

**WORKSHOP MEETING
OF THE COUNCIL OF THE
CITY OF VADNAIS HEIGHTS
APRIL 20, 2021**

The workshop meeting of the Council of the City of Vadnais Heights was held on the above date and called to order by Mayor Gunderson at 5:30 p.m.

The following members were present: Mayor Gunderson and Council Members Greg Urban, Patricia Youker, Steve Rogers and Erik Goebel. The following member was absent: None.

Also present were: City Administrator, Kevin Watson; Assistant City Administrator, Tim Sandvik; Planning/Community Development Director, Nolan Wall; Finance Director, Bob Sundberg; City Engineer/Public Works Director, Jesse Farrell; Fire Chief, Chris Hearden; and Deputy Clerk, Peggy Aho.

1. Ramsey County HRA

City Administrator Watson noted that this item is being rescheduled for the first meeting in June because Ms. Collins, Community & Economic Director for Ramsey County, cannot attend tonight's meeting, due to scheduling conflicts.

Council Member Urban noted that he had seen an article in a newspaper about Ramsey County's visioning process for growth and where they want to invest resources in the coming years. He said that article noted that the RCHRA is looking at imposing a fee on all County property owners. Watson said that he believes they will be looking for feedback on how to best serve the Vadnais Heights area. Urban said that it looks like they will do it, and it could impact our residents. Watson noted that the RCHRA has had the authority to implement the HRA fee since the 1970s but they have never done it. Watson said the fee will impact the medium family home at about \$45 a home. Only North St. Paul and St. Paul have the ability to say yes or no about the fee because they have had one before. Urban asked if it would make more sense for Vadnais Heights to start our own HRA and keep the money local. Watson said we can't supersede their fees, but we could start our own with an additional fee. Urban is a little bit concerned that this is being imposed on us and that the Council is not asking for the City's permission. Watson said he thinks at some point they may come to ask how we foresee the money being spent. Watson said the money would be used for affordable housing and that the County had recently done a study and found a gap for lower income.

Watson said he will send the City Council contact information to Ms. Collins. Mayor Gunderson asked what type of engagement the Metropolitan Council will do in the community about the potential \$45 fee.

2. Fund Balance 2020

Finance Director, Bob Sundberg, referenced the packet information which discussed the City's fund structure, 2020 financial results, the City's funding status, future federal aid related to covid and detailed information regarding the General and Capital Improvements funds. He discussed

that the General fund had a positive variance of \$878,000 due to the CARES Act covering a portion of the City's public safety costs, lower expenditures due to vacant positions, spending discretion and activity declines due to COVID.

Sundberg noted that the projected General fund balance is \$4.4 million at 2020 year end. This is about a million over our suggested fund balance, which is about 50% of the 2021 budget. This balance is used primarily for cash flow, as revenue from the property taxes is received in July and December each year. The balance is also used for a buffer for unexpected situations. The covid pandemic is a good example.

Sundberg said that the Capital Improvement Fund is projected to be \$3.2 million at 2020 year-end. Typically, the City levies about \$400,000 a year for this fund. We have planned expenditures of \$5.8 million from 2021 – 2025. Assuming annually levies of \$400,000, we have a projected deficit of \$600,000 in 2025. Additionally, we have a lot of projects planned for years 6 through 20; some of these may need to be moved up. Accordingly, staff is recommending that we take \$1 million from the General Fund and move it to the Capital Improvements fund.

Council Member Rogers asked if the 2021 to 2025 planned expenditures of \$5.8 million is historically high for a five year period or is it considered the norm. Sundberg responded that the longer the time period, the more it smooths out. Staff try to spread out expenditures to avoid spikes in the necessary levy.

Sundberg noted that the Council will need a resolution to transfer the excess General fund balance if they desire. Mayor Gunderson said allocating those funds seems like a good idea. Council Member Goebel agreed and said he would like to have more conversations about a capital replacement fund.

Sundberg noted that if the Council agrees to move funds from one account to another, it will need to approve a resolution. He said he could bring that before the Council at a future meeting.

3. Community Engagement Committee:

Assistant City Administrator Sandvik gave a PowerPoint presentation on the Community Engagement Committee's (CEC) recommendations and explained the process used by the CEC.

Sandvik recapped the individual meeting agendas that included items such as: analytics, data, how to improve connections with residents, formation of the CEC, what authority the CEC has, topics assigned to CEC members, cultural competency, mutual aid groups, outreach to under-represented demographics, and City events/recreation programs review. CEC is recommending the City utilizes a cultural consultant and/or service that specializes in working with diverse communities to help enhance the ability of the City to engage with the broader community. Training, invest in training for Council appointed bodies (commissioner, etc.), and also invest in training for City Staff. CEC also recommended that the City examine existing messaging, the community and engagement through analysis of current efforts/strategies.

Sandvik noted that the CEC also suggested that the Council invest in data driven feedback and formalize relationships with different demographics for feedback, potentially including: high

schoolers, agency members, and committees, and promote existing formal relationships, explore new opportunities and encourage inclusion, or create better understanding of jurisdictional responsibilities. The Committee suggested increasing engagement efforts of existing City, perhaps host a community resource fair or utilize existing events to enhance, promote more inclusive efforts.

Mayor Gunderson thanked Sandvik for all the work he has done with this project. He did a great job and appreciates his efforts. Council Member Youker asked if there has been any identification of where the gaps are with individuals or the neighborhoods. Sandvik said there are measures we can do to get better feedback. We can look at parks, participation, whether its rec programming or events to see how people are coming to our parks events.

Youker said that the first step is to find out what we don't know. Perhaps hiring a communications specialist. Gunderson said that we should find out how much a survey would cost and also look at trend lines.

Gunderson said she also likes the idea of a community resource fair. Council Member Goebel thanked Sandvik for working on this. He said that he also likes the idea of a community resource fair and that it could be a good way to make contact with residents. Goebel said he is also interested in the rest of the Council's thoughts on hiring a consultant. Gunderson asked if a community consultant and communications person are the same thing or two different things. She said she thinks the City should identify any gaps by possibly doing a survey and then look at hiring or contracting a communications consultant next year. Gunderson asked what the cost of both of would be.

Goebel said that the CEC wants to know what the Council thinks and they want to know if the ideas/recommendations they came up with are possible.

Council Member Rogers said that we have to find what/where the diverse communities are and asked if we can have the CEC help the City understand what those are. Goebel said that the Committee is also having trouble identifying the underserved community.

Gunderson thanked the members of the CEC.

There being no further business, the meeting adjourned at 6:54 p.m.