

**AGENDA**  
**MAPLEWOOD CITY COUNCIL**  
**MANAGER WORKSHOP**  
5:45 P.M. Monday, May 13, 2024  
City Hall, Council Chambers

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. APPROVAL OF AGENDA**
- D. UNFINISHED BUSINESS**  
None
- E. NEW BUSINESS**
  - 1. Cannabis Update
  - 2. Electric Franchise Fee Ordinance Discussion
  - 3. Harvest Park Master Plan
- F. ADJOURNMENT**

**RULES OF CIVILITY FOR THE CITY COUNCIL, BOARDS, COMMISSIONS AND OUR COMMUNITY**

Following are rules of civility the City of Maplewood expects of everyone appearing at Council Meetings - elected officials, staff and citizens. It is hoped that by following these simple rules, everyone's opinions can be heard and understood in a reasonable manner. We appreciate the fact that when appearing at Council meetings, it is understood that everyone will follow these principles:

Speak only for yourself, not for other council members or citizens - unless specifically tasked by your colleagues to speak for the group or for citizens in the form of a petition.

Show respect during comments and/or discussions, listen actively and do not interrupt or talk amongst each other.

Be respectful of the process, keeping order and decorum. Do not be critical of council members, staff or others in public.

Be respectful of each other's time keeping remarks brief, to the point and non-repetitive.

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**CITY COUNCIL WORKSHOP STAFF REPORT**  
Meeting Date May 13, 2024

**REPORT TO:** Michael Sable, City Manager

**REPORT FROM:** Ron Batty, City Attorney  
Andrea Sindt, City Clerk

**PRESENTER:** Ron Batty

**AGENDA ITEM:** Cannabis Update

**Action Requested:**  Motion       Discussion       Public Hearing

**Form of Action:**       Resolution       Ordinance       Contract/Agreement       Proclamation

**Policy Issue:**

The workshop will provide the current knowns and unknowns along with an overview of decisions the city council will eventually be asked to make about local controls of cannabis. Discussion will include tools within local control such as guiding where cannabis is sold, limiting locations, choosing local registration and enforcement and an anticipated timeline for accomplishing necessary steps prior to January 1, 2025 when the current moratorium ends.

**Recommended Action:**

No action in required.

**Fiscal Impact:**

Is There a Fiscal Impact?     No     Yes, the true or estimated cost is \$0.00

Financing source(s):     Adopted Budget     Budget Modification     New Revenue Source  
 Use of Reserves     Other: n/a

**Strategic Plan Relevance:**

Community Inclusiveness       Financial & Asset Mgmt       Environmental Stewardship  
 Integrated Communication       Operational Effectiveness       Targeted Redevelopment

**Background:**

In the journey involving the sale of cannabis and hemp-derived products, the city council has taken multiple actions in reaction to law changes. In 2022 the legislature legalized the sale of edible cannabinoids. In response, the city council adopted a moratorium on the sale of these items on August 22, 2022. This moratorium was allowed to expire in 2023 without further local requirements of retailers of the edible cannabinoids, only to register with MDH as per state statute.

The 2023 legislature legalized adult use and possession of cannabis beginning August 1, 2023. The law placed license issuance to sell cannabis with the state and provided specific local controls

among which was the right to adopt a moratorium on retail operations until January 1, 2025. The city council adopted such a moratorium on August 28, 2023.

In the past months, the state has been working to develop and staff the Office of Cannabis Management (OCM). The OCM has found a permanent office location, a licensing software has been chosen, the Cannabis Advisory Council has had their first meeting, and rule drafting and model ordinance work has begun. In addition, OCM has offered 2024 legislative changes to promote a successful program launch. These changes will shape OCM's drafting of rules and regulations as well as model ordinances.

Although these draft versions of the regulations and ordinances are not available yet, some preliminary discussions of topics within local authority are reasonable. Local control includes time, place and manner thus items requiring guidance include number of locations, zoning or setback restrictions, hours of operation, local registration and enforcement.

**Attachments:**

1. Presentation

# Cannabis Update

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City Council Workshop

May 13, 2024

# Knowns

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January 1, 2025 start

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Local registration required

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Population minimums – number of stores

# Unknowns

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Rules & regulations

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Model Ordinance

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Legislative changes

# Decisions



Where it's sold?



Limits?



How to enforce it?



# Where it's sold?

- Zoning
- Setbacks



# Limits?

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- Number of locations
- Hours of operation
- Municipal Cannabis



# How to enforce it?

- Compliance checks



*Follow the Rules*

# Timeline



**CITY COUNCIL WORKSHOP STAFF REPORT**

Meeting Date May 13, 2024

**REPORT TO:** Michael Sable, City Manager

**REPORT FROM:** Steven Love, Public Works Director / City Engineer

**PRESENTER:** Steven Love

**AGENDA ITEM:** Electric Franchise Fee Ordinance Discussion

**Action Requested:**  Motion  Discussion  Public Hearing

**Form of Action:**  Resolution  Ordinance  Contract/Agreement  Proclamation

**Policy Issue:**

The City's current electric franchise fee with Xcel Energy term is set to expire in September 2024. City staff's presentation will provide information on Maplewood's current electric franchise fee rates, rates of other cities with comparable populations sizes, and recommendations. Staff will be looking for input from the City Council on the electrical franchise fee and proposed rate levels.

Should the City Council consider extending the Electric Franchise Fee for an additional 20 years and at what level?

**Recommended Action:**

No action is required.

**Fiscal Impact:**

Is There a Fiscal Impact?  No  Yes, the true or estimated cost is \$0.00

Financing source(s):  Adopted Budget  Budget Modification  New Revenue Source  
 Use of Reserves  Other: n/a

**Strategic Plan Relevance:**

Community Inclusiveness  Financial & Asset Mgmt  Environmental Stewardship  
 Integrated Communication  Operational Effectiveness  Targeted Redevelopment

One of the City's six strategic priorities is Financial and Asset Management. This strategic priority looks for the City to maintain fiscal sustainability while building and managing assets to preserve long-term investments and ensure uninterrupted quality services. One financing tool the City uses to help meet the goal of this strategic priority are electric and gas franchise fees.

The electric franchise fee helps fund the ongoing operation, maintenance, and repair cost related to City roadways, street lights, and the City's share of traffic signals. The franchise fee establishes a

steady revenue stream that allows the City to maintain this important infrastructure while lowering the reliance on bonding and the City debt.

**Background:**

Minnesota energy service providers have an obligation to provide safe, adequate, and efficient energy services at reasonable rates. State law allows utilities to use public right-of-ways to provide energy services. Local governments are responsible for the management of public right-of-ways. To aid in this management a franchise agreement can be established to set expectations between the City and the energy provider.

As part of the franchise agreement cities may choose to establish a franchise fee. Franchise fees are an equitable way to raise funds for important infrastructure needs. When a franchise fee is levied on a private utility, it is passed on directly to the customers and is itemized on customer bills. These fees are invoiced and collected from all property owners of all classes, including residential, commercial, public agencies, and non-profit businesses.

The current electrical franchise fees fund the City’s Street Light Utility Fund and a portion of the Street Revitalization Fund. The Street Light Utility Fund covers operation, maintenance, upgrade, and replacement costs related to the City’s street lights and the City’s share of traffic control signals. Additionally, this fund also covers costs for the installation of new street lights and traffic control signals. The Street Revitalization Fund is one of the major funding sources for the City’s street improvement projects. This fund helps reduce the City’s reliance on bonding to cover project costs and special assessments. Lowering the amount of bonding reduces the debt level the City needs to take on to maintain the City’s infrastructure.

Maplewood’s electrical franchise fee with Xcel Energy is set to expire on September, 2024. The franchise agreements typically run for a period of 20 years and often changes to the franchise fee rates are set at the time of the franchise fee agreement renewal. The current electrical franchise fee with Xcel provides approximately \$1,025,000 of funding per year.

To help aid in the review of current fee rates and potential changes to Maplewood’s rate, thirteen cities with comparable population sizes were reviewed (see Franchise Fee Rates attachment). The following is a summary of how Maplewood’s current rates compare to these thirteen cities:

	Residential	Small C&I Non-demand	Small C&I Demand	Large C&I	Public Street Lighting	Municipal Pumping Non-demand	Municipal Pumping Demand
<b>Average</b>	\$3.94	\$7.77	\$29.52	\$162.91	\$15.51	\$11.84	\$11.84
<b>Max</b>	\$6.75	\$17.00	\$48.50	\$340.00	\$17.51	\$17.51	\$48.50
<b>Min</b>	\$1.50	\$3.00	\$10.00	\$8.00	\$4.00	\$2.00	\$4.00
<b>Median</b>	\$3.69	\$5.50	\$30.00	\$149.25	\$9.75	\$8.25	\$10.75
<b>Maplewood</b>	\$3.00	\$4.75	\$30.00	\$180.00	\$4.00	\$4.00	\$4.00

Of the different property classes listed above, Residential, Small C&I Demand, and Large C&I make up 94% of the funding generated per year. Looking at these three classes, the current Residential

class rate of \$3.00 was below the median rate of \$3.69. The Small C&I and Large C&I rates are currently at or above the Median Residential Rate.

Looking into the future, costs for maintenance and construction of the City’s infrastructure will likely continue to increase over the 20-year term of a new electrical franchise agreement. To help keep up with these increases and to help meet the City’s strategic goals and priorities staff recommends considering an increase to the Residential class from \$3.00/month to a rate between \$4.00/month to \$4.25/month. The following is a summary of what an increase of \$1.00/month to \$1.25/month to the Residential class would be:

	Rate/Month	Change In Rate/Month	Total Fee/Year	Change In Total Fee/Year	Total Change In Franchise Fee Revenue/Year
<b>Current Rate</b>	\$3.00	\$0.00	\$36.00	\$0.00	\$0.00
<b>Option 1 Rate</b>	\$4.00	\$1.00	\$48.00	\$12.00	\$190,080
<b>Option 2 Rate</b>	\$4.25	\$1.25	\$51.00	\$15.00	\$237,600

Increasing the Residential class rate would address increased maintenance and construction costs. In addition, the rate structures would be consistent with the Median Residential rate compared to similarly-sized cities.

Staff is looking for feedback on renewing the electric franchise agreement and potential changes to the Residential class rate. Based on the feedback from the City Council this item would likely be brought to the May 28, 2024 City Council meeting for consideration of adopting ordinances establishing the electric franchise fee agreement and rates with Xcel Energy.

**Attachments:**

1. Franchise Fee Rates
2. Franchise Fee Presentation

Existing Electric Franchise Fees											
City	County	Population	Residential	Small C&I Non-demand	Small C&I Demand	Large C&I	Public Street Lighting	Municipal Pumping Non-Demand	Municipal Pumping Demand	Effective Date	Expiration Date
Golden Valley	Hennepin	22,334	\$6.00	\$6.00	\$30.00	\$258.00	—	—	—	04/2018	12/17/2027
New Brighton	Ramsey	23,705	\$3.00	\$4.50	\$28.00	\$185.00	—	—	—	01/2024	08/21/2043
Champlin	Hennepin	23,786	\$3.62	\$9.80	\$41.21	\$144.24	\$17.51	\$17.51	\$17.51	01/2020	11/23/2028
Chanhassen	Carver	25,936	\$5.00	\$14.00	\$40.00	\$290.00	—	—	—	02/2020	10/27/2039
Shoreview	Ramsey	26,967	\$3.75	\$5.00	\$36.00	\$340.00	—	—	—	01/2021	07/17/2031
Prior Lake	Scott	27,832	\$5.00	\$15.00	\$30.00	\$150.00	—	—	—	01/2022	03/19/2026
Oakdale	Washington	28,135	\$1.50	\$3.00	\$10.00	\$8.00	\$6.00	\$2.00	\$8.00	11/2013	10/26/2024
Brooklyn Center	Hennepin	33,585	\$1.65	\$4.25	\$22.75	\$103.00	\$13.50	\$13.50	\$13.50	12/2023	10/08/2043
Inver Grove Heights	Dakota	35,743	\$2.75	\$3.00	\$25.00	\$95.00	—	—	—	01/2018	06/30/2029
Richfield	Hennepin	36,661	\$5.10	\$17.00	\$41.25	\$263.00	—	—	—	01/2024	03/12/2027
Maplewood	Ramsey	42,139	\$3.00	\$4.75	\$30.00	\$180.00	\$4.00	\$4.00	\$4.00	11/2018	09/26/2024
St. Louis Park	Hennepin	50,144	\$6.75	\$12.00	\$48.50	\$148.50	—	\$12.00	\$48.50	06/2021	09/18/2036
Edina	Hennepin	53,572	\$3.55	\$6.00	\$17.00	\$71.00	—	—	—	01/2024	11/03/2035
Minnetonka	Hennepin	54,704	\$4.50	\$4.50	\$13.50	\$45.00	—	\$4.50	\$4.50	01/2019	05/14/2038
			Residential	Small C&I Non-demand	Small C&I Demand	Large C&I	Public Street Lighting	Municipal Pumping Non-Demand	Municipal Pumping Demand	Effective Date	Expiration Date
Average			\$3.94	\$7.77	\$29.52	\$162.91	\$15.51	\$11.84	\$11.84		
Max			\$6.75	\$17.00	\$48.50	\$340.00	\$17.51	\$17.51	\$48.50		
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Median			\$3.69	\$5.50	\$30.00	\$149.25	\$9.75	\$8.25	\$10.75		
Maplewood			\$3.00	\$4.75	\$30.00	\$180.00	\$4.00	\$4.00	\$4.00		



# Electric Franchise Fee Ordinance Discussion

Council Workshop  
*May 13, 2024*



## What is the Electric Franchise Fee?

- Public Utilities
  - Allowed to use public rights-of-way
- Franchise Agreements
  - Set expectations for provider and city
  - Length of agreement – 20 years
  - Expires September, 2024
- Franchise Fees
  - Equitable way to fund infrastructure needs
  - Collected from all property types
    - Residential
    - Commercial
    - Public Agencies
    - Non-Profit Businesses

## Where Are The Funds Used?

- Current Electric Franchise Fee
  - Street Light Utility Fund
  - Street Revitalization Fund
- Help Cover City Costs
  - Operations
  - Maintenance
  - Upgrades
  - Replacement
  - New Infrastructure
- Lowers Amount of Bonding and Debt Levels



# Existing Rate Review

Comparison of Existing Franchise Fees With Cities of Comparable Population Sizes							
	Residential	Small C&I Non-Demand	Small C&I Demand	Large C&I	Public Street Lighting	Municipal Pumping Non-Demand	Municipal Pumping Demand
<b>Average</b>	\$3.94	\$7.77	\$29.52	\$162.91	\$15.51	\$11.84	\$11.84
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<b>Maplewood</b>	\$3.00	\$4.75	\$30.00	\$180.00	\$4.00	\$4.00	\$4.00

- Current Franchise Fee Rates = \$1,025,000/Year
- 94% of Annual Funding From Residential, Small C&I Demand, and Large C&I



# Rate Options

Summary of Rate Options					
	Rate/Month	Change In Rate/Month	Total Fee/Year	Change In Total Fee/ Year	Total Change In Franchise Fee Revenue/Year
Current Rate	\$3.00	\$0.00	\$36.00	\$0.00	\$0.00
Option 1 Rate	\$4.00	\$1.00	\$48.00	\$12.00	\$190,080
Option 2 Rate	\$4.25	\$1.25	\$51.00	\$15.00	\$237,600

- Feedback
  - Questions about the electric franchise fee
  - What rate to use for the new franchise agreement

**CITY COUNCIL WORKSHOP STAFF REPORT**

Meeting Date May 13, 2024

**REPORT TO:** Michael Sable, City Manager

**REPORT FROM:** Steven Love, Public Works Director / City Engineer  
Audra Robbins, Parks and Natural Resources Manager

**PRESENTER:** Steven Love

**AGENDA ITEM:** Harvest Park Master Plan

**Action Requested:**  Motion       Discussion       Public Hearing

**Form of Action:**       Resolution       Ordinance       Contract/Agreement       Proclamation

**Policy Issue:**

The Maplewood Parks & Recreation System Master Plan calls for taking care of the assets that we have, as well as making necessary improvements to our parks system based on the changing needs of the community. At the workshop, staff will provide an update on the progress of the Harvest Park Master Plan, existing condition of Harvest Park, features of the proposed master plan, and staff’s recommendation.

Staff will be looking for feedback from the City Council on the master plan, staff’s recommendations, public engagement, and the approval process.

**Recommended Action:**

No action is required.

**Fiscal Impact:**

Is There a Fiscal Impact?     No     Yes, the true or estimated cost is \$0.00

    Financing source(s):     Adopted Budget     Budget Modification     New Revenue Source  
    Use of Reserves     Other: Future improvements to Harvest Park,  
based on the Master Plan, will be planned through the CIP process and brought to Council for review and approval before implementation.

**Strategic Plan Relevance:**

Community Inclusiveness       Financial & Asset Mgmt       Environmental Stewardship

Integrated Communication       Operational Effectiveness       Targeted Redevelopment

The master planning process for Harvest Park touches on several of the City Council’s strategic initiatives by evaluating what we have, planning for the future, and involving our residents in the process.

**Background:**

Maplewood's Parks and Recreation system has transitioned from a developing system into a mature system, which presents unique challenges. At the core of future issues is the need for extensive park revitalization and reinvestment. System-wide replacement of aging park facilities such as playgrounds, courts, fields, shelters, and signage is needed. Taking care of the existing system is the number one community identified priority for the future in our Parks System Master Plan.

Harvest Park is one of only two community athletic parks in Maplewood and as such serves a very important role in our system. Portions of the park are also utilized for growing native seed and plants through a partnership with Urban Roots.

In October of 2019, the City Council approved entering into agreement with LHB, Inc. to begin the park master planning process. That process included evaluation of existing conditions and facilities and community engagement that included stakeholder meetings, an open house, online survey and a master plan-level cost estimation.

In April of 2020, the master plan concept for Harvest Park was presented to and approved by the Parks and Recreation Commission but due to the pandemic, changes to the services that the City provides, and possible changes to the Purple Line Bus Rapid Transit (BRT) routing the City Council approval of the master plan was put on hold.

Staff has completed a review of the master plan to see if the plan still meets the needs of the public today and into the future given the events that delayed the approval of the master plan. Based on this review, staff found the proposed master plan still meets the needs of the public by providing high quality soccer fields for practice and play, open green space for informal activities, pickleball courts, trails, and gathering spaces. The main item staff has identified as a recommended change entails the proposed parking areas.

Harvest Park presents a challenge to layout parking given the uses proposed as part of the master plan and the park's long narrow shape. The master plan currently shows a reduction of the existing parking lot located near the middle of the park. Staff's recommendation is to leave the existing parking lot at the current size. This is based on the amount of parking that would be needed when the soccer fields are in active use along with staff observations of current parking levels. If the parking lot remains at its current size, the proposed large picnic shelter would need to be moved to the west side of the trail and softball field would be changed to green open space.

As part of the Purple Line BRT project a proposed park and ride lot is shown at the southwest corner of the park next to the existing basketball court and proposed pickleball courts. The Purple Line project team is currently studying an alternative alignment on White Bear Avenue. If the Purple Line route is moved to White Bear Avenue the large park and ride lot would no longer be needed. However, as part of the master planning process, the need for additional parking at the south end of the park was identified. This is especially true with the addition of the proposed pickleball courts. Staff recommends that if the Purple Line route is moved to White Bear Avenue a smaller parking lot, additional pickleball courts, and shaded resting areas replace the park and ride lot shown on the master plan.

At the Council Workshop, staff will provide a presentation on the existing conditions Harvest Park, the master planning process to date, and recommended changes to the master plan that was developed in 2020. Staff is looking for input from the City Council on the master plan, staff recommendations, and the best way to move forward with the project.

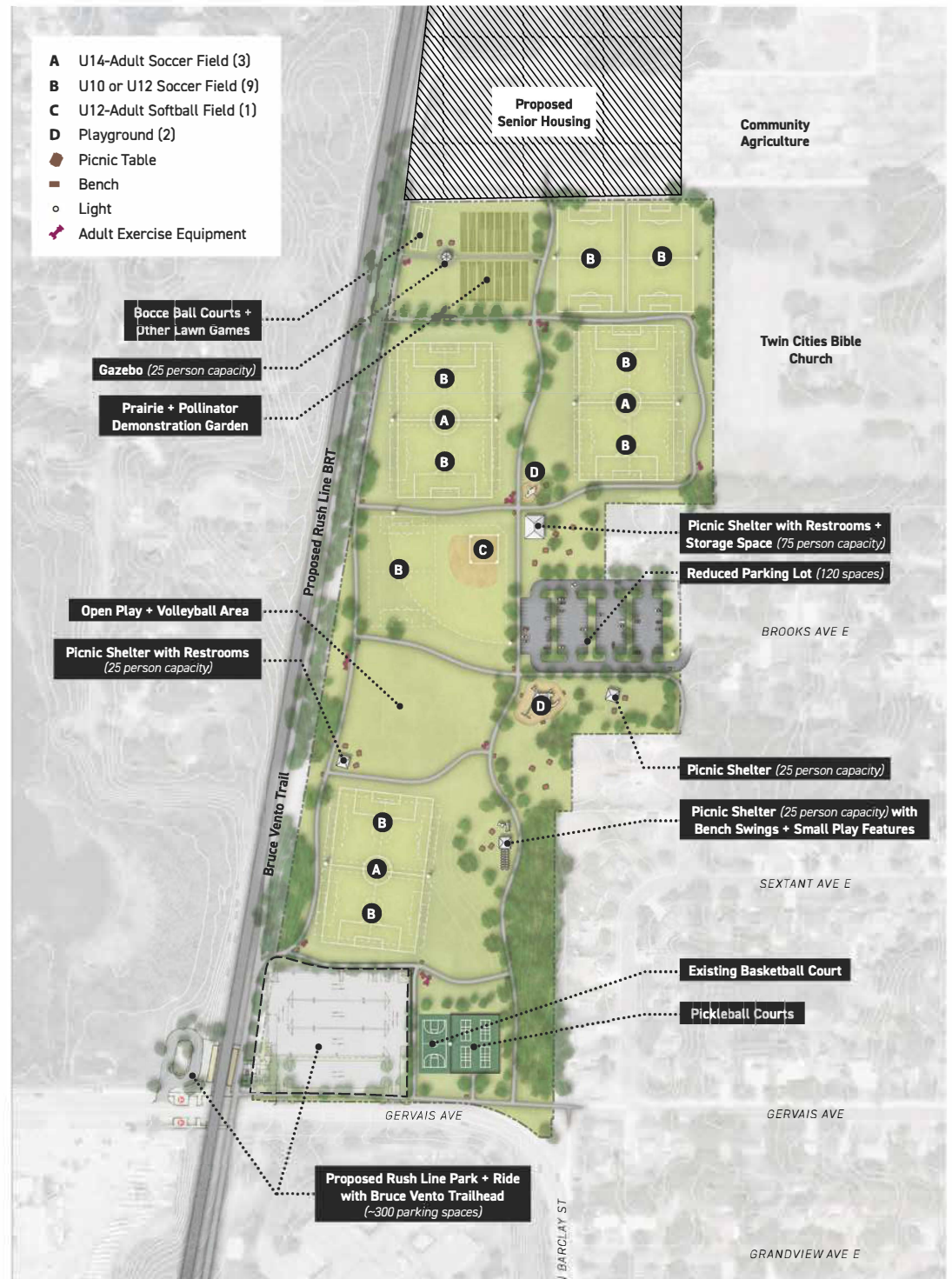
**Attachments:**

1. Harvest Park Preferred Concept Plan
2. Presentation



# Preferred Master Plan

- 4 picnic shelters (2 with restrooms)
- 1 gazebo
- 1 full basketball court
- 4 full pickleball courts
- 1 regulation ballfield
- 3 regulation soccer fields
- 9 practice/youth soccer fields
- 2 playgrounds
- 2 bocce ball courts
- Small play features and bench swings on the hill
- Prairie and pollinator demonstration gardens
- Open play areas
- Loop trails with lighting, seating, and adult fitness equipment
- ~120 parking spaces (plus ~300 park and ride parking spaces)



# Harvest Park Master Plan

Council Workshop  
May 13, 2024

## Project Progress

October 2019

**Project Kick-Off**  
• Review of Existing Conditions



November 2019 - April 2020

**Public Engagement**  
• Stakeholder Meetings  
• Developed Concept Options  
• Public Meeting  
• Online Survey  
**Create Master Plan**  
• Approved By The Park And Recreation Commission



May 2024

**What Has Changed?**  
• Covid  
• Purple Line Route  
**Staff Review of Master Plan**  
• Parking Needs  
• Future Pickleball  
• Sunshelters



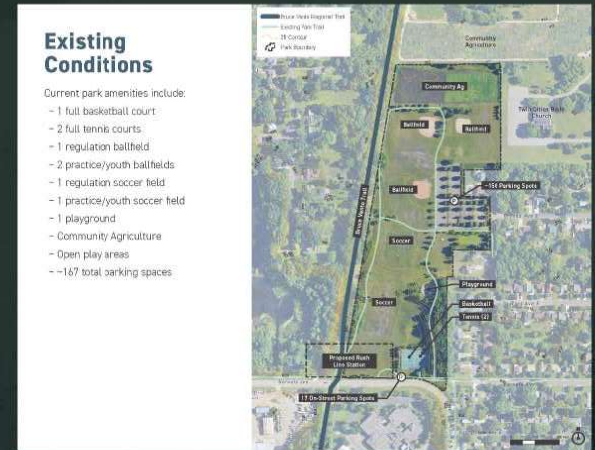
Looking Forward

**Council Feedback**  
• Master Plan  
• Staff Review  
**Public Engagement and Approval Process**  
• Need to Gather Public Feedback on Staff Recommended Changes  
• Move Forward with Staff Recommendations  
• Take Back to Parks and Recreation Commission

# October 2019

## Project Kick-Off

- Review of Existing Conditions





## Existing Conditions

Current park amenities include:

- 1 full basketball court
- 2 full tennis courts
- 1 regulation ballfield
- 2 practice/youth ballfields
- 1 regulation soccer field
- 1 practice/youth soccer field
- 1 playground
- Community Agriculture
- Open play areas
- ~167 total parking spaces



# November 2019 - April 2020

## Public Engagement

- Stakeholder Meetings
- Developed Concept Options
- Public Meeting
- Online Survey

## Create Master Plan

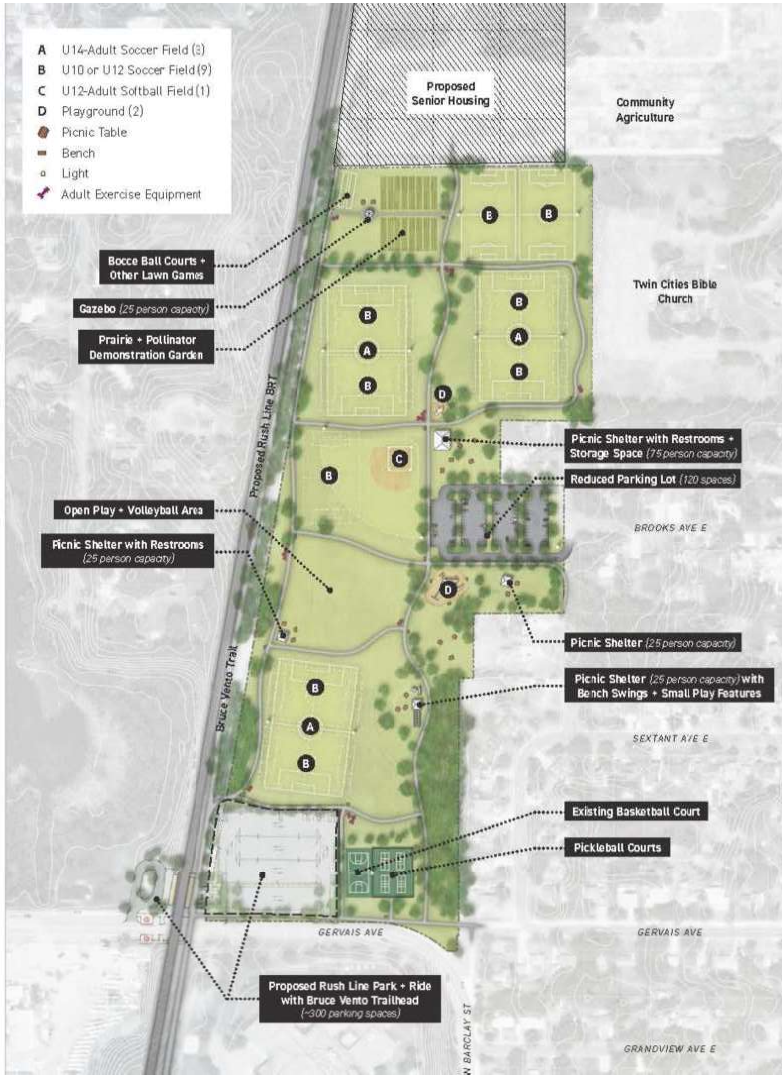
- Approved By The Park And Recreation Commision





# Preferred Master Plan

- 4 picnic shelters (2 with restrooms)
- 1 gazebo
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- 1 regulation ballfield
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- 9 practice/youth soccer fields
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- Small play features and bench swings on the hill
- Prairie and pollinator demonstration gardens
- Open play areas
- Loop trails with lighting, seating, and adult fitness equipment
- ~120 parking spaces (plus ~300 park and ride parking spaces)



# May 2024

## What Has Changed?

- Covid
- Purple Line Route

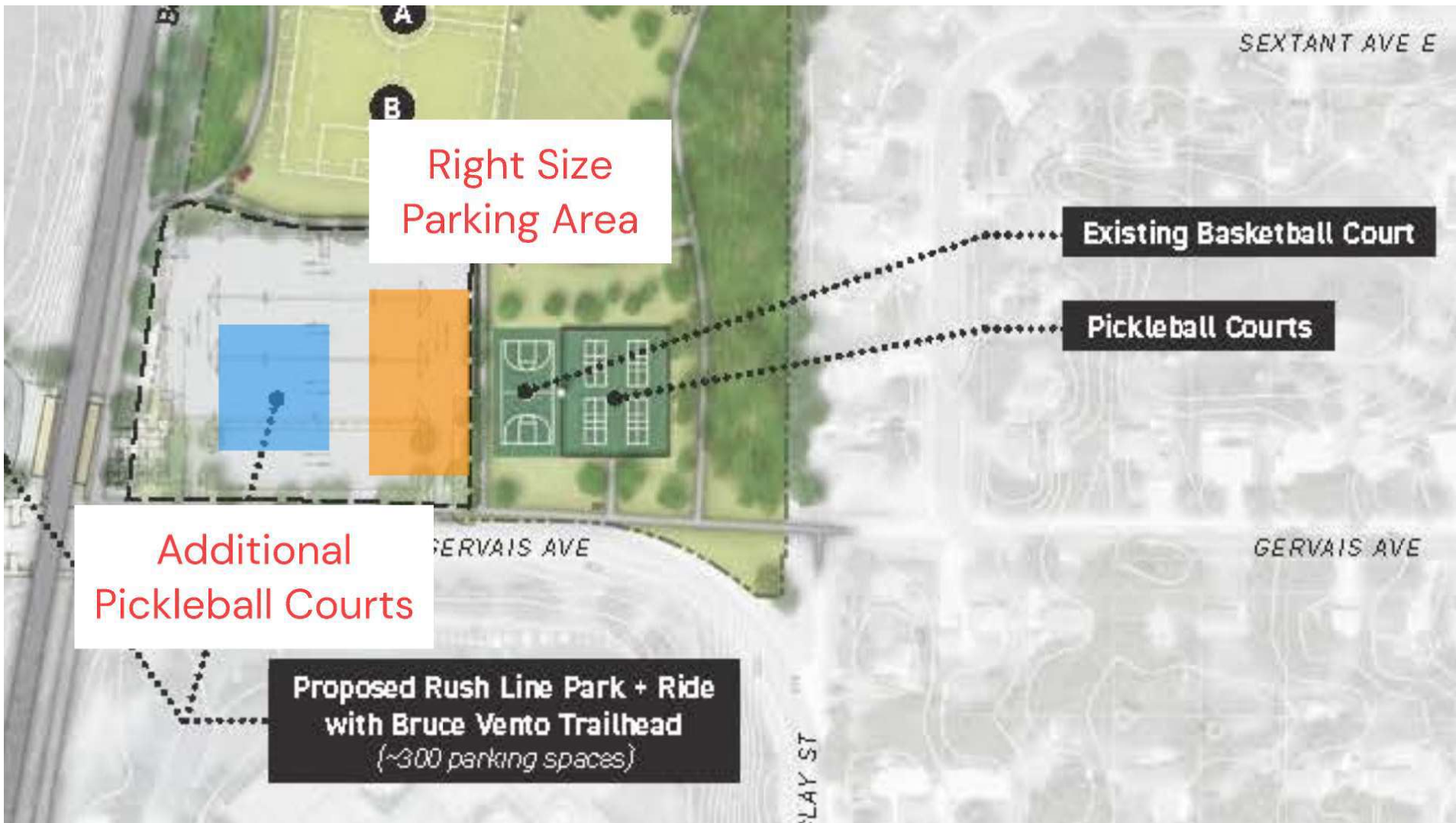
## Staff Review of Master Plan

- Parking Needs
- Future Pickleball
- Sunshelters









# Looking Forward

## **Council Feedback**

- Master Plan
- Staff Review

## **Public Engagement and Approval Process**

- Need to Gather Public Feedback on Staff Recommended Changes
- Move Forward with Staff Recommendations
- Take Back to Parks and Recreation Commission