

**HOPKINS CITY COUNCIL
REGULAR MEETING PROCEEDINGS
AUGUST 17, 2021**

CALL TO ORDER

Pursuant to due call and notice thereof a regular meeting of the Hopkins City Council was held on Tuesday, August 17, 2021 at 7:00 p.m. in the Council Chambers at City Hall, 1010 1st Street South.

Mayor Gadd called the meeting to order with Council Members Beck, Brausen and Halverson attending. Council Member Hunke was absent. Others attending included City Manager Mornson, Assistant City Manager Lenz, City Clerk Domeier, Director of Planning and Development Elverum, City Attorney Riggs, Community Development Coordinator Youngquist, Fire Chief Specken, Finance Director Bishop and City Planner Lindahl.

Mayor Gadd announced that the HRA Special Meeting would be held immediately following the adjournment of the City Council meeting.

ADOPT AGENDA

Motion by Brausen. **Second** by Beck.

Motion to Adopt the Agenda.

Ayes: All.

Nays: None. Absent: Hunke. Motion carried.

CONSENT AGENDA

Motion by Brausen. **Second** by Halverson.

Motion to Approve the Consent Agenda as amended.

1. Minutes of the August 2, 2021 City Council Regular Meeting Proceedings
2. Minutes of the August 10, 2021 City Council Work Session Proceedings
3. Second Reading of Ordinance 2021-1169; Lenz
4. Second Reading of Ordinance 2021-1172 rezoning properties in the northwest quadrant of Excelsior Boulevard and Blake Road to Mixed Use with a Planned Unit Development (PUD); Lindahl
5. Sub-Grant Agreement between the City of Hopkins and TF Hopkins LLC for a DEED Contamination and Cleanup Grant for Blake Road Station Site A; Youngquist

Ayes: All.

Nays: None. Absent: Hunke. Motion carried.

PUBLIC HEARING

V.1. Establish Tax Increment Financing District No. 1-6; Elverum

Director of Planning and Economic Development Elverum introduced Council Report 2021-077 and Stacie Kvilvang with Ehlers provided a summary of the report. The City and HRA are considering the establishment of Tax Increment Financing District 1-6 (325 Blake), a redevelopment district (District) to facilitate construction of approximately 600 apartments, 125 senior cooperative units, 50 town homes and 23,500 sq/ft of commercial

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space and finance infrastructure/public Improvements. In addition, the City and HRA anticipate utilizing up to 35 percent of the tax increment (including any administrative costs) for affordable housing objectives. They may decide to utilize a portion of the tax increment and return a portion to the County on an annual basis or they may take all of the tax increment in one year to assist eligible projects. The District will encompass 1 parcel located at 325 Blake Road.

Mayor Gadd clarified that the TIF is not obligating the City to any financial assistance amount. Ms. Kvilvang confirmed and Ms. Elverum provided more information about the financial assistance. Brief discussion was held on the TIF budget.

Mayor Gadd opened the Public Hearing at 7:10 p.m. No comments were received.

Motion by Halverson. **Second** by Beck.

Motion to close the Public Hearing.

Ayes: All.

Nays: None. Absent: Hunke. Motion carried. Public Hearing closed at 7:11 p.m.

Further discussion was held about the project and the selected developer.

Motion by Brausen. **Second** by Halverson.

Motion to approve Resolution 2021-045 Adopting a Modification to the Development Program for Redevelopment Project No. 1 and Establishing Tax Increment Financing District No. 1-6 (325 Blake) and Adopting a Tax Increment Financing Plan.

Ayes: All.

Nays: None. Absent: Hunke. Motion carried.

Motion by Brausen. **Second** by Beck.

Motion to approve Resolution 2021-046 Authorizing an Interfund Loan for Advance of Certain Costs in Connection with Tax Increment Financing District No. 1-6 (325 Blake).

Ayes: All.

Nays: None. Absent: Hunke. Motion carried.

NEW BUSINESS

VII.1. Approve Purchase of Fire Engine; Bishop

Finance Director Bishop provided a summary of Council Report 2021-078. Approval of the ERP amendment will allow staff to order a new fire engine and lock-in the price and delivery. He also provided financing options.

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Council Member Halverson stated that ordering the fire engine now locks the City into financial savings. Mr. Bishop concurred. Fire Chief Specken provided more information about the fire engine purchase including the projected use and cost savings. Council Member Beck questioned the amount of calls where the truck would be used. Mr. Specken anticipated over 1,200 calls in a year.

Council Member Brausen addressed a letter received about delaying the purchase. He cautioned the delay of the truck due to the department needs. The letter also included the thought of merging the department with a neighboring community. Mr. Brausen was against a department merge. Mayor Gadd agreed with Mr. Brausen's comments.

Motion by Beck. Second by Halverson.

Motion to the purchase of a fire engine at an estimated cost of \$771,000 and amend the 2021-2025 Equipment Replacement Plan to include the purchase.

Ayes: All.

Nays: None. Absent: Hunke. Motion carried.

VII.2. Second Quarter Financial Report; Bishop

Finance Director Bishop presented the second quarter financial report. The City Council thanked staff for the budget engagement work.

VII.3. Hopkins Business Retention Program; Bishop

Finance Director Bishop presented an outline of possible program guidelines and criteria for the proposed program.

The key elements included:

- Provide reimbursement of up to \$1,500 on capital costs
- The pilot program is open September 21 to December 31
- The total funding budget is \$12,000 (up to 8 businesses)
- Recipients must be part of a redevelopment project
- Designed for businesses located near SWLRT
- Recipients must have been in operation for 1 year
- Eligible improvements included are broad
- Recipients have to submit eligible expenses for reimbursements
- City forgives the loan for one year

Mayor Gadd thanked staff for developing a pilot program. He confirmed that businesses can only receive the reimbursement one time. He also questioned if the program could be expanded to include other areas of Hopkins.

Council Member Brausen suggested raising the \$1,500 amount but supported the other elements. City Manager Mornson offered to raise the amount to \$3,000. Council Member Beck supported the proposed increase. He also proposed including businesses that do

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business to business transactions. Council Member Brausen, Mayor Gadd and Council Member Halverson also supported the \$3,000 reimbursement option. Director of Planning and Development Director Elverum stated the \$3,000 option is feasible with current funding options. She added that staff is providing resources to the businesses to help them relocated in Hopkins.

Council Member Beck preferred that the program was offered citywide; however, he was OK starting with the current pilot program distance requirements.

ANNOUNCEMENTS

Mayor Gadd provided the upcoming meeting schedule.

ADJOURNMENT

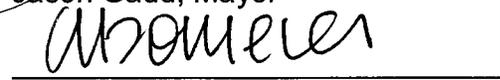
There being no further business to come before the City Council and upon a motion by Brausen, second by Beck, the meeting was unanimously adjourned at 7:59 p.m.

Respectfully Submitted,
Amy Domeier, City Clerk

ATTEST:



Jason Gadd, Mayor



Amy Domeier, City Clerk