

**REGULAR MEETING  
OF THE COUNCIL OF THE  
CITY OF VADNAIS HEIGHTS  
JANUARY 21, 2020**

The meeting of the Council of the City of Vadnais Heights was held on the above date and called to order by Mayor Gunderson at 7:02 p.m.

Everyone present stood and said the Pledge of Allegiance.

**ROLL CALL**

Upon roll call, the following members were present: Mayor Heidi Gunderson, Council Members: Craig Johnson, Bob Morse, Patricia Youker and Greg Urban.

The following members were absent: None.

Also present were: Kevin Watson, City Administrator, Tim Sandvik, Assistant City Administrator, Nolan Wall, Planning/Community Development Director, Ed Leier, Fire Chief, Bob Sundberg, Finance Director, Jesse Farrell, Public Works Director, Caroline Bell Beckman, City Attorney and Peggy Aho, Deputy City Clerk.

City Administrator Watson provided several announcements.

**APPROVAL OF AGENDA**

Upon motion by Morse, seconded by Johnson, it was

20-1-12        “RESOLVED that the January 21, 2020 Regular Meeting Agenda as amended be approved.”

Ayes – 5                      Nays – 0

The resolution was adopted.

**APPROVAL OF MINUTES**

A.     January 7, 2020 Regular Workshop Meeting

Upon motion by Youker, seconded by Morse, it was

20-1-13        “RESOLVED, to approve the January 7, 2020 Regular Workshop Meeting Minutes as presented.”

Ayes – 5                      Nays – 0

The resolution was adopted.

B. January 7, 2020 Regular Council Meeting

Upon motion by Johnson, seconded by Morse, it was

20-1-14 “RESOLVED, to approve the January 7, 2020 Regular Council Meeting Minutes as presented.”

Ayes – 5                      Nays – 0

The resolution was adopted.

**APPROVAL OF CONSENT AGENDA**

Upon motion by Morse, seconded by Urban, it was

20-1-15 “RESOLVED, that the Consent Agenda Items #7A-7F for the January 21, 2020 meeting be approved as follows:

- A. Consider Approving Claims #78770 Through #78847 and Electronic Claims #1457 Through #1461 for Payment
  - 1. U.S. Bank Payment in the amount of \$4,218.22
- B. Consider Approving a Lawful One-Day Gambling Permit for the North Metro Longbeards Chapter of the NWTF Conduct a Raffle on Thursday, March 5, 2020
- C. Consider Approving a Request for a Leave of Absence – Montain
- D. Consider Accepting the Quarter 4 Building Permit Activity Report
- E. Conditionally Approve Renewal of 2 a.m. Liquor License Application for Gerald, Inc. dba Jimmy’s Food & Drink located at 1132 East County Road E.
- F. Consider Approving Commission Reappointments/Appointment for the Health and Public Safety Commission.”

Ayes – 5                      Nays – 0

The resolution was adopted.

**OPEN TO THE PUBLIC**

Mayor Gunderson opened the floor to the public at 7:06 p.m. There being no one that wished to speak, Gunderson closed the floor at 7:06 p.m.

**PRESENTATION(S): None.**

**PUBLIC HEARINGS**

## OLD BUSINESS

- A. Case 19-019: At Home Apartments, LLC – Comprehensive Plan Amendment and Concept PUD Plan at Unaddressed Parcel at County Highway 96/McMenemy Street  
Planning/Community Development Director Wall noted that this is a continuation from discussion at January 7<sup>th</sup> Council meeting concerning the application before the Council from At Home Apartments, LLC. for an amendment to the Comprehensive Plan and a concept PUD Plan at unaddressed parcel at County Highway 96 and McMenemy Street. Wall noted that the Planning Commission and the Council both held public hearings on this Case and action by the City Council was tabled and is now back before the Council for consideration and action tonight. Wall then reviewed what steps occur if the Council and the Metropolitan Council both were to approve the amendment to the Comp Plan.

Wall noted that staff provided a memo to the Council on items that have been changed since the application was last before the Council and said that the applicant has also provided some revised information. Mayor Gunderson noted that the Public Hearing was held on January 7<sup>th</sup> and noted that the Council heard from many residents at the Hearing and has received many emails, voice mails and other communication from residents. She invited anyone up that has something new to say.

Joanne Smith, 1155 White Oaks Lane, noted that looking at the agenda for the meeting, she noted that many of the attachments are new and she asked if the community will get the chance to respond to the new materials submitted. She referenced a traffic study completed by Council Member Johnson which she questions the results of. She asked why a counter wasn't put down in order to get accurate counts.

Gary Nelson, 279 Timberline Trail, noted that he sent an email to the Council and Planner Wall about how he feels about this project and what it means to Vadnais Heights. He reviewed a portion of the Comp Plan and asked the Council to consider denying the amendment and said that he is vehemently opposed to this amendment and this project.

Yuying Hu, 4519 Foothill Trail, said that this project is not a good fit for the neighborhood. She said that she feels that this neighborhood is a Class A neighborhood at this time and questioned how it would rate in 10, 20 or 30 years as the project ages. She said it is not fair to change the rules and asked that the Council deny the amendment.

Gunderson invited the applicant to speak. Leanna Stefaniak, At Home's Chief Real Estate Officer, asked the Council if they have any lingering questions. She noted that the new information in the packet was developed in response to questions received at the January 7<sup>th</sup> Public Hearing, noting new changes the scope of what has been discussed. Council Member Urban said that there have been questions about building a berm along McMenemy and different things that are relatively minor but could be an improvement to the adjacent neighborhood, and asked if At Home would have any issues addressing the

reasonable concerns in the final project. Stefaniak said that they would as part of the ongoing PUD process and that it will be a collaborative process.

Council Member Johnson thanked the residents for coming to the meetings. He noted that he has listened to the comments made and has read through the emails he has received and has taken many calls from residents both in support and opposed to the project. He said that there were objections because of transient people and that it will be a high density project and the impact of traffic and how the environment will change from its rural feel. He said while he can't disagree with statements made about people that typically live in apartments and being able to get in and out, he said that this development will be different from other apartments and that he feels that people who are willing to pay high rents are looking for more stability and won't be moving frequently and if they were transients they would choose a less expensive apartment building with less amenities and transportation options. He said that at the public hearing the public said that the owner could have as many as 400 jobs on this site and a developer would not find this corner marketable for single family homes, so this project would offer a middle ground. He said as far as traffic, his goal in doing a study of his own was not to count every car that went by but was to observe the left hand turns. He said that he thinks this development would have more green space and trees than an industrial site would have. He said that the rural feel will be more protected with the current planned development and having townhomes along the road would be considered good city planning. With that, he said that he will be supporting the amendment to the Comp Plan in front of the PUD.

Urban said that these types of projects are not always a favorite of many. He said that he has seen it with other projects including Walmart, Target, and Aster Meadows. He noted that when he first heard about this project he had a lot of questions similar to what people are asking with regard to it being a rental property. He said that he met with the developers to get a good understanding of the development as well as their company. He said that At Home has a good and long history and are making every effort to have a good project. In the event that this gets approved tonight, it is not the end of the road as far as the Council having input on how the project will look. He said in looking to see if it's suitable, we have to look at the alternatives. He said it is the City's role to guide a project. He said with regard to changing the rules, he thinks it's always good to change with current trends and that this project will generate a significant amount of tax revenue for the City. He said he believes it's an expensive development and won't take anything away from the area. He said he will be supporting the project.

Council Member Youker said that she has received many emails and phone calls and taken them all into consideration and that she understands the concerns that have been raised, but at the same time, following the other Council Members, she understands that this is a better proposal than what we might expect in the future. The City has the

opportunity to work with the developer to make sure we get something very nice for our community. She said that she has looked at it very carefully, and will vote in favor of the project.

Council Member Morse expressed gratitude for everyone being at the meetings. He said that this is not an easy decision for the Council to make. He said that he too has received many emails and phone calls, both for and against the project. He said he heard from a lot of residents that wish to downsize and that they think this project would be an alternative for them. He said that the City is blessed with having over 70% affordable housing units in the City. He said that he has researched the housing and talked to people from other areas where At Home is located and heard great recommendations. He said that he spoke with an expert on housing who said that what is being proposed by At Home would have the least impact on the surrounding neighborhood in terms of additional traffic. He said that he would be supporting this project.

Mayor Gunderson said that she believes the land use that is being proposed would have the least impact on traffic in the neighborhood. There is vested management and ownership at At Home. Through the PUD process the opportunity for input into the final project is important to the community and neighbors. We also have to look at the benefit to the City as a whole with aging infrastructure. She said when we look at what cost the City will be incurring in the future to maintain its infrastructure, the City will be struggling and there is only so much money available and to get this added tax base in an otherwise built out community is nice.

Gunderson thanked City staff and consultants for their work on this and the residents for their feedback and respectful communication. She said that it is the Council's job to look at the community as a whole and make decisions they think are best. She recognized the Council Members for doing their due diligence on this and said that she also will be supporting this project and land use change.

Upon motion by Johnson, seconded by Youker, it was

20-1-16 A "RESOLVED, that the Council adopts the resolution, including findings of fact, approving the proposed Comprehensive Plan Amendment for the unaddressed parcel at the SE quadrant of County Highway 96/McMenemy Street, as recommended."

Ayes – 5

Nays – 0

The resolution was adopted.

Wall said that there needs to be some discussion with the applicant about the PUD process. If there is anything new they would be proposing now would be a good time to

bring that up. He noted that staff have already made a number of recommendations based on the Planning Commission discussion.

Gunderson asked if the Council had had comments for the developer on the concept PUD. Johnson said that considering how the neighbors feel about this development and the appearance of the area and the look of the buildings, he asked if the developer would consider berming along the road to give the neighborhood a more rural or forested look and make the entrance to the area attractive.

Youker noted that a lot of the residents use the property for walking dogs and taking strolls, and asked if there is a way to open up/connect to the trails in the area.

Gunderson said that in addition to the berming, she thinks a robust landscape plan, including screening, would be a good idea. She also said she would be interested in discussing having a monument sign on the corner that says City of Vadnais Heights as an entrance to our community. She also asked whether the western most access off of Oak Grove is still relatively close to the intersection and asked if that could be made into an exit only.

Wall highlighted other staff and Planning Commission recommendations some of which the applicant addressed prior to the meeting. The comments/recommendations included: 1) the applicant should consider and address the comments included in the VLAWMO memorandum, dated November 14, 2019; the Fire Chief's memorandum, dated November 18, 2019; Ramsey County's letter, dated November 18, 2019; and the Director of Public Works/City Engineer's memorandum, dated December 12, 2019; 2) the applicant should explore trail connections to the existing facilities along County Highway 96 and McMenemy Street, in coordination with Ramsey County; 3) the applicant should consider relocating the proposed McMenemy Street access point to Oak Grove Parkway and aligning it accordingly with existing driveway access points to the south; 4) the applicant should consider aligning the southerly access point(s) onto Oak Grove Parkway with an existing driveway(s) to the South; 5) the applicant should provide for an active outdoor recreation space for residents/guests within the proposed development; 6) the applicant should provide for a robust landscaping /screening plan that identifies significant trees to be removed/preserved and that mitigates potential impacts to from surrounding uses; 7) the applicant should provide a detailed explanation of flexibility being requested from the R-2/R-3 District and the applicable performance standards, to be included in the final PUD Plan submittal; and 8) that the applicant should provide a detailed description of the proposed revisions to the Concept PUD Plan included as part of the Final PUD Plan submittal.

Urban said he would like them to look at having the pool more centrally located on the property.

Johnson said he would like the Council to have some input on the color scheme for the buildings including the stone.

Urban said that some of the business neighbors in the industrial buildings have concerns about residential moving in next to them, and he said he would like as part of the approval some kind of understanding that the residential project is moving in next to industrial and we don't want At Home or its residents or future owners asking the City to limit the noise in the area.

Upon motion by Johnson and seconded by Youker, it was

20-1-16 B "RESOLVED that the Council have some say in the developments final PUD concept plans.

Ayes – 5 Nays – 0

The resolution was adopted.

#### **NEW BUSINESS**

- A. Consider Approving an Off-Sale Liquor License for Easy Street Liquors, LLC located at 1150 East County Road F

City Administrator Watson said that there is a new owner of Easy Street Liquors, LLC.

Upon motion by Urban, seconded by Johnson, it was

20-1-17 "RESOLVED, to approve, contingent on the State's approval, an off-sale liquor license for Randhangurung Corporation dba Easy Street Liquor located at 1150 East County Road E for the period of February 1 to June 30, 2020."

Ayes – 5 Nays – 0

The resolution was adopted.

- B. Consider Receiving the Feasibility Study on the 2020 Street Improvements and Ordering the Public Hearing and Plans and Specifications

City Engineer Farrell reviewed the item before the Council. Scott Haupt, SEH, reviewed the details of the 2020 improvements. He noted that they met with property owners in December and that the action before the Council is to accept the Feasibility Study, order a Public Hearing, set the maximum assessment rate and order the Plans and Specifications designating SEH as the project engineer.

Council Member Morse asked how much roadway will be worked on this year. Haupt responded that the total length is about 7,000 linear feet or about 1.3 miles.

Upon motion by Urban, seconded by Morse, it was

20-1-18 “RESOLVED, to approve a resolution setting the Maximum Assessment Rates, Receiving the Feasibility Report, and Setting the Public Hearing for Improvement 2020-1 for February 18, 2020; and SEH is designated as the Project Engineer and directed to prepare plans and specifications for the purpose of soliciting bids, as presented.”

Ayes – 5

Nays – 0

The resolution was adopted.

C. Consider Receiving the Feasibility Study on the County Road D Improvements and Ordering the Public Hearing and Plans and Specifications

City Engineer Farrell gave an overview of the project. Christina Mlejnek with Bolton Menk reviewed the proposed improvements, schedule and timeline and noted that Vadnais Heights’ share of the project costs would be \$127,300. She noted that the County is proposing to finish County Road D in 2023.

Mayor Gunderson asked why the entire project isn’t being done at this time. Farrell noted that the reason is that this section of the road is getting prioritized because it has a strong champion with Little Canada. He said that this is a rural section that doesn’t have storm sewer and that a significant storm sewer was stubbed under the noise wall during the construction of 35E for a future connection. He said that Greenbriar is in such bad shape and the drainage is so bad it has put this project to the top of Little Canada’s project list.

Council Member Urban inquired as to why the property at 755 County Road D East has a per foot assessment almost 3 times that of the other properties. Mlejnek said that is based on the zone. Urban said that the property has been guide R3 in the new Comp Plan. Farrell said this is a preliminary assessment roll and will get finalized and will be sending it to an appraiser. Urban said he didn’t know the City charged 3 times as much to commercial properties. Farrell said that the City switched to 50/50 spit for commercial properties our rate table wasn’t updated in that regard. The City’s table is outdated and so rates are higher with our current policy. Urban said he would like to discuss this at a future workshop and separately didn’t the Council just change the Comp plan and 10 years from now that area will all be residential. Farrell said that properties on County Road D the City will be paying approximately 10.5% of the project costs. City Administrator Watson asked if the Council could change the rate to \$128.71 for this assessment and update the assessment policy later. City Attorney Beckman said the City can as long as they apply the same rate going forward and then adopt a change in policy later. Gunderson said to clarify is this a clerical error or is it something crossed in the paperwork channels. Farrell said that according to the City’s assessment policy and the

current zoning of these properties, that is the assessment rate, but it is split 50/50 in the total assessment amount so the rate and total assessable amount is capped by the 50/50 split and the total assessment amount is correct. Our policy produces two different numbers and we go with the smaller one.

Upon motion by Urban, seconded by Johnson, it was

20-1-19           “RESOLVED, that the Council approves a Resolution receiving the Feasibility Report, and setting the Public Hearing for Improvement 2020-3 for February 18, 2020 and ordering the Plans and Specification, as presented and further that the maximum assessment for all property types be capped at \$128.71 per front foot.”

Ayes – 5                           Nays – 0

The resolution was adopted.

D.   Consider Authorizing the Refinancing of the Build America Bonds

Finance Director Sundberg introduced the item which is the refinancing of the Build America Bonds. He noted that the Council had directed staff to do the refinancing. Goal is to lower the tax burden to the City.

Upon motion by Johnson, seconded by Morse, it was

20-1-20           “RESOLVED, that the Council establish a pricing committee consisting of City Administrator Watson, Finance Director Sundberg and Council Member Morse to meet on or about February 3, 2020 and set a minimum saving threshold of \$407,337 as stated in the proposed resolution and adopt the resolution authorizing the Sale of General Obligation Capital Improvement Plan Refunding Bonds, Series 2020A Subject to Certain Parameters; Fixing Their Form and Specifications; Directing Their Execution and Delivery; and Providing for Their Payment, as presented.”

Ayes – 5                           Nays – 0

The resolution was adopted.

E.   Consider Accepting Quotes and Awarding a Contract for 2020 Ditch Maintenance – Branch 5 and 5A

City Engineer Farrell noted that 2019 was a wet year preceded by many other wet years and with that came a lot of issues with high water. He noted that the City is well served by a number of drainage ditches, branches and wetlands. He noted that a few years ago the City did some ditch maintenance on Branch 5A. He said that before the Council for consideration is a continuation of the previous efforts on Branch 5.

He noted that that he will propose a number of ditch cleaning/maintenance projects over the coming years. He asked that the Council accept the quote received from Bolander and Sons at a cost of \$86,368 so that the work can start as soon as next month.

Upon motion be Youker, seconded by Johnson, it was

20-1-21           “RESOLVED, to approve the quote received for ditch maintenance on Branch 5 and 5A between Bear Avenue N to a point just northwest of Edgerton Street and Stockdale Road and award the project to Carl Bolander and Sons, Co., at a cost of \$86,368, as presented.”

Ayes – 5                      Nays – 0

The resolution was adopted.

F.    Consider Accepting the Quote for 2020 Sewer Televising and Award the Project to Hydro-Klean LLC

City Engineer Farrell said that the work being proposed is for cleaning and televising sanitary sewers, that we expect to line later this year. This would help identify sections of sewer that may need to be repaired prior to lining. This is to be proactive on maintaining the City’s sewer system. He said that the proposal would be to clean and televise about 4 miles of the City’s sewer system.

Upon motion by Urban, seconded by Youker, it was

20-1-22           “RESOLVED, that the Council accepts the quote for 2020 sewer televising and award the project to Hydro-Klean LLC at a cost of \$63,360, as presented.”

Ayes – 5                      Nays – 0

The resolution was adopted.

G.    Setting Tuesday, February 4, 2020 Workshop and Agenda

City Administrator Watson noted that at this time the agenda for the February 4 Workshop may include a presentation by Ramsey County Workforce Director Ling Becker, as well as a visit from new Ramsey County Commissioner Nicole Joy Fretham and a year in review from the Vadnais Heights Fire Department. He said that the discussion on franchise fees will be postponed a couple weeks and be tied in with 2021 streets. Council Member Urban asked that discussion of the assessment policy be at a future workshop.

## **COUNCIL AND DEPARTMENT REPORTS**

Planning/Community Development Director Wall noted that there is a Planning Commission meeting scheduled for January 28 and that the Commission will have 4 applications to review: office addition for JaCON on LaBore Road, a 42 lot subdivision in the southwest corner of the City, Ramsey County's application for reconstructing the new facility to replace the former dome at the Vadnais Sports Center, and replatting the Creek View subdivision. He noted that staff are still working with reps from Luther Cadillac which had to go through a more geometric design process. A building permit is ready to be issued, they are just waiting for them to get the green light from MnDOT. He said that Luther intends to start construction with site grading sometime this winter.

City Attorney Bell Beckman said that EQBB is prepared to give the Council an update at a future workshop on prosecution activities this past year.

Assistant City Administrator Sandvik noted that early voting has begun. He also noted that the Heritage Days Committee met last week and that they are looking for volunteers. He said that the Parks Trails and Rec Commission meets next week.

Council Member Morse noted that as part of Heritage Days, the Committee had a discussion about marketing.

City Administrator Watson noted that later this week he will be meeting with Xcel Energy to discuss franchise fees. He thanked Wall for his work on the planning proposals.

Mayor Gunderson noted that she attended the Commons celebration and thanked the vendors for being there. She also thanked staff and the Council for the work being done.

There being no further business, Council Member Youker made a motion to adjourn the meeting at 9:09 p.m.

Respectfully submitted,

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Kevin Watson, City Administrator