

**Study Meeting #3**  
**Monday, January 30, 2006, 7:00 p.m.**  
**Bloomington Civic Plaza**  
**1800 West Old Shakopee Road**  
**Bloomington, Minnesota 55431-3027**

**Call to Order**

Mayor Gene Winstead called the meeting to order at 7:01 p.m.

**Roll Call**

*Present:* Mayor Winstead, Councilmembers R. Axtell, S. Elkins, A. Grady, K. Nordstrom, S. Peterson, and V. Wilcox.

**GN RESOUND  
TRAFFIC PLAN  
UPDATE**

Mayor Winstead stated staff met with GN Resound to explain the interim and permanent road improvements that will be made in relation to their facility. He stated that GN requested the temporary barriers be lessened so that they don't feel so "bunkered" in. A revised roadway improvement plan was shown. He stated that while the interim plan is in place, GN will open the back gate on a full-time basis since the cut-through to Fremont Avenue will now be eliminated. GN Resound to notify their employees and the interim design (Plan A) to be implemented on February 2. Plan B, with fewer barriers on an interim basis, to go into effect on February 3. He stated GN Resound agreed that if the temporary barriers don't work within the first couple of weeks, City staff would extend the barriers all the way down. The permanent improvements are not expected to be in place until the end of June.

There was Council consensus to go with Plan B in the interim and that if it didn't work after a couple of weeks, staff would go back and extend the barriers. Council requested they be provided with an update on GN's compliance with the interim plan at their second meeting in February. Council to provide feedback to the City Manager regarding the various stormwater alternatives they were given to review this area.

**BCS COMPUTER  
SIMULATION**

Clark Arneson, Assistant City Manager narrated the simulated design of Bloomington Central Station (BCS) for the Council. He mentioned that the City has received four separate grants related to BCS, two from Hennepin County and two from Met Council for a total of \$3.5 million and that McGough would be picking up the balance.

**STUDY ITEM #1A  
Strategic Planning -  
Process Update**

With regard to the Strategic Planning process, Arneson stated that an RFP was sent to Springsted, Otis White Group, Aurora Consulting, and the Wilder Foundation and that responses are due back next week. Council was requested to provide staff with the names of any other strategic planning consultants they desired staff contact.

**STUDY ITEM #1B  
Strategic Planning –  
Environmental Scan**

Arneson explained that the Imagine Bloomington 2025 (environmental scan) is a working draft document. The intent of the document is to provide a snapshot of where Bloomington is and the transit issues that face the City and frame its future. Once finalized, it will be fed into the strategic planning consultant process for their use at a kick-off meeting scheduled in the spring.

Following are some of the comments made by the Council:

- Emergency preparedness – no information included regarding Bloomington's hotels.
- Demand for services and amenities that would be attractive for hotel guests.
- Change 200 to 2000 on page 23 under Trend: Bloomington's housing market ...
- Staff requested input from the Bloomington Chamber, Northwestern Health Sciences University, Normandale Community College, and the School District and it continues to improve with each draft.

**STUDY ITEM #1B  
continued**

- In 2006, school age population increased for the first time since 1999, which will have an impact on the type of population that moves into existing Bloomington homes.
- Economy and energy impacts to be included.

**STUDY ITEM #1C  
Strategic Planning -  
Governance**

Arneson stated that it was determined that Carl Neu is the best consultant to discuss governance with the City Council. He stated there would be no joint workshop on governance with Edina and Burnsville, as was initially being considered. He inquired if the Council desired to involve the City commissions in the governance discussion. It was explained that the purpose of the workshop is to define the relationship between the boards and commissions compared to that of the Council.

Council directed staff to make contact with Carl Neu regarding his availability to conduct a governance session and requested he provide Council with a model of his workshop and a determination of how and when the City's commissions should be brought into the workshop process. After discussing several dates, Council decided on Friday and Saturday, May 19 & 20.

**STUDY ITEM #1D/E  
Strategic Planning –  
Opportunity Decision  
Matrix**

Arneson explained that the Council is to review the history regarding Strategic Priorities and where funds have been allocated in the past so that they can look at present revenues available from different sources in order to determine where the revenues should be focused in 2006 and 2007.

Lori Economy-Scholler, Chief Financial Officer described the funding that was designated in September 2004 and the corresponding balances for those items as of December 31, 2005, and for what project the money is currently being planned. She stated the balance in the Strategic Priorities fund is \$3,765,211 but there is \$4,875,679 available to designate for 2006 Community Renewal/Strategic Planning initiatives. She reviewed the list Executive Staff determined as High/Urgent Strategic Priority Projects and requested Council feedback.

Council provided the following feedback on the list of 2006/2007 priorities:

- Long Meadow Bridge: Possible project candidate for some grant money available from Blue Cross Blue Shield as well as the \$25 million Oberstar has earmarked for improving bike mode share in the Twin Cities. Suggested Bloomington support the Two Wheels to Town Bike Initiative.
- Streetscape Maintenance: Council inquired if it is for ongoing maintenance or capital improvements or both?
- Flywall: Council requested an update about what happened to the \$40,000 that was budgeted for it. Staff replied there are no dollars designated for it but that they would check on it and report back to Council.
- Forestry: Yes – keep it on the list.
- Park Capital: Yes – keep it on the list.
- Staff Capacity: Yes – plug something in for it.
- 150 Year Celebration: Yes – 2008 celebration – will need funding to get it started plus additional funding from the community. Tie it in with the State's 150<sup>th</sup> anniversary as a state.
- Community Center: Yes – allocate some money for exploration.
- Community Festival: BCVB is exploring ideas.
- Fold the Streetscape Master Plan, Bike/Pedestrian Plan, Transit Augmentation Study into the Comp Plan Review and incorporate them into the transportation element of that document.
- Snow Removal Improvements: Eliminate from the list.
- \$2 million available for major redevelopment projects: France Avenue & Old Shakopee Road. (Other funding would be needed for additional work at 90<sup>th</sup> & Lyndale and at American Boulevard & Penn Avenue.)

**STUDY ITEM #1E  
continued**

- 98<sup>th</sup> Street Corridor – France to Nicollet (Area Plan) – Could be taken up in the future if it's determined Area Plans are useful during the Strategic Planning discussions.

Council was encouraged to continue providing staff with additional feedback regarding this priority list.

**STUDY ITEM #2A  
Strategic Studies –  
Lyndale/American  
Boulevard RFQ**

Jill Hutmacher, Port Authority Administrator explained that the City acquired the following two properties along American Boulevard to facilitate the improvements along that roadway. They've been replatted and readdressed and are now ready to be sold for private redevelopment: 700 and 900 American Boulevard. She referenced the Request for Qualifications (RFQ) that will be sent to the developers who have expressed an interest in redeveloping them and proceeded to get feedback from Council regarding the price and use of these properties. She stated the City Assessor has determined a range of values between \$20.00 to \$30.00 per square foot for these properties depending upon the uses proposed, most likely for retail in this price range, where the range for an office development would be \$12.00 to \$21.00 per square foot. The City would prefer a project that is not 100% retail given the traffic and parking considerations in the area. The City would like to sell both properties at the same time.

Winstead suggesting setting the benchmark a little higher – steer the RFQ towards the highest and best use.

Staff indicated a desire to have one developer develop both parcels and that while price is important, it will not be the sole criteria for selecting the developer. Council has the right to reject all RFQ's if they so desire. There is approximately three acres between the two sites and the City's take would be between \$3-6 million depending on who desires it most. It was stated that the money would need to be fed back into the American Boulevard/Lyndale Street Project budget. In the RFQ, Staff is encouraging potential developers to talk to REI, as to date, REI hasn't been able to think strategically about real estate. It was stated that Hennepin County has conducted a Phase I and will be conducting a Phase II environmental study of the two parcels.

Council concurred with asking for the range in the RFQ but include what the City Council would like to see developed.

Staff stated the RFQ's would be sent out tomorrow.

**STUDY ITEM #2B  
Strategic Studies –  
Normandale Lake  
District Plan**

Using a site plan for the area immediate surrounding 84<sup>th</sup> & Normandale Boulevard, Larry Lee, Community Development Director indicated which property is owned by Duke Realty and stated Council recently approved a revision to their site plan for the Duke Building #2, which is expected to begin in the very near future. Council's preliminary approval of Buildings #3 and #4 were conditioned upon certain traffic improvements, a few of which have been done. The more difficult ones have not made any progress, therefore, Buildings #3 and #4 are approved but the pre-conditions don't have any momentum behind them. No plans or funding. Regarding the Josten's site, he stated United Properties is in the process of purchasing it and took out an application to build another office building on the mold of the Normandale Lakes office buildings on Josten's site #1. Staff recommended that a study be conducted of the area as shown inside the black border of the map. Costs for such a study are estimated to be \$150,000 (base study as done by SRF), and \$10,000 (consultant on how to fund traffic improvements – Springsted). He asked the Council:

- If they wanted to proceed with the study as described staff?
- If yes, do they agree with the study scope, both in terms of the boundary and the objectives and structure of the study?
- If yes, should it be funded from the Normandale TIF remaining funds (Fund 429)?
- Instead of doing an RFP for the professional consultants on this, do they want to authorize staff to negotiate professional service agreements with SRF and with Springsted, as recommended by staff?

**STUDY ITEM #2B  
Continued**

Council discussed designing something that would allow people coming out of the office park to go eastbound across the bridge and loop around under it in order to get onto Hwy. 100 going north or route the traffic eastbound to American Boulevard without using 84<sup>th</sup> Street. They requested how to get transit into this area be part of the study also.

Lee stated that United Properties has indicated including a significant transit facility on Parcel #1, which is the center for the office employment.

Motion was made by Elkins, seconded by Peterson, and all voting aye, to respond affirmatively to the four questions as posed by staff in the agenda materials with the understanding that transit facility planning be part of the scope of the study.

**STUDY ITEM #2C  
Strategic Studies –  
Zoning Ordinance  
Update – Commercial  
Zoning Districts**

Glen Markegard, Senior Planner and Bob Hawbaker, Planning Manager explained that staff would like feedback from Council on its vision for the Freeway Commercial Areas (494 corridor), will explain how the newly created Commercial Zoning Districts will be applied, and will introduce a prototype of Commercial Districts. He stated a focus commercial zoning group has been meeting to get feedback from the development/landowner community.

Referring to the survey Council completed related to commercial zoning, Markegard provided the following results of the survey and requested additional Council feedback on the following:

1. Intensity level related to the freeway corridor: Strong support for intense development.
2. Retail standards: Strong support for stepped up design requirements and intensity requirements. Council supported incorporating a retail standard in the corridor similar to Richfield's for either a two-story requirement or a minimum .5 Floor Area Ratio.
3. Residential requirements: Council discussed possibility of requiring residential on the south side of American Boulevard between Lyndale Avenue to Penn Avenue. Some don't believe residential should be mandated. Let it occur in the areas where the market determines it would be most appropriate. Staff suggested specifically applying residential and that it not be required in every development. With regard to building residential around transit facilities, staff stated that according to the Urban Land Institute (ULI), cities should reserve the transit corridor, allow the densities to be built, and if there's enough activity and a place for transit, they will come. It was stated that there are big plans for 82<sup>nd</sup> Street & 35W and Bus Rapid Transit (BRT) down I-35W, which would tie into a transit corridor up and down I-494. Council supported residential be zoned where it's deemed feasible. Encourage and reward residential, but don't mandate it. Council supported letting staff invent a tool to deal with residential in the freeway corridor and that further discussion by Council would need to take place regarding where to use it. One size doesn't fit all situations, which might result in future mandatory residential requirements of different proportions.
4. Office vs. hotel: Consensus that wherever an office use is appropriate, a hotel use would probably also be appropriate so it's more a matter of hotel or office, not one versus the other.
5. Auto sales: Council was asked if zoning for auto sales should be brought more in line with the Land Use Guide Plan and more narrowly applied through either a special district or some other type of performance standards or should development restrictions be looser or a minimum FAR be required. Staff suggested having minimum FAR's and minimum lot sizes. Council consensus was to get Guide Plan zoning in line and then incorporate minimum requirements for FAR's and minimum lot sizes.

**STUDY ITEM #2C  
continued**

Markegard inquired as these new districts will soon be in place, when should they be applied? When should land be rezoned for those districts? Three options were presented for Council feedback:

1. Rezone soon after they've been created.
2. Rezone only high priority areas, those staff believes will redevelop in the short term.
3. Wait for the conclusion of both the district plans and the strategic planning process, which could include a moratorium, broad or narrow.

Markegard stated the advice of the Housing & Redevelopment Authority (HRA) attorney was not to rezone a site or area where eminent domain is under consideration.

Elkins supported the Planning Commission's conclusion to rezone only the high priority areas and wait until further discussion takes place in the strategic planning process. He stated he is worried about American Boulevard from Lyndale to Penn Avenue, as it has skyrocketed in value since the building of the bridge.

Council consensus was to stay away from a moratorium and supported Option #2 to rezone only the high priority areas in the short term while working diligently through the strategic planning process.

Markegard showed a standards matrix of the prototype of the Commercial Zoning District, as a way of introducing this to the Council. He stated staff would request more input from Council on this at their February 13 study meeting. He reviewed the three proposed Neighborhood Commercial Zoning Districts and the five Commercial Zoning districts along with possible development requirements.

**STUDY ITEM #2D  
Strategic Studies –  
2006 Planning Work  
Plan Update**

Markegard reviewed a project priority listing with Council to get their feedback on which projects Council desired to have moved up on the priority list and which ones they wanted moved down or deleted. He stated the list looks out over 12 months rather than just 2006. Information was provided relating to staff capacity, miscellaneous 2006 long-range planning projects (outside the Zoning Ordinance Update project), staff recommended subprojects, and other potential projects.

Grady stated that McMansions is an issue that keeps coming up and that it should perhaps be moved up on the priority list.

Elkins suggested staff and Council look at what Edina has done in their Code with regard to monster homes, i.e. a stepped setback requirement, which could address Bloomington's immediate concern.

With regard to the time it takes staff to deal with the annual "clean up" ordinance, staff stated they would like to use the approach Plymouth uses whereby over the course of a year, all of those issues are accumulated and as they come to staff's attention, they're put into an ordinance, referenced in a staff report and saved for one Council agenda item. It would save lots of staff resources by not bringing them to Council individually.

Winstead stated he believes it's more of a capacity issue than a priority issue.

Arneson suggested that the capacity and the consultant discussion continue at the Council study meeting on February 13 with staff providing how the workload would change with the addition of two planners and the cost impacts. It was suggested that the status of Engineering resources also be discussed at that time.

**STUDY ITEM #3A  
Operational Policies –  
Travel Policy**

Lori Economy-Scholler explained that staff made changes to the City's travel policy incorporating the changes made by the Legislature relating to elected officials. It was stated that going forward, Council member travel needs Council approval with an agenda item on the Consent Agenda.

Peterson mentioned that former Councilmember Abrams had concerns with using the Per Diem based approach for reimbursing for meals and incidentals and that he too is troubled that using the Per Diem was proposed as a cost savings at the staff level. He stated it's difficult, however, to quantify exactly what the City is saving in terms of the effort to keep track of receipts, etc. He believe using the Federal Per Diem is the appropriate per diem to use.

Staff stated that a Consent item for Council action relating to adoption of the Travel Policy would be on the February 6 Council agenda.

**STUDY ITEM #3B  
Operational Policies –  
2006 Legislative Policy**

Arneson requested Council feedback on the Draft 2006 Legislative Policies as presented by staff. Council provided the following feedback:

- Page 1: Delete the language that is repeated in items #1 and #2 under the first bullet under Legislative Policy related to Surface Transportation (Priority A).
- Page 10: Delete #3 under Legislative Policy, as it has already been accomplished.
- Page 12: Council suggested that it behooves the City to support efforts to allow municipalities to compete in the market of communication technologies to ensure that citizens have access to these types of services. The City also wants to maintain its ability to provide Internet access in Bloomington if it's determined it would be in the citizens' best interests to do so.
- Page 16: Change the wording regarding the extension on the Fiscal Disparities Fairness Legislation, as Bloomington has already been granted a three-year extension on the repayment.
- Page 18: Council suggested the City tackle the issue of the investment return on the Fire Pension. Find out how to best manage it, as it's getting to be a large sum of money. Staff to report back to Council.

**STUDY ITEM #3C  
Operational Policies –  
2006 Legislative  
Gathering**

Arneson mentioned that staff is trying to get a joint Council/Legislative meeting scheduled before March 1. Several dates were discussed and February 24 was selected as first choice with February 10 as a back-up date.

**STUDY ITEM #4B  
Policy Ordinance –  
Excessive Nuisance**

Sandra Johnson, Associate City Attorney referenced the staff materials provided to Council and requested feedback on the proposed changes to Chapter 12 of the Bloomington City Code relating to the nuisance service call ordinance. She specifically requested Council feedback on the following:

- Regarding conduct and conditions: Is 3 in a 365-day period the right number to get an abatement notice so that the fourth one in that 365-day period results in a nuisance service call fee?
- Does Council want to go for a longer look back period?

She stated the City is trying to provide a financial disincentive for both nuisance conduct and for irresponsible management, and nuisance conditions. She stated it depends on how the nuisance service calls are counted. Most large cities in Minnesota have Excessive Nuisance Service Call Fee ordinances. City staff estimates that approximately only 12 Bloomington properties are chronic offenders each year.

**STUDY ITEM #4B  
Continued**

Johnson requested additional feedback from Council through the City Manager. She stated City staff has already spoken to the Mall of America, has already conducted an administrative hearing with the property owners and apartment complexes who favored the change and thought it would give them a tool to require responsible behavior on the part of their tenants. The fine is capped at \$2,000 but it is the actual cost of the house call. Fees are collected by charging the properties under the State law for special charges.

Wilcox stated that this ordinance is badly needed, as this sort of problem can ruin a neighborhood.

A typo on page 18 of an extra 0 in the dollar amount of \$2,000 in paragraph (e) was discovered.

Motion was made by Nordstrom, seconded by Grady, and all voting aye, to approve the concept of an Expanded Nuisance Abatement, Excessive Nuisance Service Call Fee ordinance.

Staff intends to bring the ordinance to Council for a public hearing and approval sometime in May.

**STUDY ITEM #4A  
Policy Ordinance –  
Board of Appeal &  
Assessment  
Ordinance**

Jack Pasternacki, City Assessor explained that in 1994, the City adopted an ordinance authorizing an appointed board of independent experts that are City residents and it has worked very well for 11 years. In 2003, the State Legislature devised some rules and requirements for boards of appeal. He inquired as to the Council's comfort level in letting the appointed board have the final authority, which in effect they have had for the last 11 years. Otherwise, one Council member would have to be trained in the valuation process.

Peterson commented that in his seven years on the Council, he has never been tempted to change what the Board of Appeal & Equalization has determined regarding property valuation, which indicates it has been working well.

Grady offered to be the "trained" Council member on this issue if the rest of the Council desires to go that way.

Pasternacki stated it might be prudent for the Council to consider an either/or, as more and more requirements are evolving from the Department of Revenue regarding valuations and there is still some confusion as to who has the final authority in Bloomington, the City Council or its Board of Appeal & Equalization. He stated the Council could change this decision down the road if it decides the other alternative would be better.

Council concurred that the appointed Board is made up of experts in this field and that they have the knowledge and take the time to evaluate each appeal individually when making a valuation determination.

Wilcox mentioned that in the past, if residents believed they were cheated by the Board, they could go before the City Council, the members they elected to serve them, to decide if the valuation was fair. He believes the public should still have that option of an appeal before the Council.

Pasternacki stated the Council could draft language that gives the appointed Board final authority but would incorporate the same reporting system so that the Council is aware of what exactly happened regarding a particular property valuation. If the Board is given final authority, Council wouldn't take any action other than to accept the report.

Motion was made by Peterson, seconded by Elkins, to direct staff to prepare language to delegate all of the responsibility to the Board of Appeal. Motion passed 6-1 (Wilcox opposing).

**STUDY ITEM #4C  
Policy Ordinance –  
Right-of-Way Permits**

Bob Cockriel, Utilities Superintendent explained that staff is seeking Council's approval for the propped changes to Chapter 17 of the City Code relating to the administration and regulation of the public right-of-way. As a result of the changes made necessary by the new state pipeline safety rule, Minn. Rules Chapter 7560, effective January 1, 2006, he stated Council is asked to:

- Adopt a new, stronger right-of-way ordinance control, which enhances the Utility's permitting procedure for excavating within the right-of-way.
- Plan on locating new and old water service laterals within the right-of-way, which the City has begun doing.
- Adopt new or stronger requirements for excavators and plumbers to provide accurate as-builts of sewer and water lateral installations within the City right-of-way.
- Adopt these new regulations to require developers, contractors, and plumbers to provide the City with GPS coordinates of all new connections to the City's utilities.
- Use a letter of credit as a tool to acquire this from them.
- Adopt or enhance recordkeeping systems on water and sewer lines including the private laterals.
- Require potholing, safely exposing the utilities being crossed by directional drilling or trenchless technology. It is the law.
- Require the excavator to contact Utility staff or City staff to inspect the potholes prior to crossing them with the boring machine as part of the right-of-way permit.
- Keep good records.

Dave Ornstein, City Attorney commented that less involvement by the City would mean less exposure to liability.

Motion was made by Wilcox, seconded by Peterson, and all voting aye, to approve the concept of a Right-of-Way Regulation Ordinance as proposed by staff, to direct staff to seek input from the likely subjects on the regulation, to prepare a final draft or alternate drafts on the proposed amendments to the City Code for the approval of senior staff, and to continue to one of the March meetings for Council action.

**Adjourn Meeting**

Mayor Winstead adjourned the meeting at 11:22 p.m.

Barbara Clawson  
*Council Secretary*