OPEN COUNCIL WORK SESSION

MUNICIPAL CENTER COUNCIL CHAMBERS
1616 HUMBOLDT AVENUE, WEST ST. PAUL, MN 55118
MONDAY, JULY 27, 2020
5:30 P.M.

OPEN COUNCIL WORK SESSION
Open Council Work Sessions are held in person in the Council Chambers and are open to the public with social distancing restrictions. Meetings will continue to be broadcast and streamed online for viewers to watch from the safety of their homes.
SEATING: A limited number of attendees will be allowed in the Council Chambers to view live meetings. Seats are first-come first-serve. Due to the limited seating, overflow space will be available in the City Hall lobby and the Lobby Conference Room with screens playing the meeting live.

1. Call to Order

2. Roll Call

3. Review and Approve the OCWS Agenda

4. Review the Regular Meeting Consent Agenda

5. Agenda Item(s)

   A. CARES Act Funding and Expenditure Allocation Plan

      Documents:

      COUNCIL REPORT - CARES ACT EXPENDITURE PLAN.PDF
      ATTORNEY MEMO REGARDING CARES ACT W.O FAQ.PDF
      CRF FUNDING ELIGIBILITY LETTER.PDF

   B. Creation of a CARES Act Small Business Grant Program

      Documents:

      COUNCIL REPORT - CARES ACT BUSINESS GRANT.PDF
      ATTACHMENT - WSP SMALL BUSINESS GRANT PROGRAM.PDF

   C. Pedestrian Plan Update and Trail and Sidewalk Gaps

      Documents:

      COUNCIL REPORT - OCWS PED PLAN UPDATE AND TRAIL SIDEWALK GAPS.PDF

D. Special Assessments for Townhomes

Documents:

COUNCIL REPORT - OCWS SPECIAL ASSESSMENTS FOR TOWNHOMES.PDF
ATTACHMENT - FOX RIDGE MAP.PDF

E. Day Designations

Documents:

COUNCIL REPORT - DAY DESIGNATIONS.PDF

F. Harmon Park Splash Pad

Documents:

COUNCIL REPORT - HARMON PARK SPLASH PAD.PDF

6. Adjourn

If you need an accommodation to participate in the meeting, please contact the ADA Coordinator at 651-552-4108 or email ADA@wspmn.gov at least 5 business days prior to the meeting
www.wspmn.gov EOE/AA

CITY OF WEST ST. PAUL

City Council Report

To: **Mayor and City Council**

From: **Ryan Schroeder, City Manager**

Date: **July 27, 2020**

Acceptance of CARES ACT Funding and Expenditure Allocation Plan

BACKGROUND INFORMATION:

In order for West St. Paul to appropriately allocate $1,586,138 in CARES ACT funding (and any accrued interest), City staff has consulted with or attended meetings with the City Attorney, the City's Auditor, senior representatives of the League of Minnesota Cities, Metro Cities, representatives of Congressperson Craig's office, and City Managers/Administrators of area Cities and Dakota County. Upon the guidance received, a basis for the allocation of CARES ACT funding follows.

Background

Timeline of Emergency Declarations and related actions:

- First Communication on Pandemic from the Mayor to the Public March 12, 2020
- First Communication on Pandemic from City Manager to the Staff March 12, 2020
- First Interagency COVID Management Meeting March 12, 2020
- Governor Walz Declares Peacetime Emergency March 13, 2020
- West St. Paul City Council Declares Pandemic State of Emergency March 20, 2020
- City Begins Teleworking/Offices Close End of Day March 27, 2020

Guidance from Minnesota Office of Management and Budget (MMB):
On July 1, 2020, the MMB provided guidance during a LMC Webinar. City Staff interpretation of this guidance follows:

- Document why in the opinion of the Chief Executive (City Manager) the expenditure is necessary as a COVID expense and how the determination was made
- Receive City Council approval even if City Manager is authorized
- Work with the City Auditor in preparation for the Single Audit
- Realize that Federal Guidance can change through this period
- On Public Safety expenses, no specific guidance received other than "work with auditor" and "the state is also working on Corrections interpretation"
- Expenditure Eligibility is for those expenses that have occurred or will occur between March 1 and November 15, 2020
- Can transfer funds to other governments such as South Metro Fire and need to verify that any sub-grantees also comply with 601(d)

The initial and largest question is whether Public Safety payroll and other expenditures are acceptable and appropriate expenditure allocations under the Act.

This is from the Federal Guidance for CARES Act funding:

> *The Guidance says that funding can be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency.*
> *How does a government determine whether payroll expenses for a given employee satisfy the "substantially dedicated" condition?*
> *The Fund is designed to provide ready funding to address unforeseen financial needs and risks created by the COVID-19 public health emergency. For this reason, and as a matter of administrative convenience in light of the emergency nature of this program, a State, territorial, local, or Tribal government may presume that payroll costs for public health and public safety employees are payments for services substantially dedicated to mitigating or responding to the COVID-19 public health emergency, unless the chief executive (or equivalent) of the relevant government determines that specific circumstances indicate otherwise*

Additionally, the South St. Paul City Administrator, on June 2, 2020 received the following email response in answer to a request for confirmation of intent of the CARES ACT regarding public safety expenditures as eligible expenditures under the ACT from the Senior Community Liaison, Morris Allen. Following is the relevant portion of that response.

> On Jun 2, 2020 5:00 PM, "Allen, Morris" <Morris.Allen@mail.house.gov> wrote:
> *"I checked with our legislative director and this was his answer:*
> *Unless there are additional conditions placed by the Governor or legislature, my reading of this is that payroll for law enforcement would automatically qualify."*

On July 9, 2020 staff emailed Mr. Morris to confirm that the above is still the Congressional office position on this topic. Following is the response:

> *"I just received this from my legislative Director. HOPE THIS HELPS. Feel free to forward to your colleagues.*
> *Guidance released by the Treasury updated on June 30th (https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Guidance-for-State-Territorial-Local-and-Tribal-Governments.pdf) and FAQs updated as of July 8th (https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf) continues to support that interpretation – that public safety payroll expenses are eligible.*
> *The materials released by the Walz Administration on June 25th do not appear to impose any restrictions on that category of funding."*

In addition to the above, enclosed please find memorandums from LeVander, Gillen & Miller, P.A., our legal counsel, and Abdo, Eick and Meyers, the firm which will conduct a Single Audit for the expenditure of federal funds. Both support that police/public safety expenditures are an appropriate allocation for payroll and benefit costs.

City Staff Conclusion

Conclusion from the above is that published Federal guidance clearly states that police payroll and payroll for similar employees who are substantially dedicated to COVID response and mitigation are eligible expenditures. This clear reading of the guidance is also confirmed twice by the office of our US Congressperson, our legal counsel, and our audit firm (see attached and below).

On the same topic, we reviewed the common language to ascertain the "reasonable person" approach outside of legislative intent. City Staff intent is to ascertain the meaning of "substantially dedicated" within language and interpretation. It appears that the word "substantial" could not have been intended to mean anything other than as defined below which we conclude to mean "more than minimally."

Definition of "Substantially"

1. Cambridge Dictionary: to a large extent
2. Dictionary.com: of a material nature; considerable amount
3. Webster: somewhat

Antonyms of "Substantially"

1. Webster: completely, entirely, thoroughly, absolutely, totally, wholly
2. Webster: barely, hardly, marginally, minimally, scarcely

The City's legal Counsel provided an opinion on July 9. From that opinion, Staff explored passages of the opinion as follows. The entire opinion is also enclosed.

LeVander July 9 Legal Opinion

Opinion within the area discussing appropriate "Expenditures"

Para 1:

1. "necessary" (expenditures) will be construed broadly
2. In the reasonable judgement of government officials
3. "AND" must be used for actions taken to respond to the Public Health Emergency

City Staff Conclusion

Conclusion from above is that a determination by the responsible government officials are to be broadly, not narrowly, construed as it relates to expenditures related to response to the Public Health Emergency. It is adjudged, herein, that Government Officials would reasonably be defined as the City Manager in a Home Rule City Charter City Manager system. However, under a belt and suspenders theory, the decisions of the City Manager on allocated expenditures will be reviewed and affirmed by the policy board (City Council) which is the local body, which has declared the Public Health Emergency, which continues in effect.

Para 2:

1. Expenditures may be "incurred directly"
2. As well as expenditures incurred to respond to second order effects such as business interruptions
3. May be expended on payroll for public safety employees whose services are substantially dedicated to mitigating or responding to the COVID-19 crises
4. "including" public safety…and similar

City Staff Conclusion

Conclusion of the above is the determination that allocation of expenses in response to or mitigation of effects of the COVID-19 Public Health Emergency are appropriately both direct and indirect. Further, that any expense associated with the COVID-19 Public Health Emergency that resulted in a business interruption is an appropriate allocation. Finally, that payroll expenses for public safety employees are appropriately allocated so long as COVID-19 Public Health Emergency responses or mitigation impacts are more than minimal. It follows that "broadly construed" as denoted within the Federal guidance would necessarily include employees for which public safety employees rely upon for administrative support both inside and outside of the police department or South Metro Fire.

Para 3

1. An allowed expense is one that is "substantially different" from expected use

City Staff Conclusion

Conclusion of the above is the determination that an expense that is substantially different from the intended expense, if related to the COVID-19 Public Health Emergency would be appropriate to allocate to the CARES ACT allocation.

Conclusion From LeVander Memorandum

Within guidance received on the CARES Act expenditures from the MMB, the LeVander law firm and published Treasury and other articles phrases such as "substantially dedicated" appear consistently. In viewing definitions of "substantially," and especially in viewing antonyms of the word, it is apparent that the guidance does not interpret the word "substantially" to mean a significant amount. In fact, it is apparent that the reference is something more than "minimally" and something less than totally. In fact, Webster defines the word to mean "somewhat." Therefore, it is apparent that if the government officials responsible for spending decisions regarding CARES funding can identify that the expense incurred beyond a minimal amount due to COVID-19, it must be an expense eligible for CARES funding. Further, as a matter of Administrative Convenience, the government may presume that public safety payroll costs are "substantially dedicated" to the responding to or mitigating the COVID-19 Public Health Emergency.

Similar Employees Substantially Dedicated

It follows that City Staff related to public safety response or support of public safety response or pandemic response could reasonably be presumed "as a matter of administrative convenience" to also be an eligible payroll expense, so long as their time has been dedicated toward responding to or mitigating the COVID-19 Public Health Emergency. Regardless, each of the following positions and their job duties have been substantially impacted in that the job duties and tasks contemplated within the 2020 budget have been significantly altered from what was intended at adoption of the 2020 budget. In addition to the following list of Staff having duties substantially impacted are additional staff that "may be" substantially impacted but for whom level of impacts beyond "minimal" levels is not as clear. Included would be:

1. City Manager
   - Response Coordination
   - Assisting the Policy Board (City Council) in response
   - Communication/messaging to the public
   - Collaboration with other agencies throughout the County
   - Responding to Citizen concerns
   - Coordinating COVID-19 response team meetings
   - Managing CARES Funding including creation of small business grants
2. Human Resources Director
   - Participating with response team meetings
   - Managing organization wide employee safety
   - Working with employees on quarantine and contamination issues
   - Recruitment of employees with job duties related to COVID-19
   - Working with departments on reassigning employees
3. Finance Director
   - Participating with response team meetings
   - Managing the accounting for COVID-19 expenses
   - Managing Telework assets
   - Management of the accounting and administration of Small Business Grants

4. Communications Manager
    - Participating with response team meetings
    - Coordinating/writing messaging to the public on COVID-19 impacts and response
    - Working with IT on employee teleworking and Policy Board (Council) virtual meeting technology and meeting management and support
    - Assisting with and communicating small business grants and communicating waiver of code requirements for small businesses in response to Governor's COVID closures and partial openings
5. Chief Building Official
    - Participating with response team meetings
    - Charged with sanitizing general government portion of the building and management of asset/infrastructure improvements to public facilities
6. Assistant Parks Director
    - Participating with response team meetings
    - Mitigating to and responding to the need for recreational facilities closures, re-openings and sanitizing including park playgrounds, basketball courts, playfields, ice arena, splash pad, outdoor pool, sports dome
7. IT Manager
    - Participating with subject specific response team meetings
    - Charged with ensuring employee teleworking technology works
    - Purchasing of IT technology in response to pandemic
    - Lead on Policy Board (Council) virtual meeting creation and technology
8. City Clerk
    - Participating with response team meetings
    - Managing Elections impacted by the Public Health Emergency including acquisition of personal protection equipment (PPE) and coordinating with the County on absentee balloting due to the Public Health Emergency
9. Public Works/Parks Director
    - Participating with response team meetings
    - Supervising the Public Health Emergency actions of the Assistant Park Director

Expenditure Line Items

Upon the above, our conclusion is the following are eligible CARES ACT expenditures:

1. Police Department payroll (wage and benefit) March 1 through November 15
2. South Metro Fire COVID-19 medical calls March 1 through November 15
3. Staff for departments outside Public Safety as per above
4. Seasonal and apportioned full time employees hired specifically for cleaning/sanitizing public facilities
5. Other employee wages when assigned specifically to respond to or mitigate impacts to the pandemic
6. Computer equipment purchased in order to facilitate teleworking and/or virtual meetings
7. Local cost share (25%) of FEMA grants received for the COVID-19 pandemic
8. Emergency sick leave, quarantines and FMLA leaves, medical leaves
9. PPE and sanitizing expense across the organization
10. Business grants in accordance with the Social Security Act 601(d)
11. Any other reasonably necessary expenditure that meets the criterion of 601(d) of the Social Security Act

Ineligible expenses would include the following:

- Anything covered by insurance
- Payroll expense for those not substantially dedicated to mitigating or responding to COVID
- Anything reimbursed by any other federal program
- Workforce bonuses other than hazard pay or overtime
- Reimbursement to donors
- Severance pay

Allocation Approach

- Upon guidance from the City's audit firm, it is intended that the City would first allocate Police Department payroll expenditures against CARES ACT funding
- Upon approval of the City Council, the City would create a Business Grant Program or provide funding to a Dakota County Community Development Agency (CDA) Business Grant Program to assist West St. Paul businesses with CARES ACT eligible expenses directly attributable to or in response to COVID-19
- As per the above, the City would allocate direct expenditures for PPE, sanitizing, teleworking/computer/server/telephone COVID-19 related expenditures
- To the extent funding would be available, the City would allocate Staff expense for those positions identified above, to the extent that these positions have been substantially dedicated to COVID-19 response or mitigation
- South Metro Fire is an eligible sub-grantee with direct COVID-19 expenditure which may be allocated

Approval Approach

1. Council approval of the Expenditure Plan
2. Council approval of the Small Business Grant Program and/or approach
3. Future Council approval of CARES ACT allocations
4. If Business Grant Program is approved, future Council approval of Individual Business Grants
5. Upon approval of the Federal Single Audit (spring/summer 2021), re-allocation of any residual revenue per adopted fund balance policy

Appendix:

1. Business grant (enclosed)
2. Specifics of Police Department impacts

Following is a compendium of Police Department direct and indirect impacts of the public health emergency and related impacts.

Year to date activity for 2020 compared to the same period from 2019 reveals:

- Crashes are down significantly (probably due to stay at home orders)
- Community policing activities down significantly (due to COVID)
- Mental Health calls up (Mental Health calls can be labeled Mental Health or are in other categories where mental health is the underlying contributor to the reason for Police response)
- Domestics / disturbances are up slightly
- Fireworks complaints up significantly (increases are up nationally)
- Order for Protection and Domestic Abuse No Contact Order violations are up significantly
- Ordinance violations are down dramatically due to lower number of Snow Emergencies the first part of the year
- Traffic stops are down significantly (due to COVID, Officers do not want to make unnecessary contact. This is nationally, as well.)

2019 versus 2018, larcenies were up 84 percent. This year, we are seeing it remaining steady. The increase in larcenies are attributed to the increase of people being caught stealing when using the self-checkouts at Wal-Mart and Target, which were put in place at the end of 2018 and beginning of 2019. They have 10 items and only ring up two.

Not all community outreach has ended. We have done some virtual meetings, outreach, etc. We will be having a virtual Safety Camp and in person youth activities with limited numbers of youth participating this summer. We are making great progress in the planning of a diversity outreach / recruitment effort next spring. This outreach effort is in partnership with the FBI / Department of Justice (DOJ) and the two of us are taking the lead in the organization of this event. Participants will not only include the DOJ and our Department but many other local, state, and federal law enforcement agencies, as well as private and public organizations. The event is called "Be the change you want to see…Pursue a career in Public Safety." The focus will be recruitment of more diversity in the Criminal Justice field and will not only be a career fair, but there will be several speakers and other activities. The event is April 10, 2020 at the University of Minnesota. This will be the second such event in the country.

The COVID-19 pandemic has caused several issues with moving forward with the Departmental Work Plan. However, progress has been made on the following:

- Additional data and information placed on website. Regular meetings and planning being done with the Social Media Committee.
- Several stories have been produced in conjunction with Town Square TV and West St. Paul Reader to promote activities within the Police Department.
- Body camera implementation completed with a community meeting via Facebook Live scheduled for next week.
- Informal discussions taking place reference web design/content. Issues exist with locating time availability.
- Review of Mission Statement taking place through our Policy Committee.
- Citizen Academy has been cancelled due to COVID.
- Every other week, communications are being sent out to the Department. Many times, this has occurred weekly. During the riots, looting, and emergency scheduling, daily updates were provided.
- All data requests being processed in a timely fashion.
- Initial IT meeting was conducted to address IT deficiencies in the Police Department.
- Rehab project in the Department is near completion.
- Had some discussion so far with Human Resources regarding training deficits and addressed them via line item additions in the 2021 budget request.
- Temporarily reconfigured Supervisory Staff to include an Administrative Sergeant position to enhance career development. Working with Human Resources to get this completed.
- Developed committees to provide employee feedback and involvement in the operations. This includes Social Media and Web Content, Community Events and Engagement, IT, Recruitment, Policy and, lastly, Facilities, Equipment and Maintenance.
- It has been suggested that recent nationwide rioting was influenced in part by economic and social impacts from the pandemic, in addition to the larger influencers associated with the unrest that was demonstrated.
- The Police Department has assisted South Metro Fire with COVID responses somewhat.
- Recruitment has ceased for the most part.

FISCAL IMPACT:

		Amount
Fund:		
Department:		
Account:		

STAFF RECOMMENDATION:

Approval of the CARES ACT Expenditure Plan.

LEVANDER, GILLEN & MILLER, P.A.
ATTORNEYS AT LAW

TIMOTHY J. KUNTZ
DANIEL J. BEESON
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TONA T. DOVE
AARON S. PRICE
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CASSANDRA C. WOLFGRAM
CASSANDRA J. BAUSTISTA
AMANDA J. JOHNSON

MEMO

TO: **Kori Land, Peter Mikhail, Bridget McCauley Nason**
FROM: **Amanda Johnson**
DATE: **July 7, 2020**
RE: **CARES ACT**

Question: How can the CARES Act payments be spent?

Minnesota received $841 million in federal funds from the CARES Act that will be distributed to cities, counties, and townships for coronavirus-related expenses. Local governments may transfer Fund monies to other local units of government. The CARES Act imposes three conditions on payments local governmental units receive from the Coronavirus Relief Fund ("Fund"), requiring payments be used to cover expenses that:

1. Are necessary expenditures incurred due to the COVID-19 public health emergency;
2. Were not accounted for in the budget most recently approved as of March 27, 2020; and
3. Are incurred between March and December of 2020.

Necessary Expenditures

Per the latest Treasury guidance on June 30, 2020, the word "necessary" will be construed broadly, "the expenditure must be reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments," and payments must be used for actions taken to respond to the public health emergency.

This includes expenditures incurred to respond directly, as well as expenditures incurred to respond to second-order effects, such as providing economic support to the unemployed or business interruptions that were due to Covid-19 related closures. Funding cannot be used to close revenue gaps, however, the money may be expended on payroll expenses for public sector workers "whose services are substantially dedicated to mitigating or responding to" the COVID-19 crisis, including public safety, public health, health care, human services, and similar employees.

633 SOUTH CONCORD STREET • SUITE 400 • SOUTH SAINT PAUL, MINNESOTA 55075 • 651-451-1831 • FAX 651-450-7384
OFFICE ALSO LOCATED IN SPOONER, WISCONSIN

Unaccounted for Expense Incurred During Covered Period

An allowed expense is one that cannot be lawfully funded using a line item, allotment, or allocation within the government entity's most recently approved budget (as of March 27, 2020). Alternatively, an allowed expense is one that is for a substantially different use from any expected use of funds for a line item, allotment, or allocation.

The new guidance establishes that the "most recently approved" budget refers to the enacted budget for the relevant fiscal period, which would appear to mean that specific COVID-19 responses expressly budgeted for prior to March 27, 2020, in the event there were any, may not be eligible.

The expenses must have incurred during the covered period, meaning that performance or delivery must occur during covered period, but payment of funds does not (although it is generally expected to take place within 90 days of cost being incurred). Covered period for cities and towns is March 1, 2020 through December 30, 2020.

Examples of Eligible Uses Related to the Covid-19 Public Health Emergency

- **Medical expense**s**:** including cost of testing, treatment capacity, emergency medical response.
- **Public heath expenses:** PPE, disinfection of public areas, public safety measures, including cost of communication and enforcement of public health orders.
- **Payroll expenses, for public health and public safety employees:** limited to those whose work duties are substantially dedicated to mitigating or responding to the Covid-19 public health emergency, for public employees who could have been furloughed/laid off, but were repurposed to perform unbudgeted functions substantially dedicated to mitigating or responding to the Covid-19 public health emergency, increased workers' compensation cost due to Covid-19 public health emergency.
- **Public health measures that were done to enable compliance with Covid-19 public health precautions:** food delivery to vulnerable populations, expenses to facilitate distance learning, expenses to improve telework capabilities for public employees, paid sick and family/medical leave, care for homeless populations.
- **Economic support:** grants to small businesses to reimburse the costs of business interruption caused by required closures, short-term loans for public or private business entities, payroll support program, consumer grant program to prevent eviction, employment and training programs for employees who have been furloughed due to Covid-19, mortgage assistance programs, funeral or other emergency costs.

The Treasury has put out a Frequently Asked Questions guide in relation to the Coronavirus Relief Fund. This is included below for additional assistance:

Abdo, Eick & Meyers, LLP

Edina
5201 Eden Avenue, Suite 250
Edina, Minnesota 55436
Office: 952.835.9090

Mr. Ryan Schroeder
City Manager
City of West St. Paul
1616 Humboldt Avenue
West St. Paul, MN 55118

Re: Coronavirus Relief Fund Eligibility

July 22, 2020

Dear Mr. Schroeder,

Due to the amount of funding expected to be received by the City of West St. Paul (the City) under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) through the Coronavirus Relief Fund (CRF), we, the City's Auditors, are expected to be engaged to complete a Single Audit under the Uniform Guidance. CRF funding is subject to the following requirements in the Uniform Guidance (2 C.F.R. Part 200): 2 C.F.R. § 200.303 regarding internal controls, 2 C.F.R. § 200.330 through § 200.332 regarding subrecipient monitoring and management, and subpart F regarding audit requirements. One facet of the single audit will involve testing the eligibility of costs reimbursed with CRF funding.

To prepare for our upcoming Single Audit testing, We have reviewed the guidance set forth in section 601(d) of the Social Security Act, as added by section 5001 of the CARES Act, the Treasury's Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments, dated April 22, 2020 and the most recently updated Coronavirus Relief Fund Frequently Asked Questions supplement dated July 8, 2020. We have also reviewed other guidance distributed by the League of Minnesota Cities, the Minnesota Office of Management and Budget and other available resources.

In combination with our review of the above guidance, we have also had discussions with yourself and the City's Finance Director regarding our understanding of the guidelines, and how the guidance available to date will be applied to our Single Audit eligibility testing for costs reimbursed by CRF funding.

Based on our understanding of the guidance to-date, we have found the costs outlined in the attached City Memo to be considered eligible for reimbursement. If we become aware of any changes to the eligibility guidelines, we will communicate any updates with the City.

If you have any further items for discussion or additional questions, please contact us at your convenience.

Thank you,

Brad Falteysek
Governmental Services Partner

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ABDO EICK & MEYERS LLP
Certified Public Accountants & Consultants

CITY OF WEST ST. PAUL

City Council Report

To: **Mayor and City Council**

From: **Ryan Schroeder, City Manager**

Date: **July 27, 2020**

Creation of a CARES ACT Small Business Grant Program

BACKGROUND INFORMATION:

Governor Walz announced on Thursday, June 25, that $841.4 million from the State's share of Federal CARES Act funds would be distributed to local governments that have eligible costs related to the COVID-19 pandemic. In order to qualify for funding, local governments must submit a certification form by September 15, 2020. The City of West St. Paul submitted the required certification on June 30, 2020. We anticipate that the $1,586,138 allocated toward West St. Paul will be received on or about July 31, 2020.

In summary, the City may allocate this revenue as follows:

1. Costs incurred due to the Public Health Emergency were not accounted for in the 2020 budget and were incurred between **March 1** and **November 15.**
2. Expenditures for actions taken to respond to the Public Health Emergency. This may include expenditures incurred directly, such as addressing medical or public health needs or to respond to second order effects such as providing economic support to those suffering from employment or business interruption due to COVID related ordered closures. Fund payments must be necessary in the judgement of government officials responsible for spending the funds.
3. The Act requires payments be used only to cover costs that were not accounted for in the budget. The cost must be for a substantially different use than expected.
4. Examples of eligible expense:
   - Emergency medical response related to COVID
   - Expenses for communication and enforcement of COVID orders
   - Expenses for PPE and sanitizing expense for Police Officers
   - Expenses for disinfection of public areas and facilities
   - Expenses for public safety measures in response to COVID
   - Quarantine expenses
   - Payroll expense for Public Safety employees whose services are substantially dedicated to mitigating or responding to the Public Health Emergency
   - Expenses to improve teleworking capabilities
   - Expenses of providing medical leaves due to COVID
   - Expenses related to provision of small business grants directly due to business closures
   - Any other reasonably necessary expenditure that meets the criterion 601(d) (expenditures are necessary, the cost is substantially different from expected use of funds or was not allocated

within the most current budget, and expenditures were incurred between March 1 and November 15)

5. Ineligible expenses include:
   - Anything covered by insurance
   - Payroll expense for those not substantially dedicated to mitigating or responding to COVID
   - Anything reimbursed by any other federal program
   - Workforce bonuses other than hazard pay or overtime
   - Reimbursement to donors
   - Severance pay

Any City that expends more than $750,000 of federal funds in its fiscal year is required to have a single audit. Such being the case, we have conferred with both the City Attorney and our audit firm to confirm our understanding of eligible expenditures under the Act.

Any funds from the allocation not incurred by the City by November 15, 2020 must be returned to the County.

Council will note that among eligible CARES ACT expenditures are Small Business Grants. The guidance received regarding small business grants is as follows:

The Guidance provides that eligible expenditures may include expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures. What is meant by a "small business," and is the Guidance intended to refer only to expenditures to cover administrative expenses of such a grant program?

Governments have discretion to determine what payments are necessary. A program that is aimed at assisting small businesses with the costs of business interruption caused by required closures should be tailored to assist those businesses in need of such assistance. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

The City Council has been proactive in addressing Pandemic response. On March 20, 2020, the City Council affirmed the March 17 Mayoral action of declaring a pandemic State of Emergency. This declaration has continued in effect since. On May 26, the City Council adopted a resolution granting temporary waivers from City Code to promote businesses activities in response to State mandated business closures. On June 22, the Council granted consensus direction to Staff to bring a business grant program for municipally licensed businesses suffering from pandemic related closures. Three days after this direction, the Governor allocated CARES funding toward local governments. Proposed is that Council adopt a Business Grant Program that qualifies for CARES ACT funding.

It should be noted that the program proposed herein is not the first such program from which West St. Paul businesses have or could receive funding, as there have been various Federal and State programs related, at least in part, to the pandemic. Recently, the Small Business Administration released data that includes a significant list of West St. Paul area businesses having received convertible loans from the Payroll Protection Program. Also, the Minnesota Department of Employment and Economic Development (DEED) had a $60 million pool for business grants with applications which closed on July 2, with awards by late July and public notification of who received grant awards by the end of August. The Dakota County Community Development Authority (CDA) is also providing a countywide program with $10 million in allocations. Both of these latter two programs are lottery style programs. It is

intended that the West St. Paul program essentially provides an improved level of certainty that impacted businesses would not fall through gaps created by such a lottery approach. Hence, this program is proposed to first fund bars and restaurants for out-of-pocket pandemic costs, after which all other eligible businesses would be funded only to the extent that funding was not received or was insufficiently received through other funding sources.

Enclosed is the proposed Small Business Grant Program. The primary components of the program are:

1. Business Eligibility: We have proposed a tiered eligibility such that restaurants and bars are most likely to qualify for funding. Beyond that, smaller businesses and non-profits would qualify ahead of larger operations. However, as noted above, we would evaluate unmet need in comparison to all other grant applicants. Unmet need considers both pandemic related expenditures and federal, state, and county grants received.
2. Grant amounts: We have proposed a grant maximum of $10,000 which is consistent with the DEED and CDA programs. We are proposing a total allocation of $150,000 which is approximately 10% of the CARES allocation. This is the same threshold the City of Lakeville (the only other Dakota County City proposing a CARES Business Grant outside of the CDA currently) has proceeded under.
3. Expenditure Activity: Only expenditures meeting the qualifications of the CARES ACT are eligible. In general, however, expenditures appear to be limited to those costs of business interruption caused by "required" closures. Under the DEED grant guidelines it is interpreted that if the business was restricted by executive orders to operating at 50% or less of normal capacity or if the business experienced 10% revenue loss year-over-year between March 1 and May 31, 2019 vs. 2020 the business is grant eligible. DEED excludes non-profits and home-based businesses but for in-home daycare businesses. The enclosed includes non-profits in all but the first tier and excludes all home-based businesses.
4. Given that the City is at risk of a subsequent audit determining grants were spent on ineligible expenditures, it is required that sub-grantees certify that, if West St. Paul is required to pay back a portion of grant funds, the sub-grantee is responsible to provide for that payment. The language within the guidance we have received is fairly broad but also is subject to differing interpretations.
5. The deadline for receipt of grant requests is September 4. Grant awards would be brought to the City Council for approval on September 14.

FISCAL IMPACT:

$150,000 from CARES ACT

STAFF RECOMMENDATION:

Approval of the CARES ACT Business Grant.

CITY OF
WEST ST. PAUL

PANDEMIC RESPONSE SMALL BUSINESS GRANT PROGRAM

HELPING WEST ST. PAUL SMALL BUSINESSES WEATHER THE COVID-19 PANDEMIC

CARES ACT

The City of West St. Paul has received an allocation of CARES Act Funding. CARES stands for the Coronavirus Aid, Relief and Economic Security Act. The CARES Act provides that Cities may allocate a portion of this funding toward Small Business Grants toward eligible expenditures. Guidance the City of West St. Paul has received regarding eligible expenditures and grant requirements follows.

ELIGIBLE EXPENDITURES

Governments have discretion to determine what payments are necessary. This program is tailored to assist small businesses with the costs associated with required closures. The amount of a grant to a small business to reimburse the costs of business interruption caused by required closures would also be an eligible expenditure under section 601(d) of the Social Security Act, as outlined in the Guidance.

The purpose of this program is to help small businesses cover costs incurred during required closures as well as costs that are necessary to ensuring the safety of employees and customers due to the COVID-19 pandemic.

Minnesota Department of Management and Budget requires expenditures satisfy the following three elements to receive CARES Act funds.

1 Necessary Expenditures

Necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID 19).

"NECESSARY": Expenditure is reasonably necessary for its intended use in the reasonable judgment of the government officials responsible for spending Fund payments.

"DUE TO": Expenditures must be used for actions taken to respond to the public health emergency; including expenditures incurred to respond directly to the emergency, as well as expenditures incurred to respond to second order effects, such as by providing economic support to those suffering from employment or business interruptions due to COVID 19 related business closures.

2 Unaccounted for Expenses

Costs not accounted for in the budget most recently approved as of March 27, 2020

"NOT ACCOUNTED FOR": (a) the COST CANNOT LAWFULLY BE FUNDED using a line item, allotment, or allocation within that budget; or (b) the cost is for a substantially different use from any expected use of funds in such a line item, allotment, or allocation.

"MOST RECENTLY APPROVED" budget: the enacted budget for the relevant fiscal period for the particular government, without taking into account subsequent supplemental appropriations enacted or other budgetary adjustments made by that government in response to the COVID 19 public health emergency.

3 Incurred During Covered Period

"INCURRED": Performance or delivery must occur during the covered period but payment of funds need not be made during that time (though it is generally expected that this will take place within 90 days of a cost being incurred.)

"COVERED PERIOD" for cities and townships: March 1, 2020 November 15, 2020.

GRANT CRITERION

1. Eligibility Tiers

To qualify for the WSP Pandemic Response Small Business Grant Program there are the following Priority Tiers for businesses with a physical location within the borders of WSP outside of a residential location (home occupations excluded).

TIER 1	TIER 2	TIER 3	TIER 4	TIER 5
Restaurants & Bars of any size with four or fewer business locations under the same ownership	Any retail, office, industrial or not for profit 501 (c)(3) business below $1 million in 2019 annual revenue and fewer than 20 FTE employees as of March 1, 2020	Any retail, office, industrial or not for profit 501 (c)(3) business below $2 million in 2019 annual revenue and fewer than 30 FTE employees as of March 1, 2020	Any retail, office, industrial or not for profit 501 (c)(3) business below $3 million in 2019 annual revenue and fewer than 40 FTE employees as of March 1, 2020	Any retail, office, industrial or not for profit 501 (c)(3) business below $10 million in 2019 annual revenue and fewer than 50 FTE employees as of March 1, 2020
	A ↓ B	A ↓ B	A ↓ B	A ↓ B

Tiers 2-5 are broken down into sub-tiers A & B. Sub-tier A indicates the business has not received Dakota County Small Business Relief Program funds. Sub-tier B indicates the business has received Dakota County Small Business Relief Program funds.

2. Eligible Grant Expenditures

Subject to Federal, State Guidance to the contrary:

A. Pandemic Related expenses that have been or will be reimbursed by any program of the Federal, State, or County government or any expense reimbursed by an insurance company or any other third party granter are not eligible

B. Upon the above, other costs directly related to pandemic related business closures and reopening activities would be considered eligible subject to contrary guidance from the Federal, State, or County government.

i. Costs which may be considered eligible are costs of “mothballing” the business location during the pandemic related closure to include utility, licensing, or similar costs incurred during the period that the business was not in operation. Periods of partial operation would be considered eligible for this line item if the partial operation was ordered by the Governor.

ii. Costs to retrofit the business to improve pandemic safety measures such as structural changes and safety barriers such as plexiglass barriers would be considered an eligible expense.

iii. Improvements to the building or land to respond to Government orders for distancing in order to provide for partial opening of the business would be considered an eligible expense.

iv. Minimum grant request is $1,000

v. Maximum initial grant request is $10,000; should receipt of grant applications by the City be below funding allocations the City reserves the right to increase grant maximum’s. Likewise, should receipt of grant applications exceed funding allocations the City reserves the right to prorate requested funds. The City recommends application for funding beyond the current grant maximum, to the extent the business can demonstrate financial hardship resulting from the COVID pandemic in the case that said maximum may letter be increased.

C. The business requesting grant funds must certify that the grant is to be used for expenditures that

i. Are necessary and due to the public health emergency

ii. Are unaccounted for expenditures and not previously budgeted expenditures, and

iii. Have been incurred or will be incurred between March 1 and November 15, 2020

3. Process: To apply for grant funds the applicant must:

A. Include data to support which tier the applicant is applying under (Tiers A, B, C, D, or E from above)

B. Include proposal for expenditures for reimbursement that have occurred since March 1, 2020 or will occur prior to November 15, 2020. Support for the expenditure such as receipts, evidence of bill payment, and bid documentation are required.

C. Applicant must certify that any grant funds applied for under this program have not been reimbursed and will not be reimbursed under any other Federal, State, County, Insurance, or other third party funder.

D. Application Deadline: September 4, 2020 at 4PM

E. Amendments: City may allow for amendments of the request or granted amounts should such be deemed necessary except that amendments will not be permitted after October 31, 2020

F. Completion of Transmittal Cover Sheet (add as many attachments as necessary to support the request; receipts, bills, paid invoices, construction drawings, tax returns or bank statements)

CITY OF WEST ST. PAUL SMALL BUSINESS PANDEMIC RESPONSE GRANT APPLICATION

Both blue pages must be completed in full and submitted with each grant application. (Transmittal Page 1 of 2)

Submit applications to:
City of West St. Paul Finance Department
1616 Humboldt Avenue
West St. Paul, MN 55118

1. Grant Request Information

A. Qualifying Grant Tier (Tier descriptions are located on page 4 of this packet)
Check only one box.

TIER 1	TIER 2		TIER 3		TIER 4		TIER 5	
	A	B	A	B	A	B	A	B
☐	☐	☐	☐	☐	☐	☐	☐	☐

B. Description of Business

_____

_____

_____

C. 2019 Total Revenue at WSP Location(s)
$_____

D. Number of Full Time Employees at WSP Location(s)
as of 3/1/2020 _____

E. Amount of Grant Request
$_____

NOTE: All grant requests must come with an attached detail of request and how request meets CARES Act funding requirements.

CITY OF WEST ST. PAUL SMALL BUSINESS PANDEMIC RESPONSE GRANT APPLICATION

All blue pages must be completed in full and submitted with each grant application. (Transmittal Page 2 of 2)

2. Applicant Information

Property Address _____
_____

Name of Business _____

Applicant Name _____

Owner of Property _____

Owner of Business _____

Contact information of applicant

Job Title _____

Phone number _____

Email _____

Mailing address _____
_____

3. Applicant Certifications

Certification by applicant that request is believed to be Federal CARES ACT compliant:

Applicant Signature _____ Date:_____

Certification by applicant that no part of this request has been funded or will be funded by any other Federal, State, County, other 3rd party granter or insurance company:

Applicant Signature _____ Date _____

Certification of understanding that any portion of a funded grant found out of compliance with Federal or State Law will be reimbursed within 45 days of invoice received by the City or other governmental agency:

Applicant Signature _____ Date _____

Notary Signature _____ Date:_____

NOTARY STAMP

CITY OF WEST ST. PAUL

City Council Report

To: **Mayor and City Council**

Through: **Ryan Schroeder, City Manager**

From: **Ross Beckwith, Public Works & Parks Director/City Engineer**

Date: **July 27, 2020**

Pedestrian Plan Update and Sidewalk and Trail Gaps

BACKGROUND INFORMATION:

In 2011, the City endeavored to study its pedestrian and bicyclist facilities to provide a long term plan to improve from the existing condition. It contracted with the planning firm of Hoisington Koegler Group. The citizen participation portion of the planning project was from April to October after which the City Council accepted the Bicycle and Pedestrian Master Plan dated December 5, 2011. The plan is a "tool to guide the long term efforts (25 years or more) to physical projects, programs and policies that will support walking and biking in West St. Paul."

The priorities identified within the plan are the following routes with status as:

• NURT (AKA River to River Regional Trail way)
  Segment from Wentworth to Wentworth including Robert Street Underpass is scheduled for 2020 and 2021 construction
  Segment through Thompson Oaks conceptually designed
  Segment through Marthaler Park conceptually designed as a future joint County project
  Segment north of Oakdale/Thompson currently in concept design for a future grant request

• Charlton from Annapolis to Marie
  Walkway exists on at least one side of the road, some areas both sides
  (Emerson to Butler and Arion to just north of Bernard)

• Robert Street from Annapolis to Mendota Road
  Completed as part of the 2014-2017 Robert Street Reconstruction

• Livingston from Wentworth to Mendota Road
  Completed in 2019

• Oakdale from Bernard to Emerson and from Thompson to Mendota Road
  Segment from Mendota Road to Wentworth completed in 2019
  Segment from Bernard to Emerson:
  Emerson to West Chester Place no walk
  West Chester Place to Conver walk on west side
  Conver to Bernard walk on both sides

• Bidwell from Butler to Thompson
Annual Safe Routes to School Grant funding request; not yet funded

• Marie from Delaware to Oakdale
Final segment completed in 2019

• Butler from Delaware to Highway 52
Delaware to Smith no walk
Smith to Manomin walk on one side
Manomin to Stassen walk on both sides
Stassen to Hwy 52 no walk

Additionally, main routes were identified as:

• Delaware from Annapolis to Marie
Included in 2020-2029 City CIP as 2025 project; requires County and Mendota Heights approval

• Wentworth from Delaware to South St. Paul
Segment from Delaware to Robert completed in 2019
Pedestrian Crossing at Marthaler Lane completed in 2020
Marthaler to Oakdale existing trail
Oakdale to Meadows trail through Sports Complex
Meadows to TH 52 trail on south side

• Mendota Road from Delaware to South St. Paul
Delaware to Charlton no walk
TH 62 intersection to Robert walk on north side
Robert to Oakdale walk on south side (IGH)
Oakdale to TH 52 walk on both sides

In addition to Priority and Main Routes, the plan identifies lower priority local and access routes. On May 24, 2019, Engineering estimated that completion of gaps within the entire Bike/Pedestrian plan could be accomplished at a cost of $15 million plus the cost of any necessary right of way or easement acquisition. Some segments will be constructed as part of development and redevelopment projects. Others would be coordinated with roadway reconstruction projects. Third party/grant funding of Priority and Main routes are continuously sought.

The City has been collaborating with Dakota County to facilitate construction of the final leg of the Regional River to River Trail by 2021. As part of this bikeway/walkway, the City is collaborating with Dakota County to construct an underpass of Robert Street just north of Wentworth. The County Board awarded this $4,654,634 project on July 14, 2020. Construction of the trail connections is scheduled for 2020 while the underpass itself will be constructed in 2021. The partners are also working on securing grant funding for additional legs of this important regional asset.

On December 9, 2019, Council adopted its 2020-2029 CEP-CIP. This plan followed a prior change in policy to eliminate benefit assessments for sidewalk and trail improvements in favor of a tax levy to fund these projects commencing in 2021. The plan projected an annual $500,000 property tax levy without allocations to specific projects. The intent, however, is toward completion of sidewalk and trail gaps as identified within the Pedestrian and Bicycle Master Plan. This $500,000 budget allocation is included in the staff recommended 2021-2022 budgets. Within the other elements of the CEP-CIP reserve targets are established. A similar target has not yet been established for this element of the CIP. However, as with all other elements of the CEP-CIP, but for Sanitary Sewer lift stations and forcemain

projects, the Sidewalk/Trail element will provide project funding on a “pay as you go” basis. In other words, when cash is sufficient to complete a project it may proceed such that additional debt is not required to construct any of the improvements proposed going forward.

Future projects for allocation from future budgets are discussed below.

The 2021 Moreland Avenue Street Improvement Project offers the opportunity to close the sidewalk gap between Smith Avenue and Delaware Avenue. The feasibility study currently underway will evaluate in detail the impacts and associated costs of closing this sidewalk gap. Based on the existing steep side slopes, construction of this 1,000-foot stretch of concrete walk is probably in the range of $130k - $180k.

The 2022 Street Improvement Project on Crusader Avenue lends the perfect opportunity to connect the sidewalk from Bidwell Street to Robert Street. There is currently concrete walk on the south side of Crusader Avenue from Robert Street to 300 feet west. Adding 2,250 feet of new sidewalk on one side of the street would cost around $300k-$400k. A feasibility study with some preliminary engineering will dissect the options and costs. Between Stryker Avenue and Bidwell Avenue, there are utility poles in the south boulevard that may dictate where a sidewalk fits. Moving private utilities is one of the most difficult/time consuming part of any sidewalk/trail project.

The 2022 Crusader Avenue Project is adjacent to the 1,350-foot sidewalk gap on Bidwell Avenue from Marie Avenue to Crusader Avenue. This section in conjunction with new walk on Crusader Avenue would create a loop from Marie Avenue to Robert Street. Back in 2017 when Bidwell Avenue from Marie Avenue to Crusader Avenue was reconstructed, there were discussions about adding concrete walk. However, the final decision was to just narrow Bidwell Avenue by 4 feet by bringing the western curb line in. This eliminated parking from the west side of the street and set up Bidwell Avenue for a future sidewalk where property acquisition would be reduced. This segment would cost $175k-$250k if it were part of the Crusader Avenue project and higher if it were a standalone project.

In 2023 and 2024, all of Annapolis Street is scheduled for reconstruction in partnership with the City of St. Paul. Most of the south side (WSP side) currently has concrete walk. However, the current widths vary from four to five feet and it is all in poor condition. All of the concrete walk will be replaced as part of the project cost and widened to five feet where it currently is narrower.

Delaware Avenue is scheduled for reconstruction in 2025 from Marie Avenue to Dodd Road. Like the recent reconstruction of Wentworth Avenue, the County would look at adding multiuse trails along Delaware Avenue. West St. Paul’s share of this $10M project is estimated at $1.45M including trails.

Dakota County is interested in a turn back of Thompson Avenue from Robert Street to South St. Paul. Sidewalks and trails are part of those discussions at this point. Without a turn back, a City/County project to construct trail on one side and a sidewalk on the other would require about a $300k contribution from the City.

The City recently applied for Regional Solicitation grant for sidewalks and trails on Oakdale Avenue from Wentworth Avenue to Butler Avenue. If successful, there would still be some cost sharing required by the City but it would less than a standalone City/County project, which would require about a $410k contribution from the City.

The City recently applied for a Safe Routes to School (SRTS) Grant for a sidewalk on Bidwell Street from Thompson Avenue to Butler Avenue. Construction of this project is estimated at $800k of which $160k would be the City’s portion. The City would also be required to pay for design and construction

administration/inspection/testing for about another $100k. A feasibility report and preliminary engineering study was done on this section in order to get more accurate estimated cost required for the SRTS application. That study shows narrowing the roadway by about 5 feet would be the most cost effective way to install a sidewalk along this corridor as it minimizes property impacts and pulls the walk further away from the very steep side slopes. Without a grant this project would not likely move forward.

Two trail gaps exist on the County owned Butler Avenue. The Dodd Road to Smith Avenue trail gap is about a $900k project of which the City would be responsible for $135k. The Sperl Street to Trunk Highway 52 trail gap is about a $1M project of which the City would be responsible for $150k.

Emerson Avenue from Delaware Avenue to Robert Street is a long east/west corridor with no bicycle or pedestrian facilities. A bicycle and pedestrian connection on Emerson would be evaluated as part of the feasibility study for reconstructing the roadway, which is currently scheduled for 2026. This 7,000-foot stretch will have significant tree and grade challenges. A five-foot sidewalk would cost $1M-$1.5M to construct as part of a reconstruction project. An 8'or 10' multiuse trail would increase costs over $2M due to the additional easement areas needed. Pairing a sidewalk or trial with a reconstruction project would significantly help with costs on the design, construction administration/inspection/testing. There are also options to explore like roadway width that could significantly reduce easement costs. A standalone project on Emerson would increase costs and disrupt the same residents with two projects over a short timeframe. Standalone sidewalk/trail projects of this magnitude require a year of design, a year of property acquisition and a year of construction.

Lothenbach Avenue is another street that is not in the first five years of the CIP, but is projected within the 2026-2030 out years. Sidewalk installation at the time of reconstruction would be the most cost effective project approach. With steep grades on the south side and utility poles on the north side this would take some analysis to figure out the path of least resistance (and cost) of this half mile stretch. An estimated construction cost for sidewalk is around $350k-$470k when paired with a street reconstruction.

Mendota Road between Delaware Avenue and Charlton Street is similar to Lothenbach Avenue in that it is in need of a reconstruction. That would be the opportune time to install a 1,630-foot sidewalk for $200k-$300k.

The installation of an asphalt trail (8 to 10 feet wide) on any of these projects, will guarantee the need for property acquisition, driving up costs and adding a year to project design timelines. Five-foot concrete sidewalks where limits can remain in the existing right of way, like those recently built on Livingston Avenue, substantially reduces construction costs. Side slopes quickly turn into expensive retaining walls or property acquisition. By pairing up trail/sidewalk connections with street improvement projects, costs for design, construction, inspection and testing will be reduced. From a property owner's perspective, it is also favorable to get in and out of a particular street with one large project versus multiple smaller projects.

FISCAL IMPACT:

Costs associated with standalone trail and sidewalk construction include property acquisition, tree removal, driveway and apron replacement, hydrant relocations, restoration and retaining walls. Private utility relocation, while not a direct cost, can increase project costs through delays. When you combine a street and trail/walk project some of those costs are now not associated directly with the new trail or sidewalk like trees, hydrants and driveway aprons. The recommendation to keep sidewalk projects tied to street reconstruction projects will extend the dollars allocated to this important program. Even so, the

projects identified above will take 10-12 years to complete. As stand-alone projects, absent efficiencies gained by street project coordination, completion dates would be extended further.

STAFF RECOMMENDATION:

Provide feedback on the future network of trails/sidewalk.

CITY OF WEST ST. PAUL

City Council Report

To: **Mayor and City Council**

Through: **Ryan Schroeder, City Manager**

From: **Ross Beckwith, Public Works & Parks Director/City Engineer**

Date: **July 27, 2020**

Special Assessments for Townhomes

BACKGROUND INFORMATION:

There have been questions about how townhomes/condos (medium density housing) are assessed in street improvement projects. The City assesses townhomes based on the amount of front footage the property has on the road being reconstructed. This is the same way that commercial properties, churches, parks and high density residential properties are assessed.

Take Fox Ridge Condo Association for example. Property owners were assessed for street improvement projects in 2015, 2017, 2019 and will likely again be assessed in 2022. In the case of Fox Ridge Association their property fronts Marie Avenue, Livingston Avenue, Fox Ridge Drive, Fox Ridge Court, Crusader Avenue and Humboldt Avenue (cul-de-sac). The entire area that makes up the association is assessed, not each individual unit based on which road they face. Fox Ridge association is rather large at 23.5 acres. When residents that live south of Crusader Avenue (still within Fox Ridge Assoc.) are assessed for work done on Marie Avenue it can certainly seem odd. However, by assessing the entire association (all properties within) for each improvement project that abuts their property they pay a lower dollar amount per project, but are assessed more often.

The 2015 Street Improvements Project reconstructed a portion of Marie Avenue, adjacent to Fox Ridge townhomes. Each Fox Ridge townhome was assessed $223.28 for that project. Single-family homes were assessed between $5,581 and $9,991.

The 2017 Street Improvements Project reconstructed Fox Ridge Road and Fox Ridge Drive. Each townhome was assessed $918.72. Single-family homes on the same project (Humboldt Ave.) were assessed an average of $5,000.

The 2019 Street Improvements Project reconstructed Livingston Avenue and each Fox Ridge resident was assessed $894.88. Single-family homes were assessed $6,392.00

The current Capital Improvements Program shows the reconstruction of Crusader Avenue in 2022. The Fox Ridge association will again be assessed for this project, say at an estimated $1,000 per unit. Therefore, after four reconstruction projects which surround their entire property they will have been assessed about $3,000 per townhome. Whereas, a single family home is assessed two to three times amount for one reconstruction project. While assessments to the same properties keep coming, the dollar amounts are fairly low. The amount of property that these townhome associations own is quite large, as are the number of trips the combined association take per day on these roads.

A Special Benefit Appraisal was done prior to the 2019 Street Improvements Project for the Livingston Avenue reconstruction. For medium density housing (Fox Ridge condominiums), the opinion of special benefit was $3,000. For a single family home it was $7,800. That is only for the reconstruction of Livingston Avenue, not the other adjacent streets of Marie, Fox Ridge Road and Crusader. Therefore, the City's assessments are coming in much lower than the opinion of special benefit for each street improvement project.

FISCAL IMPACT:

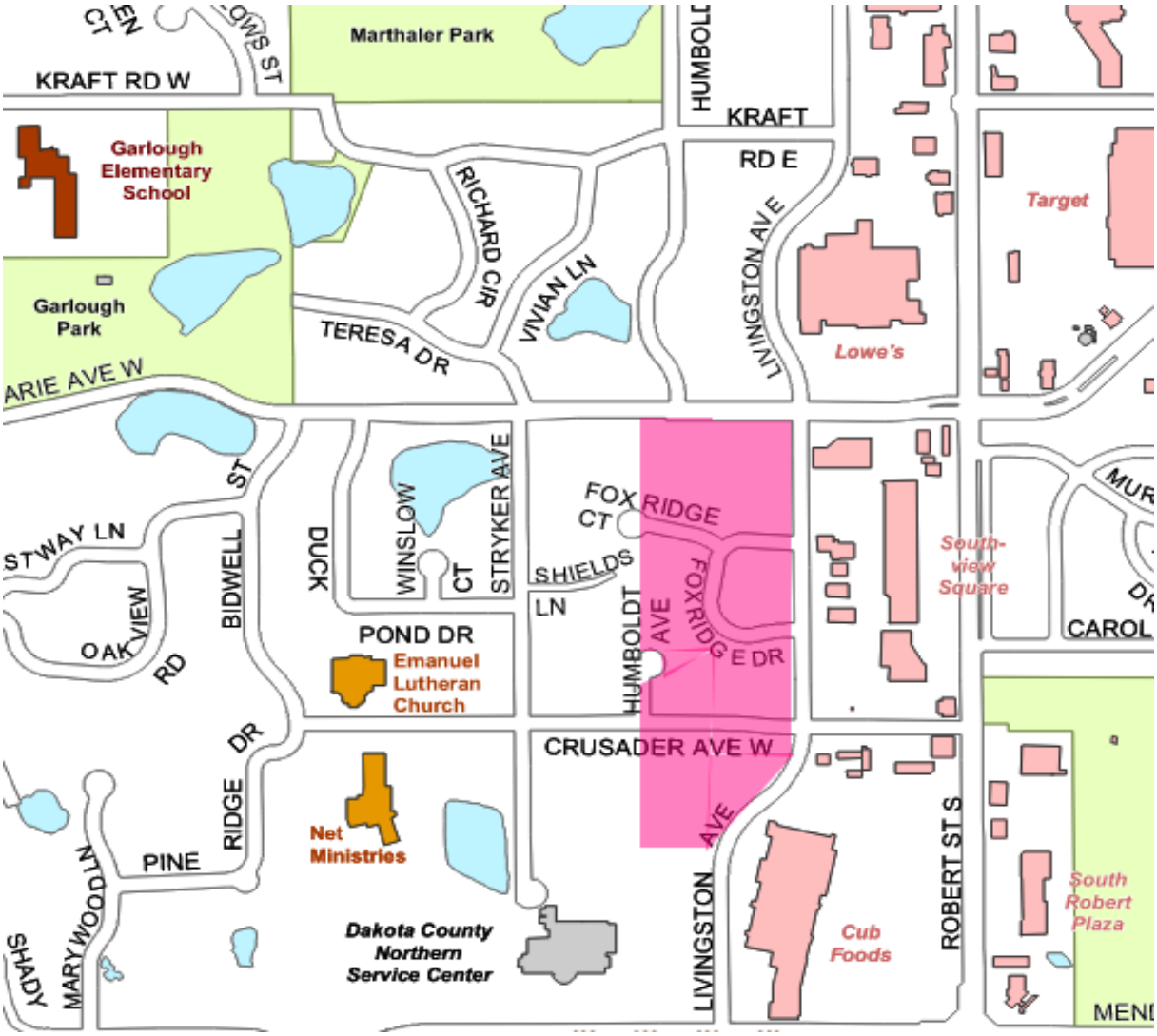
Street reconstruction projects are financed in a variety of ways including state aid funds, assessments, bonds, grants and tax levy dollars. The City's current Special Benefit and Public Improvement Policy states that 25% of the project cost be assessed to the benefiting property owners. A reduction of assessments would either cause the general tax levy to make up the difference or reduce the size and or further delay street improvement projects.

STAFF RECOMMENDATION:

Staff recommends that calculations used to assess townhomes for street improvement projects remain unchanged.

Attachment: Map

Fox Ridge Association



CITY OF WEST ST. PAUL

City Council Report

To: **Mayor and City Council**

From: **Ryan Schroeder, City Manager**

Date: **July 27, 2020**

Day Designations

BACKGROUND INFORMATION:

From time to time, the West St. Paul City Council may, by vote of the Council, designate recognition of an individual or group. With adoption of official recognition days, weeks, or months, the City Council may provide further recognition, such as participation in community events or parades honoring such individual or group. Specific recognition beyond a proclamation, resolution or certificate would only be at the direction of Council at a regular or special meeting of Council.

During 2020, the City Council has, by proclamation, provided the following recognitions. These recognitions, at least in part, follow the 2019-2020 Strategic Initiative of "Identify Opportunities to Bolster Diversity and Inclusion Outreach."

- January 13, 2020: Recognition of WSP Youth Athletic Association
- February 10, 2020: Proclamation of February 2020 as African American History Month
- February 24, 2020: Proclamation of February 20, 2020 as Rose Slomba Day
- March 9, 2020: Recognition of Police Chaplains
- May 26, 2020: Proclamation recognizing Taylor Gonsalez as recipient of the 2020 Comcast Leaders and Achievers Scholarship
- May 26, 2020: Proclamation honoring June 2020 as LGBTQIA Pride Month

As reported as part of the Strategic Initiatives Update, racial diversity within the community, as per the American Community Survey, published by the Metropolitan Council for 2018 is:

White	64.18%
Hispanic	22.83%
Black	4.85%
Asian	4.23%
Multi-Race	3.47%
American Indian	0.31%
Other	0.13%
Total Non-White	35.82%

In past exchanges with Council, the following future designations have been suggested for future consideration as acknowledgement of the diversity of the community:

- February: African American History Month
- March: Women's History Month
- May (1st week): Public Service Recognition Week (recognizing all public employees)
- May: Asian Pacific American Heritage Month
- June: LGBTQIA Pride Month
- September 15-October 15: Hispanic Heritage Month
- November: American Indian Heritage Month (27th recognized)
- December 3: International Day of Persons with Disabilities

For planning purposes, Staff is requesting whatever observations or direction Council is able to provide.

FISCAL IMPACT:

		Amount
Fund:		
Department:		
Account:		

STAFF RECOMMENDATION:

Based on Discussion.

CITY OF WEST ST. PAUL

City Council Report

To: **Mayor and City Council**

From: **Ryan Schroeder, City Manager**

Date: **July 27, 2020**

Harmon Park Splash Pad

BACKGROUND INFORMATION:

Due to the COVID-19 pandemic, the outdoor pool will remain closed for this summer. We expect to re-open spring 2021.

We opened the splash pad on June 19. However, due to concerns about the need to constantly sanitize, the adjacent bathrooms remained closed until July 6. Bathroom hours were expanded on July 16. Precedent to the facilities opening, Council had discussed vandalism concerns and possible responses. As Council has been alerted, two weeks after opening the bathroom facilities, they were vandalized.

The purpose of this agenda item is to bring this vandalism to public attention and to receive Council direction as to the appropriate response to this vandalism. The recommendation I am receiving from Staff is to close the facilities.

FISCAL IMPACT:

		Amount
Fund:		
Department:		
Account:		

STAFF RECOMMENDATION:

Based on Discussion