization to the commercial entrance for Cub Foods a short distance to the west prohibits signal assistance at this location. A roundabout to help the flow of traffic and school busses through this area has been explored and found to be feasible.

Completion of major water projects – replacing 2nd water tower. With completion of the new centralized water treatment plant late this year and expected construction of a new larger/taller water tower just north of the downtown area, it is prudent to replace the 2nd water tower located in the North Memorial complex. The 2nd water tower would be 30 feet taller than the current structure to bring the maximum water level into alignment with the new Tower #1 and improve the minimum water pressure in the south (higher) part of the city. Higher minimum water pressure is important for fire-fighting. Funds from ARPA would fund some/not all of the project. Tower #2 was not included in the PFA loan authorization for the major works. With the advent of ~$1M in ARPA funds (eligible for use for water infrastructure) the opportunity to move forward with the 2nd water tower replacement is possible; Either an addition to the current PFA authorization or new authorization for the one project is requested. **Currently projected for 2023-24**

Long-Term infrastructure solution needed to increase pumping, remove debris, and add infiltration opportunities before water reaches Crystal Lake. Since the end of July 2016, Crystal Lake has been an average of 2 feet above Ordinary High Water (OHW) levels. This high water peaked in June 2019 when water levels peaked at 3.75 feet above OHW. Continuous pumping, hot summer days and significantly reduced rainfall in 2020 has lowered the lake closer to normal level. However, it only takes a couple gully-washers and a low temperature evaporation summer for the lake level, with no natural outlet, to bounce back to extreme conditions.
Storm sewers from Minneapolis reach the lake with minimal upstream collection of street debris and limits pumping from the lake due to down-stream storm sewer capacity. Robbinsdale has installed multiple facilities including infiltration vaults, raingardens, sump manholes and vortex separators to assist in reducing pollutant loads and peak flows into the lake.

Legislative Issue #3 Local Control

Representative Elkins has proposed a wide reaching "Comprehensive housing affordability act" According to Metro Cities, Rep. Elkin's proposal includes a number of provisions opposed by cities, including mandatory up-zoning, restrictions on planned unit development agreements, limitations on building materials, limits on park dedication fees and mandated street width, eliminating the opt-out provisions for Temporary Family Health Care Dwellings, requiring building permit fees be based on a cost per square foot rather than valuation, restrictions to the state building code update process, and requiring a 30-year energy code payback timeframe.

Rick Pearson provided response to Metro Cities specific to limiting regulations in Residential Development Legislation. He also pulled together information on comparison of what "R-1" means in different metro area cities related to a Star Tribune article about the apparent wide spread use of R-1 in cities implying it impacted affordable housing.

Also in Elkins bill:

- conflicts between comprehensive plans (which are projecting the future) and zoning (applying to the present). Example a development application at projected use/density in the comprehensive plan would require amendment of current local controls would require their amendment to allow the use within 60 days of an application.
- Prohibits requiring Planned Unit Developments (PUD) conditions that exceed state building code requirements (if project is allowed by existing zoning including conditional use). One more section limits a conditional approval of a PUD to require specific materials, design, amenities or other aesthetics required by State Building Code.
- Retroactively prohibiting opt-out of the "temporary family health care dwelling requirements." Retroactive to 2016. Robbinsdale opted out due to lot coverage issues.

Not found in the Elkins bill, there is also Legislation related to expansion of 4D (reduce tax rates for multi-family including certified low income units). Concern that lowering taxes for some 1) no guarantee that the savings go to the residents and 2) raises taxes (share of the levy for city operations) to other affordable housing.

Lead priorities for 2021 – would need to review/update:

Support Continuation of the Metro Area Tax-base Sharing Program (Fiscal Disparities) "AS IS"
Within the 7 county metro area, the fiscal benefits of commercial growth is shared no matter where that property exists. It helps to reduce the large differ-ences in property tax wealth between those communities with a lot of com-mercial tax base and those with a little.
Robbinsdale is fully developed mostly with homes on relatively small lots com-pared to neighboring suburbs. Over 90% of our homes are affordable as esti-mated by Met Council staff following HUD and FHFA guidelines. North Memo-rial Health Care, a regional trauma center which provides nearby medical care as well as jobs for many in the surrounding area, is not subject to property tax-ation. The majority of the city's commercial properties are very small making up 7.5% of the city 's taxable market value and 13.3% of tax capacity. All major redevelopment in the last 20 years has required tax increment gap financing related to the cost of acquisition and clearance. The tax capacity growth will not be realized for 15-25 years after development occurs.

Mitigate Impact of Local Government Aid Formula Changes
Robbinsdale receives a significant allocation of Local Government Aid (LGA) annually to help defray the cost of basic services. Due to the age of our city's development, much of the city's sewer and water mains are nearing 100 years old. Approximately 50% (over 20 miles each) of the water and sanitary sewer mains in the City were installed prior to 1940 (80 years ago.) Robbinsdale allo-cates money yearly to replace aging infrastructure ahead of failure. Since 2000, Robbinsdale has reconstructed 18 miles of the approximate 50 miles of residential streets, in addition to City cost participation in the reconstruction of TH 100, CR 81, and most of CR 9 all without additional funding assistance. A re-duction in local government aid for Robbinsdale would result in an increase tax burden on our residents or a review of basic services provided.

Other issues identified in 2021 – would need to be updated/anything missing

Support Development of Creative and New Programs to Take Care of the Environment
Robbinsdale takes Environmental Stewardship as a key component of our operations. Our actions range from the provision of rain gardens and native plantings, care of our urban forest, more efficient use of salt on roadways to reducing energy consumption in our municipal buildings and becoming a Greenstep City.
We are participating in the Water Efficiency Rebate program in partnership with Met Council to encourage resident reduction of precious water resources. In 2020, applications totaling water savings of 172,000 gallons per year were approved.

Provide State Resources for Mental Health
We are concerned for both the children returning to schools after social isolation and civil unrest and others going through isolation and financial hardship as a re-sult of necessary actions to control the spread of COVID19. We encourage the legislature to fund resources.