

City of North Saint Paul
April 6, 2021
Approved City Council Workshop Meeting Minutes

I. CALL TO ORDER

Mayor Furlong called the meeting to order at 5:00 p.m. The meeting was conducted at City Hall in the Council Chambers, and also via Zoom.

II. ROLL CALL

Present: Council Member Scott Thorsen
Council Member Lisa Wong
Council Member Tim Cole
Acting Mayor Candy Petersen

Absent: Mayor Terry Furlong

Staff: City Manager Scott Duddeck, Deputy Clerk Jennie Kloos, Finance Director Jason Zimmerman, Communications Consultant Kari Erpenbach

III. ADOPT AGENDA

On motion by Council Member Thorsen, seconded by Council Member Cole, with all present voting aye (4-0), motion carried to approve the agenda as presented.

IV. TOPIC(S)

A. Ramsey County HRA

City Manager Scott Duddeck introduced Commissioner Victoria Reinhardt representing Ramsey County HRA. Commissioner Reinhardt commented on issues of housing and economic development within Ramsey County and the effort they are wanting to present in helping all of the communities within Ramsey County. Kari Collins / Director of Community & Economic Development for Ramsey County started the presentation by mentioning that Ramsey County Housing and Redevelopment Authority (HRA) is currently the only County in the Metro that doesn't levy. Ramsey County has an active HRA, but have never historically levied under that authority. A County-wide levy would raise up to \$11.6 million a year to fund affordable housing and redevelopment projects. Funds collected through a Ramsey County HRA Levy would be balanced across St. Paul (50%) and suburban Ramsey County (50%) to support. Ramsey County's HRA plans to begin levying in 2022. Communities that had an active HRA levy authorities prior to 1971 are statutorily required to pass a Resolution to participate in Ramsey County's levy, this applies to St. Paul and North St. Paul. The request is to do so before July 1, 2021 and would be able to opt out at any time.

Council Member Thorsen commented on the residential tax increase which he feels will result in increased rents. Council Member's duties are to represent the best interests of North St. Paul and has a hard time getting behind the \$45 County HRA tax increase to each resident with no guarantee that residents will see benefits.

Commissioner Reinhardt commented that ultimately, it's the city's decision as far as what projects get done within each community. Ramsey County HRA will be able to provide an opportunity to further goals through additional funding

Council Member Wong thanked both Commissioner Reinhardt and Ms. Collins for their presentation and inquired as to what the process is on how the County would prioritize cities to receive that funding? What are the requirements? Ms. Collins commented that municipalities will need to solicit a letter of support stating this is where our needs are and this is where we need support. The County HRA will meet each year to prioritize and make adjustments as needed to ensure each community sees an opportunity to have projects funded.

Council Member Cole commented on the 50% funding to St. Paul and 50% funding to the balance of the communities. When the levy is passed, what percent of the revenue is going to come from St. Paul and what percent is going to come from the balance of the communities to be divided back out? Ms. Collins replied that 48% will come from St. Paul's tax base and suburban Ramsey County is 52%. Every year there will be an opportunity for North St. Paul to benefit from this levy.

B. Discuss General Fund Transfer to Pandemic Response Fund

Finance Director Jason Zimmerman reviewed information regarding the Pandemic Response Fund that staff created on March 20, 2020 to account for costs associated with Covid-19. On July 6, 2020 the City of North St. Paul received \$916,062 in CARES Act Funding. City Council approved Resolution 2020-132 on November 10, 2020, which allocated \$505,178 for business relief grants and \$410,884 for reimbursement of public safety expenditures. The city has coded unbudgeted expenditures to the Pandemic Response Fund and as of December 31, 2020 the Pandemic Response Fund has \$296,739.82 of expenditures in excess of revenues. Staff anticipates continued use of this fund for personal protection equipment (PPE), technology and personnel costs associated with the pandemic. In order to resolve the existing deficit and account for ongoing expenditures, staff recommends a one-time transfer from the General Fund to the Pandemic Response Fund in the amount of \$410,884.

C. American Rescue Plan Act (ARPA)/ State and Local Fiscal Recovery Funds (FRF)

On Thursday, March 11th President Joe Biden signed into law the \$1.9 trillion relief and stimulus package known as The American Rescue Plan Act (ARPA) after amendments were made by the Senate and subsequently passed by the House of Representatives.

Among the provisions within the act which include direct payments to individuals and an extension of unemployment benefits, \$350 billion of Fiscal Recovery Funds (FRF) will be sent to state, local, territorial, and Tribal governments for lost revenue, increased expenditures and mitigation of economic harm caused by the COVID-19 pandemic.

Preliminary estimates, which are subject to change, indicate a total maximum distribution of \$1,524,181 to the City of North St. Paul. The approximate amount of funding for Minnesota local governments with populations under 50,000 is ~\$100/per capita. The ARPA will be subject to both periodic financial reporting and federal single audits.

Distributions will be split into two even allocations. The first half will be sent to the State of Minnesota within 60 days of the bills enactment. The state is then required to allocate funding to local governments 30 days after receiving funds from the federal government, unless an

extension is filed by the state. North St. Paul should receive initial funding Wednesday, June 9th. The second half will be received no earlier than 12 months after the first distribution.

D. 2022 City LGA

Finance Director Zimmerman also presented the council with information regarding the 2022 LGA. Showing a preliminary reduction of \$121,000 or approximately a \$10 decrease per capita, which is Legislatively the maximum. The same \$121,000 LGA reduction also occurred in 2021.

E. City Manager Operational Updates

City Manager Duddeck stated the Spring Cleanup event is scheduled for May 8, 2021 from 8:00 a.m. – 1:00 p.m. at the Public Works building. Items accepted include bulk trash items, brush, electronics, appliances, paper shredding and other refuse. Mr. Duddeck is looking for direction from City Council what to charge for the Spring Cleanup event. The consensus of the City Council is for the event to be available to North St. Paul residents and businesses at no cost.

The City-Wide Garage Sale is planned for May 6-8, 2021 with residents able to list their garage sale on the City website for a fee of \$10. Participants will receive a yard sign, listing on the website and an Eco-kit from North St. Paul Electric Utility.

OTHER BUSINESS

There was no other business

VI. ADJOURNMENT

There being no further business, on motion by Council Member Cole, seconded by Council Member Thorsen, with all present voting aye (4-0), Acting Mayor Petersen adjourned the workshop meeting at 6:28 p.m.

/s/ Candance Petersen, Acting Mayor

Attest: /s/ Scott A. Duddeck, City Manager/Clerk