



**Approved
10/24/23**

**MEETING MINUTES
CITY COUNCIL
September 26, 2023**

Present: Mayor Gustafson, Council Member Rivers, Battles, and Meyers, Dresel

Absent: None

Staff: City Administrator Pechman, City Attorney Doran, Associate Planner Nelson, City Engineer Goodman and Harry Planning Consultant, Chief Police Schlumbohm

Public Attendance: Leilani Freeman, **Brian Dietz**, Jodi Otto, Ben West, Gloria West, Jana Swenson, Rick Schmidt, Vikas Patel

REGULAR MEETING-CALL TO ORDER 6:30

Mayor Gustafson called the meeting to order at 6:30 p.m.

1a. "Pledge of Allegiance"

The Pledge of Allegiance was recited.

Action

1b. Roll Call

All members present.

Action

AGENDA

Mayor Gustafson asked for approval.

Council Member Rivers made the motion to approve the agenda, Council Member Dresel seconded, all in favor, all ayes, motion carried.

CONSENT AGENDA

3a. Minutes of August 22, 2023

Action

3b. Payment of Bills/Finance Information

Action

3c. Committee Reports

Discussion

Council Member Dresel stated the Sewer Commission had discussed approximately 40 acres of land available there to put in a disk golf course and it was approved.

Council Member Rivers made the motion to approve the consent agenda, Council Member Dresel seconded, all in favor, all ayes, motion carried.

PUBLIC COMMENT/AGENDA PLACEMENT

Mayor Gustafson asked if anyone had any comments or concerns on anything which was not on the agenda.

4a. Chisago Lakes School Superintendent – Brian Dietz

Mr. Dietz stated he is the Superintendent of Chisago Lakes Schools this is the 1st year here but has been a superintendent for 18 years. They are the 3 E's, the first be to engaged, the second educate side, and the third being empower the students and teachers. They actually offer a two year degree through the high school thus saving them time and money. They will be holding an election for two questions this year; the first is for the building and there upkeep and securing the classrooms. The second question talks about operational pieces such as people, teachers and staff. Important facts are we are the only entity which has to generate monies for these things the state does not supply it all. With inflation and costs increases we need to fund everything; thus this time it is only a 50% increase. The high school CT program won a excellence award and are up for an international award in 2024. The district team has been recognized and will be attending some conferences.

Council Member Dresel asked about the different career paths and asked about the trades.

Jodi Otto of the Chisago Lakes Schools stated in 9th grade, the students start to think about what they would like to do; there are about 6 different paths which they can choose from to take classes in these areas.

Council Member Rivers asked why aren't they teaching classes in finance, loans and mortgages, these are thing students need to know.

Jodi Otto stated they had passed a law this year but that these would now be required courses students will need to take in 2024.

Mr. Dietz stated in the Rotary Club they offer a Stive program preparing kids for the real life and bills they will have.

Council Member Battles asked if there was something we can do as part of our community to help with the dollars from the state which are not matching what other community's receive.

Mr. Dietz stated in February they will be meeting with legislature and opening the communications for the dollars being allocated to the school districts and they can attend these meetings.

PETITIONS, REQUESTS, COMMUNICATION

5a. Ben West- Du Tri Run – Triathlon

Action

Administrator Pechman stated Ben West is here tonight to speak on this; the council had requested to discontinue this event in our city.

Ben West stated the 3 main points cited had been parking, not enough money being spent in the community. They can work with the city and was unaware of there being any issues; he had been caught off guard. They can come in instead of 5 days, they can come in 3 days before the event.

Gloria West stated they have given over to 60,000 to the Chamber and money to the running club. They can hold the regular registration downtown to make the city more visible. They are glad this was brought to their attention and hope they can solve the issues.

Ben West stated they can do better with the parking and respond to the issue. If there is anything else that would help with the community.

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Gloria West stated they had had all the support of people loving the event.

Ben West stated they have the benefit here of the tunnel highway 8 for the event and the transition of the race.

Park Superintendent Zacho stated the park since covid the increase of the rental is 75% and the park is being increased. She had a tree expert come look at the park and we need to have a plan in place for the health of the trees; with the increased use it needs to be addressed. Zacho stated the chamber has also been struggling with finding volunteers to help with the event. There has been a lot of use of the community services and with each city having their own festivals also this is an added event which goes through out the community. A large number of businesses and residents have complained about this event taking over their parking spaces. Patrons who wish to go the businesses cannot because there is no parking; businesses have not seen any increases to their business from this event. All of these reasons collectively have contributed to this decision. Each year it has increased the time frame for being in and using the park. In the beginning there was more community involvement, children's race, pancake breakfast, spaghetti feed. They have never once come to the Park Board meeting or approached them at any point during the 17 years.

Gloria West said they have reached out to the soccer clubs and running clubs for volunteers.

Ben West stated he submits an application every year and never new there was a Park Commission.

Parks Superintendent Zacho stated that is kind of bad on his part to not know anything about the city they are using the facilities and address the Park Commission; it is disappointing for her to hear that.

Ben West stated if he knew this he would have come to the meeting and addressed the commission.

Council Member Battles stated she is the Park Liaison for the Park Commission and she knows this has been going on for while and bills not being paid on time and rental fees. Battles said there is a big part being lost on communication from this group and it is a big drain on our community. Battles stated her high school student got asked to life guard for the event, a water station and was asked to do some clean up; some of this staffing needs to come from there organization. We are a small community and they need to make changes to this.

Park Superintendent Zacho stated she was not even informed of any of the meeting this year or in the past. The only way she had found out about it was from the Chief of Police Schlumbohm.

Ben West stated the reason the child's race was done was it required more staff.

Park Superintendent Zacho stated the Park Commission has stated they want to be done. They all have volunteered for the all events and are tired of it and want to be more involved in our community events.

Council Member Meyer said when we were doing the downtown project we had been informed from the residents of the parking issues and for 2 kids biking to be pushed off the bike path onto the county road; its not cool.

Jana Swenson 24375 Moody Lane, she has seen and heard a lot of communication has been dropped; she is a participant and a resident.

Rick Schmidt has been in the community since 1970 and had participated in 2006 and wanted to thank Chisago County for hosting this event for years. The event has been a family tradition for them and had 6 participate this year.

Council Member Dresel said he had hoped we could find a solution but he is only 1 of 4 votes; but there are a lot of concerns.

Council Member Battles said there are possibly things we can work on to make it better; but to take off this year and work on those things.

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Council Member Rivers stated there are so many local residents which use our park and that has to be our main concern.

Park Superintendent Zacho stated it has been run good along and now with our parks being used more we are a small community and our resources are stretched.

Mayor Gustafson asked if we are thinking of taking a break for the year.

Park Superintendent Zacho asked how they feel about that.

Ben West stated they would like to continue but if that is what is needed they can do this.

Gloria West stated they could see what can be done with residents and their volunteering.

Park Superintendent Zacho stated that when this has been increased the time out there and not communicating with the city.

Council Member Dresel stated we have made this decision; if there is any change it would have to come from the Park Commission.

Council Member Rivers stated we have more than enough with our community lets take care of our people; leave it as it is.

Council Member Meyer stated we had made the decision but it not to say they cannot put together a proposal and approach the Park Commission again with proposed changes.

5b. December Council Meeting – December 26 to December 12, 2023

Action

Administrator Pechman stated they traditionally move the second meeting in December which would have been the 26 to the second Tuesday of the month which would be December 12, 2023.

Council Member River made the motion to approve the change, Council Member Meyer seconded, all in favor, all ayes, motion carried.

NEW BUSINESS

7a. Assessment Deferral Request – 10962 Stinson Avenue – RES-23-09-01

Action

Finance Director Gemuenden stated City Staff has received a written deferral request that the council should review. Assessment Deferral applications generally need to be filed within 60 days of the date of Council's approval of the assessment project, which was back in April of 2023. Sheldon & Rita, property owners at 10862 Stinson Avenue, have requested the city council to review their request for deferred assessment on the 2023 East Downtown project, despite the late submittal of the application. The application was received August 28, 2023. Mr. & Mrs. Monsrud appear to qualify under MN State Statute 435.193. The city provided them with an application and staff believes Mr. & Mrs. Monsrud would qualify for deferment of the principal based upon income and age. Staff would recommend if Mr. & Mrs. Monsrud do qualify for the over 65 income deferrals, that the council motion for the principal amount to be deferred for 15 years and not the interest amount. The interest amount shown on the attached assessment role would still be required to be paid with the property tax statement.

Council Member River made the motion to approve resolution 23-09-01, Council Member Battles seconded.

Council Member Meyer asked if they were ok with the balloon payment at the end.

Gemuenden stated they were notified of the balloon payment.

Mayor Gustafson stated they have a motion and second on the table, all in favor, all ayes, motion carried.

**7b. Set date for Hearing for Taxes Payable 2023- RES-23-09-02
& Preliminary 2023 Levy-RES-23-09-03**

Action

Finance Director Gemuenden As required by Minnesota State Statutes, the City Council must hold a public meeting to discuss the 2024 budget and 2024 taxes payable levy and must also establish the 2024 Proposed Levy Certification for Chisago City. The date of the hearing will be December 12th, 2023, during the scheduled council meeting. Also, the proposed 2024 levy must be certified to the County Auditor no later than September 30, 2023. Approve Resolution #23-09-02 setting the date for the public hearing for December 12th, 2023, at 6:35 p.m. or as soon thereafter and approve Resolution #23-09-03 establishing the 2024 Proposed Levy to be certified to the Chisago County Auditor by September 30th, 2023. The preliminary net tax capacity has increased (13.43%). The increase of 6.23% in the proposed 2024 general fund levy reflects an increase of 9.43% in the Lakes Area Police budget, a 3-10% increase in League of MN Cities insurance premiums, increased expenses in motor fuel and gas/electric, a 5th member of the Public Works department, election year expenses with 2 new precincts, 4.5% cost of living increase, and minor increases related to the newly annexed parcels in Chisago City with dust control. The General Fund Budget for 2024 operating expenses reflects a \$293,848 increase, which is mainly due to the previously mentioned factors. Also, the operating levy for the EDA levy and the Ojiketa levy were increased, due to the allowable amount based on the increase in estimated market value. The proposed overall tax rate for Chisago City will decrease 5.67%. Because the NTC had a significant increase, the overall tax rate is lower (33.724%) than what we scheduled for (41%) based on the City's long term rate plan.

Council Member Rivers made the motion to approve the resolutions, Council Member Dresel seconded.

Council Member Dresel stated by adding an additional staff member and newly annexed land we are keeping the budget as low as possible.

Council Member Meyer stated from what he had heard that a large number of cities and in the double digits for taxes and is appreciative of what we can offer.

Mayor Gustafson stated we have a motion on the floor, all in favor, all ayes, motion carried.

7c. Tobacco License for 29409 Lofton Avenue – Auroma Investments LLC

Action

Administrator Pechman stated Staff was contacted by Vikas Patel inquiring about a tobacco license at 29409 Lofton Avenue, the marathon gas station. Mr. Patel is the new owner of the station. He has submitted an application along with fees and a background was being completed by the LAPD with no major concerns. Per City Ordinance Chapter 175 no sale of tobacco, tobacco products or tobacco related device without first obtaining a license to do so from the city. City staff is recommending approval.

Vikas Patel stated he now owns the Marathon Gas Station on the corner of Old Towne Road and Highway 8. He moved from Tennessee and has been here for approximately 3 months.

Council Member Meyer asked if this was his first station.

Council Member Rivers made the motion to approve, Council Member Dresel seconded, all in favor, all ayes, motion carried.

7d. Extension Wallmark Lake Villas (formally Natures Preserve) Final Plat

Action

Associate Planner Nelson stated on July 24th, 2023, High Pointe Land LLC, represented by Don Skelly, submitted a request for an extension of the approved final plat permit to build Wallmark Lake Villas, previously known as Nature View Homes Development. High Point Land LLC has entered into a purchase agreement for the property. The final Plat was originally approved in 2020 and has since been granted extensions annually, the approval is set to expire in February of 2024. City Zoning Code 2.14.A.1 states “Each approved permit shall expire and become null and void. twelve (12) months from the date on which it is approved, unless a building permit has been issued and work on the development commenced. A lesser or greater time period may be specified as a condition of project approval. All work on the approved development shall be completed within 24 months or as approved as a condition of project approval” The final plat for the Nature View development was approved on May 26, 2020.

There are a few large items that need to be to complete:

1. Recording the approved plat
2. Entering into a development agreement

Council Member Dresel made the motion to approve the extension of the final plat with the requirements being completed, Council Member Rivers seconded, all in favor, all ayes, motion carried.

7e. Wallmark Lake Villas (Previously known as Nature View) Variance

Action

Associate Planner Nelson stated Don Skelly, partner in High Point Land LLC, representative of PID 13.00465.45, has submitted a variance application for 9 of the 15 lots in the Nature View Plat to exceed the maximum allowable 25% impervious surface area and to be exempt from a portion of development fees. A variance is required for any residential lot that exceeds 25% impervious surface area in the Shoreland Overlay District. The variance application also requests to reduce the city fees including Water Area charges, Sanitary Sewer Area charges, Park Dedication and Trail charges from approximately \$64,765.00 to \$36,547.00. An unsigned draft of the development agreement for the City and Nature View had a total cost of \$36,547.00 however, that is not an accurate reflection of city fees. City staff never met with the developer to discuss the draft and it remains a condition to the second extension on the final plat of the development. The resolution for the final plat was approved by council with correct amounts. The Planning Commission held a duly noted public hearing on September 7, 2023. Discussion centered around the request for discounted fees and topography of the property. Public comment was heard in favor of the development but not in favor of discounted fees. Don Skelly explained the larger footprint units would be a better fit for the market and a better design to hedge against water issues. The currently approved units for the property are two story with a lowest foundation 2’ above the 100-year flood mark, current building code requires a 3’ area from the lowest elevation to the 100-year flood mark. The Planning Commission agreed slab on grade builds would be better suited for this development rather than two story homes. They noted the overall impervious surface area of the project is under 25% and agreed that fees should not be discounted. The Planning Commission voted to approve the variance request regarding impervious surface area with city staff recommended conditions and deny the portion of the variance request regarding discounting City fees. Staff is recommending approval of the variance request for impervious surface on proposed properties. All conditions in Resolution 20-05-01 and Resolution 20-05-02 be met. Resolutions to be signed and recorded. Staff is recommending denial of the request for discounted city fees.

Council Member Battles made the motion to recommend approval of the variance request for impervious surface on proposed properties and denying of the request for discounted city fees along with the conditions of res. 20-05-01 & 02, Council Member Rivers seconded.

Council Member Dresel asked about direct tapes into the loops.

Administrator Pechman stated it was the assumption that it was to be ok, but the engineer needs to look at that.

Mayor Gustafson a motion is on the floor, all in favor, all ayes, motion carried.

7f. Driveway Ordinance

Action

Associate Planner Nelson stated at the July 7th Planning Commission meeting residents requested feedback from the Planning Commission on the possibility of permitting secondary driveways and reducing the side yard setback of driveways from the current requirement of 5'. The Planning Commission directed staff to gather information from comparable cities regarding driveway ordinances. At the August 3rd Planning Commission meeting commissioners reviewed comparable city driveway ordinances including Wyoming, Lindstrom, Forest Lake, Center City and Columbus. Discussion centered around the side yard setback and lot size minimums. The Planning Commission agreed second driveways should be reviewed on a case-by-case basis and that the 5' side yard setback should remain. The Planning Commission directed staff to draft amendments to Chapter 6.1 Site Size and Building Requirements Section G Driveways. On September 7th the Planning Commission held a duly noted public hearing. Commissioners and meeting attendees reviewed the proposed amendments. Seven public comments were heard at the meeting, all in favor of the proposed amendments. Reviewing secondary driveway requests on a case-by-case basis allows for a more comprehensive safety review, easier access to buildings and be more aesthetically pleasing properties. The Planning Commission voted to approve the proposed amendments to Chapter 6.1 Site Size and Building Requirements Section G Driveways.

Council Member Dresel made the motion to approve the zoning change, Council Member Rivers seconded.

Council Member Dresel asked about number 10, letter E type of curb cut out.

Associate Planner Nelson said after reviewing with public works this would be handled on individual basis.

Mayor Gustafson stated there is a motion on the table, all in favor, all ayes, motion carried.

UNFINISHED BUSINESS

None.

ADJOURN

Council Member Rivers made the motion to adjourn, Council Member Meyers seconded, all in favor, all ayes, motion carried.

Respectfully Submitted by:
Paula Oehme,
Deputy City Clerk