

CITY COUNCIL PROCEEDINGS
BEMIDJI, MINNESOTA
Special Work Session – May 28, 2008

Pursuant to due call and notice, a work session of the City Council of the City of Bemidji, Beltrami County, Minnesota, was held on Wednesday, May 28, 2008, at 5:30 p.m. in the Conference Room of City Hall, Mayor Lehmann presiding.

Upon roll call, the following Councilmembers were declared present: Lehmann, Markeson, Hellquist, Erickson, Downs, Meuers. Absent: Johnson.

Staff Present: City Manager John Chatten, City Attorney Alan Felix, Community Development Director Rita Albrecht, City Clerk Kay Murphy

Others Present: BSU Representatives - Bill Maki, Bob Peters; and Design Review Committee Members - Sandy Kaul, Dennis Parker, Lori Paris, Cindy Serratore, Gayle Quistgard, Anne Sand, Dave Larson and Leo A Daly Representatives - Linda Kane, Steve Singer, Jennifer McMaster, Benji Hofstad (WSN)

Ours to Serve House of Hospitality Discussion

Mayor Lehmann stated that the first item of business was to discuss a request from Rebecca Hoffman, the Executive Director of the Ours to Serve House of Hospitality, regarding a grant application for a new homeless shelter for the Bemidji community.

Rebecca Hoffman stated that the Ours to Seve House of Hospitality is applying to the Minnesota Housing Finance Agency (MHFA) for a \$1 million grant to replace the family homeless shelter. The proposed facility will have six guest units for up to six family members each with a total capacity of 26 people. The agency's current capacity is 6 licensed beds. Rep. Frank Moe introduced the bonding legislation on behalf of the shelter for capital expenses for publicly owned housing, including emergency shelters. This bill was funded at \$1 million during the bonding session. Rep. Moe's support is making the application for these funds possible. She stated the MHFA requests a demonstration of local support for the grant proposal. These demonstrations earn points for the agency on their application, allowing them greater leverage in capturing the funds.

Downs stated that homelessness is an area wide problem and asked if others in the area are contributing.

Ms. Hoffman responded that they have received \$50,000 from Red Lake and other tribal groups are discussing contributions. In addition, she stated they have discussed with Beltrami County.

Discussion continued on criteria for those that use the facility. Ms. Hoffman stated that the priority is to serve those that are tied to the community.

Mayor Lehmann stated that the Council has a moratorium on giving.

Ms. Hoffman replied that she respects the Council's perspective; however, this is a development request, not an operational request. Ms. Hoffman commented that the existing facility will not be operated when the new facility is built. The existing facility is an ideal location for other businesses or housing and they will decide that later.

Erickson suggested that the interest be used from the UDAG fund to pay the building and WAC/SAC fees. She noted that approximately \$24,500 in interest is accrued on the UDAG funds. She stated that she could support this request using the UDAG fund interest on a one time basis, thereby not using the city taxpayer money.

Chatten stated that the Council should look at this project like a TIF request, using the "but-for" test, absent the City's support of the project, the project would never happen.

Felix stated that this is a legitimate public purpose in the terms of satisfying the legal exercise. The second issue becomes: is this an eligible use of UDAG funds? The UDAG program is long defunct and because of that, the eligibility has become flexible and Felix felt a legitimate use of those funds.

Motion by Erickson, seconded by Meuers, to use UDAG fund interest to pay the building permit and sewer and water access connection fees on a one-time basis for the proposed homeless shelter pending funding from the Minnesota Housing Finance Agency. Motion carried unanimously.

Event Center Discussion

Linda Kane, Architect with Leo A Daly, reviewed revised schematics of the exterior and interior of the events center complex. The revised plan cuts 13,000 square feet from the footprint. Currently, at 227,000 sq. ft and using the square foot multiplier it is roughly \$46 million for the building. Looking at the schedule with construction completed January 2011, inflation will need to be added into the cost of the project. They are using the estimate of 14% inflation. The exact cost of what has been proposed is unknown. Schematics will be sent for an official cost estimate on June 6.

Steve Singer, Leo A Daly, reviewed the designs. Downs suggested that the VisitBemidji offices be included in the event center space.

Anne Sand asked what else, besides reducing the footprint was done to cut the construction cost of the building. Singer stated that once the cost is determined there may be a need to use less expensive types of material. He noted that there were efficiencies created with the new design. Singer stated that the new entrance is more accessible and the interior is finished with basic materials.

Markeson commented that the Ralph Englestad Arena in Grand Forks does not have retractable seats and asked why the BREC needed them. He stated that there is floor space under the seating area which can be used for storage.

Jennifer McMaster stated that last year they looked at removing the retractable seats which was a cost savings of approximately \$140,000. Discussion continued regarding the possibility of storage under the seats. Singer noted that 30 booths could fit on the floor if there were retractable seats and this could be the tradeoff.

Cindy Serratore asked about maintenance of retractable seating. McMaster stated she would have to check into this. It was noted that Englestad leaves the dasher board in place but removes the glass when using the arena for exhibit space.

Sandy Kaul stated she liked the new design with the larger lobby as it appears lighter, airier and covers the big box appearance of the building. She felt that the stone connects with the historical aspect and windows bring it into the future. Albrecht observed that the lobby area becomes an additional event space and the entrance is defined. Discussion continued on the design.

Kane stated that the drawings go to the estimators on June 6. Chattin stated that before it goes to a cost estimator cuts need to be made on the facility and suggested that it was prudent to scale it down. He felt that Leo A Daly should take the lead on these changes. Concerns were expressed that this might be viewed as an arena by the public. It was noted that the height of the building makes it an event center.

Bill Maki, BSU, asked about the lease agreement and the weight training room. Chattin stated that the final framework that was approved has BSU as an event. The City should be rented in the off season and the suite owners can be personalized by the owner. Suite owners have to purchase tickets for special events. The trade off on this is that if the suite owner did not attend the event then the seats would not be sold.

Dave Larson commented that the aesthetics of what was approved by the group is the right answer. He felt that the new design is out of context for our area.

Mayor Lehmann stated that the building needs to get down to the dollar figure that the City can afford and stated that Leo A Daly needs to make this happen. The consensus was to eliminate retractable seating, the second floor offices and redesign the circular lobby or cut down to a vestibule, and reduce the cost of the convention center.

Council directed Leo A Daly to continue with the original approved exterior design and design a building that is within the current budget.

ADJOURN

There being no further business, motion by Hellquist, seconded by Meuers, to adjourn the meeting. Motion carried. Meeting adjourned at 8:10 p.m.

Respectfully submitted,



Kay M. Murphy
City Clerk