

## **Administrator/Clerk's Report**

City Council Meeting, September 11, 2017

**To:** Mayor and Council

**From:** John M. McCarthy

**Date:** September 8, 2017

### **Consent Agenda**

**League of Minnesota Cities Annual Dues:** This is a minimal increase over last years \$1,685 and is primarily due to an increase in population.

**Transfer \$44,322.00 from Unassigned General Fund 101 to Debt Service 2013A Fund 302:** This transfer is one-half of the 105% amount the City needs to include for debt service of the general fund's portion of the 2018 principal and interest payment for the 2013A Series Bonds. The remainder will be transferred when the City receives the second half tax remittance from Rice County in December.

**Transfer \$8,036.00 from Water Enterprise Fund 601 to Debt Service 2013A Fund 302:** This transfer is to reserve the 105% obligation the water fund has in 2018 for the 2013A Series Bonds. A major portion of the obligation assigned to water will be paid from TIF District 2 proceeds received this year.

**Transfer \$8,036 from Sanitary Sewer Enterprise Fund 602 to Debt Service 2013A Fund 302.** This transfer is to reserve the 105% obligation the sanitary sewer fund has in 2018 for the 2013A Series Bonds

**Transfer \$8,323 from Storm Sewer Fund 225 to Debt Service Fund 302.** This transfer is to reserve the 105% obligation the storm sewer fund has in 2018 for the 2013A Series Bonds.

**Transfer \$8,097.00 from Unassigned General Fund 101 to General Development Fund 246:** This transfer is to reimburse the General Development fund for engineering funds expended in the design of the 2017 Sidewalk project.

### **Ordinances and Resolutions**

**Resume Consideration of Resolution 2017 – 22:** At the City Council meeting held on August 28, 2017, the council moved to postpone (lay on the table) consideration of the resolution until the first Council meeting in September. Approval would permit (remove from table) consideration to resume. (Motion)

**Resolution 2017–22, Approve Preliminary Plat and PUD, DeMann Riverside Properties;** The Dundas Planning Commission continued the review of the Preliminary Plat and PUD application submitted by DeMann Riverside Properties, LLC at the August 17, 2017 meeting. The applicant submitted revised drawings and draft documents. After careful review, the following motion was presented, seconded and unanimously approved:

**Motion by Klockeman, second by Morlan to recommend the Dundas City Council approve the Preliminary Plat and PUD as submitted by DeMann Riverside LLC for a 19 Lot single family development located on Rice County PID 17.15.2.77.002. Further that the resolution be prepared as described in the draft resolution reviewed at the Dundas Planning Commission meeting of August 17, 2017 and the documents submitted by DeMann Riverside Properties specifically the following:**

**Bohlen Surveying Sheet 1 of 1, Proposed Housing Placement, Dated 8/15/2017**

**Bohlen Surveying Sheet 1 of 1, Preliminary Plat, Dated 8/15/2017**

**ISG Sheet 5, Lot Types, Dated 8/11/2017**

**ISG Sheet 14, Overall Grading Plan, Undated**

**ISG Sheet 19, Plan and Profile East 0+00, Dated 8/11/17**

**ISG Sheet 20, Plan and Profile East 0+50, Dated 8/11/17**

**ISG Sheet 22, Signage Plan, Dated 7/28/17**

**ISG Sheet 23, Site Restoration Plan, Dated 7/28/17**

**ISG Sheet 1, Sidewalk Connection Exhibit, Dated 7/28/17**

Based on the recommendation of the Planning Commission, the applicant has submitted a revised **Bohlen Surveying Sheet 1 of 1, Proposed Housing Placement, dated 8/23/2017** and a revised **Bohlen Surveying Sheet 1 of 1, Preliminary Plat, Dated 8/23/2017**. Staff has reviewed the revisions and finds they are consistent with the recommendations and should be considered instead of the ones submitted on August 17, 2017, in response to the review of the Public Hearing, July 20, 2017.

The proposed resolution has been revised based on discussions with the developer's representatives. The City Planner has revised his memo to address changes. The proposed resolution incorporates those changes made by the developer based on staff recommendations. Outside of text, date and technical corrections the following items in the resolution were changed:

1. PUD Preliminary Dev. Plan Approval – Line 1. The grant of flexibility was amended to properly address items on the revised preliminary plat.
2. PUD Preliminary Dev. Plan Approval – Line 2. More clearly identifies the location of slab-on-grade homes.
3. PUD Preliminary Dev. Plan Approval – Line 6. An open shelter type structure would be permitted without needing to amend the PUD.

The developer has indicated it is the intent to begin grading and utility work prior to receiving approval for the final plat and PUD. This type of work is not governed by the zoning code and permits which are in compliance with appropriate codes would be issued. If the proposed Preliminary PUD and Plat is approved, the next step for the applicant will be to apply for a Final PUD and Plat. At that time staff will be able to continue working with the developer to finalize all of the required documentation including the CIC Agreement, the Association Rules and Bylaws and the Developers Agreements. Approval of the Resolution is recommended. (Motion)

**Ordinance 2017–03 Establishing a PUD Overlay District:** After reviewing the information received, discussions with the developer and preparing the resolution, staff has prepared an amended Ordinance. The developer has requested the PUD address the ability to use Outlots A and C to construct amenities but has not supplied specific information regarding what amenities would be provided. The current Zoning Code would not permit any structure to be constructed on an outlot. Staff believes that something more substantial than the described shelter on Outlot A should be specifically identified and include location, size and protocol for use. The allowable use would also need to be identified in the supporting documents. It may be possible for the developer to install utility connections which would permit the future construction of a more substantial building. This would facilitate being able to amend the PUD without having to tear up the private street. No use of Outlot C is recommended as the developer has not provided any public access to the Outlot. The developer did not request the ability for owners to use the outlet and did not provide any public access. The maintenance easement may not meet ADA requirements for handicapped access. No parking has been identified for users of either Outlots. Staff is not in total agreement regarding the possible use of Outlot C.

Based on the staff review of information sent and communication with the developer, the following changes in the Ordinance establishing the overlay district are recommended:

1. Section 3.B – The criteria for measuring minimum front yard setbacks are described for all lots.
2. Section 3.C – specific setback permission is removed as the property can as described on the preliminary plat meets established standards.
3. Section 3.D – Only two lots now require a variance in the standards
4. Section 3.E i- The section regarding a small area lot is removed as all lots meet standard. Sections F, G, and H have been reassigned.
5. Section 3.H (New) – This section addresses the use of the Outlots.

Approval of the Ordinance is recommended: (Motion)

**Resolution 2017–23 Adopting a Proposed Tax Levy for 2017 Payable in 2018:** Minnesota Statutes require cities to adopt a proposed property tax levy for the following year by September 30 of the current year. The proposed levy can be decreased with the adoption of the final levy in December but it cannot be increased. Based on the most current information regarding estimated tax capacities, increased revenue from LGA and other sources, increased operation costs due to growth and estimated cash requirements for debt service associated with the 2018 CIP projects, Council agreed to consider a 20% levy increase to \$949,434. Even with the increase in the levy, it is projected the tax rate will decrease by over 15%. The decrease in the tax rate from the current 0.64035 to a projected 0.543 will put the rate in the neighborhood of the majority of the urbanized communities in Rice County. If the Estimated Market Value (EMV) of a property does not change in 2018, here are some examples of estimated annual savings:

A homesteaded residential property with an EMV of \$250,000 could see a decrease in taxes attributable to Dundas of \$200 per year.

A commercial property with an EMV of \$400,000 could see a decrease in taxes attributable to Dundas of about \$650 per year.

Based on a quick review of individual properties, it appears the increase in residential values is due to both an increase in EMV and new construction. The increase in commercial/ industrial is appears to be based mostly on new construction.

A city is also required to set a date for a public meeting at which citizens are given an opportunity to comment on the levy prior to adoption of the final levy. The Resolution sets December 11, 2017, for citizens to receive information and provide comments. It is recommended the Council adopt Resolution 2017-23. (Motion)

### **Administrator's Report**

**Bluff Street:** Hesleton is working on Bluff Street. Curb and gutter has been repaired and the final lift should be installed in time to meet the agreed criteria.

**Chapel Brewing:** Chapel has begun brewing and should begin retail operations shortly.

**Aldi's:** The final inspection process has begun and it is anticipated the contractor will turn the keys over to Aldi's in the next couple of weeks.

**Panel Removal at John Zander Property:** A progress report has been requested but the City has not received a response.

**NAFRS:** The NAFRS Financial Committee will meet on Thursday, September 14. It appears a proposal to amend the JPA to reassign the formula used to calculate the financial obligation of the Parties will be reviewed. and possibly recommended to the Board. The proposal as drafted by Chair Castore would increase Northfield's share by about 13%, decrease Dundas' share by about 24% and decrease Rural Fire's share by about 36%.

**Pavilion Rentals:** Rentals are down from 2016 but still up from 2015.

### **Future Meeting Items**

Items listed may be moved to future meetings.

#### **September 25, 2017**

1. Consider Bids and Award Contract for Sidewalk Project:
2. Consider Response to RFP for Residential Garbage Service
3. Work Session
  - a. Review Water Enterprise Fund
  - b. Review Sanitary Sewer Enterprise Fund