



CITY COUNCIL AGENDA
Tuesday, November 1, 2016
7:00 p.m.
Coon Rapids City Center
Council Chambers

Call to Order

Pledge of Allegiance

Roll Call

Adopt Agenda

Proclamations/Presentations

Approval of Minutes of Previous Meeting

1. Approve Minutes of October 18, 2016

Consent Agenda

2. Accept Quarterly Financial Report

Public Hearing

3. Assessment Hearing Miscellaneous 2016-3

Bid Openings and Contract Awards

Old Business

4. Consider Adoption of Ordinance 2183 to Create Misdemeanor Penalty for Failure to Have Rabies Vaccination
5. Consider Adoption of Ordinance 2182 to change Zoning of Office, General Commercial and Moderate Density Residential to High Density Residential

6. PC16-15, Consider Adoption of Resolution 16-121 Changing Land Use to High Density Residential

New Business

7. Consider Introduction of Ordinance Revising Fees for 2017.
8. Consider Resolution No. 17-7(8) Accepting Plans and Specifications for 2017 Well Rehabilitation, and Authorizing Solicitation of Bids
9. Consider Sale of \$10,000,000 General Obligation Bonds, Series 2016 A

Open Mic/Public Comment

Reports on Previous Open Mic

Other Business

Adjourn



City Council Regular

1.

Meeting Date: 11/01/2016

SUBJECT: Approve Minutes of October 18, 2016

Attachments

October 18, 2016

UNAPPROVED

COON RAPIDS CITY COUNCIL MEETING MINUTES OF OCTOBER 18, 2016

CALL TO ORDER

The second regular meeting of the Coon Rapids City Council for the month of October was called to order by Mayor Jerry Koch at 7:00 p.m. on Tuesday, October 18, 2016, in the Council Chambers.

PLEDGE OF ALLEGIANCE TO THE FLAG

Mayor Koch led the Council in the Pledge of Allegiance.

ROLL CALL

Members Present: Mayor Jerry Koch, Councilmembers Denise Klint, Ron Manning, Wade Demmer, Jennifer Geisler, Brad Johnson and Steve Wells

Members Absent: None

ADOPT AGENDA

MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER WELLS, TO ADOPT THE AGENDA AS PRESENTED. THE MOTION PASSED UNANIMOUSLY.

PROCLAMATIONS/PRESENTATIONS

None.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS

1. OCTOBER 4, 2016, COUNCIL MEETING

MOTION BY COUNCILMEMBER KLINT, SECONDED BY COUNCILMEMBER GEISLER, FOR APPROVAL OF THE MINUTES OF THE OCTOBER 4, 2016, COUNCIL MEETING. THE MOTION PASSED UNANIMOUSLY.

CONSENT AGENDA/INFORMATIONAL BUSINESS

2. APPROVE A CLASS A ON SALE, SUNDAY, AND 2 AM LIQUOR LICENSE FOR AMC THEATRES COON RAPIDS 16
3. RECOMMEND REAPPOINTMENT OF CHARTER COMMISSION MEMBER STEPHANIE MASTELLER
4. ADOPT RESOLUTION 16-116, ACCEPTING DONATION FOR THE COON RAPIDS LOVE MY PET FAIR

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER JOHNSON, FOR APPROVAL OF THE CONSENT AGENDA AS PRESENTED. THE MOTION PASSED UNANIMOUSLY.

PUBLIC HEARING

None.

BID OPENINGS AND CONTRACT AWARDS

None.

OLD BUSINESS

None.

NEW BUSINESS

5. CONSIDER COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM – AUTHORIZE 2016 HOUSING REHABILITATION SERVICE CONTRACT

The Staff report was shared with Council.

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER GEISLER, TO AUTHORIZE THE MAYOR AND CITY MANAGER TO EXECUTE A SERVICE CONTRACT, TOGETHER WITH ANY OTHER NECESSARY DOCUMENTS, WITH THE GREATER METROPOLITAN HOUSING CORPORATION TO ADMINISTER THE 2016 COMMUNITY DEVELOPMENT BLOCK GRANT HOUSING REHABILITATION PROGRAM. THE MOTION PASSED UNANIMOUSLY.

6. **CONSIDER INTRODUCTION OF ORDINANCE REVISING FEES FOR 2017 AND SET PUBLIC HEARING FOR LIQUOR LICENSE FEE INCREASES**

The Staff report was shared with Council.

Mayor Koch considered the Ordinance regarding the fee schedule revisions to be introduced.

7. **CONSIDER ADOPTION OF RESOLUTION 16-117, PROVIDING PRELIMINARY APPROVAL OF A BOND INDUCEMENT FOR COON CREEK SENIOR COMMUNITY, LP**

The Staff report was shared with Council.

MOTION BY COUNCILMEMBER KLINT, SECONDED BY COUNCILMEMBER WELLS, TO ADOPT RESOLUTION NO. 16-117 GRANTING PRELIMINARY APPROVAL OF CONDUIT HOUSING REVENUE BOND FINANCING FOR THE COTTAGES OF COON CREEK D/B/A COON CREEK SENIOR COMMUNITY, LIMITED PARTNERSHIP. THE MOTION PASSED UNANIMOUSLY.

OPEN MIC/PUBLIC COMMENT

Mayor Koch reviewed the rules of order for the Open Mic/Public Comment portion of the meeting.

REPORTS ON PREVIOUS OPEN MIC

None.

OTHER BUSINESS

Mayor Koch noted the Police Department would be accepting unused or expired medication on Saturday, October 22nd from 10:00 a.m. to 2:00 p.m. at the Coon Rapids Police Department.

City Manager Stemwedel stated the Coon Rapids Ice Center would be having a Spooky Skate on Monday, October 31st beginning at 5:30 p.m.

ADJOURN

MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER WELLS, TO ADJOURN THE MEETING AT 7:13 P.M. THE MOTION PASSED UNANIMOUSLY.

Jerry Koch, Mayor

ATTEST:

Joan Lenzmeier, City Clerk



City Council Regular

2.

Meeting Date: 11/01/2016

Subject: Accept Quarterly Financial Report

From: Fran Hanson, Accounting Supervisor

INTRODUCTION

Quarterly financial information as of September 30, 2016 has been completed and is being presented at this time.

DISCUSSION

The financial summary of all funds for the third quarter and the quarterly Enterprise Fund statements are attached for your review.

RECOMMENDATION

Assuming the Council has no specific questions, no action is necessary other than to acknowledge receipt of this report.

Attachments

Third Quarter Financials

GENERAL FUND

Revenues

A summary of revenues through September 30 for 2016 and 2015 is as follows:

	September 30, 2016	September 30, 2015	Increase (Decrease)	% Increase (Decrease)
General Property Taxes	\$9,970,062	\$9,571,153	\$398,909	4.2
Business Licenses	540,631	533,990	6,641	1.2
Non-business Licenses/Permits	857,342	608,480	248,862	40.9
Fines and Forfeitures	211,050	230,988	(19,938)	(8.6)
Investment Income	133,253	133,795	(542)	(.4)
Intergovernmental Revenue	941,177	895,447	45,730	5.1
Charges for Services	1,251,501	1,108,186	143,315	12.9
Utilities Tax	2,200,857	2,278,738	(77,881)	(3.4)
Other	458,737	377,815	80,922	21.4
Total	<u>\$16,564,610</u>	<u>\$15,738,592</u>	<u>\$826,018</u>	<u>5.3</u>
Amended Budget	\$29,439,801	\$28,624,782	\$815,019	2.8%
% of Budget Received to Date	56.0%	55.0%		

Revenues have increased \$826,018 or 5.3% over the same period last year. Payments for property taxes and certain intergovernmental revenues, which represent approximately 72% of the budget, are received at mid-year and year-end. Significant revenue changes are as follows:

- General property taxes increased \$398,909 or 4.2% as a result of the tax levy that was budgeted and certified.
- Non-business licenses/permits increased \$248,862 or 40.9% and charges for services (primarily inspection plan check fees) increased \$143,315 or 12.9%. Both of these were primarily due to major permits issued to Mercy Hospital.
- Other revenue increased \$80,922 or 21.4% primarily due to a new joint law enforcement agreement with Anoka County to reimburse the City for 80% of the salary and benefits of a new full time joint law enforcement Assistant System Manager position. This revenue is offset by payroll expense. Lease rental income also increased due to a new antenna lease agreement with Verizon in 2016.
- Fines and forfeitures decreased \$19,938 or 8.6% primarily due to a decrease in the CAP (Citizens Awareness Project) revenue.

Expenditures

A summary of expenditures by program through September 30 for 2016 and 2015 is as follows:

	September 30, 2016	September 30, 2015	Increase (Decrease)	% Increase (Decrease)
General Government	\$2,810,880	\$2,705,735	\$105,145	3.9
Public Safety	10,627,040	10,431,497	195,543	1.8
Community Services	390,750	336,873	53,877	16.0
Community Development	1,441,946	1,387,766	54,180	3.9
Maintenance Services	5,152,421	5,035,646	116,775	2.3
Total	<u>\$20,423,037</u>	<u>\$19,897,517</u>	<u>\$525,520</u>	<u>2.6</u>
Amended Budget	\$28,923,874	\$27,998,651	\$925,223	3.3%
% of Budget Expended to Date	70.6%	68.1%		

Expenditures have increased \$525,520 or 2.6% over the same period last year. Significant changes by type of expenditure are as follows:

- Personal services totaling \$16,334,676 have increased \$513,223 or 3.24% primarily due to a 2.5% cost of living increase and various other budgeted wage increases and position changes.
- All other expenditures totaling \$4,088,361 have increased only \$12,297 or .30%.

SPECIAL REVENUE FUNDS

- Scattered Site Housing Fund

This fund had a balance of \$226,838 as of September 30, 2016, part of which is \$54,616 in property being held for resale.

- Housing Programs Fund

This fund accounts for \$4,775,000 that was transferred from the Coon Rapids MAF Program Fund beginning in 2005 to be used for housing improvement program loans and had a September 30, 2016 fund balance of \$3,817,283. As of September 30, 2016, 101 loans were outstanding with a principal balance of \$1,554,617, which is included in the fund balance, compared to 112 loans with a total balance of \$1,521,194 a year ago.

- Coon Rapids MAF Program Fund

This fund accounted for proceeds from mortgage payments funded through the Coon Rapids Mortgage Assistance Foundation (MAF) program. In 2016, this fund has earned \$27,311 in interest through September 30th. Since 2000, this fund has transferred \$1,250,000 to the Scattered Site Housing Fund and \$4,775,000 to the Housing Programs Fund. As of September 30, 2016 the fund balance of this fund was \$2,576,391.

- Law Enforcement Programs Fund

This fund accounts for dedicated revenues and related expenditures for drug forfeiture, DWI, DARE, Night to Unite, and grant activities. The September 30, 2016 fund balance of this fund was \$246,630. This fund is projected to have a fund balance by December 31, 2016 of \$218,588.

- Fire Department Programs Fund

This fund accounts for special activities performed by the Fire Department such as the safety camp, lock box and smoke alarm programs. This fund had a September 30, 2016 fund balance of \$10,697.

- Public Communications Fund

The Public Communications Fund had a fund deficit of \$558,817 as of September 30, 2016 and is projected to have a fund deficit of \$235,140 by December 31, 2016. The deficit fund balance is due to the purchase of high definition equipment totaling \$764,754 in 2015. A ten year internal loan for \$650,000 from the Revolving Construction Fund was established during 2015 to pay for the portion of this equipment that exceeded cash availability in the fund.

- Commissions and Events Fund

This fund accounts for Arts and Historical Commission activities not accounted for in the General Fund. The September 30, 2016 fund balance of this fund was \$18,719. This fund is projected to have a fund balance by December 31, 2016 of \$8,874.

- Senior Activity Fund

This fund accounts for senior citizen trips and events, the senior center kitchen fund, and the senior citizen transportation account. The September 30, 2016 fund balance of this fund was \$60,394. This fund is projected to have a fund balance by December 31, 2016 of \$44,632.

- Community Development Block Grant Fund

Expenditures for the Housing Rehabilitation Program are recovered from Anoka County as they are made and are estimated to be \$306,780 for 2016.

- Curbside Recycling Fund

This fund accounts for recycling center activities. Year-to-date expenditures were \$234,145. Expenditures are recovered from Anoka County through the Recycling Center SCORE grant and miscellaneous recycling revenue. The grant award for 2016 is \$231,335.

DEBT SERVICE FUNDS

These funds pay the principal and interest on the long-term debt of the City, other than debt accounted for in the Enterprise Funds. Funding comes from tax levies, special assessments, and/or transfers. In 2016, principal and interest payments through September 30th totaled \$2,240,000 and \$1,072,837 respectively. All revenues and expenditures are as planned.

CAPITAL PROJECTS FUNDS

- Park Improvement Fund

The major sources of funding for 2016 include referendum approved bond proceeds of \$780,000, a property tax levy of \$358,680, and transfers of \$760,000 from the Park Improvement Bonds Fund. Year-to-date expenditures were \$2,060,006.

- Equipment Certificate Fund

This fund accounts for major capital equipment purchases financed with equipment certificates. This fund had a fund deficit of (\$917,642) as of September 30, 2016 which will be covered through future certificate proceeds or transfers from other funds.

- Capital Equipment Fund

This fund accounts for major capital outlay purchases for the General Fund activities. This fund has a 2016 property tax levy of \$876,993 and had expended \$889,986 as of September 30th. This fund is projected to have a fund balance of \$1,159,817 by December 31, 2016.

- Street Reconstruction Fund

This fund includes property tax revenue of \$789,248 for 2016. Estimated expenditures for the year are \$1,321,431. This fund is projected to have a fund balance of \$1,682,777 by December 31, 2016.

- Sidewalk Projects Fund

This fund includes property tax revenue of \$123,750 for 2016. The September 30, 2016 fund balance was \$489,141.

- HRA Fund

There are several sources of revenue for the HRA including tax levies, tax increment collections, industrial revenue bond fees, and proceeds from the sale of land. Tax collections are as planned. Tax increments are pledged to pay debt service on bond issues as well as for the purchase of certain property for redevelopment and related relocation costs.

- Facilities Construction Fund

This fund accounts for the construction and refurbishment of City owned facilities. The September 30, 2016 fund balance was \$1,155,076. This fund is projected to have a fund balance of \$579,687 by December 31, 2016.

- Special Assessment Construction Funds

These funds account for assessable and non-assessable infrastructure construction projects that are funded through bond proceeds, MSA, and/or other intergovernmental revenues. In 2016, \$10,596,013 had been expended from these funds through September 30th of which \$9,534,801 was for the 2016 street reconstruction projects and \$1,061,212 was for various other projects. This compares to \$5,269,502 expended at this time last year (\$4,937,165 for street reconstruction and \$332,337 for various other projects). Revenues and funding sources in 2016 are as anticipated.

INTERNAL SERVICE FUNDS

- Insurance Reserve Fund

The Insurance Reserve fund had net assets of \$3,248,763 as of September 30, 2016. Savings from insurance premiums are being reserved in this fund to (1) provide for future claims that may be due under the current insurance plan, and (2) to provide adequate cash to support deductible levels on current and future policies. Operating income in this fund is used to subsidize General Fund insurance costs. Prior year investment income from this fund (before temporary fair value adjustments) is transferred to the Retirement Insurance Fund to partially fund other post employment benefits. For 2016, this transfer will be \$47,634.

- Compensated Absences Fund

This fund accounts for the compensated absences of the governmental funds. The December 31, 2015 liability in this fund was \$2,243,890 which was fully funded. Based on the 2016 estimated liability increase of \$188,000 and planned investment income and transfers, this liability should continue to be fully funded at year-end 2016.

- Retirement Insurance Fund

This fund builds a reserve for the direct subsidy portion of health care benefits for qualified police and firefighter retirees. Budgeted transfers in 2016 of \$525,000 from the General Fund and \$47,634 from the Insurance Reserve Fund, along with investment income and the December 31, 2015 assets of \$3,302,573 in this fund, will cover this portion of the annual required contributions as determined in the actuarial studies.

ENTERPRISE FUNDS

Statements and related comments on the Water, Sewer, Storm Water Drainage, and Golf Funds are as follows:

CITY OF COON RAPIDS, MINNESOTA

WATER FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PERIOD ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR PERIOD ENDED SEPTEMBER 30, 2015)

	Audited 2015	09/30/15	09/30/16
Operating Revenues:			
Water charges	\$ 5,419,015	\$ 4,348,987	\$ 4,828,076
Miscellaneous	33,459	7,016	1,932
Total Operating Revenues	<u>5,452,474</u>	<u>4,356,003</u>	<u>4,830,008</u>
Operating Expenses:			
Personal services	887,454	666,790	646,486
Other charges and services	2,138,578	1,569,312	1,353,479
Supplies	235,467	168,667	148,990
Depreciation	1,920,320	1,475,831	1,512,788
Total Operating Expenses	<u>5,181,819</u>	<u>3,880,600</u>	<u>3,661,743</u>
Operating Income	<u>270,655</u>	<u>475,403</u>	<u>1,168,265</u>
Nonoperating Revenues (Expenses):			
Investment income	76,069	40,363	25,052
Sale of water meters	34,095	27,707	17,900
Loss on disposal of capital assets	(100,185)		
Interest and fiscal charges	(378,244)	(318,651)	(282,569)
Purchase and repair of water meters	(35,981)	(35,340)	(26,578)
Total Nonoperating Revenues (Expenses)	<u>(404,246)</u>	<u>(285,921)</u>	<u>(266,195)</u>
Change in net position	(133,591)	189,482	902,070
Net Position at Beginning of Year	<u>45,052,502</u>	<u>45,052,502</u>	<u>44,918,911</u>
Net Position at End of Year	<u>\$ 44,918,911</u>	<u>\$ 45,241,984</u>	<u>\$ 45,820,981</u>

COMMENTS ON THE SEPTEMBER 2016 STATEMENTS
OF THE ENTERPRISE FUNDS
COMPARED TO SEPTEMBER OF 2015

	For the Period Ended September 2015	Percent of Revenues	For the Period Ended September 2016	Percent of Revenues	Favorable (Unfavorable)
<u>WATER FUND</u>					
Operating Revenues	\$ 4,356,003	100.00	\$ 4,830,008	100.00	\$ 474,005
Operating Expenses	<u>3,880,600</u>	89.09	<u>3,661,743</u>	75.81	<u>218,857</u>
Operating Income	475,403	10.91	1,168,265	24.19	692,862
Non-operating Revenue (Expenses)	<u>(285,921)</u>	(6.56)	<u>(266,195)</u>	(5.51)	<u>19,726</u>
Net Income	<u><u>189,482</u></u>	4.35	<u><u>902,070</u></u>	18.68	<u><u>712,588</u></u>

Summary Statement

Operating revenue is up \$474,005 (10.88%) and operating expenses decreased by \$218,857 resulting in a net increase in operating income of \$692,862 over the same period last year. The increase in operating revenue is primarily due to a mid year rate increase and a 1.5% increase in water sales. The decrease in operating expense is mostly due to a decrease in emergency repairs due to watermain breaks throughout the City. The net gain of 902,070 through September 30th compares to a net gain at this time last year of \$189,482, an increase of \$712,588.

CITY OF COON RAPIDS, MINNESOTA

SEWER FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PERIOD ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR PERIOD ENDED SEPTEMBER 30, 2015)

	Audited 2015	09/30/15	09/30/16
Operating Revenues:			
Sewer charges	\$ 6,200,047	\$ 4,642,060	\$ 4,802,525
Miscellaneous	579	290	258
Total Operating Revenues	<u>6,200,626</u>	<u>4,642,350</u>	<u>4,802,783</u>
Operating Expenses:			
Personal services	636,704	467,063	455,538
Other charges and services	654,559	516,692	522,020
Supplies	36,397	20,993	20,409
Disposal charges	3,916,339	2,937,254	3,270,880
Depreciation	855,062	642,068	685,700
Total Operating Expenses	<u>6,099,061</u>	<u>4,584,070</u>	<u>4,954,547</u>
Operating Income (Loss)	<u>101,565</u>	<u>58,280</u>	<u>(151,764)</u>
Nonoperating Revenues:			
Investment income	110,573	62,326	55,185
Gain on disposal of capital assets			
Total Nonoperating Revenues	<u>110,573</u>	<u>62,326</u>	<u>55,185</u>
Change in net position	212,138	120,606	(96,579)
Net Position at Beginning of Year	<u>37,479,972</u>	<u>37,479,972</u>	<u>37,692,110</u>
Net Position at End of Year	<u>\$ 37,692,110</u>	<u>\$ 37,600,578</u>	<u>\$ 37,595,531</u>

COMMENTS ON THE SEPTEMBER 2016 STATEMENTS
OF THE ENTERPRISE FUNDS
COMPARED TO SEPTEMBER OF 2015

	For the Period Ended September 2015	Percent of Revenues	For the Period Ended September 2016	Percent of Revenues	Favorable (Unfavorable)
<u>SEWER FUND</u>					
Operating Revenues	\$ 4,642,350	100.00	\$ 4,802,783	100.00	\$ 160,433
Operating Expenses	<u>4,584,070</u>	98.74	<u>4,954,547</u>	103.16	<u>(370,477)</u>
Operating Income (Loss)	58,280	1.26	(151,764)	(3.16)	(210,044)
Non-Operating Revenues	<u>62,326</u>	1.34	<u>55,185</u>	1.15	<u>(7,141)</u>
Net Income (Loss)	<u><u>120,606</u></u>	2.60	<u><u>(96,579)</u></u>	(2.01)	<u><u>(217,185)</u></u>

Summary Statement

Operating revenue is up \$160,433 (3.45%) and operating expenses increased by \$370,477 resulting in a net decrease in operating income of \$210,044 over the same period last year. The increase in operating revenue is due to a mid year rate increase. The increase in operating expenses is mainly due to a 11.36% increase in disposal charges compared to 2015. The net loss of \$96,579 through September 30th compares to a net income at this time last year of \$120,606 a decrease of \$217,185.

CITY OF COON RAPIDS, MINNESOTA

STORM WATER DRAINAGE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PERIOD ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR PERIOD ENDED SEPTEMBER 30, 2015)

	Audited 2015	09/30/15	09/30/16
Operating Revenues:			
Storm drain charges	\$ 1,362,250	\$ 1,020,828	\$ 1,023,813
Miscellaneous	16,723	3,307	145
Total Operating Revenues	<u>1,378,973</u>	<u>1,024,135</u>	<u>1,023,958</u>
Operating Expenses:			
Personal services	276,937	188,943	195,105
Other charges and services	284,738	193,633	229,541
Supplies	43,786	37,448	44,077
Depreciation	635,957	476,969	483,161
Total Operating Expenses	<u>1,241,418</u>	<u>896,993</u>	<u>951,884</u>
Operating Income	<u>137,555</u>	<u>127,142</u>	<u>72,074</u>
Nonoperating Revenues (Expenses):			
Investment income	83,272	46,226	49,133
Gain on disposal of capital assets			
Interest and fiscal charges	(15,531)	(14,305)	(11,747)
Total Nonoperating Revenues (Expenses)	<u>67,741</u>	<u>31,921</u>	<u>37,386</u>
Change in net position	205,296	159,063	109,460
Net Position at Beginning of Year	<u>14,142,540</u>	<u>14,142,540</u>	<u>14,347,836</u>
Net Position at End of Year	<u>\$ 14,347,836</u>	<u>\$ 14,301,603</u>	<u>\$ 14,457,296</u>

COMMENTS ON THE SEPTEMBER 2016 STATEMENTS
OF THE ENTERPRISE FUNDS
COMPARED TO SEPTEMBER OF 2015

	For the Period Ended September 2015	Percent of Revenues	For the Period Ended September 2016	Percent of Revenues	Favorable (Unfavorable)
<u>STORM WATER DRAINAGE FUND</u>					
Operating Revenues	\$ 1,024,135	100.00	\$ 1,023,958	100.00	\$ (177)
Operating Expenses	<u>896,993</u>	87.59	<u>951,884</u>	92.96	<u>(54,891)</u>
Operating Income	127,142	12.41	72,074	7.04	(55,068)
Non-operating Revenue (Expenses)	<u>31,921</u>	3.12	<u>37,386</u>	3.65	<u>5,465</u>
Net Income	<u><u>159,063</u></u>	15.53	<u><u>109,460</u></u>	10.69	<u><u>(49,603)</u></u>

Summary Statement

Operating revenue is down \$177 and operating expenses increased by \$54,891 resulting in a net decrease in the operating income of \$55,068. Operating revenue is comparable to prior year due to the fact that there was no rate increase in 2016.

The net income of \$109,460 through September 30th compares to net income at this time last year of \$159,063, a decrease of \$49,603.

CITY OF COON RAPIDS, MINNESOTA

GOLF FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PERIOD ENDED SEPTEMBER 30, 2016
(WITH COMPARATIVE TOTALS FOR PERIOD ENDED SEPTEMBER 30, 2015)

	Audited 2015	09/30/15	09/30/16
Operating Revenues:			
Sales, fees, and charges:			
Green fees	\$ 1,514,243	\$ 1,412,114	\$ 1,380,777
Driving range	129,990	123,699	119,373
Pro Shop	216,176	188,281	210,926
Restaurant	2,961,175	2,221,604	3,262,023
Rentals:			
Building	37,024	28,344	34,840
Carts	336,257	302,382	292,795
Simulator	71,473	49,722	51,758
Total sales, fees and charges	<u>5,266,338</u>	<u>4,326,146</u>	<u>5,352,492</u>
Miscellaneous	4,203	12,467	15,576
Total Operating Revenues	<u>5,270,541</u>	<u>4,338,613</u>	<u>5,368,068</u>
Operating Expenses:			
Maintenance:			
Personal services	469,350	367,827	398,817
Other charges and services	90,587	57,353	56,400
Supplies	293,064	253,626	292,247
Depreciation	234,688	173,237	171,980
Total Maintenance Expenses	<u>1,087,689</u>	<u>852,043</u>	<u>919,444</u>
Administration:			
Pro Shop cost of goods sold	151,251	144,079	148,961
Personal services	392,584	297,347	303,426
Other charges and services	461,828	358,762	448,329
Supplies	33,068	13,318	18,581
Depreciation	301,334	180,773	211,218
Total Administration Expenses	<u>1,340,065</u>	<u>994,279</u>	<u>1,130,515</u>
Restaurant:			
Restaurant cost of goods sold	805,557	579,554	878,621
Contract labor	1,617,856	1,167,853	1,587,466
Other charges and services	776,874	438,379	452,035
Supplies	247,040	181,856	185,851
Depreciation	202,192	133,470	169,386
Total Restaurant Expenses	<u>3,649,519</u>	<u>2,501,112</u>	<u>3,273,359</u>
Total Operating Expenses	<u>6,077,273</u>	<u>4,347,434</u>	<u>5,323,318</u>
Operating Income (Loss)	<u>(806,732)</u>	<u>(8,821)</u>	<u>44,750</u>
Nonoperating Revenues (Expenses):			
Investment income	75	(482)	(7,178)
Intergovernmental revenue	27,371	22,406	9,658
Intergovernmental revenue (restaurant)	36,513	27,385	10,891
Gain on disposal of capital assets	130,313		
Interest and fiscal charges	(119,661)	(83,423)	(83,744)
Interest and fiscal charges (restaurant)	(104,323)	(78,242)	(87,575)
Total Nonoperating Revenues (Expenses)	<u>(29,712)</u>	<u>(112,356)</u>	<u>(157,948)</u>
Change in net position	(836,444)	(121,177)	(113,198)
Net Position at Beginning of Year	6,836,078	6,836,078	5,999,634
Net Position at End of Year	<u>\$ 5,999,634</u>	<u>\$ 6,714,901</u>	<u>\$ 5,886,436</u>

COMMENTS ON THE SEPTEMBER 2016 STATEMENTS
OF THE ENTERPRISE FUNDS
COMPARED TO SEPTEMBER OF 2015

<u>GOLF FUND</u>	For the Period Ended September 2015	Percent of Revenues	For the Period Ended September 2016	Percent of Revenues	Favorable (Unfavorable)
Operating Revenues	\$ 4,338,613	100.00	\$ 5,368,068	100.00	\$ 1,029,455
Operating Expenses	<u>4,347,434</u>	100.20	<u>5,323,318</u>	99.17	<u>(975,884)</u>
Operating Income (Loss)	(8,821)	(0.20)	44,750	0.83	53,571
Non-Operating Revenues (Expenses)	<u>(112,356)</u>	(2.59)	<u>(157,948)</u>	(2.94)	<u>(45,592)</u>
Net Income (Loss)	<u><u>(121,177)</u></u>	(2.79)	<u><u>(113,198)</u></u>	(2.11)	<u><u>7,979</u></u>

Summary Statement

Operating revenue is up \$1,029,455 (23.73%) and operating expenses increased by \$975,884 resulting in a net increase in operating income of \$53,571 over the same period last year. The increase in operating revenue is due to an increase in revenues of \$1,040,419 for the restaurant operations. Last year was the first year the City took over operating the restaurant. The increase in operating expenses is due to \$772,247 more for the restaurant plus \$203,637 for the golf operations. The operating loss for the restaurant was \$268,172 less in 2016 as compared to 2015, or \$11,336. The net loss of \$113,198 through September 30th compares to a net loss at this time last year of \$121,177 a decrease of \$7,979.



City Council Regular

3.

Meeting Date: 11/01/2016

Subject: Assessment Hearing Miscellaneous 2016-3

From: Heidi Cederstrand, Assessment Clerk II

INTRODUCTION

After an assessment hearing, the unopposed 2016 Miscellaneous Special Assessments should be adopted.

DISCUSSION

The amount to be assessed for the 2016(3) Miscellaneous Assessments is \$108,460.02 as of October 24, 2016. The amount reflects payments and adjustments that have been made since October 4 when the assessment hearing date was set. An updated amount will be distributed on November 1 and the affected resolutions will be completed at that time.

The process of hearing assessment appeals includes a hearing before the Board of Adjustment and Appeals before City Council adoption. The City Council still must open a public hearing as required by State Statutes. However, at that hearing the City Council should collect written appeals and refer appellants to the Board of Adjustment and Appeals for their review and recommendation. After the public hearing has been closed, the City Council may adopt the assessments which have not been appealed.

The Board of Adjustment and Appeals is expected to meet on January 5 and will make a recommendation to the City Council at the January 17 Council meeting.

The terms of re-payment of these assessments are determined by the amount being assessed. The proposed assessments are categorized by the number of years to be assessed and the interest rate recommended. Amounts up to \$1,000 will be payable in one year, amounts up to \$5,000 will be three years and amounts up to \$10,000 will be 5 years.

RECOMMENDATION

Staff recommends the following action by the Council:

- a. Hold assessment hearing to collect written appeals.
- b. Adopt Resolution 16-118 adopting 2016(3) Miscellaneous Special Assessments (unopposed one year).
- c. Adopt Resolution 16-119 adopting 2016(3) Miscellaneous Special Assessments

(unopposed three year).

d. Adopt Resolution 16-120 adopting 2016(3) Miscellaneous Special Assessments
(unopposed five year).

Attachments

Res. Misc. 2016(3)-1 Year

Res. Misc. 2016(3)-3 Year

Res. Misc. 2016(3)-5 Year

RESOLUTION NO. 16-118

**RESOLUTION ADOPTING 2016(3) MISCELLANEOUS SPECIAL ASSESSMENTS
(ONE YEAR)**

WHEREAS, pursuant to property notice duly given as required by law, the City Council has met and heard and passed upon all objections to the proposed assessment for the nonpayment of invoices; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of Coon Rapids, Minnesota that

1. Such proposed assessment, a copy of which is attached hereto and made a part thereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.

2. Such assessments shall become payable in annual installments, commencing with the first Monday in January 2017, and shall bear interest at the rate of 1.52% per annum from the date of the adoption of this assessment resolution. To the installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2017. The total amount of the one-year assessment is \$.

3. The owner of any property so assessed may, at any time prior to certification of the assessment to the Director of the Anoka County Records and Taxation Division (but no later than November 30, 2016), pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City Treasurer, except that no interest shall be charged if the entire assessment is paid within thirty (30) days from the adoption of this resolution. He/she may, at any time thereafter, pay to the City Treasurer the entire amount of the assessment remaining unpaid, with interest accrued through the date of payment. However, such payment must be made no later than November 14 or interest will be charged through December 31 of the next succeeding year.

4. The Clerk shall forthwith transmit a certified duplicate of this assessment to the County Property Records and Taxation Division to be extended on the proper tax lists of the County, and such assessments shall be collected and paid over in the same manner as other municipal taxes.

Adopted by the Coon Rapids City Council this 1st day of November 2016.

Jerry Koch, Mayor

ATTEST:

Joan Lenzmeier, City Clerk

RESOLUTION NO. 16-119

**RESOLUTION ADOPTING 2016(3) MISCELLANEOUS SPECIAL ASSESSMENTS
(THREE YEAR)**

WHEREAS, pursuant to property notice duly given as required by law, the City Council has met and heard and passed upon all objections to the proposed assessment for the nonpayment of invoices; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of Coon Rapids, Minnesota that

1. Such proposed assessment, a copy of which is attached hereto and made a part thereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.

2. Such assessments shall become payable in annual installments, commencing with the first Monday in January 2017, and shall bear interest at the rate of 1.66% per annum from the date of the adoption of this assessment resolution. To the installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2017. The total amount of the three-year assessment is \$.

3. The owner of any property so assessed may, at any time prior to certification of the assessment to the Director of the Anoka County Records and Taxation Division (but no later than November 30, 2016), pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City Treasurer, except that no interest shall be charged if the entire assessment is paid within thirty (30) days from the adoption of this resolution. He/she may, at any time thereafter, pay to the City Treasurer the entire amount of the assessment remaining unpaid, with interest accrued through the date of payment. However, such payment must be made no later than November 14 or interest will be charged through December 31 of the next succeeding year.

4. The Clerk shall forthwith transmit a certified duplicate of this assessment to the County Property Records and Taxation Division to be extended on the proper tax lists of the County, and such assessments shall be collected and paid over in the same manner as other municipal taxes.

Adopted by the Coon Rapids City Council this 1st day of November 2016.

Jerry Koch, Mayor

ATTEST:

Joan Lenzmeier, City Clerk

RESOLUTION NO. 16-120

**RESOLUTION ADOPTING 2016(3) MISCELLANEOUS SPECIAL ASSESSMENTS
(FIVE YEAR)**

WHEREAS, pursuant to property notice duly given as required by law, the City Council has met and heard and passed upon all objections to the proposed assessment for the nonpayment of invoices; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of Coon Rapids, Minnesota that

1. Such proposed assessment, a copy of which is attached hereto and made a part thereof, is hereby accepted and shall constitute the special assessment against the lands named therein, and each tract of land therein included is hereby found to be benefited by the proposed improvement in the amount of the assessment levied against it.

2. Such assessments shall become payable in annual installments, commencing with the first Monday in January 2017, and shall bear interest at the rate of 1.88% per annum from the date of the adoption of this assessment resolution. To the installment shall be added interest on the entire assessment from the date of this resolution until December 31, 2017. The total amount of the five-year assessment is \$.

3. The owner of any property so assessed may, at any time prior to certification of the assessment to the Director of the Anoka County Records and Taxation Division (but no later than November 30, 2016), pay the whole of the assessment on such property, with interest accrued to the date of payment, to the City Treasurer, except that no interest shall be charged if the entire assessment is paid within thirty (30) days from the adoption of this resolution. He/she may, at any time thereafter, pay to the City Treasurer the entire amount of the assessment remaining unpaid, with interest accrued through the date of payment. However, such payment must be made no later than November 14 or interest will be charged through December 31 of the next succeeding year.

4. The Clerk shall forthwith transmit a certified duplicate of this assessment to the County Property Records and Taxation Division to be extended on the proper tax lists of the County, and such assessments shall be collected and paid over in the same manner as other municipal taxes.

Adopted by the Coon Rapids City Council this 1st day of November 2016.

Jerry Koch, Mayor

ATTEST:

Joan Lenzmeier, City Clerk



City Council Regular

4.

Meeting Date: 11/01/2016

Subject: Consider Adoption of Ordinance 2183 to Create Misdemeanor Penalty for Failure to Have Rabies Vaccination

Submitted For: David Brodie, City Attorney

From: Douglas Johnson, Assistant City Attorney

INTRODUCTION

Council is asked to adopt an ordinance to allow misdemeanor penalties if a dog is found not to be currently vaccinated.

DISCUSSION

Under our current code, dogs must have rabies vaccinations to be licensed in the City. Dogs found not to be vaccinated, whether licensed or not, are subject to impoundment under Section 6-115(2). Staff recently learned our animal control officers were using that section to cite a dog's owner if it was learned the dog was not currently vaccinated. Staff examined the code and found it did not provide for any penalty for failing to vaccinate. Although we could cite for failing to have a City dog license in most cases, in some the dog does have a license, which leaves us with no penalty. To correct this oversight, staff is proposing to add a sentence to the section to allow us to cite an owner whose dog does not have a current rabies vaccination.

Council introduced this ordinance on August 16, 2016. At introduction, there was some concern that the ordinance prescribed misdemeanor penalties, and it was suggested that staff consider options to allow compliant individuals to avoid criminal convictions, such as making a first violation a petty misdemeanor as we do for barking dog violations. Staff is not suggesting changes to the ordinance language for the following reasons. First, if our goal is to promote compliance, that is, get animals vaccinated, a "first time petty" scheme does not achieve that goal, because we cannot require an offender to come to court to prove compliance on a payable citation. Second, with a misdemeanor sanction we can verify compliance, making that a condition of the case being diverted in the City's CAP (Citizen Awareness Project) program, the case being certified as a petty misdemeanor by the prosecutor, or the matter otherwise diverted in the criminal justice system. In each of these cases, the offender can avoid criminal consequences by having the animal vaccinated. Staff believes these are better, more efficient tools to use in promoting safety and in achieving fair results in individual cases.

RECOMMENDATION

Staff recommends the Council adopt the attached ordinance providing penalties for failing to vaccinate a dog.

Attachments

Ordinance

ORDINANCE NO.

**AN ORDINANCE REVISING TO ALLOW FOR CRIMINAL PENALTIES
IF A DOG IS NOT VACCINATED AND THEREBY AMENDING
REVISED CITY CODE – 1982 SECTION 6-115(2)**

The City of Coon Rapids does ordain:

Section 1. Revised City Code – 1982 Section 6-115(2) is hereby amended as follows:

(deletions in brackets, additions double underlined)

6-115 Rabies Vaccination.

(2) Any dog found not to be currently vaccinated against rabies shall be subject to immediate impoundment, and its owner or any person who claims the animal shall pay, in addition to the fees and charges authorized in Section 6-105, the actual cost of rabies vaccination administered the animal by or at the direction of the City's agent. In addition, the owner is guilty of a misdemeanor.

Introduced this 16th day of August, 2016.

Adopted this 1st day of November, 2016.

Jerry Koch, Mayor

ATTEST:

Joan Lenzmeier, City Clerk



City Council Regular

5.

Meeting Date: 11/01/2016

Subject: Consider Adoption of Ordinance 2182 to change Zoning of Office, General Commercial and Moderate Density Residential to High Density Residential

From: Scott Harlicker, Planner

INTRODUCTION

The applicant is requesting approval of Ordinance 2182 approving a rezoning to change the zoning of four parcels from Office, General Commercial and Moderate Density Residential to High Density Residential.

DISCUSSION

Background

The Pederson Floral property is 1.6 acres with frontage on Coon Rapids Boulevard. They have a land use designation of General Commercial, are zoned General Commercial and are located within the River Rapids Overlay District. A second parcel has frontage on 115th lane, is undeveloped and is 13,523 square feet in size. It has a land use designation and zoning of Moderate Density Residential. The other lot also fronts on Coon Rapids Boulevard, is 16,265 square feet and has a land use designation and zoning of Office. The total area of the subject parcels is 2.3 acres.

Pederson Floral Property

As part of the 2009 Comprehensive Land Use Plan update the land use designation of the Pederson Floral property was changed from General Commercial to High Density Residential. In 2010, in response to the new land use designation, the City initiated a zone change from General Commercial to High Density Residential so that the zoning was consistent with the land use designation. In response to the property owner's concern that the change in zoning would make his business non-conforming, the zone change to High Density Residential was denied. In February 2011, the the City initiated a change in the land use designation and zoning from High Density Residential to Office. The proposed zone change was not introduced by the City Council.

In March 2011, the City initiated a change in the land use designation from High Density Residential to General Commercial. The property was zoned General Commercial so no corresponding zone change was required. The land use changed was approved by Council.

In April 2013, MWF Properties applied for a zone change land use amendment for the Pederson Floral property and the vacant lot behind it. The Planning Commission recommended approval of the proposed change. However, MWF Properties withdrew their request prior to the application being considered by the Council.

In April 2015, MWF Properties again applied for a zone change and land use amendment for the Pederson Floral property and the vacant lot behind it. The Planning Commission recommended approval of the proposed change. However, MWF Properties withdrew their request following the introduction of the ordinance by the Council.

Property Fronting 115th Lane

The lot fronting on 115th Lane was platted as a single family lot in 1978 as part of O.L. Pederson Addition. The lot has been zoned Moderate Density Residential since 1980. The adjacent lot to the west was developed with a three unit townhome in 1996. The subject property was not included in that site plan and has never been developed. Because of its small size it would be difficult to develop in accordance with Moderate Density Residential standards.

3541 Coon Rapids Boulevard

This parcel is located west of the Pederson Floral property. It is a single family home. The property has a land use designation and zoning of Office and is located within the River Rapids Overlay District. Because of its small size, the parcel could not be redeveloped on its own. The lot has frontage and access from Coon Rapids Boulevard.

Analysis

The intent of the High Density Residential district is to provide housing at high densities convenient to shopping, public transit and recreation. Areas are located adjacent to collector or arterial streets. This site meets all of the criteria listed above. The site is located along an arterial street, with access to transit, shopping and recreation. It would allow the development of the site at multi-family density that can take advantage of the location along Coon Rapids Boulevard. A list of uses allowed in the High Density Residential district is attached.

Density

Zoning currently limits density to 7 units/acre on this site. Use flexibility is required to develop at a density greater than 7 units/acre. Therefore, for an apartment to be constructed on this site, use flexibility would need to be approved by the Council. Rezoning this property to High Density Residential creates a stronger foundation for the type of density associated with apartments and would add support to the decision to approve use flexibility.

Access

According to the Coon Rapids Boulevard Corridor Plan, the median opening on Coon Rapids Boulevard in front of the site will eventually be closed, thus limiting access to the site to right-in/right-out only. This type of access will work for residential access but makes commercial

redevelopment difficult.

Lot size

The size of the parcel limits the economic feasibility for commercial redevelopment of the site. The depth of the site also creates design issues for commercial redevelopment, such as the parking and setback requirements, which favor lots with greater depth. The lot's dimensions are better suited to high density residential development standards.

Compatibility with Adjacent Residential Land Uses

A moderate density townhouse development and a single family home abuts the site to the north. High Density Residential development provides a better buffer to Coon Rapids Boulevard and is more compatible than general commercial land uses.

Compatibility with Coon Rapids Boulevard Framework Plan

Framework Plan identifies infill housing as a "Development Principle." While the PORTs were identified as appropriate for the highest densities, moderate to high density residential development is appropriate for the areas between the PORTs. Furthermore, because of the corridor's transit access, the Framework Plan includes a policy that calls for moderate to high density housing in the areas between the PORTs.

Alignment with Comprehensive Land Use Plan

The Housing chapter of the City's Comprehensive Land Use Plan identifies a variety of housing goals for the City, including allowing for a variety of housing types and designs to allow people a housing choice. The proposed zone change would increase additional acreage for high density housing and therefore additional opportunities for apartments. Notable objectives in the Plan include addressing blight and blighting influences, the proposed amendment would create an opportunity to redevelop the vacant Pederson Floral site.

The Land Use Chapter also identifies a goal to improve the the appearance and function of Coon Rapids Boulevard ensuring that it redevelops with a variety of housing types. The proposed zone change supports that goal by eliminating underutilized land and obsolete land uses, and increases the opportunity to increase the number of housing units.

The City Council should also give consideration to the evaluation criteria found in Section 11-304 when making their recommendation on rezoning requests.

Section 11-304.10 Criteria	Comments
Effect of public health, safety, order, convenience, and general welfare in the area.	OK - The proposed zoning will not adversely impact area.
Effect on present and potential surrounding land uses.	OK – The proposed zoning will not adversely impact the surrounding land uses.

Conformance with the Comprehensive Land Use Plan.	OK – Assuming the proposed land use amendment is approved, the proposed zone change will be consistent with the City’s Comprehensive Land Use Plan. The proposed land use designation is General Commercial
Conformance with any applicable development district.	OK – Improvements and uses of the site will have to be in conformance with the River Rapids Overlay District.

Planning Commission Meeting

At the Planning Commission meeting held on September 15th, two residents spoke at the public hearing. They were concerned about the possible higher density and traffic from the site exiting and entering from 115th. It was explained that both these issues would be discussed when a specific site plan is proposed. Density higher than 7 units per acre would require the granting of "Use Flexibility" and approval by the City Council. The Commission also indicated that they they were not in favor of access from 115th.

The Commission voted unanimously to recommend approval of the propose zone change.

Council Council Meeting

At the October 4th Council meeting, Council introduced the proposed ordinance. Several Council members expressed some concern and skepticism regarding the proposed rezoning. The need for additional High Density Residential property was questioned given the vacant land available for apartments along the Boulevard in Port Riverwalk. The applicant stated that they believed the two projects are far enough apart so that each could serve its own local population. This site is situated midway between the college and the hospital and would draw heavily from those two institutions.

What authority does the Council have regarding future development was also questioned. If a future developer wants to develop the property at a density higher than seven units/acre, they will have to request Use Flexibility which requires City Council approval. The findings for granting use flexibility allow the Council discretion and some latitude in interpreting them.

There was also some concern expressed about the range of uses that are allowed in the High Density Residential district. Staff compared the table of uses between Moderate Density Residential and High Density Residential. There are two differences in the category of Congregate Living. State licensed residential facilities serving between 7 and 16 persons is a conditional use in the moderate density district and a permitted use in high density. The other is boarding homes, they are allowed as a permitted use in the high density district and not permitted in the moderate density district. Staff does not know of any boarding houses in the city and state licensed residential facilities are allowed per state statute.

RECOMMENDATION

In Planning Case 16-16, the Planning Commission recommended the City Council approve the attached Ordinance 2182 approving the proposed zone change based on the following findings:

1. The proposed rezoning to High Density Residential is consistent with the land use designation of High Density Residential
2. The proposed rezoning is compatible with the adjacent land uses and zoning.
3. The times and conditions have change so that a reasonable use of the property can not be made under the current zoning.
4. The proposed zone change would not have an adverse impact on the area.
5. The proposed rezoning is consistent with the Coon Rapids Boulevard Framework Plan and the River Rapids Overlay District.

Attachments

Location Map

Zoning Map

Table of Allowed Uses

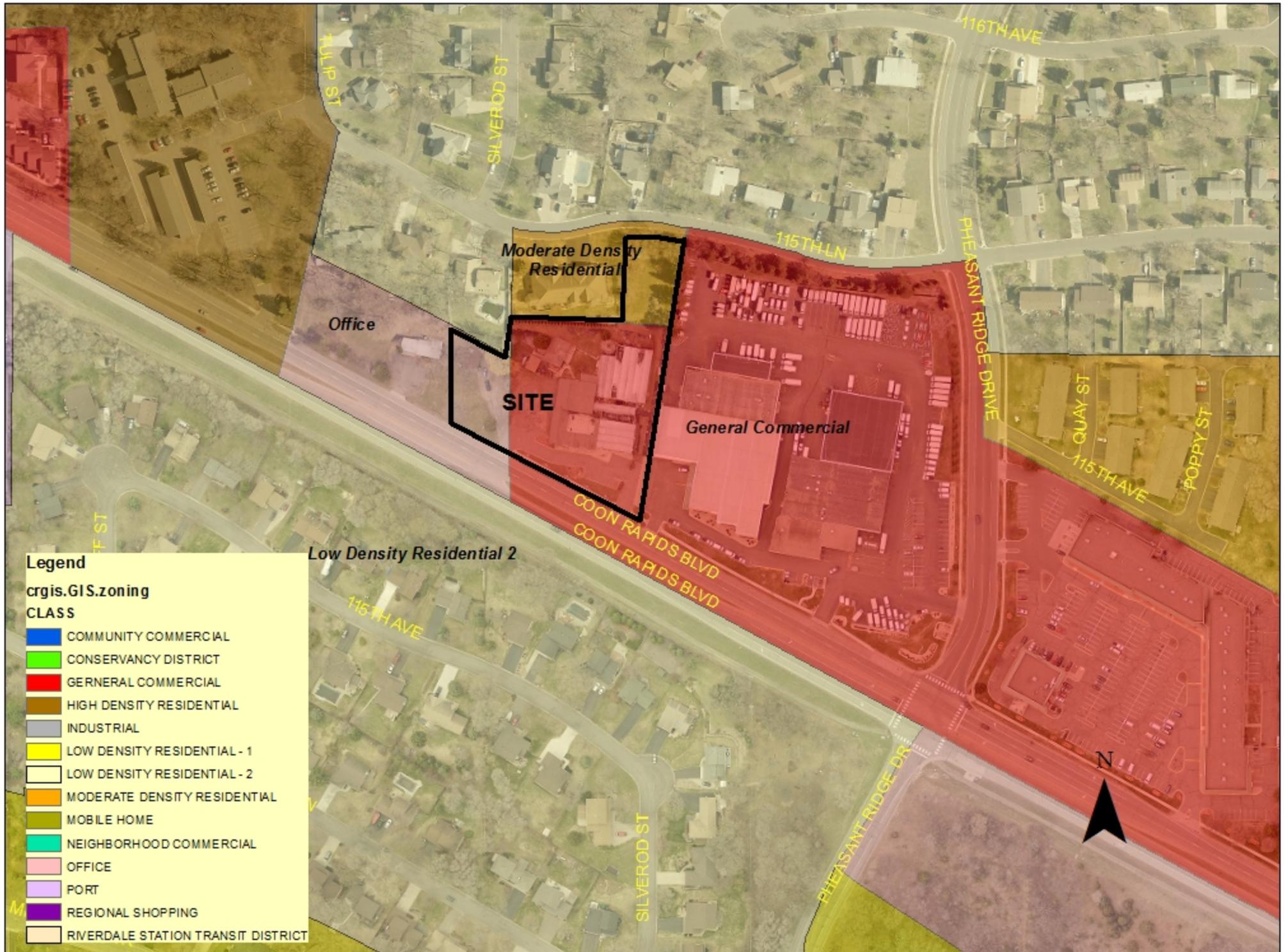
Applicant's Narrative

Ordinance 2182

Location Map



Zoning Map



Allowed Uses In High Density Residential (HDR)

PRINCIPAL USES					
DWELLINGS					
	LDR 1	LDR 2	MD R	HD R	MH
Single family detached dwelling	P	P	NP	NP	NP
Two-family dwellings approved by the City prior to January 1, 2005.	P	P	P	NP	NP
Townhouses	NP	NP	P	NP	NP
Multiple family dwellings	NP	NP	P	P	NP
Mobile homes	NP	NP	NP	NP	P
Single-family dwellings when combined with permitted and/or other attached dwellings uses to achieve a density of at least four dwelling units per acre.	NP	NP	P	NP	NP
Attached dwelling structures not described as permitted uses, seven dwelling units per acre or less.	NP	NP	C	NP	NP
CONGREGATE LIVING					
	LDR 1	LDR 2	MD R	HD R	MH
A state licensed residential facility or a housing with services establishment registered under chapter 144D serving six or fewer persons, a licensed day care facility serving 12 or fewer persons, and a group family day care facility licensed under Minnesota Rules, parts 9502.0315 to 9502.0445 to serve 14 or fewer children	P	P	P	P	NP
A state licensed residential facility serving from 7 through 16 persons or a licensed day care facility serving from 13 through 16 persons.	C	C	C	P	NP
Nursing homes and assisted living	C	C	C	C	NP
Boarding Homes	NP	NP	NP	P	NP
INSTITUTIONAL					
	LDR 1	LDR 2	MD R	HD R	MH
Cemeteries and their accessory structures	C	C	C	C	NP
Governmental buildings and facilities	C	C	C	C	C
Governmental offices	C	C	C	C	C
Places of worship	C	C	C	C	NP
Public parks, their incidental structures and uses	P	P	P	P	P
Schools and colleges	C	C	C	C	NP
State licensed community correctional facilities	C	C	C	C	NP
Public buildings and major utility structures	C	C	C	C	C

Hospitals	C	C	C	C	NP
Places of assembly	C	C	C	C	NP
COMMERCIAL	LDR 1	LDR 2	MD R	HD R	MH
Marinas and related uses	C	C	C	C	NP
Mining as regulated under Section 11-1103	C	C	C	C	NP
Recreational facilities such as country clubs, community recreation buildings, golf courses, archery ranges, or trapshooting ranges.	C	C	C	C	NP
Retail shopping uses located within a multiple-dwelling building located within an apartment complex containing at least 100 dwelling units, provided that such uses are clearly incidental to the principal use of the building.	NP	NP	NP	C	NP
Agricultural, except feedlots, on lots greater than five acres in size	P	P	NP	NP	NP

Zoning Change Application

3541, 3531 and 3525 Coon Rapids Blvd NW; Property ID # 17-31-24-12-0016 (115th Lane NW)

This application seeks to change the zoning classification of the above addresses from General Commercial, Office and Moderate Density Residential to High Density Residential. The majority of the site is currently the location of a vacant plant nursery. The 3541 address is the location of a realtor's office. Property 17-31-24-12-0016 is vacant. Most of the site is not being used for any commercial purposes and is considered blighted by city officials. This application seeks to illustrate how the properties in question would be better suited with a high density residential classification. As the attached map shows, the site is surrounded by mostly residential zoning with few commercial spaces to suggest significant interest in the property being used in such a way. The nearby strip mall at 3355 Coon Rapids Blvd NW is largely vacant, reiterating that the area is not currently of significant interest to commercial retail developers. Additionally, the City of Coon Rapids Future Land Use Map specifies the 3531 and 3525 addresses of the site in question as high density residential. For these reasons, we believe that the current zoning classification is no longer appropriate for the site.

- Current land use designation of property as per Coon Rapids Comprehensive Plan: High Density Residential (3531 & 3525); Office (3541); Moderate Density Residential (vacant lot facing 115th Lane NW)
- Current zoning classification of property: General commercial (3531 & 3525); Office (3541); Moderate Density Residential (vacant lot facing 115th Lane NW)
- Existing land use on subject property: Vacant, former plant nursery (3531 & 3525); realtor office (3541)
- Existing land use on properties within 350 feet: U-Haul Supercenter, vacuum cleaner retail, single family homes and townhomes

This rezoning request is consistent with the goals described in the City of Coon Rapids Comprehensive Plan for multiple reasons. However, this application also seeks to adjust the future land use designation of two of the four properties stated above. In the Future Land Use Map (Map L-5), two of the properties in question are classified as High Density Residential. The westernmost is designated Office while the northern property facing 115th Lane NW is moderate density residential. We thus seek to amend the comprehensive plan so that all four of the properties in question are designated as high density residential for future use.

We believe the language of the written chapters of the Comprehensive Plan support the desired amendment to the Plan’s future land use designation as well as rezoning. On page 2-12, with regards to Land Use, Goal #6 states that the city desires to “improve the appearance and function of Coon Rapids Blvd, ensuring that it gradually redevelops with a variety of housing types, supporting commercial uses and urban design amenities.” Three objectives of this goal are listed as 6-1: “To curb the spread of blighting characteristics along Coon Rapids Boulevard and eliminate underutilized land and obsolete land uses. Objective 6-2 states: “increase the number of housing units and bolster the market for neighborhood commercial development along Coon Rapids Boulevard.” We believe that a rezoning of the property to high density residential would work towards accomplishing these objectives. Currently the site is underutilized as a closed plant nursery and nearby large lots include a U-Haul Supercenter and a largely vacant strip mall. With a high density residential development, the market potential of this stretch of Coon Rapids Boulevard would be bolstered. The physical presence of a multi-family building would work to create more density and aesthetic quality along an otherwise bleak stretch of road. This also works to accomplish Goal 7 of chapter 2, which states that the city desires to “eliminate blighting influences throughout the City and encourage redevelopment of underutilized land” (p 2-13). This site is underutilized and the fact that it is vacant, in addition to the unwelcoming atmosphere of the adjacent U-Haul Supercenter, it is currently a blighting influence along Coon Rapids Boulevard.

Chapter 4 of the Comprehensive Plan discusses the City’s goals in terms of future housing development. In 2006, Maxfield Research Inc. conducted a market study for the city in relation to housing potential development between 2006 and 2020. An excerpt from their summary concludes that “the City of Coon Rapids is almost entirely built-out. With aging housing stock and the continued growth occurring in the North Metro Area, Coon Rapids is in a position to capture a portion of that growth through redevelopment that could provide housing products currently desired by the market; similar to what is being offered in the higher growth communities of Andover and Blaine” (p 4-14). Rezoning the site as high density residential would be in accordance with the findings of Maxfield’s research. Goals 1 and 2 of the housing chapter align with this as well. Goal 1 explains: “a high-quality living environment, the preservation of stable residential neighborhoods, and, where necessary, the upgrading of the existing housing stock in the City” (4-17) and Goal 2 explains the desire for “a variety of housing types and designs to allow all people a housing choice” (4-18). These excerpts from the City’s Comprehensive Plan support the notion that rezoning this property as High Density Residential would indeed work towards accomplishing the goals Coon Rapids has established for its future development.

The future redevelopment of Coon Rapids Boulevard’s right of way will be impactful upon the use of the subject properties. As it currently exists, the property can be accessed from both eastbound and westbound directions. However, redevelopment plans include removal of the existing road and replacing it to include a central median island spanning the entire length of the site. This will create a “right in, right out” condition wherein the property will only be directly accessible to westbound traffic on Coon Rapids Boulevard. This limited access further decreases the desirability of the site for retail commercial development. This in addition to the previously stated limitations strengthens the case for rezoning the site to high density residential so that it can achieve a higher usage potential.

If our requests to amend Map L-5’s future land use designations as well as rezone the properties as high density residential are granted, we would propose a 98 unit market rate multifamily housing development. In reference to the attached schematic site plan, the wing of the building fronting Coon Rapids Boulevard would be 5 stories tall, while the rear wing facing adjacent single family properties would be 4 stories. The first floor of that rear wing would feature at grade covered parking and the entire building footprint would have 1 level of below grade parking. We also propose 23 stalls of on grade exterior parking by the building’s entrance on the west side. These calculated parking figures exceed the required minimum as established by Coon Rapids standards for high density residential.

In our schematic proposal, our goals towards treatment of the site are twofold: we desire to create more density along Coon Rapids Boulevard while also respecting the adjacent single family homes. We accomplish this by respecting the 50’ building setbacks facing all residential properties. In addition, our site plan features a large open space in the area between the two wings of the building. We propose creating a buffer between this development and adjacent homes with trees and vegetation. We believe the attached site plan accomplishes our goals of creating a much needed street front presence along Coon Rapids Boulevard while also respecting the existing neighborhood fabric to the rear of the site.

The attached unit matrix and layout establishes how this multifamily building will begin to work. We propose a mix of studios, 1 bedroom, 2 bedroom and 3 bedroom units. The majority of units will either be 1 bedroom or 2 bedrooms. As we advance the project, a market study will be conducted to identify if and how the unit ratios should be adjusted. Main access to the building will occur at the main entrance located at the western edge by the surface parking lot. This parking lot will serve as visitor parking for the building. Ramp access to the below grade parking level is also located at the rear of the surface lot. Secondary access to the site is provided by a driveway connecting to 115th Lane NW. This driveway provides

access to only the covered at grade parking. A storm water retention pond is also located along this driveway to deal with the site’s storm water run-off. Pedestrian pathways are provided across the site to connect all of the entrances as well as outdoor amenity space.

This stretch of Coon Rapids Boulevard is in transition. New investments in buildings and landscaping are going to reimagine the corridor. The attached elevation seeks to create an aesthetically significant location along this stretch. With other nearby properties classified as future high density residential in the comprehensive plan, we believe a new aesthetic is beginning to establish a refreshed identity for this part of Coon Rapids. We propose a material palette that is both contemporary and dignified. Slate grey brick and corrugated steel paneling are accented by areas of the warmer cedar cladding. It is important to create a dynamic and balanced façade with the way in which the materials accents each other. Between the front of the building and Coon Rapids Boulevard, we are proposing a vegetative buffer that softens the edge of the large thoroughfare and works to create a more walkable environment. These types of conditions all work together to accomplish the goals established by the city in removing blighted, underutilized land and refreshing it with a development that both residents of the building and residents of the city can take pride in.

A final consideration of our proposal for this site is that we require a variance for the setbacks bordering Coon Rapids Boulevard and the adjacent commercial zoning where U-Haul is located. The current setback requirement is 50 feet, but we would request a variance to change that to 25 feet. This utilizes the site most efficiently in terms of unit count, density, and access. As stated above, this proposal follows the setbacks for adjacent single family homes: the variance request only pertains to Coon Rapids Boulevard and the adjacent commercial space. A denser and more walkable Coon Rapids Boulevard will create a new identity that can work with other future developments to redefine and refresh this stretch of road.

ORDINANCE NO. 2182

**AN ORDINANCE AMENDING THE OFFICIAL ZONING MAP OF
THE CITY OF COON RAPIDS SO AS TO PROVIDE CHANGES
IN THE ZONING CLASSIFICATION (PC 16-16)**

The City of Coon Rapids does ordain:

Section 1. The official zoning map of the City of Coon Rapids is hereby amended to change the classification of the following described property from Office, General Commercial and Moderate Density Residential to High Density Residential:

That part of Lot 4 Auditors Subdivision No. 36 described as follows: Commencing at a point on Easterly line of said lot at the intersection with Northerly right-of-way of Coon Rapids Boulevard thence North 61 degrees 44 minutes West a distance of 115.84 feet to point of beginning, then North a distance of 160 feet, thence North 61 degrees 44 minutes West a distance of 115.42 feet, then South a distance of 160 feet to said Northerly right-of-way line of Coon Rapids Boulevard, thence South 61 degrees 44 minutes East a distance of 115.42 feet to point of beginning

That part of the West Half of the Northeast Quarter Section 17, Township 31, Range 24, Anoka County, Minnesota, described as follows:

Beginning at the southeast corner of Lot 1, Block 2, O.L. PEDERSON ADDITION as corrected by Surveyor's Certificate filed as Anoka County Recorder Document No. 671455, thence on an assumed bearing of South 9 degrees 28 minutes, 50 seconds West, along the southerly extension of the easterly line of said Lot 1, a distance of 338.17 feet to the northerly right-of-way boundary line of County State Aid Highway No. 1 (Coon Rapids Boulevard), thence North 61 degrees 44 minutes 00 seconds West, along said northerly right-of-way boundary line, to the intersection with the southerly extension of the west line of Lot 3, said Block 2, thence on a bearing of North, along the southerly extension of the west line of said Lot 3, a distance of 227.10 feet to the southwest corner of said Lot 3, thence South 87 degrees 45 minutes 16 seconds East, along the south line of said Block 2, a distance of 273.84 feet to the point of beginning.

Lot 1 Block 2, O. L. Pederson Addition

Introduced the 4th day of October, 2016

Adopted on the 1st day of November, 2016

Jerry Koch, Mayor

ATTEST:

Joan Lenzmeier, City Clerk



City Council Regular

6.

Meeting Date: 11/01/2016

Subject: PC16-15, Consider Adoption of Resolution 16-121 Changing Land Use to High Density Residential

From: Scott Harlicker, Planner

INTRODUCTION

The applicant is requesting approval of Resolution 16-121 approving an amendment to the City's Comprehensive Land Use Plan to change the land use designation of four parcels from Office, General Commercial and Moderate Density Residential to High Density Residential. The applicant is also requesting a corresponding zone change

DISCUSSION

Background

The Pederson Floral property is 1.6 acres with frontage on Coon Rapids Boulevard. They have a land use designation of General Commercial, are zoned General Commercial and are located within the River Rapids Overlay District. A second parcel has frontage on 115th lane, is undeveloped and is 13,523 square feet in size. It has a land use designation and zoning of Moderate Density Residential. The other lot also fronts on Coon Rapids Boulevard, is 16,265 square feet and has a land use designation and zoning of Office. The total area of the subject parcels is 2.3 acres.

Pederson Floral Property

As part of the 2009 Comprehensive Land Use Plan update the land use designation of the Pederson Floral property was changed from General Commercial to High Density Residential. In 2010, in response to the new land use designation, the City initiated a zone change from General Commercial to High Density Residential so that the zoning was consistent with the land use designation. In response to the property owner's concern that the change in zoning would make his business non-conforming, the zone change to High Density Residential was denied. In February 2011 the the City initiated a change in the land use designation and zoning from High Density Residential to Office. The proposed zone change was not introduced by the City Council.

In March 2011 the City initiated a change in the land use designation from High Density Residential to General Commercial. The property was zoned General Commercial so no corresponding zone change was required. The land use changed was approved by Council.

In April 2013 MWF Properties applied for land use amendment for the Pederson Floral property and the vacant lot behind it. The Planning Commission recommended approval of the proposed change. However, they withdrew their request prior to the application being considered by the Council.

In April 2015 MWF Properties again applied for land use amendment for the Pederson Floral property and the vacant lot behind it. The Planning Commission recommended approval of the proposed change. However, they withdrew their request following the introduction of the ordinance by the Council.

Property Fronting 115th Lane

The lot fronting on 115th Lane was platted as a single family lot in 1978 as part of O.L. Pederson Addition. The lot has been zoned Moderate Density Residential since 1980. The adjacent lot to the west was developed with a three unit townhome in 1996. The subject property was not included in that site plan and has never been developed. Because of its small size it would be difficult to develop in accordance with Moderate Density Residential standards.

3541 Coon Rapids Boulevard

This parcel is located west of the Pederson Floral property. It is a single family home. The property has a land use designation and zoning of Office and is located within the River Rapids Overlay District. Because of its small size, the parcel could not be redeveloped on its own. The lot has frontage and access from Coon Rapids Boulevard.

Analysis

Access

According to the Coon Rapids Boulevard Corridor Plan, the median opening on Coon Rapids Boulevard in front of the site will eventually be closed, thus limiting access to the site to right-in/right-out only. This type of access will work for residential access but makes commercial redevelopment difficult.

Lot size

The size of the parcel limits the economic feasibility for commercial redevelopment of the site. The depth of the site also creates design issues for commercial redevelopment, such as the parking and setback requirements, which favor lots with greater depth. The lot's dimensions better suite high density residential development standards.

Compatibility with Adjacent Residential Land Uses

A moderate density townhouse development and a single family home abuts the site to the north. High Density Residential development provides a better buffer to Coon Rapids Boulevard and is more compatible than general commercial land uses.

Compatibility with Coon Rapids Boulevard Framework Plan

Framework Plan identifies infill housing as a "Development Principle". While the PORTs were identified as appropriate for the highest densities, moderate to high density residential development is appropriate for the areas between the PORTs. Furthermore, because of the corridor's transit access, the Framework Plan includes a policy that calls for moderate to high density housing in the areas between the PORTs.

Alignment with Comprehensive Land Use Plan

The Housing chapter of the City's Comprehensive Land Use Plan identifies a variety of housing goals for the City, including allowing for a variety of housing types and designs to allow people a housing choice. The proposed amendment would provide additional acreage for high density housing and therefore additional opportunities for apartments. Notable objectives in the Plan include addressing blight and blighting influences, the proposed amendment would create an opportunity to redevelop the vacant Pederson Floral site.

The Land Use Chapter also identifies a goal to improve the the appearance and function of Coon Rapids Boulevard ensuring that it redevelops with a variety of housing types. The proposed amendment supports that goal by eliminating underutilized land and obsolete land uses, and increases the opportunity to increase the number of housing units.

Planning Commission Meeting

At the Planning Commission meeting held on September 15th, two residents spoke at the public hearing. They were concerned about the possible higher density and traffic from the site exiting and entering from 115th. It was explained that both these issues would be discussed when a specific site plan is proposed. Density higher than 7 units per acre would require the granting of "Use Flexibility" and approval by the City Council. The Commission also indicated that they they were not in favor of access from 115th.

The Commission voted unanimously to recommend approval of the propose land use amendment.

City Council Action

A 2/3 vote of the Council is required to approve the proposed land use amendment.

RECOMMENDATION

In Planning Case 16-15, the Planning Commission recommended City Council approval of Resolution 16-121 approving an amendment to the City's Comprehensive Land Use Plan to change the land use designation from Office, General Commercial and Moderate Density Residential to High Density Residential based on the following:

1. The proposed comprehensive land use amendment is compatible with the adjacent comprehensive land use designations and land uses.
2. The proposed comprehensive land use amendment will not have an adverse impact on the adjacent properties.
3. The proposed comprehensive land use amendment is consistent with the Coon Rapids

Boulevard framework Plan.

4. The proposed comprehensive land use amendment is supportive of the Comprehensive Land Use Plan Land Use Chapter and Housing Chapter 's goals for the City, including eliminating under utilized and obsolete land uses, and creating and maintaining a high quality housing environment, and a variety of housing options

Attachments

Location Map

Land Use Map

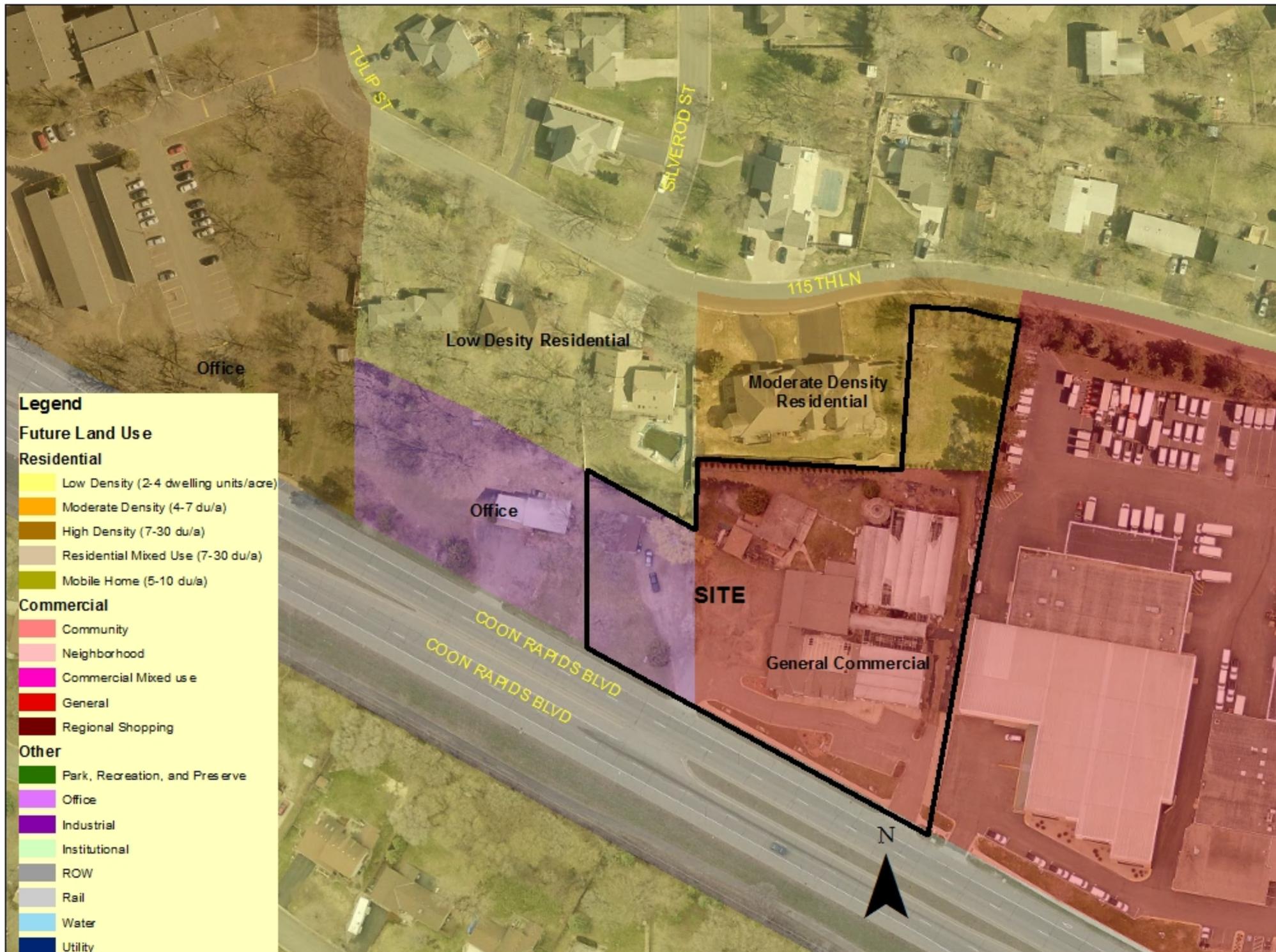
Applicant's Narrative

Resolution 16-121

Location Map



Land Use Map



Zoning Change Application

3541, 3531 and 3525 Coon Rapids Blvd NW; Property ID # 17-31-24-12-0016 (115th Lane NW)

This application seeks to change the zoning classification of the above addresses from General Commercial, Office and Moderate Density Residential to High Density Residential. The majority of the site is currently the location of a vacant plant nursery. The 3541 address is the location of a realtor’s office. Property 17-31-24-12-0016 is vacant. Most of the site is not being used for any commercial purposes and is considered blighted by city officials. This application seeks to illustrate how the properties in question would be better suited with a high density residential classification. As the attached map shows, the site is surrounded by mostly residential zoning with few commercial spaces to suggest significant interest in the property being used in such a way. The nearby strip mall at 3355 Coon Rapids Blvd NW is largely vacant, reiterating that the area is not currently of significant interest to commercial retail developers. Additionally, the City of Coon Rapids Future Land Use Map specifies the 3531 and 3525 addresses of the site in question as high density residential. For these reasons, we believe that the current zoning classification is no longer appropriate for the site.

- Current land use designation of property as per Coon Rapids Comprehensive Plan: High Density Residential (3531 & 3525); Office (3541); Moderate Density Residential (vacant lot facing 115th Lane NW)
- Current zoning classification of property: General commercial (3531 & 3525); Office (3541); Moderate Density Residential (vacant lot facing 115th Lane NW)
- Existing land use on subject property: Vacant, former plant nursery (3531 & 3525); realtor office (3541)
- Existing land use on properties within 350 feet: U-Haul Supercenter, vacuum cleaner retail, single family homes and townhomes

This rezoning request is consistent with the goals described in the City of Coon Rapids Comprehensive Plan for multiple reasons. However, this application also seeks to adjust the future land use designation of two of the four properties stated above. In the Future Land Use Map (Map L-5), two of the properties in question are classified as High Density Residential. The westernmost is designated Office while the northern property facing 115th Lane NW is moderate density residential. We thus seek to amend the comprehensive plan so that all four of the properties in question are designated as high density residential for future use.

We believe the language of the written chapters of the Comprehensive Plan support the desired amendment to the Plan’s future land use designation as well as rezoning. On page 2-12, with regards to Land Use, Goal #6 states that the city desires to “improve the appearance and function of Coon Rapids Blvd, ensuring that it gradually redevelops with a variety of housing types, supporting commercial uses and urban design amenities.” Three objectives of this goal are listed as 6-1: “To curb the spread of blighting characteristics along Coon Rapids Boulevard and eliminate underutilized land and obsolete land uses. Objective 6-2 states: “increase the number of housing units and bolster the market for neighborhood commercial development along Coon Rapids Boulevard.” We believe that a rezoning of the property to high density residential would work towards accomplishing these objectives. Currently the site is underutilized as a closed plant nursery and nearby large lots include a U-Haul Supercenter and a largely vacant strip mall. With a high density residential development, the market potential of this stretch of Coon Rapids Boulevard would be bolstered. The physical presence of a multi-family building would work to create more density and aesthetic quality along an otherwise bleak stretch of road. This also works to accomplish Goal 7 of chapter 2, which states that the city desires to “eliminate blighting influences throughout the City and encourage redevelopment of underutilized land” (p 2-13). This site is underutilized and the fact that it is vacant, in addition to the unwelcoming atmosphere of the adjacent U-Haul Supercenter, it is currently a blighting influence along Coon Rapids Boulevard.

Chapter 4 of the Comprehensive Plan discusses the City’s goals in terms of future housing development. In 2006, Maxfield Research Inc. conducted a market study for the city in relation to housing potential development between 2006 and 2020. An excerpt from their summary concludes that “the City of Coon Rapids is almost entirely built-out. With aging housing stock and the continued growth occurring in the North Metro Area, Coon Rapids is in a position to capture a portion of that growth through redevelopment that could provide housing products currently desired by the market; similar to what is being offered in the higher growth communities of Andover and Blaine” (p 4-14). Rezoning the site as high density residential would be in accordance with the findings of Maxfield’s research. Goals 1 and 2 of the housing chapter align with this as well. Goal 1 explains: “a high-quality living environment, the preservation of stable residential neighborhoods, and, where necessary, the upgrading of the existing housing stock in the City” (4-17) and Goal 2 explains the desire for “a variety of housing types and designs to allow all people a housing choice” (4-18). These excerpts from the City’s Comprehensive Plan support the notion that rezoning this property as High Density Residential would indeed work towards accomplishing the goals Coon Rapids has established for its future development.

The future redevelopment of Coon Rapids Boulevard’s right of way will be impactful upon the use of the subject properties. As it currently exists, the property can be accessed from both eastbound and westbound directions. However, redevelopment plans include removal of the existing road and replacing it to include a central median island spanning the entire length of the site. This will create a “right in, right out” condition wherein the property will only be directly accessible to westbound traffic on Coon Rapids Boulevard. This limited access further decreases the desirability of the site for retail commercial development. This in addition to the previously stated limitations strengthens the case for rezoning the site to high density residential so that it can achieve a higher usage potential.

If our requests to amend Map L-5’s future land use designations as well as rezone the properties as high density residential are granted, we would propose a 98 unit market rate multifamily housing development. In reference to the attached schematic site plan, the wing of the building fronting Coon Rapids Boulevard would be 5 stories tall, while the rear wing facing adjacent single family properties would be 4 stories. The first floor of that rear wing would feature at grade covered parking and the entire building footprint would have 1 level of below grade parking. We also propose 23 stalls of on grade exterior parking by the building’s entrance on the west side. These calculated parking figures exceed the required minimum as established by Coon Rapids standards for high density residential.

In our schematic proposal, our goals towards treatment of the site are twofold: we desire to create more density along Coon Rapids Boulevard while also respecting the adjacent single family homes. We accomplish this by respecting the 50’ building setbacks facing all residential properties. In addition, our site plan features a large open space in the area between the two wings of the building. We propose creating a buffer between this development and adjacent homes with trees and vegetation. We believe the attached site plan accomplishes our goals of creating a much needed street front presence along Coon Rapids Boulevard while also respecting the existing neighborhood fabric to the rear of the site.

The attached unit matrix and layout establishes how this multifamily building will begin to work. We propose a mix of studios, 1 bedroom, 2 bedroom and 3 bedroom units. The majority of units will either be 1 bedroom or 2 bedrooms. As we advance the project, a market study will be conducted to identify if and how the unit ratios should be adjusted. Main access to the building will occur at the main entrance located at the western edge by the surface parking lot. This parking lot will serve as visitor parking for the building. Ramp access to the below grade parking level is also located at the rear of the surface lot. Secondary access to the site is provided by a driveway connecting to 115th Lane NW. This driveway provides

access to only the covered at grade parking. A storm water retention pond is also located along this driveway to deal with the site’s storm water run-off. Pedestrian pathways are provided across the site to connect all of the entrances as well as outdoor amenity space.

This stretch of Coon Rapids Boulevard is in transition. New investments in buildings and landscaping are going to reimagine the corridor. The attached elevation seeks to create an aesthetically significant location along this stretch. With other nearby properties classified as future high density residential in the comprehensive plan, we believe a new aesthetic is beginning to establish a refreshed identity for this part of Coon Rapids. We propose a material palette that is both contemporary and dignified. Slate grey brick and corrugated steel paneling are accented by areas of the warmer cedar cladding. It is important to create a dynamic and balanced façade with the way in which the materials accents each other. Between the front of the building and Coon Rapids Boulevard, we are proposing a vegetative buffer that softens the edge of the large thoroughfare and works to create a more walkable environment. These types of conditions all work together to accomplish the goals established by the city in removing blighted, underutilized land and refreshing it with a development that both residents of the building and residents of the city can take pride in.

A final consideration of our proposal for this site is that we require a variance for the setbacks bordering Coon Rapids Boulevard and the adjacent commercial zoning where U-Haul is located. The current setback requirement is 50 feet, but we would request a variance to change that to 25 feet. This utilizes the site most efficiently in terms of unit count, density, and access. As stated above, this proposal follows the setbacks for adjacent single family homes: the variance request only pertains to Coon Rapids Boulevard and the adjacent commercial space. A denser and more walkable Coon Rapids Boulevard will create a new identity that can work with other future developments to redefine and refresh this stretch of road.

RESOLUTION NO. 16-121

**A RESOLUTION AMENDING THE COMPREHENSIVE
PLAN FOR THE CITY OF COON RAPIDS (PC 16-15)**

WHEREAS, the Comprehensive Plan adopted by the City Council for the City of Coon Rapids on March 18, 2008, designated a Office use for property described as follows:

That part of Lot 4 Auditors Subdivision No. 36 described as follows: Commencing at a point on Easterly line of said lot at the intersection with Northerly right-of-way of Coon Rapids Boulevard thence North 61 degrees 44 minutes West a distance of 115.84 feet to point of beginning, then North a distance of 160 feet, thence North 61 degrees 44 minutes West a distance of 115.42 feet, then South a distance of 160 feet to said Northerly right-of-way line of Coon Rapids Boulevard, thence South 61 degrees 44 minutes East a distance of 115.42 feet to point of beginning

That part of the West Half of the Northeast Quarter Section 17, Township 31, Range 24, Anoka County, Minnesota, described as follows:

Beginning at the southeast corner of Lot 1, Block 2, O.L. PEDERSON ADDITION as corrected by Surveyor's Certificate filed as Anoka County Recorder Document No. 671455, thence on an assumed bearing of South 9 degrees 28 minutes, 50 seconds West, along the southerly extension of the easterly line of said Lot 1, a distance of 338.17 feet to the northerly right-of-way boundary line of County State Aid Highway No. 1 (Coon Rapids Boulevard), thence North 61 degrees 44 minutes 00 seconds West, along said northerly right-of-way boundary line, to the intersection with the southerly extension of the west line of Lot 3, said Block 2, thence on a bearing of North, along the southerly extension of the west line of said Lot 3, a distance of 227.10 feet to the southwest corner of said Lot 3, thence South 87 degrees 45 minutes 16 seconds East, along the south line of said Block 2, a distance of 273.84 feet to the point of beginning.

Lot 1 Block 2, O. L. Pederson Addition

WHEREAS, after consideration by the Planning Commission of appropriate use for this area, the Commission has recommended that the property previously designated as Office, General Commercial and Moderate Density Residential uses be designated as High Density Residential; and

WHEREAS, the City Council, after due deliberation and consideration of the recommendations of the Planning Commission, concurs with said recommendations.

NOW, THEREFORE, BE IT RESOLVED by the Coon Rapids City Council that the Comprehensive Plan as amended be further amended to provide that the property hereinafter described be designated as High Density Residential, to-wit:

That part of Lot 4 Auditors Subdivision No. 36 described as follows: Commencing at a point on Easterly line of said lot at the intersection with Northerly right-of-way of Coon Rapids Boulevard thence North 61 degrees 44 minutes West a distance of 115.84 feet to point of beginning, then North a distance of 160 feet, thence North 61 degrees 44 minutes West a distance of 115.42 feet, then South a distance of 160 feet to said Northerly right-of-way line of Coon Rapids Boulevard, thence South 61 degrees 44 minutes East a distance of 115.42 feet to point of beginning

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Beginning at the southeast corner of Lot 1, Block 2, O.L. PEDERSON ADDITION as corrected by Surveyor's Certificate filed as Anoka County Recorder Document No. 671455, thence on an assumed bearing of South 9 degrees 28 minutes, 50 seconds West, along the southerly extension of the easterly line of said Lot 1, a distance of 338.17 feet to the northerly right-of-way boundary line of County State Aid Highway No. 1 (Coon Rapids Boulevard), thence North 61 degrees 44 minutes 00 seconds West, along said northerly right-of-way boundary line, to the intersection with the southerly extension of the west line of Lot 3, said Block 2, thence on a bearing of North, along the southerly extension of the west line of said Lot 3, a distance of 227.10 feet to the southwest corner of said Lot 3, thence South 87 degrees 45 minutes 16 seconds East, along the south line of said Block 2, a distance of 273.84 feet to the point of beginning.

Lot 1 Block 2, O. L. Pederson Addition

Adopted by the Coon Rapids City Council this 1st day of November, 2016.

Jerry Koch, Mayor

ATTEST:

Joan Lenzmeier, City Clerk



City Council Regular

7.

Meeting Date: 11/01/2016

Subject: Consider Introduction of Ordinance Revising Fees for 2017.

From: Fran Hanson, Accounting Supervisor

INTRODUCTION

Council is being asked to consider introducing an ordinance to adjust certain fees for 2017. Fees set by resolution will be presented when the ordinance is considered for adoption at the November 15, 2016 City Council meeting.

DISCUSSION

Ordinance Adjusting Building Inspection Fees

Staff is recommending the following changes to the building inspections fee schedule for 2017:

- The base amount in Table A-2017 has been increased by 2.125% to keep it in line with other metro cities.
- The base amount in Table A-2017 has been increased by \$24.00 for permits over \$500 to correct an error in the past two years. (The base fee should have been \$23.50 more in 2016 and \$22.50 in 2015.)
- The re-inspection fees have been reduced at each level. The first re-inspection fee decreased from \$75 to \$48, the second re-inspection fee decreased from \$150 to \$75, and the third and subsequent decreased from \$300 to \$150. It was noted by staff that the first re-inspection should not exceed the fee for processing a new permit, therefore each level of re-inspection fees has been reduced.
- Permits for residential furnace and A/C replacements (combined) and residential water heaters are increasing from \$61.50 to \$63.00.
- Under building permit fees, a new fee of \$48 has been added for inspection of tile tub/shower pan.
- Under plumbing permit fees, a new fee of \$30 for the first device plus \$2 per device thereafter, has been added for commercial and residential back flow protection device annual testing.
- Under electrical permit fees, the permit fees for inspections of equipment and devices related to siding of multi-family dwellings have been adjusted to better reflect inspection time required.

Other sections and amounts of the inspection fee ordinance will be unchanged for 2017.

RECOMMENDATION

Consider introduction of an Ordinance Establishing Permit and Inspection fees for the Building Inspections Division as authorized by Minnesota Statutes Section 16B.62, subdivision 1 effective January 1, 2017.

Attachments

Bldg. Inspection Fee Ordinance

ORDINANCE NO. _____

**AN ORDINANCE ESTABLISHING PERMIT AND INSPECTION FEES FOR
THE BUILDING INSPECTIONS DIVISION AS AUTHORIZED BY MINNESOTA
STATUTES SECTION 16B.62, SUBD. 1**

The City of Coon Rapids does ordain:

Section 1. The City Council for the City of Coon Rapids establishes the following permit and inspection fees for the Building Inspection Division:

**2017
INSPECTION DIVISION FEE SCHEDULE
(ref. MN Rules 1300.0160, subd. 1, subd. 2)**

Table A-2017

VALUATION		FEES	State Surcharge (except fixed fees)
FROM	TO		
\$0	\$500	\$48	0.0005 x permit fee
\$501	\$2,000	\$48 for the first \$500 plus \$3.05 for each additional \$100 or fraction thereof, up to and including \$2,000	
\$2,001	\$25,000	\$93.75 for the first \$2,000 plus \$14 for each additional \$1,000 or fraction thereof, up to and including \$25,000	
\$25,001	\$50,000	\$415.75 for the first \$25,000 plus \$10.10 for each additional \$1,000 or fraction thereof, up to and including \$50,000	
\$50,001	\$100,000	\$668.25 for the first \$50,000 plus \$7 for each additional \$1,000 or fraction thereof, up to and including \$100,000	
\$100,001	\$500,000	\$1,018.25 for the first \$100,000 plus \$5.60 for each additional \$1,000 or fraction thereof, up to and including \$500,000	
\$500,001	\$1,000,000	\$3,258.25 for the first \$500,000 plus \$4.75 for each additional \$1,000 or fraction thereof, up to and including \$1,000,000	
\$1,000,001	and up	\$5,633.25 for the first \$1,000,000 plus \$3.65 per \$1,000 or fraction thereof.	See page 6

Plan Review Fees

When applicable, a plan review fee of 65 percent (or 35 percent for small scale residential or commercial projects) will be added to building and grading permits. When applicable, a plan review fee of 35 percent will be added to electric, mechanical, sewer and water, and plumbing permits. Commercial plan review fee will be collected at time of plan submittal.

State Surcharge

State surcharge will be collected on each permit. See page 5 for more information on calculating state surcharge.

Working Without a Permit Investigation Fee

The greater of \$100 or 25 percent of the permit fee not to exceed \$500. Fee may not exceed the permit fee.

Investigation fees will be charged by the Chief Building Official, or designee, where additional time and expense is incurred by the City in order to achieve code compliance.

Re-Inspection Fee

	Commercial or Residential	State Surcharge
First	\$48	No state surcharge
Second	\$75	
Third and subsequent	\$150	

Re-inspection fees will be charged by the Chief Building Official, or designee, where additional time and expense is incurred by the City in order to complete a required inspection. Incidents where such fees may be charged include, but are not limited to: work unprepared for a scheduled inspection; failure to cancel a scheduled inspection; work required by correction orders that is not completed; or work which does not pass a secondary inspection.

Building Permit Fees

Table A-2017 will be used to calculate permit fees based on the value of the work. Minimum residential permit fee shall be \$48 except as noted in Minnesota Rules Chapter 1300.

A Sewer Availability Charge as established by the Metropolitan Council Environmental Services and adopted by City resolution is collected with the building permit when applicable. Visit [http://www.metrocouncil.org/Wastewater-Water/Funding-Finance/Rates-Charges.aspx#Sewer Availability Charge \(SAC\)](http://www.metrocouncil.org/Wastewater-Water/Funding-Finance/Rates-Charges.aspx#SewerAvailabilityCharge(SAC)) for more information,

Exceptions to Table A-2017:

The permits for the described work on residential properties with individual property lines, will be as follows (per address or unit).

		State Surcharge
Residential Re-roof	as provided in Table A-2017; minimum of \$150 and not to exceed \$250	.0005 x permit fee
Residential Re-side	as provided in Table A-2017; minimum of \$150 and not to exceed \$250	.0005 x permit fee
Residential Replacement of Garage Doors	as provided in Table A-2017 but not to exceed \$250	.0005 x permit fee
Mobile Home Installation	\$75	\$1

Residential Driveway	\$100	\$1
Residential Curb or Street Cut	\$125 (+ \$500 escrow)	\$1
Tile tub/shower pan	\$48	\$1
Inspections for which no fee is specifically indicated, such as Certificate of Occupancy or other such inspection.	\$100 or total hourly cost to the jurisdiction whichever is greater.	\$1
Loan Property Condition Inspection and Report	\$250	\$1

Plumbing Permit Fees

Table A-2017 will be used to calculate permit fees based on the value of the work. Minimum residential permit fee shall be \$48.

Exceptions to Table A-2017: The permits for the described work on residential properties will be as follows (per address or unit).

		State Surcharge
Commercial or Residential Backflow Protection Device Install	\$48	\$1
Commercial or Residential Backflow Protection Device Annual Testing	\$30 for first device, \$2 per device thereafter	\$1
Residential Water Heater	\$63	\$1
Residential Water Softener	\$48	\$1

Sewer and Water Permit Fees

Table A-2017 will be used to calculate permit fees based on the value of the work. Minimum residential permit fee shall be \$48.

Exceptions to Table A-2017: The permits for the described work on residential properties will be as follows (per address or unit).

		State Surcharge
Residential Water and/or Sewer Connection	\$100	\$1
Residential Water/Sewer Repair	\$100	\$1
Residential Onsite Sewer (septic)	\$250	\$1

Grading Permit

Table A-2017 will be used to calculate grading permit fees. Additional escrow fees may be due at time of permit issuance.

Mechanical Permit Fees (Heating, Ventilation, Air Conditioning)

Table A-2017 will be used to calculate permit fees based on the value of the work. Minimum residential permit fee shall be \$48.

Exceptions to Table A-2017: The permits for the described work on residential properties will be as follows (per address or unit).

		State Surcharge
Residential Furnace and/or A/C replacement	Individual unit \$48, both \$63	\$1
Residential Basement Finish Ductwork	\$48	\$1

Electrical Permit Fees

Table A-2017 will be used to calculate permit fees based on the value of the work. Minimum permit fee shall be \$48.

Exceptions to Table A-2017: The permit fees for minor residential work shall be set at \$48 (installation, replacement, alteration or repair, limited to one inspection). A re-inspection fee may apply for any required additional trips, see Re-Inspection Fee Table above.

Solar PV installation fees are based on the watt rating of the system in accordance with the State of Minnesota Solar PV System Fee Schedule Sections (a), (b), and (c).

Equipment and Devices Related to Siding Replacement

		State Surcharge
Single Family	\$48	\$1
Multi-family (excludes apartments)	\$48 for first four units/addresses, \$2 per each additional unit/address	\$1

Services Panels

		State Surcharge
New, altered or installed	\$48	\$1

Permit Fees for a Medical Gas System

Table A-2017 will be used to calculate permit fees based on the value of the work. Minimum permit fee shall be \$48.

Gas Piping Fees

		State Surcharge
Per Opening	\$12.25	\$1
Minimum Fee (if gas only)	\$48	\$1

Fuel Storage Tanks

		State Surcharge
Underground Remove/Install	\$200	\$1
Aboveground Remove/Install	\$200	\$1
Replace Existing with Similar	\$250	\$1

Fire Protection Systems

		State Surcharge
Sprinkler System		
First 10 Heads	\$100	\$1
Each Additional 10 Head	\$20	
Fire Pump	\$100	\$1
Fire Suppression Systems (Hoods, Paint Booths, Computer Server Rooms, etc.)	\$100	\$1
Fire Alarm Permit	\$100	\$1
Each Additional Panel	\$100	
Each Alarm Device	\$2	

Refund of Permit Fees (ref. MN Rules 1300.0160, Subd. 9)

The City may refund fees for permits on which no work has been done and no inspections have been made. Requests for refunds must be in writing and signed by the permit holder. The Chief Building Official must approve each refund and the City shall retain the following:

City Retains:	Timeframe:
\$50	for requests made within 30 days, fee totals less than \$50 are non refundable.
\$50 or 20 percent of the permit whichever is greater	for requests made within 60 days
\$50 or 40 percent of the permit whichever is greater	for requests made within 90 Days
\$50 or 60 percent of the permit whichever is greater	for requests made within 120 days
\$50 or 80 percent of the permit whichever is greater	for requests made within 180 days

NO REFUND is available after 180 days. Plan check fees, state surcharge fee, and re-inspection fees are non refundable.

Section 2 The City Council for the City of Coon Rapids authorizes the Building Inspection Division to collect a surcharge on behalf of the State as established by Minnesota Statutes Section 326B. 148 or any other governmental agency in addition to the City fee.

Section 3 Effective Date of Ordinance. This ordinance shall be effective for all annual permits and/or licenses issued for 2017 and succeeding years, and for all other permits and licenses issued after January 1, 2017

Introduced this 1st day of November, 2016.

Adopted this ____ day of _____, 2016.

Jerry Koch, Mayor

ATTEST:

Joan Lenzmeier, City Clerk



City Council Regular

8.

Meeting Date: 11/01/2016

Subject: Consider Resolution No. 17-7(8) Accepting Plans and Specifications for 2017 Well Rehabilitation, and Authorizing Solicitation of Bids

Submitted For: Tim Himmer, Public Works Director

From: Sarah Greene, Administrative Assistant II

INTRODUCTION

Staff is seeking acceptance of plans and specifications, and authorization to bid the 2017 Well Rehabilitation project.

DISCUSSION

At its regular meeting held September 20, 2016, City Council approved SEH's proposal to continue a regular rotation for rehabilitation of the City's 24 wells and nine booster pumps. The 2017 program will focus on Well Nos. 7, 12 and 18, and Booster Pumps 1 and 2 located at the West Water Treatment Plant. The scope of SEH's proposal includes professional engineering design, bidding and construction administration, and inspections services. At this time, Council is asked to accept plans and specifications for 2017 Well Rehabilitation, and authorize solicitation of bids.

The project schedule is as follows:

Draft Advertisement to City for packets	10/27/16
Council approves Plans and Authorize Advertisement	11/01/16
OPEN on Quest CDN Website	11/3/16
Anoka County Union Herald Deadline: Wednesday @ 10:00 a.m. Publish: Friday	11/02/16 11/04/16 & 11/18/16
Finance & Commerce Deadline: Wednesday @ 10:00 a.m. Publish: Thursday	11/02/16 11/03/16 & 11/17/16
Pre-Bid Meeting	11/17/16
Bid Date	11/29/16 - 10:00 a.m.
Submit Award Documents	12/01/16

Council Awards Contract	12/06/16
Start Construction	01/09/17
Substantially Complete	05/05/17

Plans and specifications are available for review in the City Engineer's office.

RECOMMENDATION

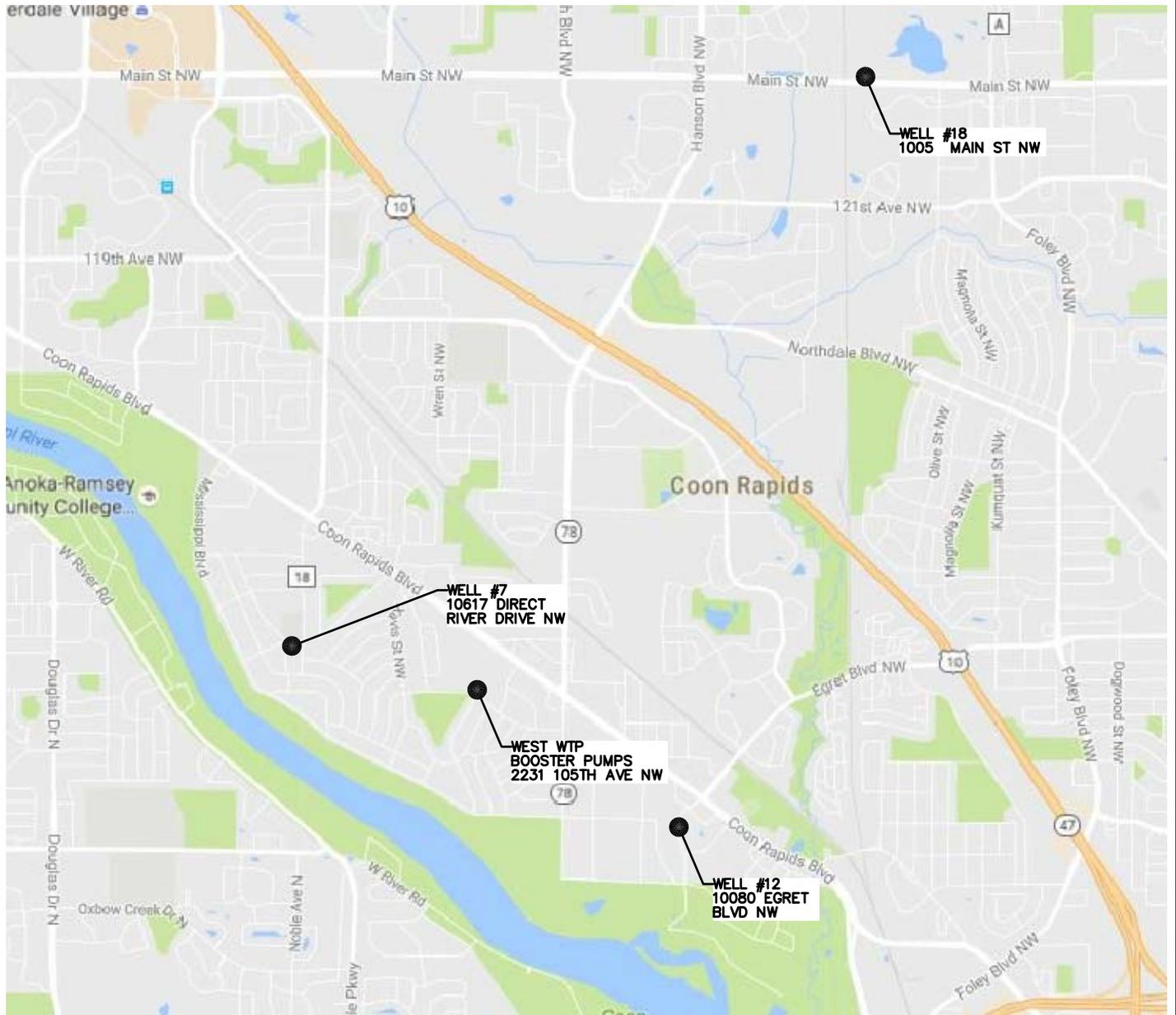
Staff recommends that the City Council adopt Resolution No. 17-7(8) accepting plans and specifications for 2017 Well Rehabilitation, and authorize the solicitation of bids.

BUDGET IMPACT:

The 2017 Water Utility Fund budget allocated \$385,000 for this project, and the anticipated costs will be within this funding amount.

Attachments

Location Map
Resolution No. 17-7(8)




3535 VADNAIS CENTER DR
 ST PAUL, MN 55110
 PHONE: 651.490.2000
 FAX: 651.490.2150
 TATS: 800.325.2055
 sehinc.com

SEH FILE NO. COONR139034
 CITY PROJECT NO.
 ISSUE DATE 10-28-16
 DESIGNED BY CTK
 DRAWN BY RWF
 Short Elliott Hendrickson, Inc. © (SEH)

**WELL & PUMP
 REHABILITATION DRAWINGS
 FOR
 COON RAPIDS, MINNESOTA**

SHEET TITLE
WELL LOCATION MAP

DRAWING NO.
**G-
 G1**

RESOLUTION NO. 17-7(8)

**(8) RESOLUTION APPROVING PLANS AND SPECIFICATIONS
AND ORDERING ADVERTISEMENT FOR BIDS**

WHEREAS, Short Elliott Hendrickson, Inc. (SEH) has prepared plans and specifications for the improvement of the City's water system by rehabilitation of Well Nos. 7, 12 and 18, and Booster Pumps 1 and 2 located at the West Water Treatment Plant, and has presented such plans and specifications to the Council for approval; and

WHEREAS, the City of Coon Rapids expects to reimburse all or a portion of the project expenditures with the proceeds of debt to be incurred by the City; and

WHEREAS, this declaration is made pursuant to Section 1.103-18 of the Income Tax Regulations of the Internal Revenue Service.

NOW THEREFORE, BE IT RESOLVED by the City Council of Coon Rapids, Minnesota:

1. Such plans and specifications, a copy of which is attached hereto and made a part hereof, are hereby approved.
2. The City Clerk shall prepare and cause to be inserted in the official paper and in a trade journal, if applicable, an advertisement for bids upon the making of such improvement under such approved plans and specifications. The advertisement shall be published for 21 days, shall specify the work to be done, shall state that bids will be received by the City of Coon Rapids until 10:00 a.m. on the 29th day of November, 2016, at which time they will be publicly opened in the City Hall by the Engineer, will then be tabulated, and will be considered by the Council at 7:00 p.m. on the 6th day of December, 2016, in the Council Chambers, and that no bids will be considered unless sealed and filed with the City and accompanied by a cash deposit, cashier's check, bid bond or certified check payable to the City Clerk for 5% of the amount of such bid.

Adopted this 1st day of November, 2016.

Jerry Koch, Mayor

ATTEST:

Joan Lenzmeier, City Clerk



City Council Regular

9.

Meeting Date: 11/01/2016

Subject: Consider Sale of \$10,000,000 General Obligation Bonds, Series 2016 A

From: Sharon Legg, Finance Director

INTRODUCTION

Staff recommends that bonds be sold.

DISCUSSION

The bond issues being proposed to be sold is as follows:

G.O. Improvement Bonds in the amount of \$5,090,000. This will finance the MSA street projects as follows:

City Project 16-1 2016 State Aid Reconstruction south area

City Project 16-2 2016 State Aid Reconstruction west area

Since the above projects will also replace water mains in the project areas, Water Revenue Bonds in the amount of \$4,130,000 are also included. Both of the issues will be repaid over ten years.

Additionally, staff is recommending the sale of the first \$780,000 of the Park Bonds as a result of the referendum passing in 2013. This will pay for the renovation of Wilderness Park Trail, Project 13-21 and Project 15-23, Coon Rapids Boulevard Trail in the amount of \$780,000.

Bids will be received on November 1 and the results thereof will be presented at the Council meeting.

RECOMMENDATION

Staff recommends authorization of Resolution 16-122 Awarding the Sale of \$10,000,000 General Obligation Bonds, Series 2016 A Fixing their Form and Specifications; Directing their Execution and Delivery; and Providing for their Payment.

Attachments

RS 16-122

RESOLUTION 16-122

RESOLUTION AWARDING THE SALE OF \$10,000,000 GENERAL OBLIGATION BONDS, SERIES 2016A FIXING THEIR FORM AND SPECIFICATIONS; DIRECTING THEIR EXECUTION AND DELIVERY; AND PROVIDING FOR THEIR PAYMENT

BE IT RESOLVED By the City Council of the City of Coon Rapids, Anoka County, Minnesota (the "City") in regular meeting assembled as follows:

Section 1. Background.

1.01 Authority. It is hereby determined that:

(a) Pursuant to Minnesota Statutes, Chapter 475, as amended, and Section 162.18 (the "State Aid Act"), the City is authorized to issue its general obligation bonds in anticipation of the allocation of municipal state and funds. Such bonds may be issued in an amount and on terms such that the average annual amount of principal and interest due in all subsequent years on the bonds and any other similarly authorized bonds does not exceed 90% of the amount of the last annual allotment to the City from the Construction Account in the Municipal State Aid Street Fund preceding the issuance of the bonds.

(b) The last annual allotment of funds to the City from the Construction Account in the Municipal State Aid Street Fund was \$2,400,000. The City currently has no other series of outstanding bonds issued pursuant to the State Aid Act.

(c) The City has proposed to finance the City's 2016 Municipal State Aid road projects (the "State Aid Improvements") in accordance with the Act.

(d) The City is authorized by Minnesota Statutes, Section 444.075 and Minnesota Statutes, Chapter 475, as amended (the "Utility Act"), to finance all or a portion of the cost of certain improvements to the water system of the City (the "Water Improvements") by the issuance of general obligation bonds of the City payable from the net revenues of the water utility system of the City.

(e) At a duly called and regularly held general election on November 5, 2013, the voters of the City approved the issuance and sale by the City of general obligation bonds of the City in the maximum principal amount of \$17,400,000 pursuant to Minnesota Statutes, Chapter 475 (the "Act") for the purpose of the renovation, acquisition, betterment and improvements of parks, open space and trail system infrastructure in the City (the "Park Improvements"), a portion of which will be financed with the proceeds of the Bonds, \$5,295,000 of which was financed in 2015, and a portion of which will be financed at a later date.

Section 2. Sale of Bonds.

2.01 Authorization. It is hereby determined that it is necessary to provide financing for the State Aid Improvements, the Water Improvements and the Park Improvements and to finance those improvements through the issuance of the City’s \$10,000,000 General Obligation Bonds, Series 2016A (the “Bonds”). The City is authorized by Minnesota Statutes, Section 475.60, Subdivision 2(9) to negotiate the sale of the Bonds if the City has retained an independent financial advisor in connection with such sale. The City has retained Ehlers and Associates, Inc. as an independent financial consultant in connection with the sale of the Bonds.

2.02. Acceptance of Offer. The proposal of _____ in _____, _____ (the “Purchaser”) to purchase the Bonds described in the Terms of Proposal is hereby found and determined to be a reasonable offer and is hereby accepted. The proposals are summarized on Exhibit A attached hereto. The successful proposal being to purchase the Bonds at a price of \$ _____, for Bonds bearing interest as follows:

<u>Year of Maturity</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Interest Rate</u>
2018	%	2023	%
2019		2024	
2020		2025	
2021		2026	
2022		2027	

2.03. Purchase Contract. Any original issue premium and any rounding amount shall be credited to the Debt Service Fund hereinafter created, or deposited in the Construction Fund under Section 4.01 hereof, as determined by the City’s municipal advisor and the City Finance Director. The City Finance Director is directed to retain the good faith check of the Purchaser, pending completion of the sale of the Bonds, and to return the good faith checks of the unsuccessful proposers. The Mayor and City Manager are authorized to execute a contract with the Purchaser on behalf of the City.

2.04. Terms of Bonds. The City will forthwith issue and sell the Bonds pursuant to Minnesota Statutes, Chapters 444 and 475 and Section 162.18 (together, the “Act”), in the total principal amount of \$10,000,000, originally dated the date of issue, the Bonds being in fully registered form and issued in the denomination of \$5,000 or any integral multiple thereof, numbered No. R-1 and upward, bearing interest as above set forth, and maturing on April 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$1,015,000	2023	\$930,000
2019	1,080,000	2024	945,000
2020	1,090,000	2025	960,000
2021	1,105,000	2026	970,000
2022	915,000	2027	990,000

\$5,090,000 of the Bonds (the “State Aid Improvement Bonds”) maturing in the amounts and on the dates set forth below are being issued to finance the cost of the State Aid Improvements:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$455,000	2023	\$515,000
2019	490,000	2024	520,000
2020	495,000	2025	530,000
2021	500,000	2026	535,000
2022	505,000	2027	545,000

\$4,130,000 of the Bonds (the “Water Improvement Bonds”) maturing in the amounts and on the dates set forth below are being issued to finance the cost of the Water Improvements:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$370,000	2023	\$415,000
2019	395,000	2024	425,000
2020	400,000	2025	430,000
2021	405,000	2026	435,000
2022	410,000	2027	445,000

\$780,000 of the Bonds (the “Park Improvement Bonds”) maturing in the amounts and on the dates set forth below are being issued to finance the cost of the Park Improvements:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2018	\$190,000	2020	\$195,000
2019	195,000	2021	200,000

2.05. Optional Redemption. The City may elect on April 1, 2025, and on any day thereafter to prepay Bonds maturing on or after April 1, 2026. Redemption may be in whole or in part and if in part, at the option of the City and in such manner as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC (as defined in Section 7 hereof) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant’s interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

Section 3. Form; Registration.

3.01. Registered Form. The Bonds will be issuable only in fully registered form. The interest thereon and, upon surrender of each Bond, the principal amount thereof will be payable by check or draft issued by the Registrar described herein.

3.02. Dates; Interest Payment Dates. Each Bond will be dated as of the last interest payment date preceding the date of authentication to which interest on the Bond has been paid or made available for payment, unless (i) the date of authentication is an interest payment date to which interest has been paid or made available for payment, in which case the Bond will be dated as of the date of authentication, or (ii) the date of authentication is prior to the first interest payment date, in which case the Bond will be dated as of the date of original issue. The interest on the Bonds will be payable on April 1 and October 1 in each year, commencing October 1, 2017, to the registered owners of record as of the close of business on the 15th day of the immediately preceding month, whether or not that day is a business day.

3.03. Registration. The City will appoint a bond registrar, transfer agent, authenticating agent and paying agent (the “Registrar”). The effect of registration and the rights and duties of the City and the Registrar with respect thereto are as follows:

(a) Register. The Registrar will keep at its principal corporate trust office a bond register in which the Registrar will provide for the registration of ownership of Bonds and the registration of transfers and exchanges of Bonds entitled to be registered, transferred or exchanged.

(b) Transfer of Bonds. Upon surrender for transfer of any Bond duly endorsed by the registered owner thereof or accompanied by a written instrument of transfer, in form satisfactory to the Registrar, duly executed by the registered owner thereof or by an attorney duly authorized by the registered owner in writing, the Registrar will authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of a like aggregate principal amount and maturity, as requested by the transferor. The Registrar may, however, close the books for registration of any transfer after the fifteenth day of the month preceding each interest payment date and until that interest payment date.

(c) Exchange of Bonds. Whenever any Bonds are surrendered by the registered owner for exchange the Registrar will authenticate and deliver one or more new Bonds of a like aggregate principal amount and maturity as requested by the registered owner’s attorney in writing.

(d) Cancellation. All Bonds surrendered upon a transfer or exchange will be promptly cancelled by the Registrar and thereafter disposed of as directed by the City.

(e) Improper or Unauthorized Transfer. When any Bond is presented to the Registrar for transfer, the Registrar may refuse to transfer the same until it is satisfied that the endorsement on such Bond or separate instrument of transfer is valid and genuine and that the requested transfer is legally authorized. The Registrar will incur no liability for the refusal, in good faith, to make transfers which it, in its judgment, deems improper or unauthorized.

(f) Persons Deemed Owners. The City and the Registrar may treat the person in whose name any Bond is at any time registered in the bond register as the absolute owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving

payment of, or on account of, the principal of and interest on such Bond and for all other purposes, and all such payments so made to any such registered owner or upon the owner's order will be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums to be paid.

(g) Taxes, Fees and Charges. The Registrar may impose a charge upon the owner thereof for every transfer or exchange of Bonds, sufficient to reimburse the Registrar for any tax, fee or other governmental charge required to be paid with respect to such transfer or exchange.

(h) Mutilated, Lost, Stolen or Destroyed Bonds. In case any Bond will become mutilated or be destroyed, stolen or lost, the Registrar will deliver a new Bond of like amount, number, maturity date and tenor in exchange and substitution for and upon cancellation of any such mutilated Bond or in lieu of and in substitution for any such Bond destroyed, stolen or lost, upon the payment of the reasonable expenses and charges of the Registrar in connection therewith; and, in the case of a Bond destroyed, stolen or lost, upon filing with the Registrar of evidence satisfactory to it that such Bond was destroyed, stolen or lost, and of the ownership thereof, and upon furnishing to the Registrar an appropriate bond or indemnity in form, substance and amount satisfactory to it, in which both the City and the Registrar will be named as obligees. All Bonds so surrendered to the Registrar will be cancelled by it and evidence of such cancellation must be given to the City. If the mutilated, destroyed, stolen or lost bond has already matured or been called for redemption in accordance with its terms it will not be necessary to issue a new Bond prior to payment.

3.04. Appointment of Initial Registrar. The City appoints the City Finance Director, Coon Rapids, Minnesota, as the initial Registrar.

3.05. Execution, Authentication and Delivery. The Bonds will be prepared under the direction of the City Finance Director and will be executed on behalf of the City by the signatures of the Mayor and the City Manager, provided that all signatures may be printed, engraved or lithographed facsimiles of the originals. If an officer whose signature or a facsimile of whose signature appears on the Bonds will cease to be such officer before the delivery of any Bond, that signature or facsimile will nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery. Notwithstanding such execution, no Bond will be valid or obligatory for any purpose or entitled to any security or benefit under this Resolution unless and until a certificate of authentication on a Bond has been duly executed by the manual signature of an authorized representative of the Registrar. Certificates of authentication on different Bonds need not be signed by the same representative. The executed certificate of authentication on each Bond will be conclusive evidence that it has been authenticated and delivered under this Resolution. When the Bonds have been so prepared, executed and authenticated, the City Finance Director will deliver the same to the Purchaser thereof upon payment of the purchase price in accordance with the contract of sale heretofore made and executed, and the Purchaser will not be obligated to see to the application of the purchase price.

3.06. Temporary Bonds. The City may elect to deliver in lieu of printed definitive Bonds one or more typewritten temporary Bonds in substantially the form set forth in Section 3 with such changes as may be necessary to reflect more than one maturity in a single temporary bond. Upon the execution and delivery of definitive Bonds the temporary Bonds will be exchanged therefor and cancelled.

3.07. Form of Bonds. The Bonds will be printed or typewritten in substantially the form attached hereto as Exhibit B.

3.08. Approving Legal Opinion. The City Finance Director will obtain a copy of the proposed approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota, which will be complete except as to dating thereof and will cause the opinion to be printed on or accompany each Bond.

Section 4. Funds and Accounts; Security; Payment.

4.01. Debt Service Fund. The Bonds will be payable from the General Obligation Bonds, Series 2016A Debt Service Fund (the “Debt Service Fund”) hereby created. The Debt Service Fund shall be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The City will maintain the following accounts in the Debt Service Fund: the “State Aid Improvements Account,” the “Water Improvements Account” and the “Park Improvements Account.” Amounts in the State Aid Improvements Account are irrevocably pledged to the State Aid Improvement Bonds, amounts in the Water Improvements Account are irrevocably pledged to the Water Improvement Bonds and amounts in the Park Improvements Account are irrevocably pledged to the Park Improvement Bonds.

(a) State Aid Improvements Account. The Finance Director shall timely deposit in the State Aid Improvements Account of the Debt Service Fund hereby created, State Aid to be received from the State of Minnesota Municipal State-Aid Street Funds “State Aid”) allocated or to be allocated to the City from its account in the Municipal State Aid Street Fund sufficient to pay principal and interest on the State Aid Improvement Bonds, which are pledged to the State Aid Improvements Account. There is also appropriated to the State Aid Improvements Account a pro rata portion of any original issue premium and any rounding amount, to the extent designated for deposit in the Debt Service Fund in accordance with Section 2.03 hereof.

(b) Water Improvements Account. The City will continue to maintain and operate its water utility fund, to which will be credited all gross revenues of the water utility system (the “Water System”), and out of which will be paid all normal and reasonable expenses of current operations of such system. Any balances therein are deemed net revenues (the “Net Revenues”) and will be transferred, from time to time, to the Water Improvement Account of the Debt Service Fund, which Water Improvements Account will be used only to pay principal of and interest on the Water Improvement Bonds, and any other bonds similarly authorized. There will always be retained in the Water Improvements Account a sufficient amount to pay principal of and interest on all

of the Water Improvement Bonds, and the Finance Director must report any current or anticipated deficiency in the Water Improvements Account to the City Council. If a payment of principal or interest on the Water Improvement Bonds becomes due when there is not sufficient money in the Water Improvements Account in the Debt Service Fund to pay the same, the City Finance Director is directed to pay such principal or interest from the general fund of the City, and the general fund will be reimbursed for the advances out of the proceeds of Net Revenues and taxes when collected. There is also appropriated to the Water Improvements Account a pro rata portion of any original issue premium and any rounding amount, to the extent designated for deposit in the Debt Service Fund in accordance with Section 2.03 hereof and any collections of taxes hereafter levied for the payment of the Water Improvement Bonds and interest thereon.

(c) Park Improvements Account. The Finance Director shall timely deposit in the Park Improvements Account of the Debt Service Fund hereby created, general Taxes hereinafter levied and allocated to the payment of debt service on the Park Improvement Bonds, which are pledged to the Park Improvements Account. There is also appropriated to the Park Improvements Account a pro rata portion of any original issue premium and any rounding amount, to the extent designated for deposit in the Debt Service Fund in accordance with Section 2.03 hereof.

4.02. Construction Fund. The City hereby creates the General Obligation Bonds, Series 2016A Construction Fund (the "Construction Fund") to be administered and maintained by the Finance Director as a bookkeeping account separate and apart from all other funds maintained in the official financial records of the City. The City will maintain the following accounts in the Construction Fund: the "State Aid Improvements Account," the "Water Improvements Account" and the "Park Improvements Account." Amounts in the State Aid Improvements Account will be used to construct the State Aid Improvements, amounts in the Water Improvements Account will be used to construct the Water Improvements and amounts in the Park Improvements Account will be used to construct the Park Improvements.

(a) State Aid Improvements Account. Proceeds of the State Aid Improvement Bonds, less the appropriations made in Section 4.01(a) hereof, together with any other funds appropriated for the State Aid Improvements and the State Aid collected during the construction of the State Aid Improvements, will be deposited in the State Aid Improvements Account of the Construction Fund to be used solely to defray expenses of the State Aid Improvements and the payment of principal of and interest on the State Aid Improvement Bonds prior to the completion and payment of all costs of the State Aid Improvements. Any balance remaining in the State Aid Improvements Account after completion of the State Aid Improvements may be used solely in accordance with the State Aid Act for the establishment, location, construction, reconstruction, and improvement of Municipal State-Aid streets in the City under the State Aid Act, under the direction of the City Council. When the State Aid Improvements are completed and the cost thereof paid, the State Aid Improvements Account of the Construction Fund is to be closed and any State Aid and other remaining funds may be deposited in the State Aid Improvements Account of the Debt Service Fund.

(b) Water Improvements Account. Proceeds of the Water Improvement Bonds, less the appropriations made in Section 4.01(b) hereof, will be deposited in the Water Improvements Account of the Construction Fund to be used solely to defray expenses of the Water Improvements. When the Water Improvements are completed and the cost thereof paid, the Water Improvements Account of the Construction Fund is to be closed and any funds remaining may be deposited in the Water Improvements Account of the Debt Service Fund.

(c) Park Improvements Account. Proceeds of the Park Improvement Bonds, less the appropriations made in Section 4.01(c) hereof, together with any other funds appropriated for the Park Improvements, will be deposited in the Park Improvements Account of the Construction Fund to be used solely to defray expenses of the Park Improvements and the payment of principal of and interest on the Park Improvement Bonds prior to the completion and payment of all costs of the Park Improvements. Any balance remaining in the Park Improvements Account after completion of the Park Improvements may be used for any other public use authorized by law or credited to the Park Improvements Account of the Debt Service Fund or other City debt service funds, all in accordance with Section 475.65 of the Act.

4.03. Tax Levy.

For the purpose of paying the principal of and interest on the Park Improvement Bonds, there is hereby levied a direct annual irrevocable ad valorem tax upon all of the taxable property in the City, which will be spread upon the tax rolls and collected with and as part of other general taxes of the City. Such tax will be credited to the Park Improvements Account of the Debt Service Fund above provided and will be in the years and amounts as follows (year stated being year of levy for collection the following year):

<u>Year</u>	<u>Levy</u>
-------------	-------------

(See Exhibit C)

The tax levy herein provided will be irrevocable until all of the Park Improvement Bonds are paid, provided that the City Clerk may annually, at the time the City makes its tax levies, certify to the County Auditor the amount available in the Park Improvements Account of the Debt Service Fund to pay principal and interest due during the ensuing year on the Park Improvement Bonds, and the County Auditor will thereupon reduce the levy collectible during such year by the amount so certified.

4.04 City Covenants with Respect to the Water Improvement Bonds. The City Council covenants and agrees with the holders of the Bonds that so long as any of the Water Improvement Bonds remain outstanding and unpaid, it will keep and enforce the following covenants and agreements:

(a) The City will continue to maintain and efficiently operate the Water System as a public utility and conveniences free from competition of other like municipal

utilities and will cause all revenues therefrom to be deposited in bank accounts and credited to the accounts of the Water System as hereinabove provided, and will make no expenditures from those accounts except for a duly authorized purpose and in accordance with this resolution.

(b) The City will also maintain the Debt Service Fund as a separate account in the Water Improvements Account and will cause money to be credited thereto from time to time, out of net revenues from the Water System in sums sufficient to pay principal of and interest on the Water Improvements Bonds when due.

(c) The City will keep and maintain proper and adequate books of records and accounts separate from all other records of the City in which will be complete and correct entries as to all transactions relating to the Water System and which will be open to inspection and copying by any bondholder, or the bondholder's agent or attorney, at any reasonable time, and it will furnish certified transcripts therefrom upon request and upon payment of a reasonable fee therefor, and said account will be audited at least annually by a qualified public accountant and statements of such audit and report will be furnished to all bondholders upon request.

(d) The City Council will cause persons handling revenues of the Water System to be bonded in reasonable amounts for the protection of the City and the bondholders and will cause the funds collected on account of the operations of the Water System to be deposited in a bank whose deposits are guaranteed under the Federal Deposit Insurance Law.

(e) The Council will keep the Water System insured at all times against loss by fire, tornado and other risks customarily insured against with an insurer or insurers in good standing, in such amounts as are customary for like plants, to protect the holders, from time to time, of the Water Improvement Bonds and the City from any loss due to any such casualty and will apply the proceeds of such insurance to make good any such loss.

(f) The City and each and all of its officers will punctually perform all duties with reference to the Water System as required by law.

(g) The City will impose and collect charges of the nature authorized by Minnesota Statutes, Section 444.075 at the times and in the amounts required to produce net revenues adequate to pay all principal and interest when due on the Water Improvement Bonds and to create and maintain such reserves securing said payments as may be provided in this resolution.

(h) The City Council will levy general ad valorem taxes on all taxable property in the City, when required to meet any deficiency in pledged net revenues.

(i) The City hereby determines that the estimated collection of net revenues herein pledged for the payment of principal and interest on the Water Improvement

Bonds will produce at least 5% in excess of the amount needed to meet, when due, the principal and interest payments on such portion of the Bonds.

4.05 Registration of Resolution. The City Clerk is directed to file a certified copy of this resolution with the Auditor of Anoka County and to obtain the certificate required by Section 475.63 of the Act.

4.06. Debt Service Coverage. It is hereby determined that the estimated collection of the foregoing collections of State Aid will produce at least 5% in excess of the amount needed to pay when due, the principal and interest payments on the State Aid Improvement Bonds; the Net Revenues herein pledged will produce at least 5% in excess of the amount needed to pay when due the principal and interest payments on the Water Improvement Bonds and that the estimated collection of Taxes will produce at least 5% in excess of the amount needed to pay when due the principal and interest payments on the Park Improvement Bonds.

4.07. General Obligation Pledge. For the prompt and full payment of the principal of and interest on the Bonds, as the same respectively become due, the full faith, credit and taxing powers of the City will be and are hereby irrevocably pledged. If the balance in the Debt Service Fund is ever insufficient to pay all principal and interest then due on the Bonds and any other bonds payable therefrom, the deficiency will be promptly paid out of monies in the general fund of the City which are available for such purpose, and such general fund may be reimbursed with or without interest from the Debt Service Fund when a sufficient balance is available therein.

Section 5. Authentication of Transcript.

5.01. City Proceedings and Records. The officers of the City are hereby authorized and directed to prepare and furnish to the Purchaser and to the attorneys approving the bonds, certified copies of proceedings and records of the City relating to the bonds and to the financial condition and affairs of the City, and such other certificates, affidavits and transcripts as may be required to show the facts within their knowledge or as shown by the books and records in their custody and under their control, relating to the validity and marketability of the Bonds and such instruments, including any heretofore furnished, will be deemed representations of the City as to the facts stated therein.

5.02. Certification as to Official Statement. The Mayor, City Manager and Finance Director are hereby authorized and directed to certify that they have examined the Official Statement, prepared and circulated in connection with the issuance and sale of the Bonds and that to the best of their knowledge and belief the Official Statement is, as of the date thereof, a complete and accurate representation of the facts and representations made therein as it relates to the City.

Section 6. Tax Covenant.

6.01. Tax-Exempt Bonds. The City covenants and agrees with the holders from time to time of the Bonds that it will not take or permit to be taken by any of its officers, employees, or agents any action which would cause the interest on the Bonds to become subject to taxation

under the Internal Revenue Code of 1986, as amended (the “Code”), and the Treasury Regulations promulgated thereunder, in effect at the time of such actions, and that it will take or cause its officers, employees or agents to take, all affirmative action within its power that may be necessary to ensure that such interest will not become subject to taxation under the Code and applicable Treasury Regulations, as presently existing or as hereafter amended and made applicable to the Bonds. To that end, the City will comply with all requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bonds under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds.

6.02. Rebate. The City will comply with requirements necessary under the Code to establish and maintain the exclusion from gross income of the interest on the Bond under Section 103 of the Code, including without limitation requirements relating to temporary periods for investments, limitations on amounts invested at a yield greater than the yield on the Bonds, and the rebate of excess investment earnings to the United States.

6.03. Not Private Activity Bonds. The City further covenants not to use the proceeds of the bonds or to cause or permit them or any of them to be used, in such a manner as to cause the Bonds to be “private activity bonds” within the meaning of Sections 103 and 141 through 150 of the Code.

6.04. Qualified Tax-Exempt Obligations. In order to qualify the Bonds as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code, the City makes the following factual statements and representations:

(a) the Bonds are not “private activity bonds” as defined in Section 141 of the Code;

(b) the City hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code;

(c) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds, that are not qualified 501(c)(3) bonds) which will be issued by the City (and all subordinate entities of the City) during calendar year 2016 will not exceed \$10,000,000; and

(d) not more than \$10,000,000 of obligations issued by the City during calendar year 2016 have been designated for purposes of Section 265(b)(3) of the Code.

6.05. Procedural Requirements. The City will use its best efforts to comply with any federal procedural requirements which may apply in order to effectuate the designations made by this section.

Section 7. Book-Entry System; Limited Obligation of City.

7.01. DTC. The Bonds will be initially issued in the form of a separate single typewritten or printed fully registered Bond for each of the maturities set forth in Section 1.03 hereof. Upon initial issuance, the ownership of each Bond will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York, and its successors and assigns (DTC). Except as provided in this section, all of the outstanding Bonds will be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC.

7.02. Participants. With respect to Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC, the City, the Bond Registrar and the Paying Agent will have no responsibility or obligation to any broker dealers, banks and other financial institutions from time to time for which DTC holds Bonds as securities depository (Participants) or to any other person on behalf of which a Participant holds an interest in the Bonds, including but not limited to any responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Participant or any other person (other than a registered owner of Bonds, as shown by the registration books kept by the Bond Registrar,) of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any Participant or any other person, other than a registered owner of Bonds, of any amount with respect to principal of, premium, if any, or interest on the Bonds. The City, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered in the registration books kept by the Bond Registrar as the holder and absolute owner of such Bond for the purpose of payment of principal, premium and interest with respect to such Bond, for the purpose of registering transfers with respect to such Bonds, and for all other purposes. The Paying Agent will pay all principal of, premium, if any, and interest on the Bonds only to or on the order of the respective registered owners, as shown in the registration books kept by the Bond Registrar, and all such payments will be valid and effectual to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, or interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of Bonds, as shown in the registration books kept by the Bond Registrar, will receive a certificated Bond evidencing the obligation of this resolution. Upon delivery by DTC to the City Manager of a written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., the words "Cede & Co.," will refer to such new nominee of DTC; and upon receipt of such a notice, the City Manager will promptly deliver a copy of the same to the Bond Registrar and Paying Agent.

7.03. Representation Letter. The City has heretofore executed and delivered to DTC a Blanket Issuer Letter of Representations (Representation Letter) which shall govern payment of principal of, premium, if any, and interest on the Bonds and notices with respect to the Bonds. Any Paying Agent or Bond Registrar subsequently appointed by the City with respect to the Bonds will agree to take all action necessary for all representations of the City in the Representation letter with respect to the Bond Registrar and Paying Agent, respectively, to be complied with at all times.

7.04. Transfers Outside Book-Entry System. In the event the City, by resolution of the City Council, determines that it is in the best interests of the persons having beneficial interests in the Bonds that they be able to obtain Bond certificates, the City will notify DTC, whereupon DTC will notify the Participants, of the availability through DTC of Bond certificates. In such event the City will issue, transfer and exchange Bond certificates as requested by DTC and any other registered owners in accordance with the provisions of this Resolution. DTC may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the City and discharging its responsibilities with respect thereto under applicable law. In such event, if no successor securities depository is appointed, the City will issue and the Bond Registrar will authenticate Bond certificates in accordance with this resolution and the provisions hereof will apply to the transfer, exchange and method of payment thereof.

7.05. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as a Bond is registered in the name of Cede & Co., as nominee of DTC, payments with respect to principal of, premium, if any, and interest on the Bond and all notices with respect to the Bond will be made and given, respectively in the manner provided in DTC's Operational Arrangements, as set forth in the Representation Letter.

Section 8. Continuing Disclosure.

8.01. City Compliance with Provisions of Continuing Disclosure Certificate. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Resolution, failure of the City to comply with the Continuing Disclosure Certificate is not to be considered an event of default with respect to the Bonds; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this section.

8.02. Execution of Continuing Disclosure Certificate. "Continuing Disclosure Certificate" means that certain Continuing Disclosure Certificate executed by the Mayor and City Manager and dated the date of issuance and delivery of the Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

Section 9. Defeasance. When all Bonds (or all of any of the State Aid Improvement Bonds or Water Improvement Bonds or Park Improvements Bonds portion thereof) have been discharged as provided in this section, all pledges, covenants and other rights granted by this resolution (with respect to the State Aid Improvement Bonds or Water Improvement Bonds or Park Improvements portion of the Bonds, as the case may be) to holders of the Bonds will cease, except that the pledge of the full faith and credit of the City for the prompt and full payment of the principal of and interest on the Bonds will remain in full force and effect. The City may discharge all Bonds (or all of either the State Aid Improvement Bonds or Water Improvement Bonds or Park Improvements Bonds portion thereof) which are due on any date by depositing with the Registrar on or before that date a sum sufficient for the payment thereof in full. If any Bond should not be paid when due, it may nevertheless be discharged by depositing with the Registrar a sum sufficient for the payment thereof in full with interest accrued to the date of such deposit.

The motion for adoption of the foregoing resolution was duly seconded by Member _____, and upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

STATE OF MINNESOTA)
)
COUNTY OF ANOKA) SS.
)
CITY OF COON RAPIDS)

I, the undersigned, being the duly qualified and acting City Clerk of the City of Coon Rapids, Minnesota, do hereby certify that I have carefully compared the attached and foregoing extract of minutes of a regular meeting of the City Council held on Tuesday, November 1, 2016, with the original thereof on file in my office and I further certify that the same is a full, true and complete transcript therefrom insofar as the same relates to the issuance and sale of the City's \$10,000,000 General Obligation Bonds, Series 2016A.

WITNESS My hand as City Clerk and the corporate seal of the City this _____ day of _____, 2016.

City Clerk
City of Coon Rapids, Minnesota

EXHIBIT A
BIDS RECEIVED

EXHIBIT B

FORM OF SERIES 2016A BOND

No. R- _____ UNITED STATES OF AMERICA \$ _____
STATE OF MINNESOTA
COUNTY OF ANOKA
CITY OF COON RAPIDS

GENERAL OBLIGATION BOND
SERIES 2016A

<u>Rate</u>	<u>Maturity</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	February 1, 20 _____	November 22, 2016	

Registered Owner: Cede & Co.

The City of Coon Rapids, Minnesota, a duly organized and existing municipal corporation in Anoka County, Minnesota (the "City"), acknowledges itself to be indebted and for value received hereby promises to pay to the registered owner specified above or registered assigns, the Principal Amount specified above on the Maturity Date specified above, with interest thereon from the date hereof at the annual rate specified above (calculated on the basis of a 360 day year of 12 30-day months), payable April 1 and October 1 in each year, commencing October 1, 2017, to the person in whose name this Bond is registered at the close of business on the 15th day (whether or not a business day) of the immediately preceding month. The interest hereon and, upon presentation and surrender hereof, the principal hereof are payable in lawful money of the United States of America by check or draft by City Finance Director, Coon Rapids, Minnesota, as Registrar, Authenticating Agent and Paying Agent, or its designated successor under the Resolution described herein. For the prompt and full payment of such principal and interest as the same respectively become due, the full faith and credit and taxing powers of the City have been and are hereby irrevocably pledged.

This Bond is one of an issue in the aggregate principal amount of \$10,000,000, all of like original date and tenor, except as to number, maturity date, and interest rate, issued pursuant to a resolution adopted by the City Council on November 1, 2016 (the "Resolution"), for the purpose of providing monies in part for establishing, locating, relocating, constituting, reconstituting and improving state aid streets, various water utility improvements and the renovation, acquisition, betterment and improvements of parks, open spaces, and trail system infrastructure and pursuant to and in full conformity with its home rule charter and the Constitution and laws of the State of Minnesota, including Minnesota Statutes, Chapters 444 and 475, as amended and Section 162.18. The principal hereof and interest hereon are payable from special assessments against property specially benefited by local improvements, net revenues of the water and storm sewer systems and from ad valorem taxes, as set forth in the Resolution to which reference is made for

a full statement of rights and powers thereby conferred. The full faith and credit of the City are irrevocably pledged for payment of this Bond and the City Council has obligated itself to levy additional ad valorem taxes on all taxable property in the City in the event of any deficiency in special assessments, net revenues and taxes pledged, which additional taxes may be levied without limitation as to rate or amount. The Bonds of this series are issued only as fully registered Bonds in denominations of \$5,000 or any integral multiple thereof of single maturities.

The City may elect on April 1, 2025, and on any date thereafter to prepay Bonds maturing on or after April 1, 2026. Redemption may be in whole or in part and if in part, at the option of the City and in such order as the City will determine. If less than all Bonds of a maturity are called for redemption, the City will notify The Depository Trust Company (“DTC”) of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant’s interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in such maturity to be redeemed. Prepayments will be at a price of par plus accrued interest.

As provided in the Resolution and subject to certain limitations set forth therein, this Bond is transferable upon the books of the City at the principal office of the Bond Registrar, by the registered owner hereof in person or by the owner’s attorney duly authorized in writing upon surrender hereof together with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or the owner’s attorney; and may also be surrendered in exchange for Bonds of other authorized denominations. Upon such transfer or exchange the City will cause a new Bond or Bonds to be issued in the name of the transferee or registered owner, of the same aggregate principal amount, bearing interest at the same rate and maturing on the same date, subject to reimbursement for any tax, fee or governmental change required to be paid with respect to such transfer or exchange.

The City and the Bond Registrar may deem and treat the person in whose name this Bond is registered as the absolute owner hereof, whether this Bond is overdue or not, for the purpose of receiving payment and for all other purposes, and neither the City nor the Bond Registrar will be affected by any notice to the contrary.

The City has designated the Bonds as “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

It is hereby certified and recited that in and by the Resolution, the City has covenanted and agreed that it will continue to own and operate the water system free from competition by other like municipal utilities; that adequate insurance on said system and suitable fidelity bonds on employees will be carried; that proper adequate books of account will be kept showing all receipts and disbursements relating to the water utility fund, into which it will pay all of the gross revenues from the water system; that it will also create and maintain a Water Improvements Account within the General Obligation Bonds, Series 2016A Debt Service Fund, into which it will pay, out of the net revenues from the water system a sum sufficient to pay principal of the Water Improvement Bonds (as defined in the Resolution) and interest on the Water Improvement Bonds when due; and that it will provide, by ad valorem tax levies, for any deficiency in required net revenues of the water system.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of Minnesota to be done, to happen and to be performed preliminary to and in the issuance of this bond have been done, have happened and have been performed in regular and due form, time and manner, that prior to the issuance of this bond the City Council of the City has provided funds for the payment of principal and interest on the bonds of this issue as the same become due, but the full faith and credit of the City is pledged for their payment and additional taxes will be levied, if required for such purpose, without limitation as to the rate of amount; and that this bond, together with all other indebtedness of the City outstanding on the date of its issuance, does not exceed any constitutional or statutory limitation thereon.

This Bond is not valid or obligatory for any purpose or entitled to any security or benefit under the Resolution until the Certificate of Authentication hereon will have been executed by the Bond Registrar by manual signature of one of its authorized representatives.

IN WITNESS WHEREOF, the City of Coon Rapids, Anoka County, Minnesota, by its City Council, has caused this Bond to be executed on its behalf by the facsimile or manual signatures of the Mayor and City Manager and has caused this Bond to be dated as of the date set forth below.

Dated: _____, 2016

CITY OF COON RAPIDS, MINNESOTA

City Manager

Mayor

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds delivered pursuant to the Resolution mentioned within.

CITY OF COON RAPIDS, MINNESOTA

By _____
Finance Director

ABBREVIATIONS

The following abbreviations, when used in the inscription of the face of this Bond, will be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common	UNIF GIFT MINN ACT _____ Custodian _____ (Cust) (Minor)
TEN ENT -- as tenants by entirities	under Uniform Gift or Transfer to Minors
JT TEN -- as joint tenants with right of survivorship and not as tenants in common	Act..... (State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books kept for registration of the within Bond, with full power of substitution in the premise.

Dated: _____

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a financial institution that is a member of the Securities Transfer Agent Medallion Program (“STAMP”), the Stock Exchange Medallion Program (“SEMP”), the New York Stock Exchange, Inc. Medallion Signatures Program (“MSP”) or other such “signature guarantee program” as may be determined by the Registrar in addition to, or in substitution for, STAMP, SEMP or MSP, all in accordance with the Securities Exchange Act of 1934, as amended.

The Bond Registrar will not effect transfer of this Bond unless the information concerning the assignee requested below is provided.

Name and Address: _____

(Include information for all joint owners
if the Bond is held by joint account)

Please insert social security or
other identifying number of assignee

PROVISIONS AS TO REGISTRATION

The ownership of the principal of and interest on the within Bond has been registered on the books of the Registrar in the name of the person last noted below.

<u>Date of Registration</u>	<u>Registered Owner</u>	<u>Signature of Registrar</u>
_____, 2016	Cede & Co. Federal ID #13-2555119	_____

EXHIBIT C

PARK IMPROVEMENT BONDS TAX LEVY

<u>Collection Year</u>	<u>Levy Amount</u>
2017	\$
2018	
2019	
2020	

STATE OF MINNESOTA
COUNTY OF ANOKA

COUNTY MANAGER OF PROPERTY
RECORDS AND TAXATION'S
CERTIFICATE AS TO
TAX LEVY AND REGISTRATION

I, the undersigned Manager of Property Records and Taxation of Anoka County, Minnesota, hereby certify that a resolution adopted by the City Council of the City of Coon Rapids, Minnesota, on November 1, 2016, levying taxes for the payment of General Obligation Bonds, Series 2016A, in the amount of \$10,000,000, dated November 22, 2016, has been filed in my office and said obligations have been registered on the register of obligations in my office and that such tax has been levied as required by law.

WITNESS my hand and official seal this _____ day of _____, 2016.

By _____
Manager of Property Records and Taxation

(SEAL)