



Regular City Council Meeting Minutes
City Hall Council Chambers, 2660 Civic Center Drive
Monday, May 4, 2026

1. Roll Call

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

2. Pledge of Allegiance

3. Approve Agenda

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

Roll Call

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

Nays: None.

4. Public Comment

Mayor Roe called for public comment by audience members on non-agenda items. No one came forward to speak.

5. Recognitions, Donations, and Communications

a. Peace Officers Memorial Day and National Police Week Proclamation

Mayor Roe read the Peace Officers Memorial Day and National Police Week Proclamation.

Groff moved, Schroeder seconded, proclaiming May 15, 2026, Peace Officers Memorial Day and May 10-16, 2026, National Police Week.

Councilmember Schroeder thanked the police department for its service to Roseville and commented that staff do not always receive the recognition they deserve. She expressed appreciation for establishing a formal way to acknowledge those contributions.

Councilmember Groff expressed appreciation for the police department's work, particularly during a challenging year for law enforcement. He commented that the department's service to the community is greatly appreciated.

Mayor Roe commented that recent years have been especially challenging for law enforcement officers. He expressed hope that conditions would improve in the future, noting that both officers and the community would benefit from a less difficult policing environment.

Roll Call

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

Nays: None.

b. National Public Works Week Proclamation

Mayor Roe read the National Public Works Week Proclamation.

Schroeder moved, Strahan seconded, proclaiming May 17-23, 2026, National Public Works Week.

Councilmember Schroeder commented on the extensive amount of infrastructure maintained by the public works department and noted that receiving few complaints is generally a sign that operations are running well. She thanked staff for their work on behalf of the community.

Roll Call

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

Nays: None.

c. Poppy Days Proclamation

Mayor Roe read the May 15 – 16, 2026, Poppy Days Proclamation.

Groff moved, Schroeder seconded, proclaiming May 15-16, 2026, Poppy Days.

Roll Call

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

Nays: None.

6. Items Removed from the Consent Agenda

7. Convene as Board of Adjustments and Appeals

a. Convene as the Board of Adjustments and Appeals to Consider an Appeal by Hempel Real Estate of the Variance Board's Denial of a Variance to Table 1013.01-2, Minimum Number of Required Electric Vehicle Charging Stations (EVCS) and §1013.04D(2)(d)(1) Regarding the Required Number of Electrical Vehicle Service Equipment (EVSE) Required at 2700 Snelling Avenue

Mayor Roe opened the public hearing for an appeal of a variance denial related to the minimum required number of electric vehicle charging stations and electric vehicle service equipment for a proposed project at 2700 Snelling Avenue. He explained that the matter had previously been considered by the city's variance board, a subcommittee of the Planning Commission responsible for reviewing variance requests, which denied the application. He noted that the city code

allows applicants to appeal such decisions to the board of adjustments and appeals, bringing the matter before the council.

Mayor Roe outlined the hearing process, explaining that City Planner Thomas Paschke would first provide background information and context on the case, followed by a presentation by the applicant or the appeal's representatives. He noted there would then be an opportunity for clarifications, public comment, and council consideration of the requested appeal.

City Planner Paschke presented the appeal request submitted by Hempel Real Estate regarding the denial of a variance related to electric vehicle charging requirements for a proposed medical office and research facility at 2700 Snelling Avenue. He explained that the request involved reducing the required number of electric vehicle charging stations from 26 to eight and reducing the required number of EV-ready service equipment stalls from 53 to 22 for a proposed 528-stall parking lot serving a 125,400-square-foot facility.

Mr. Paschke reviewed the procedural history of the request, noting that the Variance Board held a public hearing on April 1 and voted 2-1 to deny the variance application. He explained that the board of adjustments and appeals was responsible for either granting or denying the appeal and identifying the findings supporting its decision.

Councilmember Strahan asked how the proposed number of eight electric vehicle charging stations was determined in relation to the approximately 500-plus parking spaces planned for the development.

City Planner Paschke responded that he did not specifically know how the applicant arrived at the proposal for eight electric vehicle charging stations and 22 EV-ready stalls.

Councilmember Strahan commented that, with electric vehicles representing approximately 10 percent of vehicles, the proposed parking lot could potentially serve around 50 electric vehicles, leading her to question how the request for only eight charging stations was determined. She also asked whether city staff had reviewed comparable manufacturing or laboratory-type facilities elsewhere in the community to assess typical expectations for electric-vehicle charging capacity.

City Planner Paschke explained that the city has applied the updated electric vehicle charging standards to only two large parking lot projects since the regulations were adopted approximately two years ago. He noted that one of those projects involved the Dick's Sporting Goods development at Rosedale, which received a variance related to the requirements. Mr. Paschke indicated the applicant may have based its request in part on the previously approved variance,

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adding that the city has not reviewed another project of similar magnitude under the updated standards.

Councilmember Strahan asked whether the applicant intended for the electric vehicle charging stations to operate as paid charging stations or as an employee amenity for staff working at the facility.

City Planner Paschke indicated that the proposed charging stations were intended for employee use only rather than public use. He noted that this differed somewhat from the charging stations associated with the Rosedale project.

Councilmember Schroeder asked for confirmation that city staff had originally supported the variance request when it was first submitted.

City Planner Paschke indicated that was correct.

Councilmember Schroeder noted that the electric vehicle charging ordinance was still relatively new and referenced ongoing Planning Commission discussions about potentially reviewing and revising the requirements. She asked whether staff's original support for the variance was based in part on limited experience applying the ordinance and an assessment that the requested reduction appeared reasonable under the circumstances.

City Planner Paschke explained that staff's recommendation was based in part on a parking study and research information submitted by the applicant regarding electric vehicle charging demand. He also noted that staff recognized when the ordinance was adopted that, as a new regulation, there could be situations where the standards might not align well with actual project conditions, requiring future review and possible adjustment to determine whether the code requirements remain appropriate.

Councilmember Groff asked whether employees would be charged to use the electric vehicle charging stations or whether the charging service would be provided free of charge as an employee amenity.

City Planner Paschke responded that he did not know whether employees would be charged to use the electric vehicle charging stations.

Mayor Roe asked for clarification regarding a provision in the city code that allows electric vehicle charging requirements to potentially be capped based on project cost. He asked whether that cost-based calculation had been considered during the variance review process.

City Planner Paschke explained that a formal cost-based calculation was not completed during the review process. He noted that staff believed the project

would likely exceed the threshold contemplated by the code provision, so the issue was not pursued further during the variance review.

City Planner Paschke explained that the cost-related provision in the code generally applies to projects valued at less than approximately \$10 million. He noted that staff believed the fully developed project at 2700 Snelling Avenue would exceed that threshold, which is why the provision was not applied during the review process.

Mayor Roe commented that, while reviewing the ordinance, he questioned whether the cost threshold referenced in the code applied to the total project cost or only to the parking-related portion. He suggested that the Planning Commission may want to review and clarify that language as part of any future discussion of an ordinance, and thanked staff for the clarification provided.

Mayor Roe invited the party making the appeal to come forward.

Mr. Brandon Champeau, Executive Vice President of Hempel Real Estate, explained that the variance request was not intended to avoid providing electric vehicle charging infrastructure, but rather to allow a phased compliance approach based on anticipated employee demand. He stated that the proposed 125,000-square-foot medical laboratory facility would employ approximately 500 to 700 workers and that the applicant conducted an internal parking and charging demand study to determine the initial need for eight charging stations.

Mr. Champeau explained that the project was designed to remain as close to code compliance as possible while preserving the ability to expand charging capacity in the future as demand increases. He stated that the development would include the infrastructure needed to add more charging stations later if employee usage exceeds the initial 8 spaces.

Mr. Champeau also noted that parking demand calculations for the project were complicated by overlapping employee shifts associated with laboratory operations. He explained that there are periods during shift changes when staffing levels temporarily peak, inflating parking requirements even though the number of employees on site is typically significantly lower. He stated that the applicant believed the proposed phased approach represented a balanced solution that addressed current employee demand while maintaining flexibility for future expansion.

Councilmember Strahan asked about the current size of the employer and where the company is presently located.

Mr. Champeau explained that the employer is a local company that would be consolidating 17 divisions into the proposed facility.

Councilmember Strahan asked how many separate locations the company currently operates.

Mr. Champeau responded that he did not know the total number of current locations operated by the company. He explained that up to 17 laboratory divisions could be consolidated into the proposed building and noted that the company currently operates at a significant number of locations throughout the Twin Cities area.

Councilmember Strahan asked whether any of the company's current locations include electric vehicle charging stations.

Mr. Champeau stated that, to his knowledge, the company's current locations do not have electric vehicle charging stations. He added that the company was surprised by the city's ordinance requirements related to electric vehicle infrastructure.

Councilmember Strahan asked how the applicant arrived at the proposed number of 8 electric vehicle charging stations, given that electric vehicles account for an estimated 10 percent of vehicle sales and the company does not currently have EV charging stations at any of its existing locations.

Mr. Champeau explained that the proposed number of eight charging stations was based on the parking study completed for the project, which included discussions with the company's internal operations team to evaluate anticipated demand from current employees.

Councilmember Strahan expressed concern that the parking study may not fully reflect actual demand for electric vehicle charging because employees at the company's current locations do not presently have access to workplace charging stations and therefore may not expect or plan for that amenity.

Mr. Champeau explained that many employees who own electric vehicles also charge them at home and indicated they would not necessarily need workplace charging stations. He noted that, while approximately 10 percent of the workforce may drive electric vehicles, employee feedback suggested that overnight home charging often met their needs.

Councilmember Strahan shared anecdotal examples from other employers with workplace electric-vehicle charging stations, noting that charging spaces at comparable facilities are consistently full and often require employee sign-ups to use. She suggested that the availability of charging infrastructure can increase employee adoption of electric vehicles and expressed concern that the applicant's proposed number of charging stations may not adequately anticipate future

demand. She questioned whether the applicant had sufficient information to determine that eight stations would meet employee needs, given the lack of existing charging infrastructure at the company's current locations.

Mr. Champeau responded that the applicant believes the proposed number of charging stations is appropriate based on the parking study completed for the project.

Councilmember Strahan asked who was consulted in the parking study that determined the proposed number of electric vehicle charging stations.

Mayor Roe reminded councilmembers that the discussion at that stage of the hearing was intended to focus on asking and answering questions rather than debating the merits of the request. He then recognized Councilmember Groff for questions.

Councilmember Groff asked whether employees would be charged to use the electric vehicle charging stations or whether the charging service would be provided as an employee benefit.

Mr. Champeau responded that he did not know whether employees would ultimately be charged to use the electric vehicle charging stations. He indicated that he did not believe the employer intended to charge employees, but he could not confirm that detail.

Councilmember Groff commented that providing free charging would be somewhat unusual and asked whether the parking lot would be gated or monitored to control who accesses the charging stations and parking area.

Mr. Champeau explained that the facility would have on-site security because of the specialized nature of the laboratory operations. He stated that the company did not want the electric vehicle charging stations to be available to the public, in part to avoid drawing additional public attention to the building. He noted that access to the charging stations would likely require employee credentials or coded access to ensure only employees could use them.

Councilmember Groff asked whether the parking lot would operate with some form of permit parking system to help identify authorized vehicles using the site.

Mr. Champeau stated that he assumed the company would implement some form of permit or approval system to ensure that only authorized employees could use the electric vehicle charging stations.

Councilmember Bauer asked whether it would be feasible to bring approximately 1,200 amps of three-phase power to the site in order to meet the electric vehicle charging requirements outlined in the ordinance.

Mr. Champeau stated that providing the level of electrical service required to meet the ordinance would be very expensive. He explained that the base electrical demand for the entire facility was estimated at approximately 3,000 amps and that the additional power needed to fully comply with the electric vehicle charging requirements would account for more than one-third of the building's total projected power usage.

Councilmember Bauer asked whether Xcel Energy has the capacity to provide the level of electrical service necessary to support the project's projected power demand and electric vehicle charging infrastructure.

Mr. Champeau stated that, to his knowledge, Xcel Energy could provide the required electrical capacity if necessary, although he noted there would likely be a lengthy lead time for obtaining the necessary electrical infrastructure upgrades.

Mayor Roe asked for clarification regarding whether the previously discussed electrical demand figures applied only to the eight proposed charging stations.

Mr. Champeau clarified that complying fully with the ordinance would require an additional 1,200 amps of electrical capacity beyond the building's base 3,000-amp service, which is intended to support the entire facility.

Mayor Roe asked about the anticipated timeline for the project, including when construction is expected to begin and when the facility would likely be completed.

Mr. Champeau stated that the prospective tenant's board was scheduled to meet later that week to consider approval of the project. He explained that, if approvals moved forward successfully, the tenant announcement would likely occur shortly afterward, and construction could begin within approximately 30 days.

Mayor Roe asked for an estimated project completion timeline for the proposed development.

Mr. Champeau stated that the base building improvements were expected to be completed near the end of the year or in early January. He explained that the tenant improvements for the specialized laboratory facility would require an additional nine to 12 months, with the facility expected to become fully operational by the end of 2027.

Mayor Roe thanked Mr. Champeau for presenting the applicant's case and indicated he should remain available in case additional questions arose later in the

discussion. He then opened the public comment portion of the hearing regarding the requested variance appeal and reviewed the council's public comment procedures, including the three-minute speaking limit, the requirement for speakers to provide their name and address, and directing comments to the board.

Public Comment

Mr. Roger Hess, Waganer Place

Mr. Hess asked whether the city had reviewed how the reduced number of electric vehicle charging stations approved for the Dick's Sporting Goods project at Rosedale has functioned in practice, including whether additional charging stations were later needed or whether the approved reduction proved sufficient. He commented that the applicant may have a better understanding of its own operational needs than the city does and expressed support for allowing a phased approach to electric vehicle charging installation, provided there is a mechanism to ensure future expansion if demand increases.

Mayor Roe thanked Mr. Hess for his comments and asked whether any additional members of the public wished to speak on the variance appeal. After determining there were no further speakers, he closed the public comment portion of the hearing. He then asked staff whether there had been any follow-up with representatives from the Rosedale development regarding how the previously approved electric vehicle charging installation has been utilized or whether additional charging capacity has since been needed.

Community Development Director Gundlach explained that staff had not conducted a follow-up study regarding electric vehicle charging usage at the Rosedale development. She noted that staff did not believe the Rosedale project was necessarily an appropriate comparison because it serves a commercial retail use, whereas the proposed project at 2700 Snelling Avenue is intended for a private employer. She explained that the distinction was part of the rationale supporting the staff's conclusion that the requested variance could be considered reasonable.

Ms. Gundlach added that staff could follow up on the question in the future, although it was not part of the current review process.

Councilmember Strahan expressed concern that the city had now received two significant variance requests under the recently adopted electric vehicle charging ordinance in a relatively short period. She questioned the purpose and enforceability of the ordinance if applicants are permitted to seek substantial reductions from the established requirements, and suggested that repeated variances could undermine the regulation's intent.

Ms. Gundlach explained that when the city initially adopted its electric vehicle charging ordinance, staff reviewed policies from other metro communities and found that few jurisdictions had established similar standards. She noted that Roseville's commitment to sustainability led the city to establish requirements despite limited data on which standards would ultimately prove most appropriate. She stated that staff informed the Planning Commission at the time that the ordinance would likely need to evolve as the city gained more experience applying it to actual development projects.

Ms. Gundlach explained that Roseville is a largely built-out community with relatively few large redevelopment projects, so the ordinance has been applied to only a small number of developments since its adoption. She noted that the current proposal represents the first project of this scale involving a large private employer rather than a commercial retail use, which staff viewed as a meaningful distinction because the expected users of the charging stations differ between those project types.

Ms. Gundlach also explained that staff believed the applicant met the legal practical difficulty standard necessary to justify a variance. She cited the project's unique characteristics, including the large parking lot, overlapping employee shifts that temporarily increase parking demand, the private-employer setting, and the parking study provided by the applicant.

Ms. Gundlach added that the Planning Commission had already initiated a review of the ordinance in response to concerns raised by commissioners. She noted that materials related to a commissioner-requested review were included on an upcoming Planning Commission agenda and stated that staff anticipated the commission would likely move forward with studying possible amendments to the ordinance for future council consideration.

Mayor Roe commented on the legal standard for granting variances, noting that the practical difficulty test differs from older variance standards that focused more heavily on hardships not created by the property owner. He acknowledged staff's explanation regarding how that standard factored into the original recommendation supporting the variance request.

Mayor Roe also expressed concern about the broader policy implications of repeatedly addressing ordinance concerns through individual variance requests rather than through a comprehensive ordinance review process. He stated that making policy decisions through variances can pose challenges because each request is considered independently, outside the context of a broader legislative discussion. He expressed appreciation that the Planning Commission is considering amendments to the ordinance and suggested the council may wish to provide guidance or considerations to the commission as part of that review process. He added that relying on variances to address ordinance concerns can

create issues akin to spot zoning and emphasized the importance of a more deliberate, comprehensive policy approach.

Ms. Gundlach added that the project timeline and development opportunity were also discussed during the variance board review. She explained there was general agreement that the proposed project was a strong fit for the property and that requiring the applicant to wait for a future ordinance amendment process before moving forward could itself create a practical difficulty.

Ms. Gundlach noted that commissioners discussed the tension between recognizing the need to reevaluate the ordinance while also considering whether delaying the project until that review was completed would be reasonable. She acknowledged the concerns raised by Mayor Roe and emphasized that determining how much weight to give those considerations was ultimately a decision for the council.

Councilmember Strahan asked whether the board's options were limited to either approving the requested reduction to eight electric vehicle charging stations or requiring full compliance with the ordinance standards, without the ability to consider an intermediate compromise.

Mayor Roe confirmed, following consultation with City Attorney Tierney, that the board's decision was limited to either granting the requested appeal as submitted or upholding the variance denial.

Councilmember Strahan commented that the board's inability to consider a compromise position limited its flexibility and expressed concern that the available options did not allow for a middle-ground solution that might better balance the city's ordinance goals with the applicant's request.

City Attorney Tierney explained that the board was legally required to either grant or deny the variance application currently before it. She noted that while councilmembers could discuss what types of alternatives they might consider acceptable in the future, approving something different from the actual application could create legal complications and an unclear record if the decision were appealed.

Ms. Tierney encouraged the board to limit its action to either approving or denying the request as submitted.

Community Development Director Gundlach explained that when the applicant first approached staff regarding the variance request, staff recognized there was limited experience applying the ordinance to a large private-employer project of this scale. She stated that staff encouraged the applicant to obtain input from a

qualified outside professional through a parking study in order to provide data supporting the proposed number of charging stations.

Ms. Gundlach noted that neither staff nor the applicant believed it would be appropriate to arbitrarily select a different number without supporting analysis, and she explained that the proposed eight charging stations were based on the parking study's findings and the business's operational characteristics.

Mayor Roe clarified that the parking study included in the variance board materials, prepared by TC2, primarily addressed overall parking demand and did not appear to specifically recommend a particular number of electric vehicle charging stations. He noted that discussion during the hearing referenced additional employee survey information that may have contributed to the proposed number of eight charging spaces and invited the applicant's representatives to clarify the basis for that figure to avoid any misunderstanding in the record.

Mr. Champeau explained that the proposed eight charging stations were based on the applicant's analysis of anticipated day-one demand for electric vehicle charging. He emphasized that the project would include infrastructure that would allow additional charging stations to be added in the future if usage levels increase. He stated that if the initial stations are heavily used after the facility opens, the company would be able to expand charging capacity as needed.

Mayor Roe summarized that the board was considering the appeal of the Variance Board's denial regarding the requested reduction in electric vehicle charging requirements. He reiterated that the board's options were limited to either granting the appeal or upholding the denial of the variance.

Mayor Roe acknowledged that there appeared to be ongoing questions about the appropriate charging-station requirements under the ordinance, but noted that the board still needed to make a decision on the specific request before it.

Schroeder moved, Bauer seconded, granting the Appeal by Hempel Real Estate of the Variance Board's Denial of a Variance to Table 1013.01-2, Minimum Number of Required Electric Vehicle Charging Stations (EVCS) and §1013.04D(2)(d)(1) Regarding the Required Number of Electrical Vehicle Service Equipment (EVSE) Required at 2700 Snelling Avenue.

Council Discussion

Mayor Roe noted that the resolution included in the council packet contained placeholders for findings of fact that would need to be completed as part of the board's decision. He explained that councilmembers could articulate findings

during discussion of the motion and that those findings could later be formally incorporated into the resolution.

Mayor Roe stated that any motion to adopt the resolution should include the relevant findings supporting the board's decision and invited the motion maker and seconder to begin outlining those findings for the record.

City Attorney Tierney reviewed the findings required under the city's ordinance in order for the board to grant the variance appeal. She explained that the board would need to determine that the proposed variance is consistent with the comprehensive plan, is in harmony with the purposes and intent of the zoning ordinance, allows the property to be used in a reasonable manner, involves unique circumstances not created by the landowner, and would not alter the essential character of the surrounding area.

Mayor Roe noted that the required findings were already substantially outlined in the variance board materials included in the council packet, specifically referencing the findings section within the report. He suggested that, if the motion maker and seconder were comfortable relying on those findings as the basis for the motion, they could serve as the supporting rationale for the board's decision.

Councilmember Schroeder indicated that the findings outlined in the variance board packet were part of the basis for her support of the motion.

Mayor Roe clarified that the motion to grant the appeal was intended to support the original variance request as outlined in the staff materials and findings included in the packet.

Councilmember Schroeder stated that her support for granting the appeal was based on the findings and analysis already documented by staff in the variance materials. She commented that the staff work and findings outlined in the packet provided sufficient support for the decision and could be incorporated by reference into the motion.

Councilmember Schroeder also noted that the city has limited experience in applying the electric vehicle charging ordinance and lacks substantial data on the appropriate charging station requirements for projects of this nature. She stated that the applicant's parking study and employee demand information represented the primary evidence currently available to the council. She further referenced the previously approved variance for another development and the Planning Commission's decision to review the ordinance as indications that there are legitimate questions about the current standards. Based on those factors, she concluded that the council did not have sufficient grounds to deny the appeal.

Mayor Roe asked whether Councilmember Schroeder's comments should be considered part of the discussion supporting the motion.

Councilmember Schroeder confirmed that they should.

Councilmember Bauer stated that he agreed with Councilmember Schroeder's comments and expressed support for the Planning Commission's planned review of the ordinance. He commented that the original ordinance may not have fully considered differences between residential charging habits and workplace charging demand. He stated that he believed the city could develop a more effective ordinance through further review and noted that his perspective was informed by his personal experience as the owner of multiple electric vehicles over several years.

Councilmember Groff stated that he would support granting the appeal, although for reasons somewhat different from those expressed by other councilmembers. He explained that his support was largely based on the fact that the proposed charging stations would serve a private employee parking lot and would function as an employee benefit.

Councilmember Groff also expressed concern about the broader governance implications of repeatedly addressing the ordinance through variances, stating that he did not believe handling similar requests through repeated variances establishes good precedent. He noted that one of the city's original goals in adopting the ordinance was to encourage electric vehicle use in Roseville and to expand charging access for residents who may not be able to charge at home, such as renters.

Councilmember Groff commented that the proposed private, employee-only charging stations would not necessarily address the broader public-access goal, but he encouraged the Planning Commission to consider those issues as part of its upcoming ordinance review. He added that the city should continue planning for the future growth of electric vehicle usage while still supporting the variance request in this case.

Councilmember Strahan stated that she remained opposed to granting the variance appeal, citing concerns about maintaining consistency in city decision-making and avoiding case-by-case governance through variances. She acknowledged the applicant's concerns about the project timeline but stated that she believed it was important for the city to consistently apply its adopted standards.

Councilmember Strahan indicated that she supported upholding the variance board's original denial for many of the same reasons identified by the board, including concerns that the request did not sufficiently satisfy the required variance standards. She also commented that the parking study did not appear to recommend a specific number of electric vehicle charging stations and expressed skepticism

about the basis for the proposed eight-station figure. She noted that the company's existing facilities do not include electric vehicle charging stations and questioned whether sufficient information was available to justify the proposed reduction.

Councilmember Strahan also expressed concern that future promises to expand charging infrastructure may not ultimately result in additional stations being installed if there is no formal mechanism requiring such expansion.

Mayor Roe stated that he initially approached the appeal with reluctance and remained uncertain whether the proposed number of eight charging stations represented the correct standard. However, he noted that the larger issue appears to be that the city currently lacks sufficient information to confidently determine the appropriate requirements under the ordinance.

Mayor Roe noted that he was influenced in part by the city's earlier approval of a significant variance reduction for the Rosedale retail development, which involved a setting where public demand for charging stations could arguably be even greater. Based on the findings presented by staff, the timing considerations associated with the project, and the Planning Commission's ongoing review of the ordinance, he stated that he believed supporting the appeal was appropriate in this instance.

Mayor Roe also outlined several issues he encouraged the Planning Commission to consider during its review of the ordinance. He suggested the commission examine whether workplace parking situations may be more comparable to long-term residential parking, where lower-level charging infrastructure may be sufficient because vehicles remain parked for extended periods. He noted that level-one charging infrastructure may adequately serve employee parking lots while requiring less electrical capacity and lower installation costs.

Mayor Roe further suggested that the city consider whether parking standards should be differentiated by parking duration, the degree of public access to parking facilities, and the overall size of parking lots. He commented that additional tiers or categories within the ordinance may help create more tailored standards for different types of developments and parking uses.

Councilmember Bauer encouraged the Planning Commission to further evaluate distinctions between residential, commercial, and private-employer parking uses as part of its review of the electric vehicle charging ordinance. He noted that electric vehicle ownership involves personal decisions about charging access, much as vehicle owners consider fuel economy and fuel availability when purchasing conventional vehicles.

Councilmember Bauer also noted that the city does not require private employers to provide gasoline fueling facilities for employees and suggested that the commission consider whether different standards should apply based on whether a

parking facility serves residential, commercial, or private employment uses. He expressed interest in seeing the ordinance refined to better distinguish between those categories.

Councilmember Groff reiterated that one of his primary goals in supporting the electric vehicle charging ordinance was to expand access to charging for residents who cannot charge at home, particularly renters and others for whom home charging infrastructure may be financially impractical. He noted that installing home charging equipment can cost thousands of dollars and said the city should continue planning for long-term sustainability and carbon-reduction goals.

Councilmember Groff encouraged future consideration of ways in which private developments could make charging stations more accessible to the public, even within private parking facilities. He suggested there may be opportunities to design parking lots in ways that allow limited public access to charging while still supporting private operations. He stated that he believes additional electric vehicle charging infrastructure can help make the community more environmentally sustainable and accessible for residents who lack home charging options.

Councilmember Strahan noted that the area surrounding the proposed development includes a significant amount of higher-density, modest-income housing, which she believed could make the location especially beneficial for additional public electric-vehicle charging access. She noted that many nearby residents may be unable to install home charging infrastructure due to the age and type of housing in the area.

Councilmember Strahan suggested that providing some level of public access to charging stations could both support the surrounding community and help offset operating costs through user fees. She stated that the discussion reflected broader conversations the council has had about the city's environmental and sustainability goals and emphasized that expanding access to electric vehicle charging is one practical way the city can demonstrate its commitment to green initiatives.

Councilmember Strahan also expressed concern that limited charging availability could create inequities between residents with access to home charging and those without. She noted that as more used electric vehicles become available, access to charging will become increasingly important for residents without private charging options. She stated that expanding charging infrastructure is different from requiring traditional fueling stations and should be viewed as part of the city's long-term sustainability planning.

Mayor Roe suggested that the discussion provided useful guidance for the Planning Commission and staff as they move forward with reviewing the electric vehicle charging ordinance. He summarized that the motion before the board was to adopt the resolution granting the appeal based on the findings of fact previously outlined

by the motion maker and seconder. After confirming there were no questions regarding the motion or findings, he proceeded to consider the motion.

Roll Call

Ayes: Groff, Schroeder, Bauer, and Roe.

Nays: Strahan

Mayor Roe thanked participants for their involvement in the variance appeal process and expressed appreciation for the thoughtful discussion surrounding the electric vehicle charging ordinance. He stated that future applicants may benefit from a revised process as the city continues to evaluate the ordinance and gather additional information.

Mayor Roe also commented on the broader challenge of balancing limited public charging infrastructure with the extent to which private businesses should be expected to provide public charging access.

8. Adjourn Board of Adjustments and Appeals and Reconvene as the City Council

9. Business Items

a. Approve Resolution Supporting Standard Communities Conduit Debt Application

Finance Director Sam Magureanu briefly highlighted this item as detailed in the Request For Council Action and related attachments dated May 4, 2026.

Mr. Magureanu introduced a resolution in support of a conduit debt application submitted by Standard Communities. He noted that representatives from the project team were present to provide additional information and answer council questions.

Mr. Magureanu introduced Rhonda Skoby of Taft Law to provide an overview of conduit debt financing and noted that supporting materials had been included in the council packet. He also introduced Thomas Morrow of Standard Communities to address project-specific questions from councilmembers. Mr. Magureanu then turned the presentation over to the applicants and remained available for additional questions.

Ms. Rhonda Skoby of Taft Law appeared before the council as bond counsel representing the city regarding a proposed conduit bond financing request for a 127-unit senior living multifamily housing development proposed by Standard Communities. She explained that the resolution before the council would provide preliminary approval, allowing the developer to apply to the Minnesota Department of Management and Budget for authority to issue tax-exempt conduit bonds.

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Ms. Skoby stated that the application seeks authority for up to \$23.75 million in bonds, but emphasized that the request does not involve city funding or create any financial liability for the city. She explained that conduit bonds function solely as a financing mechanism between the developer and bondholders or trustees, with the city serving only as the issuing conduit authorized under state and federal law.

Ms. Skoby further explained that the city would not assume any repayment obligations or debt liabilities related to the bonds, and that the issuance would not affect the city's debt limits, bond ratings, or bank-qualified bonding authority. She noted that the developer would be responsible for all costs associated with issuing the bonds, including legal fees and administrative expenses.

Ms. Skoby also stated that the city would receive an administrative fee equal to 1 percent of the final bond issuance amount. She clarified that the action before the council represented only preliminary approval and that, if the state grants bonding authority, the city would later conduct a public hearing and consider final approval of the bonds and related financing documents. She concluded by offering to answer questions regarding the conduit financing process and noted that Standard Communities representative Thomas Morrow was present to address questions regarding the development itself.

Mr. Thomas Morrow of Standard Communities introduced the proposed Roseville Seniors project, which involves acquiring and substantially renovating a 127-unit affordable senior housing development occupied by Roseville residents. He explained that the project financing would utilize the proposed tax-exempt conduit bonds along with low-income housing tax credits, which the developer plans to pursue following the anticipated bond allocation process.

Mr. Morrow stated that the financing structure would preserve the property's affordability for an additional 30 years. He noted that the property is currently subject to a Section 8 contract under which residents pay approximately 30 percent of their income toward rent, and he emphasized that resident affordability and occupancy conditions would remain unchanged following the renovation.

Mr. Morrow also stated that the renovation plan is intended to avoid permanent displacement of tenants. He explained that renovations would occur while residents remain on site, with construction work generally taking place during daytime hours while residents temporarily leave their units. He noted that Standard Communities plans to provide a resident services coordinator and a dedicated relocation coordinator to assist tenants throughout the renovation process. In addition, temporary gathering spaces and alternative accommodations on the property would be available during work hours to support residents during construction.

Mayor Roe thanked the presenters and invited questions from councilmembers for either bond counsel or the developer. He also expressed appreciation for the

additional explanation regarding how tenant relocation and renovation activities would be managed during construction, noting that minimizing impacts on existing residents was an important concern for him, even though those operational details were not directly tied to the financing request before the council.

Councilmember Schroeder asked Finance Director Magureanu whether the administrative fee associated with the conduit bond issuance would be sufficient to cover the city's staff time, legal expenses, and other administrative costs related to processing the financing request.

Mr. Magureanu explained that the city had already collected the standard \$2,500 application fee for the conduit debt request, which covers staff time for project coordination, communication with the developer and bond counsel, and attendance at meetings. He further explained that the additional 1 percent administrative fee associated with the final bond issuance would be retained by the city for general use.

Mr. Magureanu clarified that the developer, not the city, would be responsible for all legal expenses associated with bond counsel services provided by Taft Law. He stated that the city would not incur costs related to the financing process.

Councilmember Schroeder clarified that the city's only direct involvement and expense related to the process would be staff time from the finance department.

Mr. Magureanu confirmed that the city's involvement is limited primarily to staff time, which he noted is already covered through the application fee process. He explained that the administrative fee associated with the final bond issuance would be deposited into the city's general operating fund, with no restrictions on its use.

Mr. Magureanu also clarified that, following additional discussions earlier in the day, the anticipated bond application amount is approximately \$23 million, rather than the lower figure previously referenced. As a result, the city's 1 percent administrative fee could total approximately \$230,000 if the full amount is ultimately issued. He noted that this would represent a significant revenue benefit to the city without creating financial liability or additional costs for the city government.

Councilmember Groff asked about the length or term of the proposed bond financing for the project.

Ms. Skoby and Mr. Morrow explained that the exact term of the bond financing had not yet been finalized, although current expectations are that the bonds would likely have a term of approximately 16 to 17 years.

Ms. Skoby noted that state law would allow a bond term of up to 30 years if necessary.

Councilmember Groff asked whether the anticipated 16- to 17-year bond term was separate from the project's 30-year affordability commitment.

Ms. Skoby explained that the project's affordability requirements would remain in effect regardless of the bond repayment term, pursuant to a regulatory agreement attached to the property. She stated that the regulatory agreement is required under Internal Revenue Service rules for the bonds to qualify as tax-exempt obligations and emphasized that the affordability commitment would remain in place even after the bonds are paid off.

Councilmember Groff commented that portions of the renovation plans appeared to involve elevator improvements and ADA accessibility upgrades and asked whether those compliance-related improvements were automatically required as part of the project.

Mr. Morrow stated that he would need to follow up with additional details regarding whether the elevator and accessibility improvements were automatically triggered by the renovation work and permitting process. He noted that some aspects may relate to grandfathered building conditions that become subject to updated requirements once permits are issued.

Mr. Morrow also explained that the project's use of low-income housing tax credits through the Minnesota Housing Finance Agency includes specific accessibility and compliance standards.

Mr. Morrow stated that both ADA requirements and Enterprise Green Communities standards are incorporated into the tax credit program, meaning the project must meet certain accessibility criteria to qualify for financing.

Councilmember Groff asked how many units in the development would be designed to be wheelchair-accessible or otherwise meet accessibility requirements for residents with disabilities.

Mr. Morrow confirmed that the project would include ADA-accessible units and clarified that some residents occupying those units may need temporary relocation during portions of the renovation work. He explained that certain accessibility upgrades would require more extensive construction, such as moving walls or modifying countertops, making it impractical for residents to remain in those units overnight.

Mr. Morrow stated that the preferred approach would be to temporarily relocate affected residents into other vacant units within the property during renovations and

then move them back once work is completed. If on-site relocation space is unavailable, he stated that the developer would arrange temporary hotel accommodations and transportation assistance for those residents.

Mayor Roe clarified for members of the public that conduit bond financing is commonly used for affordable housing projects because the tax-exempt status of the bonds allows projects to obtain financing at lower borrowing costs than would be available through conventional taxable financing. He noted that lower financing costs improve the project's overall financial feasibility and affordability.

Mr. Magureanu agreed with Mayor Roe's explanation regarding the public benefit associated with tax-exempt conduit financing for affordable housing projects.

Mr. Magureanu further clarified that the developer could have sought conduit bond issuance through another municipality rather than the City of Roseville. He noted that the developer chose to work with Roseville in part because of the local connection to the project and the corresponding benefit provided to the city through the affordable housing preservation and associated administrative fee revenue.

Councilmember Groff commented that he believed the city had participated in similar conduit financing arrangements in the past.

Mayor Roe responded that, although it had been some time since the city last participated in this type of financing, the arrangement can provide a positive financial benefit to the city through the associated administrative fees while supporting affordable housing projects.

Public Comment

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

Strahan moved, Groff seconded, adoption of Resolution No. 12240 (Attachment 2) entitled, "A Resolution Granting Preliminary Approval to the Issuance of Multifamily Housing Revenue Bonds (Roseville Seniors Project); Authorizing the Submission of One or More Applications for Allocation of Bonding Authority Under Minnesota Statutes, Chapter 474A; Authorizing the Preparation of a Housing Program Pursuant to Minnesota Statutes, Chapter 462C; and Authorizing a Public Hearing and Publication of a Notice Thereof."

Council Discussion

Councilmember Strahan stated that she had heard from volunteers familiar with the senior housing facility that conditions at the property have become somewhat difficult over time. She expressed appreciation that the proposed renovation project

would improve residents' living conditions and provide a more comfortable, supportive environment for seniors living at the property.

Councilmember Strahan also noted that she was encouraged to learn that Standard Communities is a certified B Corporation, which she viewed as reflecting a mission-driven approach that goes beyond purely financial objectives. She expressed support for the project's focus on maintaining affordable senior housing and improving residents' quality of life.

Councilmember Groff thanked the developer for moving forward with the renovation project and noted that, based on his experience in real estate, he was aware the building needed improvements. He stated that the project aligns with one of the city's goals of maintaining housing options for residents across different income levels and expressed support for the effort to preserve and improve affordable senior housing in Roseville.

Roll Call

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

Nays: None

b. Review 2025 Year-End Cash Reserve Levels

Finance Director Sam Magureanu briefly highlighted this item as detailed in the Request for Council Action and related attachments dated May 4, 2026.

Mr. Magureanu presented an analysis of the city's fund balance and reserve policy levels following completion of the city's 2025 financial audit work. He explained that the final audit report was expected to be issued shortly and formally presented to the council at a future meeting.

Mr. Magureanu stated that the purpose of the city's fund balance policy is to maintain financial stability, support operational and capital needs, provide adequate cash flow throughout the year, and establish reserves for unexpected events or revenue interruptions. He explained that reserve levels are particularly important because the city receives property tax settlements from the county only at certain points during the year, which can create cash flow challenges between distributions.

Mr. Magureanu reviewed the city's current reserve targets for several tax-supported funds. He explained that the General Fund is projected to fall below its minimum reserve target at approximately 29.66 percent, representing a shortfall of roughly \$1.6 million to reach the minimum policy level. He noted that the Recreation Fund and Licensing Center Fund are both projected above their reserve targets, while the Communication Fund is projected slightly below its minimum target.

Mr. Magureanu also discussed the city's Cash Reserve Fund, which has historically been used to hold excess reserves from other funds when balances exceed policy

targets. He explained that staff is recommending using approximately \$926,000 from the Cash Reserve Fund to help restore reserve levels in the General Fund and the Communication Fund, both of which are projected to be below policy minimums.

Mr. Magureanu addressed anticipated questions about the decline in General Fund reserves, explaining that several factors contributed to the reduction. He stated that the city and council have historically taken a conservative budgeting approach focused on minimizing property tax levy increases whenever possible, which has at times required the planned use of reserve funds to balance budgets. He noted that the 2025 General Fund budget utilized approximately \$227,000 in reserves and that the 2026 budget also relies on approximately \$145,000 in reserve funding.

Mr. Magureanu further explained that annual budget growth also increases the reserves required under the city's policy, because reserve targets are calculated against the following year's expenditures rather than the current year's budget. He noted that as city expenditures grow, the reserve requirements rise accordingly, even if actual reserve balances remain stable or decline.

Mayor Roe clarified that the reserve requirement itself increases as future budgets increase.

Mr. Magureanu also discussed how certain governmental funds, including the Parks and Recreation Fund, Licensing Center Fund, Communication Fund, and Cash Reserve Fund, were established largely for tracking and operational purposes but can still be used, with council approval, to support General Fund operations if necessary. He explained that some municipalities combine these activities directly into the General Fund, whereas Roseville tracks them separately for monitoring purposes.

Mr. Magureanu then reviewed year-end General Fund operating results, noting that the city experienced a positive net income change of approximately \$1.5 million. Revenues exceeded budget projections in several categories, including licenses and permits, intergovernmental revenues, service charges, court fines, and interest earnings. However, he noted that property tax collections came in below projections largely due to successful property tax valuation petitions filed with Ramsey County by property owners disputing assessed values.

Mr. Magureanu explained that those valuation adjustments reduced the city's tax distributions by approximately \$580,000 and lowered the city's overall collection percentage to below 98 percent.

Mayor Roe questioned the reliability of certain anticipated reimbursement revenues.

Mr. Trudgeon clarified that the discussion related primarily to overtime costs incurred during the Back to the 50s event. Mr. Trudgeon explained that the city invoices organizers for those expenses, although there is no formal agreement guaranteeing reimbursement. He noted that payments have sometimes been received in the past, but not consistently.

Mr. Magureanu and Mr. Trudgeon discussed revenue shortfalls related to reimbursements for public safety support provided during the Back to the 50s event.

Mr. Trudgeon noted that the city continues to face challenges in securing formal reimbursement agreements for overtime and public safety costs associated with the event, although the city must still provide staffing and public safety services during the event, regardless of reimbursement outcomes.

Mr. Magureanu added that the city received approximately \$140,000 less than budgeted in that revenue category. Despite that shortfall, he noted that overall city revenues still ended approximately \$468,000 above budget projections.

Mr. Magureanu then explained that expenditures exceeded the budget by approximately \$300,000, primarily due to increased public safety overtime and personnel costs within the police and fire departments. He stated that both departments significantly exceeded their overtime budgets and warned that 2026 spending trends are already projecting similarly elevated costs. He noted that staff anticipates the issue will need to be addressed more substantially during development of the 2027 budget.

Mr. Magureanu then presented the staff's recommendation to rebalance reserve funds in order to restore the General Fund and Communication Fund to their minimum policy reserve levels. He explained that staff is recommending transferring approximately \$1.6 million into the General Fund using surplus balances from the License Center Fund, the Cash Reserve Fund, and a smaller transfer from the Parks and Recreation Fund. He stated that these transfers would restore the General Fund reserve balance to the minimum 35 percent policy target.

Mr. Magureanu also recommended an additional transfer of approximately \$40,000 from the Parks and Recreation Fund to restore the Communication Fund reserve balance to its 10 percent minimum target. He explained that after the proposed transfers, the General Fund would be restored to its minimum reserve level, the Parks and Recreation Fund would remain just below its upper reserve target, the Communication Fund and License Center Fund would both be at their minimum reserve targets, and the Cash Reserve Fund balance would be fully depleted.

Mayor Roe clarified that the city's existing cash carry forward policy generally requires reserve amounts that exceed the upper target limits in various funds to be transferred to the Cash Carry Forward Fund, which functions as a sub-fund within

the General Fund. He noted that, based on the figures presented, the excess reserves above policy maximums in the Parks and Recreation Fund and License Center Fund were lower than the total transfer amounts staff had recommended.

Mayor Roe observed that the proposed recommendation, therefore, involved transferring additional amounts beyond the normal policy sweep thresholds and commented that staff appeared to recommend direct transfers between funds rather than first moving the excess balances through the Cash Carry Forward Fund structure.

Finance Director Magureanu agreed with Mayor Roe's observation and explained that staff were recommending direct transfers between the funds rather than routing the money through the Cash Carry Forward Fund. He stated that processing the transfers through the reserve fund would create additional administrative steps and approvals without materially changing the outcome, and he indicated that the transfers could instead be directed straight into the General Fund and Communication Fund as proposed.

Mayor Roe stated that he wanted to clarify for the record that, in at least two of the proposed transfers, the city would be transferring more than just the excess amounts above the policy maximum reserve targets. He noted that, in the case of the License Center Fund, the proposed transfer would reduce the reserve balance to the minimum 10 percent target, effectively transferring nearly all funds above that threshold.

Mayor Roe acknowledged that the proposal initially raised concerns for him about reserve levels, but he said he became more comfortable with the recommendation as the discussion continued.

Mr. Magureanu acknowledged that, under normal circumstances, staff would prefer to follow the reserve policy more strictly, transferring only amounts exceeding the upper reserve targets and leaving the affected funds closer to their maximum policy levels. However, he explained that the city's current financial situation requires larger transfers to restore the General Fund to its minimum reserve target.

Mr. Magureanu noted that the Parks and Recreation Fund would remain near its upper reserve target even after the proposed transfer. At the same time, the License Center Fund would be reduced from its upper 15 percent target down to the minimum 10 percent level. He stated that staff would not, ideally, recommend reducing reserves that far under normal conditions. Still, he did not believe the city currently had many other practical alternatives, short of potentially increasing the tax levy in the future.

Mr. Magureanu also explained that the timing of reserve adjustments is important because the transfers will be recorded in the city's 2025 financial statements rather

than as 2026 entries. He stated that maintaining the General Fund at or above the State Auditor's recommended 35 percent reserve threshold is particularly important as the city prepares for future bond issuances and potential bond rating reviews. He noted that lower reserve levels could negatively affect outside perceptions of the city's financial position during those evaluations.

Mayor Roe summarized that if the city were to follow only standard policy transfers using amounts above the reserve maximums, the General Fund would still be approximately \$100,000 short of the minimum 35 percent reserve target, leaving the reserve percentage slightly below policy requirements.

Mr. Magureanu explained that staff therefore recommended transferring somewhat larger amounts, particularly from the License Center Fund, to ensure the General Fund reserve balance reaches at least the minimum target level. He noted that staff also considered taking additional funds from the Parks and Recreation Fund but chose a more conservative approach due to potential upcoming park-related projects that may exceed budget projections. He stated that the License Center Fund currently appears financially stable and is already projecting stronger-than-expected revenue performance during the first quarter of 2026.

Mayor Roe asked whether those positive License Center revenue trends already accounted for any planned transfers into the General Fund.

Mr. Magureanu clarified that the quarter-one projections were based strictly on budget-to-actual operating revenues and did not yet reflect the impacts of year-end fund balances. He explained that if revenues continue trending above budget throughout the year, any resulting surplus would ultimately increase the License Center Fund balance again.

Mayor Roe then noted that leaving an additional \$100,000 in the General Fund would place reserves at roughly 34.67 percent, which is very close to the 35 percent target.

Mr. Magureanu responded that staff preferred to remain slightly above the threshold for financial statement and reserve reporting purposes and estimated the final reserve level would likely end just above 35 percent once all adjustments are completed.

Councilmember Schroeder stated that she was comfortable with the proposed transfers, particularly because the License Center Fund receives revenue on a more continuous basis throughout the year compared with some of the city's other funds, which rely more heavily on periodic revenue collections. She noted that this ongoing revenue stream makes the License Center Fund better positioned to absorb the proposed transfer.

Councilmember Schroeder also noted that the Cash Reserve Fund was created to address situations in which the city faces reserve shortages or other financial needs, and she viewed the current recommendation as an appropriate use of those funds. She added that, from an overall financial reporting perspective, the transfers are effectively reallocations within the city's broader financial structure rather than introducing entirely new resources.

Mr. Magureanu agreed and noted that, from a financial statement presentation standpoint, the transfers are ultimately reflected within the city's overall governmental fund structure.

Mr. Magureanu explained that the purpose of creating separate funds, such as the Parks and Recreation Fund, License Center Fund, and Communication Fund, was to provide the city with a clearer understanding of the financial performance and operational activities in those areas. He noted that some cities instead account for many of those activities directly within the General Fund, tracking only certain recreation programs separately.

Mr. Magureanu stated that Roseville's approach allows staff and council to monitor better how individual operations are performing financially, including the costs of park maintenance, recreation programming, licensing operations, and communication activities. He added that maintaining these separate funds also helps the city better evaluate levy impacts, available resources, and departmental financial trends.

Mr. Magureanu noted that the separate accounting structure helps the city better understand what is actually occurring in those operations financially.

Councilmember Schroeder asked whether councilmembers would receive the completed audit materials in advance of the meeting at which the audit is formally presented, rather than only the night before the presentation.

Mr. Magureanu responded that the city's audit presentation is scheduled for the May 11 council meeting.

Public Comment

Mayor Roe offered an opportunity for public comment.

Mr. Roger Hess, Waganer Place

Mr. Hess asked whether the financial figures under discussion were already several months old and whether the city's financial condition had improved or worsened since the end of the reporting period.

Mayor Roe noted that the council's quarterly financial report was included on the evening's consent agenda. He said it would provide an opportunity to review more up-to-date financial information and assess how city finances are trending. He then asked Finance Director Magureanu, in general terms, whether the city's financial position appeared to be improving or worsening since the end of the 2025 reporting period.

Mr. Magureanu stated that, following the proposed reserve transfers, the city would begin 2026 with the General Fund restored to approximately the 35 percent reserve target. He explained that the first-quarter financial results generally appear positive. However, he cautioned that first-quarter results are typically limited in usefulness because many revenues and seasonal expenditures have not yet fully materialized.

Mr. Magureanu noted that expenditure currently appears to be trending below budget, particularly personnel costs, but explained that staffing expenses are budgeted conservatively using the highest expected employee pay rates in anticipation of cost-of-living increases, step increases, and promotions that occur throughout the year on varying schedules. As a result, first-quarter personnel spending often appears artificially low compared with annual budget expectations.

Mr. Magureanu also explained that many city revenues have not yet been collected in the first quarter, including property tax settlements and seasonal Parks and Recreation program revenues, which are more active later in the year. He stated that quarter one is generally a quiet financial period for most cities, while quarters two and four typically provide a more accurate picture of overall financial performance. Based on current information, he stated that the city appears to be performing within approximately 20 percent of budget expectations, which he characterized as a positive early-year indicator.

Mr. Hess asked whether the city's anticipated Xcel Energy-related fee revenues would eventually be deposited into the General Fund, noting that he believed those revenues could contribute more than \$2 million to the fund balance.

Mr. Magureanu confirmed that franchise fee revenues from Xcel Energy are deposited into the General Fund. He explained that the city received its first franchise fee disbursement in April. However, revenues are currently trending slightly lower than originally anticipated because the franchise fee implementation began later than initially expected.

Mr. Magureanu stated that while the city had hoped the franchise fee would become effective January 1, the implementation ultimately became effective closer to March 1 following formal approval of the resolution. He explained that Xcel Energy typically requires approximately 60 to 90 days to implement new franchise fees and that the fees are not collected retroactively. As a result, the city adjusted its budget expectations, and the first disbursement totaled approximately \$40,000.

Mr. Hess commented that the franchise fee revenues are expected to generate approximately \$2 million annually for the city.

Mr. Magureanu responded that the city has already incorporated anticipated franchise fees into its budgeting process and spending plans. However, the revenues have not yet fully materialized due to the delayed implementation timeline.

Mr. Hess also expressed concern about transferring funds from the License Center Fund, arguing that reducing those reserves could ultimately require the city to issue additional bonds if a new License Center facility is constructed. He suggested that if more funds had historically been retained in the License Center Fund, the city might eventually have been able to finance future facility improvements without borrowing.

Mr. Hess further questioned whether the city could instead utilize a portion of its longer-term investment holdings to address the General Fund reserve shortfall rather than drawing down operational reserves from the License Center Fund. He noted that some city investments appear to extend many years into the future and suggested that redirecting a portion of those funds could potentially avoid additional borrowing costs.

Mayor Roe thanked Mr. Hess for coming before the City Council to ask questions.

Groff moved, Strahan seconded, approving \$604,629 in transfers into General Fund 100 from the following sources:

- License Center Fund 265 - \$637,643
- Cash Reserve Fund 105 - \$926,008
- Parks and Recreation Fund 200 - \$40,978

And Approve \$40,378 transfer into Communications Fund 110 from the Parks and Recreation Fund 200.

Councilmember Groff thanked Finance Director Magureanu for the presentation and stated that he found the reserve analysis much clearer and easier to understand than similar discussions in previous years. He commented that the explanation of the transfers and reserve policy helped clarify the city's financial position and the rationale for the proposed adjustments.

Councilmember Groff stated that he supports restoring the affected funds to at least their minimum reserve targets and agreed that maintaining appropriate reserve levels is important as the city considers future bond issuances and other financial obligations.

Councilmember Strahan thanked Finance Director Magureanu for the work involved in preparing the reserve analysis and presentation. She commented that the information was presented clearly and understandably and expressed hope that members of the public would also find the financial discussion easier to follow.

Councilmember Strahan noted that financial reserve discussions become easier to understand with additional experience over time, but stated that the materials and explanations provided by staff were especially informative and helpful for understanding the city's financial position and recommendations.

Roll Call

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

Nays: None

10. Council Direction on Councilmember Initiated Agenda Items

11. 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 April 6, 2026, City Council Meeting Minutes, April 13, 2026, EDA and City Council Meeting Minutes, and April 20, 2026, City Council Meeting Minutes

Schroeder moved, Groff seconded, approval of April 6, 2026, City Council Meeting, April 13, 2026, EDA and City Council Meeting Minutes, and the April 20, 2026, City Council Meeting Minutes, as amended.

Corrections:

Mayor Roe noted there was a bench handout with a couple of corrections on pages 21 and 24 of the April 6, 2026, meeting minutes.

Roll Call

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

Nays: None.

12. 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 May 4, 2026, and related attachments.

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

Roll Call

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

Nays: None.

a. Approve Payments

ACH Payments	\$854,981.35
115341 - 115492	448,278.79
TOTAL	\$1,303,260.14

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

c. Approve Renewal of 2 a.m. Liquor Permit for AMC Theaters Rosedale 14

d. Receive City Grant Application Update

e. Approve No Parking Resolution for Hamline Avenue from County Road C to Snelling Avenue

f. Approve Resolution Awarding Contract for the Cohansey Sanitary Sewer Lift Station Project

g. Approve Ramsey County Cooperative Agreement for Hamline Avenue from County Road C to Snelling Avenue

h. Receive 1st Quarter 2026 Financial Report

i. Approve Amended Joint Powers Agreement for the Ramsey County Violent Crime Enforcement Team

j. Approve Resolution Awarding Contract for the Hamline Avenue Rehabilitation Project (26-01)

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

City Manager Patrick Trudgeon reviewed the May 11, 2026, EDA and City Council meetings; the May 18, 2026, City Council meeting; and the June 2026 City Council meetings.

City Manager Patrick Trudgeon reviewed the March and April 2026 meetings of the Planning Commission/Variance Board, PWETC Commission, Finance Commission, Equity & Inclusion Commission, and Parks & Rec Commission with the City Council.

Councilmember Strahan highlighted several upcoming community events, including the Juneteenth Celebration on June 13, Discover Your Parks beginning June 17, Live at the Rog concerts on Sundays and Thursdays starting June 14, and an upcoming Rice and Larpenteur Alliance event on May 16. She encouraged residents and councilmembers to participate in local community activities as the weather improves.

Councilmember Strahan also encouraged fellow councilmembers to attend Discover Your Parks events throughout the summer, noting that council participation in previous years had been meaningful for residents and community engagement efforts. She shared that she continued attending events by bicycle in prior years. She stated that residents appreciate seeing councilmembers present and engaged at community events, even when formal discussions are limited because city staff is typically available to answer operational questions.

Regular City Council Meeting

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Mayor Roe shared a letter received from resident Norman Jorgensen expressing appreciation for the city's April 25 Roseville Cleanup Day event. He read the resident's comments, thanking the city for operating an efficient, well-organized event and noting that staff and volunteers were helpful and kind throughout the process. The resident also described the cleanup event as an important community service.

Mayor Roe commented that while the council may not be directly responsible for operating the event itself, it does support and authorize the program each year, and he wanted to acknowledge the residents' appreciation during the meeting publicly.

Councilmember Strahan shared positive feedback regarding her recent experience using the Saturday recycling services at the Ramsey/Washington Recycling & Energy Center on Kent Street. She described the operation as extremely efficient, well-organized, and a valuable community resource.

Councilmember Strahan commented that residents in other communities are often surprised by the wide range of materials that Roseville-area residents can recycle at little or no cost. She also noted that the Saturday operating hours are especially convenient for residents who work during the week and stated that her experience at the facility involved minimal wait times and very smooth operations.

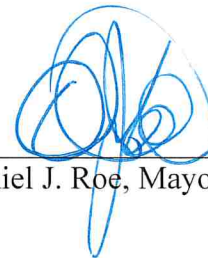
14. Adjourn

Schroeder moved, Strahan seconded, adjournment of the meeting at approximately 7:57 p.m.

Roll Call

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

Nays: None.



Daniel J. Roe, Mayor

ATTEST:



Patrick J. Trudgeon, City Manager