



**Regular City Council Meeting Minutes**  
**City Hall Council Chambers, 2660 Civic Center Drive**  
**Monday, March 16, 2026**

**1. Roll Call**

Mayor Roe called the meeting to order at approximately 6:00 p.m. Voting and Seating Order: Schroeder, Groff, Bauer, Strahan, and Roe. City Manager Patrick Trudgeon and City Attorney Rachel Tierney were also present.

**2. Pledge of Allegiance**

**3. Approve Agenda**

Schroeder moved, Groff seconded, approval of the agenda as presented.

**Roll Call**

**Ayes:** Schroeder, Groff, Bauer, Strahan, and Roe.

**Nays:** None.

**4. Public Comment**

Mayor Roe called for public comment by audience members on non-agenda items.

Mr. Andy Johnson, a resident near Acorn Park, raised concerns about the growing presence of drones in local neighborhoods. While acknowledging that the council is not the FAA, he suggested the city could help address community concerns by working with other cities or regional groups. He expressed discomfort about potential surveillance and privacy issues, especially given the current political climate, and encouraged broader discussion or advocacy, similar to past city efforts on housing issues.

Ms. Cari Gelle, a resident near Highway 36 and Dale Street, voiced concerns about increased drone activity, focusing on safety and surveillance risks. She pointed out reports of drones being launched near the Roseville Public Library during open hours and frequently flying near residential areas, including mobile home parks, sometimes without proper identification as required by FAA rules. She urged the city to consider advocacy actions such as writing letters, establishing legislative priorities, or exploring new regulations.

Ms. Gelle also expressed concerns about bounty hunters possibly operating in the area, highlighting safety, liability, and discrimination risks. She asked the city to consider banning or restricting bounty hunter activity within city limits. Lastly, she appreciated the city's recent efforts to promote community safety and equity, especially for immigrant residents.

**5. Recognitions, Donations, and Communications**

**6. Items Removed from the Consent Agenda**

**7. Business Items**

**a. Discuss Broadband Franchising**

City Manager Patrick Trudgeon briefly highlighted this item as detailed in the Request for Council Action and related attachments dated March 16, 2026.

Mr. Mike Bradley, attorney for the North Suburban Cable Communications Commission, offered an opportunity for the city to participate in negotiating one of Minnesota's first broadband franchises. He explained that under the current joint powers agreement, the commission would manage negotiations and operations, while the cities would officially grant the franchise.

Mr. Bradley highlighted the main advantages of franchising broadband providers, including guaranteeing equal access to high-quality internet for all residents, requiring a complete citywide service buildout within roughly five years, and establishing oversight through yearly compliance meetings. The franchise would also enhance customer service by establishing a formal process for handling complaints, offering at least a 10% discount to seniors and disabled residents, and generating revenue through a 5% franchise fee on company earnings.

Mr. Bradley emphasized that franchising is more advantageous than simple permitting because it provides broader service coverage, long-term oversight, and ongoing revenue rather than one-time fees. He also explained that recent legal developments, especially a federal court decision, clarified that broadband is classified as an "information service" rather than a telecommunications service. This distinction allows cities to regulate broadband similarly to cable services under state law, making franchising legally feasible.

Finally, Mr. Bradley noted that if the city determines broadband fits within this framework, it can direct providers to work through the commission for franchising, consistent with its existing agreement with neighboring cities.

Mayor Roe thanked Mr. Bradley for the presentation and asked if the council had any questions.

Councilmember Bauer inquired about how "broadband" is defined in this context and how it is distinguished from other providers that also use the public right-of-way, such as large telecom carriers or tiered network providers (e.g., Tier 1, 2, or 3 providers). He specifically sought clarification on how broadband services subject to franchising differ from other types of infrastructure or service providers.

Mr. Bradley explained that broadband refers to providing high-speed internet access to residents and businesses. He mentioned that companies like Comcast, Lumen (through Quantum Fiber), and others offer this kind of service directly to consumers.

Mr. Bradley explained that some providers, like Zayo, serve as “middle-mile” providers, meaning they concentrate on infrastructure and data transport rather than providing internet service directly to homes or businesses.

Councilmember Bauer clarified that Zayo is a global Tier 1 internet provider, emphasizing that it operates at the infrastructure level rather than as a local, consumer-facing broadband provider.

Mr. Bradley responded that while companies like Zayo may be able to provide service, they are not currently delivering broadband directly to residents. He highlighted the difference between providers that serve end users and those that mainly operate infrastructure or may offer service in the future.

Councilmember Bauer pushed back, stating that Zayo offers services that can be accessed directly; individuals can contact the company to get pricing, indicating it is not strictly limited to infrastructure or middle-mile services.

Mr. Bradley clarified that if a company like Zayo provides broadband internet access directly to customers, along with related “edge services” such as VoIP, then it would be considered a cable communication system under this framework. In that case, the company should obtain a franchise if it serves, or plans to serve, more than 50 customers in the area.

Councilmember Bauer asked whether serving more than 50 customers is the key threshold that triggers franchising requirements. He then used an example, noting that providers like Arvig probably already exceed that number, especially when including multi-unit housing.

Councilmember Bauer further asked whether, under a franchise agreement, those providers would not only have to pay the franchise fee but also be required to meet broader obligations, such as completing a full citywide buildout within five years to serve all residents.

Mr. Bradley said he needs to review how those requirements apply to providers like Arvig or Zayo, as he has not yet worked with them in the Twin Cities. He mentioned that their current focus is on companies planning to build out service for all residents, suggesting that expectations for full buildout may depend on the provider’s scope and plans.

Councilmember Bauer asked for clarification using the Woodbury example, suggesting that the franchising approach was successful there because it involved a new provider planning a full buildout. He questioned whether Woodbury was applying franchise requirements and fees only to new entrants, rather than imposing them on existing broadband providers already operating in the city.

Mr. Bradley clarified that Woodbury is not restricting franchising to new providers. Instead, the city has informed all existing broadband providers that they must also secure a franchise.

Councilmember Bauer voiced concern that applying the 50-customer threshold could be complicated, particularly with middle-tier providers. He pointed out that there is likely a significant gray area in determining which providers would qualify or need to obtain a franchise.

Mr. Bradley acknowledged that Councilmember Bauer's concern is common, especially regarding providers already operating in the public right-of-way. He explained that in the Woodbury case, the situation was simpler because the provider had not yet entered the right-of-way, making franchising more straightforward.

Mr. Bradley agreed that applying these requirements to existing providers adds more complexity and noted that those issues, including the gray areas around thresholds and provider types, would need to be addressed moving forward, as they have not yet been fully analyzed.

Councilmember Bauer suggested that the issue might not be fully resolved until a situation arises in which an existing, higher-tier provider is required to comply, such as being told to serve the entire city. He implied that challenges or conflicts would likely surface at that point rather than be addressed beforehand.

Mayor Roe clarified that each franchise agreement is negotiated individually between the franchising authority and the provider. As a result, the terms do not have to be identical across companies and can vary by provider and circumstances.

Mr. Bradley confirmed that the franchises are non-exclusive and may differ across providers, meaning multiple companies can operate simultaneously, and each may have different negotiated terms.

Mayor Roe suggested that determining whether a provider must obtain a franchise and what terms would apply should be part of the negotiation process between the franchising authority and each provider. He indicated that both qualification criteria and specific franchise terms could be negotiated on a case-by-case basis.

Councilmember Bauer raised a follow-up concern about how franchising would apply to different types of providers, especially those with various infrastructure

arrangements. He pointed out that some companies own their fiber lines, while others lease “dark fiber” or partner with third parties to connect networks.

Councilmember Bauer inquired how franchising requirements apply in those situations, specifically whether the obligation falls on the company providing physical infrastructure or the provider delivering service to customers, and how responsibility is determined in those layered arrangements.

Mr. Bradley explained that franchising would mainly target the company that owns the infrastructure in the public right-of-way. For other providers using those lines, such as those leasing or contracting for access, the city would need to review the relationship with the infrastructure owner to decide how franchising requirements should apply to those users.

Councilmember Bauer observed that often the company that owns the fiber infrastructure isn’t the same as the one that bills and provides service to the end customer. He pointed out this as a potential complication in applying franchising requirements.

Mr. Bradley acknowledged that this situation is common and clarified that in such cases, the focus would shift to the company that provides the actual service to residents. He indicated that the franchising requirements would likely apply to the end-user service provider rather than just the infrastructure owner.

Councilmember Bauer pointed out an apparent inconsistency, noting that earlier, it sounded as though franchising would apply to the company that owns the infrastructure. Still, now it seems it would apply to the company providing service to residents. He was seeking clarification on which entity would ultimately be responsible.

Mr. Bradley clarified that both factors are important. While the city considers the company that owns the infrastructure in the public right-of-way, it also looks at how the network is used and the relationship between the infrastructure owner and the service provider. He emphasized that determining franchising responsibility depends on both ownership and the delivery of services to residents.

Mayor Roe suggested that if the franchise fee is based on gross revenue, it could include not only revenue from customers but also payments the provider receives from other companies using its infrastructure.

Councilmember Schroeder inquired whether companies have resisted broadband franchising efforts and if legal challenges are expected. She also asked about the stability of the legal framework, implying uncertainty about possible court challenges from providers.

Mr. Bradley explained that broadband franchising is a very recent development in Minnesota, and as a result, he expects pushback from providers. He acknowledged there is some legal risk, as is usual with new legal interpretations, especially since companies typically resist additional regulation.

Mr. Bradley indicated that the issue has not yet been legally settled, and there are currently no established court cases addressing it, as the approach remains very new and evolving.

Councilmember Schroeder clarified that, at this time, there are no established legal cases concerning broadband franchising because the issue is still new and developing.

Mr. Bradley said that although the legal approach is still new, they believe it presents a strong argument. He noted that the fact that at least one provider has already agreed to a franchise supports its validity, adding that companies usually wouldn't agree unless the framework had merit.

Councilmember Groff asked whether requiring providers to serve the entire community could increase costs for residents. He questioned whether expanded service obligations might result in higher fees for individual users.

Mr. Bradley responded that he does not expect franchising to raise overall service costs for residents significantly. However, he noted that a franchise fee, such as 5%, would probably appear as a separate line item on customer bills, similar to current cable franchise fees. He explained that this fee covers the company's use of the public right-of-way, although some residents might see it as a tax.

Councilmember Strahan asked if broadband franchising could offer a stable funding source for the Cable Commission, especially as traditional cable revenue declines. She proposed it might help replace income lost due to fewer residents subscribing to cable services.

Mr. Bradley confirmed that cable television subscriptions and related revenue are declining, which is decreasing franchise fee income for both the city and the Cable Commission. He agreed that broadband franchising could help offset that loss.

Councilmember Strahan explained that declining cable revenue could reduce funding for public access services like Nine North, potentially limiting community programming and resources. She suggested that broadband franchising offers an opportunity to help fill those growing funding gaps as reliance on traditional cable continues to decrease.

Mr. Bradley agreed that broadband franchising could help address declining revenue, noting that it would help fill funding gaps for both the city and the Cable Commission.

Mayor Roe explained that, unlike existing cable agreements, there is currently no formal structure for dividing broadband franchise fees between the cities and the Cable Commission. He described how cable revenues are currently allocated: franchise fees go to the cities, and PEG (public access) fees support the Commission, with some funds redistributed to support its activities.

Mayor Roe emphasized that a similar broadband arrangement still needs to be decided, and he suggested that the nine-member cities should start discussing and coordinating it now. His goal was to ensure consistency across the commission area as new broadband providers expand into multiple cities.

Mr. Bradley agreed that it makes sense for the cities to coordinate on this issue. He noted that city administrators and managers from the member cities already meet regularly through the commission, and he expects broadband franchising and fee-sharing arrangements will be discussed there, worked out collaboratively, and then presented to the commission and cities for approval.

Councilmember Strahan inquired about how funding would be allocated among cities with varying levels of development. She pointed out that a fully developed city like theirs might have less new growth than other cities with greater expansion potential, and she questioned how this difference would affect proportional contributions and expectations within a shared funding model.

Mr. Bradley mentioned he wasn't sure how to determine proportional contributions across cities with varying growth levels. He highlighted that city administrators and managers are better equipped to collaborate on those details, given their knowledge of each city's specific circumstances, while his responsibility is to support the legal aspects.

Mayor Roe mentioned that under the current Joint Powers Agreement, cable franchise revenues are divided among cities based on revenue generated in each city. He proposed that this existing model could serve as a precedent for how broadband franchise revenues might be distributed in the future.

Mr. Bradley mentioned that within the commission, voting and decision-making are also affected by each city's size. He pointed out that this helps ensure differences among cities are considered in governance and discussions.

Mayor Roe explained that revenue sharing mainly depends on how much revenue each city generates, which, in practice, closely matches population in fully

developed communities. He observed that cities with larger populations, and thus more subscribers, tend to generate more revenue and receive a bigger share.

Mr. Bradley suggested that if all nine cities proceed with broadband franchising and start generating revenue, the framework for sharing that revenue may already be largely covered by existing arrangements. However, he noted that details might still need to be revisited or clarified as the process continues.

Mayor Roe concluded the discussion by noting that the next step is for the council to guide staff on how to proceed with broadband franchising. He also opened the floor for public comment before returning to the council discussion to decide on the next steps.

### **Public Comment**

#### **Andy Johnson, 218 County Rd C W**

Mr. Andy Johnson expressed skepticism about broadband franchising, questioning whether the franchise fee is effectively a tax that would raise residents' costs. He doubted that prices would stay the same and suggested the additional fees (e.g., 5% or more) would probably be passed on to customers.

Mr. Johnson also questioned the need for buildout requirements, noting that most areas probably already have internet access, and asked what tangible benefits residents would get. While recognizing that the city might be trying to replace declining cable revenue, he stressed the importance of clearer justification and direct benefits for residents before supporting the approach.

With nobody else coming forward to speak, Mayor Roe ended the public comment period.

Mayor Roe explained that the 3% PEG fee on cable services would probably not apply to broadband, so residents would not face a combined 3% + 5% fee as with cable. He also noted that companies like Comcast/Xfinity already operate under cable franchise agreements, and the city likely would not impose a separate, overlapping broadband franchise fee on those services.

Mayor Roe also discussed a broader policy issue about fairness, suggesting that since utilities like gas, electric, and cable companies pay to use the public right-of-way, similar requirements might be reasonable for other providers using that same infrastructure.

Overall, Mayor Roe described the issue as both an explanation of how fees would function and a policy question for the council to consider regarding fair treatment of right-of-way users.

Mr. Bradley explained that existing cable providers like Xfinity are already operating under a cable franchise agreement, and, under federal law, cities cannot regulate or collect additional franchise fees on their broadband services.

Mr. Bradley explained that, under the FCC's "mixed use" rule, local governments can regulate only the cable television part of a provider's services, not the broadband part. As a result, the city would not seek a separate broadband franchise for companies like Xfinity, since there is no legal or practical benefit in doing so. In contrast, broadband franchising efforts would mainly target providers that do not already have a cable franchise agreement.

Mayor Roe acknowledged that Mr. Bradley's explanation addressed the main issue. He then added a forward-looking point, noting that if cable subscriptions continue to decline. As broadband use expands, there might eventually be a need to reconsider how providers like Xfinity are managed. However, he suggested that as long as some cable subscribers remain, the city may not be ready to change that approach yet.

Mr. Bradley said that changing how cable providers are treated would be tough because they have strong legal protections under federal law, especially under Title VI of the Cable Act. He pointed out that these providers benefit from those protections and are unlikely to give them up, so a move away from the current system is not expected anytime soon.

Councilmember Strahan asked if traditional telephone lines are considered telecommunications services and, if so, whether they would be exempt from this type of franchising. She wanted to confirm that legacy telecom services would not be regulated the same way as broadband under this framework.

Mr. Bradley confirmed that traditional, legacy telephone systems, such as copper landline networks, are classified as telecommunications services and are preempted by law. As a result, cities cannot require franchises for those services.

Councilmember Strahan clarified that traditional telephone systems are separate and not subject to this type of franchising, then expanded the discussion to highlight the value of services funded through these mechanisms.

Councilmember Strahan emphasized that community media services, such as those offered by the Cable Commission, provide residents with benefits they might not always notice, including access to city meetings, local programming, and community information. She highlighted the need to keep funding these services, especially as other sources of information decline. While noting that franchise fees are similar to a tax, she presented them as a way to support shared community services, encouraging residents to consider the broader benefits and the fairness of access to information for everyone.

Mayor Roe explained that cable franchise revenue currently supports many of the city's communication efforts, including upgrades to the council chamber, newsletters, and staff. He mentioned that as cable subscriptions decline, this funding decreases, putting pressure on the budget.

Mayor Roe described broadband franchising as a possible way to maintain these services. He suggested it may be a trade-off residents are willing to accept if they understand the benefits. He highlighted the importance of community discussion about that balance. Finally, he stated that the council's role is to guide staff and the commission on whether to develop policies and negotiate for broadband franchising, or to decide not to pursue it at all.

Mr. Trudgeon asked the council for initial guidance on whether to continue exploring broadband franchising, stressing that no commitment is being sought at this point. He mentioned that discussions are still very early, and that staff and city officials have just begun reviewing the concept.

Mr. Trudgeon outlined two options: either continue researching and bringing information back to the council, or decide not to pursue it further. He suggested that a definitive "yes" is premature, but the council could indicate whether there is enough interest to keep exploring the idea.

Mayor Roe asked the council to share their thoughts and provide guidance on how to proceed, to help staff decide whether and how to continue exploring broadband franchising.

Councilmember Bauer advised that the city should adopt a cautious, wait-and-see strategy. He recommended holding back for now and monitoring how broadband franchising develops in places like Woodbury, especially as it starts to involve existing providers.

Councilmember Bauer voiced concerns about potential legal challenges, costs, and unresolved technical and regulatory issues, especially with complex infrastructure arrangements. He believed that being an early adopter might be risky and costly, and preferred to wait for more clarity, including possible litigation results and case law, before deciding.

Councilmember Strahan asked how the city's participation in the Nine North Cable Commission might be affected if Roseville decided not to pursue broadband franchising, while other member cities did. She wanted to understand how opting out could impact their partnership and shared arrangements.

Mr. Bradley said he wasn't sure how opting out would impact the partnership and noted that it would probably need to be resolved by city officials and the Communications Commission.

Mr. Bradley explained that if some cities move forward while others do not, there would need to be discussions on how to manage revenue and shared arrangements. He also cited the Woodbury example, in which a franchise was granted for a specific city, suggesting that a similar approach might be possible. Still, ultimately it would depend on how the commission and member cities choose to handle it.

Councilmember Strahan clarified that while she supports a cautious approach, she does not want the city to disengage completely. She expressed interest in continuing discussions and learning more, so the city can better understand its position and options. She emphasized the importance of staying engaged in the conversation to ensure the city has a voice and is not excluded from decisions as other cities move forward.

Councilmember Groff agreed to continue to explore the issue. He emphasized the importance of gathering more information. He warned against dismissing the idea solely because of potential risks or lawsuits, noting that doing so could hinder the city's progress on many issues.

Councilmember Schroeder highlighted the importance of distinguishing between merely collecting information and actively pursuing broadband franchising. She repeated concerns about possible litigation and costs, warning against becoming a "test case."

Councilmember Schroeder also questioned the financial impact, noting that major providers like Xfinity/Comcast, which likely hold a large market share, would not be subject to new broadband franchise fees, raising uncertainty about how much revenue the city could actually generate.

Mayor Roe stated that Comcast has already finished its system buildout in the city, and residents can now access broadband through it. He also reiterated that, under current rules, the city cannot regulate Comcast's broadband services.

Councilmember Schroeder questioned whether, since many residents likely use Comcast, the city would be unable to collect franchise revenue from that group, and asked for confirmation that those users would not face new broadband franchise fees.

Mayor Roe confirmed that the city would not collect broadband franchise fees from Comcast customers because Comcast operates under a cable franchise, and its broadband services cannot be regulated separately.

Mayor Roe stated that providers like Quantum Fiber are actively expanding in the community and might become subject to franchising. However, he admitted uncertainty about their coverage and how they will respond.

Mayor Roe added that utility companies like Xcel already operate under different franchise agreements across cities, indicating that providers are somewhat familiar with varying local requirements. Overall, he stressed that while Comcast would not be impacted, other emerging providers might be, although the full effects remain unclear.

Councilmember Schroeder questioned how much revenue broadband franchising would realistically generate, especially given limitations such as Comcast not being subject to it.

Councilmember Schroeder supported continuing to listen and gather information, especially through updates from Nine North and other cities, but stressed a cautious, “wait-and-see” approach. She clarified that she does not want the city to begin drafting policies or incur costs at this stage, while continuing to monitor how the issue unfolds elsewhere.

Mayor Roe summarized the council’s stance, noting there is no strong opposition to exploring broadband franchising, but there is also no urgency to push forward aggressively at this time.

Mayor Roe indicated that most cities in the Nine North consortium are likely to take a similar cautious approach and are not eager to be early adopters. He suggested the city should continue monitoring developments, especially in places like Woodbury, where more concrete outcomes may soon emerge.

Mayor Roe advised maintaining staff engagement in ongoing discussions with other cities and the commission, staying well-informed, and initiating only preliminary talks about possible frameworks, such as revenue sharing, without committing to action at this point.

Councilmember Strahan agreed with remaining engaged but stressed that staff, especially the city manager, should take the lead in discussions because of their expertise.

Councilmember Strahan emphasized that the city should stay involved in the broader discussion with other cities, even while being cautious. She mentioned that they aim to make financially responsible choices for taxpayers and to find the most advantageous arrangement. Overall, she supported ongoing dialogue by asking questions and staying informed, without committing to any specific course of action at this time.

Mayor Roe concluded the council direction seems to be that the City is still exploring broadband franchising. He emphasized that many unknowns remain, including legal risks and how other cities will proceed, so it's not something to rush into.

Mayor Roe supported continuing to gather information, monitor developments, and revisit the issue over time, possibly over the next year or two. He also noted that the commission and staff will play a key role in ongoing discussions and negotiations, with decisions coming much later in the process. Overall, he reinforced a cautious, learning-focused approach, with future updates brought back to the council as more information becomes available.

**b. Receive Presentation from Liz Nowak, President and CEO of Visit Roseville**

Mayor Roe briefly highlighted this item as detailed in the Request For Council Action and related attachments dated March 16, 2026.

Ms. Nowak, President and CEO of Visit Roseville, provided an overview of recent activities, marketing results, and upcoming plans. She noted that 2025 marked a leadership transition and highlighted several successful projects, including a citywide sticker quest, a hotel-led Earth Day cleanup, and a new “girls getaway” event.

Ms. Nowak reported strong digital marketing results, with over 5 million impressions, 84,000 interactions, and more than 8,000 conversions, along with increasing engagement across social media and the Visit Roseville website. Marketing efforts focused on promoting local attractions, restaurants, parks, and events to boost visitation. Tourism performance remained steady, with hotel occupancy around 68% and slight growth from the previous year, despite the loss of a hotel. Looking ahead, she outlined strategies to increase visitation, strengthen partnerships, and enhance Roseville’s visibility. She highlighted the success of the first-ever Roseville Restaurant Week, which included 21 participating restaurants and raised \$2,500 for a local nonprofit, demonstrating both economic and community impact.

Overall, Ms. Nowak emphasized ongoing growth, extensive marketing efforts, and initiatives to position Roseville as a destination while supporting local businesses and community programs.

Mayor Roe asked if restaurants believed that early March, after slower months like January and February, was a good time to hold Restaurant Week to attract more customers, while also recognizing possible staffing and capacity constraints.

Ms. Nowak explained that Restaurant Week was intentionally scheduled during a slower period for restaurants. It was originally set for early February but was moved to early March due to other factors, with messaging shifted to promote community

support. She mentioned that February and March are usually slower months, making it a good time to boost business. Early results have been promising, with strong engagement, including over 100,000 views from influencer partnerships and a well-attended kickoff event. Overall, she said the timing was effective and could be even more successful in future years under more typical circumstances.

Ms. Nowak highlighted additional marketing and tourism efforts to promote local attractions and engage the community. She mentioned that local restaurants featured in Restaurant Week, such as Phil's Pizza and barbecue spots, received significant attention, especially through influencer content. She also highlighted popular local favorites, such as Villa City's mozzarella sticks, as part of ongoing promotional activities.

Ms. Nowak announced the upcoming return of the citywide sticker promotion ("2.0"), which will showcase unique Roseville landmarks and facts, including the 45th parallel, Reservoir Woods' butternut tree, the first McDonald's in Minnesota, and a tribute to local celebrity Loni Anderson. She also discussed plans to relaunch the "Roseville in Bloom" rose statues as a free, family-friendly activity. This includes repairing and refreshing existing statues, repainting bases, and possibly adding interactive features, such as QR codes, to encourage exploration of parks and local amenities. Overall, she highlighted creative, low-cost methods to boost tourism, celebrate local identity, and motivate residents and visitors to explore the community.

Mayor Roe inquired about the possibility of local businesses or organizations that haven't participated before sponsoring or hosting a rose statue during the "Roseville in Bloom" relaunch.

Ms. Nowak clarified that there are no plans for new opportunities for additional businesses to host rose statues, as the existing roses remain at their original locations.

Ms. Nowak mentioned that expanding the rose program might be possible in the future, possibly around 2027, but right now the priority is on relaunching and updating the existing statues. She pointed out that most of the original roses are still present and in good condition, with a few moved or no longer part of the program.

Ms. Nowak also outlined Visit Roseville's tourism strategy, emphasizing a focus on regional "drive market" visitors (e.g., Duluth, Fargo, Eau Claire, Iowa), ongoing efforts to attract business and event travelers, and positioning Roseville as a convenient, affordable destination with free parking. She highlighted key tourism drivers like the State Fair, Back to the 50s, concerts, and sporting events.

Ms. Nowak highlighted ongoing marketing efforts, including digital campaigns, influencer partnerships, seasonal promotions, and some print advertising, all aimed at increasing visitation and supporting local businesses.

Mayor Roe appreciated the presentation, noting that although it is a required annual update, it helps both the council and the public understand how lodging tax revenues are used.

Mayor Roe emphasized the benefits Visit Roseville offers to the community, including support for local businesses, restaurants, and hotels, and recognized the organization's effectiveness despite its small staff.

Councilmember Strahan praised Visit Roseville's marketing materials, noting that brochures she saw at Spirit Mountain and the airport were current, well done, and popular with visitors. She then asked why the Minnesota Yacht Club event was not included in the listed target markets, suggesting it could be another opportunity for tourism promotion.

Ms. Nowak explained that they pursued the Minnesota Yacht Club event, but it did not result in many hotel bookings in Roseville. She mentioned that hotel room blocks were initially arranged but were later removed due to low demand. She added that summer is already a busy season for hotels, but there might be more opportunities in the future, especially with the addition of a new country music festival.

Councilmember Strahan noted positive collaboration between Visit Roseville and other local media outlets, such as the Roseville Reader, emphasizing their joint efforts to promote local businesses and community features. She encouraged continued use of various communication channels to better reach residents, stressing that broader outreach helps ensure people are informed about city activities.

Mayor Roe clarified that he was referring to MSP Airport as a key marketing location, then asked whether Visit Roseville has seen any meaningful lodging tax revenue from short-term residential stays, such as home rentals. He specifically questioned whether that revenue is significant or just minimal.

Mr. Trudgeon stated that lodging tax revenue from residential or short-term rentals is very low. He mentioned that just around a dozen such properties are currently registered with the city, showing it is a very small part of overall lodging activity.

Mayor Roe pointed out that the low revenue from short-term rentals raises a cost-benefit issue regarding enforcement. He questioned whether the effort involved in enforcing lodging tax compliance is justified, given the small returns, and also

wondered whether the low revenue results from limited activity or possible underreporting.

Ms. Nowak confirmed that it was a small amount.

Mayor Roe noted that the number of short-term rental properties subject to lodging tax is limited because owner-occupied rentals are not licensed, leaving only a smaller group of absentee-operated properties.

### **Public Comment**

Mayor Roe offered an opportunity for public comment.

#### **Cari Gelle, Lovell Ave**

Ms. Cari Gelle thanked Visit Roseville for the presentation and praised efforts like Restaurant Week and support for local businesses. She asked whether there are opportunities to further support immigrant-owned businesses through additional promotion or events in 2026. She also inquired about the impact of “Operation Metro” on hotel revenues, specifically whether there was any increase or decrease compared to the same period in the prior year.

Finally, Ms. Gelle asked whether, if there were an increase in lodging tax revenue related to that activity, the city might consider allocating those additional funds to community support programs, such as rental or mortgage assistance, similar to mutual aid efforts in other communities.

Mayor Roe said that the city is limited in its use of lodging and sales tax revenues. He explained that these funds are legally restricted to specific purposes, so the city probably cannot redirect them to programs like rental or mortgage assistance. He mentioned that staff could check for any flexibility, but he believes the restrictions still apply.

Mr. Trudgeon said that was also his understanding.

Mayor Roe thanked Ms. Nowak for the presentation, expressed interest in future initiatives, and encouraged ongoing participation in Visit Roseville’s marketing efforts.

#### **c. Receive the 2025 Cash Reserve Fund Report and Consider Transfers**

Finance Director Samuel Magureanu briefly highlighted this item as detailed in the Request for Council Action and related attachments dated March 16, 2026.

Mr. Magureanu provided an initial financial update on the city’s 2025 fiscal year as part of standard policy and preparation for the upcoming budget process. He emphasized that the figures are still being finalized due to ongoing audit work, so

no transfers are being recommended at this time. He expects to return later, likely in April, with specific recommendations.

Mr. Magureanu explained that the city follows a policy requiring reserve levels for each fund, and any excess above those targets is moved into a central cash reserve fund for future budget needs or to support other funds. He highlighted that the General Fund, the city's main operating fund, is projected to end 2025 with about \$8.9 million, which is below the required minimum reserve level. This results in a shortfall of roughly \$1.6 million that may need to be addressed. He noted that the Parks and Recreation Fund is expected to exceed its reserve target, indicating a surplus that is likely to be transferred to the cash reserve fund. He also explained that the Communications Fund is below its target and would require an estimated \$40,000 transfer to reach the minimum reserve level.

Overall, Mr. Magureanu emphasized that these are preliminary figures and that final adjustments between funds will be made after the audit is complete to ensure the city remains in compliance with its financial policies.

Mayor Roe explained that cable franchise revenues primarily fund the Communications Fund under discussion. He linked this to the earlier discussion, noting that declining cable revenue directly affects this fund and explains its current shortfall.

Mr. Magureanu explained that the decline in the Communications Fund aligns with trends observed in many cities, mainly due to decreasing cable revenue. He then reviewed the License Center Fund, noting that it is projected to end the year with about \$900,000, or roughly 34%, well above its target range of 10 to 15%. This results in a substantial surplus in that fund. He emphasized that no action is required at this time and that the purpose of the presentation is to offer an initial look ahead of the budgeting process. Final numbers will be available after the audit is completed, with recommendations expected later.

Mr. Magureanu pointed out that the main concern is the General Fund shortfall of about \$1.6 million. Even if the city used all available funds from the cash reserve, there would still be roughly a \$700,000 gap. He said staff will keep refining the numbers and come back with options to cover that gap.

Mayor Roe clarified that the "deficit" being discussed is not an operating deficit. He explained that the city's revenues actually exceeded expenditures for the year. Instead, the deficit refers to the fund balance being below the city's target reserve level, meaning the issue is about maintaining desired reserve levels rather than a shortfall in annual operations.

Mr. Magureanu provided additional context on why the city keeps reserve targets. He explained that these reserves are needed because most General Fund revenue

comes from property taxes, which are only received twice a year. As a result, the city must have enough cash on hand to operate for the first six months of the year before those revenues arrive.

Mr. Magureanu explained that this is why the target reserve level is around 35% of annual expenditures, roughly half a year of operating costs. He reiterated that the city is not in an actual deficit, as it still holds about \$8.9 million in reserves, but it falls below the recommended target, raising concerns.

Mr. Trudgeon noted that although the city generated more revenue than it spent, the reserve percentage is being compared to the larger 2026 budget. Because the budget increased, the same reserve amount now makes up a smaller percentage. He explained that this is mainly due to basic math, meaning the city can appear to have reserves below its target level even without overspending, simply because of the higher budget baseline.

Mayor Roe emphasized that the city was not operating at a deficit in 2025 and wants the public to understand that clearly. He explained that while some funds, like capital funds, may intentionally run a deficit to use previously saved money for large projects, that is normal. However, he noted that for operating funds, the city follows a balanced budget requirement and works to ensure revenues meet or exceed expenditures. He reinforced that the current discussion is about reserve levels, not a failure to balance the budget.

Councilmember Schroeder emphasized that the reserve concern is based on the larger 2026 budget, not 2025, which is why the numbers might seem more concerning even though the city performed well financially. She supported waiting until the finalized audit numbers were available before making decisions and appreciated this early preview to avoid surprises later in the budget process.

Councilmember Schroeder also emphasized the importance of the cash reserve fund, noting that it was created to help balance internal funds by shifting money from overfunded areas to underfunded ones, rather than immediately raising taxes. Finally, she reassured everyone that this is not a crisis, that the city has enough cash to meet its obligations, and that the goal is to maintain prudent reserve levels for future financial stability.

Mr. Magureanu emphasized that the reserve concern is linked to the larger 2026 budget, which has increased due to annual levy hikes, making current reserves seem lower by comparison, even though the city did well in 2025. He also clarified that while the funds are kept separate for tracking purposes, they can be viewed more holistically, as the city can move resources between them using tools such as the cash reserve fund. He described this as essentially shifting money between accounts to keep things balanced where needed.

Mr. Magureanu observed that, overall, the city is closer to balance when considered together, but even using the entire cash reserve fund would only bring the General Fund up to its minimum target level. Increasing it further would require additional adjustments.

Councilmember Schroeder confirmed that the reserve percentage appears lower because of the increase in the 2026 budget. She acknowledged that the higher budget base is what is causing the gap relative to the reserve target.

Councilmember Strahan thanked Mr. Magureanu for the presentation, noting that it was clear, concise, and easy to understand. She appreciated seeing the financial picture presented straightforwardly.

Councilmember Groff expressed appreciation for the explanation of reserve ranges, noting that it helps clarify why specific targets, such as 10% to 15%, exist. He emphasized that this kind of context is valuable for helping the public better understand the reasoning behind those financial policies.

Mayor Roe pointed out that Roseville monitors Parks and Recreation separately, unlike many other cities that combine them into one fund. He also mentioned that Roseville takes it a step further by maintaining two separate funds—one for programs and one for maintenance—which allows for more detailed financial tracking.

Mayor Roe explained why Parks and Recreation is tracked separately, noting it is unique because a significant portion of its funding, about half, comes from user fees rather than taxes. He also said there is strong community interest in parks and recreation, which has led past councils to keep that funding more visible and distinct.

Mayor Roe then provided a broader overview of how city finances are organized, explaining that most services, such as police, fire, administration, and general operations, are funded through the General Fund. At the same time, user fees largely support utilities like water and sewer.

Finally, Mayor Roe inquired about the License Center Fund, highlighting its large surplus. He asked how this compares to typical years in the past, especially before COVID, and whether the surplus is due to higher revenue. He also questioned whether future recommendations might determine how much of that surplus should be kept versus transferred to other funds.

Mr. Magureanu stated that the License Center Fund will be included in the upcoming recommendations and discussions. He noted that staff will carefully assess how much of that surplus should be retained, especially given future needs such as the new building and department plans.

Mr. Magureanu pointed out that only a small portion of those funds might be transferred, given upcoming priorities, and that this topic will be discussed in greater detail in the next report. He also mentioned that although some figures have changed since the earlier analysis, the License Center Fund has remained relatively steady compared to the General Fund. Overall, he confirmed that decisions about moving funds, including from Parks and Recreation and other departments, will be part of a broader recommendation to be brought back to the council.

Mr. Trudgeon observed that 2025 was a particularly strong year for the License Center, ranking among the highest in recent years. He also mentioned that activity stayed robust into January, signaling a positive trend.

Mayor Roe asked staff to follow up with the council by providing a summary comparing recent License Center revenues to typical pre-COVID years to better understand how current performance compares historically.

Mr. Magureanu stated that he already has historical data for the past three to four years and can present it quickly. Still, he agreed that providing a follow-up summary to the council would be acceptable.

Councilmember Bauer inquired whether the city intentionally maintained a higher balance in the License Center Fund for scoring or performance-related reasons, and recommended that future decisions about those funds consider that previous policy.

Mayor Roe clarified the timeframe used for historical comparisons, explaining that the city typically considers more than just three years. He mentioned that the analysis usually includes multiple years, such as past actuals, the current year's budget, and projections for the coming year, to provide a more complete view for budgeting and forecasting.

Mr. Trudgeon noted that the staff has three years, but more could be added.

Mr. Magureanu explained that staff already uses a wider dataset, including several years of actual results and three years of budget estimates. He mentioned this as an internal forecasting tool and added that the same data can be shared with the council if necessary.

### **Public Comment**

Mayor Roe invited public comment, no one came forward.

**d. Establishing the 2027 Budget Process Calendar**

Finance Director Samuel Magureanu briefly highlighted this item as detailed in the Request for Council Action and related attachments dated March 16, 2026.

Mr. Magureanu explained that the budget calendar is part of the city's internal process for planning the 2027 budget, even though the 2026 budget is already in place. He emphasized that budgeting is an ongoing effort that starts early and requires coordination between staff and the council.

Mr. Magureanu outlined key milestones, noting that the process now begins with initial discussions, including the cash reserve review, which has already been completed. He emphasized that council involvement is crucial throughout, especially during the upcoming talks on department budgets, levy drivers, and priorities.

Mr. Magureanu highlighted key deadlines mandated by state law, including establishing the preliminary tax levy by late September, conducting a public budget hearing after November 24, and finalizing the budget and levy by the end of December. He also observed that the city separates the public hearing from the final adoption to allow time for possible adjustments based on public feedback. Overall, he described the schedule as a planning tool to help the city remain on track and urged council members to stay engaged throughout the process.

Mr. Trudgeon explained that the budget timeline mostly aligns with previous years, but highlighted a new addition—a meeting on April 20 focused on early budget discussions. He said this meeting will bring staff and the council together to review major budget drivers, including impacts from the 2026 budget and projected costs for 2027. It will also include discussions of strategic plan priorities, even acknowledging that adding new initiatives might be challenging due to pressure on tax levies.

Mr. Trudgeon stressed that this will be an informal work session with department heads present, aimed at discussion and early input rather than making decisions. The goal is to give the council a preview of potential issues and priorities well before the formal budget presentation in August, providing more time for careful planning.

Mayor Roe proposed a two-phase approach for the early budget discussions. He suggested holding an informal, potentially off-site work session with staff, department heads, and the council to foster more open and in-depth conversations, similar to previous strategic planning sessions. He recommended dedicating several hours to this discussion and possibly inviting members of the Finance Commission to observe or participate. Additionally, he proposed following this informal session with a more official report-out at a regular council meeting to ensure the discussion is documented and presented in the standard public format.

Mr. Magureanu agreed with Mr. Trudgeon's suggestion, noting that the new April meeting is a valuable addition to the process. He highlighted that dedicating time

for staff and council to meet early to discuss priorities and strategic initiatives will help shape the budget.

Councilmember Strahan supported the idea of the informal budget session but emphasized the importance of scheduling it as soon as possible, noting that councilmembers need advance notice to coordinate with work and other commitments.

Mr. Trudgeon recommended keeping the April 20 meeting as the dedicated session for informal budget discussions since it is already scheduled. He suggested that staff could then provide a more formal summary or report at a later council meeting, such as April 27 or early May, to capture and present the key takeaways.

Councilmember Bauer agreed to hold the meeting on April 20 but suggested starting earlier than usual, considering the expected length. He recommended a start time around 5:00 p.m. or possibly earlier to allow enough time for a thorough discussion.

Councilmember Bauer mentioned that starting earlier would help sustain a higher-quality discussion, noting that energy and focus usually decrease later in the evening. He recommended an earlier start time so that both the council and staff can be more engaged and effective.

Mayor Roe clarified that no final decision on timing has been made yet and that there is still time to work out the details. He invited additional input from councilmembers on the proposed approach and scheduling for the budget discussion.

Councilmember Schroeder supported holding the meeting on April 20 as scheduled and favored using a format similar to past strategic planning sessions. She noted that those sessions were productive because they allowed department heads to speak directly and engage with the council. She also supported having a follow-up report after the meeting.

Councilmember Strahan agreed with the plan but reminded the group to keep other April commitments in mind, specifically noting that the April 8 ethics meeting is not listed and should be considered when planning schedules.

Mr. Trudgeon indicated that staff will include this in the April 20, 2026, meeting and will inform the council of the start time.

Mr. Magureanu stated that the budget calendar also covers related discussions beyond just the tax levy, such as utility rates and the capital improvement plan. He mentioned that water utility rates will be reviewed later in the year, with the Finance Commission playing a key role in the process. The commission will review the

capital improvement plan, the city manager's recommended budget, and the proposed levy before these items are presented to the council. He stressed that these steps are included in the schedule to ensure thorough review and input before the council makes final decisions.

Mayor Roe pointed out a discrepancy in the schedule, noting that the second Finance Commission meeting in September is listed as the 21st in one place but the 15th in another. He asked whether staff plans to correct the date or to schedule two separate Finance Commission meetings for September.

Mr. Trudgeon clarified that only one Finance Commission meeting is planned. He explained that staff present the budget to the commission in late August, and then the commission reviews it afterward, so the discrepancy is probably just a scheduling mistake.

### **Public Comment**

Mayor Roe offered an opportunity for public comment, but no one came forward.

Groff moved, Strahan seconded, adopting the budget calendar as presented.

### **Roll Call**

**Ayes:** Schroeder, Groff, Bauer, Strahan, and Roe.

**Nays:** None

## **8. Council Direction on Councilmember Initiated Agenda Items**

### **9. Approve Minutes**

*The City Council submitted comments and corrections to the draft minutes prior to tonight's meeting, and those revisions were incorporated into the draft presented in the Council packet.*

#### **a. Approve February 23, 2026, EDA and City Council Meeting Minutes**

Groff moved, Bauer seconded, approval of the February 23, 2026, EDA and City Council Meeting Minutes as presented.

### **Roll Call**

**Ayes:** Bauer, Groff, Strahan, and Roe.

**Nays:** None.

**Abstain:** Schroeder

#### **b. Approve March 2, 2026, City Council Meeting Minutes**

Schroeder moved, Bauer seconded, approval of the March 2, 2026, City Council Meeting Minutes as presented.

**Roll Call**

**Ayes:** Schroeder, Groff, Bauer, Strahan, and Roe.

**Nays:** None.

Mayor Roe commented that the recent meeting minutes were more detailed than usual and that this was appreciated. He also noted that there seemed to be fewer corrections needed, though he humorously avoided suggesting any direct connection between the level of detail and the review process.

**10. Approve Consent Agenda**

At Mayor Roe's request, City Manager Trudgeon briefly reviewed the items being considered under the Consent Agenda, as detailed in specific Requests for Council Action dated March 16, 2026, and related attachments.

Strahan moved, Schroeder seconded, for approval of the Consent Agenda, including claims and payments, as presented and detailed.

**Roll Call**

**Ayes:** Schroeder, Groff, Bauer, Strahan, and Roe.

**Nays:** None.

**a. Approve Payments**

ACH Payments	\$236,739.28
115031-115147	377,726.56
<b>TOTAL</b>	<b>\$614,465.84</b>

**b. Approve 2 Temporary Gambling Permits**

**c. Approve General Purchases or Sale of Surplus Items Exceeding \$10,000**

**d. Approve an Application for Department of Public Safety Pathways to Policing Grant Funds**

**e. Approve Amended School Resource Officer Agreement with Roseville Area School for the 2025-2026 School Year**

Mayor Roe provided context on the School Liaison Officer (SLO) program, noting that it was widely discussed during 2020–2021 following the George Floyd incident. He emphasized that Roseville's approach differs from that of some other places, explaining that local officers are not involved in school discipline and often engage with students in a more informal, relationship-focused way rather than in a traditional enforcement role. He highlighted that the program aims to be proactive and supportive, helping to build positive connections with students, and wanted the public to understand how it functions locally.

Councilmember Strahan shared a personal perspective, describing a positive conversation with the middle school's School Resource Officer. She mentioned his background, including a connection to special education, and noted he expressed appreciation for his role. She admitted she was initially more skeptical of the program but found the firsthand insight encouraging, reaffirming that Roseville's approach seems to be working well.

Mayor Roe highlighted that Roseville’s approach to school resource officers is unique and positive. He added that the role has also been a valuable pathway to leadership within the police department, noting that the current chief and several members of the command staff previously served as school resource officers. This experience, he suggested, helps develop well-rounded leaders.

**11. Future Agenda Review, Communications, Reports, and Announcements – Council and City Manager**

City Manager Patrick Trudgeon reviewed the March 23, 2026, City Council meeting; the April 6, 2026, City Council meeting; the April 13, 2026, Special EDA Meeting and Regular City Council meeting; and the April 20, 2026, City Council Meeting.

Councilmember Schroeder reported on a recent visit to the state capitol with Councilmember Bauer as part of the League of Minnesota Cities. She said they met with their local representatives and reviewed Roseville’s legislative priorities, advocating for the city’s positions. She highlighted updates on the “missing middle” housing legislation, now being reintroduced as the “Starter Home Act.” She noted that lawmakers have made adjustments in response to feedback from cities, including recognizing and crediting cities like Roseville that have already implemented housing and zoning changes. She emphasized this as an important improvement since it avoids placing additional burdens on cities that have already taken action. She added that while the League still has concerns and the bill is a work in progress, there has been meaningful movement toward making it more acceptable to cities overall.

Mayor Roe provided additional context on the “Starter Home Act,” noting that it was also discussed at a recent regional meeting of mayors and city administrators. He said some cities expressed concern, especially those that have not progressed as far in housing efforts as Roseville has. He pointed out a potential issue in the legislation, which still mentions requiring a percentage of single-family areas to be converted to higher-density housing. He noted that Roseville has already met density goals through its current zoning and questioned how that would be handled under the proposed law. He also emphasized that, despite Roseville’s progress, the city still has more work to do on housing affordability and should continue its efforts.

Councilmember Groff expressed concern that housing policies should be applied fairly across cities. He emphasized that while Roseville has been proactive, other metro areas that have been more hesitant about affordable housing should also share responsibility and “pull their own weight.”

Councilmember Schroeder stated that the purpose of the legislation is to ensure cities like Roseville, which have already taken steps on housing, receive credit for their efforts rather than being forced to do more while others catch up.

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Mayor Roe agreed that the goal of the legislation should be to balance responsibility rather than penalize cities like Roseville that have already made progress on housing. He mentioned that there will be more discussion as the issue evolves.

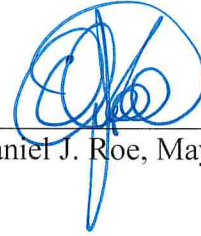
**12. Adjourn**

Strahan moved, Groff seconded, adjournment of the meeting at approximately 8:07 p.m.

**Roll Call**

**Ayes:** Schroeder, Groff, Bauer, Strahan, and Roe.

**Nays:** None.



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Daniel J. Roe, Mayor

ATTEST:



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Patrick J. Trudgeon, City Manager