

**CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
August 19, 2013**

CALL TO ORDER

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on August 19, 2013.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Johnson, Quigley, Wickstrom and Withhart.

APPROVAL OF AGENDA

MOTION: by Councilmember Wickstrom, seconded by Councilmember Johnson to approve the August 19, 2013 agenda as submitted.

VOTE: Ayes - 5 Nays - 0

PROCLAMATIONS AND RECOGNITIONS

Mayor Martin recognized the Boy Scouts from Troop 416, Incarnation Lutheran Church, and Troop 93, New Brighton, who were present to work on a citizenship and government badge.

CITIZEN COMMENTS

There were none.

COUNCIL COMMENTS

Mayor Martin:

The final Concert in the Commons will be Wednesday, August 21, 2013. Featured is Prior Avenue, a rhythm and blues band.

Friday Night Flix will show *Rise of the Guardian* at the pavilion. All families are welcome.

Councilmember Wickstrom:

She will visit our Sister City Einhausen, Germany this week and is looking forward to the trip.

Councilmember Johnson:

A reminder that the City is looking for nominees for the Citizen of the Year award. Nominations are due August 30, 2013.

CONSENT AGENDA

Councilmember Withhart requested that item No. 3, Finance Report, be pulled for separate discussion. He noted that on page 10 of the monthly finance report Shoreview is compared with similar sized cities in the metro area in regard to taxes collected per capita, which shows that Shoreview ranks the lowest. However, when the county, school district and other jurisdiction taxes are added in, Shoreview ranks second. He emphasized that this is not because of anything done or not done by the City. The City does a good job of budgeting resources. The City has no control over the other taxing jurisdictions.

Mayor Martin stated that if anyone is interested, more information is online on the City's website under City Council agenda. City Manager Schwerm added that there will also be more detailed information on how Shoreview's property taxes and spending compare with other cities in the Community benchmark booklet that will be available online within the next week.

Mayor Martin noted that inconvenient road work, such as on Red Fox Road and other areas in the City, are coming to completion. The results would be definite improvements, and she thanked residents for their patience.

MOTION: by Councilmember Withhart, seconded by Councilmember Wickstrom to approve the Consent Agenda for August 19, 2013, and all relevant resolutions for item Nos. 1 through 8:

1. August 5, 2013 City Council Meeting Minutes
2. Receipt of Committee/Commission Minutes:
 - Economic Development Commission, July 16, 2013
 - Planning Commission, August 6, 2013
 - Economic Development Authority, August 12, 2013
3. Monthly Reports:
 - Administration
 - Community Development
 - Finance
 - Public Works
 - Park and Recreation
4. Verified Claims in the Amount of \$1,237,804.64
5. Purchases
6. Developer Escrow Reduction

7. Receive Assessment Roll, Order Hearing--Floral/Demar/Hanska Reconstruction Project, CP 12-01
8. Minor Subdivision - Lawrence AS Liu Estate, 3330 No. Victoria Street

VOTE: Ayes - 5 Nays - 0

PUBLIC HEARINGS

There were none.

GENERAL BUSINESS

TEXT AMENDMENT - SIGN CODE

Presentation by City Planner Kathleen Castle

At the request of the City Council, staff was requested to review existing regulations regarding temporary signs and to propose an amendment that would provide flexibility while maintaining a neat appearance of commercial areas. The Council adopted a moratorium for message center signs based on a recommendation by the Planning Commission to better understand their use and propose an amendment to permit them in commercial areas.

The proposed text amendment would provide the following:

Temporary Signs (Banners)

- Regulate the size based on the size of the building to allow larger signs for larger buildings
- Increase the number of signs permitted from 2 to 4 per tenant/per year
- Increase the display period from 7 to 14 days
- Increase the number of signs displayed at any one time to 2

Political Signs

- Revise City Code to be consistent with State Statute regarding the display period and location

Message Center Signs

- Currently, message center signs are permitted for public and quasi-public uses
- Expand that use to allow for commercial/business uses with the following regulations:
 - Display period a minimum of 8 seconds, and readable with a minimum of distraction
 - Audio and pyrotechnics features are prohibited
 - Brightness shall not exceed 3 foot candles above ambient light conditions
 - Dimmer control required
 - Messages limited to services offered on the property, as well as time and temperature display
 - Maximum sign area would be 50% of the total sign area on which it is displayed or 50 square feet, whichever is less
 - CIA district - 35% of the total sign area or 30 square feet, whichever is less.

- Minimum sign area is 20 square feet

Adjacent to Residential Land Uses:

- Comprehensive Sign Plan required when adjacent to residential land uses
- Location and orientation must minimize impact on residential land uses
- Hours of display adjacent to residential land uses shall require the message center sign to be turned off between 11:00 p.m. and 6:00 a.m.
- Maximum sign area 35% of total sign area or 30 square feet, whichever is less
- Minimum sign area of 20 square feet
- Color shall be amber to further reduce impact to residential land uses

Comprehensive Sign Plan:

- Streamline the review process by allowing an administrative review as long as the proposal complies with code criteria, or there are only minor deviations.

The Economic Development Commission (EDC) has reviewed the amendments and supports them because there is more opportunity for the business community to advertise special events. The EDC noted that education is needed to inform the business community of the new regulations.

The Planning Commission held a public hearing on August 6, 2013 and supports the amendments and recommended approval by the City Council. Staff is recommending approval of the amendments. If adopted, the moratorium would expire on August 24, 2013.

Councilmember Quigley noted that with almost 30 pages of Code related to signs, there will need to be a big education effort.

Mayor Martin agreed and stated that the changes make sense and provide flexibility for businesses. Her only concern is whether there is enough control over size and type for temporary signs. She would not want to see a sheet written in magic marker posted as a banner. Ms. Castle stated that there is general language to address professional construction of signs. Staff is meeting with the EDC to review an education plan.

Councilmember Withhart thanked the Planning Commission and EDC for the work done to bring about these changes. The new regulations are more flexible for the business community. He agreed that education will be a huge part of conveying changes as well as past violations before any future action would have to be taken.

Councilmember Wickstrom asked about small temporary signs that are posted on a stick in the ground or on utility poles. Ms. Castle answered that the changes proposed only apply to banner signs. The only type of temporary sign permitted is a banner or sandwich board in front of a business. Realty and political signs are exceptions. Signs posted in boulevards or on utility poles are not allowed. Enforcement is done with neighborhood sweeps or by complaint. When illegal temporary signs are picked up, they are kept to contact the owners who can come and pick them up.

MOTION: by Councilmember Quigley, seconded by Councilmember Johnson to adopt Ordinance No. 911, revising Chapter 200 of the Municipal Code, Section 208, Sign Regulations regarding definitions, temporary signs, message center signs and comprehensive sign plans. The text amendment provides additional opportunities to the businesses to display signage and streamlines the review process.

ROLL CALL: Ayes: Johnson, Quigley, Wickstrom, Withhart, Martin
Nays: None

AUTHORIZATION TO PURSUE LEGISLATION FOR EXTENSION OF TAX INCREMENT DISTRICT NO. 1

Presentation by Assistant City Manager/Community Development Director Tom Simonson

Tax Increment District No. 1 (TIF District No. 1) is the Deluxe campus. This TIF District will expire at the end of 2014. The City Council adopted as a Council goal to explore possible legislative extension of TIF Districts to support economic development and housing goals. Staff is seeking authorization to proceed with a legislative initiative to extend the life of TIF District No. 1, which was created in 1988. Revenues from this district have been used over the years to support business expansions, new retail services and housing initiatives. Examples are PaR System retention and relocation, PaR Systems expansion, TSI Incorporated expansion, Red Fox Retail Center with a Trader Joe's Market, and redevelopment of the Sinclair property as a TCF Bank site. This funding source is now being used to provide loan funds for the public improvements now underway as part of the Midland Plaza Redevelopment on Owasso Street at Victoria and County Road E. TIF District No. 1 funds have also been used to establish a City loan initiative to make it easier for homeowners to obtain loans for home energy improvements.

Extension of the District requires legislative action. In order to gain legislative support, the City will be required to prepare a background for plans and state a clearly defined purpose. Two major initiatives can be defined consistent with the City's economic development goals: 1) retention and expansion of Westinghouse-PaR Nuclear; and 2) redevelopment of Shoreview Village Mall. Both projects would be difficult to support without the TIF extension.

A special bill would be prepared for the 2014 legislative session. If there is no tax bill to include the City's extension provision in the 2014 session, the ground work will have been done for the 2015 legislative session. The City has only until the 2015 session to accomplish the extension. It is proposed that the City hire the Larkin Hoffman law firm to assist with this legislative effort. This firm is very experienced and has successfully represented other cities with TIF District extensions. The cost for preparing plans and legal services is estimated to be \$75,000 and \$100,000 that would be paid through the existing TIF District No. 1 fund balance.

Councilmember Wickstrom asked if local legislators support this effort. Mr. Simonson responded that the first course of action would be to meet with local legislators. One legislator has been approached and is eager to assist the City.

Mayor Martin added that a lot of background information must be prepared to present the issue to legislators. This is the first step.

Councilmember Quigley stated that there is controversy as to what tax issues will be addressed by the legislature in the upcoming session, and it may be difficult to have this initiative included. Mr. Schwerm responded that it is important for the City to be prepared for the 2014 session, as the legislature may address loose ends from the tax bill passed last year. If there is no tax bill in 2014, this will be a two-year process. The City has only one year from the date of expiration to achieve the extension. Mr. Simonson added that the estimated \$75,000 to \$100,000 legal expenses are based on the potential of a two-year process.

Councilmember Johnson asked for clarification on how funds from TIF District No. 1 would pay the legal expenses. Mr. Simonson explained that TIF District No. 1 was created prior to 1990 when the rules were more flexible in terms of how the funds can be used. The legal expenses are an eligible use for the TIF funds. The District currently has a balance of approximately \$2 million.

MOTION: by Councilmember Withhart, seconded by Councilmember Johnson, to formally authorize the pursuit of legislative action seeking the extension of TIF District No. 1, which is set to expire at the end of 20q4, and engaging the Larkin Hoffman law firm to assist the City in this process.

Discussion:

Councilmember Withhart stated that as President of the City's Economic Development Authority (EDA), he speaks in favor of this action. The EDA voted unanimously to support this initiative. The EDA has worked on a number of redevelopment projects in the last couple of years that have brought hundreds of jobs to the City. This work has largely been possible because of the TIF money available. There are new projects that would benefit from this funding.

ROLL CALL: Ayes: Quigley, Wickstrom, Withhart, Johnson, Martin
Nays: None

ADJOURNMENT

MOTION: by Councilmember Withhart, seconded by Councilmember Johnson to adjourn the meeting at 7:50 p.m.

VOTE: Ayes - 5 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 3rd DAY OF SEPTEMBER 2013.

Terry Schwerm
City Manager