

OFFICIAL PROCEEDINGS MINNEAPOLIS CITY COUNCIL

REGULAR MEETING OF AUGUST 16, 2013

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Council Chamber
350 South 5th Street
Minneapolis, Minnesota
August 16, 2013 - 9:30 a.m.

Council President Johnson in the Chair.

Present - Council Members Glidden, Goodman, Hodges, Gordon, Reich, Hofstede, Schiff, Lilligren, Colvin Roy, Tuthill, Quincy, President Johnson.

Absent – Council Member Samuels.

Schiff moved adoption of the agenda. Seconded.

Adopted upon a voice vote.

Absent – Samuels, Lilligren.

Schiff moved acceptance of the minutes of the regular meeting of August 2, 2013. Seconded.

Adopted upon a voice vote.

Absent – Samuels, Lilligren.

Schiff moved referral of petitions, communications, and reports of the City officers to the proper Council committees and departments. Seconded.

Adopted upon a voice vote.

Absent – Samuels, Lilligren.

PETITIONS AND COMMUNICATIONS

COMMITTEE OF THE WHOLE (See Rep):

ATTORNEY/CHARTER COMMISSION (276655)

Plain Language Charter Revision: Adopt ballot language; Approve submission of the proposals to amend the Minneapolis City Charter to the qualified voters of the City for adoption or rejection at the 2013 Minneapolis Municipal Election to be held November 5, 2013; and Authorize the City Clerk to provide notice of such submission in a newspaper of general circulation in the City of Minneapolis and the City's official newspaper.

COORDINATOR (276656)

Public Utilities Commission Customer Energy Usage Data (CEUD) Workgroup: Direct Sustainability staff to submit a letter of intent for the City to participate in the workgroup process.

Glidden moved to find under Council Rule 4 that the regular Council cycle is not adequate, and to consider the action of the Committee of the Whole from August 15, 2013 regarding the Franchise Negotiation Framework Resolution at this meeting. Seconded.

Adopted.

Absent – Samuels.

Comm of the Whole/IGR – Your Committee recommends passage of the accompanying Resolution adopting a framework for reaching City of Minneapolis energy goals.

Adopted.

Absent – Samuels.

Resolution 2013R-353, adopting a framework for reaching City of Minneapolis energy goals, was adopted by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

RESOLUTION 2013R-353

By Gordon, Lilligren, Glidden, Hodges and Schiff

Adopting a framework for reaching City of Minneapolis energy goals.

Whereas, the City of Minneapolis has adopted a City Goal to be an “eco-focused, internationally recognized leader for a healthy environment and sustainable future,” and a Sustainability Indicator Target committing the City to reduce citywide carbon emissions by 30% by 2025, relative to 2006; and

Whereas, the Climate Action Plan sets goals including achieving 15 percent energy efficiency in residential buildings, achieving 20 percent energy efficiency in commercial/industrial buildings and increasing electricity from local and directly purchased renewables to 10 percent of the total consumed by 2025, all from a 2006 baseline; and

Whereas, in September, 2012, the Council formed a Utility Franchise Work Group to assist the city in preparing for negotiations regarding its electric and natural gas franchise agreements with public utility companies; develop a set of policy principles that will guide the city in its franchise discussions; review and consider potential legislative and/or other regulatory changes and consider formal support for these changes on the City’s state legislative agenda; and develop a community engagement program; and

Whereas, the City has funded an Energy Pathways Study to be completed by January, 2014, that will detail what the City wants from a sustainable, 21st century energy system, and explore the various paths the City could take to achieve its energy goals, including examination of potential utility partnerships, changes to how the City uses energy utility franchise fees, and the potential for municipalization of one or both energy utilities; and

Whereas, on January 3, 2013, the Minneapolis Community Environmental Advisory Commission adopted a set of recommendations for outcomes for the new electric utility franchise agreement; and

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Whereas, the energy used in buildings, primarily for heating and cooling, accounted for 3.3 million metric tons of carbon dioxide equivalent in 2010, representing 65 percent of the total greenhouse gas emissions within the City of Minneapolis, and the vast majority of this energy is supplied by the electrical and gas utilities; and

Whereas, the City of Minneapolis has franchise agreements with Xcel Energy and CenterPoint Energy that expire on December 31, 2014 and January 1, 2015, respectively; and

Whereas, the City Council of the City of Minneapolis believes that energy should be affordable for Minneapolis ratepayers, reliable, resilient to external shocks in the face of a changing climate, efficiently delivered and used, and should come from increasingly renewable sources; and

Whereas, the energy utilities serving Minneapolis are well positioned to be a partner in achieving the City of Minneapolis adopted workforce training and participation goals; and

Whereas, Xcel Energy and CenterPoint Energy have both expressed a desire to work in partnership with the City of Minneapolis to meet the City's energy goals;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the City of Minneapolis will not conduct a special election on November 5, 2013, on the question of whether the City shall be authorized to establish a municipal utility.

Be It Further Resolved that the City of Minneapolis will develop and adopt an energy vision and goals that considers incorporation of those goals already adopted in the Minneapolis Climate Action Plan, the recommendations of the Community Environmental Advisory Commission for outcomes for the new electric utility franchise agreement, as well as the work of the Utility Franchise Work Group and the Energy Pathways Study now underway.

Be It Further Resolved that the City of Minneapolis will continue to advocate for reforms at the state level that will give the City greater ability to implement the City's energy goals, and calls on Xcel Energy and CenterPoint Energy to help achieve these reforms.

Be It Further Resolved that the Minneapolis City Council remains committed to continuing to explore all options for meeting the City's energy goals as evidenced in the Energy Pathways Study and will discuss at a regular meeting of the Committee of the Whole no later than February, 2014, the results of the Study.

Be It Further Resolved that the Minneapolis City Council directs the City Coordinator's Office and City Attorney's Office to begin negotiations with Xcel and Center Point for the electrical and natural gas franchise agreements, and work to complete franchise negotiations with all due speed, with an update to the City Council on the frameworks for franchise agreements by June 30, 2014.

Be It Further Resolved that the Minneapolis City Council calls on Xcel Energy and CenterPoint Energy to fulfill their commitments to work in partnership with the City to meet the City's energy goals and directs the City Coordinator's Office to lead an ongoing dialog with them to explore opportunities to achieve the City's energy vision. These may include strategies articulated in the Energy Pathways Study, a regular dialogue to identify barriers, develop new

programs and build better outcomes, as well as greater cooperation on our legislative agenda and before the Public Utilities Commission.

Adopted.

Absent – Samuels.

The COMMUNITY DEVELOPMENT Committee submitted the following reports:

Comm Dev – Your Committee, having under consideration the issuance of revenue bonds on behalf of Seward Renewal LLC, for the Seward Square Apartments, a project consisting of the acquisition and rehabilitation of a 81-unit multi-family rental housing development and facilities related thereto at 2121 9th St S, now recommends passage of the accompanying resolution giving preliminary approval to the issuance of up to \$6,500,000 of Tax Exempt Multifamily Housing Revenue Entitlement Bonds for said project.

Adopted.

Absent – Samuels.

Resolution 2013R-354, giving preliminary approval to the issuance of tax-exempt multifamily housing revenue bonds in one or more series under Minnesota Statutes, Chapter 462C for the purpose of financing a housing program consisting of the acquisition and rehabilitation of a multifamily rental housing development at 2121 9th St S for the benefit of Seward Renewal LLC, was adopted by the City Council. A complete copy of this resolution is available for public inspection in the office of the City Clerk.

The following is the complete text of the unpublished summarized resolution.

**RESOLUTION 2013R-354
By Goodman**

Giving preliminary approval to the issuance of tax-exempt multifamily housing revenue bonds in one or more series under Minnesota Statutes, Chapter 462C for the purpose of financing a housing program consisting of the acquisition and rehabilitation of a multifamily rental housing development for the benefit of Seward Renewal LLC.

Whereas, the City of Minneapolis, Minnesota (the "City") is authorized, pursuant to Minnesota Statutes, Chapter 462C, as amended (the "Act") to develop and administer programs to finance one or more multifamily housing developments within its boundaries; and

Whereas, Section 462C.07 of the Act authorizes the City to issue and sell revenue bonds or obligations to finance programs for the multifamily housing developments; and

Whereas, representatives of Seward Renewal LLC, a Minnesota limited liability company (the "Borrower"), have requested that the City adopt a multifamily housing development program (the "Program") to provide for the issuance of tax-exempt multifamily housing revenue bonds, in one or more series, in an aggregate principal amount of up to \$6,500,000 (the "Bonds") for the purpose of loaning the proceeds thereof to the Borrower, or its affiliate or assign, to finance the acquisition and rehabilitation of an approximately 81-unit rental housing development and facilities functionally related and subordinate thereto, located at 2121 9th Street South in the City (the "Project"), to be owned by the Borrower; and