

**INVER GROVE HEIGHTS CITY COUNCIL WORK SESSION
MONDAY, JULY 2, 2018, 6:00 PM – 8150 BARBARA AVENUE**

A. CALL TO ORDER: The City Council of Inver Grove Heights met in work session on Monday, July 2, 2018, in the Inver Grove Heights Council Chambers. Mayor Tourville called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited. Roll call: Present were Mayor Tourville, Councilmembers Bartholomew, Hark, Perry, and Piekarski Krech. Staff present; City Administrator Joe Lynch, City Attorney Tim Kuntz, City Planner Allan Hunting, City Clerk Michelle Tesser, Parks and Recreation Director Eric Carlson, Police Chief Paul Schnell, Fire Chief Judy Thill, and Associate Planner Heather Botten.

1) Fire Station Update

City Administrator Joe Lynch reported that staff went out for RFP's for owner representative services for the new fire station, and through the course of discussions with the firm that was awarded the contract, staff had the opportunity to explore construction management services. The difference between the owner representative service and the construction management services is that the construction managements services will be the general contractor. They will bid out the individual contracts and that way local companies can bid on the individual contracts. There would be cost savings because there would be no markup in the bidding process. They would be representing the City, not the contractor, and they would make sure that change orders are dealt with appropriately. The question is, if we go down this road. He stated he didn't have a chance to talk to Attorney Kuntz. He stated he's not sure if we need to bid this service out again, because the RFP that was issued was for owner representative services not construction management services. Staff is not sure if we want to do this, it could mean a four to six-week delay.

Councilmember Piekarski Krech asked if there were a cost differential between having a construction manager or an owner's representative. Mr. Lynch responded in the affirmative. The owner's representative services as we bid it out is approximately \$82,000 to \$83,000 at the time. Typically, the construction management services average out to about 3.5% to 5% of the construction costs. If we have a \$5 million cost for the building it would be 3.5% to 5% of that cost above the \$82,000 to \$83,000 on the owner's representative services. The questions are do we have to rebid and can we negotiate that with the current contract.

City Attorney Kuntz responded that this is all new and what is being discussed will raise issues. He did not know if the construction representative was bid as a professional service or somehow it was bid as building repair or construction of a building. He stated would have to be explored. He is familiar with the construction contractor approach where you hire someone who manages six or seven contracts for you. Attorney Kuntz stated he is uncertain of this approach of a general contractor, you then don't have contracts with the subparts. He stated he does not know who will provide the performance and payment bonds for the multimillion dollar project. He stated has more questions than answers this evening.

Mayor Tourville asked if it was possible to put this on next Monday night's Council meeting to look at. This is a big project. Then these questions could be answered at that meeting. Mr. Lynch said it would be. Councilmember Piekarski Krech also said to look at if the costs are justified.

Fire Chief Thill said the advantages of having a construction management service are having someone watch the day-to-day operations, deal with change orders and having the contracts

bid in smaller pieces. Mr. Kuntz asked who owns the contract and who hires the contractors for the smaller contracts. Mr. Lynch responded he understands it is the construction manager. Mr. Kuntz asked who the bond runs to. Mr. Lynch responded to the construction management services. Mr. Kuntz asked what if we don't have a bond to back up to because it goes to someone else. Mr. Lynch responded that is the case with the general contractor as well. The general contractor would have the bond. Mr. Kuntz asked running to the city. Mr. Lynch asked if it could not be done with the construction management services also. Mr. Kuntz responded construction management services needs to be defined.

Ms. Thill gave a quick update on the fire station schedule. The owner's representative has been hired. If changed to construction manager per that company it will not delay anything, so the schedule would still stay on track. They have had three to four weeks to review the plans, make any changes, make any recommendations and then bring it back to the Council to put it out for bid. Bidding will take it out another month. Then another month to set-up with the contractor once the bid is awarded. We are looking at breaking ground at the end of September or beginning of October. We are looking at a 12-month construction period. We are hoping to have it open by Fire Prevention Week in October of 2019.

2) Short-Term Rental

Heather Botten, Associate Planner, presented the item stating that staff is looking for a recommendation on how to proceed with short-term rentals. She stated this item had been heard at two work sessions last year. It was discussed to prohibit short-term rentals. The item was brought to the Planning Commission for a Public Hearing. She stated that the Planning Commission did not support the ordinance amendment to prohibit short-term rentals at that time. It was brought before the City Council for the third reading in November 2017 and City Council reversed its decision to prohibit and possibly allow them with some conditions. Council directed staff to bring the topic back to the Planning Commission and Housing Committee for further review and comment.

Different alternatives were discussed and a recommendation that if the City decides to allow short-term rentals, it would be done by the interim use permit process. The interim use permit process would be:

- Require neighbor notification
- Allow for enforcement through the termination of the permit
- Allows for general conditions that would be applied to all short-term rentals in the city
- Allow for conditions that could be specific to a location and
- Treats all the applicants the same

She stated that both the Planning Commission and Housing Committee support allowing short-term rentals. The Planning Commission mainly focused on what type of process should be required (interim use permit verses a license). The Housing Committee discussed specific regulations such as not have the application fees be too high, concerns about requiring off-street parking and limiting the number of properties an individual could rent out.

Staff is looking for direction on how to proceed and staff is supporting the interim use permit process.

Councilmember Hark asked about the interim use permit process – why is this process easier for enforcement (versus licensing) and is concerned about enforcement in particular neighborhoods. Ms. Botten responded that if there were violations of the conditions for approval it would be brought back before City Council to revoke the interim use permit and they would no longer be able to have a short-term rental. Councilmember Hark asked if that would be the same for someone having a license. Ms. Botten was unsure. She believes the rental license process as set up now - that the license could not be revoked automatically.

Mayor Tourville said he recalls discussing that 30 days be the minimum allowed for short-term licensing and neighborhood notification. There have been three or four problems in the city regarding rentals. One person came before Council and said that there were no rules or licenses in place so the City Council could do nothing regarding the rental. Ms. Botten said she checked with the Police Department and there have been no complaints this year including homes that may have been rented during the Super Bowl. Even in regard to the one property this is a short-term rental and had complaints in the past had no complaints.

Councilmember Hark asked what other cities are doing. Ms. Botten said you will find a variety – some cities allow them be a conditional use that would stay with the property but also require a license. That would be changed per property owner. With the interim use permit you could implement different conditions and when the permit would expire. Right now, the ordinance only allows an interim permit to be extended once but that could be changed for rentals and could require a yearly renewal or if a certain number of complaints are received they would have to come back. Other cities just do licensing. Some cities don't allow them.

Councilmember Piekarski Krech asked if using the interim use permit - any number of interim uses could be allowed, or would they have to come back every year or every other year. Ms. Botten responded that the interim ordinance currently only allows an interim permit to be extended once and is based on years or events that could happen. There are different types of ways to end the permit or have them come back and renew. Or the ordinance could be amended to be specific for a short-term rental.

Councilmember Bartholomew said he would support an interim use – the conflict of a hotel environment in a residential area is bothersome. With the interim use it can be crafted to eliminate some of the problems and give oversight on it.

Councilmember Hark said that the enforcement needs to be strict and tight. He would like to see folks come in on a yearly basis initially. He likes the idea of the interim use. Extensions could be allowed on a yearly basis for short-term rentals.

Mayor Tourville said other cities do not allow the sales of alcoholic beverages and other vices are listed. That would have solved some of our past issues. Other cities also include as conditions no selling of controlled substances or prostitution. Some of our problems were for weekend rentals. Things could be listed like the graduation parties and put onus on adults. The interim would let us do a better job of listing conditions to protect the residents. We need to protect the homeowners and residents. A concern might also be, if a renter rents a property and finds out they can't park on the street during the winter months.

Councilmember Hark said it would be nice to have a packet to hand out to applicants, if this passes.

Ms. Botten said if Council directs staff to use the interim use permit tonight, it would go back to the Planning Commission for a public hearing, go back to the Housing Committee for their comments, language would be drafted to put in the ordinance for the City Code for interim use for short-term rentals. The conditions would apply across the board (which would be included in the actual ordinance), from there we give out packets to all applicants so we could amend the application for an interim use permit for short-term rentals – and put the guidelines in there, from there any house that wants to have a short-term rental, they would then have to come before the City Council and go through the public hearing process. Staff would meet with the applicant regularly before the public hearing.

Councilmember Piekarski Krech asked how many conditions could be put in an interim use permit. A concern would be parking, especially in a neighborhood that is renting out a townhome. A townhome could sleep six but there may only be two parking spaces. Certain areas may need certain restrictions that other areas do not. Can each interim use for a rental be a little bit different. Ms. Botten said each one could be a little different. We could put something in the ordinance that states that you have to provide off street parking based on the number of bedrooms. When they come through the process and show us they can have eight people stay there and are only able to provide two off street parking spaces we can then say you can only have the number of people stay there based on the number of parking spaces in that specific permit. Mayor Tourville said some townhome associations do not allow the subleasing of properties.

Mary Tkach, 7848 Babcock Trail, said she is not attending from the Housing Committee, she is here as a resident. A lot of points that were brought up tonight are valid points. Looking at the staff report and other cities regulations, she believes this should be done in phases and the City Council should back off on all across the board conditions. Maybe the properties should be homesteaded for the first few years and see how it goes. So, you don't have investors come into town buying up the most affordable houses, then driving them into the ground, and getting income out of them. That would tie up the housing stock for young families. I am fully supportive of it – but we should think about what the short-term rental does. I am trying to think five years down the road. Other cities across the county that have these ordinances, they start to run into people that come in and run 10 or 15 short-term rentals in those towns, which takes up the best, affordable housing in those communities. If it is phased in, we could see how things go and see where the issues arise. We don't want to limit the number of interim use permits, but maybe limit where they are issued.

Councilmember Hark asked if she was suggesting limiting the number to a block or the entire city. Ms. Tkach, said no, I don't think of limiting them in numbers at all. I am thinking the properties should have a homestead requirement because then the owners would be looking at not having the home wrecked, or wrecking relationships with their neighbors. Councilmember Bartholomew said it is a good point to limiting it to a homesteaded property plus one or two other properties. Mayor Tourville said other cities have used the homestead requirement. There will be some problems, but we are trying to do the best we can as a Council.

Mayor Tourville said it seems to be that the interim use permit was the way to go and asked Ms. Botten if she had was she needed. She replied in the affirmative. Mayor Tourville said there were some good ideas in the examples from other cities that were included in tonight's packet. The League of Minnesota Cities also has information on short-term rentals. Ms. Botten said this would come back to a regular City Council meeting.

3) Trade Area/Charitable Gambling Discussion

City Clerk, Michelle Tesser, introduced the item. The City Council and staff has discussed briefly about the trade area portion of Chapter 7 (Gambling Regulations) of the City Code and determined that a review of the City Code in the current trade area designation would be a good idea for the Council to consider. A resident also expressed his opinion stating the City should be collecting 10% of the net profits from gambling, that would be administered by the City, then disbursed to non-profit organizations. Ms. Tesser stated the trade area designation and a 10% collection would be two different components of the City Code. The trade area is currently outlined in the City Code under 4-7-4 as the cities of Inver Grove Heights, South Saint Paul, Rosemount, Eagan, West St. Paul, Sunfish Lake, St. Paul Park, Newport, and Mendota Heights (cities contiguous with the City of Inver Grove Heights). These are all considered the trade areas. In reviewing the last 2017 reports, premise permit holder reports for charitable gambling (included in the packet) show very little funds from the 60% of the net profits that are actually going to the City of Inver Grove Heights. In discussing ways, the City could help increase revenue for the non-profit programs – such as programs for the park and public safety related items that are organized under the non-profit status, 501c (3), these proceeds could help with particular areas and also provide opportunities from other neighboring non-profit organizations.

Ms. Tesser stated cities with an established 10% contribution, the City Council selects the non-profits yearly based on applications received and then the 10% proceeds would go through the city that has set-up a special revenue fund similar to the CDB. Ms. Tesser stated that staff is looking for direction from the Council if they would like staff to review the trade area, the City Code for gambling and whether you would like to consider adding a 10% contribution. Examples from other cities are in the packet.

Councilmember Bartholomew said he is looking at the document from Nelson CPA that shows the Total Lawful Purpose Expenditures of \$67,961.69, Inver Grove Heights allocated portion of \$27,859.28, and portion to be spent in Inver Grove Heights of \$16,715.57. If the allocated portion is \$27,000 and the portion spent in Inver Grove Heights is \$16,000 isn't there already a discrepancy of \$11,000. Am I reading that correctly – is there a violation there or am I misreading it. Councilmember Piekarski Krech said it looks like only \$16,000 needs to be spent in Inver Grove Heights.

Mayor Tourville asked why the city does not have a report for all the organizations to fill out. Some fill out their own reports. Our ordinance under Chapter 7 (Gambling), on page 2 is confusing. Is that the organization that would hold the gambling permit or is it the organization that could get the funds - "local organization is defined by Minnesota Statute section §349.12 that also meets the following criteria". There are a couple of questions because of the criteria listed. Is it the group getting the funds or is it the group getting the permit. There are some issues. Mayor Tourville stated that the ordinance needs to be looked at. The organizations that are doing the gambling in Inver Grove Heights, because of the trade area they meet the criteria and they did not give one cent to any organization in Inver Grove Heights. Mayor Tourville asked what trade areas are needed and if this is required by state statute.

Mr. Kuntz said the local organization definition has under the ordinance only one purpose and that is if there are two or more organizations that are vying for the premise permit at the location the ordinance gives under section 4-7-9a preference to the local organization. It's neither the recipient of the money or the licensed organization. Mayor Tourville asked if the language should be cleaned up. Mr. Kuntz said it could be flagged by using the language local organization and allow the reader to connect with what is going on.

Mr. Kuntz said on the trade area the statute allows the city by ordinance to require a percentage set by the city that collected monies has to be used for lawful purposes in the trade area. Furthermore, the statute says the trade area defined by the city under this subdivision must include each city and township contiguous to the defining city.

Mr. Kuntz said the topic on the table is the interaction of the city with the gambling proceeds. There are three possible points:

1. The designation of trade area (where you spend the money) which has already been discussed – most cities would want an ordinance that says we will spend it here in our city because that is where it came from. You can specify a percentage – there is no minimum or no maximum - 60% is currently in place which can be changed.
2. The city is allowed to impose a 3% tax on a number called gross proceeds minus prizes. The limitation of the 3% is that it can only be used to defray the cost of administration, regulation and enforcement by the city of lawful gambling in its boundaries. The way it is set up you can charge up to 3% but in any given year if you don't spend 3% for those purposes you have to give the money back. A report has to be done to the gambling board and let them know what you spent that money on, how much you spent, how much you have left and that you gave the money back in not spent. With those restrictions, it has not been the tool of choice state wide. 27 cities across the state have used it. The state is really strict in their requirements.
3. 122 cities across the state use what is referred to the 10% fund or the city fund. It allows the city by ordinance to impose a requirement of 10% per year of net profits to be paid over to a fund established by the city and administered by the city. The use of the money as defined in Minnesota Statute 349.12 subdivision 7a can be for charitable contributions or for police, fire, and other emergency, or other public safety-related services, equipment and training. The money can not be used for the General Fund. The fund needs to be specified for what it is being used for.

Three examples were provided in the packet of communities that have had the fund in place (Roseville, Maplewood and Newport). Newport used the funds for Friends in Need Food Shelf, Stone Soup Thrift Shop, City of Newport Summer Rec Program, Library & Community Center Programs, & Newport Fire Department Training & Equipment. Those are examples of what the funds are used for.

Mayor Tourville said in the reporting, one of the gambling license holders did not report where they spent money in the trade area. I believe that is a requirement in the report. The city does have a form and some don't use it. Why is it not 100% to be spent in the trade area (instead of the 60%). He stated that the 60% and then the 10% needs to be discussed.

Rex King, said he is the head football coach at Simley High School and member of Spartan End Zone, a charitable non-profit organization. Dianne Rassman introduced herself stating she is the Gambling Manager for the Spartan End Zone. Mr. King said to give some clarification in regards to some of the numbers and confusion - the 60% can be donated back in multiple ways including in wages and rent. It is not money going back to the community it is money spent in

the community and goes to running part of the business. Can we look at this to keep 100% of the profit monies in Inver Grove Heights. Mayor Tourville said he believes according to the state statute you can't specify that the 100% of the money stays in Inver Grove Heights. Mr. Kuntz responded that is correct.

Ms. Rassman said she would like to grow the business but can only have the two sites in Inver Grove Heights that already exist because of the city ordinance. You also cannot have more than one charity in one facility. The gambling board does not regulate this but the city does. We can't have electronic gambling in other sites, so it is hard for us to grow. It is hard to go out of the city because we are an Inver Grove Heights' charity. Mayor Tourville said it is not the city, it is the premise and is something to look at. Ms. Rassman said some cities are closed cities for example South Saint Paul is a closed city, but their charities come into Inver Grove Heights. Mr. Kuntz said an eligible organization receives a gambling permit can be limited to Inver Grove Heights' organizations only. Mayor Tourville said most are meat raffles. Ms. Rassman explained how the meat raffles work, organizations bring in youth organizations, even from outside of the city, and use volunteers, and then the organization gets a small portion of the profits.

Ms. Tesser said the only way for an established premise holder to not be that anymore is if the actual liquor establishment decides to sign the agreement and go with someone else. This has been experienced. Ms. Tesser asked if the 60% could be changed. Mr. Kuntz said yes. Ms. Tesser asked then if the trade area percentage could be decreased and then the 10% could be implemented. So, the programs and non-profits stay within Inver Grove Heights area. Mr. Kuntz said you could change the 60% number, you could utilize a trade area tool, and use a 10% tool. They are not exclusive of each other.

Councilmember Piekarski Krech asked if 60% and 10% could be done. Mayor Tourville said we could do 100%, plus 10%. Those are all options.

Mr. King said if the city is closed there needs to be an infrastructure of charities that can support the bar locations. I don't want the owners to suffer because of a move like that. Allowing multiple organizations in one location could meet the need of bar owners. Mayor Tourville suggested changing the 60% in the trade area to a higher number.

Councilmember Hark asked why change the number to a higher number. Mayor Tourville said because more money would stay in the trade area. Councilmember Hark said that could be accomplished by not raising the percentage, part of the discussion is - should we do the 10%. Councilmember Hark suggested dropping the trade area and increasing the percentage.

Councilmember Bartholomew state that the city's share be increased and the trade area smaller. Councilmember Piekarski Krech said 10% is the most you can do. Mr. Kuntz said 10% is the most you can do for the city funds. The form that is filled out for the city was discussed and the confusion it creates. Ms. Tesser said the form will be fixed but the city code states 60% of the designation area is for those cities and it does not have to be in Inver Grove Heights. The form is old and needs to be tweaked. Ms. Rassman said she would like to be in more than two establishments, if you would allow more than one charity in the same establishment. The State and the Gambling Control Board don't have a problem with more than one charity in the same establishment as long as the bar owner wants that. Ms. Rassman explained how two charities in one establishment would work. Councilmember Piekarski Krech said that seems to be our issue. We have experienced this before. The bar owners did not want them and that is how we ended up with this group that really does not have any affiliation with Inver Grove Heights.

Maybe we need to talk to the bar owners about their ultimate goal and how do they choose which organization they want to host in their facility.

Mayor Tourville said the form needs to be fixed so the numbers can be figured out. To be honest they don't need to report money spent in Inver Grove Heights, just how much in the trade area.

Mayor Tourville said you can have two premise holder permits, but not three and we don't allow more than one license holder per location. He doesn't know if the one is going to create as much demand as allowing a second vendor in. There are not a lot of liquor establishments that don't have pull tabs. Restaurants don't want pull tabs. Ms. Rassman said it may be coming down the pipeline. In order to be in an establishment you have to have paper in order to have electronic gambling. The state may be changing that so you can have electronics in any establishment. I would ask that you allow an Inver Grove Heights charity to have more than two sites and allow two charities in one establishment. There is an existing establishment that is interested in us but we can only be in two sites. Mayor Tourville asked if she knew of any establishments that had multiple vendors. Ms. Rassman said yes, she has worked in those cities, Ramsey and Bloomington are examples. She would be looking at electronic devices for gambling in the other location.

Councilmember Hark said two reports have to be filed. One is a state requirement for the state and one is for the city which are substantially the same.

Councilmember Bartholomew understands wanting more than two locations and having more than one charity in an establishment. He is trying to focus on the numbers on the reports and where they are coming from. The form needs to be changed. Mayor Tourville said the Lawful Purpose Gambling Trade Area Compliance Report Form for the City of Inver Grove Heights needs to be changed. Ms. Tesser said the form is not due until February 2019.

Councilmember Bartholomew said he is not ready to commit to the 10% but is in agreement with lifting the limit of two sites per organization.

Councilmember Piekarski Krech said her initial reading was against the 10%. When you look at what is benefitting the city of Inver Grove Heights she is willing to look at the 10%. We can give back to the organizations that are in the city of Inver Grove Heights. We can give a part of the 10% back to them and it can also be used for police and fire.

Mayor Tourville said leaving the trade area as is, having it at 60%, and look at adding the 10% is a start, and allowing more sites.

Mayor Tourville said this would be an ordinance amendment, do we want to look at allowing licenses for more than two locations. Council Bartholomew said not limiting it. Mayor Tourville said you would not be limited to only two licenses in the city and you could have more than one license at a premise. He asked Mr. Kuntz if that language could be looked at. Mr. Kuntz said he is hearing three things and they are: 1) changing premise permits (was up to two), 2) changing only having one organization at a premise (up to two) at one site 3) creating the 10% fund for the city. If we remove the limitation of more than two places you are servicing should there a limitation of three or four. Mayor Tourville said the establishments will control that. There should be no limit. Councilmember Bartholomew suggested adding that the total balance of the fund should be not be over a certain amount for the 10% collected.

Mr. Lynch asked if this should come back to a work session. Mayor Tourville said yes. When it is on a work session the others should be notified it is being discussed. Mayor Tourville said it should be the goal to take effect January 1, 2019.

4) Noise Ordinance Discussion

Mr. Lynch introduced the item. He says there have been discussions about ambiguity about noise control in the city. There is information for the councilmembers from the League of Minnesota Cities on public nuisances. There is a lot of information with mostly guidelines if you are considering establishing regulations or modifying regulations. The second piece of information is what we currently have in our ordinances which is not comprehensive or all inclusive. The largest one is public nuisances. We do have a large and pretty clear noise abatement overlay district with regard to aircraft noise. The third piece of information is the Minnesota Pollution Control Agency (MPCA) public information as well as administrative rules. This was referenced in our discussions with the operation that we are doing noise monitoring on. Also included, are ordinances from neighboring cities that deal with this issue (South Saint Paul and Mendota Heights). He stated he is trying to define and determine what is noise pollution or what the noise exceedance is. There are probably two situations in the community – 1) as part of the operations of businesses – such as can they be operating at such a time (back up beepers, construction equipment and garbage trucks) and 2) social events (large gatherings, parties, graduations, wedding receptions, or fireworks). He is seeing if the council wants to go in a specific direction, is looking for feedback, or if you want to put something in place that is more specific. Right now, the city has pretty general, broad powers but nothing specific in dealing with the operation of the sand and gravel business. For example, what are our standards. We did not have anything to reference behind that case other than the MPCA regulations. I am looking for direction with regard to a noise ordinance.

Councilmember Piekarski Krech said we reference in our code noise ordinance and yet we don't have a noise ordinance. Noise is talked about under disorderly conduct. I think the concern is can you mow your grass at 5:00 in the morning on Sunday morning. Can you be out running some loud machine at midnight in your garage. We don't really say anything about that so when people are looking – what is the noise ordinance in the city. In South Saint Paul's you are not supposed to cut your grass before 7:00 am or after 10:00 pm. It is easy for people to figure out the rules and regulations. The confusing thing for our residents is that if you look it up in the code book it says look at the noise ordinance and we don't have a noise ordinance. We need to clarify some of those things.

Mayor Tourville said looking at our codes, it does not list a noise ordinance. Somebody needs to be responsible for drafting the ordinance.

Councilmember Bartholomew said that ideas should be sent to the City Administrator for the noise ordinance. Mayor Tourville said South Saint Paul's ordinance seems to be a good idea because it lists things out. Councilmember Hark said the trick is to list out some objective items. That should be the direction we give. Mayor Tourville said looking at the League of Minnesota Cities and surrounding cities are good sources. Councilmember Piekarski Krech said especially listing hours. Residential and rural areas don't have to be the same. Councilmember Perry said it shows up on various social media outlets and they are quoting South Saint Paul's hours and say I don't know what Inver Grove Heights are. People are looking for the distinction. Mayor Tourville said it would help the police and staff that handle those types of calls at City Hall. It needs to be more specific for certain things. Mayor Tourville said this should be looked at in the late fall. Councilmember Bartholomew said having something in place by next spring

would be great. Police Chief Schnell said he would be happy to help work on the noise ordinance specifically for enforceability.

5) City Code Modifications

Police Chief, Paul Schnell, said he wanted to talk about animal control and alarms. We would like some guidance on updating and tweaking the ordinances. For dog/animal control and dog licensing. Right now, the dog license renewal is every two years and runs from May 1 to April 30, is done in odd years and runs now through April 2019. Currently there are 636 licenses issued for dogs. That is only a fraction of the dogs in the city. The vast majority of dogs impounded do not have licenses. We release the dogs from impound without a license. We should require a license to be issued before a dog is released from being impounded. In some cities the veterinarian's offices do issue dog licenses.

There is a public safety benefit for dog licensing. We would know that dogs are being vaccinated. As the dog park begins to roll out, to use the dog park a permit is needed (an annual permit) and the dog has to be licensed. The city's licensing runs on a two-year cycle. A vaccination is usually good for three years.

With the dog park we could see an increase in potentially dangerous dog and dangerous dog cases. Minnesota statues cover the dangerous dog issue and most cities adopt their language as part of their ordinance. The problem here is that the requirements are the same for a dangerous dog and a potentially dangerous dog this is significant and the burden is high. A dog that is deemed dangerous has to pay a high fee, it has to be in an enclosure, it has to be tagged, have an insurance surety bond, be microchipped, have an outside external posting, and off property that dog has to be controlled with a chain and muzzled. The question for the city is the potentially dangerous dog – an example that can happen is if one dog in a dog park attacks another dog or bites a person – that would generate a potentially dangerous dog.

Does the city want to remain in the business of dog licensing. Is there a feeling of what the term should be – should the fee be cut in half and issued annually. If a permit for the dog park is applied for at the same time the dog license could be applied for. The process would be streamlined. The terms potentially dangerous dogs and dangerous dogs should be differentiated. The ordinance currently calls for a hearing officer, and the number of hearings has increased. At present those hearings are done internally, and the Minnesota Humane Society is willing to serve as our hearing official for a small fee or donation. They have expertise in animal behavior at a higher level and are independent from the city.

Councilmember Piekarski Krech said she is in favor of the two-year dog license. In Eagan, you can buy your dog license at the vet. She would also like the humane society to do the dangerous dog hearings. She would like to see the definitions of dangerous dogs and potentially dangerous dogs differentiated.

Mayor Tourville said he agrees with the two-year dog license and has no difficulty with vet's issuing dog licenses. Working with the humane society is a great idea. Mr. Schnell said the veterinarians would get a small fee for issuing the dog licenses.

Councilmember Hark said maybe some kind of amnesty program could be worked out to get people to come in and sign up. Once there is a record of a dog that could be followed up. The dog park is going to cost money and we need to look for ways to generate some revenue.

Councilmember Piekarski Krech said we are not doing anything to someone who does not have a license. If they are impounded, and it's not licensed part of the impound fee should be a license fee for that dog.

Councilmember Hark said we should have an incentive to get people to come in and get a dog license. Let's try to get creative to get the numbers up.

Mayor Tourville said we need to do a better job of letting people know that dog licenses are needed. Let's see if Mr. Carlson and the Mr. Schnell can come up with something. It may be an advantage to have people get the dog park permit and dog license at the same time.

Councilmember Bartholomew said there should be some kind of partnership with the clinics.

Mr. Schnell said the discussion was helpful and he would work with Mr. Carlson to put something together and bring it back to a work session.

Chief Thill and I have been having discussions as they relate to false alarms. The existing ordinance has been a challenge. The current ordinance requires a registration with no fee to get an alarm permit. False alarms do create a public safety risk. Depending on the type of alarm it dictates the type of response. If it is a code 3 type of response the squad car or fire truck responds code 3. There is a requirement for an alarm permit. There are a number of businesses and residences that do not have an alarm permit. We know that because we do get calls for alarms and we know there is not a permit associated with that address. The responding officer leaves a sticker on the door saying we were here, checked the property, you need to have your system checked, and we leave. If there is no permit or registration in this situation you are not allowed to use your alarm system under the current ordinance.

A decision needs to be made if we want to require that alarms are permitted or minimally registered and have a penalty that is administered. A resident can have two false alarms, the third and beyond there are escalating penalty fees. This is pretty standard procedure for most cities.

The one challenge is there is no mechanism to assess the unpaid permit fees to the property. Some businesses have substantial unpaid false alarm fees and that is because they are not fixing or maintaining their alarm systems. This is necessitating a repeat response.

In 2017, there were 915 false alarm responses in the city for the police. At the pace we are at right now for 2018 we are anticipating 1100 false alarms (nearly 100 per month). It is the hope of the alarm registration that people are addressing alarm problems, having them registered, and creating enforcement options in the event they don't comply with the ordinance requirements. Penalties could be in fees for non-compliance or citations issued for failure to comply on an on-going basis.

Residents and businesses in the community believe the city should not be in the business of regulating alarms. By tweaking the ordinance, we believe this will address the issue of repeat offenders and address the issues on non-compliance with the registration requirements. If they are found to be non-compliant they would have x number of days to become compliant and register their alarm. If they don't become compliant we can take enforcement action and charge an increased fee. There is no fee for a registration right now. It could be a \$20 fee for registration.

Other communities require the alarm company to register their alarms with the city. The only benefit of that is when an alarm company is selling the alarm, they tell the purchasers they need to register their alarm. The benefit for the police is we have an updated keyholder list, we know who is in control of the alarm system, families can identify family members on the key holder list, and we can reach out if there are issues with the alarm or home. It can be burdensome depending on how often registration is required. We are seeking guidance from the Council. Should the city have a role in alarm systems and a requirement for registration of alarms. If you think we should tweak the ordinance we can do that and bring it back to council with various enforcement options to consider by way of fees and/or misdemeanor actions.

Councilmember Piekarski Krech asked how this works with the new systems such as the camera you put over your door. Those do not trigger an alarm to the police department, right. Most other companies will trigger an alarm to the police department when it goes off. Mr. Schnell responded yes, most alarms will trigger the police department to respond. The ones with the cameras over the door do not trigger a police response.

Mayor Tourville said one issue is does the Council think it is important to have fire and police alarm systems. We do have an ordinance for false alarms and if that needs to be updated, we need to take a look at it for updating for police and fire.

Councilmember Piekarski Krech asked what the current penalty is for having false alarms. Mr. Schnell responded the first two are free, and then the third is \$50, then for the fourth \$75, and so on. Councilmember Piekarski Krech asked if the fees cover the cost. Mr. Schnell stated it can. We need the mechanism in the ordinance to be able to certify to the county the unpaid fees. Mayor Tourville said for the original fee let's look at what other communities do.

Councilmember Hark asked for residential false alarms can you tell if they tend to be the same residences. Mr. Schnell said there is a spread but we do know when there is a problem it is often at the same address. Sometimes it is the management company if it is a business or for residential repeat false alarms can be for deactivating or setting the alarm. We do know false alarms happen.

Mr. Schnell said some of the items that are also being explored and researched are excessive consumption of city services. We are exploring that topic with code enforcement, police and the building official. This could be on next month's work session agenda. It would be a way of addressing certain types of problems. We are also exploring ways to recoup costs for excessive use of services. We are also looking into details regarding how to deal with abandoned vehicles. Finally, we are looking at a special event permit which we believe would be worthwhile. These items will be brought back to the City Council for discussion at future work sessions.

B. Adjourn

Councilmember Piekarski Krech made a motion to adjourn, seconded by Councilmember Perry, and unanimously carried. The work session adjourned at approximately 8:47 p.m.