

WORK SESSION

A work session was held by the Mayor and City Council of the City of Norfolk, Nebraska on Monday, January 12, 2009 beginning at 5:30 p.m. in the City Council Chambers, 309 West Madison Avenue, Norfolk, Nebraska.

Mayor Sue Fuchtman called the meeting to order.

Roll call found the following members present: Mayor Sue Fuchtman and Councilpersons Brenneman, Fauss, Lange, Reeder, Saunders, Van Dyke and Wilson. Absent: Coy.

Staff members present were City Administrator Al Roder, Public Works Director Dennis Smith, City Attorney Clint Schukei, City Clerk Beth Deck, Transportation, Building & Grounds Director Jim Koch, Wastewater Plant Superintendent Todd Boling, Water & Sewer Director Dennis Watts, Property/Operations Manager Gary Miller, and Information Systems Manager Jim McKenzie.

The media was represented by Greg Wees, Norfolk Daily News.

Notice of the meeting was given in advance by publication in the Norfolk Daily News, and notice of the meeting was given to the Mayor and all members of the Council prior to the meeting.

The Mayor presided and the City Clerk recorded the proceedings.

The Mayor informed the public about the location of the current copy of the Open Meetings Act posted in the meeting room and accessible to members of the public.

Economic Development Plan Review

Mayor Fuchtman stated the main purpose of the meeting is for elected officials and City staff to discuss an economic development plan.

City Administrator Al Roder has observed several things about economic development in the Norfolk area since moving here last August. Roder stated there seems to be disconnect in the community regarding economic development needs and goals. Citizens question whether economic development is being maximized and in working with the Elkhorn Valley Economic Development District (EVEDD), several concerns have been raised: (1) the financial position and future of EVEDD and (2) sustainability of EVEDD long-term. There doesn't seem to be a plan and/or direction for EVEDD. Therefore, Roder put together an economic development plan to present to elected officials. Roder has informed RJ Baker, EVEDD, and Dan Mauk, Chamber of Commerce, of the plan. Roder has also met with community business leaders and received feedback on what can be done to enhance economic development.

Roder feels economic development needs to be refocused and provided a brief overview of a proposed economic development plan. Roder said elected officials need to look at accountability for city dollars invested and to build on what is already in place—utilizing local contacts and talking to the business community. Roder said a stronger business community exists when local businesses are more profitable and stable and every business leader in the community should be

used as an ambassador for Norfolk. Roder stated there needs to be better communication with those local leaders which should be used as part of the City's marketing outreach.

Roder feels economic development should be brought in-house to the City of Norfolk. The City should have its own economic development program under the auspices of the City which would alleviate the accountability concern.

Roder suggests an advisory board of approximately seven or nine members be established. Roder stated the number of board members is flexible, but Roder suggests not less than five or more than eleven members. Roder feels no more than two elected officials should serve on the Advisory Board which would allow officials to capitalize on the business community. Roder also feels there should not be over-representation from any one business sector. Roder stated the board should consist of people who are results-orientated and people who understand what it takes to make a business successful.

Roder stated the City's focus needs to be on:

Redefining a strategic plan;
Finding success (what is it the City wants from an economic development program);
Identifying specific targets that fit the Norfolk area; and
Creating an action plan to implement the strategic plan.

Roder commended EVEDD on their entrepreneurship program. Roder recommends the City also needs to include an entrepreneurship (outreach) program in economic development. Currently, EVEDD subsidizes that program (spending more money than what the outlaying communities are paying into the program) which isn't bad because those communities support Norfolk's economy. Roder stated the program should be expanded to include Norfolk entrepreneurs.

Roder stated there have been a lot of discussions about retail development. Roder stated retail development and economic development in Norfolk are not the same; however, that doesn't hold true for outlaying communities. Roder does feel retail development needs to be addressed, though, because a vast majority of the City's General Fund operating budget comes from sales tax.

Roder stated elected officials need to be willing to delegate a lot of authority and grant "a great deal of latitude" to the economic development advisory board. If the City hires an economic development person, that person needs to be able to work outside the city limits of Norfolk. Roder stated elected officials also need to be willing to delegate certain decisions to the Economic Development Advisory Board. Roder doesn't anticipate economic development to be successful if each decision needs to be approved by the City Council. The Council can be very specific on what decisions the Advisory Board can make but a lot of it should be done "outside the Council Chambers."

Roder stated the City's investment in economic development will increase. The City currently pays approximately \$47,000 (over \$200,000 over the last five years) to EVEDD. Roder believes the City of Norfolk will need approximately \$150,000 to \$200,000 annually for operating expenses for an economic development program. The big differences from EVEDD to the City of Norfolk will be marketing and setting priorities. Roder feels there is an opportunity for the

City to partner with other entities; however, Roder wants direction from the Council prior to proceeding with the plan. Roder feels the passage of an LB 840 program is important to economic development efforts but not to fund operating expenses. LB 840 was designed to be incentive money to help locate economic developments projects and/or prospects. The City needs to be willing to fund operating expenses in addition to an LB 840 program.

Roder anticipates starting the program between July and September 2009 since the City currently has money committed to EVEDD for economic development. Roder stated elected officials could amend the City's budget or move funds around to start the program earlier; but, although the business community wants to move forward with the City's economic development plan as soon as possible, Roder does not recommend either of those options.

Roder stated this economic development model is similar to what was implemented in Becker County, Minnesota--a county of seven communities and approximately 35,000 people. Roder worked with three distinct townships in addition to the communities in Becker County and Roder developed the plan "from the ground up." Roder requested direction from elected officials on an in-house economic development plan for the City of Norfolk.

Councilperson Van Dyke questioned how the board members in Becker County were chosen.

Roder stated the Becker County Board identified persons to serve on the economic development board. Roder would recommend the same process be used for appointment of the City's Economic Development Advisory Board.

Councilperson Fauss questioned where the City will be able to "come up with the extra \$100,000."

Roder stated City staff will need to look at the City's budget and refocus efforts in other areas. Roder wants to address the issue now to be upfront with EVEDD to deal with it directly. Last year there was a lot of concern as to whether or not Madison County and the City of Norfolk were even going to participate in EVEDD. Roder believes that between Madison County and the City of Norfolk, EVEDD receives 70-80% of their municipal revenues, which is a large amount of their budget. Roder feels that if either Norfolk or Madison County "pull out then EVEDD doesn't exist." Roder has had some "general conversations" with Madison County but feels it is inappropriate at this time to discuss participation with the City on an economic development program. However, Madison County has said they will not be funding EVEDD next year and would rather put money into an industrial park. Roder stated it is Madison County's decision whether or not to partner with the City of Norfolk.

Councilperson Reeder questioned how far out the City of Norfolk will go to work with surrounding communities on economic development. Reeder stated some surrounding towns have concerns that "they may be left in the cold."

Roder stated an outreach program can only be effective to a certain point/distance. Roder doesn't feel EVEDD's entrepreneurship program is out of line.

Councilperson Wilson has concerns that economic development may be more restricted if operated by a municipality.

Roder feels the only restriction will be elected officials allowing flexibility to the advisory board. Roder stated buying and selling property becomes a little more cumbersome but doesn't "know if that's the answer to economic development right now."

Councilperson Fauss questioned whether Roder will "talk with any of the other surrounding counties" to participate.

Roder feels it would be inappropriate to consider encumbering partners of EVEDD. Roder only wants direction from the Council at this time. Roder feels elected officials should take official action, probably in February, to move forward with the City developing an economic development. Roder feels it is a mistake not to move forward with the plan and it is important to refocus economic development efforts.

Councilperson Saunders questioned "where the Northeast Nebraska Economic Development District (NENEDD) fits into the plan?"

Roder stated NENEDD is an integral partner in the plan, as they are today with the City of Norfolk. Roder has had conversations with NPPD representatives as well and they are a very important partner with the City of Norfolk. Roder stated the Chamber of Commerce is also an important partner. Roder stated the most successful economic development programs are those with partners.

Councilperson Van Dyke looks "at it as the City taking the lead" and not counting anyone out of the plan.

Roder stated the City has a fiduciary responsibility to citizens and, in addition, by taking economic development in-house the issue of funding is gone. As a stand-alone agency, part of the time is spent on trying to find funding. Roder stated an economic development professional can then concentrate on economic development. Roder does not have a pre-conceived idea of who should be the City's economic development director.

Councilperson Van Dyke questioned how and when the Advisory Board would report to the Council. Van Dyke also questioned how the Board would coordinate with the Chambers Action Council.

Roder feels elected officials are entitled to monthly reports at a minimum and any partners would receive the same information. However, the Board would not be able to give specifics on economic development prospects. Elected officials "need to be sensitive" as to the type of economic development information reported. Roder stated that, provided the Chamber has a willingness to partner, it would be an integral part of the plan. Roder has told Mauk that the Chambers partnership is important to the City.

Councilperson Reeder questioned how the City would transition into economic development and be able to maintain the efforts of EVEDD and the trust of other entities.

Roder stated the transition will largely depend on the relationship with EVEDD. It will take two to make the transition smooth and effective. If EVEDD is financially struggling and doesn't have funding to continue, it is in everyone's best interest to make a smooth transition and to look at melting the two programs into one. The number one priority is "how do we take care of those people that we are supposed to be representing."

Councilperson Saunders questioned the make-up of the Advisory Board.

Roder stated the Advisory Board will not have a representative from every community in Northeast Nebraska. Roder suggests business representatives be appointed to the Board, as opposed to elected officials. For economic development to be truly successful, business people need to serve on the Board.

Councilperson Fauss stated elected officials serving on the Board don't necessarily need to be from the Norfolk City Council.

Roder stated that would be up to the Council and would depend on whether or not other communities are partners.

Mayor Fuchtman questioned who will create the economic development action plan.

Roder stated the Economic Development Advisory Board will create the Action Plan with the help of the City Council. However, the City Council should help define success. For the Plan to be successful a target/benchmark needs to be set.

Councilperson Van Dyke would like Roder and Finance Officer Randy Gates to start looking at how the City can fund an economic development plan. Van Dyke also suggested Roder find business people in the community who are willing to serve on the Advisory Board. Van Dyke feels elected officials should pursue the issue and take the leadership role in economic development.

Councilperson Lange agrees with Van Dyke and said EVEDD doesn't exist without funding from the City of Norfolk and Madison County. Lange feels the City needs to be the driving force in economic development and needs to find the funding to make it work. Lange feels the biggest stumbling block would be the City owning property.

Councilperson Fauss doesn't feel "it's just having a building or land" but elected officials "need to have a city that people want to come to." Fauss said "the City controls how parks, streets, and how the City looks so the whole thing needs to be looked at." Fauss stated "we need to work with everyone to make this work."

Councilperson Wilson stated a lot of focus has been on bringing new businesses to town but there should be an emphasis on keeping existing businesses here.

Roder agrees but isn't sure that businesses like Protient would have stayed operational even if economic development was with the City. Roder doesn't want to "cast any stones" and there are a lot of nuances in economic development that can't be avoided. The City needs to be very aggressive in efforts to meet with business people on a regular basis.

Councilperson Brenneman is in favor of the format set out and feels the community has criticized the City in the past for not utilizing/involving individuals in economic development. Brenneman stated the entrepreneurship program is good and should be included in the Plan.

Mayor Fuchtman feels the City is ready to move forward with economic development in-house and the plan is workable. Fuchtman feels partnerships with the City will strengthen with an

economic development plan. Fuchtmann also sees the City taking more responsibility in what is happening in Norfolk.

Roder stated an entrepreneur program is important but the City doesn't does not want to compete with EVEDD. However, Roder has a concern with EVEDD's sustainability.

Councilperson Brenneman stated the program can't move forward without adequate funding and suggested staff look at funding options for an economic development program.

Roder welcomes any comments and/or suggestions regarding the proposed economic development plan.

Snow and Ice Removal from Sidewalks

Roder stated that last fall the City's ordinance on snow and ice removal from sidewalks was amended and, in an effort to be more proactive, the Permits & Codes Division has been sending out a staff person to contact citizens about the removal of snow & ice from sidewalks. There have been 78 contacts made so far this winter where snow was not removed in the time provided by City Code. There has not been time to make follow-up contact with everyone but some of the sidewalks have been cleaned. Staff has found, however, that over the course of 3-4 weeks, several property owners are not going to remove the snow and ice from the sidewalks. The Police Division has started issuing citations in accordance with City Code. Roder stated elected officials have two choices: (1) enforce the current City Code, or (2) delete the City Code regarding removal of snow and ice from sidewalks. Roder stated more complaints are received from citizens who can't use the sidewalks because they aren't cleared off than from people having to clean the sidewalks off.

Councilperson Fauss feels the process is working but has concerns because several elderly people have contacted him and are not able to clean off rear sidewalks (e.g. Benjamin Avenue) after the City plows go by. The people are keeping the front of their properties clean but the snow and ice thrown by the City plows is too heavy to move. Fauss understands the City can't make exceptions but suggested using volunteers to help elderly citizens on fixed incomes clean the sidewalks.

Roder understands there are 3-4 areas in Norfolk that have back yards that are difficult to keep clean because of the snow plows. However, the areas are school routes and the snow and ice needs to be removed. Roder doesn't feel it is prudent to use City resources to clean sidewalks off to benefit a few people. Roder stated the City could clear the sidewalks and then bill the citizen for the cost but that doesn't help citizens on fixed incomes.

Councilperson Lange stated elected officials and staff expect citizens to "make the effort" and be responsible for maintenance of their property.

Roder stated the ordinance is not "vindictive" and city employees will be prudent in enforcement.

Councilperson Van Dyke said there are also a lot of young people who don't clean off sidewalks. Van Dyke feels citizens need to work together and should ask for help, if necessary, or hire someone to do snow removal.

Public Works Director Dennis Smith explained staff has been concentrating on areas that haven't been cleared off since the first snow.

Roder suggested elected officials call the City Administrator or Transportation, Building & Grounds Director Jim Koch if a citation is issued in an area that may be inappropriate. Roder stated the cost of a citation is \$25.00 but on top of that are court costs of \$44.00 and the costs for snow removal by city staff.

City Attorney Clint Schukei stated only 2 citations have been issued for snow removal in the last 20 years. However, last weekend 3 citations were issued. The City "is trying to change the culture of the community" regarding snow removal from sidewalks. Schukei explained the process is that once a citation is issued, the Street Division is notified and within 24 hours the City cleans the sidewalk(s). Schukei will then ask the Court to impose the cost to remediate the snow removal against the citizen. Schukei stated an ordinance change is being recommended to make both the owner and tenant responsible for snow removal on the property.

There was a brief discussion on complaints received regarding the City's street snow removal program. Koch stated the City's cost to remove snow is approximately \$15,000 to \$20,000 per snow fall. The City has spent almost \$70,000 on snow removal this year as well as \$12,000 on overtime for city employees; \$10,000 on outside snow removal costs from the Street Division budget and \$10,000 from the CHAF budget. The City has also used 600 tons of gravel & salt mix and 30,000 gallons of liquor brine for snow removal.

Roder stated City staff will implement any snow removal program at the direction of the City Council but the cost can be enormous.

Councilperson Fauss moved, seconded by Councilperson Van Dyke to adjourn the meeting at 6:51 p.m. Roll call: Ayes: Councilpersons Brenneman, Fauss, Lange, Reeder, Saunders, Van Dyke, Wilson and Mayor Fuchtman. Nays: None. Absent: Coy. Motion carried.

Sue Fuchtman
Mayor

ATTEST:

Elizabeth A. Deck
City Clerk

(S E A L)