



# CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

## Regular Council Meeting

September 12, 2023

### CALL TO ORDER

The meeting was called to order by Mayor Supple at 7:00 p.m. in the Council Chambers.

*Council Members Present:* Mary Supple, Mayor; Sharon Christensen; Simon Trautmann; Sean Hayford Oleary; and Ben Whalen

*Staff Present:* Katie Rodriguez, City Manager; Mary Tietjen, City Attorney; Melissa Poehlman, Community Development Director; Chris Swanson, Management Analyst; and Dustin Leslie, City Clerk

*Others Present:* Walter Burk, Human Rights Commission Chair; Senator Melissa Wiklund; Representative Mike Howard

### PLEDGE OF ALLEGIANCE

Mayor Supple led the Pledge of Allegiance.

### OPEN FORUM

Mayor Supple reviewed the options to participate:

- Participate live by calling 1-415-655-0001 during the open forum portion
- Call prior to meeting 612-861-9711
- Email prior to meeting [kwynn@richfieldmn.gov](mailto:kwynn@richfieldmn.gov)

Eva McKnight invited the Mayor, Councilmembers, and the community to the Buzz Fest celebration at Moir Park in Bloomington on September 16. She noted their group has 700 members and the work they do is to lower water usage, keep the water clean, replenish the aquifer, and reduce fossil fuels.

Mary Best, 6727 Elliott Avenue, spoke about rising taxes and stated she wanted Councilmembers to consider going back to the 2030 Comprehensive plan due to the legal issues with the Minneapolis 2040 Comprehensive plan.

### APPROVAL OF MINUTES

M/Hayford Oleary, S/Trautmann to approve the minutes of the: (1) City Council Work Session of August 2, 2023; (2) City Council Work Session of August 8, 2023; (3) City Council Meeting of

August 8, 2023; (4) Special City Council Meeting of August 29, 2023; and (5) City Council Work Session of August 29, 2023.

Motion carried: 5-0

<b>ITEM #1</b>	<b>APPRECIATION FOR LOCAL LEGISLATORS</b>
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Mayor Supple and Council Members thanked Senator Wiklund and Representative Howard for attending the meeting and everything they have done for the community and the City of Richfield.

Senator Wiklund, thanked the Council and City for their support and was excited about the community driven programs coming out of Richfield.

Representative Howard thanked the City for the partnership they had and stated they needed to keep the line of communication open and work together for the community.

<b>ITEM #2</b>	<b>PROCLAMATION CELEBRATING HISPANIC HERITAGE MONTH</b>
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Mayor Supple invited Human Rights Commission Chairperson Burk to accept the proclamation and read aloud the proclamation.

Human Rights Commission Chairperson Burk thanked the Council for their efforts to further their goals.

<b>ITEM #3</b>	<b>PROCLAMATION CELEBRATING WELCOME WEEK</b>
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Mayor Supple invited Human Right Commissioner Burk to accept the proclamation and read aloud the proclamation.

Council Member Whalen stated that when Proclamations were done, it reminded him that they were acting on what they were saying, which he found encouraging and appropriate. He encouraged everyone to continue to hold the Council accountable to real actions as they continue to make Proclamations.

Council Member Trautmann acknowledged when he grew up in Richfield, 20 percent Latino people was not what the City looked like. He was happy to see this change and grateful to be part of a city that presents all heritages.

<b>ITEM #4</b>	<b>APPROVAL OF THE AGENDA</b>
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M/Whalen, S/Christensen to approve the agenda.

Motion carried: 5-0

<b>ITEM #5</b>	<b>CONSENT CALENDAR</b>
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City Manager Rodriguez presented the consent calendar.

- A. Consider approval of a request for the temporary expansion of the licensed premises for Thompson's Fireside Pizza, Inc., d/b/a Fireside Foundry, located at 6736 Penn Avenue South, to allow for the outside service of beer and malt beverages in their parking lot on Sunday, September 17, 2023, in conjunction with Richfield's Open Streets at Penn Fest event. (Staff Report No. 106)
- B. Consider the approval of an agreement with the City of Bloomington for the provision of food, pools, lodging, therapeutic massage, and body art establishment inspection services for the City of Richfield for 2024. (Staff Report No. 107)
- C. Consider the approval of a resolution of support for Richfield's application for federal funding for a Corridor Planning Study of 76<sup>th</sup> and 77<sup>th</sup> Street via the US DOT Reconnection Communities and Neighborhoods (RCN) Grant Program. (Staff Report No. 108)

#### **RESOLUTION NO. 12118**

#### **RESOLUTION OF SUPPORT FOR THE 'RECONNECTING RICHFIELD: 76<sup>TH</sup> ST/77<sup>TH</sup> ST PLANNING STUDY' THROUGH THE USDOT RECONNECTING COMMUNITIES AND NEIGHBORHOODS (RCN) GRANT PROGRAM APPLICATION**

- D. Consider the approval of a resolution authorizing acceptance of Office of Traffic Study (OTS) funds for an extension on an original four-year grant to fully fund an officer dedicated for DWI enforcement in Richfield. (Staff Report No. 109)

#### **RESOLUTION NO. 12119**

#### **RESOLUTION AUTHORIZING THE DEPARTMENT OF PUBLIC SAFETY/POLICE TO ACCEPT GRANT MONIES FROM THE OFFICE OF TRAFFIC SAFETY IN THE AMOUNT OF \$127,644.26 OR A LESSER AMOUNT, AS AWARDED BY THE DEPARTMENT OF PUBLIC SAFETY, TO FUND A POLICE OFFICER DEDICATED TO DWI ENFORCEMENT**

- E. Consider approval of the Mutual Waiver of Notice Relating to Termination of License Agreements and Release of License Agreement which permitted Best Buy to use a parcel of public right-of-way as an additional parking area for their office headquarters until such time as the Minnesota Department of Transportation required use of the property for the construction of I-494 improvements. (Staff Report No. 110)
- F. Consider the acceptance of the quotations from Midwest Playscapes for \$143,830 for the replacement of play equipment at Donaldson Park and \$76,170 for the replacement of play equipment at Fairwood Park and authorize the Recreation Services Director to proceed with the project (Staff Report No. 111)
- G. Consider authorizing the City Manager and Mayor to enter into a Temporary Easement and Access Agreement with Best Buy Corporation for construction of a sanitary sewer crossing and authorize the City Attorney to approve changes to the agreement that are in the best interest of the City prior to final execution (Staff Report No. 112)
- H. Consider a resolution approving a contract with Reach for Resources to provide services and activities that aid in the recovery of Richfield Community Members negatively impacted by the COVID-19 pandemic (Staff Report No 113)

**RESOLUTION NO. 12120**

**RESOLUTION APPROVING AN ALLOCATION OF AMERICAN RESCUE PLAN ACT FUNDING TO REACH FOR RESOURCES**

- I. Consider the acceptance of the Taft Park/Nokomis-Minnesota Reiver Regional Trail Bike Park Cooperative Agreement between the City of Richfield and Three Rivers Park District. (Staff Report No. 114)
- J. Consider the first reading of the proposed ordinances modifying the electric and gas franchise fees and schedule a public hearing and second reading for October 10, 2023 for both gas and electric franchise ordinances (Staff Report No. 115)
- K. Consider setting a public hearing related to the proposed resolution modifying the street light user fees for October 10, 2023. (Staff Report No. 116)
- L. Consider adoption of a resolution designating the City’s contribution towards health, dental, term life, and disability insurance premiums for 2024 for the General Services and Management employee groups (Staff report No. 117)

**RESOLUTION NO. 12122**

**RESOLUTION DESIGNATING CITY’S CONTRIBUTION TOWARD HEALTH, DENTAL, TERM LIFE, AND DISABILITY INSURANCE PREMIUM FOR GENERAL SERVICES AND MANAGEMENT EMPLOYEES**

- M. Consider the approval of the first reading of an ordinance amendment to the Richfield City Code Appendix D (Fee Schedule) related to building, planning, and zoning fees and schedule a public hearing and second reading for September 26, 2023. (Staff Report No. 118)

M/Hayford Oleary, S/Trautmann to approve the consent calendar.

Council Member Whalen expressed excitement for the playground replacements and the bike path that will be ready in the near future. He thanked staff for their work for parks and recreation with a limited capital budget.

Mayor Supple gave a shout out regarding the grant they were proposing from Working in Partnership with the Federal government.

Motion carried: 5-0

<b>ITEM #6</b>	<b>CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM CONSENT CALENDAR</b>
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None.

<b>ITEM #7</b>	<b>PUBLIC HEARING TO CONSIDER A RESOLUTION APPROVING THE AMENDED AND RESTATED BUSINESS SUBSIDY POLICY (STAFF REPORT NO. 119)</b>
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Hayford Oleary presented Staff Report 119 and opened the public hearing.

Ruane Onesirosan indicated she was confused about the TIF subsidy. She asked if someone wanted to put up a building and not have to pay taxes for 25 years, but they collected money from the renters, wasn't this another subsidy? She noted she did not understand why developers received these kinds of benefits.

M/Hayford Oleary, S/Trautmann to close the public hearing.

Motion carried: 5-0

Director Poehlman, clarified the policy and how it related to TIF. She noted TIF was a tool the HRA used to help a development that would otherwise not happen if that funding was not available. She indicated TIF was often used to meet the City's affordability goals.

M/Hayford Oleary, S/Trautmann to approve a resolution approving Amended and Restated Business Subsidy Policy.

Council Member Trautmann asked if the Ordinance contemplated that there would be an opportunity for owner operated businesses because they would not meet the 100 percent or 125 percent minimum wage. Economic Development Manager Youngquist explained this policy was specific to business subsidies that were \$150,000 or more. She noted there was a State Statute where a business subsidy that met the criteria could have a public hearing if the project was meeting goals outside of the wages and number of jobs where those goals could be set to zero.

Council Member Whalen stated generally he supported higher wages, but asked who would this apply to. Economic Development Manager Youngquist responded that in the past it was tied to the Federal minimum wage which is less than the State of Minnesota minimum wage. She explained what the Federal minimum wage was versus the State minimum wage and indicated the range for Richfield would be \$10.79 to \$13.24 per hour.

Council Member Trautmann asked would this capture it when a business hired independent contractors, or would they need W2 employees. Economic Development Manager Youngquist responded it was her understanding it would be with W2 employees. She indicated this was worded to match what State Statutes required.

Economic Development Manager Youngquist stated if they were looking at doing a business subsidy, they would enter into an agreement between the EDA, HRA, City, whoever the grantor was, and the business with the assistance of the City Attorney.

Council Member Trautmann asked if this could be expanded for the rights of workers. Attorney Tietjen responded she did not know if the Statute allowed that. She noted staff had said the amendments were made so they would be in compliance with the law. She suggested before there were any amendments to the document, they needed to ensure that they would still remain in compliance.

Trautmann asked if this was time sensitive and if it was not he suggested this be tabled to give staff the opportunity to look into this for all workers and not just W-2 workers. Economic Development Manager Youngquist responded that the Council, EDA, and HRA were subject to the terms of the existing business subsidy policy currently, so there would not be a gap of not having a policy in place.

M/Trautmann, S/Christensen to table this to the next Council meeting.

Roll call vote 3-2: Christensen, Trautmann, and Whalen aye. Hayford Oleary, and Supple nay.  
Motion carried.

<b>ITEM #8</b>	<b>CONSIDER 2023 REVISED/2024 PROPOSED BUDGET RESOLUTIONS ADOPTING THE 2024 PRELIMINARY PROPERTY TAX LEVY, SETTING TRUTH IN TAXATION HEARING DATE, AUTHORIZING BUDGET REVISIONS, AUTHORIZING REVISION OF 2023 DEPARTMENT BUDGETS AND SETTING CITY FEES FOR 2024. (STAFF REPORT NO. 120)</b>
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Council Member Whalen presented Staff Report 120.

City Manager Rodriguez stated both the capital and operating budgets were posted online as well as the August 2 and August 29 Work Sessions if residents were interested in learning about the budgets. She indicated the City was trying very hard to keep the levy increases low and to give staff the tools they need to meet increasing service demands and to invest in the City’s infrastructure. She noted this year was tough due to the service demands and the lingering effects of increased inflation along with a tight labor market, but they were able to keep the levy at 5.89 percent. She thanked Council for their support through this process and also thanked Director Verma for continually improving the process and the City’s financial condition.

Director Verma thanked the Mayor and Council for their leadership and guidance in balancing the City budget as well as all of the Directors and their team members who engaged in the budgeting process.

M/Whalen, S/Hayford Oleary to approve the resolutions establishing the 2024 preliminary property tax levy and proposed date for the Truth in Taxation Hearing authorizing budget revisions, authorizing revision of 2023 department budgets and City fees for 2024.

**RESOLUTION NO. 12123**

**RESOLUTION ADOPTING A PROPOSED BUDGET AND TAX LEVY FOR THE YEAR 2024**

**RESOLUTION NO. 12124**

**RESOLUTION AUTHORIZING BUDGET REVISIONS**

**RESOLUTION NO. 12125**

**RESOLUTION AUTHORIZING REVISIONS OF 2023 BUDGET OF VARIOUS DEPARTMENTS**

**RESOLUTION NO. 12127**

**RESOLUTION ESTABLISHING 2024 LICENSE, PERMIT AND MISCELLANEOUS FEES PURSUANT TO THE PROVISIONS OF APPENDIX D OF THE ORDINANCE CODE OF THE CITY OF RICHFIELD RESCINDING RESOLUTION NO. 12005**

Council Member Hayford Oleary stated they were doing a good job keeping their “belts tight” and staff was being very responsible with public dollars. He indicated he supported this.

Council Member Whalen stated he was excited with this budget they had finally created a budget for their sustainability and climate action work and he was happy they were putting money where their priorities were. He indicated they needed to offer staff jobs that people were excited to have and could live on and he believed they had a good staff.

Trautmann noted last year Country’s inflation rate was 9 percent and this budget increase was less than that. He acknowledged staff continued to make tough choices. He indicated he supported the budget and thanked staff for their work.

Christensen agreed with the other Council comments and thanked staff for their work on the budget.

Mayor Supple thanked everyone who was involved in the budget process. She indicated they were trying to be good stewards of both sustainability of infrastructure and they needed to keep making those type of investments. She believed looking at sustainability was important.

Motion carried: 5-0

<b>ITEM #9</b>	<b>CONSIDER RESOLUTION APPROVING THE 2023 REVISED AND 2024 BUDGETS FOR THE AFFORDABLE HOUSING TRUST FUND. (STAFF REPORT NO. 121)</b>
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Council Member Christensen presented Staff Report 121.

M/Christensen, S/Whalen to approve resolution adopting an Affordable Housing Trust Fund budget for the year 2023 Revised and 2024.

**RESOLUTION NO. 12126**

**RESOLUTION ADOPTING AN AFFORDABLE HOUSING TRUST FUND BUDGET FOR THE YEAR 2023 REVISED AND 2024**

Council Member Whalen indicated he was excited to see some of the funding flexibility that they were able to work on with their State Legislators. He stated he saw \$700,000 for development grants for affordable housing projects as well as a note for \$200,000 of that. He asked if that had been designated already, or what the plan was for the \$200,000. Assistant Director Urban responded \$200,000 had been designated for the Richfield Flats projects at 7700 Pillsbury, and then \$500,000 was committed to Aster Commons located at 6613 Portland.

Mayor Supple asked if this was based on whether or not they got the tax credits from the State. Assistant Director Urban responded that was correct and they would need significantly more money than what they were providing.

Mayor Supple noted that despite the extra funding from the State, there was still a demand. Assistant Director Urban responded that was correct, but they keep trying. She noted it usually took multiple years to be successful.

Council Member Trautmann noted they lowered the first-time homebuyers program by \$40,000. Assistant Director Urban responded that was correct and they are probably going to supplement it with the Community Development Block Grant funds in the future. She indicated they would also have a local affordable housing aid that they will be receiving and they anticipated some of that money would be put into this also.

Assistant Director Urban stated the other goal was to reach people who have been traditionally prevented from being part of the homeownership market and they have been successful at reaching their target populations.

Mayor Supple commended the forethought that was put into the programs so when the funding came from the State, they had a way to use it.

Motion carried: 5-0

<b>ITEM #10</b>	<b>CONSIDER CITY COUNCIL’S APPROVAL OF THE MAYOR’S APPOINTMENT OF A HOUSING AND REDEVELOPMENT AUTHORITY COMMISSIONER (STAFF REPORT NO. 122)</b>
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Mayor Supple presented Staff Report 122.

M/Supple, S/Whalen to approve the Mayor’s appointment of a Housing and Redevelopment Authority Commissioner.

Council Member Whalen stated the process for HRA interviews had changed over the last few years and it seemed “strange” to be voting on the final approval when he was not in the interview. He noted while they could not choose who applied for the position, but the individual who had stepped down from the HRA was someone who was a current renter in Richfield and they were appointing another person like the last appointment whose expertise and focus was more business oriented. He expressed concern that the HRA would have less experience in the types of affordable housing that they were trying to create moving forward.

Councilmember Hayford Oleary acknowledged Council Member Whalen’s concerns but noted they only had a couple of candidates that responded. He agreed with Council Member Whalen’s comments, but he stated he trusted the Mayor’s appointment of this person.

Mayor Supple thanked both of the applicants who had applied and welcomed Mr. Young to the EDA.

Motion carried: 5-0

<b>ITEM #11</b>	<b>CITY MANAGER’S REPORT</b>
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City Manager Rodriguez stated she had no report.

<b>ITEM #12</b>	<b>CLAIMS AND PAYROLL</b>
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M/Whalen, S/Hayford Oleary that the following claims and payrolls be approved:

<b><u>U.S. BANK</u></b>	<b><u>08/18/2023</u></b>
A/P Checks: 323152 - 323463	\$ 3,421,276.64
Payroll: 181264 – 181637; 43658 & 43659	\$ 564,668.24
<b>TOTAL</b>	<b>\$ 3,985,944.88</b>

<b><u>U.S. BANK</u></b>	<b><u>09/08/2023</u></b>
A/P Checks: 323464-323835	\$ 3,028,278.62
Payroll: 182008 – 182374; 43660-43662	\$773,692.59
<b>TOTAL</b>	<b>\$3,801,971.21</b>



Motion carried: 5-0

<b>ITEM #13</b>	<b>HATS OFF TO HOMETOWN HITS</b>
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Council Member Trautmann spoke about Penn Fest.

Council Member Hayford Oleary thanked Ben Olsen and the students of ARCH3231 at the University of Minnesota for participating in a walking tour of Richfield.

Council Member Christensen spoke about visiting Toma Mojo Grill and how she had a great experience as a first-time patron.

Council Member Whalen spoke about Penn Fest.


Mayor Supple spoke about the Illusion Theater giving a season on live performances in Richfield during the summer. She also spoke about Buzz Fest and Penn Fest.

<b>ITEM #14</b>	<b>ADJOURNMENT</b>
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Mayor Supple adjourned the meeting at 8:45 p.m.

Motion carried: 5-0

Date Approved: September 26, 2023



Dustin Leslie  
City Clerk



Mary B. Supple  
Mayor



Katie Rodriguez  
City Manager