

August 15, 2005

Incorporation Committee & Town Board Workshop

The purpose of the meeting was for the Town Board to discuss with the Incorporation Committee their findings for the recommendation to proceed with incorporation. Town Board members present were Chairman Dennis Seefeldt, Mike Hinz, Nancy Madden, Blair Joselyn and Mike Harnetty. Incorporation Committee members present were Chairman Blair Joselyn, Mike Harnetty, Bill Havener, Peter Schwarz, Kevin Nickelson, Bruce Swenson, Lee Sandager, Chris Olson, LaVayne Dupslaff and David Hebert. Also present were Clerk Dolores Peterson and recording secretary and Treasurer Colleen Firkus.

Mr. Joselyn outlined the process, which started in June 2004. After about 25 meetings, the Committee held a Public Information meeting on July 12, 2005. Approximately 225 people were present with 15 posing questions or comments to the Committee. The following Monday, the Committee met where eight members voted to recommend to the Town Board to proceed with the incorporation process and two members voted to delay the process. The recommendation was brought to the Town Board the next evening, which resulted in this workshop meeting.

Blair Joselyn outlined how he came to his decision to support incorporation. Joselyn started out neutral. Early in the data collection process he was against the idea. There were no discussions amongst the members on which way they were leaning. As more data was collected, Joselyn changed his position based on the totality of what was learned. Joselyn concluded that incorporation was in the best long-term interest of the township, that it was inevitable and sees no reason to wait. The Town Board should look to the future. There will be more development, more people, more traffic, more demand for services and we'll need the tools to deal with this. We can't live in the past and need to be proactive now. Some concerns stated by Joselyn were a difficult transition for the townspeople, staff and town board. There will be a lot of hard work to get this done and we shouldn't underestimate the difficulties.

Bill Havener voted to delay because of the loss of County road aid due to a lack of population. He sees the town day-to-day operations remaining similar to the present. Havener doesn't see any advantage for waiting other than the loss of road aid from the County (approx. \$25,000 annually). Mr. Joselyn interjected that any road aid losses incurred would be recouped in one year once the town reaches a population of 5,000 (approx. \$225,000).

Peter Schwarz doesn't think it will take until 2017 to reach a population of 5,000. More likely 2010 or 2012. He also wouldn't plan on the \$225,000 from the State when we reach 5,000 in population. Schwarz has changed his mind several times. He is for incorporation, but delaying. Incorporation should be considered for managing the future, but what is the vision of this future? In a survey from 1996, residents said they wanted to remain rural, and a Park survey indicated residents wanted to remain rural. The MET Council also supports our vision to stay rural, with no MUSA in the near future. This precludes high-density development and big commercial operations. Schwarz feels residential development alone will not sustain the government services that will be needed; there will be a need for some commercial development. The town will need astute rezoning. Schwarz stated we should first make preparations for the future, then petition for incorporation – don't rush into it.

Chris Olson is for incorporation, but was absent from the Committee meeting when the vote was taken. Olson said the estimates for building and zoning inspectors are conservative and should be looked at in more detail. Olson would like to wait a couple of years, but the cost will only go up – an issue not addressed.

LaVayne Dupslaff said a city government gives us the opportunity to be a progressive community. We should be standing on our own two feet when the County divests itself of overseeing the township.

Kevin Nickelson came into the process with no preconceived notions and to try and be as fair as possible. He was satisfied with the way the Committee worked and doesn't know of any committee members that would benefit from incorporation. The County has started weaning us from their services; first planning, then building permits. Nickelson feels it is a good move now and thinks the County will be doing less and less for towns. The main reason we should incorporate is that we can govern ourselves better than having the County in the planning process. We can do as well as any other city in this state. One advantage is we will be able to make decisions we can't make now, i.e. less restrictive than the County. We are a unique township with a Village Center. Most rural townships don't have any. It will cost more money to be a city, but we don't know what future costs may be. If it is a good idea, then we should proceed. Nickelson doesn't find it inconceivable that a resident in the western part of the township would petition to be part of Forest Lake.

Lee Sandager was impressed with the committee, the leadership of Blair Joselyn, the examining of pros and cons, and the good and thorough procedure followed. The Committee has a lot more information at its disposal than the average town resident. Sandager agrees incorporation is the route to go. Over the past fifty years it was good and necessary to have County oversight. Sandager is a strong believer in government at the lowest level being in charge. Get rid of two levels of government. We have good ordinances in place and the ability to enforce them. It's time for the town board to take responsibility to govern under these ordinances. It's time for local control. The voice of the people needs to be heard and they will have a better opportunity to do that with government at the local level than with County oversight. Local landowners have a voice in their local representatives, but there will still be MET Council oversight.

Mike Harnetty explained his logic to answer why his is for incorporation. First, in regards to the annexation issue, he thinks it is inevitable, but not imminent. If you're an attractive community, which Scandia is, someone is going to want to control it. Manning and Hwy. 97 may be attractive to Forest Lake at some point. Second, incorporation brings us more responsibility, not authority. Harnetty finds this attractive because it makes you sharper and you'll do a better job. He is not worried about abuse of authority. The County has been a good partner and doesn't think that will end. Third, we look and act like a city already – more so than some cities. There are 1,789 townships and 853 cities in Minnesota with 82% of the population in cities. Ranking by population size, Scandia is in the top 19% of all cities in the state. In the Metro area, there are 47 townships and 129 cities with 55 smaller than Scandia. We would not be a small city. We have 95 miles of road and 75 miles paved. We have a town hall, fire department, park and

recreational facilities put in by a township government. We didn't need to be a city to build this infrastructure. However, all were put in place as a response to change. Fourth, change will continue to occur at an accelerated rate. We're an attractive community. Residential development, commercial development and annexation will be issues as a result of the pressure of change. We can't stop it, but we can manage it. In regards to the question as to why White Bear Township is still a township and has not been annexed, Harnetty doesn't think it is attractive for annexation purposes. It's all developed with no open spaces left. If annexation and change are inevitable, Harnetty would like to be prepared now. There will be a learning curve. Harnetty urged us to be good at it when we need to be, not wait until change requires it. Complete communities evolve into cities, not visa versa. It would be best to manage the growth before it manages us.

David Hebert was relatively neutral at the start. The town has gotten more complex over the years. Hebert has become convinced we should incorporate as soon as possible. This is his opinion as a resident as well as the town's attorney and a committee member. If we don't start now, the information gathered would be no longer current and we'll have to repeat the committee's work. We don't need two layers of ordinances to govern this town. We have good ordinances and a Comprehensive Plan passed by the MET Council. The MET Council wants Scandia to stay rural. We have as capable elected officials as any other city around. We're not a small town and have significant population growth with a lot of local talent to use. Personnel restructuring is coming soon and we should have the government structure in place now to incorporate the changes. We're a town with an urban government. Elected officials should make the decisions on budgets, expenses and ordinances. If we become a city, we will have development tools like TIF and EDA available if we should choose to use them. We won't have to fight with the County for things like senior housing. Hebert also feels part of the town could be annexed and becoming a city will prevent annexation.

Bruce Swenson thanks Blair Joselyn for all his hard work. Swenson wasn't at the last committee meeting, but would have voted for incorporation. He questions on cost of County planning services, which were estimated to have an \$80,000 value for services provided. Swenson feels we can govern ourselves. The County will have less and less oversight in the long-term. Swenson doesn't think staff will be affected much whether we have a township or city form of government. He believes that we'll have a population of \$5,000 much sooner than 2017 and, therefore, state road money. Annexation is not a worry now, but will come up in the future. One change not discussed is that residents will vote for their mayor, not have a town board elected chairman. Swenson said the long-term interests of this community would be to incorporate.

Town Board discussion followed the Committee's statements. One resident's concern was retaining maximum control over future zoning and subdivision regulations (Q. 21) to remain rural and how that would happen. Mr. Joselyn said incorporation would give us more flexibility. Harnetty disagreed with the premise that rural character is related to form of government. We don't need to be a township to be a rural community. It is more based on leadership. Havener said annexation by another city would remove our control over remaining rural. Hebert stated

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incorporation is a form of government, not a characteristic of our community. As an urban town, we're more restrictive than Chisago Township, which is a rural town. The city of Grant said to remain rural they had to become a city. Seefeldt said an example of the County being more restrictive than the town is in the Wyldewood Acres development by not counting road right-of-way in calculating lot size. This decreased the size of the town park as the developer needed the extra land to make lot size. The town houses were also placed closer to the road than they would have been if the development were allowed to use road right-of-way in calculating lot size. The town had to accept a less attractive design.

The Committee did not discuss personnel issues. Harnetty feels we will need more staff to help provide support to town board supervisors. Town board members could put 40 hours per week into the job and are often called out during the day. Harnetty said the town should have professional full-time help to answer complex questions. Hinz said we would need more help regardless of the form of government.

The Committee looked at development tools of TIF and EDA, but not in detail. There were no discussions of commercial development, other than a need for a larger tax base later through commercial/industrial development. Swenson said such development could be a medical clinic, nursing home, assisted living, etc. Right now we don't have much uptown employment to support volunteer firefighters. We lost a few firefighters when Nickelson Plastics left. Joselyn stated there are no hidden agendas regarding commercial or business development. Hinz commented that if we lose County road money, there are funds at the State for possible big projects. Hebert pointed out that the laws will not necessarily stay the same and money available now, may not be there later. Madden indicated the personnel needs and the population estimates are conservative. Nickelson said the County does a good job of mining oversight and permitting. The Committee did not address this and we'd have to have personnel for oversight of mining operations. Harnetty said taxes have gone up in other towns that incorporated. Grant had no infrastructure and taxes went up to provide that. Forest Lake Township residents saw their taxes go up as they now have to share city costs. Neither is a good comparison to Scandia. Scandia does not have these situations. We already have our infrastructure and we're not adding any area. Harnetty stated this is the opportunity to rise to the next level, or start to decline. Clerk Peterson said we can be restrictive like Lake Elmo to manage commercial development. Schwarz urged the board to recognize the work of Carol Joselyn for the Committee. Seefeldt thanked everyone for his or her hard work and attending the workshop. Madden made a motion to adjourn and the meeting adjourned at 8:45 p.m.

Respectfully submitted,



Colleen Firkus

Planning Commission Secretary