



**9.0 Other**

- 9:30 PM A. Staff Reports
- 9:35 PM B. Council Reports
- 9:40 PM C. Other

**9:45 PM 10.0 Adjourn**



# City of East Bethel City Council Agenda Information

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**Date:**

September 4, 2013

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**Agenda Item Number:**

Item 4.0 A

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**Agenda Item:**

Resolutions Acknowledging East Bethel Royalty for 2013-2014

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**Requested Action:**

Consider adoption of Resolutions 2013-46, 2013-47, 2013-48 & 2013-49 Acknowledging the East Bethel Royalty for 2013-2014.

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**Background Information:**

The East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant where individuals compete to represent the City of East Bethel as an Ambassador for a twelve month period.

**Attachment(s):**

1. Resolution 2013-46 A Resolution Recognizing East Bethel Royalty for 2013-2014 Miss East Bethel Heidi Holthus
2. Resolution 2013-47 A Resolution Recognizing East Bethel Royalty for 2013-2014 Princess Erika McDonough
3. Resolution 2013-48 A Resolution Recognizing East Bethel Royalty for 2013-2014 Junior Princess Rachel Wiederhold
4. Resolution 2013-49 A Resolution Recognizing East Bethel Royalty for 2013-2014 Little Miss Krisdi Knutson

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**Fiscal Impact:**

None

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**Recommendation(s):**

Staff recommends adoption of these resolutions recognizing the East Bethel Royalty for 2013-2014.

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**City Council Action**

Motion by: \_\_\_\_\_

Second by: \_\_\_\_\_

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\_\_\_\_\_

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Vote Yes:\_\_\_\_\_

Vote No:\_\_\_\_\_

No Action Required:\_\_\_\_\_

**CITY OF EAST BETHEL  
EAST BETHEL, MINNESOTA**

**RESOLUTION NO. 2013-46**

**RESOLUTION RECOGNIZING THE 2013-2014 EAST BETHEL ROYALTY**

**WHEREAS**, the East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant; and

**WHEREAS**, the individuals recognized through this competition represent the City of East Bethel as an Ambassador for a twelve month period by appearing at numerous City festivals and celebrations and other official functions; and

**WHEREAS**, the City of East Bethel is appreciative of the time and effort these pageant winners devote to representing the City.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:** Ms. Heidi Holthus is hereby recognized as Miss East Bethel and an Ambassador for the City for the next year.

**BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST BETHEL THAT:** the City Council hereby expresses its thanks and appreciation for the time and effort Ms. Heidi Holthus will devote to representing the City for the next twelve months.

Adopted this 4th day of September, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

\_\_\_\_\_  
Richard Lawrence, Mayor

\_\_\_\_\_  
Robert DeRoche, Jr., Council Member

\_\_\_\_\_  
Ron Koller, Council Member

\_\_\_\_\_  
Heidi Moegerle, Council Member

\_\_\_\_\_  
Tom Ronning, Council Member

ATTEST:

\_\_\_\_\_  
Jack Davis, City Administrator

**CITY OF EAST BETHEL  
EAST BETHEL, MINNESOTA**

**RESOLUTION NO. 2013-47**

**RESOLUTION RECOGNIZING THE 2013-2014 EAST BETHEL ROYALTY**

**WHEREAS**, the East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant; and

**WHEREAS**, the individuals recognized through this competition represent the City of East Bethel as an Ambassador for a twelve month period by appearing at numerous City festivals and celebrations and other official functions; and

**WHEREAS**, the City of East Bethel is appreciative of the time and effort these pageant winners devote to representing the City.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:** Ms. Erika McDonough is hereby recognized as Princess and an Ambassador for the City for the next year.

**BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST BETHEL THAT:** the City Council hereby expresses its thanks and appreciation for the time and effort Ms. Erika McDonough will devote to representing the City for the next twelve months.

Adopted this 4<sup>th</sup> day of September, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

\_\_\_\_\_  
Richard Lawrence, Mayor

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Robert DeRoche, Jr., Council Member

\_\_\_\_\_  
Ron Koller, Council Member

\_\_\_\_\_  
Heidi Moegerle, Council Member

\_\_\_\_\_  
Tom Ronning, Council Member

ATTEST:

\_\_\_\_\_  
Jack Davis, City Administrator

**CITY OF EAST BETHEL  
EAST BETHEL, MINNESOTA**

**RESOLUTION NO. 2013-48**

**RESOLUTION RECOGNIZING THE 2013-2014 EAST BETHEL ROYALTY**

**WHEREAS**, the East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant; and

**WHEREAS**, the individuals recognized through this competition represent the City of East Bethel as an Ambassador for a twelve month period by appearing at numerous City festivals and celebrations and other official functions; and

**WHEREAS**, the City of East Bethel is appreciative of the time and effort these pageant winners devote to representing the City.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:** Ms. Rachel Wiederhold is hereby recognized as Junior Princess and an Ambassador for the City for the next year.

**BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST BETHEL THAT:** the City Council hereby expresses its thanks and appreciation for the time and effort Ms. Rachel Wiederhold will devote to representing the City for the next twelve months.

Adopted this 4<sup>th</sup> day of September, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

\_\_\_\_\_  
Richard Lawrence, Mayor

\_\_\_\_\_  
Robert DeRoche, Jr., Council Member

\_\_\_\_\_  
Ron Koller, Council Member

\_\_\_\_\_  
Heidi Moegerle, Council Member

\_\_\_\_\_  
Tom Ronning, Council Member

ATTEST:

\_\_\_\_\_  
Jack Davis, City Administrator

**CITY OF EAST BETHEL  
EAST BETHEL, MINNESOTA**

**RESOLUTION NO. 2013-49**

**RESOLUTION RECOGNIZING THE 2013-2014 EAST BETHEL ROYALTY**

**WHEREAS**, the East Bethel Scholarship Pageant organizes and sponsors the annual Scholarship Pageant; and

**WHEREAS**, the individuals recognized through this competition represent the City of East Bethel as an Ambassador for a twelve month period by appearing at numerous City festivals and celebrations and other official functions; and

**WHEREAS**, the City of East Bethel is appreciative of the time and effort these pageant winners devote to representing the City.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:** Ms. Krisdi Knutson is hereby recognized as Little Miss and an Ambassador for the City for the next year.

**BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST BETHEL THAT:** the City Council hereby expresses its thanks and appreciation for the time and effort Ms. Krisdi Knutson will devote to representing the City for the next twelve months.

Adopted this 4<sup>th</sup> day of September, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

\_\_\_\_\_  
Richard Lawrence, Mayor

\_\_\_\_\_  
Robert DeRoche, Jr., Council Member

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Ron Koller, Council Member

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Heidi Moegerle, Council Member

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Tom Ronning, Council Member

ATTEST:

\_\_\_\_\_  
Jack Davis, City Administrator



# City of East Bethel City Council Agenda Information

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**Date:**

September 4, 2013

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**Agenda Item Number:**

Item 4.0 B

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**Agenda Item:**

2014 Preliminary Levy

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**Requested Action:**

Consider approving the preliminary tax levy for 2014.

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**Background Information:**

As a result of budget discussions conducted at Council work sessions in July and August, City Council has agreed in principle that the preliminary property tax levy for 2014 be set such that funds are available to accomplish the goals and objectives they have identified.

The proposed 2014 General Fund budget is \$77,502 more than the 2013 budget or an increase of 1.6% which is matched by a projected increase in revenues for the General Fund for 2014 in the same amount.

A General Fund levy of \$4,114,317 is necessary for 2014, which is a \$9,000 less than the 2013 General Fund Levy or a 0.2% decrease from 2013 to 2014.

To service existing debt, a market based debt levy of \$146,425 is required to meet the debt service requirements for the 2005A Public Safety Bonds issued for the fire station and the weather warning sirens and a tax capacity based debt levy of \$180,000 is required to meet the debt service requirements for the 2008A Sewer Revenue Bonds.

Due to the debt service requirements for the 2010A and 2010B bonds for the Municipal Utilities Project, debt service levies of \$490,000 and \$300,000 have been incorporated for 2014 for repayment of interest on these bonds. Without this obligation, the total levy for the City would have been \$4,440,742 or a 0.3% decrease.

However, due to the 2010 A & B bond payments due in 2014, the total property tax levy amount proposed becomes \$5,230,742 or an increase of 17.5% over last year's levy.

There are still opportunities to reduce the impact of the bond deficit for 2014 and these include but are not limited to the following:

- 1.) The potential to refinance the 2010 A & B Bond issuances;
- 2.) Confirmation of connections to the system for 2014;
- 3.) Transfer of General Fund balances at an amount to be determined to subsidize the deficit;
- 4.) Additional reductions to the City Budget;

- 5.) Assignment of special assessments for properties in the sewer to the debt service; and/or
- 6.) Assignment of other rents and royalties to the debt service.

Staff and Council will be considering all of the above alternatives prior to the adoption of the final budget in December 2014. These alternatives have not been finalized at this time due to negotiations with vendors and developers, completion of hearings and/or final analysis of contractual and fiscal impacts on the General Fund.

For purposes of setting the preliminary budget, staff recommends that Council consider the worst case option for the 2010 A & B Bond deficit with that being the assumption that there will be no connections to the system in 2014, there will be no bond refinancing and that there will be no transfer of General Funds to decrease the levy.

The preliminary budget, that must be submitted to Anoka County by September 15, 2013, can be reduced but not increased prior to the adoption of the final budget in December of 2013. Even though the preliminary tax statements that will be issued to City residents in November will indicate the maximum tax increase proposed, Staff and Council will have additional time to examine alternatives to minimize this increase and impact of rates created by the bond deficits for the Municipal Utilities Project.

A Special Meeting on October 10, 2013 and the Town Hall Meeting on November 21, 2013 will be dedicated to explaining and discussing the final budget.

**Attachment(s):**

- 1.General Fund Budget, Debt Service Budget, Special Revenue Budget and tax impact.
- 2.Resolution 2013-50 Set Final Levy & Budget Date
- 3.Resolution 2013-51Set the Preliminary Levy & Budget 2014
- 4.Resolution 2013-52 Set the Preliminary EDA Levy & Budget 2014
- 5.Resolution 2013-53 Consenting to the HRA No Tax Levy for 2014

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**Fiscal Impact:**

As outlined above

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**Recommendation(s):**

Staff recommends adoption of the preliminary levy and budget and submission as such to the County by Resolution on or before September 15, 2013.

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**City Council Action**

Motion by:\_\_\_\_\_

Second by:\_\_\_\_\_

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Vote Yes:\_\_\_\_\_

Vote No:\_\_\_\_\_

No Action Required:\_\_\_\_\_

**Overall Levy to balance 2014 Budget**

	<i>2013</i>	<i>2014</i>	<i>% Change</i>
<i>General Levy</i>	<i>\$4,123,317</i>	<i>\$4,114,317</i>	<i>-.2%</i>
<i>Debt Service Levy</i>	<i>\$329,638</i>	<i>\$1,116,425</i>	<i>238.7%</i>
<i>Total Levy</i>	<i>\$4,452,955</i>	<i>\$5,230,742</i>	<i>17.5%</i>

**City of East Bethel  
2014 Preliminary General Fund Budget (Summary)**

<a href="#">back</a>	Account Description	2011 Actual	2012 Actual	Actual - 7/31/13	FY 2013 Budget	FY 2014 Budget	% Change
<b>General Fund</b>							
<b>Revenues</b>							
	Property Tax	4,428,762.00	4,225,662.00	2,158,497.40	4,123,317.00	4,114,317.00	0%
	Franchise Taxes	37,875.00	40,227.00	22,809.29	37,000.00	41,000.00	11%
	Licenses and Fees	39,103.00	38,325.00	28,960.00	37,250.00	35,900.00	-4%
	Building Inspection Permits	107,181.00	152,980.00	149,643.48	155,700.00	216,000.00	39%
	State Aid	223,929.00	222,965.00	186,825.50	216,506.00	250,488.00	16%
	Fines and Forfeits	49,292.00	52,470.00	31,230.48	50,000.00	55,000.00	10%
	Intergovernmental Charges	37,548.00	97,809.00	81,664.54	93,000.00	73,000.00	-22%
	Other Fees	7,529.00	11,419.00	2,264.48	6,360.00	6,430.00	1%
	Cemetery Revenue	8,775.00	6,200.00	4,750.00	5,000.00	6,000.00	20%
	Other / Gambling Proceeds	40,707.00	49,384.00	22,851.72	38,000.00	41,500.00	9%
	Interest Earnings	1,715.00	2,100.00	3,922.41	2,000.00	2,000.00	0%
<b>Total Revenues - General Fund</b>		<b>4,982,416.00</b>	<b>4,899,541.00</b>	<b>2,693,419.30</b>	<b>4,764,133.00</b>	<b>4,841,635.00</b>	<b>1.6%</b>
<b>Expenditures</b>							
<b>General Government</b>							
	Council	76,911.00	76,008.00	45,395.02	87,059.00	84,517.00	-3%
	City Administration	242,927.00	206,887.00	111,493.85	210,061.00	218,701.00	4%
	Elections	-	8,709.00	-	2,170.00	13,355.00	515%
	City Clerk	102,205.00	102,918.00	53,659.06	103,331.00	102,182.00	-1%
	Finance	224,841.00	225,500.00	152,647.60	226,086.00	228,213.00	1%
	Assessing	45,456.00	45,804.00	25,640.76	51,700.00	51,700.00	0%
	Legal	154,469.00	157,727.00	81,080.37	150,500.00	150,500.00	0%
	Human Resources	26,166.00	-	3,164.00	2,975.00	3,250.00	9%
	Government Buildings	34,063.00	47,106.00	17,815.36	44,750.00	43,750.00	-2%
	Risk Management	97,629.00	96,210.00	103,123.00	99,800.00	105,150.00	5%
	Central Services	79,330.00	77,758.00	44,931.48	99,405.00	97,864.00	-2%
<b>Total General Government</b>		<b>1,083,997.00</b>	<b>1,044,627.00</b>	<b>638,950.50</b>	<b>1,077,837.00</b>	<b>1,099,182.00</b>	<b>2%</b>
<b>Community Development</b>							
	Planning and Zoning	201,518.00	169,260.00	101,219.94	208,391.00	176,771.00	-15%
	Building Inspection	232,508.00	139,412.00	84,404.37	186,940.00	238,685.00	28%
<b>Total Community Development</b>		<b>434,026.00</b>	<b>308,672.00</b>	<b>185,624.31</b>	<b>395,331.00</b>	<b>415,456.00</b>	<b>13%</b>
<b>Public Safety</b>							
	Police Protection	1,036,087.00	959,924.00	502,798.15	961,144.00	989,512.00	3%
	Fire Protection	513,332.00	511,145.00	309,983.54	537,783.00	555,101.00	3%
<b>Total Public Safety</b>		<b>1,549,419.00</b>	<b>1,471,069.00</b>	<b>812,781.69</b>	<b>1,498,927.00</b>	<b>1,544,613.00</b>	<b>3%</b>
<b>Engineering</b>							
	Engineering	35,406.00	29,196.00	7,952.66	46,000.00	40,000.00	-13%
<b>Total Engineering</b>		<b>35,406.00</b>	<b>29,196.00</b>	<b>7,952.66</b>	<b>46,000.00</b>	<b>40,000.00</b>	<b>-13%</b>
<b>Public Works</b>							
	Public Works - Parks Maintenance	372,692.00	376,067.00	198,129.66	397,567.00	398,079.00	0%
	Public Works - Streets	679,882.00	719,920.00	449,806.29	755,971.00	791,805.00	5%
<b>Total Public Works</b>		<b>1,052,574.00</b>	<b>1,095,987.00</b>	<b>647,935.95</b>	<b>1,153,538.00</b>	<b>1,189,884.00</b>	<b>3%</b>
<b>Civic Events</b>							
	Civic Events	4,737.00	2,501.00	2,500.00	2,500.00	2,500.00	0%
<b>Total Culture and Recreation</b>		<b>4,737.00</b>	<b>2,501.00</b>	<b>2,500.00</b>	<b>2,500.00</b>	<b>2,500.00</b>	<b>0%</b>
<b>Other</b>							
	Transfer to Building Capital	-	50,000.00	50,000.00	50,000.00	50,000.00	0%
	Transfer to Street Capital	400,000.00	425,000.00	425,000.00	425,000.00	425,000.00	0%
	Transfer to Parks Capital	94,120.00	100,000.00	75,000.00	75,000.00	75,000.00	0%
	Transfer to Trail Capital	58,484.00	5,000.00	-	-	-	N/A
	Contingency	-	-	-	40,000.00	-	-100%
<b>Total Other</b>		<b>552,604.00</b>	<b>580,000.00</b>	<b>550,000.00</b>	<b>590,000.00</b>	<b>550,000.00</b>	<b>-7%</b>
<b>Total Expenditures - General Fund</b>		<b>4,712,763.00</b>	<b>4,532,052.00</b>	<b>2,845,745.11</b>	<b>4,764,133.00</b>	<b>4,841,635.00</b>	<b>1.6%</b>
<b>Excess of Revenues over Expenditures - General Fund</b>		<b>269,653.00</b>	<b>367,489.00</b>	<b>(152,325.81)</b>	<b>-</b>	<b>-</b>	
<b>Tax Levies - City</b>							
	General Fund Tax Levy	4,681,345.00	4,191,470.00	-	4,123,317.00	4,114,317.00	0%
	2005 A	144,756.00	147,328.00	-	149,638.00	146,425.00	-2%
	2008 A	109,500.00	158,000.00	-	180,000.00	180,000.00	0%
	2010 A	-	-	-	-	490,000.00	N/A
	2010 B	-	-	-	-	300,000.00	N/A
	2010 C	-	-	-	-	-	N/A
<b>Total Levy - City</b>		<b>4,935,601.00</b>	<b>4,496,798.00</b>	<b>-</b>	<b>4,452,955.00</b>	<b>5,230,742.00</b>	<b>17.5%</b>
<b>Tax Levies - Special Levies</b>							
	City HRA	126,058.00	-	-	-	-	
	County HRA	187,920.00	-	-	-	-	
	City EDA	-	163,428.00	-	144,670.00	133,022.00	
<b>Total Levy - Special</b>		<b>313,978.00</b>	<b>163,428.00</b>	<b>-</b>	<b>144,670.00</b>	<b>133,022.00</b>	<b>-8.1%</b>

City of East Bethel  
Preliminary 2014 Debt Service Budget (Summary)

Debt Service

Fund Description Fund Number	2005 A 301	2005 B 303	2008 A 308	2010 309	2010A 310	2010B 311	2010 C 312	Total
<b>Revenue</b>								
Levy	146,425		180,000		490,000	300,000	-	1,116,425
Special Assessments		28,125	17,500					45,625
Hook Up Fees								-
Reimbursement from Federal Government					315,152	120,312		435,463
Transfer from General				5,000				5,000
<b>Total Revenue</b>	<b>146,425</b>	<b>28,125</b>	<b>197,500</b>	<b>5,000</b>	<b>805,152</b>	<b>420,312</b>	<b>-</b>	<b>1,602,513</b>
<b>Expenditures</b>								
Debt Service - Principal	85,000	55,000	150,000	3,000				293,000
Interest	55,983	5,305	46,560	596	767,073	376,563	41,733	1,293,812
Fiscal Agent Fees	500	500	500		500	500	500	3,000
<b>Total Expenditures</b>	<b>141,483</b>	<b>60,805</b>	<b>197,060</b>	<b>3,596</b>	<b>767,573</b>	<b>377,063</b>	<b>42,233</b>	<b>1,589,812</b>
<b>Revenue over Expenditures</b>	<b>4,942</b>	<b>(32,680)</b>	<b>440</b>	<b>1,404</b>	<b>37,579</b>	<b>43,249</b>	<b>(42,233)</b>	<b>12,702</b>

**City of East Bethel**  
**Preliminary 2014 Special Revenue Fund Budget (Summary)**

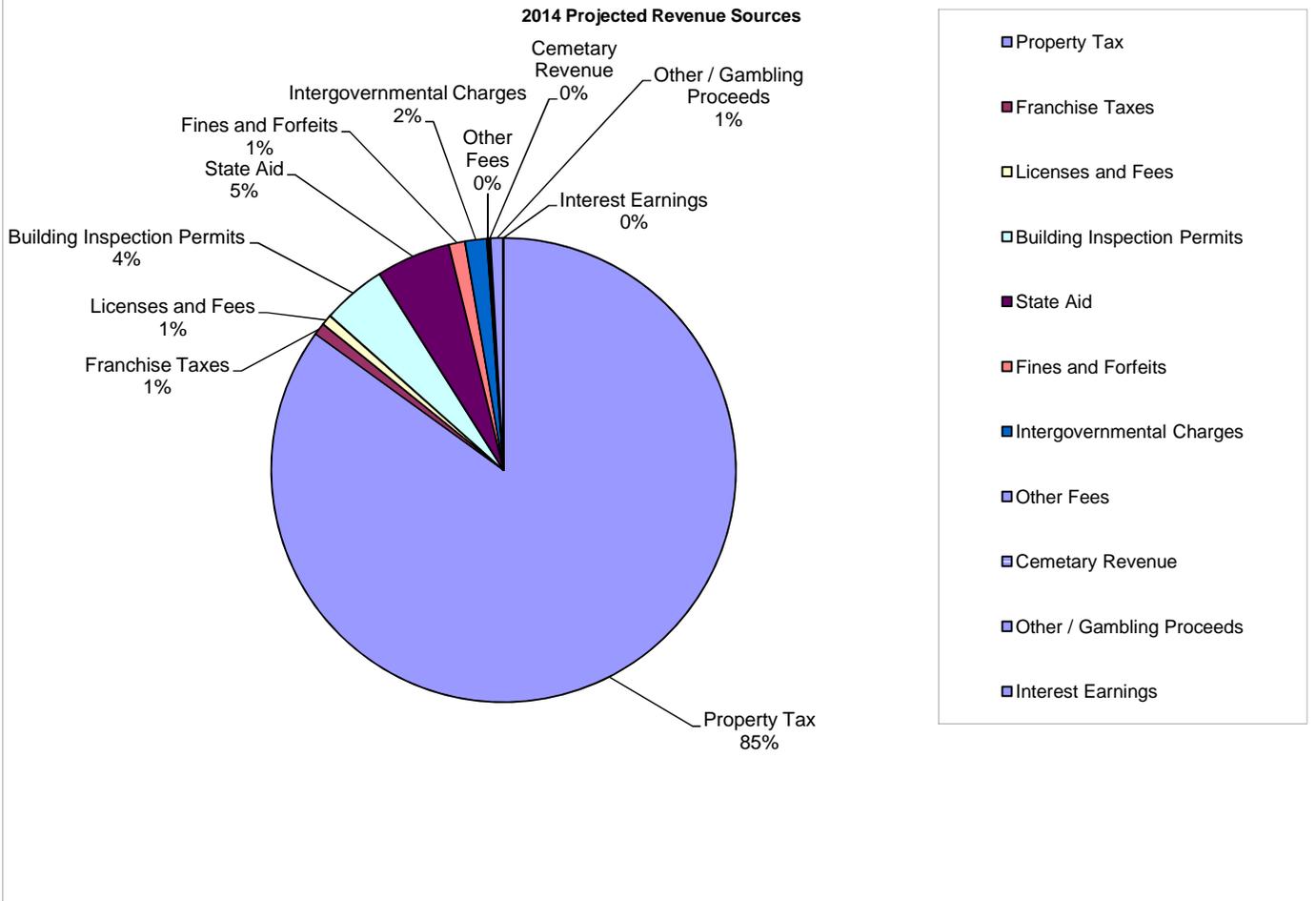
**Special Revenue Funds**

Fund Description Fund Number	EDA	HRA	Recycling	Total
<b>Revenue</b>				
Levy	133,022			133,022
County Grants			30,660	30,660
Fees			2,500	2,500
<b>Total Revenue</b>	<b>133,022</b>	<b>-</b>	<b>33,160</b>	<b>166,182</b>
<b>Expenditures</b>				
Salaries and Wages		-	510	510
Supplies	200	100	550	850
Fees for Service	48,914	7,800	32,100	88,814
Contingency	27,908			27,908
Transfer to General	56,000	15,000		71,000
<b>Total Expenditures</b>	<b>133,022</b>	<b>22,900</b>	<b>33,160</b>	<b>189,082</b>
<b>Revenue over Expenditures</b>	<b>-</b>	<b>(22,900)</b>	<b>-</b>	<b>(22,900)</b>

**2014 General Fund Revenue Sources**

Property Tax	4,114,317
Franchise Taxes	41,000
Licenses and Fees	35,900
Building Inspection Permits	216,000
State Aid	250,488
Fines and Forfeits	55,000
Intergovernmental Charges	73,000
Other Fees	6,430
Cemetary Revenue	6,000
Other / Gambling Proceeds	41,500
Interest Earnings	2,000

**Total Revenue 4,841,635**



**2014 General Fund Expenditures**

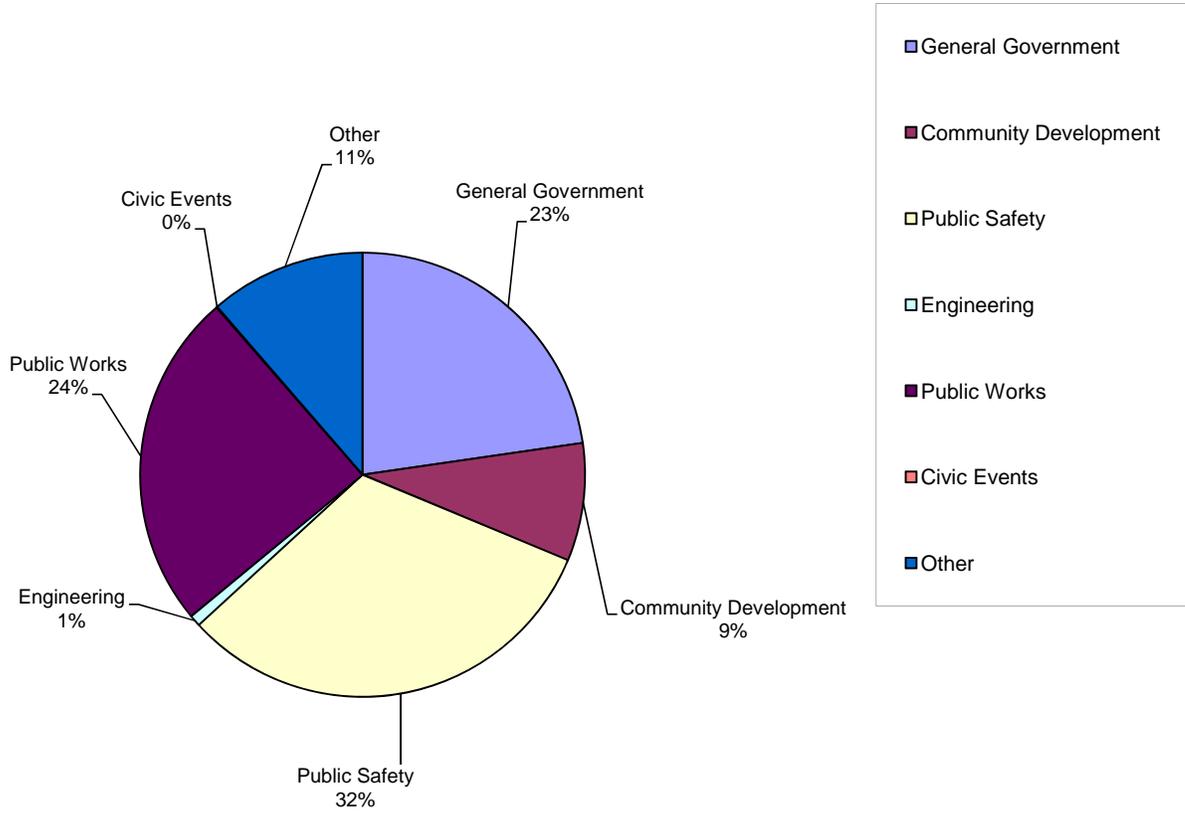
General Government	1,099,182
Community Development	415,456
Public Safety	1,544,613
Engineering	40,000
Public Works	1,189,884
Civic Events	2,500
Other	550,000

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<b>Total Expenditures</b>	<b>4,841,635.00</b>
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**2014 Projected Expenditures**



**Tax Capacity**

	Payable 2011	Payable 2012	Payable 2013	*Payable 2014
Tax Capacity	9,486,806	8,433,841	7,725,613	7,531,689
TIF Captured Value		-11.1%	-8.4%	-2.5%
AW Contribution	(459,634)	(402,060)	(395,562)	(356,230)
<b>Net Tax Capacity</b>	<b>9,027,172</b>	<b>8,031,781</b>	<b>7,330,051</b>	<b>7,175,459</b>

**Levies**

Certified General Levy	4,681,345	4,191,470	4,123,317	4,114,317
Certified Bond Levy	109,500	158,000	180,000	970,000
Area-Wide Contribution	(827,280)	(831,039)	(768,555)	(768,555)
<b>Local Levy</b>	<b>3,963,565</b>	<b>3,518,431</b>	<b>3,534,762</b>	<b>4,315,762</b>

2005A Referendum Levy	144,756	147,328	149,638	146,425
<b>Total Referendum Levy</b>	<b>144,756</b>	<b>147,328</b>	<b>149,638</b>	<b>146,425</b>
Taxable Market Value	873,234,900	839,805,900	780,015,900	714,502,336

**Tax Rates**

City Tax Rate	43.91%	43.81%	48.22%	60.15%
2005 A Referendum Rate	0.01658%	0.01754%	0.01918%	0.02049%

**Total Tax Rate**

	<b>43.92%</b>	<b>43.82%</b>	<b>48.24%</b>	<b>60.17%</b>
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**Sample Taxes**

300,000 Home	1,317.71	1,314.72	1,447.26	1,805.00
200,000 Home	878.47	876.48	964.84	1,203.33
150,000 Home	658.85	657.36	723.63	902.50
100,000 Home	439.24	438.24	482.42	601.67

\* Tax Capacity is calculated by multiplying market values by each classifications class rate

\*Tax Capacity and Fiscal Disparity calculations are preliminary at this stage

\*AW Contribution is fiscal disparities related as a certain percentage of commercial properties valued are shared within the metro area

**CITY OF EAST BETHEL  
EAST BETHEL, MINNESOTA**

**RESOLUTION NO. 2013-50**

**RESOLUTION SETTING DATE FOR FINAL BUDGET AND TAX LEVY HEARING**

**WHEREAS**, Minnesota Statutes 275.065 requires that on or before September 15<sup>th</sup> of every year, at a regularly scheduled meeting of the City Council at which the City Council adopts a preliminary property tax levy, the City Council must announce the time and place of a regularly scheduled meeting at which the final property tax levy and budget will be discussed and the final property tax levy and budget will be determined.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST BETHEL, MINNESOTA THAT:** the regularly scheduled meeting on Wednesday, December 4, 2013 at 7:30 PM at City Hall is hereby designated as the meeting at which City Council will discuss and adopt the final 2014 Property Tax Levy and 2014 Budget.

**BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:** a certified copy of this resolution be provided to the Anoka County Auditor.

Adopted this 4<sup>th</sup> day of September, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

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Richard Lawrence, Mayor

ATTEST:

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Jack Davis, City Administrator

**CITY OF EAST BETHEL  
EAST BETHEL, MINNESOTA**

**RESOLUTION NO. 2013-51**

**RESOLUTION SETTING THE PRELIMINARY PROPERTY TAX LEVY AND  
BUDGET FOR 2014**

**WHEREAS**, Minnesota Statutes Chapter 275.065 requires that the City Council adopt a preliminary property tax levy and budget on or before September 15; and

**WHEREAS**, the City Council has considered the operating needs and debt service needs for fiscal year 2014.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:** the preliminary property tax levies and budgets for the General Fund and the Debt Service Funds for 2014 are as follows:

General Levy:	\$4,114,317
Debt Service Levy:	
2008 Sewer Revenue Bonds	\$ 180,000
2005 Public Safety Bonds – Referendum Market Value Levy	\$ 146,425
2010A	\$ 490,000
2010B	\$ 300,000
	<u>\$5,230,742</u>

*\*The above levy includes the amount necessary to cover debt service requirements in 2014 and cancels any previous scheduled amounts.*

<u>Budgets:</u>	General Fund	\$4,841,635
	Debt Service	\$1,589,812

**BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:** a certified copy of this Resolution be provided to the Anoka County Auditor.

Adopted this 4<sup>th</sup> day of September, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

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Richard Lawrence, Mayor

ATTEST:

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Jack Davis, City Administrator

**CITY OF EAST BETHEL  
EAST BETHEL, MINNESOTA**

**RESOLUTION NO. 2013-52**

**RESOLUTION SETTING THE PRELIMINARY ECONOMIC DEVELOPMENT  
AUTHORITY PROPERTY TAX LEVY AND BUDGET FOR 2014**

**WHEREAS**, Minnesota Statutes Chapter 275.065 requires that the City Council adopt a preliminary property tax levy and budget on or before September 15; and

**WHEREAS**, the City Council has considered the operating needs of the Economic Development Authority for fiscal year 2014.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:** the preliminary property tax levy and budgets for the Economic Development Authority for 2014 are as follows:

Economic Development Authority General Levy      \$133,022

Economic Development Authority Budget              \$133,022

**BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:** a certified copy of this Resolution be provided to the Anoka County Auditor.

Adopted this 4<sup>th</sup> day of September, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

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Richard Lawrence, Mayor

ATTEST:

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Jack Davis, City Administrator

**CITY OF EAST BETHEL  
EAST BETHEL, MINNESOTA**

**RESOLUTION NO. 2013-53**

**A RESOLUTION CONSENTING TO THE HOUSING & REDEVELOPMENT  
AUTHORITY IN AND FOR THE CITY OF EAST BETHEL  
ADOPTING A 2013 TAX LEVY COLLECTIBLE IN 2014**

**WHEREAS**, the Housing and Redevelopment Authority, in and for the City of East Bethel, at its meeting on April 3, 2013, adopted no tax levy in 2013 collectible in 2014; and

**WHEREAS**, the City Council must consent to any Authority levy prior to it becoming effective, as required by Minnesota Statutes Section 469.033.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EAST BETHEL, MINNESOTA THAT** the Council hereby consents to the HRA's action of no tax levy for 2014.

Adopted this 4th day of September, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

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Richard Lawrence, Mayor

ATTEST:

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Jack Davis, City Administrator



# City of East Bethel City Council Agenda Information

\*\*\*\*\*

**Date:**

September 4, 2013

\*\*\*\*\*

**Agenda Item Number:**

Item 6.0 A-C

\*\*\*\*\*

**Agenda Item:**

Consent Agenda

\*\*\*\*\*

**Requested Action:**

Consider approving Consent Agenda as presented

\*\*\*\*\*

**Background Information:**

Item A

Approve Bills

Item B

Consider Resolution 2013-54 Accepting Bid for the Whispering Aspen Street Surface Improvement Project

As requested staff has received and opened bids for the Whispering Aspen Street Surface Improvement Project. The project will consist of overlaying the streets and the repair of sidewalks, curb and gutter, and hydrants in the plat of Whispering Aspen. This project is on the City's approved Capital Improvement Program and will be financed from the City Streets Capital Fund and through funds that are collected from the developer for street improvements in accordance with the Developers Agreement.

Staff also received an alternate bid to provide eight sewer and water services to eight potential residential lots that would be north of and adjacent to 244<sup>th</sup> Avenue. The construction plan for this work is attached. This alternate could be finance by the excess utility bond funds.

A detailed summary of the Base Bids and the Alternate Bid for all the contractors is included on the attached resolution. North Metro Asphalt & Contracting was the low bidder for both the Base Bid and the Alternate Bid. The Base Bid and Alternate Bid is \$ 268,888.65 and \$ 100,633.85 respectively.

Staff recommends approval of Resolution 2013-54 Accepting Bid for both the Base Bid and Alternate Bid No. 1. Staff also recommends awarding the contract for the proposed Whispering Aspen Street Surface Improvement Project to North Metro Asphalt & Contracting in the amount of \$ 369,522.50.

Item C

Consider Resolution 2013-55, directing the preparation of the proposed assessment costs for the project.

The East Bethel City Council contacted affected property owners concerning an assessment notice and held a public hearing on Wednesday, October 6, 2010, at 7:30 p.m. at the East Bethel City Hall located at 2241 221<sup>st</sup> Avenue NE in East Bethel pursuant to Minnesota Statutes, Chapter 429 to consider the following improvements:

1. Municipal sanitary sewer and water system improvements for the Phase I Project 1 Utility Infrastructure project.. The area to be served by these public improvements is bounded on the south by 181<sup>st</sup> Avenue NE, Viking Boulevard on the north and three-quarters of a mile either side of Trunk Highway 65 in the City of East Bethel, Minnesota. A reasonable estimate of the impact of the assessment was presented at the hearing.

In order to complete the assessment process, Council must direct the City Clerk and Engineer of Record to prepare a proposed assessment of costs for the project referenced above. Staff recommends approval of Resolution 2013-55, directing the preparation of the proposed assessment costs for the project.

\*\*\*\*\*

**Fiscal Impact:**

As noted above.

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**Recommendation(s):**

Staff recommends approval of the Consent Agenda as presented.

\*\*\*\*\*

**City Council Action**

Motion by: \_\_\_\_\_

Second by: \_\_\_\_\_

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Vote Yes: \_\_\_\_\_

Vote No: \_\_\_\_\_

No Action Required: \_\_\_\_\_



**Payments for Council Approval September 4, 2013**

Bills to be Approved for Payment	\$35,075.82
Electronic Payments	\$26,584.51
Payroll City Staff - August 29, 2013	\$37,617.71
<b>Total to be Approved for Payment</b>	<b>\$99,278.04</b>

# City of East Bethel

September 4, 2013

## Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Arena Operations	Electric Utilities	082113	Connexus Energy	615	49851	\$548.90
Arena Operations	Gas Utilities	380472273	Xcel Energy	615	49851	\$74.43
Arena Operations	Refuse Removal	479225	Walters Recycling, Inc.	615	49851	\$0.00
Building Inspection	Telephone	332373310-141	Nextel Communications	101	42410	\$21.67
Building Inspection	Tires	1-35267	Steve's Tire Inc.	101	42410	\$511.78
Building Inspection	Tires	1-35287	Steve's Tire Inc.	101	42410	\$511.78
Central Services/Supplies	Information Systems	230029	Anoka County Treasury Dept	101	48150	\$675.00
Central Services/Supplies	Office Supplies	666485792001	Office Depot	101	48150	\$89.43
Central Services/Supplies	Office Supplies	54182890	Zee Medical Service	101	48150	\$372.09
Central Services/Supplies	Printing and Duplicating	47684	Business Forms & Acctg Systems	101	48150	\$291.77
Central Services/Supplies	Printing and Duplicating	47697	Business Forms & Acctg Systems	101	48150	\$80.16
Central Services/Supplies	Small Tools and Minor Equip	DX03852	CDW Government, Inc.	101	48150	\$59.97
Central Services/Supplies	Telephone	1197049	Integra Telecom	101	48150	\$224.01
City Administration	Personnel Advertising	IP 00846404	ECM Publishers, Inc.	101	41320	\$135.00
City Administration	Personnel Advertising	IQ 01817963	ECM Publishers, Inc.	101	41320	\$113.00
City Administration	Telephone	332373310-141	Nextel Communications	101	41320	\$9.11
City Administration	Travel Expenses	082713	Jack Davis	101	41320	\$130.52
Donations	Reimbursement	072213	Rachel Peterson and Friends	227		\$38.90
Economic Development Authority	Professional Services Fees	082713	Jill Teetzel	232	23200	\$225.00
Fire Department	Electric Utilities	082113	Connexus Energy	101	42210	\$798.47
Fire Department	Gas Utilities	380472273	Xcel Energy	101	42210	\$90.60
Fire Department	Refuse Removal	479225	Walters Recycling, Inc.	101	42210	\$42.22
Fire Department	Telephone	1197049	Integra Telecom	101	42210	\$139.98
Fire Department	Telephone	332373310-141	Nextel Communications	101	42210	\$55.04
Fire Department	Telephone	332373310-141	Nextel Communications	101	42210	(\$11.48)
General Govt Buildings/Plant	Electric Utilities	082113	Connexus Energy	101	41940	\$1,508.63
General Govt Buildings/Plant	Gas Utilities	380472273	Xcel Energy	101	41940	\$75.07
General Govt Buildings/Plant	Refuse Removal	479225	Walters Recycling, Inc.	101	41940	\$31.59
Mayor/City Council	Conferences/Meetings	080613	Heidi Moegerle	101	41110	\$12.00
Mayor/City Council	Travel Expenses	080613	Heidi Moegerle	101	41110	\$58.01
Park Maintenance	Bldg/Facility Repair Supplies	65743264	John Deere Landscapes	101	43201	\$109.49
Park Maintenance	Bldg/Facility Repair Supplies	31645	Menards Cambridge	101	43201	\$149.69
Park Maintenance	Bldg/Facility Repair Supplies	S3113938.001	Pipeline Supply, Inc.	101	43201	\$8.36
Park Maintenance	Chemicals and Chem Products	65713571	John Deere Landscapes	101	43201	\$59.19
Park Maintenance	Clothing & Personal Equipment	1182584209	G&K Services - St. Paul	101	43201	\$19.46
Park Maintenance	Clothing & Personal Equipment	1182629233	G&K Services - St. Paul	101	43201	\$19.46
Park Maintenance	Clothing & Personal Equipment	1182662916	G&K Services - St. Paul	101	43201	\$19.46
Park Maintenance	Electric Utilities	082113	Connexus Energy	101	43201	\$711.93
Park Maintenance	Equipment Parts	100994-IN	Minnesota Wanner Company	101	43201	\$53.81
Park Maintenance	Equipment Parts	1539-237884	O'Reilly Auto Stores Inc.	101	43201	\$17.06
Park Maintenance	General Operating Supplies	429767	Ham Lake Hardware	101	43201	\$9.07
Park Maintenance	Park/Landscaping Materials	16769	Bjorklund Companies, LLC	101	43201	\$756.38
Park Maintenance	Park/Landscaping Materials	16805	Bjorklund Companies, LLC	101	43201	\$209.21
Park Maintenance	Park/Landscaping Materials	30100	Central Wood Products	101	43201	\$156.73
Park Maintenance	Park/Landscaping Materials	30040584	Federated Co-ops	101	43201	\$213.73

# City of East Bethel

September 4, 2013

## Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
Park Maintenance	Park/Landscaping Materials	31963	Menards Cambridge	101	43201	\$169.62
Park Maintenance	Park/Landscaping Materials	32330	Menards Cambridge	101	43201	\$51.08
Park Maintenance	Park/Landscaping Materials	32428	Menards Cambridge	101	43201	\$5.64
Park Maintenance	Professional Services Fees	082713	Jill Teetzel	101	43201	\$125.00
Park Maintenance	Small Tools and Minor Equip	4042083069	BlueTarp Financial, Inc.	101	43201	\$16.06
Park Maintenance	Small Tools and Minor Equip	258520	S & S Industrial Supply	101	43201	\$50.04
Park Maintenance	Telephone	1197049	Integra Telecom	101	43201	\$51.32
Park Maintenance	Telephone	332373310-141	Nextel Communications	101	43201	\$71.00
Payroll	Insurance Premiums	09 2013	Dearborn National Life Ins Co.	101		\$1,150.05
Payroll	Insurance Premiums	09 2013	Medica Health Plans	101		\$12,147.84
Payroll	Insurance Premiums	09 2013	NCPERS Minnesota	101		\$128.00
Planning and Zoning	Dues and Subscriptions		MN Secretary of State - Notary	101	41910	\$120.00
Planning and Zoning	Escrow Reimbursement	082813	Scott and Kari Brazinsky	101		\$450.00
Planning and Zoning	Legal Notices	IQ 01818119	ECM Publishers, Inc.	101	41910	\$46.13
Planning and Zoning	Legal Notices	IQ 01818177	ECM Publishers, Inc.	101	41910	\$46.13
Planning and Zoning	Professional Services Fees	082713	Jill Teetzel	101	41910	\$235.00
Recycling Operations	Electric Utilities	082113	Connexus Energy	226	43235	\$128.27
Recycling Operations	Gas Utilities	380472273	Xcel Energy	226	43235	\$26.72
Recycling Operations	Professional Services Fees	09 2013	Cedar East Bethel Lions	226	43235	\$1,000.00
Recycling Operations	Refuse Removal	479225	Walters Recycling, Inc.	226	43235	\$264.98
Recycling Operations	Repairs/Maint Machinery/Equip	150020665	Pomp's Tire Service, Inc.	226	43235	\$128.00
Sewer Operations	Bldg/Facility Repair Supplies	36435	Menards - Forest Lake	602	49451	\$117.33
Sewer Operations	Bldgs/Facilities Repair/Maint	21324	Westco Environmental Services	602	49451	\$1,522.08
Sewer Operations	Electric Utilities	082113	Connexus Energy	602	49451	\$1,010.05
Sewer Operations	Electric Utilities	082113	Connexus Energy	602	49451	\$81.95
Street Capital Projects	Legal Notices	IQ 01818197	ECM Publishers, Inc.	406	40600	\$112.75
Street Maintenance	Bldgs/Facilities Repair/Maint	1182584209	G&K Services - St. Paul	101	43220	\$9.80
Street Maintenance	Bldgs/Facilities Repair/Maint	1182629233	G&K Services - St. Paul	101	43220	\$9.80
Street Maintenance	Bldgs/Facilities Repair/Maint	1182662916	G&K Services - St. Paul	101	43220	\$5.70
Street Maintenance	Clothing & Personal Equipment	1182584209	G&K Services - St. Paul	101	43220	\$14.47
Street Maintenance	Clothing & Personal Equipment	1182629233	G&K Services - St. Paul	101	43220	\$14.47
Street Maintenance	Clothing & Personal Equipment	1182662916	G&K Services - St. Paul	101	43220	\$14.47
Street Maintenance	Electric Utilities	082113	Connexus Energy	101	43220	\$131.96
Street Maintenance	Electric Utilities	082113	Connexus Energy	101	43220	\$1,571.75
Street Maintenance	Equipment Parts	F-232330009	Allstate Peterbilt North	101	43220	\$17.90
Street Maintenance	Equipment Parts	28970976	BlueTarp Financial, Inc.	101	43220	\$76.18
Street Maintenance	Equipment Parts	4042083062	BlueTarp Financial, Inc.	101	43220	(\$106.86)
Street Maintenance	Equipment Parts	4043020710	BlueTarp Financial, Inc.	101	43220	\$170.94
Street Maintenance	Equipment Parts	P14955	MN Equipment Solutions	101	43220	\$110.99
Street Maintenance	Equipment Parts	P14964	MN Equipment Solutions	101	43220	\$70.41
Street Maintenance	Gas Utilities	380472273	Xcel Energy	101	43220	\$21.38
Street Maintenance	Motor Vehicles Parts	21348	Hayford Ford	101	43220	\$191.92
Street Maintenance	Motor Vehicles Parts	1539-236134	O'Reilly Auto Stores Inc.	101	43220	\$54.65
Street Maintenance	Professional Services Fees	082713	Jill Teetzel	101	43220	\$180.00
Street Maintenance	Refuse Removal	479225	Walters Recycling, Inc.	101	43220	\$247.64



# City of East Bethel

September 4, 2013

## Payment Summary

Department	Description	Invoice	Vendor	Fund	Dept	Amount
<b>Electronic Payments</b>						
Payroll	PERA					\$5,802.44
Payroll	Federal Withholding					\$6,720.81
Payroll	Medicare Withholding					\$1,633.54
Payroll	FICA Tax Withholding					\$6,984.60
Payroll	State Withholding					\$2,641.55
Payroll	State Wage Levy					\$185.83
Payroll	MSRS/HCSP					\$2,615.74
						<b>\$26,584.51</b>

**CITY OF EAST BETHEL  
EAST BETHEL, MINNESOTA**

**RESOLUTION NO. 2013-54**

**RESOLUTION ACCEPTING BID**

**WHEREAS**, pursuant to the advertisement for bids for the Whispering Aspen Street Surface Improvement Project, bids were received, opened and tabulated according to law, and the following Base Bids were received complying with the advertisement:

North Metro Asphalt & Contracting	\$268,888.65
North Valley, Inc.	\$281,933.45
Knife River Corporation	\$334,628.90
Hardrives, Inc.	\$392,145.30

**AND WHEREAS**, the City received Alternate Bid No. 1, which provides sewer and water service to eight potential residential lots;

**AND WHEREAS**, the following Alternate No. 1 Bids were received complying with the advertisement:

North Metro Asphalt & Contracting	\$100,633.85
North Valley, Inc.	\$127,091.47
Knife River Corporation	\$138,264.95
Hardrives, Inc.	\$145,066.80

**AND WHEREAS**, Staff recommends that Council accept the Base Bid and Alternate Bid No. 1;

**AND WHEREAS**, it appears that North Metro Asphalt & Contracting of Ham Lake, Minnesota is the lowest responsible bidder;

**AND WHEREAS**, the City accepts the bid proposal in the amount of \$369,522.50.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL, MINNESOTA THAT:**

1. The Mayor and City Administrator are hereby authorized and directed to enter into a contract with North Metro Asphalt & Contracting of Ham Lake, Minnesota in the name of the City of East Bethel for the Whispering Aspen Street Surface Improvement Project, according to the plans and specifications therefore approved by the City Council and on file in the office of the City Clerk.

2. The City Engineer is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except that the deposits of the successful bidder and the next lowest bidder shall be retained until a contract has been signed.

Adopted this 4<sup>th</sup> day of September, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

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Richard Lawrence, Mayor

ATTEST:

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Jack Davis, City Administrator



**CITY OF EAST BETHEL  
EAST BETHEL, MINNESOTA**

**RESOLUTION NO. 2013-55**

**RESOLUTION DECLARING COST TO BE ASSESSED, AND ORDERING  
PREPARATION OF PROPOSED ASSESSEMENT**

**WHEREAS**, the Municipal Utilities Project has been substantially completed;

**WHEREAS**, assessable properties affected by improvements of this project were notified and a public hearing was conducted on October 6, 2010 pursuant Minnesota Statute 429;

**NOW THEREFORE**, BE IT RESOLVED BY THE CITY COUNCIL OF EAST BETHEL MINNESOTA THAT:

1. The City Clerk with the assistance of the City Consulting Engineer shall forthwith calculate the proper amount to be specially assessed for such improvement against every assessable lot, piece or parcel of land within the district affected, without regard to cash valuation, as provided by law, and shall file a file of such proposed assessment in his office for public inspection.
2. The Clerk shall upon completion of such proposed assessment, notify the Council thereof and request an order for a public hearing for the proposed assessments

Adopted this 4<sup>th</sup> day of September, 2013 by the City Council of the City of East Bethel.

CITY OF EAST BETHEL

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Richard Lawrence, Mayor

ATTEST:

---

Jack Davis, City Administrator



# City of East Bethel Planning Commission Agenda Information

\*\*\*\*\*

**Date:**

September 4, 2013

\*\*\*\*\*

**Agenda Item Number:**

Item 7.0 B.1

\*\*\*\*\*

**Agenda Item:**

Interim Use Permit for a home-based hair salon

\*\*\*\*\*

**Requested Action:**

Consider Granting an Interim Use Permit (IUP) for Stacie Arneson for a Home Occupation in the R-1 – Single Family Residential District.

\*\*\*\*\*

**Background Information:**

**Property Owner/Applicant:**

Stacie Arneson  
929 197<sup>th</sup> Ave. NE  
East Bethel, MN 55011  
Lot 13, Block 1, Kable Country Estates

**Property Location:**

929 197<sup>th</sup> Ave. NE  
PIN 19-33-23-44-0017

The applicant, Stacie Arneson, is requesting an IUP to operate a home-based hair salon business. Stacie Arneson is a licensed cosmetologist and would be working by appointment only.

Business is conducted by appointment only so parking needs generated from the home occupation are small and shall be provided on-site, in the designated driveway.

**Attachments:**

1. Location Map
2. Application
3. City Code Appendix A, Section 10.19, Home Occupation

\*\*\*\*\*

**Fiscal Impact:**

Not Applicable

\*\*\*\*\*

**Recommendations:**

Planning Commission recommend approval to City Council for an IUP for a home occupation for a hair salon, located at 929 197th Avenue NE, Kable Country Estates, Lot 13 Blk 1, PIN 19-33-23-44-0017, with the following conditions:

1. Home Occupation shall meet the specific home occupation standards set forth in the City Code Appendix A Section 10-18:

- a. No more than three (3) persons, at least one (1) of whom shall reside within the principal dwelling, shall be employed by the Home Occupation.
  - b. No traffic shall be generated by any home occupation in a significantly greater volume than would normally be expected from a single-family residence.
  - c. Any sign associated with the home occupation shall be in compliance with the East Bethel City Code, Chapter 54. Signs. Home occupation signage must be no larger than two (2) square feet (City Code Chapter 54-4.3).
  - d. The home occupation shall not generate hazardous waste unless a plan for off-site disposal of the waste is approved.
  - e. A home occupation at a dwelling with an on-site sewage treatment system shall only generate normal domestic household waste unless a plan for off-site disposal of the waste is approved.
  - f. The home occupation shall not constitute, create, or increase a nuisance to the criteria and standards established in this ordinance.
  - g. There shall be no outdoor display or storage of goods, equipment, or materials for the home occupation.
  - h. Parking needs generated by the home occupation shall be provided on-site.
  - i. The area set aside for the home occupation in the principal structure shall not exceed 50 percent of the gross living area of the principal structure and the area set aside for the home occupation in the attached or detached accessory structures or garages shall not exceed total accessory structure space.
  - j. No structural alterations or enlargements shall be made for the sole purpose of conducting the home occupation.
  - k. There shall be no detriments to the residential character of the neighborhood due to the emission of noise, odor, smoke, dust, gas, heat, glare, vibration, electrical interference, traffic congestion, or any other nuisance resulting from the home occupation.
2. Violation of conditions and City Codes shall result in the revocation of the IUP.
  3. All conditions must be met no later than September 30, 2013. An IUP Agreement shall be signed and executed no later than September 30, 2013. Failure to execute the IUP Agreement will result in the null and void of the IUP.

\*\*\*\*\*

**City Council Action**

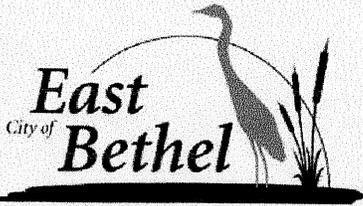
Motion by: \_\_\_\_\_ Second by: \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Vote Yes: \_\_\_\_\_ Vote No: \_\_\_\_\_

No Action Required: \_\_\_\_\_





# LAND USE APPLICATION

**OFFICE USE ONLY**  
 Date Rec'd 7/25/13  
 By JSB  
 Fee \$ 150 app  
300 review

- Check appropriate box:  VARIANCE  CUP  IUP  FINAL PLAT
- BUSINESS CONCEPT PLAN  PRELIMINARY PLAN  SITE PLAN REVIEW  OTHER \_\_\_\_\_

Application shall include the following items and be submitted thirty (30) days prior to scheduled meeting date.

Application is hereby made for an at home salon (provide narrative below describing proposed use).  
One licensed cosmetologist working by appointment only.

LOCATION: PID 19-33-23-44-0017 Legal: Lot 13 Block 1 Subdivision Kable Country Estates  
 PROPERTY ADDRESS: 929 197th Ave PRESENT ZONING: R1

**PROPERTY OWNER**

CONTACT NAME Stacie Arneson PHONE 612-636-2723  
 ADDRESS 929 197th Ave FAX \_\_\_\_\_  
 CITY/STATE/ZIP East Bethel, MN 55011 E-MAIL stylesbystacie@gmail.com

**APPLICANT**

CONTACT NAME SAME PHONE \_\_\_\_\_  
 ADDRESS \_\_\_\_\_ FAX \_\_\_\_\_  
 CITY/STATE/ZIP \_\_\_\_\_ E-MAIL \_\_\_\_\_

I fully understand that I must meet with City Staff to review all submission requirements and conditions prior to official submission, and that all of the required information must be submitted at least thirty (30) days prior to the Planning/Zoning Commission and City Council scheduled meeting dates to ensure review by City Staff.

Stacie Arneson  
 Property Owner's Signature

Stacie Arneson 7-23-13  
 Printed Name Date

**OFFICE USE ONLY - DO NOT COMPLETE**

	Received	Approved/Denied	Notes
Community Dvlp.	<u>7/25/13</u>	_____	
Planning Commission	<u>8/20/13</u>	_____	
City Council	<u>9/18/13</u>	_____	
_____ 60 Day _____ 120 Day			

North line

Over  
100' To Real  
Property line

Well

West Property line

26'  
To property  
line

38' overall

17' 21'  
25' 25'  
OS  
ST  
E  
N

14'  
House  
1368 sqft  
Garage  
673 sqft

Septic Tank

Fire Service  
Dish  
concrete  
slab  
business  
parking  
Dimension  
30x20

Over 100'  
To property line

Over 100'  
off of  
South property  
line

150'

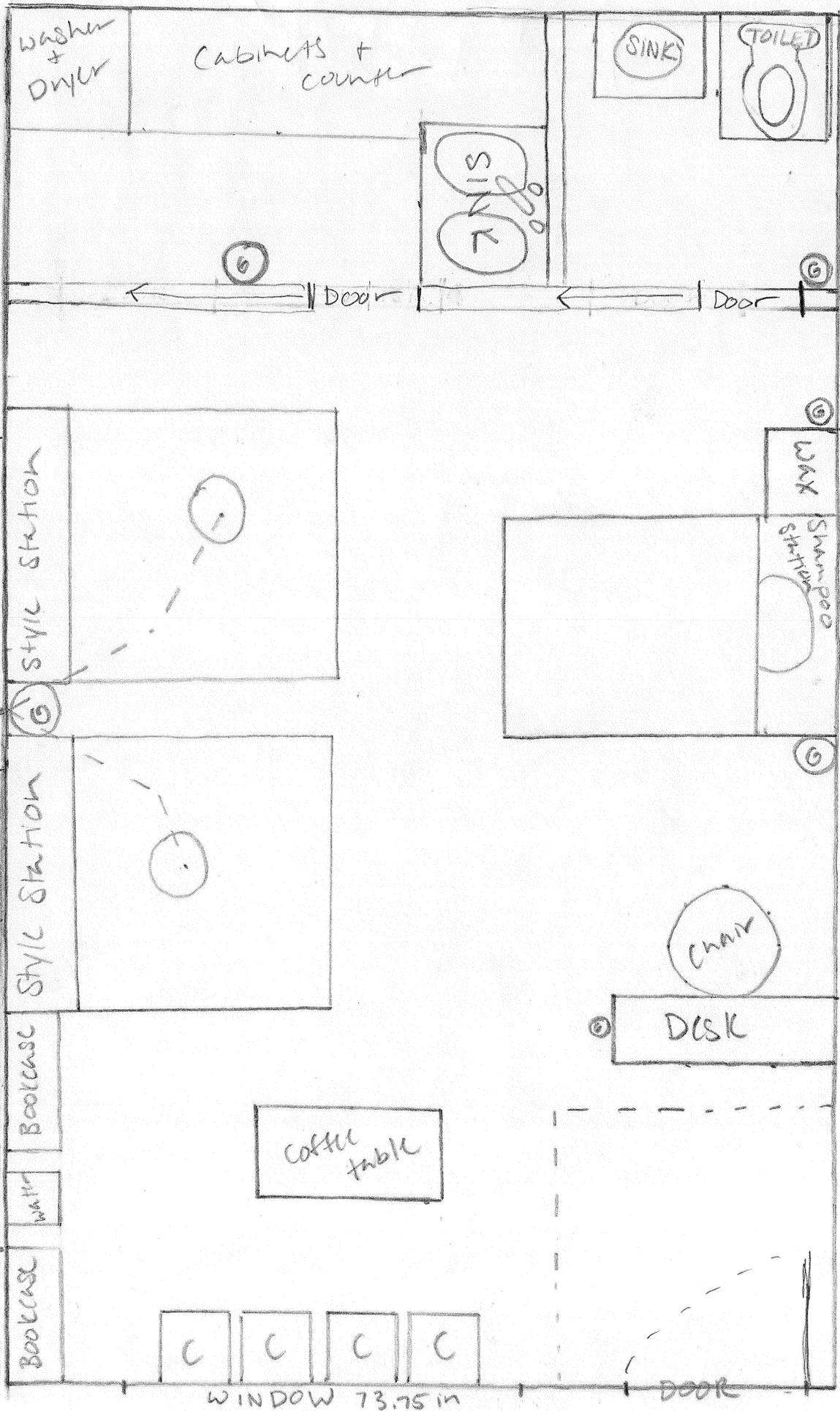
ASPHALT  
DRIVEWAY

Drain field

East Property line

197th Ave NE

1 cm = 1 foot



## **19. Home occupations.**

1. No more than three persons, at least one of whom shall reside within the principal dwelling, shall be employed by the home occupation.
2. No traffic shall be generated by any home occupation in a significantly greater volume than would normally be expected from a single-family residence.
3. Any sign associated with the home occupation shall be in compliance with the East Bethel Sign Ordinance.
4. The home occupation shall not generate hazardous waste unless a plan for off-site disposal of the waste is approved.
5. A home occupation at a dwelling with an on-site sewage treatment system shall only generate normal domestic household waste unless a plan for off-site disposal of the waste is approved.
6. The home occupation shall not constitute, create, or increase a nuisance to the criteria and standards established in this ordinance.
7. There shall be no outdoor display or storage of goods, equipment, or materials for the home occupation. Parking needs generated by the home occupation shall be provided on-site.
8. The area set aside for the home occupation in the principal structure shall not exceed 50 percent of the gross living area of the principal structure.
9. No structural alterations or enlargements shall be made for the sole purpose of conducting the home occupation.
10. There shall be no detriments to the residential character of the neighborhood due to the emission of noise, odor, smoke, dust, gas, heat, glare, vibration, electrical interference, traffic congestion, or any other nuisance resulting from the home occupation.
11. The area set aside for the home occupation in the attached or detached accessory structures or garages shall not exceed total accessory structure space.



# City of East Bethel City Council Agenda Information

\*\*\*\*\*

**Date:**

September 4, 2013

\*\*\*\*\*

**Agenda Item Number:**

Item 8.0 G.1

\*\*\*\*\*

**Agenda Item:**

Renewal of Land Lease for Cell Tower at the Ice Arena

\*\*\*\*\*

**Requested Action:**

Consider renewal options for Land Lease of Communications Tower

\*\*\*\*\*

**Background Information:**

The City of East Bethel entered into a contract with Nextel Corporation on November 24, 1998 for a lease of approximately 0.11 acres at the rear of the East Bethel Ice Arena which allowed the construction and use of a communications tower on the premises. The original agreement was for the lessee to pay the City \$1,000 per month subject to the greater of a 3% or the CPI increase annually. The current lease expires December 31<sup>st</sup>, 2018 and is currently held by American Tower. The 2013 monthly income is \$2,771.89 lease and \$400 for carrier rent or \$38,062.68 for the current year. American Tower proposes to extend the lease in ten- five year increments with American Tower having the option of cancelling the lease at the end of any of the installment periods. Under this agreement, total rent from 2013 to 2068 would be 5.1 million dollars.

The term of the lease and the City’s rights of cancellation are issues we need to discuss regarding this proposal.

As an incentive to renew the lease at this earlier date, American Tower has offered the City a one-time renewal bonus of \$50,000 in addition to the current rental agreement fee. Fees collected from this lease have been utilized to reduce the operational debt of the Ice Arena and by the end of 2014 the operational deficit of this enterprise fund is projected to be positive.

Staff has discussed proposals with two additional solicitors for the lease renewal, Tri-Star and Unison. The proposals are summarized as follows:

Option 1: Renew with American Tower

One time payment: \$50,000

Monthly Lease Revenue: \$2,771.89 with an annual increase of 3% or the CPI, whichever is greater

Monthly Carrier Revenue: \$400.00

Option 2: Unison

One time payment: \$450,000

Monthly Lease Revenue: \$0

Monthly Carrier Revenue: \$0

Option 3: Tri-Star

2014-2018

One time payment: \$0

Monthly Lease Revenue: \$2,000 (from Tri-Star)

Monthly Lease Revenue: \$2,771.89 subject to the greater of an annual 3% or CPI increase (from American Tower)

Monthly Carrier Revenue: \$400

From 2019-2023

Onetime payment: \$0

Monthly Lease Revenue: \$3,333

Option 4: Do not renew the current lease at this time and wait until 2017 to evaluate the market for renewal opportunities. We would still continue to receive our monthly rental fee from American Tower through 2017 (\$163,000) if this option is exercised.

\*\*\*\*\*

**Fiscal Impact:**

Projected Total Revenues 2014-2023 for Communications Tower Land Lease Proposal

American Tower 541,602.26

Tri Star 525,893.97

Unison 450,000.00

\*\*\*\*\*

**Recommendation(s):**

Staff is seeking direction from Council regarding these options.

\*\*\*\*\*

**City Council Action**

Motion by:\_\_\_\_\_

Second by:\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Vote Yes:\_\_\_\_\_

Vote No:\_\_\_\_\_

No Action Required:\_\_\_\_\_

**Communications Tower Land Lease Proposal - R 615-38067**

**\*Projected paid 2014-2023**

American Tower	541,602.26
Tri Star	525,893.97
Unison	450,000.00

## LEASE AMENDMENT

This **LEASE AMENDMENT** ("**Amendment**") is made effective as of the latter signature date hereof ("**Effective Date**") by and between CITY OF EAST BETHEL MN ("**Landlord**") and American Tower Asset Sub, LLC ("**Tenant**").

### RECITALS

**WHEREAS**, Landlord, or its predecessor in interest, and Tenant, or its predecessor in interest, entered into that certain ground lease (as amended, the "**Lease**"), whereby Tenant leases a portion of the real property owned by Landlord (the "**Parent Parcel**") such portion being defined and/or described in the Lease and including access and utilities easements and if applicable, guy wire/guy anchor easements (collectively the "**Leased Premises**").

**WHEREAS**, Landlord and Tenant desire to amend the terms of the Lease to extend the term thereof and as otherwise provided herein.

**NOW, THEREFORE**, in consideration of the foregoing recitals and mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **One-time Payment:** Tenant shall pay to Landlord a one-time payment in the amount of \$50,000.00, payable within ten (10) business days of the last to occur of the following; a) Tenant's receipt of this Amendment, Memorandum of Lease (a copy of which is attached hereto) by Landlord and any applicable forms needed to record the Memorandum of Lease (such forms to be supplied by Tenant) executed by Landlord by April 30<sup>th</sup> 2013, (b) Tenant's confirmation that Landlord is the sole owner of the Parent Parcel, that the entire Leased Premises is located on the Parent Parcel and that Landlord has the sole authority to execute this Amendment; and (c) Tenant's receipt of any other documents required by Tenant to confirm ownership and/or sole authority of Landlord to execute this Amendment and to facilitate the payment under this paragraph.
2. **Lease Term Extended:** Tenant shall have the option to extend the Lease for each of ten (10) additional five (5) year renewal terms (each a "**New Renewal Term**" and collectively the "**New Renewal Terms**"). The first New Renewal Term shall commence simultaneously with the expiration of the Lease taking into account all existing renewal term(s) (each an "**Existing Renewal Term**" and collectively the "**Existing Renewal Terms**") available under the Lease. Notwithstanding anything to the contrary in the Lease, all Existing Renewal Terms and New Renewal Terms shall automatically renew unless Tenant notifies Landlord that Tenant elects not to renew the Lease no less than sixty (60) days prior to the expiration of the then current term. Landlord's termination rights in the Lease are hereby deleted and no longer in effect except that Landlord shall have the right to terminate the Lease in the event of an uncured material default of the Lease by Tenant if such cure is not accomplished within (60) days of notice thereof unless Tenant has diligently commenced cure during such 60 day period and requires additional reasonable time thereafter to complete the cure. The rent and all scheduled increases thereto shall continue and remain in effect through each New Renewal Term.
3. **Landlord and Tenant Acknowledgments.** Except as modified herein, the Lease and all provisions therein, including all amendments thereto, remain in full force and effect and are ratified and affirmed. The parties agree that no defaults exist under the Lease. To the extent Tenant needed consent from Landlord for any of Tenant's activities at the Parent Parcel prior to this Amendment, Landlord's execution of this Amendment shall be considered consent for all such activities. Tenant shall not need consent from Landlord for any future activities at the Leased Premises, which shall include without limitation; subleasing to additional customers, installing, modifying, repairing, or replacing improvements within the Leased Premises, or assigning Tenant's interest in this Lease. Landlord agrees to sign building permit applications and other forms required for Tenant's use of the Leased Premises. This Amendment may be executed in multiple counterparts and an electronically reproduced fully executed copy of this Amendment shall be considered an original. Tenant shall have the right to replace the descriptions of the Leased Premises with descriptions obtained from an as-built survey conducted by Tenant.
4. **Right of First Refusal.** If Landlord receives an offer or desires to offer to; (i) sell or convey any interest (including but not limited to leaseholds or easements) in any real property of which the Leased Premises is a part or (ii) assign Landlord's interest in the Lease or any portion thereof Tenant shall have the right of first refusal to purchase the real property or interest being offered by Landlord on the same terms and conditions.

5. **Landlord Statements.** Landlord hereby represents and acknowledges that: (i) Landlord (and/or the persons signing this Amendment on behalf of Landlord) has the authority to enter into this Amendment; (ii) Landlord is the sole owner of the Parent Parcel; (iii) there are no other agreements, liens or encumbrances on the Parent Parcel that may conflict with or prohibit Landlord from entering into this Amendment; and (iv) the square footage of the Leased Premises is the greater of Tenant's existing improvements on the Parent Parcel or the land area conveyed to Tenant under the Lease (and if the existing tower is a guyed tower, then the Leased Premises also consists of 10 feet on both sides of each guy wire and extends 20 feet beyond each guy anchor). The statements of Landlord made in this section shall survive the execution of this Amendment and Landlord hereby agrees to indemnify Tenant for any damages, costs or charges of any kind incurred by Tenant as a result of the breach of the representations made herein or if any of the representations made herein prove to be untrue.
  
6. **Confidentiality.** Landlord agrees that all terms of this Amendment and any information furnished to Landlord by Tenant in connection with this Amendment shall be and remain confidential. Except for Landlord's attorney, accountant or broker, if any, or if otherwise required by law, or in connection with the fee simple sale of the Parent Parcel, Landlord shall not disclose any such terms or information without the prior written consent of Tenant.
  
7. **Notices.** All notices must be in writing and shall be valid upon receipt when delivered by hand, by nationally recognized courier service, or by First Class United States Mail, certified, return receipt requested to the addresses set forth herein. To Landlord at: CITY OF EAST BETHEL MN, CITY CLERK, 2241 221ST ST, , EAST BETHEL, MN, 55011, to Tenant at: American Tower, Attn: Land Management, 10 Presidential Way, Woburn, MA. 01801 with copy to 116 Huntington Avenue, Boston MA 02116.

**LANDLORD 1:**  
CITY OF EAST BETHEL MN

**TENANT**

Signature: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

Signature: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

**LANDLORD 2 (If Applicable)**

Signature: \_\_\_\_\_  
 Print Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

**Prepared by and Return to:**

American Tower  
10 Presidential Way  
Woburn, MA 01801  
Attn: Land Management  
ATC Site: 305783

**Prior Recorded Lease Reference:**

Book \_\_\_\_\_, Page \_\_\_\_\_  
Document No: \_\_\_\_\_  
State of \_\_\_\_\_  
County of \_\_\_\_\_

Assessor Parcel No(s): \_\_\_\_\_

**MEMORANDUM OF LEASE**

This **MEMORANDUM OF LEASE** (this "**Memorandum**") is entered into as of the latter signature date hereof by and between CITY OF EAST BETHEL MN ("**Landlord**") having an address of CITY CLERK, 2241 221ST ST, , EAST BETHEL, MN, 55011 and American Tower Asset Sub, LLC ("**Tenant**") having an address of 116 Huntington Avenue, Boston, MA 02116 with copies of notices to 10 Presidential Way, Woburn, MA. 01801 Attn: Land Management.

**NOTICE** is hereby given of the following described Lease as amended, for the purpose of recording and giving notice of the existence of said Lease. To the extent that notice of such Lease has previously been recorded, then this Memorandum shall constitute an amendment of any such prior recorded notice(s).

1. **Parent Parcel and Lease.** Landlord is the owner of certain real property being described in **Exhibit A** hereto (the "**Parent Parcel**"). Landlord (or its predecessor in interest) and Tenant (or its predecessor in interest) entered into that certain ground lease (as amended from time to time, the "**Lease**"), whereby the Tenant leases a portion of the Parent Parcel, together with certain easements for access and public utilities and, if applicable, easements for guy wires and guy anchors (collectively, the "**Leased Premises**" and also being described on Exhibit A hereto).
2. **Lease Term Extended.** Tenant shall have the option to extend the Lease for each of ten (10) additional five (5) year renewal terms (each a "**New Renewal Term**" and collectively the "**New Renewal Terms**"). The first New Renewal Term shall commence on the next day following \_\_\_\_\_, which date represents the last day of the last remaining existing renewal term in the Lease..
3. **Leased Premises.** The Leased Premises is set forth in **Exhibit A** which may be replaced by an as-built survey at Tenant's option, depicting and/or describing the Parent Parcel, Leased Premises and all applicable easements.
4. **Right of First Refusal.** There is a right of first refusal in the Lease.
5. **Effect/Miscellaneous.** This Memorandum is not a complete summary of the terms in the Lease.. In the event of a conflict between this Memorandum and the Lease, the Lease will control. Landlord hereby grants the right to Tenant to fill out and execute on behalf of Landlord any government or transfer tax forms necessary for recording this Memorandum. This right shall terminate upon recording of this Memorandum.

**[SIGNATURE PAGES FOLLOWS]**

IN WITNESS WHEREOF, Landlord and Tenant have each executed this Memorandum as of the day written below.

**LANDLORD 1**  
CITY OF EAST BETHEL MN

**WITNESS**

Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_

**WITNESS AND ACKNOWLEDGEMENT**

State/Commonwealth of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s) or the entity upon which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_

[SEAL]

**LANDLORD 2**

**WITNESS**

Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_

**WITNESS AND ACKNOWLEDGEMENT**

State/Commonwealth of \_\_\_\_\_

County of \_\_\_\_\_

On this \_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, before me, the undersigned Notary Public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument, the person(s) or the entity upon which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public  
Print Name: \_\_\_\_\_  
My commission expires: \_\_\_\_\_

[SEAL]

**TENANT:**

American Tower Asset Sub, LLC

**WITNESSES:**

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**ACKNOWLEDGEMENT**

Commonwealth of Massachusetts

County of Middlesex

On \_\_\_\_\_, 201\_\_\_\_, before me, \_\_\_\_\_ (here insert name), a Notary Public, personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

\_\_\_\_\_  
Notary Public

Print Name: \_\_\_\_\_

My commission expires: \_\_\_\_\_

## **EXHIBIT A**

This Exhibit May be Replaced by Tenant at Tenant's Option as delineated below

### **PARENT PARCEL**

Tenant shall have the right to replace this below description with a description obtained from Landlord's deed (or deeds) that include the land area encompassed by the Lease and Tenant's improvements thereon.

The Parent Parcel consists of the entire legal taxable lot owned by Landlord as described in a deed (or deeds) to Landlord of which the Leased Premises is a part thereof .

### **LEASED PREMISES**

Tenant shall have the right to replace this below description with a description obtained from the Lease or from a description obtained from an as-built survey conducted by Tenant.

The Leased Premises consists of that portion of the Parent Parcel as defined in the Lease which shall include access and utilities easements as well as easements for guy wires and anchors if there are guy wires and anchors existing at the time of this Amendment, (which such guy wire and anchor easements shall be 10 feet on either side of existing guy wires and running 20 feet behind each guy anchor and shall be used by Tenant to access, repair, upgrade, maintain and replace such guy wires, anchors and fencing by Tenant). The square footage of the Leased Premises shall be the greater of the area conveyed to Tenant in the Lease or Tenant's existing improvements on the Parent Parcel.



August 26, 2013

City of Bethel - East Bethel Ice Arena  
Jack Davis, City Administrator  
2241 221st Ave. NE  
East Bethel, MN 55011

Site #: 235846

The offer is subject to due diligence and is based on the assumptions listed below:

- American Tower
- AT&T Wireless, Zayo, T-Mobile, Verizon Wireless and Sprint PCS as tenants
- \$2,771.89 current monthly rent
- \$2,771.89 purchased monthly rent
- 3.0% annual (American Tower) escalation

Dear Jack:

Thank you for your interest in our cell site lease conversion program. After analyzing the information you provided, Unison is prepared to offer you a lump sum of **\$450,000** if the offer is accepted by September 15, 2013.

Our offer is to purchase a sixty six year easement for the cell site. Easement area will include an additional 250 square feet adjacent to the existing ground space ("Additional Space"). Unison will receive the currently scheduled rent stream (including escalators) for the term of the easement, and agrees that for all rent over and above this amount received on the cell site, Site Owner will collect 34% and Unison will collect 66%. The final amount of our offer is subject to due diligence and confirmation of your monthly rent escalators and site tenants.

**The appeal of the Unison deal:**

- **Convert your lease into cash:** Unison Site Management, LLC is rapidly building a nationwide portfolio of cell site leases. Our program allows you to convert your lease into hard cash. The telecom industry is changing rapidly and we encourage you to understand and consider your options now.
- **Secure your asset:** With our lump sum cash offer, the value of your lease asset will no longer be dependent on future rent payments. This lump sum is yours regardless of what happens to your site in the future—even if you sell the property. You can invest your capital payment in real estate, stocks, bonds, or your own business.

**A reminder why you must act quickly and reduce your risk**

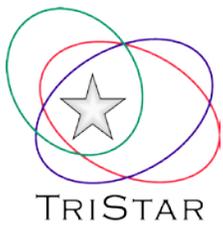
There is language in your lease stating that it can be terminated with as little as one month’s notice. Our lump sum in cash will help you secure your asset from the following:

- **Debt:** To provide service in literally hundreds of markets, each wireless service provider has built out a separate network. Today, there are approximately 300,000 cell sites and antennae, but this build up has been costly: providers have borrowed \$100 billion to finance its construction. That is a lot of debt for companies getting 4 cents per minute.
- **Rent reduction and tower decommissioning:** Providers are looking for ways to cut costs and one way to do this is to reduce your rent or decommission your tower. There is a good chance that your current monthly rent income will reduce significantly or disappear altogether, leaving you with a depreciating asset or no asset at all.
- **Consolidation:** A recent and remarkable merger saw AT&T and its 135-year legacy disappear overnight when it merged with SBC. Since February 24<sup>th</sup>, 2004 there have been five major mergers in the telecom industry for a total deal value of over \$125 billion. As a result of this ongoing telecom merger epidemic, a substantial number of sites have already become redundant.
- **Technology gains:** Satellite telephone and DAS (Distributed Antenna System) technology has created provider networks that can reach farther and are more efficient. This increase in coverage will continue to translate to a reduced need for cell towers.

If you have any questions, please contact me directly at (612) 327-4254. I look forward to discussing our offer with you at your earliest convenience.

Sincerely,

Marc Carlson  
Unison Site Management, LLC



**TriStar Investors, Inc.**  
Whitehall Towers Office Building  
470 Streets Run Road, Suite 300  
Pittsburgh, Pennsylvania 15236

Tel: 877.558.6789  
Fax: 412.882.4632

[www.tristarinvestors.com](http://www.tristarinvestors.com)

August 6, 2013

Jack Davis  
The City of East Bethel  
2241 221<sup>st</sup> Ave NE  
East Bethel, MN 55011

**Site ID:** 54729  
**Site Address:** 20675 N E Hwy 65  
East Bethel, MN 55011

**Tower lease information:**

Year of Final Lease Expiration: 2019  
Total Current Monthly Rent: \$2,353.00 (Approximate)

Based on the information stated above and our knowledge of the tower site on your property, TriStar is pleased to present to you the following in exchange for an easement to the tower site:

- Annual Payments of **\$24,000.00** until the current lease expires
- You continue to collect all rents from the tower company and carriers until lease expiration
- Revenue share of **50%** of net rental revenues after lease expiration\*

*\*Based on the current tower tenants and market lease rates, your 50% revenue share is projected to be approximately \$40,000.00 in 2020.*

Upon your approval of the payment terms, TriStar will prepare the legal documents for our transaction. To aid in the preparation of the documents, we request that you provide copies of the current lease(s) and amendment(s), verification of rent, and any other correspondence or documents with the tower company.

This letter is intended to express our interest in your site and is not a legally binding offer. Further, the payment options may change without notice. Our agreement will be binding and the payment option fixed only upon signature of legal documents. If you have interest, I urge you to call within 10 days.

Please contact me at my number below or Spencer Davis, our Regional Director, at 412-609-1603 to discuss the option above. We look forward to speaking with you in the near future.

Best regards,

Dominic Nardone, CPA  
Senior Acquisitions Analyst  
TriStar Investors, Inc.  
412-368-4612

## Communication Tower Annual Lease Comparisions

### Communications Tower Leases - R 615-38067

	<b>2013</b>	
Centerville	\$ 17,402	1 Site
Ham Lake	\$ 90,000	4 Sites
Forest Lake	\$ 50,000	2 Sites
East Bethel	\$ 38,063	1 Site



# City of East Bethel City Council Agenda Information

\*\*\*\*\*

**Date:**

September 4, 2013

\*\*\*\*\*

**Agenda Item Number:**

Item 8.0 D.2

\*\*\*\*\*

**Agenda Item:**

2014 Budget Discussion

\*\*\*\*\*

**Requested Action:**

Discuss dates for a work meeting for consideration of additional 2014 Budget reductions

\*\*\*\*\*

**Background Information:**

As previously discussed, the levy for 2014 is proposed to increase by 17.5% due solely to the bond payments required for the Municipal Utilities Project. Due to the debt service requirements for the 2010A and 2010B bonds, levies of \$490,000 and \$300,000 have been incorporated for 2014 for repayment of interest on these bonds. Without this obligation, the total levy for the City would have been \$4,440,742 or a 0.3% decrease.

There are still opportunities to reduce the impact of the bond deficit for the 2014 levy and these include but are not limited to the following:

- 1.) The potential to refinance the 2010 A & B Bond and other bond issuances;
- 2.) Confirmation of connections to the system for 2014;
- 3.) Transfer of General Fund balances at an amount to be determined to subsidize the deficit;
- 4.) Assignment of special assessments for properties in the sewer to the debt service; and/or
- 5.) Assignment of other rents and royalties to the debt service and/or
- 6.) Additional reductions to the City Budget which could include the following:

**Level 1 Budget Reductions for Consideration**

Conferences - Mayor and Council	\$ 2,000
Equipment Replacement- Mayor & Council	\$ 800
Conferences-City Administrator	\$ 500
Equipment Replacement-Planning	\$ 500
Fire Department Outreach Programs	\$ 1,500
Portable Toilets for Parks	<u>\$ 2,000</u>
	\$7,300

**Level 2 Budget Reductions**

Seasonal Employees for Parks and Roads	\$11,766
City Administrator- Travel	\$ 600
Seasonal Employees for Parks and Roads	\$11,766
Professional Service Fees-Planning	<u>\$ 3,000</u>
	\$25,366

**Level 3 Budget Reductions**

Relief Association Pension Contribution	\$17,500
CSO position for Sheriff's Contract	\$44,579
Public Works Overtime	\$ 6,000
Booster Day Fireworks	\$ 2,500

Parks Capital Transfer	\$25,000
City newsletter reduction to 2x per year	\$ 4,500
	<u>\$100,079</u>

Total Level 1, 2 and 3 Budget Reductions ..... \$132,745

**Other One-Time Reductions**

General Fund Transfer (excess over 50% balance)	\$200,000 *
Trail Capital Fund	<u>\$144,000**</u>
	\$344,000

\*This could be spread over a three year period @\$70,000, \$65,000 and \$65,000

\*\*This could be spread over a three year period @ \$48,000 per year

Total potential budget cuts = \$0 to \$459,245.

Proposed Levy increase with a \$163,900 reduction would be 13.8%

Proposed Levy increase with a \$309,666 reduction would be 10.5%

Proposed Levy increase with a \$459,245 reduction would be 7.2%

**Other Funds for potential transfers and their respective cash balances at 8/25/13 ( These funds are not recommended for consideration of application to the bond debt at this time)**

Street Capital Fund	\$ 886,417
Equipment Replacement Fund	\$1,398,583
Parks Capital Fund	\$ 111,940
Parks Acquisition and Development Fund	\$ 26,057
Building Capital Fund	\$ 132,096

**The following Departments were evaluated but could not be recommended for reductions due to contractual agreements or other factors that would not affect the budget.**

- Elections
- City Clerk
- Finance
- Assessing
- Legal
- Human Resources
- General Government Buildings
- Building Inspection
- Engineering
- Risk Management
- HRA

The extent of potential savings, additional sources of revenue, special assessments and impacts of further budget reductions have not been established at this time due to ongoing negotiations, finalization of hearing requirements and assessment of consequences. The final affect for these potential budget reductions will not be known until November 20, 2013.

**Other Important Considerations**

Keep in mind that once a reduction is made it is difficult to restore both from a perception and a fiscal perspective. If the reduction, in fact, needs to be reinstated, it then becomes another tax increase. Another important consideration concerning further budget reductions are the levy limits imposed upon the City by the State Legislature. Any budget cuts that may need to be restored, may not be able to be returned to their original amount due to the restrictions on the amounts budgets can be increased as a result of the levy limits. Drastic budget reductions can lead to additional problems and unintended consequences of these actions.

We also have to weigh the expectations from our residents regarding the value they receive for their taxes. Finding the balance point between further budget cuts, that may have wide range impacts on services, and the lowest levy possible, is the challenge that has no precise formula for

determination. We can make certain assumptions but may not recognize the total effect of the impact until these decisions are actually implemented. There is a minimum cost to running the City and meeting the basic requirements that property owners expect for their taxes.

There is also the impact that drastic budget reductions may have on the City's economic development efforts. There is a certain amount of activity that must be sustained to provide a minimum level of stimulus and investment in the future of the City if we are to address our financial challenges. Reverting to a budgetary survival mode could possibly be detrimental to all the efforts to proactively engage our problem with the water and sewer debt.

The preliminary budget, that must be submitted to Anoka County by September 15, 2013, can be reduced but not increased prior to the adoption of the final budget in December of 2013. Even though the preliminary tax statements that will be issued to City residents in November will indicate the maximum tax increase proposed, Staff and Council will have additional time to seek alternatives to minimize this increase and impact of rates created by the bond deficits for Municipal Utilities Project.

A Special Meeting on October 10, 2013 and the Town Hall Meeting on November 21, 2013 will be dedicated to explaining and discussing the 2014 budget and levy.

**Attachment(s):**

General Fund Budget

\*\*\*\*\*

**Fiscal Impact:**

As outlined above

\*\*\*\*\*

**Recommendation(s):**

Staff recommends that Council set September 25, 2013 or any other acceptable time as a date for a work meeting to discuss these other opportunities to reduce the proposed levy for 2014.

\*\*\*\*\*

**City Council Action**

Motion by:\_\_\_\_\_

Second by:\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Vote Yes:\_\_\_\_\_

Vote No:\_\_\_\_\_

No Action Required:\_\_\_\_\_

**Overall Levy to balance 2014 Budget**

	2013	2014	% Change
<i>General Levy</i>	\$4,123,317	\$4,114,317	-.2%
<i>Debt Service Levy</i>	\$329,638	\$1,116,425	238.7%
<i>Total Levy</i>	\$4,452,955	\$5,230,742	17.5%

**City of East Bethel  
2014 Preliminary General Fund Budget (Summary)**

<a href="#">back</a>		Account Description	2011 Actual	2012 Actual	Actual - 7/31/13	FY 2013 Budget	FY 2014 Budget	% Change
<a href="#">General Fund</a>								
<b>Revenues</b>								
	Property Tax		4,428,762.00	4,225,662.00	2,158,497.40	4,123,317.00	4,114,317.00	0%
	Franchise Taxes		37,875.00	40,227.00	22,809.29	37,000.00	41,000.00	11%
	Licenses and Fees		39,103.00	38,325.00	28,960.00	37,250.00	35,900.00	-4%
	Building Inspection Permits		107,181.00	152,980.00	149,643.48	155,700.00	216,000.00	39%
	State Aid		223,929.00	222,965.00	186,825.50	216,506.00	250,488.00	16%
	Fines and Forfeits		49,292.00	52,470.00	31,230.48	50,000.00	55,000.00	10%
	Intergovernmental Charges		37,548.00	97,809.00	81,664.54	93,000.00	73,000.00	-22%
	Other Fees		7,529.00	11,419.00	2,264.48	6,360.00	6,430.00	1%
	Cemetery Revenue		8,775.00	6,200.00	4,750.00	5,000.00	6,000.00	20%
	Other / Gambling Proceeds		40,707.00	49,384.00	22,851.72	38,000.00	41,500.00	9%
	Interest Earnings		1,715.00	2,100.00	3,922.41	2,000.00	2,000.00	0%
<b>Total Revenues - General Fund</b>			<b>4,982,416.00</b>	<b>4,899,541.00</b>	<b>2,693,419.30</b>	<b>4,764,133.00</b>	<b>4,841,635.00</b>	<b>1.6%</b>
<b>Expenditures</b>								
<b>General Government</b>								
	Council		76,911.00	76,008.00	45,395.02	87,059.00	84,517.00	-3%
	City Administration		242,927.00	206,887.00	111,493.85	210,061.00	218,701.00	4%
	Elections		-	8,709.00	-	2,170.00	13,355.00	515%
	City Clerk		102,205.00	102,918.00	53,659.06	103,331.00	102,182.00	-1%
	Finance		224,841.00	225,500.00	152,647.60	226,086.00	228,213.00	1%
	Assessing		45,456.00	45,804.00	25,640.76	51,700.00	51,700.00	0%
	Legal		154,469.00	157,727.00	81,080.37	150,500.00	150,500.00	0%
	Human Resources		26,166.00	-	3,164.00	2,975.00	3,250.00	9%
	Government Buildings		34,063.00	47,106.00	17,815.36	44,750.00	43,750.00	-2%
	Risk Management		97,629.00	96,210.00	103,123.00	99,800.00	105,150.00	5%
	Central Services		79,330.00	77,758.00	44,931.48	99,405.00	97,864.00	-2%
<b>Total General Government</b>			<b>1,083,997.00</b>	<b>1,044,627.00</b>	<b>638,950.50</b>	<b>1,077,837.00</b>	<b>1,099,182.00</b>	<b>2%</b>
<b>Community Development</b>								
	Planning and Zoning		201,518.00	169,260.00	101,219.94	208,391.00	176,771.00	-15%
	Building Inspection		232,508.00	139,412.00	84,404.37	186,940.00	238,685.00	28%
<b>Total Community Development</b>			<b>434,026.00</b>	<b>308,672.00</b>	<b>185,624.31</b>	<b>395,331.00</b>	<b>415,456.00</b>	<b>13%</b>
<b>Public Safety</b>								
	Police Protection		1,036,087.00	959,924.00	502,798.15	961,144.00	989,512.00	3%
	Fire Protection		513,332.00	511,145.00	309,983.54	537,783.00	555,101.00	3%
<b>Total Public Safety</b>			<b>1,549,419.00</b>	<b>1,471,069.00</b>	<b>812,781.69</b>	<b>1,498,927.00</b>	<b>1,544,613.00</b>	<b>3%</b>
<b>Engineering</b>								
	Engineering		35,406.00	29,196.00	7,952.66	46,000.00	40,000.00	-13%
<b>Total Engineering</b>			<b>35,406.00</b>	<b>29,196.00</b>	<b>7,952.66</b>	<b>46,000.00</b>	<b>40,000.00</b>	<b>-13%</b>
<b>Public Works</b>								
	Public Works - Parks Maintenance		372,692.00	376,067.00	198,129.66	397,567.00	398,079.00	0%
	Public Works - Streets		679,882.00	719,920.00	449,806.29	755,971.00	791,805.00	5%
<b>Total Public Works</b>			<b>1,052,574.00</b>	<b>1,095,987.00</b>	<b>647,935.95</b>	<b>1,153,538.00</b>	<b>1,189,884.00</b>	<b>3%</b>
<b>Civic Events</b>								
	Civic Events		4,737.00	2,501.00	2,500.00	2,500.00	2,500.00	0%
<b>Total Culture and Recreation</b>			<b>4,737.00</b>	<b>2,501.00</b>	<b>2,500.00</b>	<b>2,500.00</b>	<b>2,500.00</b>	<b>0%</b>
<b>Other</b>								
	Transfer to Building Capital		-	50,000.00	50,000.00	50,000.00	50,000.00	0%
	Transfer to Street Capital		400,000.00	425,000.00	425,000.00	425,000.00	425,000.00	0%
	Transfer to Parks Capital		94,120.00	100,000.00	75,000.00	75,000.00	75,000.00	0%
	Transfer to Trail Capital		58,484.00	5,000.00	-	-	-	N/A
	Contingency		-	-	-	40,000.00	-	-100%
<b>Total Other</b>			<b>552,604.00</b>	<b>580,000.00</b>	<b>550,000.00</b>	<b>590,000.00</b>	<b>550,000.00</b>	<b>-7%</b>
<b>Total Expenditures - General Fund</b>			<b>4,712,763.00</b>	<b>4,532,052.00</b>	<b>2,845,745.11</b>	<b>4,764,133.00</b>	<b>4,841,635.00</b>	<b>1.6%</b>
<b>Excess of Revenues over Expenditures - General Fund</b>			<b>269,653.00</b>	<b>367,489.00</b>	<b>(152,325.81)</b>	<b>-</b>	<b>-</b>	
<b>Tax Levies - City</b>								
	General Fund Tax Levy		4,681,345.00	4,191,470.00	-	4,123,317.00	4,114,317.00	0%
	2005 A		144,756.00	147,328.00	-	149,638.00	146,425.00	-2%
	2008 A		109,500.00	158,000.00	-	180,000.00	180,000.00	0%
	2010 A		-	-	-	-	490,000.00	N/A
	2010 B		-	-	-	-	300,000.00	N/A
	2010 C		-	-	-	-	-	N/A
<b>Total Levy - City</b>			<b>4,935,601.00</b>	<b>4,496,798.00</b>	<b>-</b>	<b>4,452,955.00</b>	<b>5,230,742.00</b>	<b>17.5%</b>
<b>Tax Levies - Special Levies</b>								
	City HRA		126,058.00	-	-	-	-	
	County HRA		187,920.00	-	-	-	-	
	City EDA		-	163,428.00	-	144,670.00	133,022.00	
<b>Total Levy - Special</b>			<b>313,978.00</b>	<b>163,428.00</b>	<b>-</b>	<b>144,670.00</b>	<b>133,022.00</b>	<b>-8.1%</b>

City of East Bethel  
Preliminary 2014 Debt Service Budget (Summary)

Debt Service

Fund Description Fund Number	2005 A 301	2005 B 303	2008 A 308	2010 309	2010A 310	2010B 311	2010 C 312	Total
<b>Revenue</b>								
Levy	146,425		180,000		490,000	300,000	-	1,116,425
Special Assessments		28,125	17,500					45,625
Hook Up Fees								-
Reimbursement from Federal Government					315,152	120,312		435,463
Transfer from General				5,000				5,000
<b>Total Revenue</b>	<b>146,425</b>	<b>28,125</b>	<b>197,500</b>	<b>5,000</b>	<b>805,152</b>	<b>420,312</b>	<b>-</b>	<b>1,602,513</b>
<b>Expenditures</b>								
Debt Service - Principal	85,000	55,000	150,000	3,000				293,000
Interest	55,983	5,305	46,560	596	767,073	376,563	41,733	1,293,812
Fiscal Agent Fees	500	500	500		500	500	500	3,000
<b>Total Expenditures</b>	<b>141,483</b>	<b>60,805</b>	<b>197,060</b>	<b>3,596</b>	<b>767,573</b>	<b>377,063</b>	<b>42,233</b>	<b>1,589,812</b>
<b>Revenue over Expenditures</b>	<b>4,942</b>	<b>(32,680)</b>	<b>440</b>	<b>1,404</b>	<b>37,579</b>	<b>43,249</b>	<b>(42,233)</b>	<b>12,702</b>

**City of East Bethel  
Preliminary 2014 Special Revenue Fund Budget (Summary)**

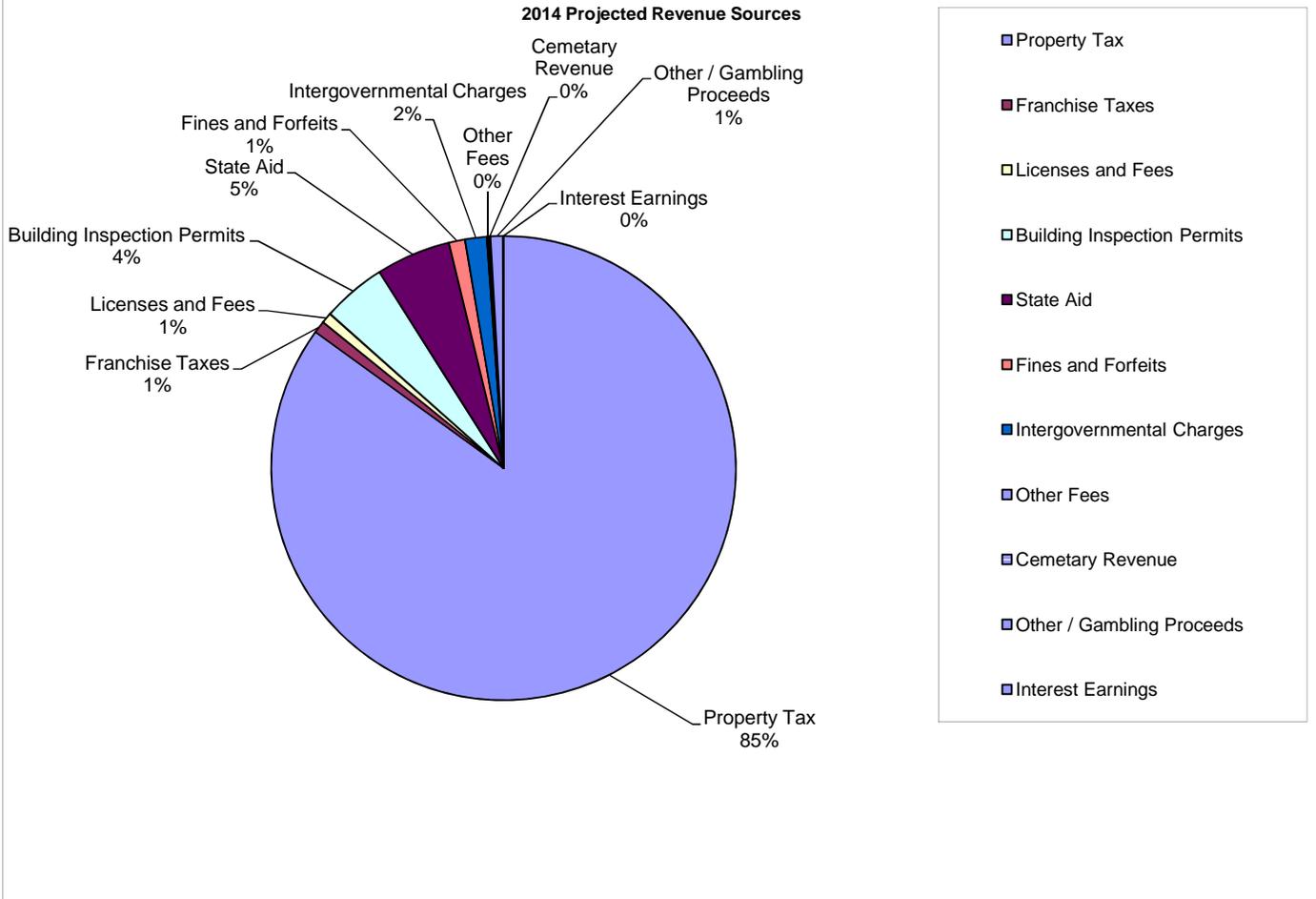
**Special Revenue Funds**

Fund Description Fund Number	EDA	HRA	Recycling	Total
<b>Revenue</b>				
Levy	133,022			133,022
County Grants			30,660	30,660
Fees			2,500	2,500
<b>Total Revenue</b>	<b>133,022</b>	<b>-</b>	<b>33,160</b>	<b>166,182</b>
<b>Expenditures</b>				
Salaries and Wages		-	510	510
Supplies	200	100	550	850
Fees for Service	48,914	7,800	32,100	88,814
Contingency	27,908			27,908
Transfer to General	56,000	15,000		71,000
<b>Total Expenditures</b>	<b>133,022</b>	<b>22,900</b>	<b>33,160</b>	<b>189,082</b>
<b>Revenue over Expenditures</b>	<b>-</b>	<b>(22,900)</b>	<b>-</b>	<b>(22,900)</b>

**2014 General Fund Revenue Sources**

Property Tax	4,114,317
Franchise Taxes	41,000
Licenses and Fees	35,900
Building Inspection Permits	216,000
State Aid	250,488
Fines and Forfeits	55,000
Intergovernmental Charges	73,000
Other Fees	6,430
Cemetary Revenue	6,000
Other / Gambling Proceeds	41,500
Interest Earnings	2,000

**Total Revenue 4,841,635**



**2014 General Fund Expenditures**

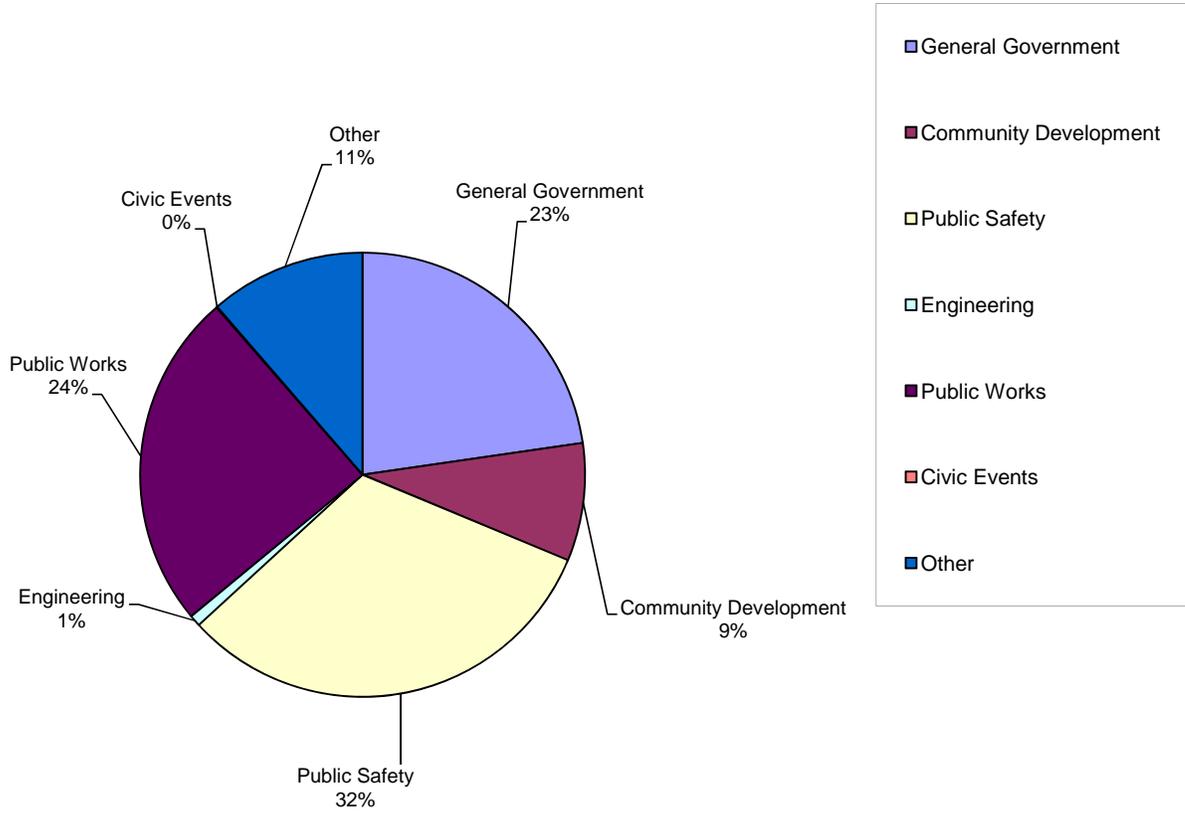
General Government	1,099,182
Community Development	415,456
Public Safety	1,544,613
Engineering	40,000
Public Works	1,189,884
Civic Events	2,500
Other	550,000

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<b>Total Expenditures</b>	<b>4,841,635.00</b>
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**2014 Projected Expenditures**



**Tax Capacity**

	Payable 2011	Payable 2012	Payable 2013	*Payable 2014
		-11.1%	-8.4%	-2.5%
Tax Capacity	9,486,806	8,433,841	7,725,613	7,531,689
TIF Captured Value		-	-	-
AW Contribution	(459,634)	(402,060)	(395,562)	(356,230)
<b>Net Tax Capacity</b>	<b>9,027,172</b>	<b>8,031,781</b>	<b>7,330,051</b>	<b>7,175,459</b>

**Levies**

Certified General Levy	4,681,345	4,191,470	4,123,317	4,114,317
Certified Bond Levy	109,500	158,000	180,000	970,000
Area-Wide Contribution	(827,280)	(831,039)	(768,555)	(768,555)
<b>Local Levy</b>	<b>3,963,565</b>	<b>3,518,431</b>	<b>3,534,762</b>	<b>4,315,762</b>

2005A Referendum Levy	144,756	147,328	149,638	146,425
<b>Total Referendum Levy</b>	<b>144,756</b>	<b>147,328</b>	<b>149,638</b>	<b>146,425</b>
Taxable Market Value	873,234,900	839,805,900	780,015,900	714,502,336

**Tax Rates**

City Tax Rate	43.91%	43.81%	48.22%	60.15%
2005 A Referendum Rate	0.01658%	0.01754%	0.01918%	0.02049%

**Total Tax Rate**

	<b>43.92%</b>	<b>43.82%</b>	<b>48.24%</b>	<b>60.17%</b>
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**Sample Taxes**

300,000 Home	1,317.71	1,314.72	1,447.26	1,805.00
200,000 Home	878.47	876.48	964.84	1,203.33
150,000 Home	658.85	657.36	723.63	902.50
100,000 Home	439.24	438.24	482.42	601.67

\* Tax Capacity is calculated by multiplying market values by each classifications class rate

\*Tax Capacity and Fiscal Disparity calculations are preliminary at this stage

\*AW Contribution is fiscal disparities related as a certain percentage of commercial properties valued are shared within the metro area