



CITY COUNCIL MINUTES

Richfield, Minnesota

Special Worksession

May 26, 2009

CALL TO ORDER

The meeting was called to order by Mayor Goettel at 5:34 p.m.

ROLL CALL

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

Staff Present: Steven Devich, City Manager; Mike Eastling, Public Works Director; John Stark, Community Development Director; Kristin Asher, City Engineer; Christine Costello, Community Development Coordinator; and Cheryl Krumholz, Recording Secretary.

Item # 1	DISCUSSION REGARDING HOUSING PROPOSAL FOR VACANT CANDLEWOOD PARCEL AND SOUTHERN PORTION OF FORMER PUBLIC WORKS GARAGE MEMO NO. 89)
-----------------	---

Community Development Director Stark stated Accessible Space, Inc. (ASi) and Twin City Christian Homes (TCCH) are considering the development of two housing projects. The first is an accessible, affordable 51-unit housing project for very low-income (30% AMI) seniors age 62 or older. The second housing project is a proposed 15-unit project for persons with physical disabilities to live independently in the community. In order to develop the site for housing, a change in rezoning (from "C-2 General Commercial to "MU-R Mixed Use Regional") and a Comprehensive Plan amendment will need to be completed. Before expending great deals of time and money on preparing an application, ASi/TCCH requested an opportunity to present their proposal to the City Council in order to get preliminary input from the Council and discern local support for their proposal.

Community Development Director Stark also discussed the request by ASi/TCCH for land donation on heavily reduced land prices as part of the HUD evaluating criteria for "local financial support."

Community Development Director Stark stated further that a compensation option for a potential land donation could be creating a Housing TIF District which would guarantee the City Council/HRA receiving back value of the properties. The developer is not requesting TIF assistance.

Dan Billmark, ASi representative, provided background on the organization and proposed development projects.

Nancy Starr, TCCH representative, provided background on their developments in the Twin Cities and their role as property management agent for the proposed projects.

Mr. Billmark discussed the two HUD funding programs submissions, Section 202 and Section 811, which the development will make. The financial feasibility of the projects is somewhat dependent in City and HRA financial support of ASi/TCCH.

Council Member Wroge expressed concern with giving the land away since there was a verbal commitment for the old garage site land sale proceeds to pay off the bond debt for the new maintenance facility.

Community Development Director Stark stated the Housing TIF District could be used to pay the bond debt.

City Manager Devich said the property does not currently pay property taxes.

Rebecca Kurtz, Ehlers & Associates, explained the preliminary base market value of the properties, estimated tax revenue generated, and potential tax increment that could be applied as a debt service payment.

Mayor Goettel questioned the contamination status of the sites.

Community Development Director Stark explained clean-ups resulting from the 77th Street construction and the need for a Phase II assessment.

Council Member Wroge questioned the legality of changing the zoning to potentially accommodate this project when a previous project could not happen on the site because the zoning requirement was not being met.

Community Development Director Stark stated changes are a policy decision and a City Council prerogative.

Council Member Elliott requested a cost benefit analysis.

Community Development Director Stark discussed the marketing strategy to develop the sites. He added there is a timeframe needing to be met by ASi/TCCH for submitting to the HUD funding programs.

Mr. Billmark explained that if the HUD determination for funding in December does not include this project, the agreement with the City is null.

Community Development Director Stark stated the Housing TIF District would proceed after the HUD award. The City Council and HRA could give preliminary approval.

Council Member Sandahl stated the proposed project was a good use of the land and a good service to the community but wanted to see the cost benefit analysis.

Mayor Goettel agreed with Council Member Sandahl in wanting to recover costs.

Council Member Fitzhenry said the project was a good fit for the neighborhood.

Council Member Wroge stated he was open to reviewing the project but needed the value return analysis because there is an obligation to get as much money as possible to pay off bond debt.

Council Member Elliott expressed reluctance to tie up the properties that have no immediate value to the City. He said the property tax generated is not a return on investment.

The City Council consensus was to proceed with the proposed project with a cost benefit analysis.

Item #2	DISCUSSION REGARDING ARTERIAL ROADS STUDY (COUNCIL MEMO NO. 90)
----------------	--

City Engineer Asher stated the Transportation Commission is nearing completion of the Arterial Roads Study which will produce design concept recommendations for the Council's consideration on Portland, Nicollet, Lyndale and Penn Avenue arterials. The Commission's preliminary recommendation is to convert all four arterials to three-lanes. Hennepin County prefers the three lane section with a cross-lane section and is willing to work with the City.

Jack Broz, HRGreen representative, made a PowerPoint presentation (City Clerk's File No. C-451) regarding the arterial roads study.

Council Member Wroge stated that homeowners are more important than a bike trail so there should be the ability to park in front of your own home. He added that not parking on the street is causing homes to become rental which deteriorates the neighborhood.

City Engineer Asher discussed parking is viewed as a community value, which the Transportation Commission did not view as precluding bike trails. Hennepin County requires a good reason why parking is needed in certain areas. The purchase of right-of-way on the shoulder and possibly losing some front yard space may be necessary as a result of needing more road width to accommodate parking.

Council Member Fitzhenry expressed concern regarding traffic flow and Sunday parking impacts.

City Engineer Asher discussed the funding process when the study is complete.

Council Member Sandahl stated that Hennepin County was supportive of the three lane road due to decreased crash data and slower traffic.

Council Member Wroge said he liked the three lanes and suggested alternative signage for parking be considered.

Council Member Sandahl requested staff provide data to support the inability to park in front of their homes leads to single family homes becoming rental property along the roads under review in the study.

ADJOURNMENT

The meeting was adjourned by unanimous consent at 6:55 p.m.

Date Approved: _____

Debbie Goettel
Mayor

Cheryl Krumholz
Recording Secretary

Steven L. Devich
City Manager



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Regular Meeting

May 26, 2009

CALL TO ORDER

The meeting was called to order by Mayor Goettel at 7:01 p.m.

ROLL CALL

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

Staff Present: Steven L. Devich, City Manager; Mike Eastling, Public Works Director; John Stark, Community Development Director; Jim Topitzhofer, Recreation Services Director; Corrine Heine, City Attorney; and Cheryl Krumholz, Recording Secretary.

OPEN FORUM

Jim Grotz, 5513 Park Place, Edina, Minnesota, speaking on behalf of 6214 – 5th Avenue, requested the City address the drainage issues resulting from the Crosstown reconstruction project along the loop road on 4th/5th Avenues at 62nd Street.

PRESENTATION OF COLORS AND PLEDGE OF ALLEGIANCE

Mayor Goettel led the audience in the Pledge of Allegiance.

APPROVAL OF MINUTES

M/Sandahl, S/Wroge to approve the minutes of (1) Special City Council Worksession of May 12, 2009; and (2) Regular City Council Meeting of May 12, 2009.

Motion carried 5-0.

Item #1	PRESENTATION AND RECEIPT OF CITY OF RICHFIELD COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED DECEMBER 31, 2008 (COUNCIL MEMO NO. 91)
----------------	--

Bill Lauer, MMKR auditing firm, presented the audit results. (City Clerk's File No. C-452)

M/Wroge, S/Elliott to approve the City of Richfield Comprehensive Annual Financial Report for fiscal year ended December 31, 2008.

Motion carried 5-0.

Item #2	COUNCIL DISCUSSION <ul style="list-style-type: none"> • HATS OFF TO HOMETOWN HITS
----------------	---

The City Council acknowledged the successful Memorial Day event at Veterans' Memorial Park of Richfield.

Council Member Wroge thanked Jaeson Morrison, Forestry Division staff, for taking him on a tour to explain the tree varieties in the City and potential disease symptoms from insects.

Council Member Wroge discussed a City proposed program to address the lack of outside property maintenance on vacant and foreclosed properties with the assistance of residents. He encouraged residents to help City staff with maintenance.

City Manager Devich discussed the new Adopt-A-House program communication efforts. He also explained a change in the notification process for repeat property maintenance violations.

Council Member Wroge discussed the ordinance related to storage of garbage containers.

Mayor Goettel stated the spraying for gypsy moths was completed. A potential Emerald Ash Borer infestation is being monitored.

City Manager Devich discussed the impacts of the ash borer and clear-winged moth on trees.

Council Member Sandahl thanked City staff for their work in maintaining the parks.

Council Member Fitzhenry provided a Noise Oversight Committee update.

Council Member Fitzhenry provided a Property Excellence Task Force update.

Item #3	COUNCIL APPROVAL OF AGENDA
----------------	-----------------------------------

M/Wroge, S/Fitzhenry to approve the agenda.

Motion carried 5-0.

Item #4	CONSENT CALENDAR
----------------	-------------------------

- A. Consideration of approval of resolution implementing Identity Theft Prevention Program for Utility Division for City of Richfield S.R. No. 102

RESOLUTION NO. 10243

RESOLUTION AUTHORIZING THE CITY OF RICHFIELD TO ADOPT THE FOLLOWING IDENTITY THEFT PREVENTION PROGRAM

This resolution appears as Resolution No. 10243.

- B. Consideration of approval of hiring Bonestroo to prepare Water Supply and Distribution Plan for City of Richfield S.R. No. 103

M/Sandahl, S/Wroge to approve the Consent Calendar.

Motion carried 5-0.

Item #5	CONSIDERATION OF ITEMS, IF ANY, REMOVED FROM CONSENT CALENDAR
----------------	--

None.

Item #6	PUBLIC HEARING AND SECOND READING OF TRANSITORY ORDINANCE AUTHORIZING UPGRADE OR REPLACEMENT OF HVAC, LIGHTING, AND REFRIGERATION EQUIPMENT AT RICHFIELD ICE ARENA AND RESOLUTION AUTHORIZING SUMMARY PUBLICATION OF TRANSITORY ORDINANCE S.R. NO. 104
----------------	---

Council Member Wroge presented Staff Report No. 104.

Recreation Services Director Topitzhofer explained the grant application process to assist with funding. The completed study is scheduled to come before the City Council in June.

M/Wroge, S/Sandahl to close public hearing.

Motion carried 5-0.

M/Wroge, S/Goettel that this constitutes the second reading of Bill No. 2009-12, Transitory Ordinance 18.66 authorizing upgrade or replacement of HVAC, lighting, and refrigeration equipment at Richfield Ice Arena, that it be published in the official newspaper and that it be made part of these minutes, and that the following resolution be adopted and that it be made part of these minutes:

RESOLUTION NO. 10244

RESOLUTION APPROVING SUMMARY PUBLICATION OF A TRANSITORY ORDINANCE APPROVING A CAPITAL IMPROVEMENT PROJECT FOR THE UPGRADE AND REPLACEMENT OF HVAC, LIGHTING AND REFRIGERATION EQUIPMENT AT THE RICHFIELD ICE ARENA, PURSUANT TO RICHFIELD CITY CHARTER SECTION 8.04

Motion carried 5-0. This resolution appears as Resolution No. 10244.

Item #7	CONSIDERATION OF RESOLUTION ADOPTING DUTCH ELM DISEASED BOULEVARD TREE REMOVAL POLICY S.R. NO. 105
----------------	---

Council Member Sandahl presented Staff Report No. 106.

Council Member Wroge clarified a proposed \$0.23 increase in franchise fees is per month per meter for both gas and electric utilities.

Public Works Director Eastling stated the franchise fee rate changes will be presented to the City Council for formal action at a future meeting.

M/Sandahl, S/Fitzhenry that the following resolution be adopted and that it be made part of these minutes:

RESOLUTION NO. 10245

RESOLUTION AUTHORIZING THE CITY OF RICHFIELD TO ADOPT THE FOLLOWING POLICY ON THE REMOVAL OF DUTCH ELM DISEASED (DED) BOULEVARD TREES

Motion carried 5-0. This resolution appears as Resolution No. 10245.

Item #8	CONSIDERATION OF AWARD OF CONTRACT TO NORTH STAR TREE CARE FOR DISEASED BOULEVARD TREE REMOVAL FOR AMOUNT NOT TO EXCEED \$99,000 S.R. NO. 106
----------------	--

Council Member Fitzhenry presented Staff Report No. 106.

Council Member Wroge questioned the bid submission total versus the amount not to exceed.

Public Works Director Eastling explained the exact number of DED trees is unknown but the City Council tonight is authorizing an amount not to exceed. If that amount is exceeded, City Council authorization will again be required.

City Attorney Heine explained the competitive bid process will not be violated if the amount (\$100,000) is exceeded because it does not apply since tree removal is a service.

Public Works Director Eastling explained the process used to obtain the quotes.

M/Fitzhenry, S/Goettel to approve award of contract to North Star Tree Care for diseased boulevard tree removal for amount not to exceed \$99,000.

Motion carried 5-0.

Item #9	CITY MANAGER’S REPORT
----------------	------------------------------

City Manager Devich stated in the near future, the City Council should discuss options related to removal and disposal, replacement, and costs of trees due to an Emerald Ash Borer and/or clear-winged moth infestation.

Council Member Wroge stated there should be discussion regarding replanting boulevard trees and potentially raising taxes or replacing a boulevard tree with a tree placed in a residential front yard at the owner’s expense.

Mayor Goettel stated the recent suspension of the Metro Gang Strike Force is being monitored. She added that the work of the task force has been valuable to Richfield.

Item #10	CLAIMS AND PAYROLL
-----------------	---------------------------

M/Wroge, S/Sandahl that the following claims and payrolls be approved:

U.S. BANK 05-26-09

A/P Checks: 185857 – 186162	\$ 3,926,542.27
PAYROLL 57799 – 58117, 41426 – 41427	\$ 486,078.96
TOTAL	\$ 4,412,621.23

Motion carried 5-0.

OPEN FORUM

None.

The City Council meeting was adjourned by unanimous consent at 8:16 p.m.

Date Approved: _____

 Debbie Goettel
 Mayor

 Cheryl Krumholz
 Recording Secretary

 Steven L. Devich
 City Manager