

CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Regular Meeting

August 17, 2011

CALL TO ORDER

The meeting was called to order by Mayor Goettel at 7:00 p.m in the Council Chambers.

ROLL CALL

Members Present: Debbie Goettel, Mayor; Sue Sandahl; Fred Wroge; Pat Elliott; and Tom Fitzhenry.

Staff Present: Steven L. Devich, City Manager; Karen Barton, Acting Community Development Director; Corrine Heine, City Attorney; and Cheryl Krumholz, Recording Secretary.

Item #1	CONSIDERATION OF: <ul style="list-style-type: none">• BY MOTION, CLOSE MEETING TO CONSIDER LETTER OF INTENT FROM WELLINGTON MANAGEMENT, INC. FOR PURCHASE OF LOT 2, BLOCK 1, HEYMAN ADDITION;• BY MOTION, ACCEPT OR EXTEND A COUNTERPROPOSAL TO LETTER OF INTENT;• BY MOTION, APPROVE FIRST READING OF ORDINANCE PROVIDING FOR SALE OF CERTAIN REAL PROPERTY OF CITY AND SCHEDULE SECOND READING FOR SEPTEMBER 13, 2011;• BY MOTION, PROVIDE CITY'S CONSENT TO INCLUSION OF LOT 2, BLOCK 1, HEYMAN ADDITION IN WELLINGTON'S PLANNED UNIT DEVELOPMENT
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City Attorney Heine stated the City Council is not required, but under State Statue, can go into closed session to consider the Letter of Intent to purchase City property.

Council Member Wroge stated he preferred to have the discussion in an open meeting.

M/Sandahl, S/Fitzhenry to go into closed executive session.

Motion carried 4-1. (Wroge opposed.)

The City Council recessed the open meeting at 7:04 p.m. to go into closed executive session in the Bartholomew Room.

CLOSED EXECUTIVE SESSION

The Closed Executive Session was called to order by Mayor Goettel in the Bartholomew Conference Room at 7:07 p.m.

Members Present: Debbie Goettel, Mayor; Fred Wroge; Tom Fitzhenry; Sue Sandahl and Pat Elliott.

Staff Present: Steven L. Devich, City Manager; Karen Barton, Acting Community Development Director; Corrine Heine, City Attorney; and Cheryl Krumholz, Recording Secretary.

The Closed Executive Session was convened pursuant to M.S. 13D.05

The Closed Executive Session was adjourned by unanimous consent at 8:02 p.m. in the Bartholomew Conference Room.

The Open Session was called to order by Mayor Goettel at 8:03 p.m. in the Council Chambers.

Council Member Sandahl presented the City's counter proposal to the Letter of Intent – Price: \$50,000 in cash, letter of credit or bond.

Additional conditions – buyer: insert "restaurant/" before the words "retail building" in the Letter of Intent. Amend the second to last sentence to end after the word "area" and strike the remaining portion of sentence. Strike the last sentence completely.

Additional conditions, seller: The City will refund \$49,999 if the construction of the corner restaurant/retail building date of September 2014 is met. The Letter of Intent should delete references to the HRA and change it to the City.

Steve Wellington, Wellington Management, Inc., requested confirmation that the City agrees to work together to submit a grant application as indicated in the Letter of Intent. He agreed the refundable funds based on performance was an additional incentive and the restaurant was a key objective.

The City Council agreed to assist with the grant application.

Council Member Sandahl stated, that as HRA Chair, the HRA would also support a grant application.

Mr. Wellington expressed agreement with the counterproposal made by the City.

M/Goettel, S/Wroge to extend a counterproposal to the letter of intent; and approve first reading of an ordinance providing for the sale of certain real property of the city and schedule second reading for September 13, 2011; and provide the City's consent to the inclusion of Lot 2, Block 1, Heyman Addition in Wellington's planned unit development for the site and the adjacent former Kmart site.

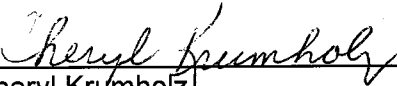
The City Council thanked Mr. Wellington for choosing Richfield for his development.

Motion carried 5-0.

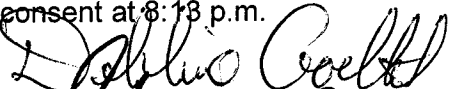
ADJOURNMENT

The open meeting was adjourned by unanimous consent at 8:18 p.m.

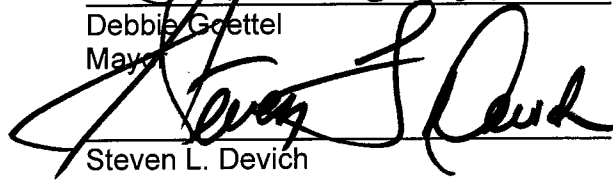
Date Approved: September 13, 2011



Cheryl Krumholz
Recording Secretary



Debbie Goettel
Mayor



Steven L. Devich
City Manager