



**REGULAR CITY COUNCIL MEETING  
RICHFIELD MUNICIPAL CENTER, COUNCIL CHAMBERS  
SEPTEMBER 26, 2023  
7:00 PM**

**INTRODUCTORY PROCEEDINGS**

Call to order

Pledge of Allegiance

Open forum

***Call into the open forum by dialing 1-415-655-0001 Use webinar access code: 2634 625 3795 and password: 1234.***

***Please refer to the Council Agenda & Minutes web page for additional ways to submit comments.***

Approval of the Minutes of the (1) City Council Work Session of September 26, 2023; and (2) City Council Meeting of September 26, 2023.

**AGENDA APPROVAL**

1. Approval of the Agenda

**PRESENTATIONS**

2. Proclamation Celebrating LGBTQ+ History Month
3. Proclamation of the City of Richfield on gun violence in our community
4. Presentation from Hennepin County Commissioner Goettel
5. **Consent Calendar contains several separate items, which are acted upon by the City Council in one motion. Once the Consent Calendar has been approved, the individual items and recommended actions have also been approved. No further Council action on these items is necessary. However, any Council Member may request that an item be removed from the Consent Calendar and placed on the regular agenda for Council discussion and action. All items listed on the Consent Calendar are recommended for approval.**
  - A. Consider the adoption of a resolution appointing election judges and establishing an absentee ballot board for the Richfield School District Election of November 7, 2023.  
Staff Report No. 123
6. Consideration of items, if any, removed from Consent Calendar

**PUBLIC HEARINGS**

7. Consider the second reading and hold a public hearing for an ordinance amendment to the Richfield City Code

Appendix D (Fee Schedule) related to building, planning, and zoning fees.

Staff Report No. 124

### **PROPOSED ORDINANCES**

8. Consider the approval of the first reading of an ordinance amending Chapter 8, subsection 840.13 of the Richfield City Code to prohibit smoking in public parks and during community events. The proposed ordinance includes establishing a petty misdemeanor offense.

Staff Report No. 125

### **RESOLUTIONS**

9. Consider a resolution approving the Amended and Restated Business Subsidy Policy.

Staff Report No. 126

### **OTHER BUSINESS**

10. Consider the appointment of youth members to City advisory board/commissions.

Staff Report No. 127

### **CITY MANAGER'S REPORT**

11. City Manager's Report

### **CLAIMS AND PAYROLLS**

12. Claims and Payroll

### **COUNCIL DISCUSSION**

13. Hats Off to Hometown Hits
14. Adjournment

**Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9739.**



# CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

## City Council Work Session

**September 12, 2023**

### CALL TO ORDER

Mayor Supple called the work session to order at 5:45 p.m. in the Bartholomew Room.

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

*Council Members Absent:* Simon Trautmann

*Staff Present:* Katie Rodriguez, City Manager; Dustin Leslie, City Clerk; Chris Swanson, Management Analyst; Scott Kulzer, Administrative Analyst; Matt Hardegger, Transportation Engineer; Brittany Bartlett, Equity Coordinator; Joe Powers, City Engineer; Chris Link, Public Works Deputy Director; Kristin Asher, Public Works Director; Jay Henthorne, Police Chief; Kate Aitchison

<b>ITEM #1</b>	<b>DISCUSS PROGRESS MADE BY PUBLIC WORKS IN UPDATING RICHFIELD'S ADA TRANSITION PLAN FOR THE PUBLIC RIGHT-OF-WAY AND DISCUSS NEXT STEPS.</b>
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Transportation Engineer Hardegger gave the presentation covering the ADA transition plan overview, city self-evaluation, methodology, scoring criteria, pedestrian curb ramp prioritization scores, and sidewalk prioritization scores.

Mayor Supple asked a question on behalf of Council Member Trautmann who was absent. She asked about the southeast quadrant of the city having a lot of need for sidewalk improvements. City Engineer Powers stated it was mostly due to the age of the infrastructure.

Council Member Whalen spoke about the challenges of plowing the Southeastern corner of the city and asked if there was a way for it to improve. Deputy Director Link spoke about the challenges of plowing that area of the city.

Mayor Supple asked if the I-494 project would improve some of the challenge areas on the map. Transportation Engineer Hardegger stated there would be some improvements at the intersections of the project.

Council Member Hayford Oleary spoke about the difficulties with sidewalk snow clearing.

Transportation Engineer Hardegger continued the presentation covering traffic signal prioritization scores and replacements costs.

Council Member Whalen and staff spoke about the timeline and pace of replacing traffic signals. Council Members and staff also spoke about prioritizing projects and taking continuity into account.

Council Member Hayford Oleary spoke about budget concerns and allocating funds for these projects in the next year. Deputy Director Link spoke about franchise fees and how they would fund ADA improvements.

<b>ITEM #2</b>	<b>STAFF WILL REVIEW THE SUCCESSES AND CHALLENGES OF THE SNOW EMERGENCY PARKING PILOT PROGRAM AND MAKE RECOMMENDATIONS REGARDING THE FUTURE OF THE PROGRAM.</b>
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Deputy Director Link gave the presentation covering the pilot program overview, public outreach, snow emergency occurrences, use of parking areas, and recommendations from public works.

Mayor Supple and Council Member Hayford Oleary stated they were concerned about discontinuing parking areas and spoke about difficulties with residents finding parking options during snow emergencies.

Police Chief Henthorne spoke about the difficulties with ticketing and towing and discussed the process.

Council Member Hayford Oleary suggested one-side parking in certain areas of the city such as 64<sup>th</sup>. City Manager Rodriguez stated that if the city were to expand and add more pilot projects, the city would need to have deterrents in place so residents park off the street.

There was a discussion about towing and ticket fees. Police Chief Henthorne stated the ticket fee was \$40 and has not been raised for a long time. Council supported raising the fee to act as a deterrent for parking on the streets during a snow emergency.

Deputy Director Link summarized the discussion. Council Member Hayford Oleary stated it would be helpful to give residents enough notice of changes.

<b>ADJOURNMENT</b>
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Mayor Supple adjourned the work session at 6:48 pm.

Date Approved: September 26, 2023

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Mary B. Supple  
Mayor

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Dustin Leslie  
City Clerk

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Katie Rodriguez  
City Manager



# 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.

ITEM #8	<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

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Mary B. Supple  
Mayor

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Dustin Leslie  
City Clerk

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Katie Rodriguez  
City Manager



## **Proclamation of the City of Richfield**

**WHEREAS**, the path towards LGBTQ+ equality and liberation has been paved by courageous persons who have fought for the right to love and be loved, the right to be who they are, and their positive societal contributions of advancing areas of diversity, inclusion, equity, and respect deserve recognition; and

**WHEREAS**, LGBTQ+ History Month celebrates and commemorates those who fought for equal rights and services for the LGBTQ+ community; and is a means of educating others, promoting a culture of acceptance and inclusivity, and advancing equality for all; and

**WHEREAS**, the teaching of LGBTQ+ history has been historically suppressed and currently, books about LGBTQ+ history are being banned, the City of Richfield stands with its LGBTQ+ community members and all of our citizens in support of the accurate teaching of history; and honors the champions of LGBTQ+ equality and the importance of their contributions; and

**WHEREAS**, the City of Richfield is proud of its diverse community; committed to equality for individuals of all sexual orientations, gender identities, and expressions; and fully supports the compassionate and respectful treatment of our LGBTQ+ community members; and

**WHEREAS**, the City of Richfield will be holding its first-ever Pride Celebration on September 21st, 2024, which will celebrate LGBTQ+ individuals and families who love and support their LGBTQ+ family members and all LGBTQ+ people; and

**WHEREAS**, the City of Richfield endeavors to eliminate prejudice wherever it exists, recognize the multitude of identities that make each of us unique individuals, and envision a safe, inclusive world that allows all members of society to live openly and truthfully.

**NOW, THEREFORE I, MARY SUPPLE, Mayor of the City of Richfield, on behalf of the Richfield City Council, do hereby proclaim the month of October, 2023 as LGBTQ+ History Month in the City of Richfield and call on the people of Richfield to observe this month with appropriate programs, activities, and ceremonies to continue to honor the contributions to our collective history of LGBTQ+ Americans throughout the year.**

**PROCLAIMED** this 26<sup>th</sup> day of September 2023.

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Mary B. Supple, Mayor



## **Proclamation of the City of Richfield**

**WHEREAS**, gun violence has touched our community, our state, and the nation in many tragic ways; and

**WHEREAS**, every day, more than 110 Americans are killed by gun violence, an additional 200 more are shot and wounded, and on average there are nearly 17,000-gun homicides every year; and

**WHEREAS**, Americans are 26 times more likely to die by gun homicide than people in other countries, countries with Minnesota experiencing 497 deaths from firearms every year; and

**WHEREAS**, gun violence prevention is more important than ever as rates of gun violence increased during the COVID-19 pandemic; and

**WHEREAS**, our community has experienced a surge in gun-related incidents, including gun violence involving youth, as well as increased calls to suicide and domestic violence hotlines; and

**WHEREAS**, guns are the 2nd-leading cause of death among children and teens in Minnesota; an average of 41 children and teens die by guns every year; and

**WHEREAS** recently in our community, there have been tragic gun-related deaths and injuries among youth, some of which occurred on school grounds; and

**WHEREAS**, cities across the nation, including Richfield, are working to end the senseless violence and find healing for our communities; and

**WHEREAS**, as the new school year starts, we urge elected officials to establish common sense gun regulations which prevent gun violence in America and ensure our communities are safe; and

**WHEREAS**, let us take this time to become a more caring and understanding community, state, and nation, where everyone can live a life untouched by gun violence.

**NOW, THEREFORE, I, Mary Supple, Mayor of the City of Richfield, do proclaim that the City of Richfield, Minnesota, and its citizens that September is hereby recognized as time of healing and reflection on gun violence including self-inflicted and purposeful violence to others.**

**PROCLAIMED** this 26<sup>th</sup> day of September 2023.

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Mary B. Supple, Mayor



**STAFF REPORT NO. 123**  
**CITY COUNCIL MEETING**  
**9/26/2023**

REPORT PREPARED BY:  
DEPARTMENT DIRECTOR REVIEW:  
OTHER DEPARTMENT REVIEW:  
CITYMANAGER REVIEW:

Dustin Leslie, City Clerk

Katie Rodriguez, City Manager  
9/20/2023

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the adoption of a resolution appointing election judges and establishing an absentee ballot board for the Richfield School District Election of November 7, 2023.**

**EXECUTIVE SUMMARY:**

The Richfield School District Election is being held on Tuesday, November 7, 2023. The City has entered into an agreement with the School District to administer the election for them. City staff solicited judges who worked during the 2022 General Election season and had 133 judges confirm they were available.

An absentee ballot board must also be established per Minnesota Statutes, Section 203B.121. The absentee ballot board, which includes Hennepin County Election Staff, will examine all received absentee ballot envelopes and accept or reject absentee ballots.

The resolution also authorizes the Richfield City Clerk to make any substitutions or additions of election judges as necessary for the secure and orderly voting environment for the November 7, 2023 election.

**RECOMMENDED ACTION:**

**By motion: Adopt a resolution appointing election judges and establishing an absentee ballot board for the School District Election of November 7, 2023.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

Minnesota Statute 204B.21 Subd. 2 provides that election judges for precincts in a municipality shall be appointed by the governing body of the municipality and that the appointments be made at least 25 days before the election at which the election judges will serve.

**B. POLICIES (resolutions, ordinances, regulations, statutes, exc):**

The City Council is required by State Statute to make election judge appointments at least 25 days prior to the election. The proposed resolution contains names of those qualified individuals who have indicated a willingness and ability to serve as an election judge for the Richfield School District Election of November 7, 2023.

**C. CRITICAL TIMING ISSUES:**

If the City Council does not appoint election judges, the conduct of the election would not be valid and absentee ballots cannot be accepted or rejected without the establishment of an absentee ballot board.



**D. FINANCIAL IMPACT:**

**E. LEGAL CONSIDERATION:**

The City Council must appoint election judges to serve at these elections to comply with Minnesota Statute 204B.21, Subd. 2.

**ALTERNATIVE RECOMMENDATION(S):**

The City Council may choose to appoint other individuals as election judges who are not named in the resolution.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

**ATTACHMENTS:**

Description		Type
Election Judge Resolution		Cover Memo

**RESOLUTION NO.**

**RESOLUTION APPOINTING ELECTION JUDGES FOR THE INDEPENDENT  
SCHOOL DISTRICT #280 ELECTION BEING HELD ON NOVEMBER 7, 2023**

**WHEREAS**, Minnesota Election Law 204B.21 requires that persons serving as election judges be appointed by the Council at least 25 days before the election; and

**WHEREAS**, The City of Richfield has entered into an agreement with Independent School District #280 to administer their 2023 School Board election.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Richfield, that the individuals named on Exhibit A, and on file in the office of the City Clerk be appointed as the City of Richfield Election Judges for the November 7, 2023 School Board election; and

**BE IT FURTHER RESOLVED**, the Richfield City Council also establishes an Absentee Ballot Board as authorized under Minn. Stat. 203B.121 and authorize the City Clerk to oversee the appointment and procedural processes of the Absentee Ballot Board; and

**BE IT FURTHER RESOLVED** that the Richfield City Clerk is authorized to make any substitutions or additions as deemed necessary.

Passed and adopted by the City Council of the City of Richfield, Minnesota this 26<sup>th</sup> day of September, 2023.

\_\_\_\_\_  
Mary B. Supple, Mayor

ATTEST:

\_\_\_\_\_  
Dustin Leslie, City Clerk

## **Exhibit A**

### **School Board Election Judges**

Robert Alexander  
Robert Amundson  
Donald Anderson  
Joyce Anderson  
Michelle Ansorge  
John Ashmead  
Mary Ann Ashmead  
Barbara Bauer  
William Bednar  
Valerie Belton  
Rosemary Bernau  
Rosalie Bjorkman  
Suzi Blumberg  
Linda Boyd  
Daniel Bredemus  
Meredith Bruzek  
Mark Buffie  
Christie Burke  
Willis Cahill  
Amy Carlsted  
Milissa Carter  
Rebecca Case  
Sally Cassellius  
Carrie Chillman  
Margaret Cole  
Gretchen Crow  
Scott Dahlquist  
Blue Delliquanti  
Katrina DeVore  
Catherine Dinndorf  
Sheila Domstrand  
Cynthia Dubansky  
Joanne Ehren Dahlquist  
Mary Elliott  
Taryn Ellis  
Debbie Eng  
Carolyn Engeldinger  
Brie Ericksson  
Larry Ernster  
Mary Jo Fadell  
Denise Famodu  
Derek Field  
Megan Forsmark  
Dean Gade  
Arend Geurink  
Allison Glass

Judith Goebel  
Anthony Goodman  
Jane Greene  
Rebecca Guarino  
Bradley Hanson  
Mary Hayden  
Ruth Hiland  
Linda Hinz  
Dean Hoffman  
Craig Holmquist  
Emilie Jensen  
Thomas Jensen  
Sita Johnson  
Joy Jurewicz  
Andy Kahn  
Amanda Kaiser  
Janet Karnick  
Carol Kellett  
John Kelly  
Mary Kelly  
Carly Kidd  
Barbara Knoll  
Dora Lane  
Jeremy Lang  
Katie Lankton  
Helen Lapakko  
Joan Lash  
Mandee Liberty  
Emily Lodermeier  
Carol Lowe  
Natalie Madgy  
Breanna Markuson  
Andy May  
Kathleen McDonough  
Richard Morey  
Robert Mulcahy  
Sarah Musgrave  
Sumner Musolf  
Carol Nelson  
Susan Nielsen  
Cindy Norland  
Barbara Orzechowski  
Marvin Pate  
David Paxson  
Paul Peichel  
Wayne Peterson

Carol Petkoff  
Joshua Policarpio  
Heather Polivka  
Wanda Poston  
Leif Reffsgaard  
Danni Remer  
Holly Rhodes  
Shawn Rodbourne  
Bill Rodriguez  
Samantha Ross  
Jeffrey Rundgren  
Robert Sakkinen  
Vicki Saueressig  
Michael Sawyer  
Maureen Scaglia  
Lynn Schoonmaker  
Margaret Schow  
Anne Schuette  
Michael Smith  
K. Lashel Solberg  
Ellen Stavreff  
Brett Stursa  
Elaine Swanson  
John Swanson  
Roger Swanson  
Kristin Swenson  
Cheryl Thiele  
Ana Thompson  
Cara Thrane  
Mark Tilc  
David Tufford  
Mary Jo Tuttle  
John Twisk  
Cynthia Wade Forsgren  
Nancy Walstrom  
Sandra Walstrom  
Lois Webb-Bradford  
Mark Wegener  
Karin Wolverton  
Charles Wright  
Michael Zazzera



**STAFF REPORT NO. 124**  
**CITY COUNCIL MEETING**  
**9/26/2023**

REPORT PREPARED BY:  
DEPARTMENT DIRECTOR REVIEW:  
OTHER DEPARTMENT REVIEW:  
CITYMANAGER REVIEW:

Chris Swanson, Management Analyst

Katie Rodriguez, City Manager  
9/20/2023

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the second reading and hold a public hearing for an ordinance amendment to the Richfield City Code Appendix D (Fee Schedule) related to building, planning, and zoning fees.**

**EXECUTIVE SUMMARY:**

City staff annually review fees to determine if charges for permits and services are appropriate. Staff want to ensure the costs of issuance for fees and permits reflect the staff time and costs related to performing the services associated with those fees. Staff also work to ensure that costs for City services are in line with our peer communities, are not excessive, and are compliance with state statute.

Fees related to building permits, zoning, and other land use permits are established by Appendix D of the City's Code but, unlike other fees included in the budget agenda item, charges for building, planning, and zoning are required to be set by ordinance, not by resolution.

**RECOMMENDED ACTION:**

**Conduct and close the public hearing and by motion;**

- 1. Approve the attached ordinance amendment to Richfield City Code Appendix D (Fee Schedule) related to building, planning, and zoning fees;**
- 2. Approve a resolution authorizing summary publication of said ordinance.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

None

**B. POLICIES (resolutions, ordinances, regulations, statutes, exc):**

- State Statutes require municipal fees and permits to be determined in accordance with actual staff time and costs that are incurred in providing related services.
- City staff has determined that the fees in question should be modified in order to better reflect actual time and costs incurred.

**C. CRITICAL TIMING ISSUES:**

To ensure the ordinance is law before Jan. 1, 2024 and to provide notice of the increases it is important that this is approved at the Sept. 26th meeting.

**D. FINANCIAL IMPACT:**

- City staff has determined that current fees for some applications are insufficient to cover the costs related

to processing those applications.

- Staff also reviews similar fees in our "peer communities" to ensure that Richfield's fees are not onerous or excessive. With the proposed changes, Richfield's fees remain in line with these peer communities.

**E. LEGAL CONSIDERATION:**

Notice of the public hearing shall be published in the Sun Current, as required.

**ALTERNATIVE RECOMMENDATION(S):**

None

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

N/a

**ATTACHMENTS:**

Description		Type
▣	Transitory Ordinance for Building Permit Fees	Ordinance
▣	Summary Publication Resolution- Appendix D	Resolution Letter

**BILL NO.  
TRANSITORY ORDINANCE NO.**

**AN ORDINANCE AMENDING APPENDIX D  
TO THE RICHFIELD CITY CODE; ESTABLISHING A FEE SCHEDULE  
FOR CERTAIN PERMITS AND APPLICATIONS**

**THE CITY OF RICHFIELD DOES ORDAIN:**

**Section 1. Background**

- 1.01 Appendix D to the Richfield City Code consists of the schedule of fees adopted by the City Council, including those adopted by resolution and those adopted by Ordinance.
- 1.02 Minnesota Statutes, Section 462.353 requires that certain fees be adopted by Ordinance. The City Council has previously established certain fees by Transitory Ordinance No. 19.15. The City Council has established other fees by resolution, which resolution is also part of Appendix D.
- 1.03 The City Council has determined the need to update the schedule of fees under Transitory Ordinance No. 19.15.

**Section 2. Fee Schedule Adopted**

- 2.01 The fees set forth in the attached Exhibit A are hereby adopted by Ordinance.
- 2.02 The fees adopted at Section 2.01 of this Ordinance shall be amended only by Ordinance. Any fees established by resolution, other than those adopted at Section 2.01 of this Ordinance, may be amended from time to time by resolution of the City Council.

**Section 3. Effective date; codification.**

- 3.01 This Ordinance is effective in accordance with Section 3.09 of the City Charter.
- 3.02 This Ordinance shall take effect January 1, 2024.
- 3.03 A copy of this Ordinance shall be included in Appendix D to the Richfield City Code, immediately prior to the resolution establishing fees.
- 3.04 This Ordinance supersedes Transitory Ordinance No. 19.15.

Adopted by the City Council of the City of Richfield, Minnesota this 26th day of September 2023.

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Mary B. Supple, Mayor

ATTEST:

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Dustin Leslie, City Clerk

## Appendix D

### LICENSE, PERMIT AND MISCELLANEOUS FEES

#### TRANSITORY ORDINANCE NO.

##### EXHIBIT A CONSTRUCTION AND RELATED PERMIT FEES AND CHARGES

###### A. Investigation Fees: Work without a Permit:

Investigation. Whenever any work for which a permit is required by this code has been commenced without first obtaining said permit, a special investigation shall be made before a permit may be issued for such work.

Fee. An investigation fee, in addition to the permit fee, shall be collected whether or not a permit is then or subsequently issued. The investigation fee shall be equal to the amount of the permit fee required by this code. The minimum investigation fee shall be the same as the minimum fee set forth in Section 2. The payment of such investigation fee shall not exempt any person from compliance with all other provisions of this code nor from any penalty prescribed by law.

###### B. Permit fee refunds:

The building official may authorize refunding of not more than 80 percent of the permit fee paid when no work has been done under a permit issued in accordance with this code.

The building official may authorize refunding of not more than 80 percent of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan reviewing is done.

The building official shall not authorize refunding of any fee paid except on written application filed by the original permitted not later than 180 days after the date of fee payment.

Type of Permit or License	Section Requiring	Description	Fee
		<del>(a) Inspections outside of normal business hours (minimum charge—two hours)</del>	<del>\$60.00 per hour</del>
		<del>(b) Reinspection fees (minimum charge \$35.00)</del>	<del>\$60.00 per hour</del>
		<del>(c) Inspections for which no fee is specifically indicated (minimum charge—one half hour)</del>	<del>\$60.00 per hour</del>
		<del>(d) Additional plan review required by changes,</del>	<del>\$60.00 per hour</del>



Appendix D - LICENSE, PERMIT AND MISCELLANEOUS FEES  
TRANSITORY ORDINANCE NO. 19.15

		<del>additions or revision to plans (minimum charge—two hours)</del>	
		<del>(e) Fee to reissue building inspection record card</del>	<del>\$35.00</del>
<del>*Or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of the employee involved.</del>			
(1) Building Permits	400.03— 400.09	<b>Fee Schedule to follow MN Statute 326B.153 + State Surcharge 326B.148</b>	<a href="https://www.revisor.mn.gov/statutes/cite/326B.153">https://www.revisor.mn.gov/statutes/cite/326B.153</a> <a href="https://www.revisor.mn.gov/statutes/cite/326B.148">https://www.revisor.mn.gov/statutes/cite/326B.148</a>
(1) Building Permits	400.03— 400.09  515.05	<del>\$1 to \$500 (includes one inspection)</del>	<del>\$40.00</del>
		<del>Each additional inspection</del>	<del>\$40.00</del>
		<del>\$501 to \$2,000</del>	<del>\$26.25 for the first \$500 plus \$3.50 each additional \$100, or fraction thereof, to and including \$2,000 with a minimum fee of \$40.00.</del>
		<del>\$2,001 to \$25,000</del>	<del>\$77.25 for the first \$2,000 plus \$15.50 for each additional \$1,000, or fraction thereof, to and including \$25,000.</del>
		<del>\$25,001 to \$50,000</del>	<del>\$436.50 for the first \$25,000 plus \$11.25 for each additional \$1,000, or fraction thereof, to and including \$50,000.</del>
		<del>\$50,001 to \$100,000</del>	<del>\$716.75 for the first \$50,000 plus \$7.75 for each additional \$1,000, or fraction thereof, to and including \$100,000.</del>
		<del>\$100,001 to \$500,000</del>	<del>\$1,106.25 for the first \$100,000 plus \$6.25 for each additional \$1,000, or fraction thereof, to and including \$500,000.</del>
		<del>\$500,001 to \$1,000,000</del>	<del>\$3,599.25 for the first \$500,000 plus \$5.25 for each additional \$1,000, or fraction thereof, to and including \$1,000,000.</del>
		<del>1,000,001 and up</del>	<del>\$6,242.50 for the first \$1,000,000 plus \$4.25 for each additional \$1,000, or fraction thereof.</del>
(2) Driveway, Parking Area Permits	515.05	(no permit fee for sidewalks)	\$40.00
(3) Swimming	420.00	Permanent or portable pools are based on building permit fees with a minimum of	<del>\$40.00—\$55.00</del>
(4) Plan Review Fee	400.03— 400.09	25% for decks/porches, gazebos, bathroom remodels, etc. 35% of building permit fee for one and two family dwelling basement remodels	

Appendix D - LICENSE, PERMIT AND MISCELLANEOUS FEES  
TRANSITORY ORDINANCE NO. 19.15

Plan review fee for similar buildings		65% of building permit fee for all other building permits, except no fee for the following:	
		(a) Existing single family dwelling minor nonstructural alterations.	
		(b) Single and two family dwelling repair and maintenance work.	
		(c) Commercial and industrial repair and maintenance work not exceeding \$1,000.00 or where plans are not required.	
Plan Review fee for similar buildings		Maximum 25% of permit fee based on Minnesota State Building Code 1300.0160	
(5) Contractor License Verification Fee		contractor applies for permit(s)	\$5.00
(6) Moving-Buildings	845	Moving Permit Fee	<del>\$50.00</del> <del>\$65</del>
(7) Structure Demolition	400.00— 400.09	(a) Commercial Demolition cost as per Building Permit Schedule with a minimum of	<del>\$50.00</del> <del>\$65</del>
		(b) Dwelling One or two story Residential—Garage and lesser structure	<del>\$50.00</del> <del>\$65</del> 40.00
(8) Plumbing Permit	400.03— 400.09 400.03— 400.09	Residential Minimum Fee 2% of Total Job cost with a minimum of (includes one inspection)	<del>\$40.00</del> <del>\$55</del>
		Each additional inspection	<del>\$40.00</del> <del>\$55</del>
(9) Plumbing Permit	400.03— 400.09 400.03— 400.09	Commercial/Industrial/Multi-family Based on Total Job cost 2% of Estimated Job cost with a minimum of (includes one inspection)	<del>\$45.00</del> <del>\$65</del>
		Each additional inspection	<del>\$40.00</del> <del>\$65</del>
(10) Electrical Permit	400.03— 400.09 400.03— 400.09	Residential (a) Minimum Fee which includes one inspection	<del>\$40.00</del> <del>55</del>
		(b) Each additional Inspection	<del>\$40.00</del> <del>55</del>

Appendix D - LICENSE, PERMIT AND MISCELLANEOUS FEES  
TRANSITORY ORDINANCE NO. 19.15

		© Complete Wiring Fee: Single-family Dwelling and each dwelling unit of a two family dwelling and includes not more than three inspections.	<del>\$165.00</del> <b>175</b>
		(d) New Service—up to 200 amps	\$100.00
		€ Temporary Service—(for construction)	<del>\$45.00</del> <b>55</b>
		(f) Sub Panel	\$55.00
		(g) Installation, addition alteration, or repair of each circuit or feeder	<del>\$8.00</del> <b>10</b>
		(h) Swimming pool or exterior hot tub	\$55.00
(11) Electrical Permit (12) Commercial Electrical Permit Signs	400.03— 400.09 400.03— 400.09	Commercial, Industrial and multiple dwellings(more than two units) and Technology systems: Minimum Fee which includes one inspection	<del>\$45.00</del> <b>55</b>
		Each additional inspection	<del>\$40.00</del> <b>55</b>
		(a) Based on total job cost - 2% of estimated job cost with a minimum of - Over \$50,000 – Fee/ \$1,000.00 plus 1% of cost over \$50,000.00	<del>\$45.00</del> <b>55</b>
		(b) Traffic Signals: Per Intersection	\$185.00
		© Fire Alarm: Based on ¾% of cost of electrical job to customer with a minimum of	<del>\$45.00</del> <b>55</b>
		(d) Carnivals, festivals and similar events plus \$35.00 for each service on generator	\$110.00
(13) Solar Photovoltaic System Rating*		Based on 2% of cost of electrical job to customer with a minimum of (separate electrical permit required for signs)	<del>\$45.00</del> <b>55</b>

Appendix D - LICENSE, PERMIT AND MISCELLANEOUS FEES  
TRANSITORY ORDINANCE NO. 19.15

(13) Solar Photovoltaic System Rating*	400.03— 400.09	0—5,000 watts	<del>\$60.00</del> <b>65</b>
		5,001—10,000 watts	<del>\$100.00</del> <b>150</b>
		10,001—20,000 watts	<del>\$150.00</del> <b>200</b>
		20,001—30,000 watts	<del>\$200.00</del> <b>250</b>
		30,001—40,000 watts	<del>\$250.00</del> <b>300</b>
(14) Residential Heating, Ventilating, Air Conditioning and Refrigeration	400.03— 400.09	Central Systems and Additions, Alterations and Repairs 1½% estimated cost with a minimum of (Includes one inspection)	<del>\$40.00</del> <b>55</b>
		Each additional inspection	<del>\$40.00</del> <b>55</b>
			<del>\$45.00</del> <b>65</b>
		Commercial Heating, Ventilating, Air Conditioning and Refrigeration Central Systems and Additions, Alterations and Repairs 1½% estimated cost with a minimum of	
(15) Sign Installation	415.01— 415.11	(a) Temporary sign permit	<del>\$40.00</del> <b>55</b>
		(b) Permanent sign (any size) Building permit is required for sign support structures fees based on building permit fee schedule	<del>\$100.00</del> <b>125</b>
(16) Temporary Certificate of Occupancy	400	A temporary Certificate of Occupancy may be issued before completion of the entire work covered by the permit, provided the Chief Building Official deems that the building is safe to occupy	\$200.00 Plus a letter of credit or cash escrow equal to 125% of the remaining City Code requirements

**RESOLUTION NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING APPENDIX D TO THE RICHFIELD CITY CODE;  
ESTABLISHING A FEE SCHEDULE FOR CERTAIN PERMITS AND APPLICATIONS**

**WHEREAS**, the City of Richfield has adopted the above referenced ordinance; and

**WHEREAS**, the verbatim text of the ordinance is cumbersome, and the expense of publication of the complete text is not justified.

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Richfield that the following summary is hereby approved for official publication:

**SUMMARY PUBLICATION  
TRANSITORY ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AMENDING APPENDIX D TO THE RICHFIELD CITY CODE;  
ESTABLISHING A FEE SCHEDULE FOR CERTAIN PERMITS AND APPLICATIONS**

This summary of the ordinance is published pursuant to Section 3.12 of the Richfield City Charter.

The purpose of the ordinance is to amend to Richfield City Code Appendix D (Fee Schedule) related to building, planning, and zoning fees to ensure the costs of issuance for fees and permits reflect the staff time and costs related to performing the services associated with those fees.

Copies of the ordinance are available for public inspection in the City Clerk's office during normal business hours or upon request by calling the Executive Department at (612) 861-9712.

Adopted by the City Council of the City of Richfield, Minnesota on this 26<sup>th</sup> day of September 2023.

\_\_\_\_\_  
Mary B. Supple, Mayor

ATTEST:

\_\_\_\_\_  
Dustin Leslie, City Clerk

AGENDA SECTION:	PROPOSED
	ORDINANCES
AGENDA ITEM #	8.



**STAFF REPORT NO. 125**  
**CITY COUNCIL MEETING**  
**9/26/2023**

REPORT PREPARED BY: Jennifer Anderson, Support Services Manager

DEPARTMENT DIRECTOR REVIEW: Jay Henthorne, Director of Public Safety/Chief of Police  
9/19/2023

OTHER DEPARTMENT REVIEW:

CITY MANAGER REVIEW: Katie Rodriguez, City Manager  
9/20/2023

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the approval of the first reading of an ordinance amending Chapter 8, subsection 840.13 of the Richfield City Code to prohibit smoking in public parks and during community events. The proposed ordinance includes establishing a petty misdemeanor offense.**

**EXECUTIVE SUMMARY:**

In an effort to be consistent with existing park policies, staff made recommendations to the City Council at the July 25, 2023 work session. Recommendations included prohibiting cannabis smoking in public parks and during community events. The inclusion of a petty misdemeanor offense allows the Public Safety Department to enforce the new ordinance. Staff and City Council members felt these recommendations were appropriate and in line with other restrictions currently in place for parks and open spaces.

The draft ordinance as written does not prohibit smoking cannabis on streets (unless it involves a community event, such as Pennfest), sidewalks, or pedestrian/bike trails between parks, nor does it prohibit the use of edible cannabinoid product and hemp-derived consumer products in parks, open spaces or community events.

**RECOMMENDED ACTION:**

**By Motion: Approve the first reading of an ordinance amending Chapter 8, subsection 840.13 of the Richfield City Code to prohibit smoking in public parks and during City-sponsored or City co-sponsored community events, as well as establishing a petty misdemeanor offense.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

Early on in House File 100, there were many aspects of the bill that were not clear from a city perspective. Cannabis use in public and penalties for use in public spaces were not fully addressed. In the final bill, cities were granted authority to adopt ordinances establishing a petty misdemeanor offense for a person who unlawfully uses cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products:

- in a public place other than a private residence including the person's curtilage or yard;
- private property not generally accessible by the public, unless the person is explicitly prohibited from consuming cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products on the property by the owner of the property;
- the premises of an establishment or event licensed to permit on-site consumption.

Additionally, under the Minnesota Clear Indoor Air Act, cities are authorized to adopt more stringent regulations on smoking to protect individuals from secondhand smoke or from involuntary exposure to aerosol or vapor from electronic smoking devices. Cities have used this authority to prohibit smoking of tobacco products in public areas including parks, distances from business entrances, and outdoor restaurant patios. This same authority can be used to prohibit the smoking of cannabis in those areas.

**B. POLICIES (resolutions, ordinances, regulations, statutes, etc):**

Chapter 8 of the Richfield City Code pertains to the regulation of public parks. Smoking tobacco in public parks is prohibited, however, cannabis is not addressed in current language. The proposed restriction of smoking cannabis in public parks and at city-sponsored or city co-sponsored events seeks to protect minors from the harms of cannabis and second hand smoke.

**C. CRITICAL TIMING ISSUES:**

The ordinance will take effect 30 days after publication and at that time, the City Prosecutor will need to notify the courts of the new ordinance. It can then take up to 4 weeks for the petty misdemeanor penalty to be active in the court system.

**D. FINANCIAL IMPACT:**

N/A

**E. LEGAL CONSIDERATION:**

The City Attorney has reviewed the proposed ordinance and approves of its contents.

**ALTERNATIVE RECOMMENDATION(S):**

The City Council may decide to not approve the first reading of the ordinance and direct staff on how to proceed.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

**ATTACHMENTS:**

Description	Type
▣ Cannabis in Parks Ordinance	Proposed Ordinance

BILL NO. \_\_\_\_\_

**AN ORDINANCE AMENDING SUBSECTION 840.13 OF THE RICHFIELD CODE OF ORDINANCES PROHIBITING SMOKING IN PUBLIC PARKS, ON CITY-OWNED LAND, AND DURING COMMUNITY EVENTS AND ESTABLISHING A PETTY MISDEMEANOR OFFENSE**

**THE CITY OF RICHFIELD DOES ORDAIN:**

**Sec. 1.** Subsection 840.13 of the Richfield City Code is amended as follows:

**840.13. – ~~Use of tobacco products~~ Smoking prohibited.**

~~No person may use tobacco, tobacco products, tobacco-related devices, electronic delivery devices, or nicotine or lobelia delivery products, as these items are defined in [section 1146](#) of this Code, on City-owned parks, conservation areas, open spaces, or recreational facilities, including without limitation: trails within parks used for walking and biking, picnic shelters, athletic fields, and play areas. This subsection does not apply to the use of tobacco, tobacco products, tobacco-related devices, electronic delivery devices, or nicotine or lobelia delivery products inside motor vehicles parked on the premises of City-owned parks, conservation areas, open spaces or recreational facilities.~~

Subdivision 1. Definitions. For purposes of this subsection, the term “smoking” has the following meaning:

“Smoking” means inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, or pipe, or any other lighted or heated product containing, made, or derived from nicotine, tobacco, cannabis, or other plant, whether natural or synthetic, that is intended for inhalation. Smoking also includes carrying or using an activated electronic delivery device. Terms used in this subsection will have the same meaning as in section 1146 of this Code.

Subd. 2. Smoking prohibited. Smoking is prohibited:

- (a) In City-owned parks, conservation areas, and recreational facilities, including without limitation: trails within parks used for walking and biking, picnic shelters, athletic fields, and play areas; and
- (b) On the premises of the Woodlake Nature Center, including adjacent parking areas; and
- (c) On City-owned property adjacent to: Wilson Pond (14<sup>th</sup> Avenue South); Norby’s Pond (2nd Avenue South); and Milner Pond (6499 5<sup>th</sup> Avenue South); and
- (d) On City-owned property located at 6700 Morgan Avenue South (“No-Name Park”); and



- (e) On the Penn Avenue Corridor (Penn Avenue between 76<sup>th</sup> Street and 63<sup>rd</sup> Street) during the Open Streets at Penn Fest event; and
- (f) On the premises of other City-sponsored or City co-sponsored community events, including but not limited to: Red, White, and Blue Days, Urban Wildland Races, and the Holiday Lights Parade.

Subd. 3. **Exception.** The prohibition in subdivision 2 does not apply to smoking tobacco inside parked motor vehicles.

Subd. 4. **Petty Misdemeanor.** A violation of this subsection is a petty misdemeanor.

**Sec. 2.** This Ordinance is effective in accordance with Section 3.09 of the Richfield City Charter.

Adopted by the City Council of the City of Richfield on this \_\_\_\_ day of September 2023.

\_\_\_\_\_  
Mary B. Supple, Mayor

ATTEST:

\_\_\_\_\_  
Dustin Leslie, City Clerk



**STAFF REPORT NO. 126**  
**CITY COUNCIL MEETING**  
**9/26/2023**

REPORT PREPARED BY:  
DEPARTMENT DIRECTOR REVIEW:

Jan Youngquist, Economic Development Manager  
Melissa Poehlman, Community Development Director  
9/19/2023

OTHER DEPARTMENT REVIEW:  
CITYMANAGER REVIEW:

Katie Rodriguez, City Manager  
9/20/2023

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider a resolution approving the Amended and Restated Business Subsidy Policy.**

**EXECUTIVE SUMMARY:**

In order to grant business subsidies, Minnesota Statutes require state and local units of government to hold a public hearing and adopt criteria for awarding said subsidies.

The Housing and Redevelopment Authority (HRA) and the City Council (Council) adopted the Existing Business Subsidy Policy in 2002. The Economic Development Authority (EDA) was established in 2017 and is also subject to the Existing Business Subsidy Policy. Much of the financial assistance provided by the HRA and EDA does not qualify as a business subsidy as defined by the Business Subsidy Act, such as assistance for housing development or assistance of \$150,000 or less.

The State Legislature amended the Business Subsidy Act after the Existing Business Subsidy Policy was adopted. Staff worked with legal counsel to draft the Amended and Restated Business Subsidy Policy, which is updated to comply with the amended Business Subsidy Act. The substantive changes include:

- The wage floor requirements were increased from 110 percent of the Federal minimum wage in the Existing Business Subsidy Policy to 125 percent of the State minimum wage.
- The goals outside of job creation and retention were revised to include a project that results in redevelopment along priority commercial corridors or in the downtown area, to help meet the outcomes of the City's 2023-2026 Strategic Plan.
- A clause was added stating that all references to the Business Subsidy Act include any and all amendments made after the Amended and Restated Business Subsidy Policy is approved.

The Council held a public hearing on behalf of the City, HRA and EDA on September 12. After the public hearing was closed, the Council discussed whether language could be added to the Amended and Restated Business Subsidy Policy requiring that the wage goals apply to all workers, including independent contractors, rather than just applying to employees who receive W2s. The Council voted to table the item until September 26 and directed staff to consult with legal counsel.

Legal counsel confirmed that when a business subsidy includes job and wage goals, the goals apply to employees of the business, not to independent contractors. The Internal Revenue Service considers independent contractors to be self employed, not employees. However, legal counsel suggested adding language to the Amended and Restated Business Subsidy Policy indicating that a business subsidy agreement

must include a requirement for the recipient to comply with labor laws to ensure there are protections for the employees. The revision was made to the attached Amended and Restated Business Subsidy Policy.

The HRA and EDA will consider resolutions approving the Amended and Restated Business Subsidy Policy at their meetings on October 16.

**RECOMMENDED ACTION:**

**By motion: Adopt a resolution approving the Amended and Restated Business Subsidy Policy.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

- In 1999, the State Legislature enacted a law (the Business Subsidy Act) that regulates business subsidies by state and local units of government and requires the government agency to adopt criteria for awarding business subsidies after conducting a public hearing.
- The HRA conducted a public hearing and adopted a Business Subsidy Policy on November 15, 1999.
- The Council conducted a public hearing and adopted the Business Subsidy Policy on November 22, 1999.
- In the 2000 State Legislative Session, the Business Subsidy Act was amended.
- The HRA conducted a public hearing and adopted the Existing Business Subsidy Policy on May 20, 2002.
- The Council conducted a public hearing and adopted the Existing Business Subsidy Policy on June 11, 2002.
- The EDA was established in 2017 to promote and provide incentives for economic development in Richfield and is subject to the Existing Business Subsidy Policy.
- The State Legislature made amendments to the Business Subsidy Act after the adoption of the Existing Business Subsidy Policy.
- The Council conducted and closed a public hearing on the Amended and Restated Business Subsidy Policy on September 12 and tabled action on the matter until its September 26 meeting.

**B. POLICIES (resolutions, ordinances, regulations, statutes, etc):**

- Minnesota Statutes, Sections 116J.993 through 116J.995, (the Business Subsidy Act) regulates business subsidies and requires state and local units of government to adopt criteria for awarding business subsidies after conducting a public hearing.
- The Business Subsidy Act states that:
  - Business subsidies must meet a public purpose, which may include job creation or retention, or other goals such as increasing the tax base, removal of blight, or catalyzing future redevelopment.
  - Some financial assistance is not considered a business subsidy, including assistance for housing, contamination cleanup, and certain redevelopment projects, as well as financial assistance of \$150,000 or less.
  - A business subsidy recipient must enter into a business subsidy agreement with the grantor. The business subsidy agreement must include job and wage goals and the recipient's obligation if the goals are not met. After a public hearing, if the creation or retention of jobs is determined not to be a goal, the wage and job goals may be set to zero.
  - Public hearings must be conducted for business subsidies that exceed \$150,000.
  - The business subsidy recipient and the City are required to submit annual reports to the Minnesota Department of Employment and Economic Development (DEED) regarding the business subsidy.
  - Reporting to DEED is also required for financial assistance of \$25,000 or more and business loans of \$75,000 or more.

Strategic Outcome Consideration: By adopting a resolution approving the Amended and Restated Business Subsidy Policy, the City will establish an updated framework for providing financial assistance to businesses, which can help achieve a more diversified tax base.

**C. CRITICAL TIMING ISSUES:**

The Council and HRA adopted the Existing Business Subsidy Policy in 2002. The EDA was formed in 2017 and is subject to the Existing Business Subsidy Policy. The Legislature has since amended the Business Subsidy Act. The Amended and Restated Business Subsidy Policy was drafted to comply with the amended Business Subsidy Act.

**D. FINANCIAL IMPACT:** None.

**E. LEGAL CONSIDERATION:**

- Legal counsel drafted the Amended and Restated Business Subsidy Policy to comply with Minnesota Statutes, Sections 116J.993 through 116J.995.
- A public hearing must be conducted prior to adopting criteria for awarding business subsidies.
- Notice that the Council would hold a public hearing was published in the Richfield Sun Current on August 31, 2023.
- The Council conducted a public hearing on behalf of the City, HRA, and EDA on September 12, 2023.
- Legal counsel confirmed that when a business subsidy includes job and wage goals, the goals would apply to employees of the business, not to independent contractors. The Internal Revenue Service considers independent contractors to be self employed, not employees. Counsel recommended adding language to the Amended and Restated Business Subsidy Policy indicating that a business subsidy agreement must include a requirement for the recipient to comply with labor laws.

**ALTERNATIVE RECOMMENDATION(S):**

None.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**

N/A

**ATTACHMENTS:**

Description		Type
□	Resolution	Resolution Letter
□	Amended and Restated Business Subsidy Policy	Backup Material

**CITY OF RICHFIELD, MINNESOTA**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING AMENDED AND RESTATED BUSINESS SUBSIDY POLICY**

BE IT RESOLVED by the City Council (the “Council”) of the City of Richfield, Minnesota (the “City”) as follows:

Section 1. Recitals.

1.01. Before awarding any “business subsidy” as defined in Minnesota Statutes, Sections 116J.993 to 116J.995, as amended (the “Business Subsidy Act”), the City is required to adopt criteria regarding such subsidies after holding a public hearing.

1.02. The staff of the City, the Richfield Economic Development Authority, and the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota have reviewed the existing business subsidy policy and have amended and restated the Business Subsidy Policy.

1.03. The Council has reviewed the Amended and Restated Business Subsidy Policy on file at the Municipal Center. On September 12, 2023, the Council, on behalf of the City, the Housing and Redevelopment Authority, and the Economic Development Authority, held a duly noticed public hearing, at which all interested persons were given an opportunity to be heard.

Section 2. Business Subsidy Policy Approved.

2.01. The Council approves the Amended and Restated Business Subsidy Policy on file in Municipal Center, which criteria supersede any prior business subsidy policy or criteria adopted by the City.

2.02. City staff is authorized to transmit a copy of the Amended and Restated Business Subsidy Policy to the Minnesota Department of Employment and Economic Development in accordance with the Business Subsidy Act.

Approved by the City Council of the City of Richfield, Minnesota this 26<sup>th</sup> day of September, 2023.

\_\_\_\_\_  
Mary B Supple, Mayor

ATTEST:

\_\_\_\_\_  
Dustin Leslie, City Clerk

RC125-1 (JAE)  
739807v2

**ECONOMIC DEVELOPMENT AUTHORITY OF RICHFIELD, MINNESOTA;  
HOUSING AND REDEVELOPMENT AUTHORITY IN AND FOR THE CITY OF  
RICHFIELD, MINNESOTA;  
AND CITY OF RICHFIELD, MINNESOTA**

**AMENDED AND RESTATED BUSINESS SUBSIDY POLICY**

**I. Purpose**

This document sets forth the business subsidy policies and specific criteria to be considered by the Richfield Economic Development Authority, the Housing and Redevelopment Authority and the City of Richfield, in evaluating requests for Business Subsidies, including Tax Increment Financing, Tax Abatement, or other financial assistance programs that may become available through the Grantor.

In adopting these criteria, it is the intent of the Grantor to comply with Minnesota Statutes, Sections 116J.993 through 116J.995, as amended. The governing bodies of each Grantor have adopted this policy and these criteria after a duly noticed public hearing held in accordance with the Business Subsidy Act.

**II. Definitions**

**“Benefit Date”** means the date that the recipient receives the Business Subsidy. If the Business Subsidy involves the purchase, lease, or donation of physical equipment, then the benefit date begins when the recipient puts the equipment into service. If the Business Subsidy is for improvements to property, then the benefit date refers to the earliest date of either:

- a) When the improvements are finished for the entire project; or
- b) When a business occupies the property. If a business occupies the property and the subsidy Grantor expects that other businesses will also occupy the same property, the Grantor may assign a separate benefit date for each business when it first occupies the property.

**“Business Subsidy”** means a City, HRA, or EDA grant, contribution of personal property, real property, infrastructure, the principal amount of a loan at rates below those commercially available to the recipient, any reduction or deferral of any tax or any fee, any guarantee of any payment under any loan, lease, or other obligation, or any preferential use of government facilities given to a business. Certain forms of financial assistance set forth in Section 116J.993, subd. 3 of the Business Subsidy Act are not considered a Business Subsidy.

**“Business Subsidy Act”** means Minnesota Statutes Section 116J.993 to 116J.995, as hereafter amended.

**“Business Subsidy Agreement”** means an agreement between a Grantor and a Recipient that meets the requirements of Section 116J.994, subd. 3 of the Business Subsidy Act. The Business Subsidy Agreement may be incorporated into a broader Development Agreement for a project.

**“Business Subsidy Report”** means the annual report submitted each year by a business receiving a Business Subsidy. The report is submitted by the local government unit in order to comply with Section 116J.994 Subd. 7 (b) of the Business Subsidy Act. Both the Recipient and the Grantor must comply with the business subsidy reporting and monitoring requirements of the Business Subsidy Act.

**“City”** means the City of Richfield, Minnesota.

**“Criteria”** means the standards upon which the Grantor will evaluate requests for a Business Subsidy to a private business or development project in the City of Richfield. Meeting the Criteria does not mean that a project will automatically be approved, nor does it create any contractual rights on the part of any applicant.

**“EDA”** means the Economic Development Authority of Richfield, Minnesota.

**“Grantor”** means the City, the HRA or the EDA, as defined herein.

**“HRA”** means the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota.

**“Public Purpose”** A Business Subsidy must meet a public purpose which may include, but may not be limited to, increasing the tax base. Job retention may only be used as a public purpose in cases where job loss is specific and demonstrable.

**“Recipient”** means any for-profit or nonprofit business entity meeting the requirements of Section 116J.993, subd. 6 of the Business Subsidy Act that receives a Business Subsidy.

### **III. Business Subsidy Criteria**

The following criteria shall be used to evaluate a request for a Business Subsidy, although meeting these criteria does not create a contractual right to a Business Subsidy, and the Grantor may later modify these criteria, as permitted by the Business Subsidy Act.

An applicant who is not in good standing with the City regarding licenses, code violations, or delinquent taxes, bills, fines or other charges will not be considered for a Business Subsidy.

**1. Public Purpose.** Every Business Subsidy must meet a public purpose, which may include, but may not be limited to, increasing the tax base.

- a. *Job and Wage Goals.* Unless job creation or retention is not a public purpose of the Business Subsidy, every Recipient must create or retain jobs, and these jobs must pay at least 125 percent of the existing state minimum wage per hour,

exclusive of benefits. Retained jobs may be included in job goals only if job loss is specific and demonstrable. Wage and jobs goals will be set forth in the Business Subsidy Agreement and must be met by the Recipient within two (2) years of the Benefit Date.

- b. *Goals Other Than Job Creation or Retention.* If, after a public hearing, it is determined by the governing bodies of the Grantor that creation or retention of jobs is not a goal, the wages and jobs required of a Recipient may be set to zero; however, the Recipient must achieve at least one of the following measurable, specific, and tangible goals:
- i. The project enhances the viability of other businesses in the City;
  - ii. The project provides a service or meets a consumer need not currently or adequately met in the City;
  - iii. The project results in revitalization and redevelopment in the downtown area or along priority commercial corridors as identified in adopted City policies and plans;
  - iv. The project removes blighted or substandard property;
  - v. The project stimulates additional capital investment and acts as a catalyst for future development and redevelopment;
  - vi. The project prevents the closure of an essential business in the City;
  - vii. The project promotes the retention or adaptive reuse of buildings of historical or architectural significance;
  - viii. The project results in improvements to public infrastructure or public facilities, including, without limitation; roads, pedestrian and bike infrastructure, transit, parks, and recreational facilities; or
  - ix. The project includes necessary environmental clean-up of the site for development or redevelopment.

The Grantor may deviate from these goal criteria in granting Business Subsidies if the reasons for the deviation are documented in writing and reported to the Minnesota Department of Employment and Economic Development, pursuant to the Business Subsidy Act.

- 2. Increase in Tax Base.** While the Business Subsidy Act provides that an increase in the tax base cannot be the sole grounds for granting a Business Subsidy, the Grantor gives a strong preference to proposed Business Subsidies that increase the tax base.



3. **Zoning.** Any project benefited by a Business Subsidy must be consistent with the City's Comprehensive Plan and Zoning Ordinance. If required changes to the Comprehensive Plan and Zoning Ordinance are under active consideration by the City, the Grantor may conditionally approve a request for a Business Subsidy.
4. **Require Business Subsidy to Proceed.** Business Subsidies will only be provided to Recipients who would not be able to proceed with the stated project without the benefit of the Business Subsidy. Business Subsidies will not be issued to Recipients for the purpose of increasing Recipient's profit margin.
5. **Continued Operations.** Recipients must commit to continue operations of the business in the City for at least five (5) years following the Benefit Date of the Business Subsidy.

#### **IV. Process for Awarding Business Subsidies**

The Business Subsidy applicant will enter into negotiations with the Grantor and may enter into a proposed Business Subsidy Agreement to be drafted by the Grantor and its consultants. All applicants will be responsible for legal, financial, consultant and other costs associated with the review of the application and development of the Business Subsidy Agreement.

Prior to approval of a Business Subsidy, the Business Subsidy applicant shall provide any required market and financial feasibility studies, appraisals, soil boring analysis, information provided to private lenders, credit reviews, and other information or data that the Grantor or its consultants may require in order to proceed with the Business Subsidy application process. The Grantor may undertake such a review on its own accord, to be paid from the fee paid by the Business Subsidy applicant. A Business Subsidy applicant should be able to demonstrate past successful general development capability as well as specific capability in the type and size of development proposed.

Before the Grantor signs a Business Subsidy Agreement with a proposed Recipient, the Grantor must check with the compilation and summary report compiled by the Department of Employment and Economic Development to determine if the proposed Recipient is eligible to receive a Business Subsidy.

1. **Business Subsidy Agreement.** The Recipient must enter into a Business Subsidy Agreement with the Grantor. The Business Subsidy Agreement must include:
  - a. A description of the Business Subsidy, including amount and type, and type of district if the Business Subsidy is Tax Increment Financing;
  - b. The public purpose(s) for the Business Subsidy;
  - c. Any measurable, specific, and tangible goals related to the Business Subsidy and the financial obligation of the Recipient if said goals are not met;
  - d. A statement of why the Business Subsidy is needed for the project;

- e. A commitment from the Recipient to continue operations in the City for at least five (5) years following the Benefit Date;
  - f. The name and address of any parent corporation of the Recipient; and
  - g. A list of all Business Subsidies received for the project.
  - h. A requirement for the Recipient to comply with labor laws.
2. **Public Hearing.** A publicly noticed public hearing is required for Business Subsidies in amounts over \$150,000, unless otherwise required by law.
  3. **Governing Body Approval.** A Business Subsidy of \$150,000 or less, must be approved by the governing body of the Grantor. For a Business Subsidy of \$150,000 or more, the governing body of the Grantor and the City Council must approve the Business Subsidy.

## V. Compliance

1. **Reporting.** Both the Recipient and the Grantor must comply with the reporting and monitoring requirements of the Business Subsidy Act. Each Recipient must provide a report to the Grantor each March 1. The Grantor will provide the report to the Department of Employment and Economic Development on or before April 1.
2. **Failure to Meet Set Goals.** If a Recipient fails to meet the wage and job goals as set forth in the Business Subsidy Agreement within two (2) years of the Benefit Date, the Business Subsidy assistance plus interest must be paid back to the Grantor, provided that repayment may be prorated to reflect partial fulfillment of the goals. Interest to be repaid must be set at no less than the implicit price deflator for government consumption expenditures and gross investment for state and local governments prepared by the Bureau of Economic Analysis of the United States Department of Commerce for the twelve-month period ending March 31 of the previous year.
  - a. The Grantor may, after a public hearing, extend the time for compliance with Business Subsidy job and wage goals by up to one (1) year. The Grantor may extend the period of time for meeting other goals specified in the Business Subsidy Agreement by documenting in writing the reason for the extension and attaching a copy of the document to its next annual report to the Department of Employment and Economic Development.
  - b. A Recipient that fails to meet the terms of a Business Subsidy Agreement may not receive a Business Subsidy from any grantor for a period of five (5) years from the date of failure or until the Recipient satisfies its repayment obligation under the Business Subsidy Agreement, whichever occurs first.

## VI. FINANCIAL ASSISTANCE *NOT* CONSIDERED A BUSINESS SUBSIDY

Section 116J.993, subd. 3 of the Business Subsidy Act provides that the following forms of assistance are not a Business Subsidy within the meaning of the Business Subsidy Act:

1. A business subsidy of less than \$150,000.
2. Assistance that is generally available to all businesses or to a general class of similar businesses, such as a line of business, size, location, or similar general criteria.
3. Public improvements to buildings or lands owned by the state or local government that serve a public purpose and do not principally benefit a single business or defined group of businesses at the time the improvements are made.
4. Redevelopment property polluted by contaminants as defined in Minnesota Statutes Section 116J.552, subdivision 3.
5. Assistance provided for the sole purpose of renovating old or decaying building stock or bringing it up to code and assistance provided for designated historic preservation districts, provided that the assistance is equal to or less than 50 percent of the total cost.
6. Assistance to provide job readiness and training services if the sole purpose of the assistance is to provide those services.
7. Assistance for housing.
8. Assistance for pollution control or abatement, including assistance for a tax increment financing hazardous substance sub-district as defined under Minnesota Statutes Section 469.174, subdivision 23;
9. Assistance for energy conservation.
10. Tax reductions resulting from conformity with federal tax law.
11. Workers' compensation and unemployment insurance.
12. Benefits derived from regulation.
13. Indirect benefits derived from assistance to educational institutions.
14. Funds from bonds allocated under Minnesota Statutes Chapter 474A, bonds issued to refund outstanding bonds, and bonds issued for the benefit of an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1999.
15. Assistance for a collaboration between a Minnesota higher education institution and a business.
16. Assistance for a tax increment financing soils condition district as defined under Minnesota Statutes Section 469.174, subdivision 19.
17. Redevelopment when the recipient's investment in the purchase of the site and in site preparation is 70 percent or more of the assessor's current years estimated market value.
18. General changes in tax increment financing law and other general tax law changes of a principally technical nature.
19. Federal assistance until the assistance has been repaid to, and reinvested by, the state or local government agency.
20. Funds from dock and wharf bonds issued by a seaway port authority.
21. Business loans and loan guarantees of \$150,000 or less.
22. Federal loan funds provided through the United States Department of Commerce, Economic Development Administration.
23. Property tax abatements granted under Minnesota Statutes Section 469.1813 to property that is subject to valuation under Minnesota Rules, Chapter 8100.

However, Minn. Stat. Section 116J.994 states that notwithstanding Minn. Stat. Section 116J.993, subd. 3, clauses (1) and (21), Business Subsidies as defined under Minn. Stat. Section 116J.993 include the following forms of financial assistance: a business subsidy of \$25,000 or more; and business loans and guarantees of \$75,000 or more. The Grantor is required to provide reporting for these types of subsidies pursuant to Minn. Stat. Section 116J.994, subd. 7(c).

Requests for subsidies exempt from the Business Subsidy Act are still subject to review and approval of the Grantor. Such approval is at the sole discretion of the Grantor.

## **VII. AMENDMENTS TO BUSINESS SUBSIDY ACT**

The references to the Business Subsidy Act in this Business Subsidy Policy shall include any and all amendments to the Business Subsidy Act that are made after this policy is adopted.

Adopted by the Board of Commissioners of the Housing and Redevelopment Authority in and for the City of Richfield, Minnesota, this \_\_\_\_ day of \_\_\_\_\_, 2023.

Adopted by the Board of Commissioners of the Richfield Economic Development Authority of Richfield, Minnesota, this \_\_\_\_ day of \_\_\_\_\_, 2023.

Adopted by the City Council of the City of Richfield, Minnesota, this \_\_\_\_ day of \_\_\_\_\_, 2023.



**STAFF REPORT NO. 127**  
**CITY COUNCIL MEETING**  
**9/26/2023**

REPORT PREPARED BY:  
DEPARTMENT DIRECTOR REVIEW:  
OTHER DEPARTMENT REVIEW:  
CITYMANAGER REVIEW:

Kelly Wynn, Administrative Assistant

Katie Rodriguez, City Manager  
9/20/2023

**ITEM FOR COUNCIL CONSIDERATION:**

**Consider the appointment of youth members to City advisory board/commissions.**

**EXECUTIVE SUMMARY:**

City advisory commission terms for youth members are for one year and expire August 31 of each year. The City Manager's office conducts recruitment seeking applicants to fill the youth vacancies each year. This recruitment includes information on the City's website, Facebook page, and communication with the local high schools.

**RECOMMENDED ACTION:**

**Approve the appointment of Maya Ervasti to the Human Rights Commission and Alexander Valle-Orsonio to the Transportation Commission as youth commissioners.**

**BASIS OF RECOMMENDATION:**

**A. HISTORICAL CONTEXT**

This information is contained in the Executive Summary.

**B. POLICIES (resolutions, ordinances, regulations, statutes, exc):**

City advisory commissions were established by City ordinance or resolution.

**C. CRITICAL TIMING ISSUES:**

**D. FINANCIAL IMPACT:**

None

**E. LEGAL CONSIDERATION:**

None

**ALTERNATIVE RECOMMENDATION(S):**

Postpone appointment of youth commissioners to a future City Council Meeting.

**PRINCIPAL PARTIES EXPECTED AT MEETING:**