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Posted: February 13, 2014

**CRYSTAL CITY COUNCIL
SECOND WORK SESSION AGENDA**

Tuesday, February 18, 2014

**To immediately follow the Regular City Council Meeting
Conference Room A**

Pursuant to due call and notice given in the manner prescribed by Section 3.01 of the City Charter, the second work session of the Crystal City Council was held at _____ p.m. on Tuesday, February 18, 2014 in Conference Room A located at 4141 Douglas Drive, Crystal, Minnesota.

I. Attendance

Council members

____ Selton

____ Adams

____ Budziszewski

____ Deshler

____ Hoffmann

____ Libby

____ Peak

Staff

____ Norris

____ Therres

____ Norton

____ Hansen

____ Mathisen

____ Revering

____ Serres

II. Agenda

The purpose of the second work session is to discuss the following agenda items:

- Continue discussion of financing Crystal's share of emergency water supply
- GreenStep Cities
- Liquor license fees
- Commission Liaisons reports/updates

III. Adjournment

The work session adjourned at _____ p.m.

Auxiliary aids are available upon request to individuals with disabilities by calling the City Clerk at (763) 531-1145 at least 96 hours in advance. TTY users may call Minnesota Relay at 711 or 1-800-627-3529.



Memorandum

DATE: February 12, 2014

TO: Mayor and City Council
Anne Norris, City Manager

FROM: Charles Hansen, Finance Director

SUBJECT: Discuss Financing Options for JWC Emergency Water Supply

Background:

We have been discussing options for financing Crystal's share of the Joint Water Commission (JWC) project to add wells as an emergency water supply backup. Two financing options have been presented by staff and the City Council requested that additional options be developed and presented for discussion.

All of the budget options presented go out 10 years instead of the 5 years we normally present in the annual budget. Ten years is a more realistic time frame to consider when financing a project of this size.

2014 Adopted Budget (Attachment A)

The 2014 Adopted Budget didn't include the emergency water supply in capital outlay or any form of a plan to finance it. We weren't sure of the cost of the wells, timing of the project, or if it would be financed by cash on hand or some kind of debt. We planned to amend the budget after decisions were made on these factors.

Attachment A still doesn't include the emergency water supply project, but is intended to establish a baseline 10 year budget for comparison to the other options. Only the 2014 column in Attachment A is the same as in the adopted budget. In the normal budget process, we focus primarily on the year for which the budget is adopted. The succeeding four years are estimates that we don't put great emphasis on.

In this exercise, projecting cash on hand for the next ten years is the purpose and so the following changes to 2015 through 2018 are made:

- An inflation factor is applied to the minor revenues. This doesn't generate much additional revenue, but everything counts when we are facing a cash deficit.
- The JWC Capital line is adjusted to the JWC's current plan (excluding the wells).

The following assumptions are made for the years 2019 through 2023:

- Rates that Crystal will pay to the JWC for water will increase at 2.8% per year. The City of Minneapolis hasn't provided the JWC with future rate increase. We are assuming Minneapolis rates will increase at 2.8% per year.

- JWC capital outlay will be \$350,000 per year from 2019 through 2023. This is the average of their capital outlays from 2014 through 2018, excluding the wells.
- Crystal's water capital outlay will be \$450,000 per year from 2019 through 2023. This is the average of the capital outlays from 2014 through 2018
- Inflation on everything else will run at 3% per year from 2019 through 2023.

Cash and investments at year-end goes negative in 2021 and continues to decrease. We aren't generating enough positive cash flow from operations to pay for capital outlays. The year 2016 has no rate increase and 2018 has a smaller than normal rate increase. These smaller increases were sufficient during the five year time period of the budget. If all years after 2015 have a rate increase of \$0.15 per unit, the decline in cash and investments continues, but doesn't reach a deficit during the ten years.

2014 Adopted Budget and paying cash for the emergency wells (Attachment B)

This option is the same as Attachment A except that it makes a cash payment of \$1,215,000 for the emergency wells in 2014. No rate increases are made beyond those in Attachment A. Cash and investments at year-end goes negative in 2017 and continues to decrease. At the end of 2023, the cash and investments deficit will be about \$2,300,000.

2014 Adopted Budget and paying cash for the emergency wells with a fixed charge to replenish cash (Attachment C)

This option is the same as Attachment B except that it raises rates to pay for the emergency wells. A \$3 per quarter fixed fee is added to the utility bills of all 7,800 water customers. This starts in the 3rd quarter of 2014 and raises \$93,600 per year. The total new revenue raised from 2014 through 2023 is \$889,200. At the end of 2023, the cash and investments deficit will be about \$1,300,000. Increased investment income provides the balance of the \$1,000,000 improvement from Attachment B.

2014 Adopted Budget and paying cash for the emergency wells with a fixed charge and unit rate increases to replenish cash (Attachment D)

If in addition to the fixed fee shown in Attachment C, all years after 2015 have a rate increase of \$0.15 per unit of water used, the decline in cash and investments continues, reaching a deficit about \$90,000 at the end of ten years.

2014 Adopted Budget with paying half cash and half internal loan for the emergency wells with a fixed charge to replenish cash (Attachment E)

This option takes out an internal loan of \$600,000 from another fund to help pay for the emergency wells. The loan (Attachment 1) is structured with payments from 2015 through 2023 and an interest rate of 2%. If the loan was made interest free, it would only save about \$61,600 over the ten years.

The total new revenue raised from 2014 through 2023 is \$889,200. At the end of 2023, the cash and investments deficit will be about \$1,300,000.

2014 Adopted Budget with Paying half Cash and half internal loan for the Emergency Wells with a fixed charge and unit rate increases to replenish cash (Attachment F)

If in addition to the fixed fee shown in Attachment E, all years after 2015 have a rate increase of \$0.15 per unit, the decline in cash and investments continues, reaching a deficit in the tenth year.

Conclusion:

When the Adopted Budget is extended out ten years, it shows a Water Fund that isn't generating enough positive cash flow from operations to pay for capital outlay. Adding the \$1,200,000 emergency well to the capital project list makes the deficit in cash and investments is unmanageable if there are no additional rate increases.

The City Council expressed interest in adding an emergency well fixed charge of \$1.00 per month, per customer to the utility bill. While this additional revenue helps, it isn't enough to overcome the negative cash flow from capital projects. It will be necessary to consider either an emergency well fixed charge of \$2.50 per month or an increase in the water unit charge in order to maintain a positive balance in cash and investments.

Summary of Attachments A through F

	A	B	C	D	E	F
Well construction	No	Yes	Yes	Yes	Yes	Yes
Internal Loan	No	No	No	No	Yes	Yes
Rate increases compared to Adopted Fixed Charge Per unit of water	No	No	Yes \$1 per month No	Yes \$1 per month Yes	Yes \$1 per month No	Yes \$1 per month Yes
Cash Balance in 2023	-\$801,290	-\$2,340,826	-\$1,332,913	-\$86,806	-\$1,317,600	-\$71,494

Emergency Wells Debt Structure
\$600,000 Internal Loan

Term: 10 years
 2% interest rate

	Total Debt			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Service</u>	<u>Balance</u>
2014	0	0	0	600,000
2015	62,000	12,000	74,000	538,000
2016	63,000	10,760	73,760	475,000
2017	64,000	9,500	73,500	411,000
2018	65,000	8,220	73,220	346,000
2019	66,000	6,920	72,920	280,000
2020	67,000	5,600	72,600	213,000
2021	68,000	4,260	72,260	145,000
2022	70,000	2,900	72,900	75,000
2023	75,000	1,500	76,500	0
Total	600,000	61,660	661,660	



Memorandum

DATE: February 10, 2014
TO: Mayor and City Council
FROM: Anne Norris, City Manager
SUBJECT: Minnesota GreenStep Cities Program

Based on a report to the 2009 Legislature, the Minnesota Pollution Control Agency (MPCA) developed the Minnesota GreenStep Cities program. The program is governed by a public-private partnership of state agencies and non-governmental organizations and is led by the MPCA.

The GreenStep Cities program is a free and voluntary program and is designed to help cities achieve their local sustainability and quality of life goals. The program is based on 28 best practices in five categories: Buildings and Lighting; Land Use; Transportation; Environmental Management; and Economic and Community Development. Attachment 1 is a list of the 28 GreenStep best practices. Cities determine which “best steps” they are interested in pursuing and achieve certain goals with each “best step.”

Other metro area cities currently participating in the Minnesota GreenStep Cities program are Apple Valley, Burnsville, Columbia Heights, Cottage Grove, Eagan, Eden Prairie, Edina, Falcon Heights, Farmington, Hopkins, Maple Grove, Maplewood, Minnetonka, North St. Paul, Oakdale, Richfield, St. Anthony, St. Louis Park, Shoreview, Shorewood, Victoria, White Bear Lake and Woodbury.

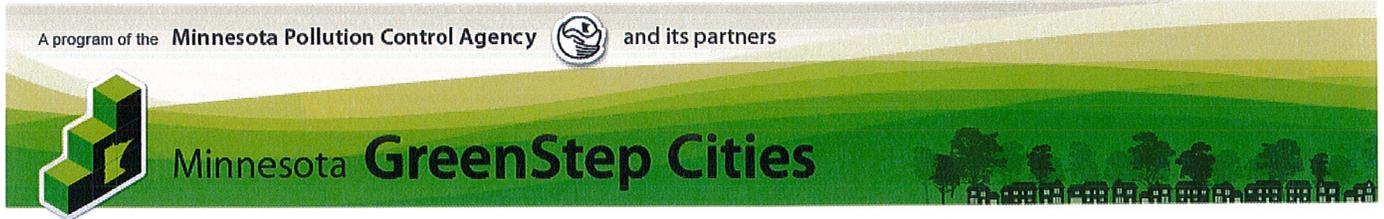
Attachment 2 contains general information and history on the Minnesota GreenStep Cities program and Attachment 3 contains information on steps to becoming recognized as a GreenStep city.

The City Council discussed this in 2012 and in December 2012, a vote on a resolution authorizing the city to participate in the GreenStep Cities program failed on a 3-3 vote, with one councilmember abstaining. There was discussion about whether sufficient research had been done on the program and whether the city needed to participate in the program if some of the best practices are already being done.

The City Council should discuss whether it wishes to pursue additional discussion of the Minnesota GreenStep Cities program and if any additional information is needed.

Attach:

Attachment 1



GreenStep Cities is an assistance program for all Minnesota cities that supports and recognizes implementation of 28 sustainable development best practices.

The best practices focus on cost savings and energy use reductions that lead cities beyond compliance and encourage a culture of innovation.

Cities that implement a minimum number of best practices, organized into five categories below, will be recognized as a GreenStep City. Each best practice can be implemented by completing one or more specific actions from a list of four to eight actions. A city's accomplishments are recognized on the GreenStep website. Implementation of additional best practices will garner additional recognition.

Visit www.MnGreenStep.org to learn more about this program, to see what cities have accomplished, and to understand how your city can become involved.

GreenStep's 28 Best Practices

Buildings and Lighting

1. **Efficient Existing Public Buildings:** Assess and finance energy and sustainability improvements of existing structures.
2. **Efficient Existing Private Buildings:** Assess and finance energy and sustainability improvements of existing structures.
3. **New Green Buildings:** Construct new buildings to meet or qualify for a green building standard.
4. **Efficient Building & Street Lighting and Signals:** Improve the efficiency of public and private lighting and signals.
5. **Building Reuse:** Create economic and regulatory incentives for redeveloping and repurposing existing buildings before building new.



Land Use

6. **Comprehensive Plan and Implementation:** Adopt a Comprehensive Plan and tie regulatory ordinances to it.
7. **Efficient City Growth:** Promote financial and environmental sustainability by enabling and encouraging higher density housing and commercial land use.
8. **Mixed Uses:** Develop efficient and healthy land patterns.
9. **Efficient Highway-Oriented Development:** Adopt commercial development and design standards for highway road corridors.
10. **Conservation Design:** Adopt development ordinances or processes that protect natural systems.



Transportation

11. **Complete Green Streets:** Create a network of multimodal green streets.
12. **Mobility Options:** Promote active living and alternatives to single-occupancy car travel.
13. **Efficient City Fleets:** Implement a city fleet investment, operations and maintenance plan.
14. **Demand-Side Travel Planning:** Use Travel Demand Management and Transit-Oriented Design.



Environmental Management

15. **Purchasing:** Adopt an environmentally preferable purchasing policy.
16. **Urban Forests:** Increase city tree and plant cover.
17. **Efficient Stormwater Management:** Minimize the volume of and pollutants in rainwater runoff.
18. **Parks and Trails:** Enhance the city's green infrastructure.
19. **Surface Water Quality:** Improve local water bodies.
20. **Efficient Water and Wastewater Facilities:** Assess and improve drinking water and sewer facilities.
21. **Septic Systems:** Implement an effective management program for decentralized wastewater treatment systems.
22. **Solid Waste Reduction:** Increase waste reduction, reuse and recycling.
23. **Local Air Quality:** Prevent generation of local air contaminants.



Economic and Community Development

24. **Benchmarks & Community Engagement:** Adopt outcome measures for GreenStep and other city sustainability efforts, and engage community members in ongoing education, discussion, and campaigns.
25. **Green Business Development:** Support the expansion of the green business sector in your city.
26. **Renewable Energy:** Remove barriers to and encourage installation of renewable energy generation capacity.
27. **Local Food:** Strengthen local food and fiber production and access.
28. **Business Synergies:** Network/cluster businesses to achieve better energy, economic and environmental outcomes.



Minnesota GreenStep Cities grew out of a report to the 2009 Legislature. The program is governed by a public-private partnership of state agencies and non-governmental organizations and is led by the MPCA.



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The GreenStep 28 best practices

- Make planning and tracking easier: [download this spreadsheet](#) that lists all 168 unique actions for all 28 best practices.

An online version (see [view-only example](#)) can be shared with, and edited by, multiple staff members, citizens and elected officials. E-mail [Amir Nadav](#), Great Plains Institute, for online access rights.

- Cities that implement a minimum number of best practices organized into these five topical areas will be recognized as a GreenStep City. See [What's required to be a GreenStep City?](#)
- Cities should claim credit for best practices already implemented. Adding best practices over time will garner additional recognition.
- For each best practice, and depending on city category (A, B or C), a city needs to complete one or more actions from a list associated with the best practice. See [What category is my city in?](#)

Buildings and Lighting

- 1. Efficient Existing Public Buildings:** Benchmark energy usage, identify savings opportunities in consultation with state programs, utilities and others to implement cost-effective energy and sustainability improvements. 
- 2. Efficient Existing Private Buildings:** Provide incentives for energy, water and sustainability improvements in existing structures.
- 3. New Green Buildings:** Construct new buildings to meet or qualify under a green building framework.
- 4. Efficient Outdoor Lighting and Signals:** Improve the efficiency of street lights, traffic signals and outdoor public lighting.
- 5. Building Reuse:** Create economic and regulatory incentives for redeveloping and repurposing existing buildings before building new.

Land Use

- 6. Comprehensive Plan and Implementation:** Adopt a Comprehensive Plan and tie regulatory ordinances to it. 
- 7. Efficient City Growth:** Promote financial and environmental sustainability by enabling and encouraging walkable housing and commercial land use.
- 8. Mixed Uses:** Develop efficient and healthy land patterns that generate community wealth.
- 9. Efficient Highway-Oriented Development:** Adopt commercial development and design standards for highway corridors.
- 10. Conservation Design:** Adopt development ordinances or processes that protect natural systems.

Transportation

- 11. Complete Green Streets:** Create a network of multimodal green streets that add value to the surrounding properties. 
- 12. Mobility Options:** Promote active transportation and alternatives to single-occupancy car travel.
- 13. Efficient City Fleets:** Implement a city fleet investment, operations and maintenance plan.
- 14. Demand-Side Travel Planning:** Implement Travel Demand Management and Transit-Oriented Design in service of a more walkable city.

Environmental Management

- 15. Purchasing:** Adopt environmentally preferable purchasing policies and practices. 
- 16. Urban Forests:** Add city tree and plant cover that increases community health, wealth and quality of life.
- 17. Efficient Stormwater Management:** Minimize the volume of and pollutants in rainwater runoff.
- 18. Parks and Trails:** Support active lifestyles and property values by enhancing the city's green infrastructure.
- 19. Surface Water Quality:** Improve local water bodies.
- 20. Efficient Water and Wastewater Facilities:** Assess and improve city drinking water and wastewater facilities.
- 21. Septic Systems:** Implement an effective management program for decentralized wastewater treatment systems.
- 22. Solid Waste Reduction:** Increase waste reduction, reuse and recycling.
- 23. Local Air Quality:** Prevent generation of local air contaminants.

Economic and Community Development

- 24. Benchmarks & Community Engagement:** Adopt outcome measures for GreenStep and other city sustainability efforts, and engage community members in ongoing education, dialogue, and campaigns. 
- 25. Green Business Development:** Support expansion of the city's green business sector.
- 26. Renewable Energy:** Remove barriers to and encourage installation of renewable energy generation capacity.
- 27. Local Food:** Strengthen local food and fiber production and access.
- 28. Business Synergies:** Network/cluster businesses to achieve better energy, economic and environmental outcomes.

Minnesota Pollution Control Agency | [Contact](#) | [Web site policy](#)

Attachment 2

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The Minnesota GreenStep Cities Program

History and development

During fall 2007, Minnesota's Clean Energy Resource Teams (CERTs) held regional listening sessions around the state to discuss community-based energy opportunities and the state's Next Generation Energy Act of 2007. The idea was raised of creating a sustainable cities program, free to cities, that would challenge, assist and recognize cities that were "green stars." This idea was taken up by the 2008 Legislature, which directed the MPCA, the Division of Energy Resources at the Minnesota Department of Commerce, and CERTs to recommend actions cities could take on a voluntary basis.

Those recommendations are contained in the report [Minnesota GreenStep Cities](#). Representatives from dozens of cities, non-profit organizations, businesses and state government agencies provided the outline for what has been developed as the Minnesota GreenStep Cities program, which began in June 2010.

In May 2012 the GreenStep Cities program [received awards](#) in the categories of Sustainable Communities and 2012 Partnership of the Year from the Minnesota organization Environmental Initiative. The awards honor partnerships, inspire other organizations to create similar projects, and encourage collaborative approaches to environmental problem solving. Over 340 attendees at the awards dinner voted among the 15 finalists nominated for the 2012 Partnership of the Year.

Resources: Background and promotion

A variety of resources has been created to help explain the program.

- [GreenStep Notables](#): Activities by cities through GreenStep's second year
- [Fact sheet](#)
- [PowerPoint presentation](#) (May 2013 - 3Mb)
- [A short introductory video](#) created by the Great Plains Institute
- [Green Cities: Leading the Way](#) is a 27-minute documentary highlighting sustainability measures being taken by four trailblazing Minnesota cities: Barnesville, Elk River, Minneapolis, and New Ulm.
- Related: [Case studies of sustainable action by cities](#) compiled by the League of Minnesota Cities and the state Auditor.



Participating cities earn stylish awards in the form of "recognition blocks" made from reclaimed urban wood. When a city completes step three, it will have a set which recreates the logo of GreenStep Cities and reflects the community's sustained commitment and continuous improvement.

Partner organizations

Of the organizations that created the 2009 report to the Legislature, this group below meets [bi-monthly](#) as the GreenStep Cities working committee, contributing time and funding to implement GreenStep Cities program. Each spring the committee organizes a review of the GreenStep program, which includes recommendations from the public, participating cities, state agencies, topic experts, and the League of Minnesota Cities. The committee also works with the League, which recognizes GreenStep cities each June.



Minnesota Pollution Control Agency

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Minnesota Dept. of Commerce, Division of Energy
Resources
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Program funders

In addition to staff time contributed by the MPCA and the Division of Energy Resources to work on the GreenStep program, several funders support the staff time of personnel from the five non-profit GreenStep partner organizations. Others wishing to support the program may contact [Lola Schoenrich](#) of the Great Plains Institute. The GreenStep program greatly appreciates the support of the following organizations:

- [Walmart Foundation](#)
- [McKnight Foundation](#)

Annual GreenStep City awards

Each June the League of Minnesota Cities formally recognizes all new and continuing GreenStep cities at its annual conference. Recognition is based upon a review of city-reported progress toward completing actions.

As cities complete steps one, two and three, they earn stylish awards in the form of "recognition blocks" made from reclaimed urban wood. When a city completes step three, it will have a set which recreates the logo of GreenStep Cities and reflects the community's sustained commitment and continuous improvement.

Created with [flickr slideshow](#).

Award sponsors

Businesses and other organizations may become GreenStep Cities Awards Sponsors and receive visibility each June, when GreenStep Cities are recognized at the annual conference of the League of Minnesota Cities. Businesses and other organizations, especially those providing assistance to cities working on implementing best practices, are encouraged to contact the [LMC working committee member](#) for more details.

Sponsors of the 2013-2014 GreenStep Cities Awards:

- [Ameresco - Green, Clean, Sustainable](#)
- [CenterPoint Energy](#)
- [CR Planning - Community Resources](#)
- [Finance & Commerce](#)
- [Minnesota Dept. of Commerce, Division of Energy Resources](#)

Attachment 3

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Steps to becoming recognized as a GreenStep city

Of Minnesota's 855 cities, approximately 500 are under 1,000 in population, 83% are under 5,000 in population, and 35 have a population over 25,000. With such a diversity of cities, no one set of process steps will fit all cities in organizing work to become a GreenStep City. Depending on your city, work may start mostly at the city staff, citizen commission or city council level and fit well into existing plans and efforts, moving later to incorporate and leverage work efforts by civic organizations. Or the impetus for implementing GreenStep best practices may start with a civic group and be mostly done by community members and community organizations, with the city council in a supportive and active role as needed.

Thus the abbreviated list of organizing steps below must be seen as a rough guide, to be adapted by each city. For more details under each step, [download the full Organizing Steps Guide](#)



Build community knowledge and interest.

- Anyone can start this.
- Determine into which **category** your city fits.
- Become familiar with GreenStep best practices.
- Talk with key people and organizations in your city.
- **Invite, as needed, a GreenStep program representative to your city.**
- **Conduct an inventory of completed, planned and desired best practices.**
- Discuss with an official city body.



Approve a city council resolution to work toward GreenStep Cities recognition.

- Use the [sample resolution](#).
- Introduce a resolution to the city council.
- Specify a GreenStep coordinator and a few best practices to implement.
- E-mail your [city resolution and GreenStep contact information to the MPCA](#).



What are the benefits to being a GreenStep city?



What category is my city in?



What's required to be a Greenstep city?



Download a sample resolution.

Congratulations! You are now a **Step One GreenStep City!** Use Step One recognition artwork/materials (found on your city [log-in page](#)) to let others know of your accomplishment. Formal recognition of Step One cities takes place each June at the annual League of Minnesota Cities conference.



Post initial information on the GreenStep Cities web site via your **log-in page**

- Enter simple information about your city.
- Provide brief detail on best practices previously implemented.



Get organized to begin work on implementing best practices.

- As needed, educate city staff and officials about sustainability.
- Convene a small working group.
- Specify implementation action(s) and a few lead people.
- Prepare a simple work plan for implementing selected best practices.
- Present the best practice plans to a city body or to the city council as appropriate.



Implement best practices.

- Keep everyone moving and celebrate success.
- Clarify, as needed, what constitutes completing an action with the MPCA GreenStep **program coordinator**.
- Briefly describe implemented best practices on the GreenStep web site.



FAQ about Greenstep details

Congratulations! When you have implemented any 4, 6 or 8 best practices (depending on your city category) you are now a *Step Two GreenStep City!* Use Step Two recognition artwork/materials (found on your city [log-in page](#)) to let others know of your accomplishment. Formal recognition of Step Two cities takes place each June at the annual League of Minnesota Cities conference.



Keep working on best practices.

- Implementing a particular best practice action may take months or one to two years.
- Be alert to opportunities to complete multiple best practice actions at once.
- Check back with the city council as needed.
- Report yearly to community members.
- As your work proceeds, give us [feedback](#) on the program.

Congratulations! When you have implemented 8, 12 or 16 best practices (depending on your city category) distributed across the five topical areas and including a few required best practices, you are now a *Step Three GreenStep City!* Use recognition artwork/materials (found on your city [log-in page](#)) to let others know of your accomplishment. Formal recognition of Step Three cities takes place each June at the annual League of Minnesota Cities conference.



GreenStep Cities Step Four

- **GreenStep Cities Step Four** program requirements will be developed during 2012, as we learn from cities during 2010 and 2011, that challenge recognized GreenStep Cities to implement more actions and thus be recognized for these accomplishments. We think GreenStep best practices will result in multiple benefits for your city and that you'll want to continuously work on best practices that make your city more sustainable.



MEMORANDUM

DATE: February 11, 2014
TO: Mayor and City Council
FROM: Anne Norris, City Manager
Chrissy Serres, City Clerk
SUBJECT: Liquor Licenses

At its January 21 work session, the City Council asked staff for additional information regarding the staff time and costs associated with processing liquor licenses/wine and beer licenses. Attached is a summary of the licensing process, which includes approximate staff time and costs. The attachment reflects a seamless liquor licensing process from start to finish, however that is rarely the case. Staff time can vary depending upon a variety of factors such as specific business license requirements and other circumstances that may arise throughout the process.

Additional staff time is also required to manage compliance checks, enforcement action, maintain accurate records, and provide extra assistance to non-compliant licensees. The City Clerk, Police Department, City Attorneys, and Finance Department may be included in any of the above regulation and management of liquor licenses. An average cost for these services can range from \$4,000 - \$6,000.

Due to costs associated with regulating and managing liquor licenses, staff proposes the following fee increases:

<u>Liquor</u>	<u>Current annual fee</u>	<u>Proposed annual fee</u>
Off sale 3.2 malt liquor:	\$50.00	\$100.00
On sale 3.2 malt liquor:	\$522.50	\$550.00
On sale wine premises seating 25-99:	\$500.00	\$2,000.00 flat fee
On sale wine, premises seating 100+:	\$1,000.00	\$2,000.00 flat fee
Dual on sale wine/beer, premises seating 25-99:	\$1,022.50	\$2,550.00 flat fee
Dual on sale wine/beer, premises seating 100+:	\$1,522.50	\$2,550.00 flat fee

The Council should discuss any changes to the liquor license fees.

Liquor License Staff Time Summary

STEP ONE - New Business Information Form (BIF):

Staff involved in responding to a new liquor license establishment:

- Community Development Director – compile comments from staff and issue BIF letter to applicant
- City Planner - make zoning determination and transmit findings to CD Director
- City Clerk – determine licensing requirements and provide comments to CD Director
- Building Official – Provide comments to CD Director regarding process for obtaining permit applications, inspections, certificate of occupancy, etc.
- West Metro Fire-Rescue District – create separate response letter to applicant regarding fire code requirements, inspections, etc.

STEP TWO - City Clerk:

- Prepare appropriate City and State liquor license application forms for applicant
- Meet with applicant to review license application forms, city ordinances and applicable laws
- Receive and review application forms and verify application is complete, which includes ensuring the application has been completely fill out and all required supplemental information has been submitted, such as purchase or lease agreements, Articles of Incorporation, by-laws, addendum for corporations, etc. as applicable per business
- Verify business name/information with the Secretary of State's Office (online verification of information is available but additional follow-up via phone, email, etc. may be required)
- Verify Tax ID numbers with the MN Department of Revenue (via phone - online verification not available at this time)
- Review certificate of insurance for proper information and ensure it meets State requirements – additional follow-up with insurance company is typical via email and/or phone
- Forward application documents to City Attorney for review (preparing documents for scanning, copying, emailing and/or mailing etc.)
- Forward background forms to the Police Department to conduct applicable background checks (creating memo, copying, etc.)
- Verify with State the required inspections per establishment; follow-up with State, applicant, and city staff as appropriate

STEP THREE - Police Department:

- Records/Office Manger processes various records checks
- Deputy Chief or Lieutenant conducts further background checks in which the applicant and references are contacted via phone. This person also creates a written report to the Police Chief and City Clerk of the findings.

STEP FOUR - City Attorney:

- Review applications and discuss issues with City Clerk

STEP FIVE - City Clerk:

- Once background is clear and City Attorney has completed his review of the application information, City Clerk contacts applicant to schedule a date for public hearing
- City Clerk prepares notice for the public hearing and forwards to SunPost for publishing (10 day prior to Council meeting)

STEP SIX - Engineering/GIS:

- Researches properties within a 500' radius and creates address labels and a map for City Clerk

STEP SEVEN - Administrative Support Staff:

- Collect and process licensing fees
- Processes public hearing notice mailing to applicable properties (stuffing and labeling envelopes, mailing, etc.)
- Data entry of applicant information in the licensing software program

STEP EIGHT - City Clerk:

- Prepares staff report for Council meeting and Public Hearing
- Complete processing of State forms after Council action (Chief to sign State applications) and mail required documents to State for processing and approval (On-line processing of liquor licenses is not yet available)
- Follow-up with State regarding licenses, coordinate required State liquor license site inspection with applicant
- Once the State approves the license(s), process city license(s) and notify applicant
- Follow-up with building, health and fire departments to ensure all outstanding orders and inspections have been complied with before issuing license

The process for new liquor licenses is 4 - 8 weeks depending on the license requirements and specific circumstances.

Departments	Average Time	Average Costs
Community Development	1.5 - 3 hours	\$100 - \$200
Administration	12 - 18 hours	\$650 - \$1,000
Engineering/GIS	1 - 2 hours	\$50 - \$100
Police	6 - 8 hours	\$450 - \$800
West Metro-Fire Rescue District	1 - 2 hours	\$60 - \$120
City Attorney	1 - 3 hours	\$150 - \$450
Total	22.5 - 36 hours	\$1,460 - \$2,670
Average	29 hours	\$2,065.00



Memorandum

DATE: February 11, 2014
TO: Mayor and City Council
FROM: Anne Norris, City Manager
SUBJECT: Commission Liaison Updates

Councilmembers are appointed as liaisons to the various advisory commissions. The Council has had discussions about wanting to be better informed about the activities of the various commissions. At the second work session of each month, there will be a standing agenda item for reports from the liaisons to the following commissions:

- Environmental Quality Commission
- Human Rights Commission
- NWHHSC Advisory Committee
- Parks & Recreation Commission
- Planning Commission