



Regular City Council Meeting Minutes
City Hall Council Chambers, 2660 Civic Center Drive
Monday, August 24, 2020

Pursuant to Minn. Stat. 13.D.021, City Council members, City Staff, and members of the public participated in this meeting electronically due to the COVID-19 pandemic.

1. Roll Call

Mayor Roe called the meeting to order at approximately 6:40 p.m. Voting and Seating Order: Willmus, Laliberte, Groff, Etten, and Roe. City Manager Patrick Trudgeon and City Attorney Mark Gaughan were also present.

2. Pledge of Allegiance

3. Approve Agenda

Councilmember Willmus requested removal of Item 9C (Approve Amended Joint Powers Agreement with North Suburban Communications Commission) for separate consideration.

Willmus moved, Groff seconded, approval of the agenda as amended.

Roll Call

Ayes: Willmus, Laliberte, Groff, Etten, and Roe.

Nays: None.

4. Public Comment

Mayor Roe called for public comment by members of the audience on any non-agenda items. No one indicated a desire to speak.

5. Recognitions, Donations, and Communications

a. Hispanic Heritage Month Proclamation

Mayor Roe read the Hispanic Heritage Month Proclamation.

Etten moved, Laliberte seconded, proclaiming September 15, 2020 to October 15, 2020 Hispanic Heritage Month.

Roll Call

Ayes: Willmus, Laliberte, Groff, Etten, and Roe.

Nays: None.

b. Constitution Week Proclamation

Mayor Roe read the Constitution Week Proclamation.

Groff moved, Etten seconded, proclaiming September 17-23, 2020 Constitution Week.

Roll Call

Ayes: Willmus, Laliberte, Groff, Etten, and Roe.

Nays: None.

c. Recognition of Police Chief Rick Mathwig

Mayor Roe indicated Police Chief Rick Mathwig will be retiring from the Roseville Police Department after serving the community for over 30 years. He recognized and thanked Chief Mathwig for his service.

City Manager Trudgeon made note of Chief Mathwig's service to the city and thanked him for being the Chief for the past 10 years.

Mr. Jim Faulconbridge, Chairman of the Roseville Police Foundation, expressed his thanks to Chief Mathwig for his years of service. He reviewed some of the work that Chief Mathwig performed along with the groups that Chief Mathwig helped create. He noted he was in full support of Deputy Chief Scheider as Chief.

Mayor Roe offered an opportunity for public comment with no one indicating a desire to speak.

Willmus moved, Laliberte seconded, adoption of Resolution No. 11735 entitled, "Resolution Commending Chief Rick Mathwig for His Dedicated Service to the City of Roseville as Police Chief."

Councilmember Willmus stated Mr. Trudgeon's lead-in really summed up his thoughts with respect to the leadership the City has been a beneficiary of from Chief Mathwig for all of these years. He appreciated his service to the community along with his leadership, getting out of what people would perceive as a comfort zone, and looking to doing things in a different way, to engage the community in ways that other communities are just now starting to do.

Councilmember Laliberte acknowledged and appreciated the lead-in comments from Mr. Trudgeon because he said it very well. She was also appreciative of the Chief's leadership, not only within the City of Roseville but also in the greater region and State. She knew that a lot of times others reach out to the Chief and as a representative of Roseville, she is always proud to hear of the input he shares. She also appreciated the efforts that he has made to diversify the workforce and to support the City's efforts to have more community involvement, whether it is with new immigrants and/or the neighborhood watch program. She is also appreciative of his past leadership and transparency.

Councilmember Etten reiterated what is in the resolution and comments from the City Manager and other people. He explained the Chief has led major changes to how the City's Police Department operates and also that those changes have helped the whole city change. One thing he has not heard but goes with his work in Roseville is to get a community advocate position for NE Youth and Family Services to help follow through with families or individuals in crisis after their crisis moment and ensuring that people are getting what is needed from various organizations. He appreciated his work and the work of the entire Police Department under his command.

Councilmember Groff agreed with all the comments and thanked the Chief for his many years of service in Roseville, noting the Chief has led the City in many changes. He has set a good foundation and a base for things that the City can start working from.

Mayor Roe indicated that when he met with the Chief in person along with former City Manager Malinen after the shooting in Ferguson, MO one of the things he and the Chief talked quite frankly about is communication with the public in those situations, how the City can learn from some of the mistakes made at that time, and how that can influence policies going forward. He indicated the Chief was very receptive to that and understood where he was coming from. He explained what has really impressed him over the years is that Chief Mathwig really cares deeply about his officers and their families and works very hard to be sure of the health of those individuals when there are mental health issues and the like. He also thought the Chief had done excellent work with outreach and connecting with officers and their families, especially new hires, in helping to mentor them into that service. He stated the other piece that stands out is that he has very strong commitment and personal involvement in a lot of the initiatives the city has taken. He has been at numerous Rice/Larpenteur meetings representing Roseville and the Police Department as the Chief, which said a lot about his character and leadership.

Roll Call

Ayes: Willmus, Laliberte, Groff, Etten, and Roe.

Nays: None.

Chief Rick Mathwig thanked the Mayor and City staff for drafting the Resolution. He also appreciated all of the kind comments that were given to him. He explained it has been a long time in this industry and it is time to move on. He indicated the Department is in great shape as it goes forward. He noted as he was cleaning out his office, he found the original photo and had it shredded. He appreciated the support of the community, the Council, City Staff, and looked forward to the great future of the Roseville Police Department under Chief Scheider. He thought she would do a great job. He thanked the Mayor and members of Council.

Mayor Roe thanked the Chief and added to the appreciation of his service, certainly the effort he has undertaken to develop incoming Chief Scheider as a great candidate to replace him, and he expects good things from her as well. He stated the Chief set a high bar but also set somebody on the path to success to achieve that. He thanked the Chief for his service to the community and looked forward to seeing him outside of the role of Chief whenever the opportunity presents itself.

6. Items Removed from Consent Agenda

a. Approve Amended Joint Powers Agreement with North Suburban Communications Commission

At the request of Councilmember Willmus, City Manager Trudgeon briefly highlighted this item as detailed in the Request for Council Action and related attachments dated August 24, 2020.

Councilmember Willmus indicated he will be supporting the Resolution but did have some concerns with not only the existing model with which CTV uses but this model as well. At some point, he wants to learn more about what their forecast revenue expense models look like by jumping to a system where there is non-contiguous connection with the various communities. He asked if there will be significant increases in infrastructure costs or transportation costs. Those are things he would want to know more about. He believed this was a direct tie-in with some of the conversations that need to be discussed as a community with respect to communication. He thought those two things go together and he looked forward to more in-depth conversation at a later date.

Mayor Roe explained it was absolutely true that the costs associated with dealing a non-contiguous city would be something to look at. There would obviously be revenues coming in as a member city as well. He can say that currently the organization provides many of the same services that are provided to the member cities to some non-contiguous cities as not members but, rather, just on an ala-carte basis, paying a higher rate than others would pay. He noted similar services are done as far as meeting production for Maplewood and a couple of other cities as well, outside of member cities.

Groff moved, Etten seconded, approval of the amended NSCC joint powers agreement.

Roll Call

Ayes: Willmus, Laliberte, Groff, Etten, and Roe.

Nays: None.

7. Business Items

a. Receive Update on COVID-19 and Impact on City Operations

Assistant Fire Chief Dave Brosnahan updated the Council on Emergency Preparedness and Public Safety the Fire Department has engaged in during COVID-19.

City Manager Trudgeon updated the city Council on COVID-19 Impact on City Operations, and inquired with councilmembers about continuing to hold meetings virtually going into September.

Councilmember Willmus thought the City should be keeping people safe and similar to his comments from the last time, he did not know if the City has seen a significant change that minimizes the risk of large gatherings. He thought it was prudent for them to continue on the path that has been taken.

Councilmember Groff agreed on keeping the meetings virtual as currently being conducted. He knew the meetings were a little clumsy, but the City is still doing business.

Councilmember Laliberte concurred and noted that no one is having in person meetings in other facets of her life so she did not think this was an outlier. It does appear to her that there has been quite a bit of engagement while meeting virtually.

Councilmember Etten agreed with the comments stated so far.

Mayor Roe concurred and thought it was clear that there has not been any change from the Governor to reopen anything which he thought was a sign to stay virtual for the time being.

b. Discussion Regarding the Regulation of Short-Term Rentals

Building Official Dave Englund summarized the request as detailed in the Request for Council Action dated August 24, 2020.

Mayor Roe noted there were a couple of contextual things he wanted to add to the staff report. Having done a fair amount of research on this topic, as Mr. Englund stated, this is focused primarily on some of the short-term rental aspect which, as staff outlined, is being regulated through the City's rental registration program for homes between one and four units. This was originally set up for longer-term rentals and what everyone had in mind at the time. He indicated in looking at the City's Zoning Code there is actually a use defined as a B&B in the Zoning Code as a residential use and that is defined basically as providing lodging in a single-family home that is owner occupied. That is a conditional use in the City. Mayor Roe stated in conversing with staff, nobody has applied for a conditional use approval for that and it is not something staff has initiated consideration of as these uses have come forward. Right now, in the regulations, the City theoretically has the ability to approve these as conditional uses as long as these are owner occupied under the current language. The other piece of it is the conditional use goes with the land and is basically an approval that goes on beyond a particular ownership of a property which is an interesting way of categorizing it. Mayor Roe suggested that moving

forward, the Council might want to make changes to how that is written in the Zoning Code.

Mayor Roe explained in the current single-family rental ordinance there is a limit of no more than four non-related adults, or a family as defined in that ordinance can rent or occupy a rental facility. There are some limits to the number of individuals who can stay at that particular institution if regulated. He added that there is no real way to regulate the Event Center type of use that is a concern to some of the residents in the community. The Council may want to look at whether that is something to regulate through some of their other means or a zoning use definition and a prohibition in certain districts.

Councilmember Willmus thought what Mayor Roe was getting at is there may be a couple of tools scattered throughout the toolbox that perhaps could be cleaned up and brought together. He thought it was important to look at other cities that have dealt with this issue because certainly other communities have, and other communities have developed regulations specific to short-term rentals. He thought the City could do well to start there. The big thing that he has heard from people is the concern with large gatherings at these venues, being used as for commercial venues, and all of the issues that come along with that such as late nights, early mornings, cars parked all over, and litter throughout the neighborhoods. He thought this was something the City needed to take some proactive steps on sooner than later. With respect to a conditional use approach, he would be adamantly opposed to that and it is certainly not something he would like to see established within these various neighborhoods from now into perpetuity. He thought the City needed to take a step forward, be a little more proactive, and bring something back fairly soon.

Councilmember Etten agreed. The big thing he is hearing is the impact this can have in single-family neighborhoods and the difference from someone doing a VRBO or Airbnb if in Fort Meyers, Florida or a cabin in northern Minnesota. The impacts are different in the city and he thought that needed to be taken into consideration. Staff did research around regulations and did not find a lot in the Twin Cities area. He would like to look at a max capacity and maybe at the number of bedrooms, a total max capacity that is reflective of the single-family neighborhoods. As the Council thinks about a definition, he was cautious looking at the greatest number of what they are thinking of as short-term rentals that staff has indicated. He thought there needed to be consideration about a person renting a room from a homeowner which is actually freeing up more space in the City for others to rent. As the Council and staff creates code, a new problem should not be created because of it. He wanted the Council to be thoughtful on how short-term rental is defined if separated out, which he thought might be worthwhile.

Councilmember Laliberte agreed with Councilmembers Willmus and Etten's thoughts. She was also very much opposed to the conditional use as it does not make sense to her. She also concurred that Roseville is not typical of a vacation

area and the interpretation and how these short-term rentals are being used in this way is something the Council needs to address sooner rather than later. She was hoping the Council can attack this in a couple of stages. She also thought it was important for them to look at how this is transitional housing or affordable housing and if the Council is not able to find perfect instances to model with either within first ring suburbs or the major metropolitan neighbors. She thought the Council could be creative as well in coming up with some concepts that work for the City and the residents. What is happening is not okay and the City needs to be cautious about unintended consequences by whatever the Council does.

Councilmember Groff echoed a lot of the comments. One thing he did think has happened is with COVID, these venues are being used in different ways than a year ago. He thought there were a lot more gatherings, which became more of a problem this year than in typical times. He did sympathize with the residents around these places.

Councilmember Groff asked to think about some things while working on this. One item is when a house is sold, sometimes there is what is called a rent back agreement from the seller for a certain number of days or weeks from the purchaser. He wanted staff to think about how that would be affected and needed to be addressed. The other thing to look at is the number of people at the home, which should be handled equally with everyone in the city. Sometimes people rent these houses in order to get together with family that live in the area.

Councilmember Laliberte indicated this is probably going to come down to enforcement and staff will also need to figure out if there are other models of how whatever is put in place can be enforced because it is not helpful to enforce it a week after a complaint comes in. It has to be dealt with at the time and with that owner being responsible for the property.

Mayor Roe stated that was something he was thinking about as well. There are two parts to the enforcement, one is the enforcement related to the specific nuisance activity that is ongoing at the immediate time and the second is how to hold the responsible parties responsible. The owner needs to be held responsible and that is where you look at possible revocation of a license.

Councilmember Etten agreed on the discussion around enforcement. He thought the City needed to find that middle ground where people actually feel they are being good neighbors.

Councilmember Laliberte wanted to add the mechanism that the City can also think about, which is the ratings and reviews. Often times when posting properties on these sites, there is reliance on a good rating for their property or that the user has a good rating or review for their use of other properties. If there is also, through the enforcement, complaints against either the person using the property or those

hosting of the property, if there is repeat abuse, the City should be able to leave a negative review or rating on either one of those parties.

Councilmember Groff thought events were one thing that the Council needs to focus on and should probably not be allowed in a residential area.

Mayor Roe offered an opportunity for public comment.

Public Comment

Tracy Moore, McCarrons Boulevard North

Ms. Moore thanked Councilmember Etten for responding to their email. In this issue, she did some research on it and these VRBO were first intended to be supplemental income for people who live in the home, but they have become businesses. She thought that was part of the problem. As far as what Councilmember Willmus said about looking at other cities and states that are vacation locations and have much more experience with these types of places, they are back peddling now because of citizen complaints, violence, shootings, and illegal behavior. She was glad the Council wanted to look at other cities with these types of rentals. She stated her experience with this in a short time because one near where she lives just opened recently, there has been public exposure, boat safety was ignored, many people were partying, and the area did not feel safe. The rental was loud and intrusive. She was not sure how this owner can advertise "up to 12" because that is not the regulation. She had looked that up as well to see what other cities are doing and noticed it is difficult to control because parties are allowed. She agreed that neighbors are going to have to start reporting disturbances and pay attention to this because there are a lot of loopholes. She wanted to make sure the City had some tough regulations and ways to enforce it.

Frank and Mary Beth Hess, Shady Beach Avenue

Mr. and Ms. Hess explained the experience they have had with short-term rentals has been very negative. Ms. Hess stated they live next to an Airbnb; it does not have huge groups like the other part of McCarron's Lake, but it is just the unknown. Every day there are different renters it seems, and the question is who these renters are going to be? Are they felons, are they sex offenders? They are never sure. She indicated her family has experienced vulgarity, illegal drug use, a bachelorette party, and a wedding to name a few. She noted this is happening five feet from their house. They have always lived in a lovely residential area, and now its like living next to a resort. The owners of the house have given the renters their blessing to invite other people to the house. It is not only the six people that are renting but sometimes larger groups are there. Her understanding is that in Roseville it is supposed to be four non-family members and the advertising for next door is six renters and the other two homes are twelve. All of a sudden within two blocks, there are three short-term rental houses. There are many cities now that are restricting things.

Mr. Hess explained he has lived in this area for over sixty years, values the area, and really appreciates the beauty of it. Lately, he feels like opportunists are buying up lake shore to make money. He thought that would be a problem of inflating property values, making long-term rentals less lucrative, and a shortage of long-term rentals if the city has more short-term rentals. He did not think the opportunists really cared about the neighborhood because they do not live in the area.

Ms. Barbara Garn

Ms. Garn indicated she was at the meeting to talk about the big picture and strategic approach, but her concerns were prompted by what happened on Lake McCarrons. The person that was referred to who was prompted to delist their VRBO, did not engage with the community at all. She urged the Council to look at the actions versus the words that someone is supporting the community. She was really excited the Council was going to define this because it seems to her that pretending to home share are nice words, but this is not someone coming to visit the person. She was a little concerned about the financial impact on the City if the City is dealing with these issues by leveraging the police. She wants the people causing the police to be involved to help pay their salaries. She was a little concerned because Airbnb has a lot of attorneys and have a lot of money. Airbnb is the second most successful startup after Uber, so she wanted to make sure the City is prepared. She thought being proactive was a really good idea and moving quickly. Her final concern is she knows the City has a housing shortage, but she did not feel this was helping the people of Roseville get into houses.

Kathy Eggers, Lake McCarrons

Ms. Eggers indicated she had similar concerns as other speakers. She was concerned that Lake McCarrons will turn into another Lake Minnetonka the way this summer has been going. The property is advertised at \$1,000 a night with a minimum of a three-night stay, which is clearly not something that is geared towards a small family to have a small vacation. This is clearly geared towards twelve people sharing a rental for three days. Her understanding is that Airbnb will take postings down that are in violation with city regulations. She thought Airbnb had banned social parties to take place site wide and that just happened two to three days ago, in response to parties getting out of hand and people renting the properties and inviting hundreds of people. She also wanted to stress that St. Paul has not only banned commercial parties but social events as well and thought that was important to consider.

Darrell Baggenstoss, Shady Beach Avenue

Mr. Baggenstoss explained there is an Airbnb next door to him with another one across the street. These properties appear to be managed differently but both have a negative impact on the quality of life. Both properties were bought by the owners to immediately turn into an Airbnb. Across the lake on South McCarrons, there is a party house. This house has been listed for twelve or more people and was even listed as a party place with a ton of guests being allowed and this has attracted a

party crowd. The residents have dealt with music playing all day long with shouting, screaming, and profanity at all hours of the day. The guests staying there are on vacation and the party starts when they arrive, does not stop until they leave, and does not stop for days. These renters do not care about the quality of the neighborhood, the lake, or the natural resources. The property right next to him has a different vibe but still has concerns. There have been days of nonstop marijuana smoking by a group of renters, and a smoldering bonfire that lasted for fourteen hours. There were four people in the water talking lewdly about sex acts while his family and niece and nephew were over. There was also a couple in the lake having sex next to his family that same day. There has been drinking in the middle of the day as soon as guest arrive and even people entering his yard or creeping close to their dock which is also concerning to his family. He indicated his family is not opposed to people having fun or having people over but an Airbnb on a lake invites the idea of a nonstop party atmosphere.

Mr. Baggenstoss indicated the current pandemic magnifies their concerns. These are service-industry businesses in residential-zoned neighborhoods. He explained his family would seriously recommend Roseville consider strong regulations or an outright ban on short-term rentals in residential neighborhoods.

Renee Pardello

Ms. Pardello thanked the Council for all of their time and effort. One of the reasons why she loved living in Roseville is that it is based on caring for one another, caring for the environment, caring for our collective future, and having a socio-economic system that does that. If the Council were to look at the work that has been done with the Center for Partnership Studies, it really is about this idea of partnerism. When adding in the component of a party house, it is going to move the city away from having this caring society. She strongly encouraged the Council to create strong regulations that focus on the fact that the residents want to have a socio-economic system that truly values and rewards caring for one another, caring for the environment, and caring for the collective future.

Chris Sluece, North McCarrons Boulevard

Mr. Sluece thanked the Council for hearing all of the concerns. He echoed a lot of the concerns heard about the houses on Lake McCarrons. He noted he lives on the other side of the lake and has witnessed these issues. Looking at St. Paul's requirements, it listed maximum number for occupancy based on unrelated family members with a grid and a maximum of two different families. He liked that idea because it does limit based on occupancy.

Pattie Garger

Ms. Garger indicated her family is coming at this from a different perspective. They have been hosting an Airbnb on Gluek Lane for over two years and are having a different experience as being hosts. A lot of the issues that their neighbors are raising have become more of a discriminatory issue. COVID has had an impact on

everything, changed a lot of the Airbnbs they have had recently, and has certainly changed the demographic of the people renting their house. She indicated they have a seven bedroom home off Fairview and County Road B2 and it sits on an acre and a half. This is a large yard with a big backyard and a lot of bedrooms. They have been encouraged by their neighbors to be more selective in discriminating and who they allow to rent the house because of the demographic that has been renting. She indicated her family has six children and nine grandchildren so when there is a get together at their house, there is a lot of noise, activity, and cars. Other neighbors have large parties and get together and use her driveway to park their cars; however, when they have had certain demographics renting their houses now, the neighbors have been calling. She explained one of the renters did have a large get together with a lot of people in which they did not know. She explained they have gone over to the house to try to disperse the crowds during that rental stay and actually asked for police intervention to help get the house cleared out. The police are not willing to help them remove the riffraff from the house. She indicated they are also trying to check in with the neighbors and the more information they are giving their neighbors about who is using the house, the more pressure they are putting on them to not let those people rent their house. It has gotten to the point where the neighbors are calling the police on everything that happens. The neighbors have also started harassing the guests when they come over and try to screen the guests themselves. She wanted to let the Council know their side and would like to be a part of a task force. She noted up until the pandemic, they had great success with their Airbnb and had a lot of happy renters who come back time and time again.

Mr. Garger reviewed some of the things they have done to get good renters who do not cause problems.

Eric Carrera

Mr. Carrera stated he is one of the rental owners and if there are any disturbance his family does live in the neighborhood. He apologized for the problems and stated he did take down the rental site. He explained he rents in St. Paul as well and has had only one negative issue with that. He noted his family are now residents of Roseville and own restaurants as well. They rely on the rental income to pay the mortgage so the restaurants can work to pay the staff and not their mortgage. He knows there are not huge parties at the rental home on McCarrons Lake. He noted there are people on the lake that think his property is a public access. There are positives to this and things that can help them. He encouraged the City to look for the positives.

The City also received emails from Kathy Ramundt, and Sarah Anderson regarding this item.

Mayor Roe stated he appreciated all of the residents' comments as well as the owner's comments for that perspective. He thought the notion of a task force made

a lot of sense but turned thoughts over to the Council. He noted the current one- to four-unit rental ordinance for registration does limit occupancy to either up to four individuals that are not related to each other or one family, which is a smaller number than some of the larger homes in Roseville. He felt the City was already restrictive in that sense.

Councilmember Willmus appreciated all that have spoken. With respect to the comments of a task force, he was not sure this was something that a task force would lend itself well to. He thought the Council had heard from a significant number of people in the community that are impacted by some of the ongoing events at these properties and it was up to the Council to be proactive and take some action as other communities have done. Part of that comes from an aspect of being able to provide some relief to the neighborhoods sooner than later. He thought it was upon the Council to take this and move with it sooner than later.

Mayor Roe indicated this certainly does not have to be a task force, as there are ways the City can get stakeholders involved.

Councilmember Etten was not sure this was a task force type of situation, but Council has heard from lots of people in the community as well as by email and telephone. He would look to move this forward and appreciated checking back in with the property owners and rental owners and working with all of the voices but he did not think the City needed to take time to set up a task force.

Councilmember Laliberte concurred that a lot of suggestions, cautions, and comments were shared. She thought it would be helpful to pull some of that together and continue to reach out and look at what others have done to be proactive. She supported addressing this sooner than later. She was all for engagement but if that engagement could be a part of work sessions along with the Council, it would help to move things forward.

Councilmember Groff reiterated and would like to see what the range of options would be to solve some of these problems for both sides. He certainly sympathized with the neighbors and that their neighborhood is being changed. But he also has to realize that people have purchased these homes, especially the restaurant owners, and to take away the income the owners have been expecting from the rental has to gradually be brought into the picture as well. He thought there needed to be some options and time to look at this thoroughly.

Councilmember Willmus did not think the City would be looking at outright prohibition, he thought the City was looking at some common-sense regulations that play in. He encouraged staff to come forward with a draft ordinance that the Council can look at. He would like to have something that people can look at and react to, along with himself and go forward in that way.

Mayor Roe thought it was pretty clear that the City needs to take action to eliminate Bed and Breakfast as a conditional use in the Zoning Code. He felt that a conditional use does not seem like an appropriate approval process for this type of use. He also thought the existing rental ordinance related to registration of one to four units could be built on. He noted staff was looking at the number of people allowed for gatherings which is separate from the occupancy portion of this. He asked if there were any other thoughts or to have staff bring something forward.

Councilmember Willmus indicated he would be curious to see what staff brings forward. He thought everything, at this point, is on the table and he would like staff to start with what has been seen out of St. Paul, tailor that to Roseville, and go from there.

Mayor Roe explained one of the appealing aspects of the conditional use process is the outreach to neighbors before approval. He noted a few neighbors indicated they would like to be a part of the outreach and approval process. He did not know if the Council wanted to go in that direction, but knew the City had looked at that for some other types of uses or licenses.

Councilmember Laliberte indicated she made a note about a notification process and thought that was something that would need to be figured out logistically and how that would come into play. The other thing she wanted to add is that there have been conversations about some expectation of it being a primary residence. She did not know where that can go but for Roseville to be viewed as a place where people can literally buy properties for this business purpose and intent is something the Council needs to discuss and think about.

Councilmember Etten agreed with the question on how the City can enforce this. He thought putting a max cap on people renting would help because these houses are in neighborhoods. He would be interested in looking at what a notification system is. He would also agree with a lot of Councilmember Willmus' thoughts.

Ms. Gundlach indicated she and Mr. Englund will get together, come up with some language based on discussion, and bring it back for further Council review.

- c. **Consider Adopting an Ordinance Cancelling Planned Unit Development #3608 and #15-018 Affecting Portions of Rosedale Center (PF20-019)**
City Planner Thomas Paschke briefly highlighted this item as detailed in the Request For Council Action and related attachments dated August 24, 2020.

Councilmember Willmus indicated his only question centers around the transportation hub. In the narrative it indicates that the two parties are working together to formulate something coming forward and it seems to him that this puts Rosedale Center in a little bit of a precarious situation when it comes to negotiating what the terms of that might be with the Metropolitan Council. He explained he certainly

has some concerns with that. In essence, the City is saying the PUD will not be cancelled unless something is worked out with Metro Transit or keep in place what is there. He has concerns with that. He wondered when the transit center came to be in terms of timeframe, and has there been any conversations with Met Council about an expanded use of the park and ride that they constructed a few years ago along County Road C and Cleveland area.

Mr. Paschke explained staff is not saying there needs to be an agreement made in order to cancel the PUD. This is a separate and distinct agreement between the two entities, the City is not a part of that. Staff just wants an acknowledgement that there is an agreement in place and will stay that way until such time that it changes. He indicated the transit hub has been around a long time.

Councilmember Willmus indicated Mr. Paschke has noted that the City is not a party to this, not putting it forward, and these are two separate entities, yet this is a condition of cancelling the PUD. He wondered how the City is not in the mix.

Mr. Paschke indicated he did not know if staff is stating in the condition that these entities have to do something. Staff is stating there is an acknowledgement that the agreement moves forward and continues to work together in good faith.

Councilmember Willmus explained the City is asking that the applicant acknowledges the current transit hub agreement will remain in full force and affect unless those entities come to additional terms. The City is stating that the entities have to do "X" and that is the issue he has with this. There is a PUD that is outdated and useless at this point and the City is saying the PUD will not be cancelled unless the entities come to some separate terms of agreement related to the transit hub that the City does not have anything to do with.

Mayor Roe asked if it would be fair to say that Councilmember Willmus' point of view is that it would be preferable to cancel the PUD without that condition.

Councilmember Willmus indicated that was correct.

Ms. Gundlach stated staff does not have a problem if the Council wishes to remove that because it really is not a condition. She thought when the applicant originally approached the City about cancelling the PUDs, staff scoured the PUDs to see if there were any conditions in them that need to survive. These PUDs read more like development contracts whereas normally PUDs have distinctly different zoning regulations that trump the underlying development. In this case, that does not happen but there was a transit hub agreement in the second PUD. All this "condition" is aiming to do is to state all the parties recognize that this agreement stands on its own whether or not the PUD exists. JLL has not been opposed to that language; the applicant fundamentally agrees that the transit hub needs to be there.

Councilmember Laliberte thought the wording could state that the City acknowledges the agreement exists without all of the added verbiage.

Ms. Gundlach agreed.

Councilmember Etten understood Councilmember Willmus' point that he does not want to force that negotiation away with the City becoming over involved in a separate party. He thought the City has to have a benefit in having that transit hub. He still thought there were public benefits to that and appreciates that JLL has stated this is important along with Metro Transit approval. He did not think it mattered if this was in the paperwork or not, but he wanted to note there is public importance for having transit available at the mall.

Councilmember Willmus agreed with Councilmember Etten's comments and thought everyone concurred the transit hub is important to that mall and to those that depend on ridership. The issue he has is that there is an acknowledgement that this is not a condition, yet the City is referring to it as a condition. He would like staff to clean that up a bit so the City is not in the middle of something down the road that originally was not intended.

Councilmember Groff agreed the wording should be cleaned up; however, he thought it was very important the City state that this transit outlet is very important to the city. It would be a disaster for the transportation system in Roseville if this were removed from the city.

Mayor Roe thought because the cancellation is in the form of an ordinance, certainly the language as a condition right now is troubling. He thought if the City wanted to simply state an acknowledgement of the existence of that agreement, which was called out as a requirement in one of the PUDs that is being cancelled, wording needs to state that by cancelling the PUD. It does not cancel that agreement and might be a way to handle this.

Ms. Gundlach explained she would be willing to revise Section Two of the Ordinance with the following changes: "subject to the following condition..." and everything after would be stricken. Section Two would end by stating "...for Rosedale Center is hereby cancelled." A fifth bullet point could then be added under Section One, referring to the PUD cancellation findings. The fifth bullet point could say "there is acknowledgement that the current transit hub agreement survives the PUD cancellation."

City Attorney Gaughan explained rather than stating there is an acknowledgement, it simple could state "this PUD cancellation has no impact on the enforceability of the transit hub agreement."

Mayor Roe and the Council concurred.

Mayor Roe offered an opportunity for public comment with no one coming forward.

Etten moved, Willmus seconded, enactment of Ordinance No. 1587 entitled, "An Ordinance Cancelling Two Planned Unit Development Agreements Regulating Development at Rosedale Center", including the fifth bullet point as articulated by the City Attorney and Ms. Gundlach.

Roll Call

Ayes: Willmus, Laliberte, Groff, Etten, and Roe.

Nays: None

d. Consider Next Steps Regarding Marion Street/The Brittany's Rental License Revocation.

Community Development Director Janice Gundlach briefly highlighted this item as detailed in the Request For Council Action and related attachments dated August 24, 2020.

Councilmember Etten indicated as the problem with the roofs have come up, he wondered if it is fair to say that staff has grown more concerned about the roofs in the sense of ongoing problems coming up.

Ms. Gundlach explained that inspection staff can speak in much more detail about this, but she thought the statement of Councilmember Etten was true. The more time spent in the units and the more inspection staff observes violations, the more staff is concerned about damage on the roofs and long-term water damage being caused on the interior of the units. She noted when a problem arises, there is not a fix, it is just patched or covered up. The City does not see that as a long-term solution to a growing problem. Staff feels that needs to be tackled now that there is an opportunity to look at it.

Mayor Roe stated one of the things in the materials from the management company was requesting a sixty-day time frame to not take any action. He wondered what staff thought about that time frame and what could be accomplished.

Ms. Gundlach stated staff is very impressed with Core Living as they have the capabilities to do what needs to be done if the ownership provides them with the resources to do it. That is why staff asked to look at the operating budget and to gain more understanding on how that was going to work. She was not sure Core Living will be able to fix everything in sixty days, but a lot of work can be done in that timeframe if given the resources to do the work. City Manager Trudgeon, the Attorney, and staff talked about this and if the Council wishes to give more time for them to show the City that they will do what was indicated, staff would not be opposed.

City Attorney Gaughan explained staff's request tonight is to grant permission to initiate a legal action, if in staff's determination that only through legal action is the City going to be able to accomplish what needs to be accomplished. Staff has discussed the fact that the City will not be able to make that determination definitively, or as close to definitively as possible, until staff has more transparency, more information from Core Living and the property owner. The City has every intention of interacting with those entities in the very near term but at the same time the City is nine to ten months into this process and needs to be prepared to act as nimbly and expeditiously as possible if the City is able to determine only through a court action can things be accomplished. This offer of a sixty-day period, to the extent, it seeks an opportunity for staff to confer with Core Living and its property owners as appropriate. However, studying a timeframe out that far before the City can take action goes too far because the City does need to act once it sees that court action is necessary. The middle ground that staff is asking for is permission to take legal action once it is determined that the party is not able to accomplish everything that is needed.

Mayor Roe thought that was what the City was getting at because he did not know if the owner and Core Living will be able to get all of the work done for repairs or improvements necessarily because there is a lot to do. It does make sense parallel to what the City has done with some of the abatement, nuisance code issues. He noted staff needed the ability to get in and inspect a significant number of units and also a list of things that needed to get done, the budget needed to do it, and if that could be accomplished in thirty days. Then the City could have a time limit of thirty days. If staff and the owners and managers feel there needs to be more time, he would like to hear about that but did not want to extend it out any longer than needed.

Councilmember Willmus agreed with Mayor Roe and thought a sixty-day window was incredibly gracious. He stated the City needed to keep this moving and see some action sooner than later. He thought some of the steps the Mayor noted are certainly doable within that thirty-day window. He felt sixty days puts things too far out.

Councilmember Etten thought in this timeframe there needed to be a workplan submitted and a budget that is tied to that workplan. When looking at the investments proposed by Aeon, that would be a fantastic turn of events from his perspective because of their excellent work in other parts of Roseville and the Twin Cities.

Councilmember Groff asked if the City delays thirty days, are there any difficulties with timelines that come up with the process being proposed.

City Attorney Gaughan indicated there are no specific timelines or deadlines in place right now. His reaction on this issue, however, thirty or sixty days is whenever there is discussion about deadlines like that, will all be arbitrary. This is why his recommendation is that the Council simply delegate the authority to staff filing a petition once staff deems it would be necessary. There will not be anything magical that happens at the thirty or sixty-day mark. It is going to be the quality of information exchanged between the parties, which should not take that long.

Councilmember Groff thought the City would be using this as an incentive to get the repairs done more quickly.

City Attorney Gaughan explained what the City would accomplish with a court proceeding, the purpose of that would be to have the court appoint a professional property manager to collect the rent that is coming in and use the funds to fix up the property. That is basically the purpose of the legal proceedings.

Councilmember Laliberte concurred with much of what her colleagues have said but she also felt strongly about making sure staff has this ability to move forward if deemed necessary. Her engagement on this felt like it has been going on forever. She thought thirty days or sixty days was unacceptable because those are the living conditions of tenants day in and out. Until there is money in an account for work to be done, this is all promises on paper.

Mayor Roe noted that the one consideration he has here is knowing that Core Living has just come on board. He does not want to be in a position to say the Council is authorizing this subject to staff being able to take the legal action path without some reasonable amount of time for Core Living to try to work on things to satisfy staff.

Councilmember Laliberte trusted staff to follow this through and was hopeful that Core Living will be able to execute everything that needs to take place, have the resources to do that, and staff will see that it is able to be accomplished.

Councilmember Groff agreed with Councilmember Laliberte on this issue and trusted staff to make the right decision on this. He felt the City and staff have been very patient on this issue. He understood that Core Living has only been on for one week, but the City asked for this many months ago and the owners are finally moving forward. He was satisfied that staff would follow up and be able to handle this issue without having to address the Council again in another month for approval. He indicated this also involves the tenants and felt the tenants have lived with these conditions long enough, the City has been patient with this situation, and he would prefer taking the action that staff is recommending.

Mayor Roe asked if the property manager would like to address the Council.

Mr. Todd Eatmon, Core Living addressed the City Council with a presentation.

Councilmember Laliberte thank Mr. Eatmon for the presentation. She felt reassured that Core Living is a great company and things seem to be moving quickly so hopefully as staff continues to work with his company, things will continue to move forward as everyone hopes it will. She asked what resources Core Living has among its staff in working with non-English speaking tenants.

Mr. Eatmon explained a translation company works with Core Living to communicate with the tenants.

Mayor Roe offered an opportunity for public comment.

Public Comment

Justice Lindell, Eagan resident and attorney working with the owners, G&G Management

Mr. Lindell explained one of the things in putting together a timeline for the City Council, the owners are asking the City to table the issue for sixty days. The reason is due to the quality of information and communication. In going through the background presentation that was given to the Council, there were so many things that jumped out, statements about focus being on two to three buildings only, which that is not correct. So far, six of the buildings have been inspected since November 2019 and six passed without any life safety violations. Some had minor violations that were immediately fixed. That is six of the twelve properties that have been inspected and have done very well. There is discussion about having been in only a few of the units, not being asked to inspect more, and he did not think that was accurate. It was his understanding that all of units were available for inspection and only a few in each building were randomly chosen for inspection, which is fine.

Mr. Lindell stated when the entire building is available for inspection, only a few of them are selected to come back, then stating the City has not been in the units does not come across as being fair to the landlord that had the entire building compliant and ready for inspection. It is something to give some thought to in terms of that communication and the quality of information. There was also the discussion on the lengthy wait on the roofing issues and ongoing mold and infestations. Hearing that is surprising to him because six of the twelve buildings have been re-inspected and did not have ongoing health safety violations. The other six have been requested for inspection and have yet to be re-inspected. That really raises the question of what is the information that this is being based on. A statement that there is significant ongoing mold and infestations when there are six that passed the progress inspections and waiting for reinstatement inspections with six where the progress inspection has not been made yet.

Mr. Lindell stated he wanted to make sure the City Council is getting good information and quality information with regard to the situation because everyone is

motivated by the same thing, to make sure the buildings are safe, habitable, and people are living in good conditions.

Mayor Roe thanked Mr. Lindell for his perspective. He asked for Council consideration of the requested action.

Etten moved, Groff seconded, directing staff to authorize the filing of a petition in Ramsey County District Court under the Minnesota Tenant's Remedies Act, Minnesota Statutes Section 504B.395, *et seq.*

Council Discussion

Councilmember Etten felt fine with this motion and thought City staff was very kind and thoughtful and works very hard to be professional. He appreciated Attorney Lindell's thoughts on this, but his problem is that these items did not just appear over the last nine months. This ownership group has been around for years, the City has tried to work with them on things, and the City has been getting partial answers and partial fixes for years so the City has a lack of trust. He appreciated there was a professional management company that is now part of the equation, but it took nine months to get that, which was a major direction of the City to the staff of G&G Management Corporation. He felt staff would handle this appropriately, but believed the Council needed to give staff the "teeth" to move forward because this has been going on for years and years.

Councilmember Groff agreed with all of the comments. He explained this has been going on for a long time and he has been in some of the units while door knocking so it has been going on for at least six years. He is pleased a management company has been hired but the City has been asking the owners for that for at least seven or eight months and there was very little progress made. He was very hopeful but thought the City needed to have something in place that will help this move forward at a faster pace than it has in the last ten months.

Roll Call

Ayes: Willmus, Laliberte, Groff, Etten, and Roe.

Nays: None

Motion to Extend the Meeting

Willmus moved, extending the meeting beyond 10:00 p.m., through the rest of the business items and hold over the remaining items on the agenda.

Mayor Roe asked for a second to the motion. Motion failed for lack of a second.

Laliberte moved, Groff seconded, extending the meeting beyond 10:00 p.m. to conclude the remainder of the agenda items in sections 7 and 9.

Councilmember Etten thought the Council should include the minutes because residents look for the minutes to understand what the Council has been doing and it only takes a couple of minutes to approve.

Etten moved, Roe seconded, to add minute approval to the motion to extend the meeting.

Councilmember Laliberte accepted the amended motion. Councilmember Groff concurred.

Roll Call

Ayes: Laliberte, Groff, Etten, and Roe.

Nays: Willmus

Councilmember Willmus noted he will need to leave the meeting shortly to take care of some other business.

e. Consider Extending Waiving Late Fee for Unpaid Utility Bills

Finance Director Michelle Pietrick briefly highlighted this item as detailed in the Request For Council Action and related attachments dated August 24, 2020.

Councilmember Etten thought it was curious to see the numbers are not that different from normal. He was okay with extending this for right now but thought it was important for them to look at those numbers in the last quarter to understand if it is out of line and something that has really impacted people.

Councilmember Groff indicated he was fine with waiving the late fees through the end of the year but was concerned the City has set up a habit or something after that. He thought this needed to be looked at and addressed in the future.

Councilmember Laliberte asked if this is considered lost revenue because CARES funding cannot cover it.

Ms. Pietrick indicated this falls in an interesting situation. The City has to write off these penalties, so it becomes bad debt expense. The revenues are not budgeted because staff presumes that people are paying their utility bills on time. This is her interpretation but the rules keep changing. At this time, she believed these fees can be recovered through the CARES funds. She noted she has a meeting setup with the City auditors to find out if it is allowable.

Councilmember Laliberte agreed with the Council this is not something the City would want to continue to set precedent into the New Year but she understood some of residents are still out of work and the CARES funding has expired.

Etten moved, Willmus seconded, authorizing staff to waive the late payment fee for utility bills due September 30 through December 31, 2020.

Roll Call

Ayes: Willmus, Laliberte, Groff, Etten, and Roe.

Nays: None

f. Declare a Vacancy on the Police Civil Service Commission

Assistant City Manager Rebecca Olson briefly highlighted this item as detailed in the Request For Council Action and related attachments dated August 24, 2020.

Councilmember Laliberte thought the timeline was tight and asked if everything could be bumped by a week based on Council meetings. She would be more comfortable with that.

Councilmember Willmus left the meeting at 10:12 p.m.

Laliberte moved, Groff seconded, declaring a vacancy on the Police Civil Service Commission with a term ending March 31, 2023, setting a deadline of September 15, 2020 for applications, and directing staff to advertise for applications to serve on the Commission.

Roll Call

Ayes: Laliberte, Groff, Etten, and Roe.

Nays: None

g. Consider Reappointment of Youth Commissioners to Various City Commissions

Assistant City Manager Rebecca Olson briefly highlighted this item as detailed in the Request For Council Action and related attachments dated August 24, 2020.

Councilmember Groff suggested the Council appoint the four Youth Commissioners.

Groff moved, Etten seconded, to appoint the following Youth Commissioners for a 1-year term ending on August 31, 2021:

- A. Yiling (Beverly) Xie to serve as youth commissioner on the Human Rights, Inclusion and Engagement Commission.
- B. Corbin Carlson to serve as youth commissioner on the Parks & Recreation Commission.
- C. Andrew Kim to serve as youth commissioner on the Parks & Recreation Commission.
- D. Jana Lynch to serve as youth commissioner on the Public Works, Environment & Transportation Commission.

Council Discussion

Councilmember Laliberte concurred and was pleased that the Youth Commissioners want to continue serving. The only thing she wanted to add is that high school years are fleeting so to continue to reappoint does not leave much opportunity for new folks to have that same experience.

Mayor Roe concurred with Councilmember Laliberte's thoughts.

Roll Call

Ayes: Laliberte, Groff, Etten, and Roe.

Nays: None

8. Approve Minutes

Comments and corrections to draft minutes had been submitted by the City Council prior to tonight's meeting and those revisions were incorporated into the draft presented in the Council packet.

- a. **Approve August 14, 2020 Special City Council Meeting Minutes**
- b. **Approve August 10, 2020 City Council Meeting Minutes**
- c. **Approve July 27, 2020 City Council Meeting Minutes**
- d. **Approve July 27, 2020 REDA Meeting Minutes**

Etten moved, Groff seconded, approval of the EDA and City Council Meeting Minutes as presented.

Roll Call

Ayes: Laliberte, Groff, Etten, and Roe.

Nays: None.

9. Approve Consent Agenda

At the request of Mayor Roe, City Manager Trudgeon briefly reviewed those items being considered under the Consent Agenda; and as detailed in specific Requests for Council Action dated August 24, 2020 and related attachments.

Etten moved, Laliberte seconded, approval of the Consent Agenda including claims and payments as presented and detailed.

Roll Call

Ayes: Laliberte, Groff, Etten, and Roe.

Nays: None.

a. Approve Payments

ACH Payments	\$2,283,882.01
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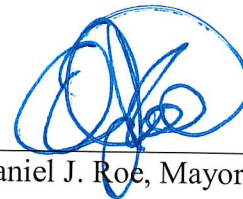
97321-97470	1,135,657.92
TOTAL	\$3,419,539.93

- b. Adopt Resolution 11736 Certifying Unpaid Utility and Other Charges to the Property Tax Rolls
 - c. Removed for separate consideration.
 - d. Approve Resolution 11737 authorizing Rice Creek Watershed District to Conduct Drainage Proceedings for Ramsey County Ditches 4 and 5 Under the Minnesota Watershed Law
 - e. Approve Resolution 11738 Approving Final Contract Acceptance of the Fernwood Lift Station Project
 - f. Approve Resolution 11739 Approving Final Contract Acceptance of the 2020 Sanitary Sewer Lining Project
 - g. Approve Hiway Federal Credit Union Public Improvement Contract
 - h. Approve Westwood Village III Encroachment Agreement
 - i. Receive Monthly Equity and Inclusion Report
 - j. Adopt a Resolution Authorizing Entering into Listing Agreement for sale of 2501 Fairview Avenue (Fairview Fire Station)
 - k. Accept the Roseville Area High School Police Liaison Officer Agreement for the 2020-2021 School Year
10. Future Agenda Review, Communications, Reports, and Announcements – Council and City Manager
11. Adjourn
- Etten moved, Groff seconded, adjournment of the meeting at approximately 10:18 p.m.

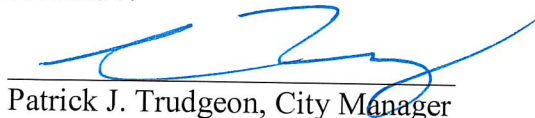
Roll Call

Ayes: Laliberte, Groff, Etten, and Roe.

Nays: None.


Daniel J. Roe, Mayor

ATTEST:


Patrick J. Trudgeon, City Manager