

**Study Meeting**  
**Monday, April 27, 2015**  
**Bloomington Civic Plaza**  
**1800 West Old Shakopee Road**  
**Bloomington, Minnesota 55431-3027**

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| 1   | <b>Call to Order - 6:00 PM</b>            | <p>Mayor Winstead called the study meeting to order at 6:00 p.m.</p> <p>Present: Councilmembers C. Abrams, J. Baloga, T. Busse, A. Carlson, D. Lowman and J. Oleson.</p>  |
| 2   | <b>INTRODUCTORY</b>                       | None.   |
| 3   | <b>CONSENT BUSINESS</b>                   | None.   |
| 4   | <b>PUBLIC COMMENT PERIOD</b>              | None.   |
| 5   | <b>HEARINGS/PUBLIC INPUT</b>              | None.   |
| 6   | <b>ORGANIZATIONAL BUSINESS</b>            |   |
| 6.1 | <b>CenturyLink Franchise (30 minutes)</b> | <p><u>Requested Action:</u> Informational only. No formal action requested.</p> <p>Communications Administrator Janine Hill introduced Brian Grogan, Attorney from Moss &amp; Barnett, City's outside counsel regarding Bloomington's cable franchise. He stated the cable transfer involving Comcast is not moving forward but the City does have a franchise renewal agreement with Comcast. He stated all of the City's cost involving the proposed transfer has been reimbursed. Comcast remains Bloomington's cable franchiser. He added competition, however, typically improves cable service and CenturyLink desires to submit a franchise application to the City. He proceeded to present the following slides:</p> <ul style="list-style-type: none"> <li>▪ Federal Cable Act: There's been a single cable operator in Bloomington for over 30 years and this is the best opportunity to bring cable competition to the city. Minneapolis has already solicited an application so the City will learn from their negotiations. He will craft a deal that makes sense for the City.</li> <li>▪ Franchise Application Timeline</li> <li>▪ Minnesota Statutes – Build Out: CenturyLink will not agree to finish the build out until they achieve a marketplace success formula. State law mandates a build out but federal law prohibits a Local Franchising Authority to refuse to grant a competitive franchise on the basis of unreasonable build out mandates. Bloomington has a brand new franchise with Comcast so the rest of the negotiation should be relatively smooth. He'll provide that agreement to CenturyLink and it's Grogan's expectation that CenturyLink will meet substantially the same obligations the just imposed on Comcast.</li> </ul> |

Grogan said the question of whether or not the City would be entitled to deny a franchise to CenturyLink on the basis that the company refused to build out is one the City won't answer upfront. He said tonight Council is being asked to give staff the authorization to publish the Notice of Intent to Franchise. He'll be back in the early June/July timeframe when CenturyLink will present their franchise proposal.

Winstead would like to see CenturyLink build out the entire community and asked how the City can negotiate with CenturyLink and tell them that's what they have to do.

Grogan explained CenturyLink will have a handful homes in every neighborhood that will be able to receive their service but it won't be just on one side of town. It will be random based on their facilities. He said CenturyLink is investigating capital throughout the western part of the U.S. but they only have a limited amount of capital to work with. He'll have to see how far CenturyLink can be pushed regarding build out penetration.

Carlson reported Minneapolis got a 5-year franchise agreement with a 15 percent threshold build out in the first two years, which he said is modest. He said it would be helpful for the Council to have some of that raw data.

Grogan said CenturyLink will make their maps available for Council but not at a public meeting.

Winstead told Grogan and staff to figure out what percentage of Bloomington households would be available for CenturyLink. He said the agreement should parallel what the City has with Comcast. He asked if CenturyLink will have the ability to carry the local channels and the cable subscription channels.

Grogan replied CenturyLink is committed to carrying them in high definition if that's the desire of the City and the School District.

Busse said it makes sense to have CenturyLink start the application process but said it will be tough for the City to change the template that will be set.

Grogan said the agreements vary from city to city so the policy direction from the City will be important.

Abrams said some cities have a 5 percent infrastructure penetration and others have a 50 percent presence within a community. She asked Grogan to characterize CenturyLink as a 40 percent build out community vs. a 10 percent penetration community. Would Bloomington be more attractive if it had a greater percentage?

Grogan replied the pattern has been CenturyLink isn't as concerned with commitments on what has already been built and constructed. They're concerned with everything going forward, as it will require additional expenditures.

Baloga asked about the City's cost in this process to consider granting this franchise and does CenturyLink reimburse the City for any of it.

Grogan said the City's application includes an application fee. He said the City's costs should be minimal. There is already an agreement template in place. He said Bloomington's cost should be fairly modest so he expects CenturyLink to reimburse the City's costs for processing their application.

Oleson asked long does the competition benefit take to be realized.

Grogan explained these companies don't compete as much on price as they do on service qualities. He said the marketplace will determine if the price is set correctly.

Oleson asked about the 5-year build out and if that's the norm.

Grogan replied a 5-year build out has been typical in all of the cities he's seen. He said there won't be a commitment to build out the entire city.

Winstead asked if CenturyLink's build out wouldn't require new equipment but just the existing fiber in the ground.

Grogan said there will be the need for some construction if they move toward greater penetration in the city. He said they'll have to pull permits, post bonds, etc. and adhere to the City's right-of-way codes.

Winstead said there is Council consensus to continue moving forward with CenturyLink's intent to franchise. He said questions such as to what percentage of the homes will they be able to provide service to Bloomington can be answered when they meet with the Council.

## 6.2 Neighborhoods & Housing (60)

Requested Action: Provide input and direction to staff.

Community Development Director Larry Lee introduced Housing and Redevelopment Authority (HRA) Director Doug Grout and Environmental Health Manager Lynn Moore who provided the slide presentation. First, he provided some background on this item stating there already exists at the City a broad menu of programs to enhance neighborhoods and housing. He said those programs have been effective and all of the metrics indicate Bloomington neighborhoods are very strong. He said the City's programs are successful in dealing with problem properties and getting their issues corrected.

Moore proceeded to present information regarding the rental housing program including rental housing inspections, rental licenses, and home inspections, i.e. Time of Sale inspections. It was stated approximately 5 percent of Bloomington homes are rentals. She talked about the Code Enforcement program. It deals with the exterior of the home. She said staff systematically inspects homes and issues a written citation whenever they observe a violation that needs to be corrected. She reviewed the numbers of residential complaints received in 2014 and showed a pie graph indicating the different types of nuisance calls that were received and the percentage of each type. She then showed some photos of nuisance examples of weed and brush and exterior maintenance. She said at the Council's request in 2008, staff started monitoring foreclosed properties. Staff looks at those properties in the spring and the fall to see if the banks are taking care of them. They ask the bank to keep the grass mowed, etc. but if they don't, the City will do it. She reviewed the foreclosure data for Bloomington, the Metro area, and the State of Minnesota. She reported at the peak of the foreclosures, 1.4 percent of Bloomington's housing stock was foreclosed. It is currently at .4 percent. She showed photos of some foreclosed properties. She also showed a few photos of hazardous building examples and the "after" photos showing how they were cleaned up or remodeled.

Grout continued with the presentation providing some background on the Bloomington HRA and its focus on affordable housing and redevelopment. He reported 551 households participate in the Bloomington Housing Choice Voucher Program. It's a Housing & Urban Development (HUD) program which subsidizes a portion of a tenant's rent.

Grout said the second biggest program the City created is the Home Improvement Loan program, which started in the 1980s. He also described the Blighted Property Buyout program whereby the City negotiates the purchase of a substandard, blighted property, demolishes it, and provides the lot for a new owner-occupied home. He went on to describe the Home Improvement Loan program in more detail. There is up to \$35,000 available per household. There is currently no waiting list. It is a deferred loan with income guidelines. It is promoted in the spring.

Lee explained years ago, the Council requested a program to help low income people make those City-ordered improvements.

Grout said the Home Improvement Loan program started in 1982 and since then, over 1,000 loans have been distributed to properties all over Bloomington. He then discussed the Foreclosure Homeownership Incentive, which incents people to purchase foreclosed properties. The City gave the purchasers of those homes up to \$20,000 to rehab the home but the program ended when the market started to turn. He showed a map of where the active loans are located. He showed a “before” and “after” photo of a lot east of 35W. He talked about a brand new program called, The Housing Improvement Area program. This program type was created by State statute. It allows cities to provide funding or financing for homeowner associations that have serious deferred financing needs that can’t be addressed through other sources. There are over 4800 association units in Bloomington that were built in the 1960s and 1970s. Last year was the first year of the program. Staff expects to receive two applications by May 15. He said it’s a fairly secure source of repayment, as the financing is repaid by homeowner assessments. Provides homeowner associations with a loan program. The City might do one or two per year. It’s paid for by homeowner assessments. He said staff will increase its marketing efforts.

Winstead commented there are 25,500 single-family homes and over 4,800 association units in Bloomington – a total of over 37,000 housing dwelling units in the city.

Grout talked about what the City has done to assist in the development of affordable rental housing. It has partnered with private developers and assisted them with site acquisition and finance. He mentioned the list of development firms the City has worked with. Staff has worked to develop workforce housing as well as senior housing. He reported four affordable rental developments were created from 2000-2008. He said the City needs more developers to create decent affordable housing. He reported two developers are currently in the pre-development phase. He provided more details on the Blighted Property Buyout program. The HRA buys run down houses that are beyond reasonable rehab. They’re torn down and building lots are created. Staff ensures what is built fits the character of the neighborhood. He said over the years, 71 houses have been constructed. Staff averages two-three per year. Some “before” and “after” photos were shown. He showed a graph indicating homeownership rates for Bloomington and surrounding communities.

Moore talked about having a “healthy balance” of housing types in the city. She said the hospitality industry is big in Bloomington and those workers would like to live in Bloomington but they need affordable housing.

Grout presented a chart on the 2010-2014 Average Rent Trends for the City of Bloomington. He reported rents are going up and vacancies are going down. A graph depicting the rental vacancy trends was also shown. He reviewed the new apartment construction projects, which he said most of which are market rate projects with rents at \$1.80 per square foot or higher.

Moore said the City is looking for a balance of owner-occupied and rental housing. Bloomington has continually maintained 69 percent owner-occupied homes since 1980.

Grout said it's cheaper to rehab than it is to build and said perhaps the City needs to look at more first-time home buyers now that the economy is improving. He talked about possibly creating a "second mortgage" program. He said the City could provide some design assistance to homeowners through an architectural firm that could determine what improvements a homeowner should make to get the most benefit from the loan.

Moore suggested photos of homes that have undergone a remodel that would apply to other Bloomington homes would be another way to promote such a program.

Grout said the HRA is currently discussing neighborhood commercial centers and is looking for the next project. He said the HRA will present their thoughts to Council later this year.

Moore asked Council for feedback on these ideas.

Council comments/inquiries:

Winstead said it will be good that the neighborhood commercial centers will be coming back to Council later. He asked what the City does and how well does it maintain its assets within the neighborhoods -- streets, parks, public spaces, medians, neighborhood identification, and monuments; anything that can help enhance a neighborhood. How good is the City at maintaining its own property within neighborhoods? He said regarding violations, it's hard for the neighborhood to know when orders have been issued. It seems like a long time before anything gets done. He asked if the time period to force the maintenance, do the maintenance, and have the maintenance done is something that matters. Moore said it's a standard 10-day order for lawn mowing. Winstead said the time to correct and other livability issues seem to drag on and asked if the timeframe could be shortened.

Abrams commented the difference in the median sales price for a home in east Bloomington vs. west Bloomington in 2000 was about \$18,000 but in 2014 that difference grew to \$40,000 while the Twin Cities median sales price is higher. She said this should cause a sense of urgency to get the right properties involved. She said if it's going to take ten years to deal with a neighborhood node, by then it's possible the east Bloomington reputation will seed over to west Bloomington. If that's the case, the west Bloomington numbers will also taper off and it will be a community reputation. She said continue having a global conversation about where are the opportunities to make some short-term remedial relief in those neighborhoods that will have an impact. She also suggested asking the neighbors about where the City should best apply its resources.

Busse asked which program provides the most value for money spent. Grout replied the Home Improvement Loan program, as it's a demand driven process. The City has the funds to serve them but the program needs to be marketed.

Busse asked about the correct mix for all of this. Moore said the Problem Property program (the annual inspection of all rental housing units) is important.

City Manager Jamie Verbrugge asked Council what it sees as the biggest issue with neighborhoods. He said in order to figure out where the City gets the biggest bang for its buck, staff needs to know from the Council where the issue is. He said the residents in those neighborhoods would be a good place to start, which could come from focus groups or targeted surveys.

Baloga suggested Code enforcement and a focus program on a particular area. He finds it hard to believe holes in the roof wouldn't be found on a systematic inspection. He said the City is trying to be too polite. It takes too long from identification of a violation to rectification. He suggested perhaps the Code needs to be changed. Give out one notice. If they repeat and six weeks later the grass is high, the City shouldn't have to go through the notice process again. Just go in and rectify the situation. He'd like to see targeted areas the Council could point to. He said the Council needs to look at the areas to determine which is the worst overall.

Winstead commented on the program that took place in the 1980s and early 1990s whereby certain neighborhoods were identified. Staff went door to door to find out what was needed. Some neighborhoods had 1,000 homes. He suggested maybe it's time to do that again.

Baloga said there needs to be a grouping of results because it goes beyond housing and takes in the whole environment – homes and playgrounds. Look at a whole area and determine which area the City should target in 2015, 2016, etc. Don't look at one house here and one over there, etc. Choose an area.

Lowman said he'd like more definition on Bloomington's aging housing stock. How many are there? How does Bloomington compare with Edina, Richfield and Minneapolis? Where does the City get the best bang for its buck and how does the City focus down on those neighborhoods. How is the value of a neighborhood measured? Is the commercial area of a neighborhood bringing down home values? He said concentrate on local areas -- look at Code enforcement and local assets within those neighborhoods. He wants to look at the loan program. He asked how the City could provide loan opportunities to residents with different income levels so families can take starter homes and do something with them.

Winstead commented the Home Improvement Loans are limited to certain improvements.

Lee suggested perhaps the items for which the City's loan program can be used should be expanded.

Oleson said a key theme here is how to build pride into an immediate neighborhood and said that might be achieved with focus groups. He said the City needs to be proactive rather than reactive with regard to affordable housing and feel of the neighborhood. He said capacity is a concern to him and said there is already an east/west problem in Bloomington. There's already a gap in the citywide Parent Teachers Students Association between the east and west. He said the City needs to be cognizant of what people can afford to pay for housing.

Abrams said if it's important to the community and the future of our hospitality industry that Bloomington has better performing hotels and hospitality opportunities due to its local workforce, then it's a value that needs to be recognized. Those workers are paid 32 hours/week at \$14/hour resulting in an income of \$24,000 per year with no benefits. She said it would be helpful for the Council to have some good conversations with those employers to make workforce housing more feasible.

Carlson said home values are up, vacancy rates are low, and Bloomington has a diverse housing stock. He said foreclosures are low. He doesn't get the call for alarm here. He said there could be underlying medical issues with some of these home owners. He cautioned fines don't necessarily equal compliance. There is work to be done. The City has good compliance tools. He said he'd be interested in modifying the income limits for some people. He said staff needs to sell this but some minor tweaks within the existing program would help.

Winstead asked if there was a way to improve neighborhood pride to get people to do something about their home. He asked if the City's benchmark is set too low. Are there ways to get to an enforcement level quicker? He said landscaping is an issue. Regarding the promotion of home improvements, he said Bloomington has 13,000 rambler and there are examples of some of the best remodel scenarios with good plans. He said it would help if people could see an affordable remodeled kitchen for a Bloomington rambler. The City could give them the ideas while making it affordable for them.

Verbrugge said the Council appears to be enthused about this so staff will put their heads together and bring back some suggestions.

Baloga asked if staff had any questions based on Council's discussion in order to bring back a potpourri of suggestions.

Verbrugge summarized Council's discussion that it wants to see shortened timeframes for noticing and enforcing Code violations. He cautioned the Council there will be pushback if the timelines are shortened. He said Environmental Health has used education in an effort to gain compliance before issuing fines. He said offering a helping hand minimizes the negative reaction.

Oleson said he'd like to raise the bar because he believes people want to make improvements collectively. There will be some people, however, who are content with long grass or perhaps have a different definition of what beautiful grass is and suggested a different approach might be needed. He suggested providing examples of how something could be improved would be a powerful way to improve a neighborhood.

Winstead asked Council if they wanted to take it to the compliance level.

Abrams said whether it's enforcement, the condition of the parks, or the data on the housing stock, Council has put out a request for information that might lead to tactics that will include some cost benefit analysis. She asked if it's more important to burn some political capital on enforcement versus the work that needs to happen when sod is installed but doesn't grow because it's not taken care of – whether on private property or in the City's boulevard area and mentioned the gap on 90<sup>th</sup> Street between the freeway and Lyndale. She said the Council needs to have a productive conversation that will result in some immediate impact. There is some low hanging fruit that will require staff time and attention. She said many ideas have been suggested the Council would like to see happen but they have yet to be articulated.

Verbrugge said regarding fines and citations, there are probably more Code enforcement issues in the older neighborhoods in Bloomington so there is the real potential that if the City gets more aggressive with them, already economically disadvantaged areas could become even more financially disadvantaged.

Lee said opening up the loan program to assist more people will require additional funds. In 2012, he said Council earmarked \$500,000/year for five years for that loan pool. When it comes budget time this year, Council will need to revisit the question of funding the loan pool. He'll bring back information that will assist Council with goal setting and tactics.

Verbrugge requested staff bring this back for more discussion in July.

**6.3 Hyland Ski and Snowboard Area/Ski Jump Update by Three Rivers Staff (30)**

Requested Action: Update provided for information only. No action required.

Three Rivers Park District staff Bo Carlson, Superintendent, Amy Gerski, Director of Design, and Tom McDowell, Associate Superintendent Recreation, Education and Natural Resources presented an update on the Hyland Ski and Snowboard Area (HSSA). Bloomington's Representative on the Three Rivers Park District Board Jon Gibbs was in the audience along with some of Three River's technical staff.

Carlson said the purpose of this presentation is to update the Council on the progress being made on the chalet construction, provide an update on the HSSA 2014/2015 season without a building, presentation of an HSSA "after hours" lighting plan proposal, and an update on the Ski Jump parking lot and Small Jump Improvements Project.

Carlson began the presentation with an overview of the HSSA 2014/15 Season Operations in Review: He said Three Rivers was challenged to try and reduce the traffic on Chalet Drive. As there was no parking at the chalet last season, vehicles were forced to park in the Normandale lot and ride the shuttle to the temporary chalet facility. He said the shuttle operation was a good experience. It reduced the traffic going to the chalet. People were still able to access the chalet quickly. He said the number of parking spaces at the Normandale lot eliminated the need for any parking at West Bush Lake. He said the upgrades to the Normandale lot brought it up to Code. He reported the temporary chalet space worked pretty well. They hope to move into the new chalet by July 1, 2015. He emphasized this chalet project was not to bring new users to the ski hill, as they're already at capacity, but to enhance the experience for the existing users by giving them a place to eat while at the hill.

Carlson discussed the proposed lighting operations plan that involves Condition #21. He talked about the overnight operations in the early months of the season to make snow in preparation of opening day and the nighttime operations during the non-snowmaking time to provide maintenance on the hill during the season. They've created wards or zones for the lighting. This new solution provides better uphill lighting in certain areas while reducing glare and cut off lighting.

Gerski said they have an efficient and cost-effective way to adhere to the City's Condition #21, which reads as follows: "To reduce the impacts of ski slope lighting on surrounding property owners, by November of 2015, Three Rivers must install a secondary slope lighting system for maintenance purposes. The secondary slope lighting system must direct all lights up-slope and must be circuited to allow multiple maintenance zones. After hours and except for emergencies, general slope lighting must be extinguished and lights for maintenance purposes may only be used when maintenance is underway in a particular maintenance zone."

Gerski explained Three Rivers' analysis to meet Condition #21 and their recommendation is the last option, which was stated as follows: "Install a secondary slope lighting system comprised of existing fixtures, new LED fixtures, and re-circuiting resulting in a 98 percent reduction in light levels at the property line at a cost of approximately \$50,000 - \$75,000." She said it's a high-cost benefit solution and can be completed by November 2015.

Winstead asked what is achieved by reducing the light levels by 98 percent from the railroad tracks property line.

Gerski showed an image during normal lighted ski hour when all of the lights are turned on from sunset to closing which is considered their base line lighting. She showed an image of what the lighting would look like during snow making hours. She said all of the lights are on when they're making snow on the entire hill and described the different types of lighting and where they're located on the hill. She presented an image of the lighting that would be turned on during the grooming of the hill on a nightly basis from 9 pm to dawn.

A view from Northwood Ridge was shown and it was stated during the proposed ski hours, only a glow on the hill of the light sources will be visible. She also showed a view from Northwood Ridge during normal nighttime grooming. She said the lights are significantly dimmed due to the LED light fixtures and the shield. She then showed a rendering of what the lighting should look like during the after-hours grooming. You'll see a glow but not a glare.

Carlson explained how the new circuitry lighting will be much better than last year's lighting during snow making or grooming of the hill.

McDowell provided the update on the 2015 site improvements to the Ski Jump. He said they added the ski jump parking lot to their Asset Management Program for 2015. He said they received a Hennepin County Youth Sports Grant in the amount of \$325,000 for improvements to the Ski Club's Junior Jump Complex. The improvements are scheduled for completion in June 2016. He said the grant will cover the improvements to the three jumps. The wooden structures will be replaced with earthen permanent structure. It will also include summer surfacing for those three small jumps for year-round jumpers. He said the new parking lot will provide 42-43 spaces. He reported Women's Ski Jumping was just added as an Olympic sport.

Carlson requested Council's direction regarding whether or not HSSA is meeting the intent of Condition #21.

Winstead said what HSSA is proposing doesn't meet the intent of Condition #21 so the Council is being asked to alter the condition to meet the goal of it but in a different fashion. He said HSSA has indicated they can achieve the goal of light reduction and super glare in a different fashion so asked the Council if the condition should be amended.

Busse said the Council wanted to make the bottom of the ski hill more palatable for the neighbors. The intent all along was how to make it better for the people down at the bottom of the hill by putting in some provisions to ensure that would happen.

Winstead said if the new plan doesn't meet the objectives, there will be another discussion.

Carlson said HSSA has always made snow for 150 hours. He said with the new plan, they will have the ability to shut off some of the lighting zones.

Baloga asked if HSSA is proposing 150 illuminated hours as the maximum.

Carlson replied 150 hours is the length of time anticipated to make snow. That's been in place for a while. He said in the past, they've made enough snow in November without needing to make snow on the entire hill after that.

Winstead asked if the 150 hours is for snowmaking or illumination.

Carlson replied there are two maintenance activities that go on during a season; the snow making operation and normal maintenance work.

Baloga said about half of the full illumination time would be 75 hours, which will impact the neighborhood. The other hours would be a 98 percent improvement.

Carlson said the 98 percent reduction is during maintenance operations.

Busse questioned why the need for lighting when making snow.

Carlson replied it's a safety matter.

Baloga said nothing in the proposal jeopardizes the safety of the employees.

Winstead said he's agreeable to making the changes to the maintenance lighting but said if it doesn't meet the City's goals, Three Rivers will have to come back and make the \$250,000 investment to fix it.

Baloga asked if Three Rivers could reduce the total number of hours they propose for making snow.

Carlson again stated there will be a considerable decrease in the amount of lighting from the full operational lighting to the lighting needed for snow making.

Baloga requested some time limits be inserted into the conditions. He said most of the LED lighting to the snow making lighting helps the people on Chalet but not the people up on Southwood. He said an option might be to expand the LED lighting.

Carlson said they are replacing those light fixtures and will get to a point when all of the lights will be the LED cut-off lighting.

Baloga said he wants to support this but has concern about the impacts to the greater area.

Winstead requested a report after next season regarding the 150 hours for snow making. He said Council's action will be to bring forth an altered Condition #21 so the Council can accept the proposed lighting changes, which they'll review in a year. He again stated the condition must meet the intent of the goal.

*(There was Council concurrence for HSSA to move ahead with the Revised Condition #21 and to have it approved by Council at a regular meeting.)*

Baloga asked who runs the Normandale parking lot lighting.

Quale replied the lighting in the Chalet Road parking lots is controlled through the City. The lights are on at dusk and they go down to approximately 50 percent at 11:30 pm.

Baloga commented the lighting was very bright on New Year's Eve at 2 am.

Quale added staff is working with Three Rivers to reduce the amount of break-ins that are occurring in that parking lot.

#### 6.4 Community Center Needs Assessment (60)

Requested Action: Information provided for discussion purposes only.

Community Services Director Diann Kirby introduced this item and presenters Nancy Blankford, Associate Vice President and Principal of Hammel, Green and Abrahamson, Inc. (HGA) and Jeff King, President of Ballard-King. They presented the results of the community center needs assessment. Their joint presentation included the following slides:

- Stakeholders and Design Team
- Community Input Stakeholders: Broad cross-section to determine the needs, gaps, what's working well and what needs improvement.
- Needs Assessment Process: Community attractors, re-enforces the Bloomington Comprehensive Plan, community center vision.
- Existing Creekside Evaluation: Existing community center – started as a grade school but has operated as a community center since the 1970s. Seniors love it. Estimated construction cost to improve Creekside is \$4,295,336 to bring it up to Code.

City Manager Verbrugge said the \$4 million will be inflated due to the Code requirements.

- Market Analysis: *(King)*  
Service Area, Median Age, Median Household Income (age and income drive participants), Cost of Housing Index (the amount of disposal income to participate in leisure activities is normal in Bloomington), Age Distribution (35 percent are over age 55 -- 7500 regularly participate in senior programs at Creekside -- 25 percent of Bloomington seniors use Creekside), Participation Estimates, Activity Ranking, Activity Trend, Alternative Service Providers, Community Input, Balancing Act, Program Recommendation, Program Development (Bloomington will be experiencing a great housing turnover during the next 20 years. Community centers contribute to the overall quality of life), Expense Estimates, and Revenue Estimates (their estimates used 800 as the membership number), Amenities in the Metro Area, Amenities in Bloomington *(Blankford)*.

When Winstead asked if 25 percent wasn't a good number, King replied that means 75 percent of Bloomington's seniors are not participating in programs at Creekside.

- Recommended Program: Common Spaces, Recreation & Fitness, Gymnasium, Offices, Support, Option One – Public Health, Option Two & Three – Aquatics and Motor Vehicle, Future Exterior Spaces, Prioritized Program. (Six classrooms, small cardio area, two studies, a weight training area, and a walking trail. Gymnasium space. Office space. (Motor Vehicle and Public Health Divisions located in the community center. They're considered future options), Indoor Aquatics was listed as a future option; an attractor.
- Cost Estimating: 94,715 gross square feet. Construction costs of \$31,888,251 (includes escalation to 2016), soft costs of \$9,566,475. Total Project Costs: \$41,454,726

- Next steps: Predesigned Process (scope, budget, community engagement)

Council comments/inquiries:

Busse asked if the programming proposed will be self-sustaining and if not, what the yearly operational costs would be on top of the capital costs. King replied in Chaska, for example, there are transfers that go into it; it's not a true enterprise fund. He said cost recovery rates tend to range from 65-70 percent up to 85-90 percent in an urban setting.

Lowman asked when Creekside will become unusable.

Winstead said Creekside could last for decades with an ongoing budget. He said a big ticket item has been approved for a roof.

Abrams suggested the Council pause with this amount of information given the City has a new city manager and the Council will be meeting with the School Board. She said it would be good to have a strategic discussion regarding the assets. She suggested this information be shared with the School Board and asked what the City is trying to do.

Winstead said the Council has to digest this information. He envisions a community center with a walking track but said Bloomington already has two activity centers that aren't necessarily used by the community. He said the City needs to define how those centers are being used. Kirby stated staff looked at the membership numbers.

King stated membership at the activity centers is between 2400-2500 members between the two high schools. He asked where else in town can people take their kids to play.

Baloga said there are City parks all across the city and asked how a community center gets woven into those. Should a community center be completely independent or should they be woven together?

Blankford said there is a demand for park and recreational space and winter use was a key component in many of these elements.

Baloga said there are costs associated with staff and the operation of the current community center and asked about the incremental amounts and how they compare against the revenue. He said it would help frame the discussion for the Council to know if it's a 2 percent levy subsidy or a 10 percent subsidy.

Winstead said it's the operating costs of Creekside vs. the revenue sources compared to a new community center plus the capital component.

Baloga commented the current Motor Vehicle space is bad.

Oleson said the Council needs to have a discussion about what it's aiming to do. He's been in three community centers and they're a buzz of activity. He said people have commented it's embarrassing that a city this size doesn't have such a place. He said the Heritage Days concept has indicated there is a desire. He said it might help shape the Council's decision to know what impact a community center has had on Eden Prairie. If the City is going to be subsidizing a community center on an annual basis, he'd like to know what a community center will do for the community and where it should be located.

Carlson said he's okay with the predesign process but added the funding methodology needs to be defined. He said the City doesn't have to own this if a corporate or non-profit partner could be found to take over the ongoing annual maintenance. He supported moving forward to take on the next steps regarding funding. He asked what other outreach is needed.

Winstead suggested staff share some of the thought process with the schools. He said Maple Grove City Hall is connected to a fitness center. He commented the east/west Bloomington issue was gone for a long time and doesn't want it brought up. He asked Council to be conscious of that.

Lowman likes the idea of moving this process forward with other key policy makers in the community. He said the vision and the space need to be created and some public/private partnerships explored to see if that would result in a bigger center; if that makes sense to do that.

Winstead said it will take bonding to fund a \$41 million community center. He said although an amendment to authorize bonding authority for the Council is soon going to the Charter Commission, he doesn't believe it will pass. He said the City would need to bond for a community center and it will probably end up being a referendum.

Baloga said every project has a cost threshold that should be known upfront. He said there needs to be a buy in of the City Council. He figured a 20-year bond on a \$41 million issue would add about \$3 million or 6 percent to the levy without any operating costs. He said it would be a mistake for the Council to go forward with those kinds of increases without any discussion, as there will be significant cost. There might be some off-setting benefits but the cost must be considered.

Winstead suggested the Council boil it down to cost and what it means to residential and commercial taxpayers.

Abrams said it became apparent there were a lot of questions in 1990 with the \$3.8 million park needs and financing task force referendum that passed. She said that task force did the initial work on that referendum and did the cost benefit piece. She doesn't see the Council being able to master that level of detail given their agendas and timeframe. She said once Council has a clearer vision on what it wants to achieve, then it can provide a charge to a group of engaged citizens and put them to work. A task force should be assembled when the time is right and the charge is clear.

Winstead asked about the amount of taxation for capital and operations using various levels of community center costs: \$10 million, \$20 million, \$30 million, \$40 million, etc.

Oleson inquired if any interest on the part of the civic organizations to name any of the rooms was indicated.

Blankford said some communities have gotten room naming rights from businesses for a contribution.

Winstead said the Council hasn't determined where it's at as a group but said more interest from other stakeholders is needed. He suggested Council direct staff to take it to the next step (sources and uses) with financial estimates.

Baloga said he'd like to have some sense of what capital and annual operations costs would do to the levy.

Winstead asked staff to provide the subsidy amount and how that would affect the levy.

Abrams asked if adding Motor Vehicle and Public Health would make it more palatable.

Winstead asked staff to further define financial generations and stakeholder input. He suggested continuing the discussion when those elements have come together.

**6.5 Alternative  
Transportation Plan  
2015 Update (60)**

Requested Action: Provide feedback on the draft Alternative Transportation Plan (ATP) 2015 Update.

Parks & Recreation Manager Randy Quale, Civil Engineer Amy Marohn and SRF Consultant Mike McGarvey jointly presented the priority elements of the ATP. Their presentation highlighted the following slides:

- Alternative Transportation Framework: City will implement the Complete Streets Policy on all street projects.
- 2008 ATP System Plan
- Overall ATP System
- Existing System and Gaps
- Priority Regional Trail Connections: A top priority is the MN River Trail Corridor (economic efficiencies – City is working with the Department of Natural Resources).

Baloga asked if the Three Rivers Park District has had input into this Plan. Quale replied they have through their planning efforts with Hennepin County.

- Community Corridors:
  - Priority #1: France Avenue Trail Corridor -- needs to be fixed.
  - Priority #2: Normandale Boulevard Corridor -- has funding.
  - Priority #3: West Bush Lake Road Corridor
  - Priority #4: Portland Avenue Corridor
  - Priority #5: Xerxes Avenue Corridor
  - Priority #6: Bush Lake Park Trails: Independent trails. Makes the connection on the southwest corner of the lake. Improvements on the north side of the lake - currently in the Park Master Plan.
  - Priority #7: I-35W Parallel Route: On-street facility. Significant new element to this plan.
  - Priority #8: American Boulevard Corridor: To be implemented over time.
  - Priority #9: Old Shakopee Road Corridor: Complex and will take years to complete. Will require a master plan for the roadway.
- Local Connections: Short segments that fill in gaps in existing corridors.
  - Priority #1: West 102<sup>nd</sup> Street Bikeway
  - Priority #2: Hampshire Avenue Bikeway
  - Priority #3: 106<sup>th</sup> Street, Lyndale Avenue, East 102<sup>nd</sup> Street Bikeway
  - Priority #4: Overlook Drive Bikeway
- Projected Costs
  - Regional Trails: \$19,444,200
  - Community Corridors: \$16,058,000
  - Local Connections: \$463,000
- Trail Maintenance Costs

Marohn said the ATP Plan identifies the network. It's a priority and needs to be approved first. Staff will look at the condition index of the trails; which ones are obsolete and how each segment fits in with the ATP. The approved Plan will guide which segments staff brings up.

Abrams commented on a perimeter asphalt path around one of our parks, which is not part one of these connected trails, needs to be shored up because it's 30 years old but it doesn't fit into the ATP so would be on a different priority strata. Marohn said maintenance and funding for park trails usually fall under different categories than do the right-of-way trail system. Trails that run parallel to our roadways are what staff is looking to address now and is tentatively calling the Trail Pavement Management Program.

Winstead asked if those trail maintenance costs should be put in with these in order to fund them going forward. He said now when they're replaced, there is no maintenance plan for them. Quale said the City has been reconstructing some of the Park Reserve trails but the City doesn't have a funding source for the typical park trails in the City unless it's tied to another park improvement. He said no comprehensive plan has been established for them. They hope to accomplish that as part of the Park Asset Inventory work they are currently undertaking.

Winstead said those trails should be combined with these. Quale said all of the park trails are identified in the long-term Capital Improvement Program.

Baloga said he wouldn't support Community Corridor Priority #6 (Bush Lake Park Trails) as proposed because there are other alignment opportunities for that trail that don't impair the Izaak Walton property. He requested more information on this trail. He said this adds more pavement to the pavement inventory so would like to hold off on this until he has more information to do more than conceptually approve it. He doesn't want to approve this until there is a plan for the maintenance portion.

Busse asked about the I-35W Parallel Route. Marohn said it's an on-road facility and an important connection. She said Met Council priority trails garner higher points.

Carlson asked about the discussion at the Planning Commission meeting. He asked if there is anything from that meeting the Council needs to be aware of. Marohn said one resident spoke in opposition to including the Minnesota River Valley Trail as a transportation corridor. The speaker thought it should be re-prioritized or removed from this Plan as a transportation plan. She said staff definitely believes it could be used as a transportation corridor.

Winstead said wouldn't it be easier to state the ATP also considers trails that are on the map in many different shapes and forms that can be considered recreational. He said it's not just a commuter plan. He said it's a trail system. He said get that up front.

Carlson asked if the \$11 million for the Minnesota River Trail Corridor includes a natural and a paved trail. Quale said the City has yet to see a design plan from the DNR.

Abrams asked if the \$2.5 million needs to be earmarked for the ADA fully accessible asphalt trail. She asked how will the City Council, as policy makers, determine how the \$2.5 million gets spent in the most efficient way possible and from where will other money be leveraged to complete it. Quale said the DNR will take the lead but until they provide that data, the City won't know what they're going to use it for.

Lee said it would be helpful if the Council could hear Representative Ann Lenczewski's testimony at the PC meeting.

Winstead questioned 12 miles of the Minnesota River Trail Corridor and asked how the DNR can do a 16-mile trail for \$2.5 million. He said staff's estimate is \$11 million but the DNR and State are talking \$2.5 million. He said the City needs the right information.

Verbrugge asked about the timeline. Marohn said the Council wants to see more of the maintenance plan.

Baloga said he'd like more information on the maintenance plan, the Izaak Walton alignment, and the funding of the Minnesota Valley Trail.

Winstead requested staff answer the why or why not on the Izaak Walton design. Quale said the long-term plan has been to acquire land to have a shoreline trail around the lake. He said the trail could go around the north bay, which is part of the 2010 Park Reserve Master Plan proposing both. There would be the lake trail and the other route going up Lakeview and coming back around north bay. He said it's a long-term vision for a loop trail that has been popular in Minnesota. He said it could go around north bay but it would be a deviation from the vision that was approved in 2010 for the Master Plan for the Regional Parks System. That deviation could cause a need to amend that document. He said there are seven properties left to be acquired around the lake to realize the vision that was in the 1984 Master Plan for the Regional Park Reserve. People like trails next to the lake. He said having a trail around the north bay will impact the desirability of a walk around the lake. He said staff hasn't heard if the residents on Lakeview will be opposed to having a trail across from their properties. He said the City could run into opportunity if it's re-routed to that locale. He said this is a willing seller and an interested buyer. He said if Izaak Walton League doesn't want to sell or provide an easement, then the City will go around the north bay.

Baloga said the Izaak Walton League has made it clear to him they are not interested in providing an easement or a sale opportunity. Quale encouraged the Council to go out and look at it. He said it's been in the Plan for 30 years.

Winstead said maintenance is the big issue.

Oleson said the Trail PMP is only for right-of-trails so the Council needs to know what the estimated needs are for managing the other trails.

Winstead said everyone needs to be clear on the Izaak Walton trail.

## 7 ADJOURN

Mayor Winstead adjourned the study meeting at 11:26 p.m.

Barbara Clawson  
*Council Secretary*