

**REGULAR MEETING OF THE ANOKA CITY COUNCIL
ANOKA CITY HALL
CITY COUNCIL CHAMBERS
MARCH 6, 2023**

1. CALL TO ORDER

Mayor Rice called the regular meeting of the City Council to order at 7:00 p.m., followed by the Pledge of Allegiance.

2. ROLL CALL

Present at roll call: Mayor Rice, Councilmembers Scott, Skogquist, Weaver, and Wesp.

Staff present: City Manager Greg Lee; Public Services Director Mark Anderson; Police Chief Eric Peterson; Community Development Director Doug Borglund; Assistant City Engineer Ben Nelson; City Attorney Scott Baumgartner; Electric Utility Director Del Vancura.

Absent at roll call: None.

3. COUNCIL MINUTES

- 3.1 January 23, 2023, Worksession.
January 30, 2023, Special Worksession.
February 13, 2023, Goals Session.
February 21, 2023, Regular Meeting.

Councilmember Skogquist requested changes to the motion on made on Page 6, Paragraph 8, in the February 21, 2023, Regular meeting as provided by the City Clerk.

Motion by Councilmember Skogquist, seconded by Councilmember Scott, to approve the January 23, 2023, Worksession, January 30, 2023, Special Worksession, February 13, 2023, Goals Session, and February 21, 2023, Regular Meeting as corrected.

Vote taken. All ayes. Motion carried.

4. OPEN FORUM

- 4.1 Police Activity Update.

Police Chief Eric Peterson shared an update regarding the impending flood forecast that anticipated near normal levels along the Mississippi River but that staff will continue to monitor. He shared community service officer staffing was

going well with two new hires this week and three in background and said staff anticipated losing three to sworn officer positions but was not concerned regarding summer coverage. He shared the air handling system will be installed tomorrow for the gun range after which staff would be trained to use the equipment and the facility then spoke about the increase in panhandling instances and work to educate officers again on City ordinance and shared more on passive requests for money. Chief Peterson spoke about an individual in the area who repeatedly shares stories that are not factual requesting money and how that could violate the City's aggressive solicitation ordinance.

Mayor Rice referred to a recent incident of someone sharing about their broken car that was in fact panhandling and encouraged people to call 911 if this occurs so a CSO can provide assistance if the incident is in fact true.

Councilmember Skogquist asked if staff actively recruits for positions as upcoming retirements and senior position changes and promotions occur. Chief Peterson outlined his intent to promote within and how they will work to actively backfill before retirements occur and hopefully create a list of candidates for future openings but noted the current job market allows for people to go anywhere and that they hope the successful CSO unit helps bring people forward too in addition to attending job fairs and other avenues.

OTHER INFORMATION UNDER OPEN FORUM

None.

5. PUBLIC HEARING(S)

5.1 2023 Street Renewal Project – Franklin Area Phase I; Public Improvement Hearing.

RES/2023 Street Renewal Project – Franklin Area Phase I; Order Project, Authorize the Preparation of Plans and Specifications, and Authorize Advertisement for Bid.

Assistant City Engineer Ben Nelson shared a background report stating on December 20, 2022, a neighborhood meeting was held at Green Haven Golf Course and Event Center for the project. This meeting was to further educate the property owners on the City's street renewal program (SRP) and to solicit input/feedback from the benefiting property owners. Overall, the residents of the neighborhood were in favor of the project. Council shall be aware there were no written feedback/comments from the property owners. On February 6, 2023, City Council adopted a resolution approving the feasibility report, setting the public improvement and assessment hearings for 7:00 p.m. on March 6, 2023. In accordance with the public improvement process, the next step is to hold the public improvement hearing. After the improvement hearing has been held, the

Council may hold the assessment hearing. He outlined the streets proposed to be included in the Street Renewal Project – Franklin Area Phase I that will be approximately 0.70 miles of full reconstruction. The proposed improvements include the total reconstruction of the streets, including the replacement of the concrete curb & gutters and the bituminous pavement. In addition, the existing sidewalks, street lights, driveways, and driveway aprons will be replaced within the right-of-way. He reviewed the proposed infrastructure changes in detail, outlined the schedule, then reviewed costs and proposed funding sources which totaled \$3,124,000.

Mayor Rice opened the public hearing at 7:19 p.m.

A resident on Wingfield Avenue (not signed in), inquired about the need to remove sidewalks as part of the project as there were no concerns with their condition but that he was concerned about the unnecessary cost.

Being no further comments Mayor Rice closed the public hearing at 7:21 p.m.

Mayor Rice noted the City does not assess for sidewalks in residential areas.

Mr. Nelson explained there were commercial assessments for sidewalks which was double the residential rate and on all sides of the property but that sidewalks were included as a lump sum in the street unit assessment and include new driveway, paving, and other items. He said the sidewalks will need to be replaced despite their condition because of the elevation changes of the new roadway.

5.2 2023 Street Renewal Project – Franklin Area Phase I; Public Assessment Hearing. RES/2023 Street Renewal Project – Franklin Area Phase I; Adopt Assessment Roll.

Mr. Nelson shared a background report stating on February 6, 2023, City Council adopted a resolution approving the feasibility report and setting the public improvement hearing and assessment hearing for 7:00 p.m. on March 6, 2023, for the 2023 Street Renewal Project (SRP) - Franklin Area Phase I. He shared the streets proposed to be included in the Street Renewal Project – Franklin Area Phase I and said the proposed assessments totaled \$677,485 for a typical 80-foot residential assessment of \$9,590.

Mayor Rice opened the public hearing at 7:24 p.m.

Being no comments Mayor Rice closed the public hearing at 7:24 p.m.

NOTE: By motion from Councilmember Skogquist, which was seconded by Councilmember Wesp, and by a unanimous vote of the Council, agenda item 9.1 was moved up on the agenda and acted upon at this point.

Councilmember Skogquist suggested a discussion regarding street life condition and if obtaining a quote for concrete streets could be done. Mr. Nelson said staff could obtain a quote but shared concerns with the cure time for concrete of seven days and property owner access during that time.

Motion by Councilmember Skogquist, seconded by Councilmember Weaver, to adopt a resolution for the 2023 Street Renewal Project – Franklin Area Phase I; order project, authorize the preparation of plans and specifications, and authorizes advertisement for bid.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

NOTE: By motion from Councilmember Wesp, which was seconded by Councilmember Skogquist, and by a unanimous vote of the Council, agenda item 9.2 was moved up on the agenda and acted upon at this point.

Councilmember Skogquist commented that even with the 13% increase in assessments costs are actually 22% higher and continue to rise.

Motion by Councilmember Skogquist, seconded by Councilmember Scott, to adopt a resolution for the 2023 Street Renewal Project – Franklin Area Phase I; adopt assessment roll.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

6. CONSENT AGENDA

Motion by Councilmember Weaver, seconded by Councilmember Scott, to approve Consent Agenda Items 6.1 through 6.3 as presented.

6.1 Approve Verified Bills.

6.2 Revising and Setting Council Calendars.

6.3 Issuance of a Tree Care/Arborist License; Andover Tree Care, LLC.

Councilmember Skogquist noted the tentative Anoka County Jail Expansion Task Force meeting date was changing and if the calendar should be updated. City Attorney Scott Baumgartner said he had contacted the Anoka County Attorney to confirm a new date but that it likely will be the first week in April and suggested the Council meet prior to the first Task Force meeting.

Public Services Director Mark Anderson shared that Emerald Ash borer work has not yet increased even though there is increased tree cutting activity occurring in the City as well as a new tree care/arborist license request.

Vote taken. All ayes. Motion carried.

7. REPORTS OF OFFICERS, BOARDS AND COMMISSIONS

7.1 Planning Items:

None.

8. PETITIONS, REQUESTS AND COMMUNICATION

None.

9. ORDINANCES AND RESOLUTIONS

9.1 RES/2023 Street Renewal Project – Franklin Area Phase I; Order Project, Authorize the Preparation of Plans and Specifications, and Authorize Advertisement for Bid.

ACTED UPON AFTER PUBLIC HEARING

9.2 RES/2023 Street Renewal Project – Franklin Area Phase I; Adopt Assessment Roll.

ACTED UPON AFTER PUBLIC HEARING

9.3 RES/Approving Joint Powers Agreement with the State of Minnesota/Bureau of Criminal Apprehension (BCA).

RESOLUTION

Mr. Baumgartner shared a background report stating the requested resolution is to renew the Joint Powers Agreement with the State of Minnesota, acting through its Department of Public Safety, Bureau of Criminal Apprehension (BCA) and the City of Anoka on behalf of its prosecuting attorney. This resolution also provides for the renewal of the Court Data Services Subscriber Amendment to the Criminal Justice Data Network (CJDN) for which the City of Anoka is eligible. All of these agreements are necessary in order to enable and authorize the prosecutor to have access to computer systems operated by the Bureau of Criminal Apprehension to perform basic prosecution functions such as researching the criminal history of individuals or charging criminal offenses.

Councilmember Wesp asked if this renewal has occurred before. Mr. Baumgartner responded this renewal occurs every five years.

Motion by Councilmember Wesp, seconded by Councilmember Weaver, to adopt a resolution Approving State of Minnesota Joint Powers Agreements with the City of Anoka on behalf of its City Attorney and Police Department.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

9.4 RES/Approving Municipal State Aid System Revisions; Revoking and Designating Municipal State Aide System Routes.

RESOLUTION

Mr. Nelson shared a background report stating under Minnesota Rules Chapter 8820, municipalities within the State, having a population of over 5,000, may, with the consent of the Commissioner of Transportation, designate up to 20% of their local mileage as part of a Municipal State Aid System (MSAS). This system provides a funding source, via the state gasoline tax, for construction, reconstruction, and maintenance of the roads so designated. Funding is allotted on the basis of population, designated mileage, and construction needs. Over the years, this funding mechanism has been used extensively, and successfully, to construct and reconstruct many of the City's roads. It also increases the total allotment of MSAS funds the city receives each year. Pursuant to a resolution (RES-2021-077) adopted by City Council in November 2021, public right-of-way in the Highland Park Addition neighborhood that was is no longer necessary for public roadway purposes was vacated. Portions of the following roads were vacated; alley ways, Brighton Street, Euclid Avenue, Fairoak Avenue, Jerome Street, and Oak Street. Currently the designated State Aid route through the Highland Park neighborhood is Fairoak Avenue to Jerome Street to Euclid Avenue. The new designated State Aid route is proposed to be Green Haven Parkway. He said this action shall net a minimum increase in State Aid funding by adding the 0.03 miles to the City's MSA system, leaving 0.10 miles undesignated at this time.

Councilmember Skogquist asked about State aid roads and a certain amount that can be leveraged and do we have any availability left for use on other roads. Mr. Nelson responded the fund is currently at a \$3 million deficit but we could advance \$4.5 million, with a portion to be used for the industrial park at McKinley and Lund. He noted 16.2 miles are designated as State aid roads out of the 69 miles in the City.

Motion by Councilmember Skogquist, seconded by Councilmember Scott, to adopt a resolution for Municipal State Aid System revisions; revoking and designating Municipal State Aid System routes.

Mayor Rice asked if we are allowed to change designated roads once determined. Mr. Nelson responded likely not as they have to connect to other MSA routes.

Upon a roll call vote: Mayor Rice, Councilmembers Scott, Skogquist, Weaver, and Wesp voted in favor. Motion carried.

10. UNFINISHED BUSINESS

None.

11. NEW BUSINESS

11.1 Consideration of Appointment to Parking Advisory Board; Chris Rice.

Mr. Lee stated currently the City has one vacancy on the Parking Advisory Board. City staff published notice of the vacancy per policy along with other vacancies on Boards/Commissions and received one application from resident Chris Rice. He said if appointed this term would expire December 31, 2025.

Mayor Rice noted Ms. Rice was his spouse but that voting on this appointment would not be a conflict of interest.

Motion by Councilmember Weaver, seconded by Councilmember Scott, to appoint Chris Rice to the Parking Advisory Board for a term to expire December 31, 2025.

Vote taken. Motion carried.

11.2 Bids Presentation for Restaurant Pad North of City Hall.

Mr. Borglund stated on December 19, 2022 an RFP was made available to all interested parties on the City's website at the direction of the City Council for the restaurant pad north of City Hall. Staff provided information to several parties during the RFP solicitation time period with proposals to be submitted by March 1, 2023. As reflected in the RFP, Council will now hear the submitted proposals randomly determined by a coin toss. Applicants will be given 15 minutes to present their proposal to Council.

Mr. Nelson flipped a coin which showed tails, indicating Mike Briggs of Briggs Properties will present first.

Councilmember Weaver said he will be abstaining from participation and discussion as a current tenant was one of the presenters of property he owned.

Mike Briggs, Briggs Properties, shared their intent to create a destination or draw to the City and not compete with what was already in place in the neighborhood.

He said they proposed live country music indoors and outdoors and highlighted history of Anoka and Anoka Halloween then shared a PowerPoint that showed the current site with a proposed best use that focused on sufficient parking and would be set back towards 2nd Avenue to utilize the existing parking. He outlined their concept of an Anoka Smoke House that would be a two-story building with rooftop patio overlooking the river and deck, utilizing the snowmobile trail/easement and front facing 2nd Avenue. Mr. Briggs outlined the proposed open air concept with multiple glass/commercial garage doors and family-friendly environment. He explained how motorcycle and snowmobile users could use the main level deck that also served the park with the goal to create a new destination for downtown Anoka. He said he would utilize the City's new social district for park service and be open year-round with drive-up service for lunch and dinner and possibly breakfast offerings in the future. He shared hours of operation and a proposed rendering with approved exterior materials and elevation changes. He spoke about the interior post and beam construction with a fireplace then detailed their proposed menu that included a wood fire stone pizza oven. Mr. Briggs said their intent was to become part of Anoka Halloween that included a tribute to Harold Blair who helped begin the tradition then outlined the possibility of a simultaneous build with the lot across the street for a multi-level unit building and thanked the Council for their consideration.

Jesse Hauf, 10K Brewing, shared the history of 10K Brewing which has been in business for almost eight years and very successful. He spoke about their need to expand and their wish to stay in Anoka as they have outgrown their current location. He shared how they would like to create 10K Brewing and Babe's Kitchen which would be a place for the community to gather while bringing in others from surrounding areas the spoke about better use of the space that would occur in stages. He shared the same concept drawing as the last time that would be a single-story to accommodate a rooftop in the future and elevator shaft as they grow into their success. He spoke about giving back to the community and using the green space for the snowmobile easement for the patio so snowmobiles could access the patio which would include lighting and have more of a dock-look with red steel that would blend better with the brick façade. He said the containers would remain and blend commerce with history with bricks and the river then shared how the building would be both a restaurant, bar, and stage for entertainment as well as a brewhouse. Mr. Hauf shared their proposed menu which would be different than others with gluten-free options and designed by a chef and include dairy-free shakes with rotating food and beer options and pairings. He explained their intent to upgrade to a 10-barrel brewhouse with an elevated cocktail menu and mixologists that included partnerships with distilleries to provide an affordable yet upscale experience then spoke about the entertainment component with a Nashville-inspired sound with a professional sound system and local and traveling bands. He highlighted the public/private partnerships that will give back to the community with a Riverfront Memorial Park service window, public restrooms, parking accommodations, snowmobile trails, and kayak rental with a portion of sales donated in perpetuity to a local

charity. He explained his offer on the property of \$1 while trying to build a multi-million restaurant that will generate tax dollars for the TIF district and give back to the community instead of paying \$175,000 for the building then referred to the loss of six parking stalls.

Mr. Borglund suggested Council ask questions regarding both proposals and then provide staff direction on next steps.

Councilmember Wesp inquired about the proposed land purchase amounts and property valuation. Mr. Borglund said Briggs Properties offer was \$150,000 while 10K Brewing's offer was \$1. He said the property appraised at \$154,000 then outlined configurations that one building was absorbing the site more while the other was more on the upper level of the parking lot. He said both costs were taken into consideration and noted how construction was expensive and the differences in proposed uses.

Councilmember Scott inquired about the proposed size of the brewery/restaurant and how much space would a future expansion be. Mr. Hauf explained the building would be 7,000-9,000 square feet because of the brewhouse and warehouse and storage with less finishes. He said the kitchen would be the highest cost per square foot and would include offices as well and that future expansion would be approximately 2,000 for event space and 1,500 for the rooftop patio.

Councilmember Skogquist inquired about hours of operation for the brewery/restaurant. Mr. Hauf shared hours would be seven days per week 363 days per year from 11 a.m. to 10 p.m. Monday through Thursday and Sunday and open until midnight Friday and Saturday. He said he did not intend to apply for a 2:00 a.m. license.

Councilmember Skogquist noted Mr. Hauf's proposal included a public restroom option built by him with the City providing maintenance and cleaning then asked about kayak rental. Mr. Hauf said they would assist with cleaning as well then shared more about the kayak rack by the river that would include a camera for viewing and six kayaks rented for a fee or possibly free with purchase and include their logo while still blending in well and insured by them. He said their goal was to add to experiences on the river and that the City would just need to provide mowing around the rack.

Councilmember Skogquist asked if Mr. Briggs already had a bar/restaurant or if this proposal was new. Mr. Briggs responded he currently did not have a restaurant but has been in the business for 20 years and has opened several restaurants including Ballpark Marriott in Texas, a Marriott in Colorado, Harvey Hotel in Dallas, and others.

Councilmember Skogquist inquired about Mr. Briggs' proposed financing. Mr. Briggs said they estimated costs would be between \$250-\$350 per square foot for 4,000 square feet so approximately a \$1M build with the other building being \$2M so the submitted bank letter was basic approval letter from Highway Federal Credit Union. He said he has done other partnerships with his brother before with other lenders and noted the simultaneous build of the second building brings costs down substantially.

Mayor Rice inquired about the frequency of the smokehouse. Mr. Briggs said they will likely use the smokehouse daily and could include overnight as well.

(unaudible name) 765 East Main Street (not signed in), asked if Mr. Briggs was a resident of Anoka. Mr. Briggs responded that he owns Minnesota Firearms and Gun Range in Anoka and purchased the property in 2016 and broke ground on Phase I in 2017 then acquired the adjacent lot. He said he has lived in Anoka County since 2006 and currently lives on the border of Anoka and Ramsey.

The individual from 765 Main St asked if Mr. Briggs was committed to making sure that the park area remains clean on the weekends so that people can enjoy the park.

Mr. Briggs responded service to the park was important to Anoka and that he will address trash concerns as they occur, adding that he and the City will have to collectively work together to address.

Councilmember Skogquist said he was pleased to see two good offers from two local groups and thanked them both for their unique proposals.

Colby Borowick, 519 Van Buren Street, noted Anoka has not changed much since he was a child and that he moved back because he likes the City and liked 10K Brewing. He said he wanted to spend his money in Anoka and 10K has a nice vision that people will travel to and that he liked the proposed menu options.

Eileen Rathbun, State Avenue, said she supported 10K Brewing because offering craft beer with restaurant food would be a big draw and noted Anoka already has a smokehouse.

Sandy Vang, 519 Van Buren Street, spoke about the need for park clean up and shared how they pick up trash now and did not appreciate Mr. Briggs' comment about just having to deal with trash. She said she's witnessed Mr. Hauf taking out trash at his current establishment and felt the proposed menu would be unique.

Joelle Ahrud, Rice Street, said she grew up in Anoka but lived in California for many years and said while she will not frequent the brewery because she doesn't drink beer and liked barbeque. She added that selling a river lot for \$1 was not appropriate as many others would like that offer as well. She said she felt the

City received a fair offer by Mr. Briggs and while Mr. Hauf wants to give back did not think that was enough. She expressed concern with the proposed kayak rental and loved the rooftop idea for 10K. She said she is more in favor of Mr. Briggs' proposal.

The individual from 765 Main St said he did not have a selection before he came tonight but after listening to the proposals he supports 10K Brewing. He said he did not appreciate Mr. Brigg's comment about dealing with trash and noted Mr. Hauf wants to give back to Anoka.

Jim Burns, Rice Street, thanked both for their proposals and said while he did not see the vegan menu likely expanding it would be great to rent a kayak and float down the river while listening to music. He noted both would do their best to keep the park clean but that it will have to be a partnership as you cannot control what the public will do and said he supported Mr. Briggs' proposal.

Mr. Briggs apologized for his comment as it was taken out of context because he meant that trash would be something he would certainly address. He said as a business owner now he picks up trash from their surrounding businesses and understood the importance of trash clean up, especially on a City-owned property. He said he has been to breweries all over the country and while he personally liked the vegan menu being proposed by 10K Brewing their business model was different and included smoked meat.

Councilmember Scott asked about the proposed purchase price of \$1 and the proposed public restroom and how they can cost more than \$150,000 and how this would be a fair tradeoff in his opinion. Mr. Hauf said a freestanding restroom would cost a lot but would be less if constructed at the same time as the commercial building. He noted their building would provide a higher taxable value to go back to the City as well as TIF and the parking ramp over time and would contribute more money as well as contributions to the community and a partnership with the City, which is a reason his offer was \$1. He said their proposal integrates them into the community and believed the land was worth approximately \$500,000 as it was a prime river lot.

Mr. Briggs referred to the City's Safety Fair where they donated \$1,000 as well as other regular donations and fundraiser participation, including donation guns for various raffles.

Mayor Rice suggested postponing a decision to the next meeting to allow both presenters to refine their proposals and provide the opportunity for more feedback or if Council would like to make a motion of support for one proposal this evening.

Councilmember Skogquist said this has already been a long process and that the bids were now public and delay might confuse the process. He said the City

received two good offers then spoke about 10K already is in the community and operating well. He said Mr. Hauf is very connected and a leader in Anoka's downtown and was a good presence in the community. He felt 10K would do well in the new location and would continue to be a partner and leader in the City. Councilmember Skogquist said it was great to see different businesses in the downtown area and felt new styles and uses would build on each other and that he supported 10K's proposal. He stated that he is in favor of staff moving forward with the 10K proposal. He added that he was still in favor of an apartment building that could include apartments with restaurant space but that concept still had to be agreed on as a Council.

Councilmember Scott said if multiple people want to invest that is a good thing and that we have two good, responsible developers both with great backgrounds and that while he liked both proposals, he supported 10K Brewing.

Councilmember Wesp read a text he received regarding concerns about selling the property for \$1 versus \$154,000. He added that he does not think selling the property for \$1 is fair to the taxpayers, but he liked the other ideas in 10K's proposal. Adding that while 10K's proposal was good, the previous Lucky 13 proposal had a better business plan overall. He said there has been millions invested in Anoka already and that the City should get market value for the property and supported Mr. Briggs.

Councilmember Skogquist compared selling the lot for \$1 against getting a \$300,000 restroom which would be a better value for taxpayers and provide more return with a higher square footage. He said this is a current business expanding in the downtown area. He think it's a big benefit that 10K would build a \$300,000 restroom.

Mayor Rice asked if Mr. Briggs would consider restrooms for park use. Mr. Briggs said he considered the option but noted the struggle was use by individuals with lifestyle and mental health concerns and the possibility of legally occupying the restrooms and using it for showering and other uses while in a restaurant. He said he believed this could hurt the business overall, offend customers and would be difficult to address, adding he already deals with it at his current business.

Mr. Hauf said they have dealt with bar restroom clean up for a long time and felt restrooms would be great as they would include built in fixtures and other elements for easy clean up. He agreed Anoka already has a mental health component but added that he has shared information that Columbia Heights has developed with having an imbedded social worker and other ways to address this concern which would help downtown overall. He spoke about how they could deter sleeping in the restrooms overnight with a separate entrance on the outside that they would take care of.

The individual from 765 Main St expressed concerns with Mr. Briggs' comment regarding individuals with mental health issues and said it was likely that customers would likely make a larger mess in the restrooms and that his comments were not appropriate. He expressed how disappointed and offended he was in the comments Mr. Briggs made about mental health issues.

Mayor Rice agreed there is a public restroom issue everywhere, including the City, and it is a concern for our community.

Mayor Rice brought back the idea of postponing a vote on the issuing, stating that this sale of property would require a 4/5's vote of the City Council and he doesn't think that would occur based on the discussion at this meeting.

Councilmember Skogquist said he felt the Council needed to move forward as he understood 10K has other opportunities and delaying the City action could make his other opportunities no longer an option and said he would like to work with 10K Brewing because we owe it to 10K and the many residents who have weighed in on this discussion.

Motion by Councilmember Skogquist, seconded by Councilmember Scott, to direct staff to begin working with 10K Brewing on their proposal for the restaurant pad north of City Hall.

Upon a roll call vote: Councilmembers Scott and Skogquist voted in favor. Mayor Rice and Councilmember Wesp voted nay. Councilmember Weaver abstained. Motion failed.

Motion by Mayor Rice, seconded by Councilmember Wesp, to direct staff to work with both applicants and work with the Council to clarify questions and concerns and that this item come back to the Council at future meeting when staff and Council are ready for it to come back. Mayor Rice asked Attorney Baumgartner if that was an acceptable motion.

Attorney Baumgartner stated his understanding of the motion was for clarification, stating the motion was to direct staff to work with both applicants relative to questions the Council may have. He added that the Council had just received the proposals this evening and that there might be additional questions in an hour or in a day that might be common to both applicants. He added that as how he hears and understands the motion, what he would envision is questions tailored to both applicants, the same questions, dealing with common Council concerns that they can both answer if the Council has additional questions. He added if the Mayor's motion is to direct staff to work with both applicants and then bring it back to a Worksession, that is how he understood it.

The Mayor responded that would be fine but he also wanted included questions and concerns by the offerer's as well. He said that through all of these

discussions, there may be questions that weren't part of their presentation or thought process. There may be something they want to clarify and also things that the Council may want clarified and that could be brought back to the Council when the Council is at the point in the process where they can give better or more unified direction.

Mayor Rice called for second on the motion. Councilmember Wesp seconded the motion.

Councilmember Skogquist said he would support the motion if it were amended included that the topic be placed on the March 27th worksession agenda, because at some point a decision needs to be made and compared this as begin reminiscent to the grocery store proposal.

Councilmember Scott noted that time is of the essence to taking action because both interest rates and construction costs are increasing, which could result in increased costs and the chances of either of the applicants withdrawing their proposal would increase.

Mayor Rice stated that he was in favor of one proposal and if the Council could agree, they could just move forward.

Councilmember Wesp said this situation had occurred before when four members selected Lucky 13's proposal. He said for that reason he would not support the motion as there previously was a clear decision in his opinion. He said he supports the Brigg's offer.

Mr. Baumgartner noted that there was a request for a friendly amendment with reference to adding the item to the March 27th Worksession.

Mr. Briggs asked what Councilmember Skogquist and Councilmember Scott were looking for and if the concern was the building size and a public restroom.

Councilmember Scott said those concerns were part of his hesitation but said the City had a goal for a more permanent restroom structure given the size and public events already occurring in the area and that 10K had a solution. He said that is weighing on his decision.

Mr. Briggs repeated his question if the issues was the size of the building and a public restroom.

Councilmember Scott stated that for him it is not necessarily the size of the building.

Councilmember Skogquist said public restrooms was a large part of his decision as well as 10K Brewing's track record in the community as it is a valued business that he wanted to see 10K continue in Anoka.

Mr. Brigg's stated that he sees it as Councilmember Skogquist supporting 10K no matter what. He then asked Councilmember Scott if he is in the same boat as Councilmember Skogquist. Councilmember Scott stated that he largely in support of 10K. Mr. Brigg's asked him if he was "no matter what". Councilmember Scott responded that it was not a "no matter what" for him.

Mr. Brigg's stated that is the public bathroom is the deal killer, he would be willing to compromise on that.

Councilmember Scott stated that while he appreciated it that, the plans for the new social district downtown is also part of it, deciding who would be a good anchor business downtown. He added that hearing the proposals, at this time, he favors the 10K proposal, having concerts, bringing in larger acts, live music, etc.

Councilmember Wesp referred to a text from a board member that suggested the proposals go back to the Economic Development Commission (EDC) for another perspective. He offered an additional friendly amendment to the motion to refer the proposals to the EDC and possibly Park Board and move consideration of the topic to the April 24 worksession instead.

Mr. Baumgartner noted both friendly amendments cannot coexist with each other.

Councilmember Skogquist asked when the next EDC meeting was scheduled. Mr. Borglund replied the EDA meets this week and the Park Board in three weeks.

Mr. Borowick said public restrooms will attract many individuals and was not a good idea as it does detract from the business.

Ms. Rathbun said she served on the Waste Reduction and Recycling Board and noted Mr. Hauf had included a plan for recycling which is important.

Ms. Vang asked what will happen with the portable restrooms and if they will remain as it will be a bad look for any restaurant. Mayor Rice said it would depend on whether the permanent restrooms are adequate for events in the area

John Slehton, Anoka, commented about the texts received and the need to identify themselves for the record. Councilmember Wesp responded that Planning Commissioner and Park Advisory Board member Borgie Bonthuis and Planning Commissioner Colin Campbell had sent the text messages.

Mr. Slehton spoke about public/private partnerships and the sale of property for \$1 which was not uncommon because of the long-term community benefit. He said he liked 10K's menu but believed in helping local businesses grow. He said both would be working in philanthropy which will attract more people to the community and liked that they would take control of own electricity and buy locally to go back to the community, adding there would be long-term benefits for selling the land for \$1.

Mayor Rice accepted the second friendly amendment for the March 27th worksession as it would allow time for both boards to review, adding that he wanted to endorse the proposal that will add the most to the City. He stated that he feels that a Smokehouse would consistently be busy, which is why he supports that proposal.

Councilmember Skogquist suggested after the Park Board meets that we bring comments back to the March 27th worksession.

Mr. Baumgartner clarified the original motion by Mayor Rice was to direct staff to work with both applicants to address questions to and from applicants, which was seconded by Councilmember Wesp, then a friendly amendment by Councilmember Wesp to send the proposals to the EDC and Parks & Recreation Board to get their opinions, with the understanding that this topic will be placed on the March 27th Worksession agenda to go over the feedback from the EDC and the Parks & Recreation Board. Mayor concurred with his clarification.

Attorney Baumgartner than questioned about directing staff to work with both applicants relative to questions to and from the applicants, asking if it Council's desire to pose any specific questions or does the Council want any question to be directed through staff to the applicants and if so, could the Council get those questions to staff, because it is a short timeframe.

Mayor Rice suggested Council provide questions for both proposers to staff by March 17th.

Upon a roll call vote: Mayor Rice, Councilmembers Wesp, Skogquist, and Scott voted in favor. Councilmember Weaver abstained. Motion carried.

Mayor Rice thanked both applicants for their input and work.

11.3 Organized Garbage Hauling.

Mr. Lee stated in January 2020 the City held a public meeting regarding organized garbage hauling. At the February 24, 2020 worksession Council discussed the results of the public meeting and the implementation of organized garbage hauling and requested that staff provide further information. The process of implementation was not able to occur at that time due to the Pandemic

Emergency. At the March 22, 2021 Worksession the City Council consensus was to not move forward towards developing a ballot question but continue with working towards attrition and creating criteria to not license new businesses. He noted in August 2015, the City Council amended the City Code that implemented an attrition process, by prohibiting the issuance of additional garbage collection licenses and prohibited existing licensees from adding additional trucks to their license. At the January 17, 2023, City Council meeting, staff was given direction to place this item on the February 27, 2023 worksession for discussion and to notify the licensed haulers and the public that a discussion would be occurring at the worksession and at the meeting Council gave direction for staff to place this item on the March 6, 2023, agenda so formal direction may be given to staff on whether or not to proceed with beginning the process of implementing organized garbage hauling. The process of implementation of organized garbage hauling is specifically defined and regulated by Minnesota Statute.

Mayor Rice inquired about the timeline. Mr. Lee said competitive bids would occur in the future with the first meeting with current haulers that would start the clock that would allow 60 days for negotiations, after which the City could institute organized hauling. He said regardless Anoka could not do competitive bids for seven years.

Councilmember Wesp spoke about the large group of residents at the last worksession the majority of who were not in favor of organized hauling and would be the same with subsequent contact and that a ballot question should be included for 2024 to let the citizens of Anoka decide.

Councilmember Wesp asked the Attorney for clarification is the ballot questions would be to stick with the amendment to the City Code on attrition or ask the residents of Anoka Aye or Nay on going down the road to move to organized hauling.

Mr. Baumgartner stated he doesn't think it would be a vote on the current ordinance, because they are two different things. One is a reduction by attrition, whereas the other is asking the question on whether or not the citizens want to go right to organized hauling. He stated that the question for the ballot should be very specific, straight-forward on whether or not the residents want organized hauling. The decision from that vote will then determine what then happens to the current ordinance. Meaning if the question passes that they want to go to organized hauling, then the Council would need to address the current ordinance which is the limiting of haulers. He explained that the two cannot exist side by side. He said that getting rid of the current ordinance would be dependent upon how the vote comes out.

Councilmember Wesp stated that his motion would then be to put this on the ballot for 2024 to ask the residents if they want this Council to examine or go down the road of organized hauling. Adding, with that said, that is his motion, but furthermore he thinks if the City wants to investigate, he doesn't see why the City can't. Councilmember Wesp asked the Attorney if the City can still investigate it even if the Council were to decide to put it on the ballot, so the City could get information.

The Attorney responded that he would think that would be absolutely. He explained that this is more of a "providing of information", assuming that there will be both pro's and con's either for or against. He thinks that at the end of the day what the Council is looking for is most informed citizens voting on this topic. He added that part of that would be directing staff to find information to better assist residents in making an informed decision. He said he doesn't think the Council should just say to put it on the ballot in 2024 and sit back and do nothing until 2024.

Councilmember Wesp said that there have been Councilmembers that have said that they want residents engaged and he thinks this is a good way to get them engaged.

Councilmember Weaver stated that he will second Councilmember Wesp's motion.

Councilmember Weaver referred to the large crowd during the worksession and said they deserve to hear what the voters say and repeated that he will second Councilmember Wesp's motion.

Councilmember Skogquist referred to how this process can become political and how ironic it was that the two Councilmembers who just motioned to have this put on the ballot were the same two that had the item removed from the last ballot. He said process can be divisive with multiple mailers that do not outline why organized hauling is either good or bad and that we owe it to the residents to provide information on what organized hauling would be like. He stated that what is being voted on tonight is whether or not the City should meet with the haulers and the residents and discuss what this would look like to the City of Anoka to have organized hauling. He said that he suggests that people look at other cities that have organized hauling, i.e. Champlin, Elk River, Ham Lake, Blaine, and many others, etc.

Councilmember Skogquist referred to how the law that was passed was from a Legislator that then got out of the Legislature and because a Lobbyist for the garbage companies and that is very telling we have so many restrictions out there on competitive bidding and things like that, but there are options for the citizens of Anoka. He stated that the way that it is in law is that we make a motion tonight to say that we are going to look at this and then we are finally allowed to sit down

with our garbage companies and have a conversation with them, and let them know what the concerns that people have expressed, i.e. traffic, pollution, road wear and tear, pricing structures, etc.

Councilmember Skogquist stated that what he would commit to tonight is saying that he is in favor of looking at that as an option and starting to have those conversations so that the City have an informed public and letting them know what organized hauling would like in Anoka.

Mayor Rice said he would support both motions.

Mayor Rice asked if there was any further discussion on the 2024 ballot question.

Councilmember Weaver said it was ironic that Councilmember Skogquist thought the action was ironic regarding two Councilmembers changing their minds on having this as a ballot question at the last election. He added that 15 minutes ago there was a two-hour discussion on a different item where previously somebody changed their mind when the City had a very solid decision that was made. He added that he finds that ironic also. He said we are now at the same stalemate that the City had before. He said that saying at letting the voters decide does not mean we cannot have the discussion on what it might look like. He said that is going to give you the information you need to let the voters make a very smart decision that is going to affect all of us.

Councilmember Weaver stated that he had an individual ask him how they know if staff is going to...., it's going to cost more money. He said that he was given a very easy answer, that it will just add another line on the electric utility bill.

He said this would not just be another line item on the electric bill but would result in having government chase bad debt and taxpayers absorb the loss through assessments which can be very costly. He said he wanted voters to be well informed and understand if they want government to tell them what to do or decide themselves.

Mayor Rice said there will be extra costs but that we are getting ahead of ourselves and that the motion is whether this should be a ballot question in 2024.

Mayor Rice asked for further discussion. Mayor Rice said perhaps its evolution because if it is true and we inform and ask voters and decide on single hauler there may be a percentage who want to do it themselves anyway. He added that when people ask him about it, he educates them on the issue and usually the people he's spoken to haven't thought of the reasons he mentions.

Councilmember Scott asked if this will be an informational session conducted in good faith because there is no incentive in negotiations if we go forward.

Mayor Rice said the ballot question is a fair question and if approved would support moving to single hauler but was not exclusive as we do not know the outcome of the ballot question yet so negotiations would be in good faith up to the point of the vote. He said while we may be premature, we would have started the process.

Councilmember Skogquist said it is both good faith parts he was concerned with as we could meet with haulers but they do not necessarily have to bring forward their best quotes because we could see what happens. He said it may be in their best interest to give us a high bid and if it goes on the ballot could be more so and that this could be too early. He explained we could have the ballot question but not adopt an ordinance and how this would be up to the next Council to enforce and implement, adding the last time this happened multiple council votes changed and then there was no longer a question. He said he did not trust members to continue forward so we should go to haulers in good faith and not create an incentive to stall.

Councilmember Scott commented if going to a vote should we continue open hauling recycling as it would be a natural extension. He said the reason he wants to review this because of resident's average monthly bill and the need to be great stewards of money and this is one way to reduce costs and extend City assets. He said while there may be costs in attorney fees that is not a concern because that provides knowledge and is needed to see if the concept has merit. He said they want to reduce costs overall in the amount paid in property taxes and would include the additional benefits of lower noise and pollution.

Mayor Rice said it would not be in the haulers' best interest to overcharge outside of their introductory offers and said while they could collude, they just want to be competitive, similar to neighboring cities and their rates. He said whether or not the residents want to engage in single hauler or open hauling we should not bring the ordinance into it at this point.

Mr. Baumgartner said the ballot question would be drafted over time but clarified the motion is whether to put a question before the voters regarding single or organized hauling in the City of Anoka.

Councilmember Scott asked if this would be a binding vote. Mr. Baumgartner said it would if it goes to the voters.

Councilmember Skogquist said that was his concern is that when the voters speak will the Council implement the ordinance.

Mr. Baumgartner said he would review election laws and special ballots and share more with the Council about the possibility of being overturned by future Councils.

Mayor Rice commented how this was reviewed a few years ago and was going to be a ballot question then changed, adding Council direction can always change but a ballot question is up to the voters and then we have to negotiate and find the answer.

The motion made by Councilmember Wesp, seconded by Councilmember Weaver, is to place this on the 2024 Election ballot, on whether or not the City should move towards organized hauling or not.

Upon a roll call vote: Mayor Rice, Councilmembers Wesp, Weaver, Skogquist and Scott voted in favor. Motion carried.

Councilmember Skogquist made a motion, seconded by Councilmember Scott, to direct staff to proceed with the process to develop an organized garbage hauling system.

Mr. Baumgartner asked how far in the process do we go with developing an organized hauling system with the pending ballot question. Mayor Rice said we have to investigate the process so we know the next steps so it is wise to have the discussion regardless of the ballot question result. He said this will provide voters with good information for what will likely be a literature campaign in 2024 question and that the haulers will be cooperative and should pursue as if we are moving towards single hauler.

Mr. Lee said we could define a contract without actually doing one which would help voters know what they are voting on, adding the City cannot execute a contract until the voters decide. He said this could be very problematic for haulers, especially if direction is changed after the vote.

Mayor Rice said he sees this as a question to either endorse or defeat the process and that we could have a contract until January 2025 and if voters want open hauling the contract can only be until 2025.

Councilmember Skogquist said the law states if we do this it has to be for seven years and asked how we break a contract with a voted question in place. Mayor Rice said the process can be abandoned at any time, even January 1, 2025, at the discretion of the voters.

Councilmember Weaver suggested the City Attorney review the process first before voting on this motion. Mr. Baumgartner said he concerned this a dual track and said if the purpose was to gather information and educate voters that is fine but if the purpose is to proceed with organized hauling that may be a concern as they are two different things.

Mayor Rice said he supported this motion because he did not want to wait two years to begin the process, adding if the ballot question is no then we can just do the contract.

Mr. Baumgartner confirmed the City can stop the process at any time and was fine with the motion directing staff to proceed with the process of developing organized hauling with the understanding the process can be stopped.

Councilmember Skogquist reiterated his motion to proceed with the process of developing an organized garbage hauling system according to Statute as it can be rescinded at any time and the City was not implementing organized hauling just proceeding with the process of developing a system.

Mayor Rice agreed they could proceed and could be advised to stop based on City Attorney input.

Councilmember Weaver referred to terms must, shall and have and asked for direction of the motion. Mr. Baumgartner said staff would provide notice of intent to the public and all licensed solid waste collectors.

Councilmember Scott said we could just pursue the process up to immediately before signing a legal binding contract, adding everything else is educational and informational, but the concern is signing and if the outcome negates a contract. Mr. Baumgartner said this would not negate the action or contract and likened it to potential interim in the process.

Mayor Rice suggested including a friendly amendment because if we are intending to start the process, he would support that as he did not want to waste two years. He asked if the City can sign a contract through December 31, 2024, and if ballot question is for organized hauling continue and it not stop the process. He believed they could co-exist while we use the time to outline the process until the ballot question is answered.

Councilmember Scott said after the contract is signed there is no longer a stop as he understood the process would have to wait for seven years. Mr. Baumgartner said it depended on the term of the contract and would recommend this be a very short contract then added there may not be a lot of participation from haulers since we cannot go out for bids for seven years.

Mayor Rice said at any point we can legally abandon the process which has to be built into the contract. Mr. Baumgartner said the stop would be a stop to the process and signing the contract would also be a stop.

Councilmember Scott clarified the bid is separate and not a contract then shared concerns about good faith negotiations that could result in higher bids.

Mr. Lee said we could have a short contract ending January 1, 2025, and then if the voters support organized hauling could extend the contract.

Mr. Baumgartner noted the haulers do not know the vote outcome either and that it would be in their best interest to offer their best pricing.

Mayor Rice said this could be an advantage to have a short-term contract actually and if organized hauling continues could be renegotiated.

Councilmember Skogquist rescinded his motion and made a new motion based on Statute that the City provide notice of its intent to consider organized collection to the public and to all licensed solid waste collectors. Councilmember Scott agreed with the rescission then seconded the new motion.

Councilmember Weaver said Statute outlines the intent to consider but suggested adding language about the outcome of the ballot question and that the City will then stop the process if needed. Mayor Rice said that language would not be necessary because it would have to come back to us anyway.

Mr. Baumgartner noted a meeting must first be held with the haulers to review many elements such as road, public safety, pricing, etc.

Upon a roll call vote: Mayor Rice, Councilmembers Skogquist, Scott, and Weaver voted in favor. Councilmember Wesp voted against. Motion carried.

Mayor Rice offered the public to ask questions.

Dave Wiggins, Ace Solid Waste, requested the City Attorney review the process before sending written notice to haulers so as to not waste anyone's time should the process change. Mayor Rice said the City Attorney will just be clarifying if both processes can be conducted at the same time.

12. UPDATES AND REPORTS

12.1 Legislative Discussion and Updates.

Mr. Lee shared the opportunity to discuss any legislative updates.

Councilmember Wesp shared an update on the Anoka County Joint Law Enforcement Council (JLEC) potential sunset of legislative work to allow for bonding. He said Anoka County Board supports the continuation through a strong majority and through negotiations with area police chiefs and the Board felt this was moving in a good direction. He said JLEC will continue to be strong and work as a whole for the County and work best together as it includes public safety as a whole. He noted other counties look to Anoka on how we do things and was pleased this was worked out thanked Chief Peterson for his work.

Chief Peterson clarified the levy does not give Anoka the ability to bond but requests the County to bond then shared the statute that expires this year and its request for renewal through bipartisan support and Representative Norris' support of the bill which will be heard next week.

12.2 Tentative Agenda(s).

The Council reviewed the tentative agendas of the upcoming Council meetings.

12.3 Staff and Council Input.

Mr. Nelson shared about tree cutting that will begin on March 20 for the King's Island parking lot project in conjunction with Anoka County and the Ramsey gateway project, adding the project will be paid for by Anoka County.

Councilmember Weaver expressed concerns with Cutter Grove Avenue's maintenance. Mr. Anderson said staff worked last week to grade the street but blew a tire which delayed the work but has now been repaired.

Councilmember Weaver expressed concerns with the condition of Harrison Street and asked if MSA funding can be used to mill and overlay it now as it was in very poor condition. Mr. Nelson said the street was budgeted for mill and overlay in 2024 but will check to see if it can be included yet this year.

Councilmember Skogquist asked about the grocery store proposal and direction if Council wants this to forward again. Mr. Borglund said staff was working through the process of developing the east-west road as quickly as possible but noted this will be a very expensive road. He said staff was informed by Patrick Daly that Ryan Companies felt this was a public road and not just for the commercial development and were no longer wanting to pay for Anoka's share of the signalized intersection at 7th Avenue as they felt there was a greater benefit to the public and not just Ryan Companies. He noted the total for the signal would be \$760,000.

Mayor Rice asked if we could estimate traffic counts for a grocery store weighed against residents' trips with two access points for possible proration of costs. Councilmember Weaver said it might not be wise to have potential negotiations discussions occur at a Council meeting and suggested the Council be patient with the process.

Mr. Lee shared Ryan Companies is not withdrawing their proposal but has shared their position. He noted costs are escalating and they did not want public water included on their site so a drain will be added as well as a northerly pond and irrigation for landscaping. He said a bump out will be needed to accommodate the regular parking of a truck for grease trap cleanout which is also driving up costs but that staff should have costs later this week.

Councilmember Skogquist shared concerns about the developer withdrawing their proposal and asked when final plat actions were scheduled. Mr. Borglund said final plat was scheduled for the March 20 Council meeting.

Mr. Lee shared there are enough end user concerns about the public road requirement that the project has been moved from their project manager and brought to the grocer's board for review and position.

Councilmember Weaver shared his support for Anoka.

ADJOURNMENT

Councilmember Wesp made a motion to adjourn the Regular Council meeting. Councilmember Skogquist seconded the motion.

Vote taken. All ayes. Motion carried.

Time of adjournment: 10:46 p.m.

Submitted by: Cathy Sorensen, *TimeSaver Off Site Secretarial, Inc.*

Approval Attestation:

Amy T. Oehlers, City Clerk