

**WORKSHOP MINUTES
OAKDALE CITY COUNCIL
MARCH 28, 2023**

The City Council held a workshop on Tuesday, March 28, 2023 at Oakdale City Hall, 1584 Hadley Avenue North, Oakdale, Minnesota. The meeting began at 5:00 PM.

Present: Mayor Kevin Zabel

Council Members: Jake Ingebrigtsen
Andy Morcomb
Susan Olson

City Staff Members: Christina Volkers, City Administrator
Sara Ludwig, City Clerk
Andrew Gitzlaff, Community Development Director
Luke McClanahan, City Planner
Nick Newton, Police Chief
Lori Pulkrabek, Communications Manager
Jim Romanik, Public Works Manager
Kevin Wold, Fire Chief
Jason Zimmerman, Finance Director

Other: Noah Her, Incoming Council Member
Jared Ackmann, Developer for Reuter Walton
Janet Hagen, Planning Commission Candidate
Mikaela Huot, Director for Baker Tilly
Paul Keenan, Vice President of Development for Reuter Walton
Brian Petereck, Project Designer for Kass Wilson

PLANNING COMMISSION INTERVIEW CANDIDATE: JANET HAGEN

Mayor Zabel thanked and welcomed Planning Commission (PC) Candidate Janet Hagen and explained the interview process.

Ms. Hagen provided a brief introduction about her residency, past work experience, and her interest in the Planning Commission.

Discussion ensued about her reasons for applying to the Planning Commission, if there is anything in particular she is looking to implement in Oakdale, if she had given any thought to joining the Environmental Management Commission, and about her past teaching experience.

Ms. Hagen asked about the time commitment involved. Mayor Zabel stated there is one meeting per month.

City Administrator Chris Volkers encouraged Ms. Hagen to attend the upcoming Planning Commission meeting on April 6th to get a feel for how the Commission operates. She explained that if Council decides to move forward, Ms. Hagen will be appointed at the April 11th Council meeting.

DISCUSSION RE: PLANNING COMMISSION CANDIDATE

Council was in agreement to move forward with appointing Ms. Hagen to the Planning Commission.

1267 GENEVA AVENUE NORTH REDEVELOPMENT – CONCEPT PLAN

Community Development Director Andy Gitzlaff provided a brief introduction of the development proposal. Reuter Walton Development is proposing the redevelopment of the 1267 Geneva Avenue North property. The proposal is for a 125-unit affordable multifamily apartment building. Additionally, the developer is seeking financial incentives from the City for this project, mainly Tax Increment Financing (TIF) and conduit debt service. Mr. Gitzlaff went over several approvals that would be needed to facilitate development as proposed, including a Comprehensive Plan amendment, rezoning which includes variances, preliminary and final plat, and site plan.

Jared Ackmann, Developer for Reuter Walton began by sharing portfolio highlights. He reviewed the location map, noting the proximity to public transportation and local schools, the concept site plans touching on the building height and the proposed number of parking spaces, and the concept exterior design photos and materials. The development would include a majority of 2- and 3-bedroom units to focus on a family-style project. Reuter Walton would apply for conduit bonds through Minnesota Management and Budget (MMB) in July, if the project were to proceed. The estimated project timeline would include a 15-month construction process with opening in the spring of 2025. Mr. Ackmann addressed one of the questions about a mixed-use component stating that is not part of the proposal at this time.

In response to Council Member Morcomb's question about other developments where Reuter Walton did have a mixed-use component, Mr. Ackmann stated that most of the developments that have commercial spaces are urban core in downtown Minneapolis or St. Paul.

Mayor Zabel shared a concern about the drastic change that would take place in the City's zoning code and/or Comprehensive Plan if the proposed development were to move forward without first discussing the adjacent parcels and developing guiding plans for this area. Council Member Morcomb agreed with this sentiment.

Council Member Ingebrigtsen indicated this area should remain as commercial and would not want to rezone to residential. He added that he does not see an opportunity for this type of development at the proposed site.

In response to Mayor Zabel's question about a Planned Unit Development (PUD) rezoning for a single parcel versus an entire lot, Mr. Gitzlaff could not recall an example, but noted that this parcel was unique because it is more urban in nature.

Council Member Olson expressed concern about the number of multi-family developments in such a small area citing traffic and dense population concerns. Council Member Morcomb added that every City needs a degree of subsidized housing, however when there is a cluster so close together it has an affect on the school district's operations and resources.

In response to Council Member Olson's question about the lack of balconies for this development and affordable housing in general, Mr. Ackmann stated it comes down to cost and the inability to recoup the costs through rent.

In looking at the financials in the Baker Tilly memo, Council Member Ingebrigtsen stated he would have a hard time justifying this project to a resident with city financial incentives.

In response to Noah Her's question about why the developer is not proposing market-rate housing, Mr. Ackmann said despite this development being affordable housing, the rent costs would be in line with market rate for this area. The project would not be financially feasible without the conduit bonds and TIF. He added that due to the current market, it is hard to find banks that will lend debt for market-rate projects.

Council Member Morcomb noted that there are some things that Council needs to sort out before moving forward with any redevelopment in that area.

In response to Council Member Olson's question about other financing options outside of TIF, Mr. Ackmann said Reuter Walton has applied for a Washington County grant. Ms. Volkens clarified that they would need the TIF as well as the grant. Mr. Ackmann confirmed noting that a few recent projects have all needed multiple soft funding sources in order to close.

Mayor Zabel stated that his stance on TIF has not changed and he would oppose the use of TIF for this developmental proposal. Council Member Olson was in agreement about the use of TIF for this specific project. Council Member Ingebrigtsen agreed as well.

Ms. Volkens summarized that TIF is not always supported by the majority of the Council so other funding sources should be explored to fund that gap. She also stated that Council needs to discuss the land use in that area and will do so soon.

Mr. Gitzlaff indicated there is a need for a small area plan for this area identified within the Comprehensive Plan but that it has not been put into any priority work plans as of yet. Staff will come back to Council with options for how to do a study and what it would potentially cost.

In response to Noah Her's question about the amount of equity being put in from the investor, Mr. Ackmann said the numbers in the Baker Tilly memo are as close to a realistic outcome from a sources and uses standpoint.

Mayor Zabel said depending on capacity and workload of City staff, the next steps are to look into doing a small area plan. He added this is not an urgent matter and can be looked into as time allows.

ADVISORY COMMISSIONS DRAFT WORK PLANS

Mr. Gitzlaff began by stating that three of the five advisory commissions are under the umbrella in terms of staffing of Community Development. Traditionally, the Environmental Management Commission (EMC) has prepared a work plan each year that gets reviewed by Council before being finalized. The Economic Development Commission (EDC) and Planning Commission (PC) are starting to prepare work plans on a more consistent basis as of this year. He explained the benefits of a work plan and the sources that inform them. Mr. Gitzlaff asked for feedback on any of the three plans presented or any changes Council would like to see during the drafting process of the work plans.

Mayor Zabel said that the EMC work plan has worked really well to help that commission visualize tasks and allow the staff liaison to track the projects that are being worked on. He was unsure if this model would work for the other two commissions – the Parks and Recreation Commission and the Tree Board. Ms. Volkens asked if only three of the five advisory commissions should have work plans. Mayor Zabel would like to better understand what the workplans provide in terms of data and information. He noted that due to the State Statutes and City Code requirements, a workplan may not be necessary for the Planning Commission, however, due to the EMC's broad purview, a workplan does seem necessary.

Council Member Olson is in favor of advisory commission work plans; however, she would like a more collaborative approach when it comes to drafting and finalizing them. Mayor Zabel asked how the collaboration process might look in the future. Council Member Olson was unsure at this point.

Council Member Morcomb would like more collaboration among the advisory commissions, the Council, and City staff. He added that currently there seems to be some separation between the advisory commissions and the Council, with little feedback being brought back to the Council.

Mayor Zabel noted that it is hard to have a one size fits all model for all five advisory commissions.

Mr. Gitzlaff stated that staff can help to serve as a conduit between the Council and advisory commissions.

Council Member Morcomb suggested that the work plans consist of stated goals to ensure success and relevancy for the advisory commissions.

Ms. Volkens suggested that the draft work plans for the following year be worked on prior to the annual end-of-year appreciation dinners so that Council can discuss them with each advisory commission before they are brought to workshop for final discussion and subsequent approval. The Council was supportive of this suggestion. Staff liaisons for all five advisory boards/commissions will work on draft workplans with their commissions this fall for 2024 workplans so they are discussed at a council workshop in November before the end of year dinners with council.

Mayor Zabel noted that the work plans are helpful in determining Comprehensive Plan tasks that are being worked on or have been completed.

MANAGEMENT DISCUSSION – POLICE CHIEF

Police Chief Nick Newton began by providing an overview on staffing, including the current hiring of one police officer vacancy. He stated that the Axtell Group staffing study is anticipated to be completed in late April 2023. Todd Axtell and Chief Newton will present the findings and answer questions about the study at a future workshop. Chief Newton added that Motorola will be onsite to work with Metro-INet to ensure proper infrastructure is in place for the rollout of the body worn cameras. The anticipated rollout will be the first week of April.

In response to Mayor Zabel's question about satisfying all State laws regarding public engagement and the implementation of body worn cameras, Chief Newton said they went above and beyond in some aspects.

In response to Council Member Olson's question about a policy that governs how the Police Department uses these body worn cameras, Chief Newton said there is an operational, department-created procedure that follows the League of Minnesota Cities (LMC) template that will be posted on the City's website. Council Member Olson asked for clarification on when video can be released to the public. Chief Newton said it depends on the case, but the Police Department would work closely with legal counsel before releasing any footage.

In response to Council Member Olson's question about the number of behavioral health calls and overall calls for service, Chief Newton explained that the number of calls has been increasing for years, however the reporting has only since improved in the last couple of years. He added that behavioral health calls were not previously tracked appropriately, but that training is taking place so that police officers have a better understanding of when to identify calls for service as behavioral health related. Additionally, a digital form was introduced with guidelines on when to complete reports and allows for a much easier process which assists in more accurate reporting, especially in regards to use of force incidents.

Fire Chief Kevin Wold added that the Fire Department faced the same struggles with accurate data collection. Since moving over to the Washington County records management system, he and Chief Newton have been trying to figure out better ways to accurately capture data. He said Narcan administration is one such troubled area. Despite the challenges, he noted they are getting better, but the numbers will only rise in the future.

In response to Council Member Ingebrigtsen's question about a correlation between the rise in crime and a decrease in prosecutions, Chief Newton said it is possible.

Council Member Morcomb asked if there are any anticipated needs from either the Police Department or Fire Department to handle these increasing numbers. Chief Newton noted that having one police officer in partnership with a dedicated social worker would help in order to follow up with crisis calls to provide resources and additional help. He brought up a federal grant opportunity that would cover the full cost of a social worker and equipment needs for two years. Another suggestion

Chief Newton made was partnering with Oak Park Heights to alleviate the cost of a full-time social worker.

In response to Council Member Olson's question about the effectiveness of the use of a social worker in other cities, Chief Newton explained that these cities end up seeing an increase in calls for service and other data as folks want to utilize the services that are now available.

Mayor Zabel stated there is a need for these services, however it is a County responsibility citing the County's Health Department and Social Services. He asked Ms. Volkens if other city administrators are seeking the same resources from Washington County. Ms. Volkens said that the city administrators within Washington County meet every month and this issue comes up at every meeting. Currently, Woodbury is doing a pilot program in partnership with Washington County for these types of services. They have cautioned other cities to wait and see the results of this pilot program before moving forward. Ms. Volkens noted that there is a staffing shortage for social workers especially in the Metro area.

In regards to the federal grant Chief Newton alluded to earlier in the discussion, Ms. Volkens noted that this grant cannot be rejected if awarded, and does require one dedicated police officer to work alongside the social worker. She brought up the upcoming staffing study results and the expiration of funding for a current police officer position from the sex-trafficking task force grant, and said staffing for the Police Department staffing needs to be discussed as a whole.

Chief Newton referenced a state grant that is only available to counties that would provide social workers to police departments within the awarded county. He stated they are pushing Washington County to apply for this grant to assist with funding.

Council Member Morcomb shared his sentiment that this is the number one priority in the City of Oakdale. He was supportive of moving forward in one way or another.

Council Member Olson asked if the dedication of one police officer is the problem in regards to applying for the aforementioned federal grant, and asked if Chief Newton thinks it is a good or bad idea. Chief Newton indicated there is a void within the department that needs to be filled so he thinks it is a good idea.

Noah Her asked if the Police Department can partner with other organizations in the community for these needed resources as a bandage of sorts until a more concrete solution is found. Council Member Ingebrigtsen added, asking Ms. Volkens if the City can contract with a private behavioral health company that could provide a social worker when needed. Ms. Volkens noted that the challenge lies with the schedule of when this service would be needed. Council Member Morcomb also added that this specific type of social work position is extremely hard to fill.

Chief Newton provided examples of what other cities are doing to help address behavioral health needs, but stated the most success he's seen is with a dedicated police officer and social worker working together. He noted that despite the auto theft, aggravated assault, and gun crime statistics, behavioral health is the department's biggest priority due to the increase in calls for service.

Council Member Olson pointed out that even if the Police Department was approved to hire more police officers or a social worker, there is a challenge with staffing.

Council Member Olson asked if a decision needs to be made on whether or not to apply for the federal grant. Chief Newton said the deadline is in May, but that Council has a lot to think about before providing direction.

Mayor Zabel affirmed that behavioral health has to be addressed, but noted that staffing considerations, such as the staffing study, have to be kept in mind before making any decisions.

Ms. Volkens recommended that they do not apply for the federal grant at this time, and hopes that Washington County will apply for and be awarded the state grant discussed earlier. She advised that Council wait for the staffing study results before making any staffing decisions within the Police Department. The council concurred.

Council Member Ingebrigtsen expressed support for encouraging the County to apply for the State grant noting the ideal solution is the County partnering with the cities in Washington County to provide these needed resources.

ADMINISTRATOR UPDATE

Ms. Volkens stated that the council vacancy candidates who were not selected have been receptive to the invitation to apply for a City board or commission.

She provided an update on the new Public Works building saying that 3M has agreed to all of the City's latest terms in regards to acquiring the land for it. The RCA for this transaction will be on the April 11th Council meeting agenda. Ms. Volkens stated that there will be a board of building material options in her office around April 10th-20th. She invited the Council to come to her office and give their feedback.

Lastly, Ms. Volkens noted that the commission/board assignments need to be revisited at the next meeting due to the addition of incoming Council Member Her. It was determined that Council Member Olson will now be the Tree Board liaison and incoming Council Member Her will be the Economic Development Commission liaison.

COUNCIL TOPICS

Council Member Morcomb welcomed soon-to-be-appointed Council Member Noah Her.

Council Member Olson requested that one of the text amendments to the 2040 Comprehensive Plan (Chapter 8, Goal 2, Policy 8) be revisited as it does not necessarily align with past Council actions. The suggested change is in reference to the establishment and maintenance of community gardens. Finance Director Jason Zimmerman noted that a Community Garden is included in the CIP as P2025-03. Council decided to remove this goal as it conflicts with current City policy.

Council Member Olson asked if the use of sidewalks versus trails along Greenway Avenue North will affect the MNDOT grant. Mr. Gitzlaff did not believe this would pose a problem in regards to securing the grant.

Council Member Olson brought up a recent news article about a city that was giving away anti-theft steering wheel locks to residents due to the increase in Hyundai and Kia car thefts. It was requested that staff look into the process that this other city used.

Council Member Ingebrigtsen welcomed soon-to-be-appointed Council Member Noah Her.

Noah Her mentioned he was eager to learn and thanked Chief Newton for the public safety work that is done for the City.

Mayor Zabel noted that the local option sales tax bill is going to the Senate on Thursday, March 30, 2023 and that he is testifying for the City of Oakale.

ADJOURNMENT

The workshop was adjourned at 6:46 PM.

Respectfully submitted,
Sara Ludwig, City Clerk