

**WORKSHOP  
OAKDALE CITY COUNCIL  
June 25, 2019  
5 PM**

**Attendance**

The City Council held a workshop on Tuesday, June 25, 2019, at Oakdale City Hall, 1584 Hadley Avenue North, Oakdale, Minnesota.

Present: Mayor Paul Reinke

Council Members: Jake Ingebrigtsen  
Susan Olson  
Colleen Swedberg

Absent: Council Member Kevin Zabel

Also Present: Susan Barry, City Clerk  
Bart Fischer, City Administrator  
Alyssa MacLeod, Communications Specialist  
Chelsea Petersen, Administrative Services Director  
Dallas Pierson, Planning Commission  
Bill Schmitt, Chief Building Official  
Suzy Warren, Administrative Services Director

**Interview with EMC Commissioner Kantola**

The City Council interviewed seated Environmental Management Commissioner Nick Kantola for reappointment to the commission.

**Sales Tax**

Council Member Ingebrigtsen asked that a study be conducted on the establishment of a local sales tax for the Police Department expansion and Public Works facility projects.

City Administrator Fischer noted that the study would help determine how much the tax could generate. He added that the Legislature would need to approve the tax and that in speaking with State Representative Leon Lillie, he would consider it provided there was unanimous support of the City Council. City Administrator Fischer also mentioned the option of having the local sales tax as a question at an upcoming election.

Council Member Ingebrigtsen preferred that the City Council make the determination on whether to institute a local sales tax.

Council Member Swedberg supported getting more information on the tax.

Mayor Reinke noted that he has asked that an air quality study be done at the Public Works facility.

**Interview with EDC Applicant: Corey Purkat**  
**Interview with EDC Applicant: David Lewis**

The City Council interviewed applicants for the Economic Development Commission: Corey Purkat and David Lewis.

Staff was directed to present recommendations for appointments to the Economic Development Commission at the July 9 City Council meeting.

### **Rental Housing Program Recommendation**

Chief Building Official Schmitt provided a review of the information that was presented at the February 12 City Council work session on the city's rental housing program and asked for direction on modifying the program.

In response to a question from Council Member Ingebrigtsen on whether annual inspections equates to better maintained rental property, Chief Building Official Schmitt noted that it was not uncommon for renters to thank the city for keeping property owners responsible for property maintenance. He shared how although it takes time to develop a successful rental housing inspection program, property maintenance can quickly deteriorate without a program in place. Chief Building Official Schmitt added that property owners pay only \$11 per month for a rental housing license. He also noted that some other communities would inspect rental property annually but lack staff to do so.

Mayor Reinke supported continuing the city's current annual rental housing inspection program. He also shared that he had recently spoken to a resident about the aggressive behavior of renters in his neighborhood.

Council Member Ingebrigtsen suggested lowering the annual license fee and increasing the penalty fees.

Chief Building Official Schmitt explained how unpaid penalties can be assessed and that future rental housing licenses can also be withheld.

In response to a question from Council Member Swedberg, Chief Building Official Schmitt noted that the city's current staffing levels can handle the annual rental housing inspections; however, temporary staffing could be utilized if needed in the future.

Council Member Ingebrigtsen supported continuing the city's current annual rental housing inspection program.

In response to a question from Council Member Olson about instituting a rating / tiered system, City Administrator Fischer noted that such a system could create issues with property owners who disagree with their rating.

Council Member Swedberg supported continuing the city's current annual rental housing inspection program.

Council Member Olson agreed.

Mayor Reinke agreed.

City Administrator Fischer informed the City Council that the City of Maplewood was in the process of adopting Oakdale's rental housing inspection program and that the City of Stillwater has been having some difficulty instituting such a rental housing licensing program.

Planning Commission Chair Pierson suggested developing a process for dealing with difficult renters.

### **2020 Budget, Levy, Financial Statement Review**

Administrative Services Director Warren continued review of the 2020 budget and levy and noted that staff would be looking for direction on the tax levy rate. She reviewed long-term goals, including building up the Public Building levy to provide for the future expansion of the Police Department and the construction of a new Public Works facility. In addition, Administrative Services Director Warren recommended increasing the Capital Improvement Project fund by \$100,000 to help fund the annual street improvement project in lieu of utilizing transfers from other funds.

Mayor Reinke noted that the City Council has historically set the city's budget at a level that does not exceed inflation.

In response to a comment from Council Member Ingebrigtsen, Administrative Services Director Warren explained that the police and public works projects would factor in funding from property value increases from the development of the former 3M site and Helmo station area short-term and not long-term. She added that over the next years, two tax increment financing housing districts would come back onto the tax rolls that can contribute as well.

Administrative Services Director Warren explained where some expenses could exceed inflation such as materials and equipment. She also explained how even if the city's tax rates remain level year after year, some would see a property tax reduction, some an increase, and for some, there would be no change.

In discussing the three levy options, Mayor Reinke noted that although he was somewhat uneasy with an increase of almost four percent he would support it as it would provide for the police and public works projects.

Council Member Swedberg supported Option 3B: 3.99 percent.

In response to a question from Council Member Ingebrigtsen, City Administrator Fischer noted that the police and public works projects were two years out. He added that the expansion of the police department was ready to go; however, the city needed to wait to develop plans for the construction of a new public works facility until the site is determined.

Council Member Olson supported Option 3B.

City Administrator Fischer indicated that levy increases in other communities have a large range.

Administrative Services Director Warren added that adjustments to the rate can be made before adoption of the levy in September. She added that the General Fund Budget increase is under three percent, with the potential of additional reductions.

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In response to a question from Council Member Olson, Administrative Services Director Warren shared some ways to decrease debt would be to not issue any more debt, such as having a biennial rather than annual street improvement program and postponing the purchase of new equipment.

Mayor Reinke commented on the importance of the city continuing to be prudent.

Administrative Services Director Warren provided a brief overview of the city's Comprehensive Annual Financial Report. She suggested that the City Council read the management report portion of the report.

### **Adjournment**

The meeting adjourned at 6:56 PM.

Respectfully submitted,  
Susan Barry,  
City Clerk