



CITY OF WEST ST. PAUL

1616 HUMBOLDT AVENUE, WEST ST. PAUL, MN 55118

OPEN COUNCIL WORK SESSION

MUNICIPAL CENTER LOBBY CONFERENCE ROOM

AUGUST 27, 2018

4:30 P.M.

1. Roll Call
2. Review and Approve the OCWS Agenda
3. Review the Regular Meeting Consent Agenda
4. Agenda Item(s)

A. 2019-2020 Budget

Documents:

[2019-2020 BUDGET INFORMATION.PDF](#)
[DEBT PROJECTIONS.PDF](#)
[CEP-CIP PROJECTS.PDF](#)

B. Temporary Homeless Shelter Ordinance

Documents:

[COUNCIL REPORT - TEMP HOUSING.PDF](#)
[ORDINANCE - TEMP HOUSING.PDF](#)

5. Adjourn

If you need an accommodation to participate in the meeting, please contact the ADA Coordinator at 651-552-4100, TDD 651-322-2323 at least 5 business days prior to the meeting. www.wspmn.gov EOE/AA



WEST ST. PAUL 2019-2020 BUDGET SUMMARY

Each year the City Departments, City Manager and Finance Director begin the annual budget process in May. The City Manager provides direction on personnel salaries, the City Assistant City Manager/HR Director provides direction on health insurance and expected payroll adjustments to the Finance Director. Preloads for utilities: Gas, Electric, Phone service as well as insurance premiums: Liability, Property and Auto as well as Workers Compensation are reviewed and budgeted by the Finance Director. The Department Directors provide direction on other significant operating expenses as well as adjustments to the CEP/CIP plan. The City Manager then reviews the entire city budget and makes recommendations to staff.

This process has begun, although changes have been made to the process. A two-year budget is presented this year. With the first year (2019) being adopted in December and the second year (2020) being adopted on a conceptual basis. This allows the financial impact of budgeting decisions to be evaluated over a two-year period vs. the one-year annual budgeting process used in the past.

Included in this packet of documents:

- a. Budget Summary-Narrative
- b. Levy calculation for 2019 and 2020.
- c. Preliminary Estimated Tax Impact for 2019 and 2020 budgets.
- d. Graphs

2019/2020 Budget Goals

The primary management goal of this two-year budget is to provide fiscal stability through all of the funds in order to create future levy stability. This budget does not completely accomplish this goal but forward movement is projected. For instance, in 2017 eleven funds experienced deficits. In 2018, it is projected that seven funds will experience deficits. Within the 2019/20, budget four and three funds run deficits respectively.

Additionally, debt incurred due to State Highway 952A construction but also ongoing street major maintenance programs and recent park development projects has created a significant constraint on operating budgets and created a draw on revenues that is a challenge to sustain. For instance, in 2017 the debt expense was 8% of total expenditures. That measure increased to 12% in 2018. By 2020, debt is projected to grow to 13% of total expenditures.

Because of the above, this budget allocates LGA and Franchise revenues almost entirely to project funds, debt reduction/mitigation, and equipment replacement. The impact of this change in budget philosophy will be an ability to reduce future debt issuance and an ability to take advantage of existing debt call dates in 2021 and 2024 thus reducing demand for taxpayer revenues in those years.

In order to create this future fiscal stability there will be short-term levy impacts absent additional reductions in discretionary expenditure lines or creation of additional revenues outside of the levy. Absent additional changes, for 2019 we are projecting a levy rate increase from the 2018 69.291% up to a range between 71% and 72%. For 2020, we are projecting a levy rate between 75% and 77%. Allocating future LGA or franchise revenues to Levy reduction would mitigate these levy rates, however,

longer term fiscal stability would be delayed absent corresponding reductions in capital projects or operating lines.

CASH

(Use)/Gain of Cash Reserves	12/31/2017-Cas	2018	2019	2020	Year End 2020 Cash	Goals	Funds Storage/Overage
General Fund/Innovation/Community	3,121,648	3,665,192			6,786,840	9,600,000.00	(2,813,160.00) Policy has 60% of next year
Debt Fund	5,066,841	(1,365,707)	490,363	235,822	4,427,321	5,000,000.00	(572,679.00) 100% of next years debt service payments
Debt Mitigation Fund	-	2,079,190	495,000	511,500	3,085,690	4,310,000.00	(1,224,310.00) building cash to redeem early 2021 and 2022
Vehicle Fund	1,330,762	(1,713)	(443,400)	43,500	929,149	2,000,000.00	(1,070,851.00) 2 years of average of capital needs
Sewer Fund	1,289,127	(203,827)	(220,235)	205,563	1,070,628 *	4,000,000.00	(2,929,372.00) 1 year of operations
PD/FD PERA-working to close this fund	58,789	(50,000)			8,789		
Storm Water Fund	1,653,393	(313,837)	(219,740)	35,872	1,155,868 *	1,000,000.00	155,868.00 year of operations
Regional Athletic Center	1,491,797		117,626	116,660	1,726,083 *	3,000,000.00	(1,273,917.00) year of operations plus LT capital needs
Ice Arena	2,439		157,500	168,067	328,006 *	1,300,000.00	(971,994.00) year of operations plus LT capital needs
Golf Course	26,788				26,788		
Pool	-				-		
Street Maintenance	918,698	192,835	(147,500)	(177,500)	786,533	700,000.00	86,533.35 2 years of operations
TIF	418,633		127,977	127,977	674,587		
Technology Replacement	131,200		45,000	12,000	188,200	300,000.00	(111,800.00) 2 year averse of capital needs
Parks Improvement	752,076		44,000	19,500	815,576	2,000,000.00	(1,901,924.00) 4 years of average of capital needs
Park redevelopment			217,500	500,000	717,500		
Insurance	206,011				206,011	500,000.00	(293,989.00) 1 year of operations
EDA-2018 budget adj. for purchase-Maco	1,444,709	(1,126,394)	4,802	4,966	328,093	1,500,000.00	(1,171,906.33) 1 year of operations plus seed money for p
Government Facility Capital Project	242,058	271,614		(56,400)	457,272	5,000,000.00	(4,542,728.00) building cash to build a new facility-50% of ft
Thompson Oaks	-				-		
River to River Trail	-				-		
Total Projected Use/Saving of Cash	18,155,169	3,147,343	668,895	1,747,527	23,718,934	40,210,000	-18,636,230
							-18,878,631

*Added Depreciation Expense back in

-2018 includes the transfer of Excess General Fund fund balance to other Capital Project funds.

Key Points:

- LGA/Electric/Gas Franchise fees are to be allocated as outlined above to the various funds to accumulate cash to achieve the cash balance goal.
- The General Fund would follow the policy of 60% of the next year’s budget any remaining excess would be transferred to capital and debt funds as outlined in the plan. This will aid in getting the cash flow back on track.
- The Goal of \$40 million changes as goals are met.
 - Once the 2021 and 2024 bonds are called the decision to continue calling bonds early should be reviewed.
 - Once the cash is built up for the Government Facility (new city hall) this goal will be met and would not need to be continued.
 - The levy requirement for the RAC has been reduced as it has been determined that the life of the turf and the dome have been pushed out longer than originally thought. Turf had a 10-year life we have pushed this out to 15. This reduced the levy support by \$34,000 a year. The dome roof has a life of 17 years and this has been pushed to 25 years. This reduced the levy support by \$10,000 a year.
 - Once the cash goals are met, the allocation of the LGA/Electric/Gas revenues would then be allocated according to the CIP/CEP plan.

Below are the Revenue and Expenditure highlights

Highlights of the 2019-2020 Budget

REVENUES:

- Transferred the Electric Franchise fee out of the General fund and into various Capital Project Funds and the Debt Reduction Fund
- LGA funds are allocated into Capital Project Funds
- Included a separate Levy for the EDA \$300,000 for 2020; Maximum Statutory levy of .01813% or \$308,355-2019 value
- In 2020 a reduction for the Federal COPS grant that runs out in 2019

LGA allocation/Franchise fee	2019	2020
City Hall *	500,000	500,000
Parks Improvement	400,000	400,000
Street Maintenance	30,000	380,500
Technology replacement	100,000	105,000
Vehicle & Equipment	400,000	600,000
Debt Reduction **	495,000	111,000
Ice Arena	150,000	500,000
General Fund Levy Savings	500,000	-
TOTAL	\$2,575,000	\$2,596,500

**During 2017, Council approved use of fund balance and future LGA funding to begin a projected 3-year preservation program of the City Hall/Police/and Fire facility. The project includes replacement of all roofing and HVAC systems, replacement of windows and doors, reconstruction of the parking lot and exterior lighting/cameras and spot remodeling of police office areas. Through 2018, approximately \$1.1 million has been encumbered. An additional \$1 million is programmed to complete this project over 2019-2020. Beginning in 2021, we are anticipating allocation of LGA to create reserves for a future major remodel/expansion project.*

***The goal for the debt reduction allocation of LGA/Electric-Gas Franchise fee tax is to pay-off debt early in 2021 and in 2024 and future years.*

EXPENDITURES:

Personnel Costs: Increases of \$494,512-2019: \$442,847-2020

	2019	2020
Salary	196,853	222,193
PERA P& F Inc.	23,425	24,264
Merit Pay *	30,000	30,000
Health Insurance-12%	128,539	135,430

Reduction for position in Finance/IT	\$-40,015-2018 wages and benefits	-	
Police Administration Reorg.	\$-11,000-2018 wages	-	
Park Staffing (NEW)	\$30,000	\$33,000	
SMFD budget increases staffing by 2. This will increase the total FF staff to 40.			
Overall PERA/FICA Medicare Increase due to Increase in Wages	\$45,843	\$44,965	

**Merit pay has been a part of the annual budget for many years. Employees eligible for this program include Department Directors and Supervisors. The maximum any salaried employee can receive is 4% of their salary in any given year as a cash payment beyond any COLA payment the employee may have received. For 2017, the program expensed \$23,800.*

Charges for Services/Professional Services: \$516,271-2019 and \$295,081-2020

Description	2019	2020
Elections	-	39,675
IT Maintenance –New World	35,000	-
Tuition Reimbursement	12,000	-
Insurance-WC, General, Auto, Property	67,000	32,000
Increase for General Overall Crack Seal and Spray Patching Program	\$50,000	-
Increase for Televising/ Lining	\$60,000	\$5,000
Increase for Emergency Sewer Digs	\$35,000	\$5,000
Increase for MCES Charge	\$62,000	\$72,000
Increase for Manager recruitment	N/A	\$20,000
Fire Contract	\$105,178	\$131,597
Legal	\$8,000	\$5,000
Increase for Robert Street Maintenance (NEW)	\$60,000	\$60,000
Allocated Money towards Chair replacement (NEW)	3,000	\$2,000

Debt

- 2019 Debt payment increased by \$309,973
- 2020 Debt payment increased by \$689,742

Issuance of Debt

- 2019- Issuance of debt of \$5,110,557 for street
- 2019- Issuance of debt of \$2,250,000 for Lift Station and Force main- 1
- 2020- Issuance of debt of \$2,807,851 for street
- 2020-Issuance of debt of \$1,320,000 for Lift Station and Force main- 4

In the past when closing debt funds the excess cash was transferred to other debt service obligations. In the 2010A, series and the 2015A series cash of \$900,000 and \$663,000 respectively had been transferred into these funds from closed funds. The plan is to transfer this excess cash into a debt mitigation/reduction fund in 2018. This will be coming before Council in the near future.

In the future, when debt service funds are closed out any excess debt service funds will be transferred into the debt mitigation/reduction fund for refunding debt obligations early. This fund has been established in the adoption of the financial plan in June. I have projected the debt funds cash flows out to 2021 and 2024. The projections estimate an early pay off in 2021 for two debt issues with another payoff in 2024.

- Call in 2021-2010 A-\$1,125,000 Interest savings of \$107,863
- Call in 2021- 2013 A- \$635,000 Interest savings of \$21,845
- Call in 2024-2014B \$2,550,000 Interest savings of \$249,088

Included with this document is a debt projection for future street improvement projects. I have provided alternatives to for discussion to help determine the direction of the City’s Goals.

***Debt Projections

Capital Projects:

These projects are funded by the LGA/Electric-Gas Utility Franchise fee, Issuance of Debt and Revenue generated by the Sewer, Storm, and Arena Funds as part of their operations.

Description	2019	2020
City Hall- Windows/Police space needs	\$ 502,000	\$558,400
Park Redevelopment	\$ 217,500	\$500,000-grant from Dakota Co
Parks- Warming House	-	\$340,000

Park Courts	\$ 6,500	\$ 12,000
Park Playground Equipment	\$ 70,000	\$ 72,500
Park-Sports Center Update	\$ 106,000	Project complete
Arena-2019-Dehumidification system, Lights, furnaces 2020-Parking Lot,	\$ 97,000	\$430,000
Arena-Electric Ice Edger, Water Heater and Bathroom Dividers, doors	\$ 33,600	-
Pool- 2019-LED lighting, Shower fixtures 2020-Floor coat, skimmer grates, strainer Housing	\$ 58,000	\$ 65,500
Total All Parks Departments	\$ 591,000	\$920,000
Technology-annual laptops, Fiber, Security cameras, wireless access points, New Accounts Receivable Wire-Finance 2020-Server Replacement	\$ 57,000	\$95,000
Vehicle and Equipment Replacement per Schedule	\$863,400	\$576,500
Street Improvements- 2019 Street project(Livingston); Our Share of Wentworth and Marie Oakdale Trail 2020 Street project () Our Share of Wentworth and Oakdale/Thompson Roundabout	\$7,566,519	\$3,672,850
Sewer- 2019 Lift Station 1 and Force main Replacement, vehicles 2020 Lift Station 4 and Force main Replacement I/I abatement	\$2,957,500	\$1,698,700
Storm- 19/20-Cherokee Heights storm water, Seidl's Lake and Pond cleaning	\$ 280,000	\$ 95,000
Police	\$ 7,450	\$ 7,450
RAC- Lacrosse Goals	\$ 2,400	
TOTAL	\$12,825,869	\$7,623,900

Cash Savings

Below is the cash savings that are projected to be achieved through the new allocation of the LGA and Franchise Utility fees revenues:

	401 Vehicle/Equipment	403 Street Maint.	CH Bld	415 CH Improvements	413 Parks Improvement	411 Technology	Debt Reduction
2017-YE Cash Balance	1,330,761.93	918,697.95	242,057.76	-	752,075.65	131,199.83	-
2018 Budget-use of cash	(360,604)	(22,500)	(87,277)	-	-	-	-
2018 Allocation of excess GF	358,891	215,335	358,891	-			502,447
2018 Transfer of cash to Debt Mitigation from Other DS funds							1,576,743
2018 Projected Cash balance	1,329,049	1,111,533	513,672	-	752,076	131,200	2,079,190
2019-Budget Use of Cash or Inflow of Cash	(443,400)	(147,500)	(3,000)	-	44,000	45,000	495,000
2019 Projected Cash balance	885,649	964,033	510,672	-	796,076	176,200	2,574,190
2020-Budget Use of Cash or Inflow of Cash	143,500	(177,500)	(51,500)	-	399,500	12,000	11,500
2020-Cash Balance	1,029,149	786,533	459,172	-	1,195,576	188,200	2,585,690
Call on 2/21 2010A Bonds							(1,125,000)
Call on 2/21 2013A Bonds							(635,000)
2021-Budget Use of Cash or Inflow of Cash	-	80,500	91,866	250,000	(145,000)	(68,000)	345,000
2021-Cash Balance	1,029,149	867,033	551,038	250,000	1,050,576	120,200	1,170,690
2022-Budget Use of Cash or Inflow of Cash	(14,500)	80,500	194,545	250,000	(27,500)	52,000	345,000
2022-Cash Balance	1,014,649	947,533	745,583	500,000	1,023,076	172,200	1,515,690
2023-Budget Use of Cash or Inflow of Cash	222,000	80,500	196,090	250,000	(5,000)	45,000	345,000
2023-Cash Balance	1,236,649	1,028,033	941,673	750,000	1,018,076	217,200	1,860,690
2024-Budget Use of Cash or Inflow of Cash	389,500	80,500	147,651	250,000	(150,000)	45,000	345,000
Eligible debt to be called -2014 B							(2,550,000)
2024-Cash Balance	1,626,149	1,108,533	1,089,324	1,000,000	868,076	262,200	(344,310)
2025-Budget Use of Cash or Inflow of Cash	205,300	80,500	149,228	250,000	100,000	45,000	345,000
2025-Cash Balance	1,831,449	1,189,033	1,238,552	1,250,000	968,076	307,200	690
2026-Budget Use of Cash or Inflow of Cash	327,000	80,500	150,820	250,000	(100,000)	45,000	345,000
2026-Cash Balance	2,158,449	1,269,533	1,389,372	1,500,000	868,076	352,200	345,690
2027-Budget Use of Cash or Inflow of Cash	344,000	80,500	152,428	250,000	100,000	45,000	345,000
2027-Cash Balance	2,502,449	1,350,033	1,541,800	1,750,000	968,076	397,200	690,690
2028-Budget Use of Cash or Inflow of Cash	(978,500)	80,500	154,053	250,000	100,000	45,000	345,000
2028-Cash Balance	1,523,949	1,430,533	1,695,853	2,000,000	1,068,076	442,200	1,035,690
GOAL	2,000,000.00	700,000.00		5,000,000.00	2,000,000.00	300,000.00	
Variance	(476,051.07)	730,532.55	1,695,852.76	(3,000,000.00)	(931,924.35)	142,199.83	
Goal is met-could be reallocated to parks							

For Council's consideration:

1. The Cash Flow/Savings Plan as presented above.
 - a. Tax Levy for 2019 increased
 - b. Savings: \$684,000 is being set aside for cash flow: Park Improvement, Technology, Debt reduction/Arena

	2019	2020
Park Improvement	44,000.00	399,500.00
Technology	45,000.00	12,000.00
Debt Reduction	495,000.00	11,500.00
Arena	100,000.00	100,000.00
LGA/Electric-Gas Revenues-Saved	684,000.00	523,000.00

- c. Adjust spending on City Hall-\$500,000/Park Improvement-\$400,000.
2. 2020 EDA separate Levy \$300,000-This has been included in the 2020 budget information as presented. According to Dakota Co., the maximum the EDA could tax would be \$308,000.
3. Service District-Robert Street would create \$48,000 in levy.
 - a. This could be set up to fund marketing of Robert Street, street maintenance of Robert Street or other.
4. Gas Franchise Fee (Included in this budget-\$150,000).
5. ~~Swimming Pool—the future direction for these amenities is up for discussion. With the passing of the school referendum and the potential for a community, collaboration of pool needs the City is hesitant to spend a large amount of money on the current pool operations for the amenities that were identified in 2017. The City recognizes that some safety issues will need to be addressed in order to continue operations for the next couple of years. There is \$66,200 in the 2018 budget and \$58,000 and \$65,500 in the 2019 and 2020 preliminary budgets. It has been determined that \$40,000 would fix the immediate safety concerns. This would result in reducing the levy in 2019 and 2020 by \$58,000 and \$65,500 respectively.~~
6. Street Light Utility Fee-Implement a fee that would be collected on the water bill for streetlights. Current budget is \$142,000. Approximate number of households is 8,605. Simple math annual rates of \$20.00 would fund this budget. This would be collected on the utility bill.
7. Optional Sales Tax: This tax has not been factored into the budget for 2020. It is projected that the City could earn up to \$1.3 million dollars annually on sales in the city.
 - a. This will not have direct levy impact as this funding source will be used for street improvement projects. It may reduce how much debt we will need to issue; which results in a levy impact or it may increase the street improvement program each year; allowing the streets to be improved at a faster rate.
8. Opportunity Zone-

CITY OF WEST ST. PAUL
2019 PROPERTY TAX LEVY BREAKDOWN

	2019 BUDGET EXPENDITURES	2019 BUDGET REVENUES	Bonds/ Issued Equip. Cert.	2019 INC/(DEC) Fund Balance	LGA/Franchise	2019 PROPOSED LEVY	Percentage Of Levy	2018
SUMMARY by FUND								
<i>Levy Supported Budgets</i>								
GENERAL FUND	14,494,213	3,118,410	-	-	495,000	10,880,803	68.72%	9,788,644
COMMUNITY EVENTS	34,000	30,000	-	-	-	4,000	0.03%	
ECONOMIC DEVELOPMENT	400,781	65,000	-	-	-	335,781	2.12%	338,171
INSURANCE FUND	508,800	42,500	-	-	-	466,300	2.95%	393,550
GOVERNMENT FACILITY CAPITAL PROJECT	503,000	3,000	-	-	500,000	-		
PARKS IMPROVEMENT FUND	400,000	44,000	-	44,000	400,000	-		
POLICE & FIRE PERA	-	-	-	-	-	-		
STREET IMPROVEMENT FUND	7,705,175	2,594,618	5,110,557	-	-	-	0.00%	
STREET MAINTENANCE FUND	315,000	137,500	-	(147,500)	30,000	-		50,000
TECHNOLOGY REPLACEMENT FUND	57,000	2,000	-	45,000	100,000	-		
VEHICLE & EQUIPMENT RESERVE	863,400	20,000	-	(443,400)	400,000	-		75,000
Subtotal	25,281,369	6,057,028	5,110,557	(501,900)	1,925,000	11,686,884		
DEBT	3,760,292	-	-	490,365	495,000	3,755,657	23.72%	3,114,600
<i>Non Levy Supported Budgets</i>								
GOLF COURSE	9,850	9,850	-	-	-	-	0.00%	
ICE ARENA	451,493	418,050	-	121,557	155,000	-		101,653
REGIONAL ATHLETIC CENTER	860,194	719,500	-	91,126	-	231,820	1.46%	331,084
SEWER	7,046,240	4,369,005	2,250,000	(427,235)	-	-		
STORM SEWER	837,740	483,000	-	(354,740)	-	-		
SWIMMING POOL	159,404	1,000	-	-	-	158,404	1.00%	151,969
TIF District 1-2	184,523	203,000	-	18,477	-	-		
TIF District 1-3	50,000	159,500	-	109,500	-	-		
	9,599,444	6,362,905	2,250,000	(441,315)	650,000	390,224		
TOTAL CITY-Levy	38,641,105	12,419,933	7,360,557	(452,850)	2,575,000	15,832,765		14,344,671
	-				2019 Levy	15,832,765		<u>Residential</u> <u>Commerical</u>
					2018 Levy	14,344,671		
					Increase-with out adjustment	1,488,094		
					% Increase	10.37%	\$ 151.00	\$ 274.00
					Levy decrease if pool capital was re	(58,000)	15,774,765	
							9.97%	\$ 145.00 \$ 265.00
					Levy decrease if Pool was closed	(100,404)	15,674,361	
					With Reduction for Pool		9.27%	\$ 136.00 \$ 248.00

CITY OF WEST ST. PAUL
2020 PROPERTY TAX LEVY BREAKDOWN

	2020 BUDGET EXPENDITURES	2020 BUDGET REVENUES	Bonds/ Issued Equip. Cert.	2020 INC/(DEC) Fund Balance	LGA/Franchise	2020 PROPOSED LEVY	Percentage Of Levy
SUMMARY by FUND							
<i>Levy Supported Budgets</i>							
GENERAL FUND	15,136,841	3,004,233	-	-	-	12,132,608	69.12%
COMMUNITY EVENTS	34,000	30,000	-	-	-	4,000	0.02%
ECONOMIC DEVELOPMENT	405,579	365,000	-	-	-	40,579	0.23%
INSURANCE FUND	542,280	42,500	-	-	-	499,780	2.85%
GOVERNMENT FACILITY CAPITAL PROJECT	558,400	2,000	-	(56,400)	500,000	-	
PARKS IMPROVEMENT FUND	424,500	44,000	-	19,500	400,000	-	
POLICE & FIRE PERA	-	-	-	-	-	-	
STREET IMPROVEMENT FUND	3,807,851	1,000,000	2,807,851	-	-	-	0.00%
STREET MAINTENANCE FUND	315,000	137,500	-	203,000	380,500	-	
TECHNOLOGY REPLACEMENT FUND	95,000	2,000	-	12,000	105,000	-	
VEHICLE & EQUIPMENT RESERVE	576,500	20,000	-	43,500	600,000	-	
Subtotal	21,895,951	4,647,233	2,807,851	221,600	1,985,500	12,676,967	
DEBT	4,383,577	174,500	-	347,322	111,000	4,445,399	25.33%
<i>Non Levy Supported Budgets</i>							
GOLF COURSE	10,283	10,283	-	-	-	-	0.00%
ICE ARENA	763,882	344,449	-	80,567	500,000	-	
REGIONAL ATHLETIC CENTER	861,160	719,500	-	90,160	-	231,820	1.32%
SEWER	5,890,410	4,595,973	1,320,000	25,563	-	-	
STORM SEWER	652,128	483,000	-	(169,128)	-	-	
SWIMMING POOL	199,979	1,000	-	-	-	198,979	1.13%
TIF District 1-2	184,523	203,000	-	18,477	-	-	
TIF District 1-3	50,000	159,500	-	109,500	-	-	
	8,612,365	6,516,705	1,320,000	155,139	611,000	430,799	
TOTAL CITY-Levy	34,891,893	11,338,438	4,127,851	724,061	2,596,500	17,553,165	17,553,165

Use of Cash in Debt Service
Adjusted 2020 Levy

2019 Unadjusted Levy	15,832,765
2019 Adjusted Levy for D.S.	
Increase-with out adjustment	1,720,400
% Increase	10.87%

Residential Commerical

\$ 85.00 \$ 153.00

Increase-with adjustment
% Increase

Levy decrease if pool capital is
closed

(65,500)

17,487,665 \$ 81.00 \$ 146.00
10.45%

Levy decrease if Pool is
closed

(155,254)

17,332,411 \$ 68.00 \$ 122.00

With Reduction for Pool

9.47%

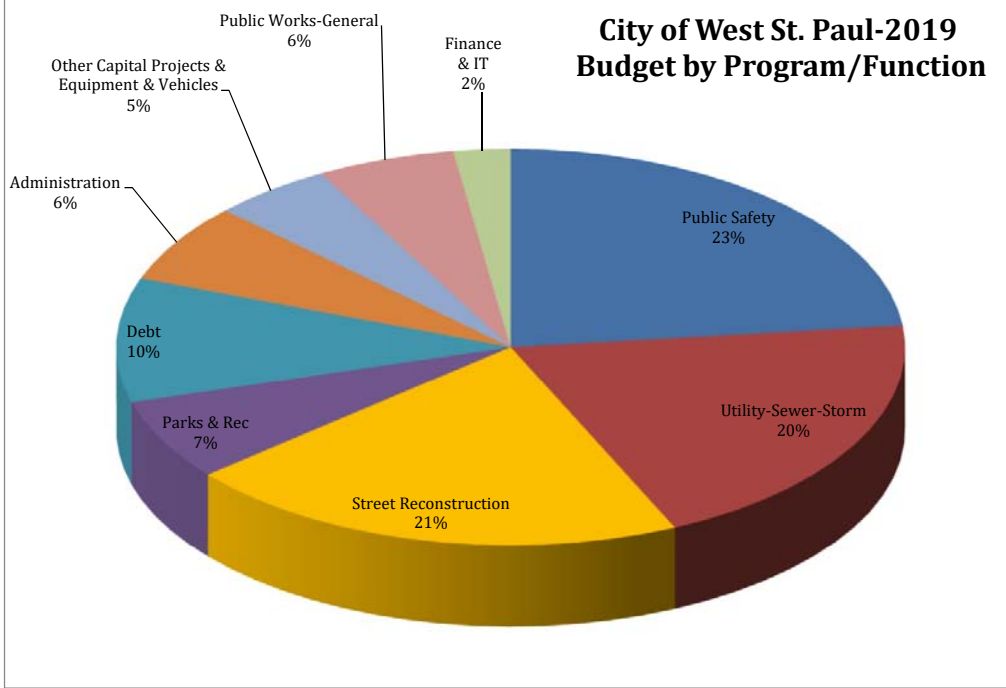
No change to Taxable MV.

Current Projections:	Budget 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Projected Debt Levy with a Rd Construction Project Each Year	3,845,684	4,087,477	4,777,849	4,945,145	5,159,224	5,177,538	5,593,487	5,934,293	6,046,706	6,437,910	6,846,924	7,267,437	7,024,963	6,481,138	6,064,351	4,833,774	4,064,135	2,253,150
Levy Increase Year over Year		241,793	690,372	167,296														
General Debt Levy		3,755,657	4,445,399	4,617,420	4,825,724	4,844,341	5,261,024	5,597,761	5,700,737	6,087,820	6,498,199	6,915,320	6,670,089	6,123,771	5,710,002	4,477,746	4,064,135	2,253,150
Levy in the RAC fund		331,820	332,450	327,725	333,500	333,198	332,463	336,532	345,968	350,090	348,725	352,118	354,874	357,368	354,349	356,029	-	-
Redeem early-2010 and 2013 Redeem early-2014B						(397,731)	(395,500)	(323,322)	(339,235)	(336,768)	(339,393)	(341,703)	(338,448)	(340,285)	(341,434)	(336,617)	(336,486)	-
DEBT LEVY	3,845,684.18	3,755,657.34	4,445,399.12	4,617,420.40	4,825,724.07	4,446,609.31	4,865,523.76	5,274,439.47	5,361,502.08	5,751,052.04	6,158,806.49	6,573,616.82	6,331,641.40	5,783,485.35	5,368,568.05	4,141,128.75	3,727,649.00	2,253,150.00
Current Projection with a Sales Tax Optional Tax																		
Levy Increase Year over Year		241,793	690,372	167,296														
General Debt Levy		3,755,657	4,445,399	4,617,420	4,775,724	4,729,341	5,081,024	5,352,761	5,390,737	5,712,820	6,058,199	6,410,320	6,150,089	5,603,771	5,190,002	4,022,746	3,674,135	1,928,150
Levy in the RAC fund		331,820	332,450	327,725	333,500	333,198	332,463	336,532	345,968	350,090	348,725	352,118	354,874	357,368	354,349	356,029	-	-
Redeem early-2010 and 2013 Redeem early-2014B						(397,731)	(395,500)	(323,322)	(339,235)	(336,768)	(339,393)	(341,703)	(338,448)	(340,285)	(341,434)	(336,617)	(336,486)	-
DEBT LEVY	3,845,684.18	3,755,657.34	4,445,399.12	4,617,420.40	4,775,724.07	4,331,609.31	4,685,523.76	5,029,439.47	5,051,502.08	5,376,052.04	5,718,806.49	6,068,616.82	5,811,641.40	5,263,485.35	4,848,568.05	3,686,128.75	3,337,649.00	1,928,150.00
Issue Debt Every Other Year/Offset Year-Sales Tax Option Only	Budget 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Levy Increase Year over Year		241,793	690,372	132,296														
General Debt Levy		3,755,657	4,445,399	4,582,420	4,495,724	4,299,341	4,451,024	4,572,761	4,410,737	4,582,820	4,728,199	4,930,320	4,470,089	4,203,771	3,790,002	2,622,746	2,624,135	878,150
Levy in the RAC fund		331,820	332,450	327,725	333,500	333,198	332,463	336,532	345,968	350,090	348,725	352,118	354,874	357,368	354,349	356,029	-	-
Redeem early-2010 and 2013 Redeem early-2014B						(397,731)	(395,500)	(323,322)	(339,235)	(336,768)	(339,393)	(341,703)	(338,448)	(340,285)	(341,434)	(336,617)	(336,486)	-
DEBT LEVY	3,845,684.18	3,755,657.34	4,445,399.12	4,582,420.40	4,495,724.07	3,901,609.31	4,055,523.76	4,249,439.47	4,071,502.08	4,246,052.04	4,388,806.49	4,588,616.82	4,131,641.40	3,863,485.35	3,448,568.05	2,286,128.75	2,287,649.00	878,150.00

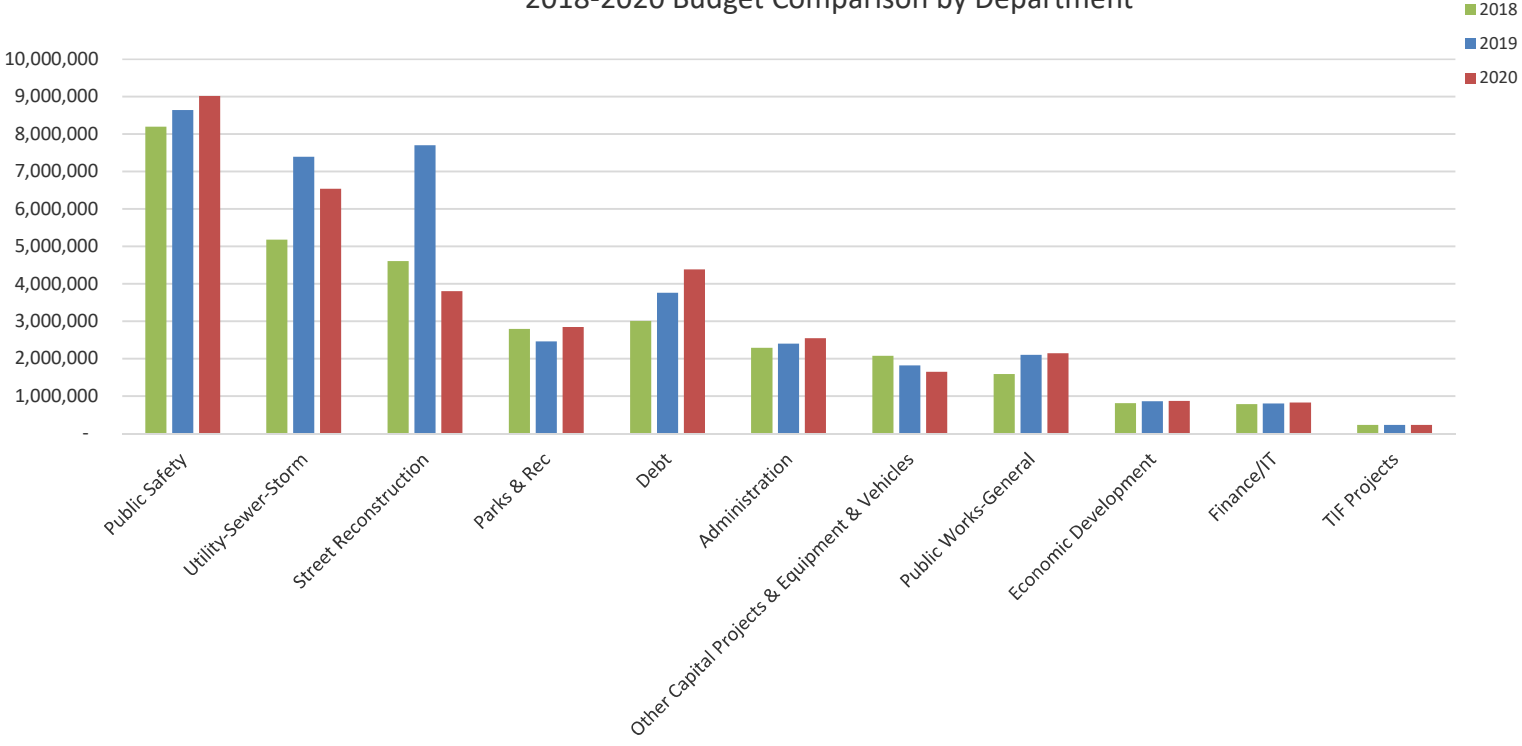
**2019-2020 Summary Budget
City and EDA Levy**

Highlights	2018 Budget	2019 Budget	Change to Net City Cost	% Change	2020 Forecast	Change to Net City Cost	% Change
Salaries/Benefits	9,573,201	10,035,594	462,393	4.83%	10,475,381	439,787	4.38%
Supplies	716,510	731,510	15,000	2.09%	724,501	(7,009)	-0.96%
Other Charges and Services	9,167,207	9,649,478	482,271	5.26%	10,051,559	402,081	4.17%
Total Operating Budget	19,456,918	20,416,582	959,664	4.93%	21,251,441	834,859	4.09%
Capital Outlay	7,935,092	12,825,869	4,890,777	61.63%	7,623,900	(5,201,969)	-40.56%
Other Financing Uses - Transfers Out	725,000	650,000	-75,000	-10.34%	650,000	-	0.00%
Debt Service-Enterprise Funds	257,052	753,839	496,787	193.26%	743,752	(10,087)	-1.34%
Debt Service-Governmental Funds	3,009,148	3,760,292	751,144	24.96%	4,383,577	623,285	16.58%
Tax Increment Financing Operations	230,010	234,523	4,513	1.96%	234,523	-	0.00%
Total Capital and Debt Budgets	12,156,302	18,224,523	6,068,221	49.92%	13,635,752	(4,588,771)	-25.18%
TOTAL BUDGET	31,613,220	38,641,105	7,027,885	22.23%	34,887,193	(3,753,912)	-9.71%

City of West St. Paul-2019 Budget by Program/Function



2018-2020 Budget Comparison by Department



Current Projections:	Budget 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Projected Debt Levy with a Rd Construction Project Each Year	3,845,684	4,087,477	4,777,849	4,945,145	5,159,224	5,177,538	5,593,487	5,934,293	6,046,706	6,437,910	6,846,924	7,267,437	7,024,963	6,481,138	6,064,351	4,833,774	4,064,135	2,253,150
Levy Increase Year over Year		241,793	690,372	167,296														
General Debt Levy		3,755,657	4,445,399	4,617,420	4,825,724	4,844,341	5,261,024	5,597,761	5,700,737	6,087,820	6,498,199	6,915,320	6,670,089	6,123,771	5,710,002	4,477,746	4,064,135	2,253,150
Levy in the RAC fund		331,820	332,450	327,725	333,500	333,198	332,463	336,532	345,968	350,090	348,725	352,118	354,874	357,368	354,349	356,029	-	-
Redeem early-2010 and 2013 Redeem early-2014B						(397,731)	(395,500)	(323,322)	(339,235)	(336,768)	(339,393)	(341,703)	(338,448)	(340,285)	(341,434)	(336,617)	(336,486)	-
DEBT LEVY	3,845,684.18	3,755,657.34	4,445,399.12	4,617,420.40	4,825,724.07	4,446,609.31	4,865,523.76	5,274,439.47	5,361,502.08	5,751,052.04	6,158,806.49	6,573,616.82	6,331,641.40	5,783,485.35	5,368,568.05	4,141,128.75	3,727,649.00	2,253,150.00
Current Projection with a Sales Tax Optional Tax																		
Levy Increase Year over Year		241,793	690,372	167,296														
General Debt Levy		3,755,657	4,445,399	4,617,420	4,775,724	4,729,341	5,081,024	5,352,761	5,390,737	5,712,820	6,058,199	6,410,320	6,150,089	5,603,771	5,190,002	4,022,746	3,674,135	1,928,150
Levy in the RAC fund		331,820	332,450	327,725	333,500	333,198	332,463	336,532	345,968	350,090	348,725	352,118	354,874	357,368	354,349	356,029	-	-
Redeem early-2010 and 2013 Redeem early-2014B						(397,731)	(395,500)	(323,322)	(339,235)	(336,768)	(339,393)	(341,703)	(338,448)	(340,285)	(341,434)	(336,617)	(336,486)	-
DEBT LEVY	3,845,684.18	3,755,657.34	4,445,399.12	4,617,420.40	4,775,724.07	4,331,609.31	4,685,523.76	5,029,439.47	5,051,502.08	5,376,052.04	5,718,806.49	6,068,616.82	5,811,641.40	5,263,485.35	4,848,568.05	3,686,128.75	3,337,649.00	1,928,150.00
Issue Debt Every Other Year/Offset Year-Sales Tax Option Only	Budget 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Levy Increase Year over Year		241,793	690,372	132,296														
General Debt Levy		3,755,657	4,445,399	4,582,420	4,495,724	4,299,341	4,451,024	4,572,761	4,410,737	4,582,820	4,728,199	4,930,320	4,470,089	4,203,771	3,790,002	2,622,746	2,624,135	878,150
Levy in the RAC fund		331,820	332,450	327,725	333,500	333,198	332,463	336,532	345,968	350,090	348,725	352,118	354,874	357,368	354,349	356,029	-	-
Redeem early-2010 and 2013 Redeem early-2014B						(397,731)	(395,500)	(323,322)	(339,235)	(336,768)	(339,393)	(341,703)	(338,448)	(340,285)	(341,434)	(336,617)	(336,486)	-
DEBT LEVY	3,845,684.18	3,755,657.34	4,445,399.12	4,582,420.40	4,495,724.07	3,901,609.31	4,055,523.76	4,249,439.47	4,071,502.08	4,246,052.04	4,388,806.49	4,588,616.82	4,131,641.40	3,863,485.35	3,448,568.05	2,286,128.75	2,287,649.00	878,150.00

Capital Projects:

These projects are funded by the LGA/Electric-Gas Utility Franchise fee, Issuance of Debt and Revenue generated by the Sewer, Storm, and Arena Funds as part of their operations.

<u>Description</u>	<u>2019</u>		<u>2020</u>	
City Hall- Windows/Police space needs	502,000	502,000	558,400	
Park Redevelopment-Savings for the future	217,500		\$500,000-grant from Dakota Co	
Warming House	-		340,000	
Park Courts	6,500		12,000	
Park Playground Equipment	70,000		72,500	
Park-Sports Center Update	106,000		Project complete	
Arena-2019-Dehumidification system, Lights, furnaces	97,000			
Arena-Electric Ice Edger, Water Heater and Bathroom Dividers, doors	33,600			
2020-Parking Lot,			430,000	
Pool-				
2019-LED lighting, Shower fixtures	58,000			
2020-Floor coat, skimmer grates, strainer Housing			65,500	
RAC- Lacrosse Goals	2,400	591,000	920,000	
Technology-annual laptops, Fiber, security cameras, wireless access point- NEW (2019): AR module for Fi	57,000	57,000		
2020-Server Replacement			95,000	95,000
Vehicle and Equipment Replacement per schedule	863,400	863,400	576,500	576,500
Street Improvements-	7,566,519	7,566,519		
2019 Street project(Livingston); Our Share of Wentworth and Marie Oakdale Trail				
2020 Street project ()			3,672,850	3,672,850
Our Share of Wentworth and Oakdale/Thompson Roundabout				
Sewer-				
2019 Lift Station 1 and Force main Replacement, vehicles	2,957,500	2,957,500		
2020 Lift Station 4 and Force main Replacement			1,698,700	1,698,700
I/I abatement				
Storm-	280,000	280,000	95,000	95,000
19/20-Cherokee Heights storm water, Seidl's Lake and Pond cleaning				
Police	7,450	7,450	7,450	7,450
TOTAL	<u>12,825,869</u>		<u>7,623,900</u>	

To: **Mayor and City Council**
Through: **Ryan Schroeder, City Manager**
From: **Ben Boike, Assistant Comm. Dev. Dir.**
Date: **August 27, 2018**

Temporary Homeless Shelter Ordinance

BACKGROUND INFORMATION:

At the July 23, 2018 Open Council Work Session, Council reviewed a draft ordinance that would allow Temporary Homeless Shelters through an Interim Use Permit in the R1 and B3 districts. The ordinance was drafted in response to an operator offering temporary housing in churches within the community. The draft ordinance includes the following requirements:

- (1) The principal use on the site is not a single-family or two-family use;
- (2) The interim use is accessory to the principal use on the site and is located within an existing structure;
- (3) The interim use is only operated as a temporary homeless shelter residential housing use from November 1 through May 1;
- (4) The interim use is only operated for 15 consecutive days and no more than 60 days total during the permitted months identified above;
- (5) A fire inspection is required prior to occupancy and the applicant must satisfy all the requirements of the Fire Department;
- (6) A building code inspection is required prior to occupancy and the applicant must satisfy all the requirements of the Building Official;
- (7) The number of temporary residential occupants allowed shall be determined by the Fire Marshal pursuant to the Fire Code;
- (8) The interim use is operated by a Minnesota non-profit corporation that has been authorized to operate such services through Dakota County Social Services;
- (9) The homeless shelter program shall have at least one person from a professional security company who is on site at all times while guests are present;
- (10) The principal use and the interim use shall possess all federal, state and local licenses and permits required prior to occupancy of the interim use.

Since the July 23 meeting, Dakota County suggested two potential issues with the ordinance as drafted. First, in reaction to item (8) above it was noted that non-profit corporations operating temporary housing services are not authorized by Dakota County but instead receive their licensure by the State. They may be operating under a contract with the County but that is different from authorizing licensure. The County suggested that the reference to the County in this provision be stricken.

Second, a concern was noted that a requirement for “professional security” is presumptive absent evidence that the population served creates a security requirement beyond that required for a general population. Further, that operators have staff trained in de-escalation and similar measures and these staff are on site at all times that the population receiving services is on site. Both the County and the

current service provider suggested that this requirement be amended to negate the need for outside security services.

Staff is requesting direction on the above to areas of concern prior to taking the ordinance draft to the Planning Commission for review.

FISCAL IMPACT:

		Amount
Fund:		N/A
Department:		
Account:		

STAFF RECOMMENDATION:

Staff is requesting direction on whether or not to proceed with the attached City Ordinance Amendment.

**CITY OF WEST ST. PAUL
DAKOTA COUNTY, MINNESOTA**

ORDINANCE NO. _____

**AN ORDINANCE AMENDING THE WEST ST. PAUL CITY CODE ALLOWING
TEMPORARY HOMELESS SHELTERS AS AN INTERIM USE**

The City of West Saint Paul does ordain:

SECTION 1. West St. Paul City Code Section 154.004 regarding DEFINITIONS is hereby amended to add the following definition:

TEMPORARY HOMELESS SHELTER RESIDENTIAL HOUSING. *Temporary residential housing for groups of people who are part of a temporary homeless shelter program located within an existing structure of the principal use, intended for a limited period of time.*

SECTION 2. West St. Paul City Code Section 153.054 relating to temporary homeless shelter residential housing is hereby ENACTED as follows:

153.054 INTERIM USES.

Within any R-1A One-Family Use District, the following uses shall be interim uses:

- (A) Temporary homeless shelter residential housing provided that it meets the following conditions:
- (1) The principal use on the site is not a single-family or two-family use;
 - (2) The interim use is accessory to the principal use on the site and is located within an existing structure;
 - (3) The interim use is only operated as a temporary homeless shelter residential housing use from November 1 through May 1;
 - (4) The interim use is only operated for 15 consecutive days and no more than 60 days total during the permitted months identified above;
 - (5) A fire inspection is required prior to occupancy and the applicant must satisfy all the requirements of the Fire Department;
 - (6) A building code inspection is required prior to occupancy and the applicant must satisfy all the requirements of the Building Official;
 - (7) The number of temporary residential occupants allowed shall be determined by the Fire Marshal pursuant to the Fire Code;
 - (8) The interim use is operated by a Minnesota non-profit corporation that has been authorized to operate such services through Dakota County Social Services;
 - (9) The homeless shelter program shall have at least one person from a professional security company who is on site at all times while guests are present;

- (10) The principal use and the interim use shall possess all federal, state and local licenses and permits required prior to occupancy of the interim use.

SECTION 3. West St. Paul City Code Section 153.069 relating to temporary homeless shelter residential housing is hereby ENACTED as follows:

153.069 INTERIM USES.

Within any R-1B One-Family Use District, the following uses shall be interim uses:

- (A) Temporary homeless shelter residential housing provided that it meets the conditions outlined in §153.054 (A).

SECTION 4. West St. Paul City Code Section 153.084 relating to temporary homeless shelter residential housing is hereby ENACTED as follows:

153.084 INTERIM USES.

Within any R-1C One-Family Use District, the following uses shall be interim uses:

- (A) Temporary homeless shelter residential housing provided that it meets the conditions outlined in §153.054 (A).

SECTION 5. West St. Paul City Code Section 153.172 related to temporary homeless shelter residential housing is hereby AMENDED as follows:

153.172 INTERIM USES.

Within the B-3 General Business District, the following uses shall be interim uses:

- (A) ~~any-Any~~ interim use regulated in the B-2 District, §153.157, provided that it meets the following conditions:

- (1) The sales area shall be setback at least 300 feet from the Robert Street right-of-way and 150 feet back from any other street.
- (2) The sales area shall not reduce the required supply of off-street parking below the required number of spaces for the principal building and for the interim use.
- ~~(1)~~(3) Off-street parking required for the sales area shall be one space per 150 square feet of sales area.

- (B) Temporary homeless shelter residential housing provided that it meets the conditions outlined in §153.054 (A) and that the principal use on the site is not a single-family, business or commercial use.

SECTION 6. SUMMARY PUBLICATION. Pursuant to Minnesota Statutes Section 412.191, in the case of a lengthy ordinance, a summary may be published. While a copy of the entire ordinance is available without cost at the office of the City Clerk, the following summary is approved by the City Council and shall be published in lieu of publishing the entire ordinance:

The ordinance allows for temporary homeless shelter residential housing as an interim use from November through April as long as it is located in non-single-family and non-commercial uses in the R1 and B3 zoning districts and operates for no more than 15 consecutive days and 60 days total from November 1 through May 1.

SECTION 7. EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after its passage and publication according to law.

Passed by the City Council of the City of West St. Paul, Minnesota, this _____ day of _____, 2018.

Ayes:

Nays:

Attest:

Jenny Halverson, Mayor

Shirley R. Buecksler, City Clerk