This meeting was also able to be accessed via Zoom.com due to the COVID-19 Pandemic in accordance with Minn. Stat. § 13D.02., which provides that a meeting of a public body may be conducted via telephone or other electronic means if meeting in a public location is not practical or prudent because of a health pandemic or declared emergency. Dial-In Information: 1 312 626 6799; Meeting ID: 829 6929 8178

Call to Order/Roll Call/Pledge of Allegiance
The meeting was called to order by Mayor Voracek at 6:00 pm. Councilors Elizabeth Cap and Royal Ross attended the meeting via Zoom, Mayor Voracek and Councilors Peter van Sluis, Tom Spooner and Jon Wood attended the meeting in-person, Councilor Janna Viscomi was absent. Also in attendance were City Administrator Tim Murray, Assistant to the City Administrator Heather Slechta, Fire Chief Dustin Dienst, Community and Economic Development Director Deanna Kuennen, Parks and Recreation Director Paul Peanasky, City Planner David Wanberg, and IT Coordinator Tom Rouchka.

Presentations/Introductions – None

Approve minutes of May 26, 2020 Regular Council Meeting (majority vote)
Motion by Spooner, seconded by van Sluis to approve the minutes of the May 26, 2020 Regular Council Meeting.

Roll Call Vote:
Aye: Councilor Cap, Ross, van Sluis, Spooner, Wood, Mayor Voracek
Nay:
Motion carried 6:0

Consent Agenda:
A. List of bills to be paid
B. Accept Quote from Jaguar Communications for Purchase of Hosted Phone System
C. Resolution 2020-091 Authorizing Execution of Purchase Agreement and Acquisition of Property to include Parts of Lot 1 and Lot 2, Block 1, River Ridge 3rd Addition
D. Resolution 2020-092 Approve Purchase and Development Agreement for Straight River Apartments Project
E. Approve Purchase of Online Permitting Software Solution
F. Resolution 2020-093 Supporting Titan Development Proposal and Request for TIF Assistance
G. Approve Hangar Rental Agreement
H. Approve Faribault Youth Rotary LG220 Date Change

Motion by Spooner, seconded by Wood to approve Consent Agenda Items A-C and E-H, item D. Resolution 2020-092 Approve Purchase and Development Agreement for Straight River Apartments Project was removed by Staff prior to the start of the meeting.

Roll Call Vote:
Aye: Councilor Cap, Ross, van Sluis, Spooner, Wood, Mayor Voracek
Nay:
Motion carried 6:0

Requests to be Heard
Kathy and Zach Klecher, 922 Prairie Ave, requested that chickens be allowed within the City limits.
Councilor Wood and Cap were in support of allowing chickens in the City. Mayor Voracek requested that Staff send the information from the last time the Council considered chickens to the Council to review prior to further discussion on changing the ordinance.

Public Hearings
Resolution 2020-090 Adopting a Modification to the Development Program for Development District No. 1; and Establishing Tax Increment Financing District No. 15: The Lofts at Evergreen Apartments Therein and Adopting a Tax Increment Financing Plan Therefor
Community and Economic Development Director Deanna Kuennd introduced Keith Dahl from Ehlers to review TIF District #15. Mr. Dahl stated that TIF District # 5 is a Housing TIF District. The TIF documents set forth policy objectives for the project and provides the maximum budget authority for TIF revenues and expenditures. It is a planning document that allows for the creation of a TIF district, it does not identify an amount of or grant any assistance to the developer, the Development Agreement does that. TIF District #15 meets the qualifications for this district type since 100% of the units will be occupied by households with incomes less than 60% of the AMI. The TIF funds can pay for costs related to construction of the affordable apartment complex and has a 26-year maximum duration, but it can be shorter if the obligation is repaid sooner, which is expected for this project.

The maximum budget for this project is $2,439,292 based off a projected project cost of $7,600,000. This does not included the developer’s assistance, but does include 3% inflation and 4% interest. It also includes 10% allowance for City administration costs.

Motion by Wood, seconded by Spooner to open the public hearing at 6:18pm.
Roll Call Vote:
Aye: Councilor Cap, Ross, van Sluis, Spooner, Wood, Mayor Voracek
Nay: 
Motion carried 6:0

There were no comments received from the public.

Motion by van Sluis, seconded by Spooner to close the public hearing at 6:18pm.

Roll Call Vote:
Aye: Councilor Cap, Ross, van Sluis, Spooner, Wood, Mayor Voracek
Nay: 
Motion carried 6:0

Motion by Spooner, seconded by van Sluis to approve Resolution 2020-090 Adopting a Modification to the Development Program for Development District No. 1; and Establishing Tax Increment Financing District No. 15: The Lofts at Evergreen Apartments Therein and Adopting a Tax Increment Financing Plan Therefor

Roll Call Vote:
Aye: Councilor Cap, Ross, van Sluis, Spooner, Wood, Mayor Voracek
Nay: 
Motion carried 6:0

Items for Discussion
Resolution 2020-089 Approve Preliminary Plat and Final Plat of Lofts at Evergreen Knoll
City Planner David Wanberg explained that Matt Yetzer of MWF Properties, together with Joseph Development on behalf of Evergreen Knoll, Limited Partnership, is proposing to develop a 76-unit apartment building on the site of the former Evergreen Knoll restaurant at 405 Western Avenue South. Joseph Development requested that the preliminary plat and final plat be approved to facilitate the proposed development. The property includes two platted parcels, Joseph Development has requested to re-plat into one lot. The proposed plat will provide additional drainage and utility easements, and it will dedicate existing right-of-way easements to the Western Avenue South right-of-way.
Mr. Yetzer coordinated with City Staff on the proposed development, held a neighborhood meeting, and participated in several City Council work sessions to review plans of the proposed development. Mr. Yetzer refined the proposed development plans based on City Council, City Staff, and neighborhood feedback.

Wanberg explained that the proposed development is consistent with the City’s ordinances and the only action before the City Council related to the approval of the preliminary plat and final plat.

The Planning Commission held a public hearing on June 1, 2020, to consider the request for preliminary plat and final plat approval. Two residents who live on 22nd Avenue SW provided general comments and asked general questions about the proposed development. Daniel Schrot of 214 22nd Ave SW summarized his questions and comments in a letter to the City, which the City received on June 4, 2020. Wanberg addressed the questions that were asked with the Council, including drainage onto neighboring properties, the stormwater management plan addresses any drainage concerns, and most water will drain into the stormwater pond that is located on the property, access to neighborhood yards, that is a neighbor to neighbor issue, remnants of unknown marker, City Staff have worked with the State of Minnesota as well as the Rice County Historical Society, and it appears that this area was not a burial ground, and there was a concern regarding lack of privacy, a fence could be put up that meets the ordinance, however the developer exceeds the regulations.

With a 6-0 vote, the Planning Commission recommended that City Council approve Resolution 2020-089 Approve Preliminary Plat and Final Plat of Lofts at Evergreen based on the findings and conditions of approval outlined in the resolution.

Councilor van Sluis asked if there are any agreements for backyard access, Wanberg explained that it is a property owner to property owner issue, and that there are no agreements that he is aware of. Councilor Wood stated that when he drove by there is a row of pine trees, and thinks that it looks great. Councilor Cap asked if there was a small park area on the site, Wanberg stated that there was.

Motion by Wood, seconded by Cap to approve Resolution 2020-089 Approve Preliminary Plat and Final Plat of Lofts at Evergreen Knoll

Roll Call Vote:
Aye: Councilor Cap, Ross, van Sluis, Spooner, Wood, Mayor Voracek
Nay:
Motion carried 6:0

Bids – None

Boards and Commissions Reports, Announcements and Project Updates
Parks and Recreation Director Paul Peanaksy provided an update on the summer programs due to COVID-19. Peanaksy stated that the outdoor aquatic center will not be opening, Staff that has been furloughed will be reporting back to work on June 22 and June 23, 2020, it would take up to three weeks to open and there is a 250 person capacity limit. The fitness room will be open in the next week, with a limit of 5 people and a one-hour time limit, lap swim and swimming lessons will be starting on July 6, as well as pickleball, however it will be singles rather than doubles play. Music In The Park Concert series will begin next week, and the outdoor movies will be rescheduled. Fun Center and Safety Camp has been cancelled and Spirit Camp will be limited to 25 individuals. Baseball and T-Ball will begin in July, and Adult Softball League will play games once they are allowed to. Yoga, Tai-Chi will begin in late June and group exercise classes will begin once additional staff is hired. The Pet Parade may still occur.

Councilor Cap attended the Mill Towns Trail Committee meeting, she requested that staff reach out to our legislators on the status of the bonding request for the tunnel at North Alexander Park. Cap also stated that she would like Staff to look into the exception in Chapter 6, Section 8.1 and 8.2 to see if chickens could fall under that as well as if the Police Department could impound the chickens. City Administrator Murray will check with Chief Bohlen. Community and Economic Development Director Deanna Kuennen encouraged the business owners to apply for COVID-19 grants through the EDA.
Adjournment
Motion by Cap, seconded by Spooner to adjourn the meeting.

Roll Call Vote:
Aye: Councilor Cap, Ross, van Sluis, Spooner, Wood, Mayor Voracek
Nay:
Motion carried 6:0

Meeting adjourned at 6:48 pm.

Respectfully Submitted,

[Signature]
Heather Slechta
Assistant to the City Administrator