

HOPKINS CITY COUNCIL

AGENDA

Tuesday, August 4, 2020

7:00 pm

**THIS AGENDA IS SUBJECT TO CHANGE
UNTIL THE START OF THE CITY COUNCIL MEETING**

Schedule HRA Meeting, 7 p.m. – City Council Meeting immediately following HRA Meeting

I. CALL TO ORDER

II. ADOPT AGENDA

III. PRESENTATIONS

IV. CONSENT AGENDA

1. Minutes of the July 14, 2020 City Council Regular Meeting Proceedings
2. Minutes of the July 21, 2020 City Council Regular Meeting Proceedings
3. Ratify Checks Issued in July 2020; Bishop
4. Second Reading of Ordinance 2020-1147; Domeier
5. Second Reading of Ordinance 2020-1154; Kearney
6. Notification of Environmental Assessment Worksheet (EAW) for the Blake Road Station Redevelopment Project; Lindahl

V. PUBLIC HEARING

VI. OLD BUSINESS

VII. NEW BUSINESS

1. First Reading: Ordinance Amending Chapter 6 of the Hopkins City Code Regarding Chickens; Lenz
2. 210 – 7th Avenue North Variance Request; Lindahl
3. 425 Madison Avenue Concept Plan Review; Lindahl
4. 2019 Audit and Comprehensive Annual Financial Report (CAFR); Bishop
5. Resolution Approving Refunds for On-Sale Liquor License Fees; Bishop

VIII. ANNOUNCEMENTS

- Next Regular City Council Meeting: Tuesday, August 18 at 7:00 p.m.

IX. ADJOURN

DUE TO THE COVID-19 HEALTH PANDEMIC, THE CITY COUNCIL'S REGULAR MEETING PLACE IS NOT AVAILABLE TO THE PUBLIC. MEMBERS OF THE PUBLIC WHO DESIRE TO MONITOR THE MEETING REMOTELY OR GIVE INPUT OR TESTIMONY DURING THE MEETING CAN FIND INSTRUCTIONS AT www.hopkinsmn.com/virtualmeetings OR BY CALLING CITY HALL AT 952-548-6302 (DURING NORMAL BUSINESS HOURS 8 AM TO 4:30 PM.)

**HOPKINS CITY COUNCIL
REGULAR MEETING PROCEEDINGS
JULY 14, 2020**

CALL TO ORDER

Pursuant to due call and notice thereof a regular meeting of the Hopkins City Council was held on Tuesday, July 14, 2020 at 7 p.m. in the Council Chambers at City Hall, 1010 1st Street South.

Mayor Gadd called the meeting to order with Council Members Beck, Brausen, Halverson and Hunke attending. Others attending included City Manager Mornson, City Clerk Domeier, Assistant City Manager Lenz, City Attorney Anderson, City Planner Lindahl, Director of Planning and Development Elverum and Building Official Kearney.

Mayor Gadd provided information on the meeting format and other opening remarks.

ADOPT AGENDA

Motion by Beck. **Second** by Halverson.

Motion to Adopt Agenda.

Ayes: All.

Nays: None. Motion carried.

PRESENTATIONS

III.1. Raspberry Festival Presentation; Lou Jean Gleason

Lou Jean Gleason with the Hopkins Raspberry Festival provided information about the upcoming festivities.

CONSENT AGENDA

Mayor Gadd asked City Clerk Domeier to summarize the changes made to Ordinance 2020-1149. Ms. Domeier stated the main change to the ordinance since the first reading was changing the quantity of dogs allowed per dwelling unit from two to three.

Motion by Brausen. **Second** by Halverson.

Motion to Approve the Consent Agenda.

1. Minutes of the June 16, 2020 City Council Regular Meeting Proceedings
2. Resolution Appointing Election Judges for August 11, 2020 State Primary Election; Domeier
3. Second Reading of Ordinance 2020-1149; Domeier
4. Ratify Checks Issued in June 2020; Bishop
5. Resolution Approving Special Assessment of Waterline Repairs on Private Property; Bishop

Ayes: All.

Nays: None. Motion carried.

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NEW BUSINESS

VII.1. 1409 & 1413 Variance Request – Pawn America; Lindahl

City Planner Lindahl provided a summary of Council Report 2020-050. The applicant, Robin Franke with Pawn America, LLC, requested a variance from Ordinance 2017-1125 to allow a pawnshop on properties located at 1409 and 1413 Mainstreet.

Council Member Halverson questioned if the former Taco Bell site was a viable location. Mr. Lindahl stated that Pawn America has approached staff about various sites including the former Taco Bell site. He stated the applicant has never come forward with an application for that site noting it does not meet the eligible criteria for a pawnshop. He provided further background on the site selection process and possible location scenarios. Council Member Hunke provided additional background on the 2017 Ordinance language. Council Member Beck thanked the Planning Commission for their work on the item.

Motion by Hunke. **Second** by Brausen.

Motion to adopt Resolution 2020-036, denying the variance request from Robin Franks with Pawn America, LLC to allow a pawnshop on the properties located at 1409 (PID 24-117-22-32-0099) and 1413 Mainstreet (PID 24-117-22-32-0100).

Ayes: All.

Nays: None. Motion carried.

VII.2. First Reading of Ordinance Amending Chapter 8 of the Hopkins City Code Pertaining to the Minnesota State Building Code; Kearney

Building Official Kearney provided a summary of Council Report 2020-051. Ordinance 2020-1154 revises Chapter 8 of the Hopkins City Code Regarding the Minnesota State Building Code.

Mayor Gadd questioned how often the state building code is updated. Mr. Kearney replied that the last update was in 2015. He noted that the major changes for this update included requirements for residential decks and solar energy.

Motion by Beck. **Second** by Hunke.

Motion to approve Ordinance 2020-1154 for first reading.

Ayes: All.

Nays: None. Motion carried.

VII.3. First Reading of Ordinance Amending Chapters 4 and 102 and Appendix A of the Hopkins City Code Regarding On-Sale Intoxicating Liquor Licenses and Experience-Based Entertainment; Domeier

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City Clerk Domeier provided a summary of Council Report 2020-054. Ordinance 2020-1147 amends Chapters 4, 102 and Appendix A of the Hopkins City Code regarding Intoxicating Liquor Licenses and Experience-Based Entertainment. Assistant City Manager Lenz commented on the process of developing the ordinance and staff's approach to thinking outside the box to make it happen.

The City Council thanked staff for their work on the ordinance and shared their excitement for this opportunity in Hopkins. The City Council will hold their second reading on August 4. It is anticipated that the first license for this new use will be considered on August 18.

Motion by Brausen. **Second** by Hunke.

Motion to adopt for First Reading Ordinance 2020-1147 an Ordinance Amending Chapter 4 and 102 and Appendix A of the Hopkins City Code Regarding On-Sale Intoxicating Liquor Licenses and Experience-Based Entertainment.

Ayes: All.

Nays: None. Motion carried.

ANNOUNCEMENTS

Mayor Gadd acknowledged the community feedback regarding face coverings in public during the health crisis. Staff has been directed to review neighboring city's ordinances regarding face coverings in public so that a future Council discussion can take place.

Mayor Gadd stated the next regular City Council meeting will be on July 21 at 7 p.m. and encouraged residents to participate in Raspberry Festival events.

ADJOURNMENT

There being no further information to come before the City Council and upon a motion by Brausen, second by Halverson, the meeting was unanimously adjourned at 7:46 p.m.

Respectfully Submitted,
Amy Domeier, City Clerk

ATTEST:

Jason Gadd, Mayor

Amy Domeier, City Clerk

**HOPKINS CITY COUNCIL
REGULAR MEETING PROCEEDINGS
JULY 21, 2020**

CALL TO ORDER

Pursuant to due call and notice thereof a regular meeting of the Hopkins City Council was held on Tuesday, July 21, 2020 at 7 p.m. in the Council Chambers at City Hall, 1010 1st Street South.

Mayor Gadd called the meeting to order with Council Members Beck, Brausen, Halverson and Hunke attending. Others attending included City Manager Mornson, Assistant City Manager Lenz, City Attorney Riggs and Finance Director Bishop.

Mayor Gadd provided information on the meeting format and other opening remarks.

ADOPT AGENDA

Mayor Gadd proposed adding another new business item for an Emergency Ordinance Relating to Face Covering Requirements within Specified Indoors Spaces with the City of Hopkins, Minnesota.

Motion by Brausen. **Second** by Hunke.

Motion to Adopt Agenda as modified.

Ayes: All.

Nays: None. Motion carried.

NEW BUSINESS

III.1. Finance Update; Bishop

Finance Director Bishop provided a presentation on the CARES Act including the guiding principles on eligible expenses and a plan for how Hopkins could utilize the funds.

Mayor Gadd requested clarification on the use of the funds and how or when the audit occurs. Mr. Bishop stated that the threshold for an audit is \$750,000. Discussion ensued regarding the documentation that will be needed for the audit and other programs available. Mr. Bishop stated that if the City offers any additional programming further Council consideration will be required.

Council Member Brausen questioned the next steps. Mr. Bishop stated that the funding will be discussed as part of budget and on an as needed basis. City Manager Mornson stated it was anticipated that the business loan program may be considered as soon as August 4. Mayor Gadd questioned the estimated categories that total more than what was allocated to Hopkins. Mr. Bishop stated staff is reviewing what is exactly eligible for the funding but we are not looking at spending more money than we are receiving. Assistant City Manager Lenz estimated that there will be over \$1.5 million but some of the items were in our budget normally so there will be shifting of funds to help with deficit.

Council Member Hunke thanked the staff for working on ways to assist the local businesses.

III.2. General Fund Budget and Tax Levy; Bishop

Finance Director Bishop provided an overview of the 2021 General Fund Budget and Tax Levy. Mr. Bishop noted that an additional request of \$150,000 for the COVID-19 Contingency. The funds could be transferred to any other fund due to the impacts of the pandemic.

Council Member Beck questioned the past use of contingency funds. Mr. Bishop stated that in 2018 all of contingency was used but that none was used in 2019. Council Member Beck shared concerns about the increase in the budget given the financial impact to business and residents in the City.

Council Member Hunke shared concerns about increasing contingency as well. The capital levy and equipment replacement are the huge increases for 2021 and given the hard times could we pump any purchases down the road. Mr. Bishop shared that staff will review the proposed expenditures. Assistant City Manager Lenz stated is a preliminary budget and levy and it is anticipated that more information about Covid-19 related expenses will be known before the final budget. She added that there are too many unknowns at this time.

Mayor Gadd commented that the revenue is significantly down on the charge for services and other fees due to Covid-19. Council Member Halverson questioned the increase in equipment purchases. Mr. Bishop stated there was a tax levy plan for 2020 and 2021 for equipment purchases. Staff will review the equipment purchases.

Council Member Brausen stated it will take additional discussion to work through the changes. He thanked staff for their extra work and noted that people will have the chance to weigh in on the proposed budget. Mayor Gadd requested that the budget presentation be posted to our website.

Finance Director Bishop reviewed the next steps: Virtual Budget Engagement Meeting on August 17 from 6 p.m. to 7:30 p.m.; first review of ERP and CRP and the first review of Depot, Arts Center & Pavilion budgets of August 18; and the Adoption of Preliminary Budget and Tax Levy on September 15.

III.3. Emergency Ordinance Relating to Face Covering Requirements within Specified Indoors Spaces with the City of Hopkins, Minnesota; Mornson

Mayor Gadd introduced the item by sharing his thoughts on the requirements of face coverings and invited City Manager Mornson to provide details on the proposed emergency ordinance.

City Manager Mornson stated that City Council and staff have received comments since the July 14 meeting from businesses and residents requesting the City to implement a

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facial covering policy. The emergency ordinance requires that facial coverings be worn indoors and places of public accommodations.

Mr. Mornson summarized the details of the proposed emergency ordinance which will be posted on the City's website, social media and press releases: customers inside bars and restaurants will be required to wear masks while not actively eating or drinking; customers inside gyms, fitness centers and sports facilities are required to wear masks at all times when customers are indoors and within six feet of others; customers in indoor entertainment facilities must wear a mask when not in their assigned seat or speaking to the audience; and masks will be required in indoor common spaces of multi-family residential, multi-tenant and city buildings.

Mr. Mornson stated that exceptions include: Facilities operated by the county, state or federal government or a political subdivision of the state of Minnesota (other than facilities operated by the city of Hopkins); Personal care services/salons that already have state face covering requirements; Children five (5) years of age and under; Individuals actively eating or drinking.; Individuals temporarily removing the face covering for identification purposes; Individuals unable to wear a mask due to medical, disability or developmental reasons; Individuals unable to remove their face covering without assistance.; Individuals speaking to someone who is deaf or hard of hearing and requires the mouth to be visible to communicate effectively; Participants in youth sports activities; Places of worship, so long as these establishments have written COVID-19 Preparedness Plans that are in compliance with State Guidelines; Public and private school facilities, so long as these establishments have written COVID-19 Preparedness Plans that are in compliance with State Guidelines; Individuals, with approval of the public accommodation, speaking to a group of individuals, or testifying in front of an audience are not required to wear a mask while speaking, as long as the speaker remains six feet or more away from other individuals and other individuals are wearing masks.; Any public safety personnel actively engaged in an emergency response situation.; and Polling locations, no voter may be told to leave the premises for refusal to wear a mask.

The City will be purchasing 500 masks with the CARES funds that will be available for residents to pick up at Resource West. The ordinance will go into effect on August 1 and the ordinance will be in effect for 61 days unless Governor Walz enacts an order that will take precedent over the City's ordinance. City Attorney Riggs commented that ordinance is similar and consistent to what other cities have adopted.

Mayor Gadd shared his concerns and conversations about enforcement and access to masks. He requested that staff work with businesses to get them signs for to post consistently throughout Hopkins.

Council Member Hunke shared he was happy to see the ordinance. He requested that the website include information about the ordinance and easy to print items for businesses to use. He confirmed with staff that the ordinance could be extended beyond

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September if Governor Walz does not have an order in place. City Manager Mornson commented yes.

Council Member Beck shared his concerns about the enforcement and requested that the ordinance should instead be a resolution. He felt it would be difficult for the police to enforce the ordinance and shared possible interactions businesses may have with customers. Council Member Halverson commented that people are wearing masks to protect the next person.

Council Member Brausen questioned if the City will order more masks when the supply runs out. Assistant City Manager Lenz stated the City will order additional masks.

Mayor Gadd shared the two virtual meeting comments submitted:

Marti Priest - My partner, Bob Grider, and I would like the Council to discuss a mask mandate in the City of Hopkins. We are both in favor of this. We are aware that large nationwide businesses, such as Target and Walmart, are issuing their own mask orders for in-store shoppers. We also know that our neighbor city, Edina, has a mask mandate and Minneapolis has a mask mandate. If Hopkins Council chooses to enact a mask mandate, our city will show community support with a reasonable public health step to keep Hopkins residents and business owners safe. Bob and I are regular and loyal shoppers at the Hopkins Farmer's Market, Amy's Cupcakes, Samba Grocery, Ace Hardware and Pub 819. When we shop in these Hopkins businesses (whom we love), we mask to keep vendors, staff and employees safe while we are with them. We would like all people in Hopkins to mask, too.

Ellie Kretz - As cities around us continue to mandate masks when inside public places, can we in Hopkins do the same? This will help us in three ways 1) keeping business in Hopkins as I, along with others, are traveling out of the city to do shopping to ensure we are in a city that mandates masks, 2) alleviates retail workers from asking people to wear masks, and 3) most importantly, has been proven to reduce the risk of transmission.

Mayor Gadd shared that the ordinance allows businesses to ask a person to wear a mask entering their establishment and share the City's requirement to wear a mask or leave. Similar calls are received by the Police Department. Discussion ensued regarding mask enforcement, business enforcement and businesses that do not want enforce a mask ordinance. Mr. Beck stated the ordinance takes control away from the businesses. Mayor Gadd stated that the ordinance empowers businesses as well. He wants to do what is best for public health and Hopkins. Mr. Beck stated he supports wearing mask but prefers it be a resolution and not an ordinance. Council Members Brausen, Hunke and Halverson stated that it should be ordinance.

Motion by Halverson. **Second** by Hunke.

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Motion to Approve Ordinance 2020 -1155 Making an Emergency Ordinance Relating to Face Covering Requirements within Specified Indoors Spaces with the City of Hopkins, Minnesota.

Ayes: Brausen, Gadd, Halverson, Hunke

Nays: Beck. Motion carried.

ANNOUNCEMENTS

The following announcements were shared: the next regular City Council meeting will be on Tuesday, August 4 at 7 p.m.

City Manager Mornson provided commented on staff's efforts working on the budget, COVID-19 planning and HREI events.

ADJOURNMENT

There being no further information to come before the City Council and upon a motion by Brausen, second by Hunke, the meeting was unanimously adjourned at 8:09 p.m.

Respectfully Submitted,
Amy Domeier, City Clerk

ATTEST:

Jason Gadd, Mayor

Amy Domeier, City Clerk

CITY OF HOPKINS

FINANCE DEPARTMENT

MEMORANDUM

Date: July 30, 2020
To: Honorable Mayor and Members of the City Council
From: Nicholas Bishop, Finance Director
Subject: Ratify Checks Issued in July 2020

The checks issued between June 26, 2020 to July 30, 2020 were number 119740 through 120057, for a total distribution of \$1,725,966.37.

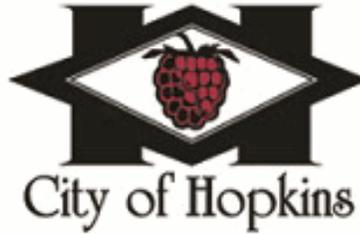
The checks issued, along with the purpose for those payments are attached for your review.

The check registers and detail of those checks can be reviewed at any time in the Finance Department.

Accounts Payable

Checks by Date - Summary by Check Date

User: jthoennes
Printed: 7/30/2020 8:16 AM



1010 First Street South
Hopkins, MN 55343

952-935-8474
M-F, 8 am-4:30 pm
www.hopkinsmn.com

Check No	Vendor No	Vendor Name	Check Date	Check Amount
119740	27929	ALLINA HEALTH SYSTEM	07/02/2020	224.00
119741	30660	PATRICIA MAUREEN ANDERSON	07/02/2020	36.00
119742	28600	APPLE VALLEY FORD LINCOLN	07/02/2020	90.54
119743	02031	B & W SPECIALTY COFFEE CO	07/02/2020	343.22
119744	29011	JESSICA BRAUN	07/02/2020	135.00
119745	30127	CINTAS CORPORATION NO. 2	07/02/2020	233.23
119746	26951	COMCAST	07/02/2020	212.39
119747	03628	COMMERCIAL ASPHALT CO	07/02/2020	4,439.98
119748	30509	COMMERCIAL RECREATION SPECIAL	07/02/2020	390.00
119749	29303	DIVERSIFIED COFFEE PRODUCTS	07/02/2020	380.50
119750	UB*00531	YALE DOLGINOW	07/02/2020	379.70
119751	04600	DPC INDUSTRIES, INC	07/02/2020	1,675.92
119752	05484	EMBROIDERY SHOP	07/02/2020	1,019.48
119753	06008	FASTENAL CO	07/02/2020	24.59
119754	28628	FLEETPRIDE INC	07/02/2020	112.55
119755	30555	MARGARET GONGOLL	07/02/2020	405.00
119756	07681	GRAINGER, INC	07/02/2020	261.29
119757	08001	HACH COMPANY	07/02/2020	288.98
119758	08004	HANCE HARDWARE, INC	07/02/2020	476.79
119759	08192	HENNEPIN CTY TREASURER	07/02/2020	2,332.00
119760	30048	RICH HILL	07/02/2020	500.00
119761	30269	JANELLE JASPERS JONES	07/02/2020	267.00
119762	29249	JR'S ADVANCED RECYCLERS	07/02/2020	100.00
119763	UB*00528	NICHOLAS KAPELUCK	07/02/2020	169.86
119764	28469	KELLY GREEN IRRIGATION INC	07/02/2020	1,446.69
119765	11161	KENNEDY & GRAVEN, CHARTERED	07/02/2020	8,647.75
119766	29201	KG LANDSCAPE MANAGEMENT	07/02/2020	6,747.14
119767	UB*00537	MARK S KUHL	07/02/2020	45.00
119768	29047	LAMBERTS LANDSCAPE LLC	07/02/2020	135.00
119769	12160	LEAGUE OF MN CITIES	07/02/2020	274.00
119770	13012	MACQUEEN EQUIPMENT INC	07/02/2020	1,409.83
119771	13172	METRO ELEVATOR, INC	07/02/2020	170.00
119772	29177	RENEE A MEUWISSEN	07/02/2020	345.00
119773	30888	MIDWEST FENCE & MFG COMPANY	07/02/2020	1,987.00
119774	UB*00536	MN CASH OUT SOLUTIONS LLC	07/02/2020	86.77
119775	15441	OLSEN CHAIN AND CABLE CO INC	07/02/2020	1,135.85
119776	30600	ROBERT OLSON	07/02/2020	435.00
119777	15521	ON SITE SANITATION	07/02/2020	60.86
119778	26974	O'REILLY AUTO PARTS	07/02/2020	163.58
119779	15880	OWENS SERVICE CORP- CHEMTEX	07/02/2020	6,990.72
119780	UB*00529	MARSHA GITKIND PARTINGTON	07/02/2020	25.15
119781	30258	PETRO CHOICE	07/02/2020	446.39
119782	17806	QWEST CORP	07/02/2020	1,688.74
119783	18327	REINDERS INC	07/02/2020	433.10
119784	UB*00533	ALESHA REMER	07/02/2020	5.76
119785	UB*00535	TERRY ROOK	07/02/2020	25.00
119786	19004	SAMARITAN TIRE COMPANY	07/02/2020	148.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
119787	29384	SITEONE LANDSCAPE SUPPLY	07/02/2020	1,464.47
119788	19581	SOUTHWEST LOCK & KEY	07/02/2020	323.00
119789	29200	SPRINGBROOK SOFTWARE INC	07/02/2020	1,095.50
119790	19602	SPS COMPANIES INC	07/02/2020	345.75
119791	30091	RAY STAFFORD	07/02/2020	480.00
119792	29205	CHRIS STRONER	07/02/2020	360.00
119793	28350	TOWMASTER INC	07/02/2020	28.13
119794	UB*00534	LEE TSCHETTER	07/02/2020	47.58
119795	30017	VERIZON WIRELESS	07/02/2020	1,541.10
119796	UB*00532	COLIN A WILLIAMS	07/02/2020	55.11
119797	13082	WM H MCCOY PETROLEUM FUELS	07/02/2020	67.15
119798	25080	XCEL ENERGY	07/02/2020	693.39
119799	25080	XCEL ENERGY	07/02/2020	286.14
119800	25080	XCEL ENERGY	07/02/2020	477.13
119801	25080	XCEL ENERGY	07/02/2020	179.85
119802	25080	XCEL ENERGY	07/02/2020	20.58
119803	UB*00530	ADAM YARDIC	07/02/2020	58.80
Total for 7/2/2020:				54,874.03
119804	28422	ADVANCED IMAGING SOLUTIONS	07/09/2020	3,354.90
119805	28422	ADVANCED IMAGING SOLUTIONS	07/09/2020	535.38
119806	01600	APACHE GROUP	07/09/2020	1,454.48
119807	02031	B & W SPECIALTY COFFEE CO	07/09/2020	263.30
119808	26976	BUCKEYE INTERNATIONAL INC	07/09/2020	44.60
119809	30127	CINTAS CORPORATION NO. 2	07/09/2020	414.71
119810	26951	COMCAST	07/09/2020	14.70
119811	26951	COMCAST	07/09/2020	6.30
119812	03640	CPT SERVICES, INC	07/09/2020	175.00
119813	28123	CRITTERS UNLIMITED INC	07/09/2020	850.00
119814	30889	NANCY CUDAHY	07/09/2020	383.00
119815	03800	CULLIGAN - METRO	07/09/2020	196.20
119816	28747	CULLIGAN BOTTLED WATER CO	07/09/2020	145.30
119817	28259	DELUXE FOR BUSINESS	07/09/2020	1,351.76
119818	28898	ECM PUBLISHERS INC	07/09/2020	178.50
119819	05481	EMERGENCY APPARATUS MAINT INC	07/09/2020	1,919.29
119820	29006	ENTERPRISE FLEET MANAGEMENT	07/09/2020	2,437.42
119821	29006	ENTERPRISE FLEET MANAGEMENT	07/09/2020	2,144.33
119822	29006	ENTERPRISE FLEET MANAGEMENT	07/09/2020	2,959.89
119823	06567	FORCE AMERICA	07/09/2020	180.00
119824	07564	GOPHER STATE ONE-CALL, INC	07/09/2020	353.70
119825	28609	GRANICUS INC	07/09/2020	1,339.74
119826	30890	LYNDA GULLY	07/09/2020	245.00
119827	08158	HENNEPIN CTY ATTORNEYS OFFICE	07/09/2020	543.00
119828	08336	HIRSHFIELDS	07/09/2020	175.78
119829	08576	HOPKINS F.D. RELIEF ASSOC	07/09/2020	870.00
119830	09085	ICMA - ROTH IRA - 706260	07/09/2020	1,214.23
119831	09578	INNOVATIVE OFFICE SOLUTIONS	07/09/2020	905.98
119832	30768	JAMES DUNCAN AND ASSOCIATES IN	07/09/2020	493.95
119833	29249	JR'S ADVANCED RECYCLERS	07/09/2020	65.00
119834	30891	GERRI KRATOCHVIL	07/09/2020	145.00
119835	30855	BETTY KROPP	07/09/2020	145.00
119836	29529	LEXISNEXIS RISK SOLUTIONS	07/09/2020	90.99
119837	30892	SHUKRI MAHAT	07/09/2020	28.00
119838	28665	METRO ALARM & LOCK	07/09/2020	450.00
119839	30363	MINNEAPOLIS OXYGEN COMPANY	07/09/2020	19.80
119840	13354	MN BENEFIT ASSOCIATION	07/09/2020	37.18

Check No	Vendor No	Vendor Name	Check Date	Check Amount
119841	30300	NORDIC SOLAR HOLDCO LLC	07/09/2020	6,332.94
119842	15521	ON SITE SANITATION	07/09/2020	118.71
119843	30460	PLYMOUTH RIDGE INC	07/09/2020	3,563.00
119844	28285	PROFESSIONAL TURF & RENOV	07/09/2020	2,500.00
119845	17806	QWEST CORP	07/09/2020	2,668.25
119846	09084	ICMA RETIREMENT TRUST- 300824	07/09/2020	3,405.30
119847	29588	RON TURLEY ASSOCIATES INC.	07/09/2020	1,300.00
119848	30893	LAUREN SCAVO-FULK	07/09/2020	217.36
119849	19117	SCHERER BROS. LUMBER CO.	07/09/2020	16.22
119850	28755	THALES CONSULTING INC	07/09/2020	2,000.00
119851	30093	TRANSUNION RISK ALTERNATIVE DA	07/09/2020	184.30
119852	27981	ULINE INC	07/09/2020	204.06
119853	03440	ULTIMATE SAFETY CONCEPTS INC	07/09/2020	200.80
119854	29466	VERIZON WIRELESS	07/09/2020	1,325.20
119855	29473	VERIZON WIRELESS	07/09/2020	374.89
119856	30819	VERIZON WIRELESS	07/09/2020	200.05
119857	23003	WASTE MANAGEMENT OF WI-MN	07/09/2020	9,568.00
119858	28624	MICHEAL J WHITE	07/09/2020	399.05
119859	26160	ZEE MEDICAL SERVICE	07/09/2020	290.10
Total for 7/9/2020:				60,999.64
119860	30896	KASHIMANA AHUA	07/16/2020	500.00
119861	30895	LILA AMMONS	07/16/2020	600.00
119862	30230	BARNA, GUZY & STEFFEN, LTD.	07/16/2020	1,217.50
119863	02563	BOLTON & MENK, INC	07/16/2020	72,465.50
119864	27822	BRADS PRO AUDIO	07/16/2020	1,000.00
119865	26976	BUCKEYE INTERNATIONAL INC	07/16/2020	36.29
119866	03160	CENTERPOINT ENERGY MINNEGASC	07/16/2020	1,240.55
119867	26951	COMCAST	07/16/2020	404.74
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119870	29981	CORE & MAIN LP	07/16/2020	227.60
119871	03800	CULLIGAN - METRO	07/16/2020	74.14
119872	04168	DEM-CON LANDFILL, INC	07/16/2020	82.19
119873	04690	DRISKILLS FOODS	07/16/2020	26.42
119874	04690	DRISKILLS FOODS	07/16/2020	160.34
119875	04690	DRISKILLS FOODS	07/16/2020	92.49
119876	29398	ENTERPRISE FLEET MANAGEMENT	07/16/2020	2,564.08
119877	07185	GENUINE PARTS	07/16/2020	584.85
119878	07681	GRAINGER, INC	07/16/2020	28.86
119879	29377	GRAINGER, INC	07/16/2020	54.15
119880	29820	GROUP HEALTH PLAN INC	07/16/2020	47.00
119881	08000	H & L MESABI	07/16/2020	304.58
119882	29748	HENNEPIN COUNTY PUBLIC WORKS	07/16/2020	10,094.51
119883	08166	HENNEPIN CTY TREASURER	07/16/2020	1,703.55
119884	08166	HENNEPIN CTY TREASURER	07/16/2020	229.90
119885	08186	HENNEPIN CTY TREASURER	07/16/2020	87.00
119886	08209	HENNEPIN CTY TREASURER	07/16/2020	13,694.77
119887	09535	INTERSTATE POWER SYSTEMS INC	07/16/2020	1,147.50
119888	28537	IS LAX LLC	07/16/2020	5,266.25
119889	09002	I-STATE TRUCK CENTER	07/16/2020	48.94
119890	12009	J. H. LARSON COMPANY	07/16/2020	129.14
119891	12160	LEAGUE OF MN CITIES	07/16/2020	500.00
119892	13012	MACQUEEN EQUIPMENT INC	07/16/2020	283.36
119893	29059	MANSFIELD OIL COMPANY	07/16/2020	11,773.17
119894	13047	MARCO	07/16/2020	375.00

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119895	28665	METRO ALARM & LOCK	07/16/2020	90.00
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119897	13525	MIDNITE MARKET	07/16/2020	59.10
119898	13438	MN DEPT OF HEALTH	07/16/2020	40.00
119899	14582	NORTHWEST ASPHALT INC	07/16/2020	178,029.91
119900	14582	NORTHWEST ASPHALT INC	07/16/2020	812,929.06
119901	14582	NORTHWEST ASPHALT INC	07/16/2020	101,571.92
119902	26974	O'REILLY AUTO PARTS	07/16/2020	49.98
119903	30460	PLYMOUTH RIDGE INC	07/16/2020	1,622.00
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119906	29384	SITEONE LANDSCAPE SUPPLY	07/16/2020	179.95
119907	20120	TDS METROCOM - MN	07/16/2020	343.38
119908	20560	TOLL GAS & WELDING SUPPLY	07/16/2020	10.98
119909	28482	DOUGLAS A TORVUND JR	07/16/2020	4,069.50
119910	20687	TRI-STATE BOBCAT INC	07/16/2020	74.46
119911	20887	TWIN CITY WATER CLINIC	07/16/2020	272.00
119912	29489	VERIZON WIRELESS	07/16/2020	35.01
119913	25080	XCEL ENERGY	07/16/2020	47.15
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Total for 7/16/2020:				1,363,889.85
119915	29535	ADVANCED ENGINEERING	07/23/2020	5,107.65
119916	30728	AMERICAN FEDERATION OF STATE, C	07/23/2020	753.31
119917	01328	AIRGAS USA	07/23/2020	156.92
119918	01456	ALLIED BLACKTOP CO	07/23/2020	43,415.90
119919	28600	APPLE VALLEY FORD LINCOLN	07/23/2020	514.77
119920	01737	ASPEN MILLS	07/23/2020	1,012.65
119921	29669	AVESIS	07/23/2020	306.04
119922	02031	B & W SPECIALTY COFFEE CO	07/23/2020	319.68
119923	30481	BATTERIES PLUS BULBS #018	07/23/2020	67.80
119924	29817	GARY BINGER	07/23/2020	2,900.00
119925	27782	BOUND TREE MEDICAL LLC	07/23/2020	623.41
119926	02811	BUREAU OF CRIMINAL APPREHENSIC	07/23/2020	750.00
119927	29326	CARBON BLACK INC	07/23/2020	14,220.07
119928	28430	CENTURY LINK	07/23/2020	64.55
119929	28981	CHESTNUT CAMBRONNE PA	07/23/2020	18,020.42
119930	30127	CINTAS CORPORATION NO. 2	07/23/2020	275.25
119931	27487	CLIFTON LARSON ALLEN	07/23/2020	3,150.00
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119935	28123	CRITTERS UNLIMITED INC	07/23/2020	140.00
119936	30898	DERING PIERSON GROUP LLC	07/23/2020	500.00
119937	29303	DIVERSIFIED COFFEE PRODUCTS	07/23/2020	221.51
119938	30431	EHLERS INVESTMENT PARTNERS LLC	07/23/2020	3,919.41
119939	06008	FASTENAL CO	07/23/2020	60.60
119940	06567	FORCE AMERICA	07/23/2020	1,054.52
119941	07681	GRAINGER, INC	07/23/2020	334.08
119942	29377	GRAINGER, INC	07/23/2020	162.90
119943	08000	H & L MESABI	07/23/2020	293.00
119944	08166	HENNEPIN CTY TREASURER	07/23/2020	2,686.90
119945	08179	HENNEPIN CTY TREASURER	07/23/2020	996.00
119947	08627	HOME DEPOT CREDIT SERVICES	07/23/2020	962.78
119948	08625	HOPKINS POLICE ASSOCIATION	07/23/2020	1,320.00
119949	09801	I.U.O.E. CENTRAL PENSION FUND	07/23/2020	1,840.00

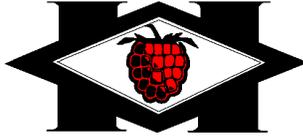
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119950	09085	ICMA - ROTH IRA - 706260	07/23/2020	1,214.23
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119952	09534	INTERSTATE BATTERY SYSTEM	07/23/2020	243.90
119953	09535	INTERSTATE POWER SYSTEMS INC	07/23/2020	7,588.44
119954	28537	IS LAX LLC	07/23/2020	4,350.00
119955	09002	I-STATE TRUCK CENTER	07/23/2020	204.32
119956	28469	KELLY GREEN IRRIGATION INC	07/23/2020	1,208.73
119957	12012	LAW ENFORCEMENT LABOR SERVICE	07/23/2020	496.00
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119959	30391	CIGNA LIFE INS COMP OF AMERICA -	07/23/2020	2,706.68
119960	30390	CIGNA LIFE INS COMP OF AMERICA -	07/23/2020	2,689.94
119961	30023	CIGNA LIFE INS COMP OF N AMERICA	07/23/2020	672.42
119962	30897	KLAIRE LOCKHEART	07/23/2020	460.95
119963	13012	MACQUEEN EQUIPMENT INC	07/23/2020	618.62
119964	13031	MATTS AUTO SERVICE, INC	07/23/2020	585.00
119965	29440	MCFOA	07/23/2020	45.00
119966	29452	OFFICE OF MN IT SERVICES	07/23/2020	285.76
119967	15521	ON SITE SANITATION	07/23/2020	432.64
119968	16161	PEPSI-COLA	07/23/2020	100.80
119969	30460	PLYMOUTH RIDGE INC	07/23/2020	176.29
119970	16721	PRIME ADVERTISING & DESIGN INC	07/23/2020	567.80
119971	17806	QWEST CORP	07/23/2020	1,829.03
119972	18163	RECYCLING ASSOCIATION OF MN	07/23/2020	480.00
119973	08568	RESOURCE WEST	07/23/2020	61.58
119974	09084	ICMA RETIREMENT TRUST- 300824	07/23/2020	3,411.53
119975	19117	SCHERER BROS. LUMBER CO.	07/23/2020	279.00
119976	29143	SHRED IT USA	07/23/2020	55.77
119977	19567	SOUTHWEST SUB CABLE COMM	07/23/2020	2,599.00
119978	29200	SPRINGBROOK SOFTWARE INC	07/23/2020	1,087.50
119979	30818	BRENDA ANNETTE STELTER	07/23/2020	549.26
119980	19824	SUNSHINE CAR WASH	07/23/2020	94.14
119981	20680	TRI-K SERVICES	07/23/2020	192.00
119982	21523	UNION LOCAL 49	07/23/2020	805.00
119983	21529	UNITED WAY	07/23/2020	47.70
119984	29458	VERIZON WIRELESS	07/23/2020	2,113.19
119985	29490	VERIZON WIRELESS	07/23/2020	2,181.19
119986	28624	MICHEAL J WHITE	07/23/2020	272.50
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119987	13179	METROPOLITAN COUNCIL	07/28/2020	2,460.15
Total for 7/28/2020:				2,460.15
119988	01125	ADT SECURITY SERVICES	07/30/2020	335.04
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119990	28600	APPLE VALLEY FORD LINCOLN	07/30/2020	41.53
119991	UB*00545	ARGI TILE & CONSTRUCTION	07/30/2020	66.04
119992	02031	B & W SPECIALTY COFFEE CO	07/30/2020	727.52
119993	29512	BACHMAN'S	07/30/2020	640.27
119994	30899	BAUERS MINNOCO	07/30/2020	69.87
119995	13071	BCD VENTURES	07/30/2020	500.00
119996	27782	BOUND TREE MEDICAL LLC	07/30/2020	392.10
119997	28848	BOUNDLESS NETWORK INC	07/30/2020	371.04
119998	UB*00547	JON CARVER	07/30/2020	5.07
119999	29416	CDW GOVERNMENT	07/30/2020	33,273.47
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120001	26951	COMCAST	07/30/2020	69.95
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120005	04600	DPC INDUSTRIES, INC	07/30/2020	948.00
120006	28898	ECM PUBLISHERS INC	07/30/2020	208.25
120007	29520	ECOLAB	07/30/2020	192.34
120008	05282	EHLERS AND ASSOCIATES, INC	07/30/2020	1,060.00
120009	05481	EMERGENCY APPARATUS MAINT INC	07/30/2020	1,975.91
120010	30222	EUREKA CONSTRUCTION, INC.	07/30/2020	5,126.28
120011	30330	FAE LSE 6 LLC	07/30/2020	7,068.94
120012	30601	FAE LSE 8 LLC	07/30/2020	5,757.00
120013	06336	FIRST HOSPITAL LAB INC	07/30/2020	225.52
120014	06567	FORCE AMERICA	07/30/2020	497.30
120015	30837	LAURA GENE GIBSON	07/30/2020	93.00
120016	UB*00541	GEORGE GILBERTSON	07/30/2020	45.00
120017	30555	MARGARET GONGOLL	07/30/2020	405.00
120018	29377	GRAINGER, INC	07/30/2020	383.13
120019	UB*00543	ANDREW HAGEN	07/30/2020	146.06
120020	30048	RICH HILL	07/30/2020	500.00
120021	08336	HIRSHFIELDS	07/30/2020	81.04
120022	28537	IS LAX LLC	07/30/2020	300.00
120023	29249	JR'S ADVANCED RECYCLERS	07/30/2020	30.00
120024	28469	KELLY GREEN IRRIGATION INC	07/30/2020	447.99
120025	11161	KENNEDY & GRAVEN, CHARTERED	07/30/2020	4,521.95
120026	11327	KILLMER ELECTRIC CO INC	07/30/2020	1,322.10
120027	UB*00544	JON KNUTSON	07/30/2020	109.80
120028	UB*00539	JOHN E KYRIAGIS	07/30/2020	59.15
120029	13012	MACQUEEN EQUIPMENT INC	07/30/2020	2,203.79
120030	13047	MARCO	07/30/2020	300.00
120031	UB*00542	CATHY MCKAY	07/30/2020	20.00
120032	13167	MENARDS - EDEN PRAIRIE	07/30/2020	28.82
120033	13172	METRO ELEVATOR, INC	07/30/2020	170.00
120034	29177	RENEE A MEUWISSEN	07/30/2020	345.00
120035	13275	MICRO CENTER	07/30/2020	381.68
120036	30600	ROBERT OLSON	07/30/2020	435.00
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120039	14188	QUADIENT LEASING INC	07/30/2020	2,346.09
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120041	04573	QUALITY RESOURCE GROUP INC	07/30/2020	1,002.81
120042	19004	SAMARITAN TIRE COMPANY	07/30/2020	25.00
120043	30901	SERVICE RESTORATION	07/30/2020	130.00
120044	19296	SHAKOPEE GRAVEL INC	07/30/2020	1,035.23
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120046	30091	RAY STAFFORD	07/30/2020	480.00
120047	29205	CHRIS STRONER	07/30/2020	360.00
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120049	30900	TOMMYS ELECTRIC	07/30/2020	32.00
120050	30641	TRAFFIC CONTROL CORPORATION	07/30/2020	600.00
120051	28837	UNIVERSAL ATHLETIC	07/30/2020	164.98
120052	29473	VERIZON WIRELESS	07/30/2020	347.75
120053	UB*00540	ANDREW VOLKENANT	07/30/2020	76.00
120054	UB*00546	ALBERT J WESELY	07/30/2020	74.17
120055	28624	MICHEAL J WHITE	07/30/2020	227.05
120056	UB*00530	ADAM YARDIC	07/30/2020	59.72
120057	UB*00538	ANN ZWEBER	07/30/2020	18.05

Check No	Vendor No	Vendor Name	Check Date	Check Amount
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			Total for 7/30/2020:	92,906.99
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			Report Total (317 checks):	1,725,966.37
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CITY OF HOPKINS

Memorandum

To: Honorable Mayor and Council Members
From: Amy Domeier, City Clerk
Copy: Mike Mornson, City Manager
Date: August 4, 2020
Subject: Second Reading of Ordinance 2020-1147

Staff recommends that the Council approve the following motion: Move to adopt for First Reading Ordinance 2020-1147 An Ordinance Amending Chapters 4 and 102 and Appendix A of the Hopkins City Code Regarding On-Sale Intoxicating Liquor Licenses and Experience-Based Entertainment.

The first reading of Ordinance 2020-1147 was held on July 14. No changes have been made to the ordinance since the first reading on July 14. On July 28 the Planning and Zoning Commission held a public hearing on the Ordinance. Below is a summary of the Commission's action:

The Planning & Zoning Commission held a public hearing to review this item (Planning Application 2020-08) during their July 28, 2020 regular meeting. During that meeting, the Commission heard a summary presentation from staff. There were no public comments received during the public hearing.

The Planning & Zoning Commission had questions about adding an experience-based entertainment business use to the City's other business zoning districts and the connection between the proposed use and recommended changes to the City's liquor license regulations. Staff indicated that the comprehensive plan guides these types of uses to the B-2, Central Business zoning district, and that experience-based entertainment businesses will be the only use eligible for an Exclusive Liquor Store license but experience-based entertainment uses could operate without this type of license. After some general discussion, the Planning & Zoning Commission voted 5-0 to recommend the City Council approved the proposed zoning text amendment with Commissioners Miller and Stiele abstaining.

Additional rationale for the approval of this license includes the evolution and recent growth of experience-based businesses and an acknowledgement that the traditional liquor license does not work for some new business models. Support is also based on the belief of an overall benefit to the downtown business district by bringing more visitors to Hopkins that may then choose to patronize other Hopkins businesses including restaurants and other establishments.

Attachment:
Ordinance 2020-1153

**CITY OF HOPKINS
COUNTY OF HENNEPIN**

ORDINANCE NO. 2020-1147

**ORDINANCE AMENDING CHAPTERS 4 AND 102 AND APPENDIX A OF THE
HOPKINS CITY CODE REGARDING ON-SALE INTOXICATING LIQUOR
LICENCES AND EXPERIENCE-BASED ENTERTAINMENT**

WHEREAS, pursuant to Minn. Stat. §§ 340A.404, subd. 1(a)(7), 340A.101, subd. 10, and 340A.412, subd. 14, the City is authorized to issue on-sale intoxicating liquor licenses to exclusive liquor stores that offer live or recorded entertainment; and

WHEREAS, pursuant to Minn. Stat. § 340A.509, the City may adopt regulations governing the sale and possession of alcoholic beverages within its jurisdiction that might otherwise be more restrictive than state law; and

WHEREAS, the City desires to attract groups of individuals to its central business district area by allowing a limited number of businesses that provide experience-based entertainment activities to sell intoxicating liquor to their customers for on-premise consumption, all within the confines of the aforementioned statutory authority; and

WHEREAS, the City finds that authorizing the sale of intoxicating liquor to participants of such activities will provide benefits to the downtown area, and that creating a licensing mechanism to do so is in the best interests of the City's residents.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HOPKINS
HEREBY ORDAINS AS FOLLOWS:**

SECTION 1. Hopkins City Code, Part II, Chapter 4, Article II, Section 4-36(a) is hereby amended by adding the double-underlined language and deleting the ~~stricken~~ language as follows:

Sec. 4-36. - On-sale licenses.

(a) *Intoxicating.* On-sale intoxicating liquor licenses shall be subject to the following:

- (1) On-sale intoxicating liquor licenses may be issued only to hotels, clubs, restaurants, bowling centers, exclusive liquor stores, and clubs or congressionally chartered veterans organizations meeting the qualifications contained in M.S.A. § 340A.404, subd. 1(a)(4). ~~Not more than ten on-sale intoxicating liquor licenses may be granted by the city.~~
- (2) No on-sale intoxicating liquor license shall be issued to a restaurant unless the applicant makes a bona fide estimation that at least 50 percent of the gross receipts of the restaurant during its first year of business will be attributable to the sale of food.
- (3) Each restaurant granted an on-sale intoxicating liquor license under this section shall attribute at least 50 percent of gross annual receipts from the sale of food.

The calculation for this requirement shall include only the food and beverage portion of any multi-service establishment. Financial records for the food and beverage portion must be maintained separately from any other records. Additionally, "sale of food" shall include gross receipts attributable to the sale of food items, soft drinks and nonalcoholic beverages. It shall not include any portion of gross receipts attributable to the nonalcoholic components of a plain or mixed alcoholic beverage, such as ice, soft drink mixes or other mixes.

- (4) The city may require the production of such documents or information, including, but not limited to, books, records, audited financial statements, or pro forma financial statements, as it deems necessary or convenient, to enforce these provisions. The city may also obtain its own audit or review of such documents or information, and all licensees shall cooperate with such a review, including prompt production of requested records.
- (5) In addition to other remedies that it may have available, the city may place the licensee on probationary status for up to one year when the sale of food is reported, or found to be, less than 50 percent of gross receipts for any business year. During the probationary period, the licensee shall prepare any plans and reports, participate in any required meetings, and take other action that the city may require to increase the sale of food.
- (6) The provisions of this section related to food sales shall not apply to any restaurant having a city on-sale intoxicating liquor license prior to July 1, 1999 and will not affect future renewals of such licenses. The provisions shall also not apply to new licenses issued for existing restaurants due to sale or transfer of ownership, unless the restaurant has been closed and without an on-sale intoxicating liquor license for at least 90 days.
- (7) No more than two on-sale intoxicating liquor licenses may be issued to exclusive liquor stores, and such licenses shall be further subject to the following requirements:
 - (i) An on-sale intoxicating liquor license may only be issued to an exclusive liquor store that offers live entertainment in the form of "experience-based entertainment," as that term is defined in section 102-4 of the Hopkins City Code, during all hours of operation.
 - (ii) An exclusive liquor store that obtains an on-sale intoxicating liquor license may only sell intoxicating liquor to paid, ticketed customers while said customers are participating in the entertainment activity offered by the establishment. Intoxicating liquor may only be sold to each customer for a successive two-hour period, although the experience-based entertainment activity may last longer than that.
 - (iii) The city may establish a separate fee for on-sale intoxicating liquor licenses issued to exclusive liquor stores, which shall be subject to any express fee limitation contained in state law.

(iv) No sale of intoxicating liquor for consumption on the licensed premises of an exclusive liquor store may be made between 2:00 a.m. and 8:00 a.m. on the days of Monday through Saturday or after 2:00 a.m. on Sundays.

SECTION 2. Hopkins City Code, Part II, Chapter 4, Article II, Section 4-55 is hereby amended by adding the double-underlined language as follows:

Sec. 4-55. – License application.

- (a) Every application for a license or permit issued under this chapter shall be on a form provided by the city. The form shall be verified and filed with the city. No person shall make a false statement on an application.
- (b) Every application shall state the name of the applicant, the applicant's age, representations as to the applicant's character, with references as the city may require, the type of license applied for, the business in connection with which the proposed license will operate and its location, a description of the premises, whether the applicant is owner and operator of the business, how long the applicant has been in that business at that place, the name and date of birth of the manager of the business, and any other information as the city may require.
- (c) In addition to all other information required by the city, every application shall contain a description of the premises, including the street address and legal description of the property, and plans depicting the design of the premises where alcoholic beverages may be dispensed and consumed. The plans shall show room dimensions and shall indicate the number of persons intended to be served in each room. An exclusive liquor store seeking an on-sale intoxicating liquor license pursuant to subsection 4-36(a)(7) must also submit a business plan that includes a detailed overview of the experience-based entertainment activities that it provides to its customers.

SECTION 3. Hopkins City Code, Part III, Chapter 102, Article I, Section 102-4 is hereby amended by adding the double-underlined language as follows:

Experience-Based Entertainment: An establishment offering team or group entertainment activities such as bocce ball, game shows, escape rooms, painting classes, cooking classes, axe throwing, and arts and crafts workshops. Experienced-Based Entertainment uses shall not include commercial recreation, bingo or other forms of charitable gambling, live music, karaoke, massage therapy, arcade games, video games, hookah lounges, oxygen bars, spas, event centers, art galleries, or adult-oriented businesses.

SECTION 4. Hopkins City Code, Part III, Chapter 102, Article VII, Section 102-214 is hereby amended by adding the double-underlined language as follows:

<i>Permitted Uses</i>	<i>B-1</i>	<i>B-2</i>	<i>B-3</i>	<i>B-4</i>
<u>Experience-Based Entertainment</u>		<u>X</u>		

SECTION 5. Hopkins City Code, Appendix A, which contains the City's fee schedule, is hereby amended by adding the double-underlined language as follows:

Intoxicating alcohol		
On-sale exclusive liquor store	\$3,000.00	Per year

SECTION 6. In accordance with Section 3.03 of the City Charter and Minn. Stat. § 412.191, subd. 4, due to the significant length of this Ordinance, City staff shall have the following summary printed in the official City newspaper in lieu of the complete ordinance:

On August 4, 2020, the Hopkins City Council adopted Ordinance 2020-1147 An Ordinance Amending Chapters 4 and 102 and Appendix A of the Hopkins City Code Regarding On-Sale Intoxicating Liquor Licenses and Experience-Based Entertainment. The purpose of amending the City Code is to allow for experienced-based entertainment businesses the opportunity receive an On-Sale Exclusive Liquor License.

A printed copy of the ordinance is available for inspection during regular business hours at Hopkins City Hall and is available online at the City’s web site located at www.hopkinsmn.com.

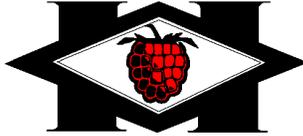
SECTION 7. The effective date of this ordinance shall be the date of publication.

First Reading: July 14, 2020
 Second Reading: August 4, 2020
 Date of Publication: August 13, 2020
 Date Ordinance Takes Effect: August 13, 2020

By: _____
 Jason Gadd, Mayor

ATTEST:

 Amy Domeier, City Clerk



CITY OF HOPKINS

Memorandum

To: Honorable Mayor and Council Members
From: Christopher P. Kearney, Chief Building Official
Copy: Mike Mornson, City Manager
Date: August 4, 2020
Subject: Second Reading of Ordinance 2020-1154

Staff recommends that the Council approve the following motion: Move that the Hopkins City Council adopt Ordinance 2020-1154, an Ordinance Amending Chapter 8 Article II of the Hopkins City Code regarding Building and Construction for second reading.

Since the first reading, there have been no changes.

Attachment:
Ordinance 2020-1154

**CITY OF HOPKINS
COUNTY OF HENNEPIN**

ORDINANCE NO. 2020-1154

**ORDINANCE AMENDING CHAPTER 8 OF THE HOPKINS CITY CODE
PERTAINING TO THE MINNESOTA STATE BUILDING CODE**

THE COUNCIL OF THE CITY OF HOPKINS HEREBY ORDAINS AS FOLLOWS:

SECTION 1. Hopkins City Code, Part II, Chapter 8, Article II, Division 1, Section 8-25 is hereby repealed in its entirety and replaced with the following:

Sec. 8-25. State building code adopted.

- (a) Adoption of the Building Code. The Minnesota State Building Code, as adopted by the Minnesota Commissioner of Labor and Industry pursuant to Minn. Stat. Ch. 326B, including all amendments, rules and regulations established, adopted and published from time to time, is hereby adopted as the building code for the City of Hopkins. The Minnesota State Building Code is hereby incorporated in this chapter as if fully set out herein. The Minnesota State Building Code includes, but is not necessarily limited to, the following chapters of Minnesota Rules:

1300, Minnesota Building Code Administration;
1301, Building Official Certification;
1302, State Building Code Construction Approvals;
1303, Special Provisions;
1305, Minnesota Commercial Building Code;
1307, Elevators and Related Devices.
1309, Minnesota Residential Code;
1311, Minnesota Conservation Code for Existing Buildings;
1315, Minnesota Electrical Code;
1322, Residential Energy Code;
1323, Commercial Energy Code
1325, Solar Energy Systems;
1335, Floodproofing Regulations;
1341, Minnesota Accessibility Code;
1346, Minnesota Mechanical Code;
1350, Manufactured Homes;
1360, Prefabricated Structures;
1361, Industrialized/Modular Buildings;
1370, Storm Shelters (Manufactured Home Parks);
4714, Minnesota Plumbing Code; and
5230, Minnesota High Pressure Piping Systems.

- (b) Building Code Optional Chapters. The following optional chapters of the Minnesota State Building Code are adopted by reference and incorporated as part of the building code for the city:

Chapter 1306, Special Fire Protection Systems with selection of 1306.0020, Subp. 2.

SECTION 2. Hopkins City Code, Part II, Chapter 8, Article II, Division 1 is hereby amended by adding a new Section 8-26 as follows:

Sec. 8-26. Permits and fees.

The issuance of building code permits and the collection of fees shall be as authorized in Minnesota Rules, Chapter 1300. Permit fees shall be assessed for work governed by this code in accordance with the fee schedule adopted by the City of Hopkins and as amended from time to time. In addition, a surcharge fee shall be collected on all permits issued for work governed by this code in accordance with Minn. Stat. Sec. 326B.148.

SECTION 3. Hopkins City Code, Part II, Chapter 8, Article II, Division 1 is hereby amended by adding a new Section 8-27 as follows:

Sec. 8-27. Violations and penalties.

A violation of the Minnesota State Building Code is a misdemeanor and each day that a violation continues shall constitute a separate offense.

SECTION 4. In accordance with Section 3.03 of the City Charter and Minn. Stat. § 412.191, subd. 4, due to the length of this ordinance, City staff shall have the following summary printed in the official City newspaper in lieu of the complete ordinance:

On August 4, 2020, the Hopkins City Council adopted Ordinance 2020-1154, entitled “Ordinance Amending Chapter 8 of the Hopkins City Code Pertaining to the Minnesota State Building Code. The purpose of the ordinance was to update the references to the Minnesota State Building Code that are contained in the Hopkins City Code, provide clarification on permit fees, and specify that violations of the building code are a misdemeanor.

A printed copy of the ordinance is available for inspection during regular business hours at Hopkins City Hall and is available online at the City’s web site located at www.hopkinsmn.com.

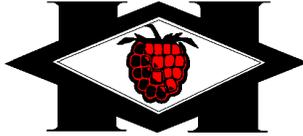
SECTION 5. The effective date of this ordinance shall be the date of publication.

First Reading:	July 14, 2020
Second Reading:	August 4th, 2020
Date of Publication:	August 13, 2020
Date Ordinance Takes Effect:	August 13, 2020

Jason Gadd, Mayor

ATTEST:

Amy Domeier, City Clerk



CITY OF HOPKINS

Memorandum

To: Mayor and City Council
From: Mike Mornson, City Manager
Jason Lindahl, City Planner
Date: August 4, 2020
Subject: Notification of Environmental Assessment Worksheet (EAW) for the Blake Road Station Redevelopment Project

Proposed Action

None – the purpose of this item is to meet the notification requirements of City Code Part III, Chapter 100, Article II – Environmental Review Program. This section requires the City Manager to inform the Planning & Zoning Commission and City Council whenever an environmental review is required. The Planning & Zoning Commission was notified during their July 28, 2020 meeting.

Background

The City Manager, in consultation with other City staff, has determined that an Environmental Assessment Worksheet (EAW) is required under Minnesota Statute 4410 for the proposed Blake Road Station redevelopment. The Planning & Zoning Commission and City Council reviewed the concept plan for this development earlier this year.

The EAW is scheduled to be completed later this year. Once complete, it will be brought to the Planning & Zoning Commission and City Council for review and approval. Staff will continue to update the Planning & Zoning Commission and City Council on the EAW process as it moves forward.



August 4, 2020

Council Report 2020-055

ORDINANCE AMENDING CHAPTER 6 OF THE HOPKINS CITY CODE REGARDING CHICKENS

Proposed Action

Staff recommends adoption of the following motion: Move to adopt for First Reading Ordinance 2020-1156 An Ordinance Amending Chapter 6 of the Hopkins City Code Regarding Chickens.

Overview

The purpose of amending the City Code is to allow for the chickens in single-family residential neighborhoods in the city. Council received requests earlier this year regarding chickens and asked staff to review the issue

By adding language regarding chickens, to our City Code, residents in single-family residential neighborhoods would have the option to have chickens on their property with certain restrictions and regulation. Staff posted an earlier version of the ordinance for public engagement and received 233 survey responses. After reviewing the responses, staff revised the ordinance to reduce setbacks slightly to allow for a larger footprint regarding chicken placement. Staff is comfortable with these changes and feels it will offer more flexibility while minimizing impacts to neighboring properties.

The planning commission held a public hearing on July 27 and did not receive any public comment. After discussion, the planning commission was supportive and asked staff to review: the height of the coop with the idea of cleaning being difficult for taller individuals; clarify how corner lot setbacks would work; and consider allowing mobile chicken coops/runs. Staff reviewed these three areas and made adjustments, as Staff felt was appropriate.

The proposed schedule for this ordinance and applicant process is as follows:

Planning Commission Public Hearing:	July 27, 2020
First Reading:	August 4, 2020
Second Reading:	August 18, 2020
Date of Publication/Ordinance Takes Effect:	August 27, 2020

Primary Issues to Consider

- Whether to allow chickens in single-family residential neighborhoods.
- Whether the ordinance provided would properly regulate chickens in single-family neighborhoods.

Supporting Documents

- Proposed Ordinance 2020-1156
- Zoning Map

Ari Lenz, Assistant City Manager

**CITY OF HOPKINS
COUNTY OF HENNEPIN**

ORDINANCE NO. 2020-1156

**ORDINANCE AMENDING CHAPTER 6 OF THE
HOPKINS CITY CODE REGARDING CHICKENS**

THE CITY COUNCIL OF THE CITY OF HOPKINS HEREBY ORDAINS AS FOLLOWS:

SECTION 1. Hopkins City Code, Part II, Chapter 6, Article II, Section 6-1 is hereby amended by adding the double-underlined language and deleting the ~~stricken~~ language as follows:

Sec. 6-1. – Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Animal means any warm-blooded mammal, inclusive of, but not limited to, dogs and cats, as well as any reptiles or birds. The term "animal" does not include non-domesticated animals.

Animal control authority means the city police department.

Animal shelter means premises designated by the council for the purpose of caring for animals impounded pursuant to this chapter.

Butchering means to slaughter or cut up (an animal) for food.

Chicken means a domesticated fowl of the genus Gallus or species G. Gallus.

Chicken coop means an enclosed structure used for the housing of chickens.

Chicken run means an enclosed outside yard for the keeping and exercising of chickens.

Dangerous animal as defined by state law.

Dog at-large or running at-large means a dog not on the owner's premises and not under restraint.

Dwelling unit has the meaning provided in section 102-4.

Farm animal means an animal that is normally found on a farm, ranch or stable. Such animals include, but are not limited to, horses, cattle, sheep, goats, and swine, ~~and chickens~~.

Harvesting means the slaughtering of chickens.

Hen means a female chicken.

Non-domesticated animal means any wild animal, reptile or fowl that is not naturally tame or gentle but is of a wild nature or disposition and which, because of its size, vicious nature or other characteristics would constitute a danger to human life or property.

Other poultry means domesticated fowls, such as turkeys, geese and ducks excluding chickens.

Owner means a person who owns, keeps or harbors an animal.

Potentially dangerous animal means as defined by state law.

Premises means a building, structure, shelter or land where a dog or other animal is kept or confined.

Rooster means a male chicken.

Tag means the license tag required under this chapter.

Under restraint means on a leash of not more than six feet in length and in the custody of a person of sufficient age to adequately control the dog; in a vehicle, or on the owner's property.

SECTION 2. Hopkins City Code, Part II, Chapter 6, Article II is hereby amended by adding the double-underlined language as follows:

Sec. 6-30. – Chicken licenses.

- (a) Purpose. The purpose and intent of sections 6-30 through 6-32 is to permit the keeping of chickens in certain residential areas in a manner that is clean and sanitary and unlikely to become a nuisance or otherwise become detrimental to the public health, safety and welfare of the community. These sections are intended to only allow hens pursuant to the requirements contained herein and the keeping or harboring of roosters and other poultry is expressly prohibited.
- (b) License required. No person may keep, harbor, maintain, care for, or control chickens in the City without a license issued pursuant to this section. Chicken licenses may only be issued to persons located in requesting to keep chickens in the City's R-1 zoning districts (R-1-A, R-1-B, R-1-C, R-1-D, R-1-E).
- (c) Application for license. A person applying for a chicken license must supply the information required on a City-provided license application, which shall include, but not necessarily be limited to, the number of chickens to be kept, dimensions and materials of a chicken coop and/or chicken run, a site plan showing the location of a proposed chicken coop and/or chicken run in relation to other existing structures and lot lines, and a written plan for keeping the premises clean and free of waste material, objectionable odors, and predators. For non-homesteaded properties, written permission from the owner of the property must also be submitted with any license application.
- (d) License fee. A license fee may be established by the City and included in the City's fee schedule, and said fee must be paid at the time of making application.
- (e) License issuance; term. A license may be issued by the City if all requirements of the Hopkins City Code are deemed satisfied and will remain satisfied upon the issuance of the license under the circumstances proposed. A license shall be valid for two years and a

renewal application must be submitted by a licensee at least 30 days prior to license expiration to ensure no lapse in licensure.

Sec. 6-31. – Proper confinement, care and maintenance of chickens.

(a) Chicken requirements. In addition to obtaining a license, all chicken owners within the City shall adhere to the following requirements:

- (1) Only hens may be may kept, harbored, maintained, cared for, or controlled in the City. The keeping, harboring, maintaining, caring for, or controlling of roosters or any other poultry is prohibited under all circumstances.
- (2) The maximum number of chickens allowed shall comply with the information detailed in the table below.

<u>Maximum Number of Chickens Allowed in Residential Districts</u>	
<u>District</u>	<u>Number of Chickens Allowed⁴</u>
<u>R-1-A & R-1-B</u>	<u>2 plus 1 additional Chicken for every 4,356 square feet of lot area over 6,000 square feet (maximum of 4).</u>
<u>R-1-C</u>	<u>3 plus 1 additional Chicken for every 4,356 square feet of lot area over 12,000 square feet (maximum of 4).</u>
<u>R-1-D & R-1-E</u>	<u>4</u>

- (3) Chickens must at all times remain confined on the premises and in a chicken coop and/or chicken run located in the property’s rear yard, as that term is defined in Hopkins City Code, section 102-4.
- (4) Chickens may not be located in any part of a dwelling, garage, or any other accessory structure other than a chicken coop or chicken run, except that chickens under the age of six weeks may be temporarily kept indoors for brooding purposes.
- (5) Licensees must provide City staff with access to the premises at any time requested to verify compliance with the City’s chicken regulations or in response to any complaint of a violation.
- (6) The harvesting or butchering of chickens on the premises is prohibited.
- (7) Selling chickens or chicken eggs on the premises is prohibited.
- (8) No chickens may be kept or raised in a manner as to cause injury or annoyance to persons or other animals on other properties in the vicinity of the premises, whether due to noise, odor, filth, or otherwise.
- (9) All grain and food stored for the use of the chickens shall be kept in rodent-proof and leak-proof containers with tight-fitting covers.

- (10) Chicken coops and chicken runs shall be maintained in a clean and sanitary condition, and in good repair. Flies, rodents and objectionable odors shall be contained.
 - (11) Chicken coops and chicken runs shall be kept free of accumulated fecal matter and all collected fecal material shall be bagged and properly disposed of at least once a week. Stored fecal matter must be kept in a leak-proof container with a tight-fitting cover until removal from the premises.
 - (12) Chicken feces, discarded chicken feed, and dead chickens shall not be composted.
- (b) Chicken coop requirements. All chicken coops in the City shall adhere to the following requirements:
- (1) Must be constructed to adequately keep chickens in and predators out. A coop shall be fully enclosed and wind proof with a well-ventilated roof to prevent escape by chickens or entrance by migratory birds and rodents.
 - (2) Must have a maximum size of ten (10) square feet and must not exceed six feet (7') in total height.
 - (3) Be screened from view by a fence or landscaped buffer with a minimum height of four (4) feet. A fence shall require a separate permit consistent with the standards in Section 102-13. Landscaping may consist of shrubs or trees but shall provide a minimum 50 percent opacity screen when planted.
 - (4) Provide adequate protection from the elements and be able to be winterized. Heaters are strictly prohibited.
 - (5) Be located in the rear yard of the premises and shall be setback at least five (5) feet from any on-site or adjacent residential structure or business and conform with the property line setbacks detailed in the table below.

<u>Chicken Coop Minimum Setback Requirements</u>	
<u>District</u>	<u>Setback from all property lines</u>
<u>R-1-A & R-1-B</u>	<u>10 Feet from a side (including corner lots) or rear property line.</u> <u>3 feet from a rear property line abutting an alley.</u>
<u>R-1-C</u>	<u>15 Feet</u>
<u>R-1-D & R-1-E</u>	<u>20 Feet</u>

- (6) May be made mobile, but must meet all requirements of this section at all times and must be returned to their proper location while unattended or after sunset.
- (c) Chicken run requirements. All chicken runs in the City shall adhere to the following requirements:
- (1) Must not exceed twenty (20) square feet and fencing must not exceed six feet (7') in total height.

- (2) Must be enclosed with fencing, weather resistant/green treated wood and/or sealed with a weather resistant product and/or woven wire materials, and may allow chickens to contact the ground.
- (3) Must have a protective overhead netting to keep the chickens separated from other animals.
- (4) A fence permit may be required pursuant to Hopkins City Code, Section 102-13.
- (5) Must be located in the rear yard of the premises and shall be setback at least five (5) feet from any on-site or adjacent residential structure or business and conform with the property line detailed in the table below.

<u>Chicken Run Minimum Setback Requirements</u>	
<u>District</u>	<u>Setback from all property lines</u>
<u>R-1-A & R-1-B</u>	<u>10 Feet from a side (including corner lots) or rear property line.</u> <u>3 feet from a rear property line abutting an alley.</u>
<u>R-1-C</u>	<u>15 Feet</u>
<u>R-1-D & R-1-E</u>	<u>20 Feet</u>

- (6) May be made mobile, but must meet all requirements of this section at all times and. must be returned to their proper location while unattended or after sunset.

Sec. 6-32. – Revocation; denial.

- (a) A license applied for or issued under section 6-30 may be denied or revoked for any of the following reasons:
 - (1) The licensee has violated any regulation or provision of this code applicable to the keeping, harboring, maintaining, caring for, or controlling of chickens.
 - (2) The licensee has failed to continuously comply with any conditions attached to the license.
 - (3) The licensee has been convicted of any crime in any jurisdiction that relates to the mistreatment of or cruelty toward animals.
- (b) The city council may revoke a license at any time after giving the licensee at least seven days' notice by registered mail at the licensee's address shown on the license application, or, if no address is shown, at the licensee's last-known address. The notice shall state the intention of the council to revoke the license and the reasons, and it shall give the licensee an opportunity to appear before the council at a date certain for the purpose of being heard with regard to the revocation.

SECTION 3. Hopkins City Code, Appendix A, which contains the City’s fee schedule, is hereby amended by adding the double-underlined language as follows:

<u>Chicken License</u>	<u>\$150.00</u>	<u>Initial Term or any changes requiring site plan review and re-inspection</u>
<u>Chicken License Re-Inspection</u>	<u>\$60.00</u>	<u>Re-inspection</u>
<u>Chicken License Renewal</u>	<u>\$30.00</u>	<u>Renewal – No changes.</u>

SECTION 4. In accordance with Section 3.03 of the City Charter and Minn. Stat. § 412.191, subd. 4, due to the significant length of this Ordinance, City staff shall have the following summary printed in the official City newspaper in lieu of the complete ordinance:

On August 18, 2020, the Hopkins City Council adopted Ordinance 2020-1156 that amends Chapter 6 of the Hopkins City Code. The purpose of amending the City Code is to allow for the chickens in single-family residential neighborhoods in the city. Council received requests earlier this year regarding chickens and asked staff to review the issue. By adding language regarding chickens, to our City Code, residents in single-family residential neighborhoods would have the option to have chickens on their property with certain restrictions and regulations.

A printed copy of the ordinance is available for inspection during regular business hours at Hopkins City Hall and is available online at the City’s web site located at www.hopkinsmn.com.

SECTION 5. The effective date of this ordinance shall be the date of publication.

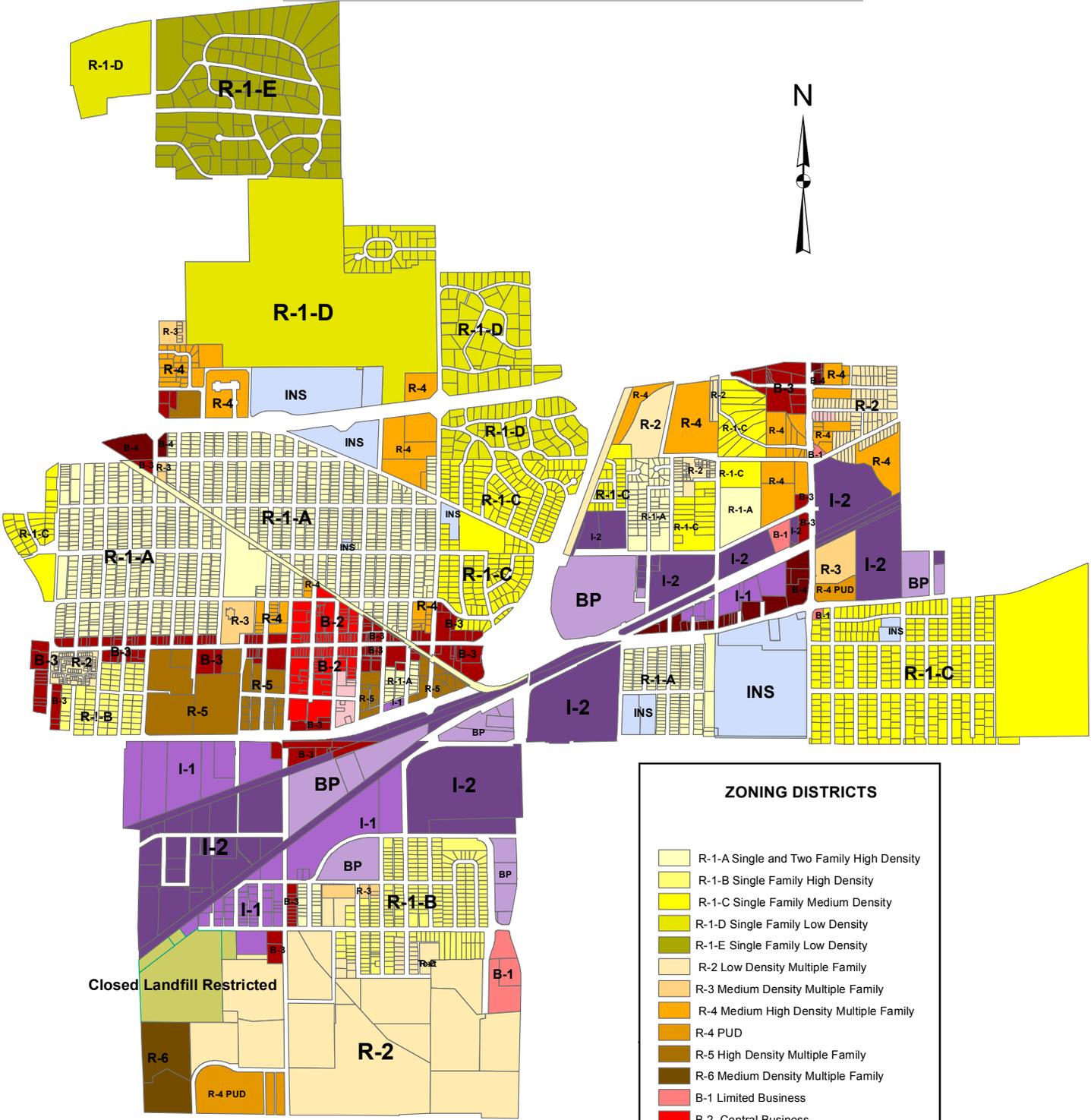
First Reading: August 4, 2020
 Second Reading: August 18, 2020
 Date of Publication: August 27, 2020
 Date Ordinance Takes Effect: August 27, 2020

By: _____
 Jason Gadd, Mayor

ATTEST:

 Amy Domeier, City Clerk

City of Hopkins Zoning Map



ZONING DISTRICTS	
	R-1-A Single and Two Family High Density
	R-1-B Single Family High Density
	R-1-C Single Family Medium Density
	R-1-D Single Family Low Density
	R-1-E Single Family Low Density
	R-2 Low Density Multiple Family
	R-3 Medium Density Multiple Family
	R-4 Medium High Density Multiple Family
	R-4 PUD
	R-5 High Density Multiple Family
	R-6 Medium Density Multiple Family
	B-1 Limited Business
	B-2 Central Business
	B-3 General Business
	B-4 Neighborhood Business
	Business Park
	Institutional
	I-1 Industrial
	I-2 General Industrial
	Mixed Use
	Closed Landfill Restricted (CLR)

August 4, 2020



City Council Report 2020-058

210 – 7th Avenue North Variance Request

Proposed Action: Move to adopt Resolution 2020-040, denying the variance request from Daniel Martin for the property located at 210 – 7th Avenue North (PID 24-117-22-13-0061).

Overview

The applicant, Daniel Martin, requests a variance from the two-family dwelling (duplex) minimum lot size standard in the R-1-A district. The subject property is located at 210 – 7th Avenue South in the Avenues neighborhood. Staff recommends denial of this request based on the finding that the applicant has not demonstrated a practical difficulty as required under Minnesota Statute 462.357, Subdivision 6. By denying this application, the City will uphold the goals and policies of the 2030 Comprehensive Plan and current zoning regulations for the R-1-A district as well as affirm the policy position of the draft 2040 Comprehensive Plan – Cultivate Hopkins and the Zoning Regulations Update Working Group to continue to protect single family neighborhoods while also considering revisions to the City’s existing zoning standards for accessory dwelling units. The Planning & Zoning Commission reviewed this application at their July 28, 2020 meeting and agreed with staff recommendation that the City deny this variance request.

Primary Issues to Consider

- Background
- Legal Authority
- Variance Review

Supporting Documents

- Resolution 2020-040
- Site Location Map
- Applicant’s Narrative
- Building Permit for 206 – 7th Avenue North
- Building Permit for 211 – 12th Avenue North
- Comments from Curt & Krista Dederich
- Comments from Tim Synder

Jason Lindahl, AICP
City Planner

Financial Impact: \$ <u> N/A </u> Budgeted: <u> </u> Y/N <u> </u> Source: _____ Related Documents (CIP, ERP, etc.): _____ Notes:
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BACKGROUND

The applicant, Daniel Martin, requests variance from the Two-family dwelling (duplex) minimum lot size standard in the R-1-A district. The R-1-A district requires a minimum lot size of 6,000 square feet for all properties and a minimum lot size of 7,000 square feet (3,500 square feet/unit) for a two-family dwelling (duplex). According to Hennepin County's property tax record, the applicant's property is 6,497 square feet. As a result, the applicant's lot exceeds the minimum lot size requirement for all properties by 497 square feet but falls below the two-family dwelling minimum lot size by 503 square feet.

The applicant provides a basis for the variance request in the attached narrative. The narrative asserts the applicant has a practical difficulty with meeting the zoning regulations and therefore the City should grant his request (see attached). His narrative also makes the following points in support of his request.

- My lot is already zoned for multifamily use. In my opinion, it would be a waste of Hopkins mass transit resources: bus line, biking trails, and soon to be light rail, to not capitalize on this opportunity to bring another family into this great community.
- More tax dollars for the city of Hopkins. My property value will go up once construction is complete, hence bringing in more tax dollars to the city, and increasing the average home value in my neighborhood.
- Bring more spendable money into Hopkins and its small businesses. More residents means more money that will be spent at Hopkins' small businesses.
- Due to the covid-19 pandemic, there is a looming recession and housing crisis that has not yet hit, but is predicted later in 2020. More rentals will be needed due to people losing their jobs and homes. I am currently in the position to help provide one more family with quality housing at a fair price.
- Since this will be an up/down duplex, and because the other duplexes listed in the compatibles section are mostly all side by side, I will have more usable lot space than the comparable listed. I currently have a one car garage and additional off street parking to accommodate 4+ vehicles. Almost all duplexes in Hopkins have fewer usable square footage and fewer parking spaces than the subject property.
- This property has a new 6 foot privacy fence with 20 screening trees to provide plenty privacy for the surrounding neighbors.

The applicant also provides five examples in his neighborhood of duplexes on properties that do not meet the minimum lot size requirement (see attached) for two-family dwelling in the R-1-A district. A search of City records for each of these properties finds all of the properties were constructed before the current zoning regulations for the R-1-A district were adopted in 1978. Two of the properties (202 – 7th Avenue North and 211 – 12th Avenue North) have original permits to allow a two-family dwelling in conformance with the zoning regulations in place at the time. However, the 3 other properties have no original permit information or permits showing a conversion from a single family dwelling to a two-family dwelling.

Planning & Zoning Commission Action. The Planning & Zoning Commission reviewed this item (Planning Application 2020-18) during their July 28, 2020 meeting. During the meeting, the Commission heard presentations from both staff and the applicant. There were no comments during the public hearing; however, prior to the meeting staff received four public comments on this item. Those comments were provided through two phone calls and two emails to staff. The calls came from Paolo Lovagnini (233 – 7th Avenue North) and Julie Boehmer (237 – 7th Avenue North). The email comments (see attached) came from Curt & Krista Dederich (221 –

8th Avenue North) and Tim Snyder (213 – 8th Avenue North). All four commenters cited concerns with the number of duplexes already in the neighborhood and the added vehicles and traffic that often come with them.

LEGAL AUTHORITY

City review of variance applications is a Quasi-Judicial action. Generally, if the application meets the review standards, the variance should be approved. However, the City may choose to add conditions of approval that are directly related to and bear a rough proportionality to the impact created by the variance.

The standards for reviewing variances are detailed in Minnesota State Statute 462.357, Subdivision 6. In summary, variances may be granted when the applicant demonstrates there are "practical difficulties" in complying with the zoning regulations. Under this law, economic considerations alone do not constitute a practical difficulty. Additionally, the City may not permit as a variance any use that is not allowed under the zoning ordinance for property in the zone where the affected person's land is located.

VARIANCE REVIEW

Staff reviewed the variance request against the standards detailed in Minnesota State Statute 462.357, Subdivision 6. Practical difficulties are determined through review of the five questions listed below. Staff recommends denial of the applicant's variance request because the applicant is unable to demonstrate practical difficulty with complying with the zoning regulations.

1. Is variance in harmony with purposes and intent of the ordinance?

Finding: The requested variance is not in harmony with the purpose and intent of the zoning ordinance. The R-1-A zoning district requires a 7,000 square foot minimum lot for two-family dwellings. The applicant's property is 6,497 square feet or 503 square feet smaller than required. Granting the variance would allow a two-family dwelling on a lot smaller than allowed.

2. Is the variance consistent with the comprehensive plan?

Finding: The requested variances is inconsistent with the comprehensive plan. The 2030 Comprehensive Plan's Future Land Use Map guides the subject property as LDR – Low Density Residential. The Land Use and Development chapter cites the preservation and protection of existing residential neighborhoods as one of the city's most important priorities.

Goal - The City will work to protect land use patterns that continue to support single family homes. Policies supporting this goal include:

- Work to protect the integrity and long-term viability of its low-density residential neighborhoods and strive to reduce the potential negative effects of nearby commercial or industrial land through zoning, site plan reviews, and code enforcement.
- Ensure that the infilling of vacant parcels and the rehabilitation of existing developed land will be in accordance with uses specified in the Comprehensive Plan.
- Work to assure strong and well-maintained neighborhoods.

It should be noted that accessory dwelling units (ADUs) were discussed by the comprehensive plan advisory committee and City Council during development of the 2040 Comprehensive Plan – Cultivate Hopkins. As a result, the 2040 plan includes goals and policies that maintains the

goal to protect single family neighborhoods while also considering revisions to the City's existing zoning standards for ADU's. This policy position was confirmed by the members of the Zoning Regulations Update Advisory Working Group.

3. Does proposal put the property to use in a reasonable manner?

Finding: The proposal does not put the property to use in a reasonable manner. The applicant has a property that meets the minimum lot size standards for the R-1-A district and allows reasonable use as a single family dwelling. Granting the variance would allow the applicant additional property rights not afforded other property owners in the same district.

4. Are there unique circumstances to the property not created by the landowner?

Finding: There are not unique circumstances to the property that were not created by the landowner that support granting the requested variance. Under this standard, the applicant must demonstrate the issues that prevent them from using the subject property as a two-family dwelling were caused by circumstances unique to the property and were not caused by the owner. Staff finds there are no unique circumstances to this property that prevent it from meeting the minimum lots size requirement. Other properties in this same zoning district were platted or have added area to meet the zoning standards for a two-family dwelling and any other property of this size in this same zoning district would also be prohibited from redeveloping as a two-family dwelling.

5. Will the variance, if granted, alter the essential character of the locality?

Finding: Granting the requested variance would alter the essential character of the surrounding area. The zoning standards for the R-1-A district specifically prohibit properties of this size from developing as a two-family dwelling. Granting the requested variance would allow this property to redevelop into a two-family dwelling on a property smaller than allowed in the R-1-A district.

ALTERNATIVES

1. Approve the requested variance. By approving of the application, the City will reduce the two-family dwelling minimum lot size requirement for this property and allow the proposed two-family dwelling use, subject to the other development standards of the R-1-A district. Should the City Council consider this option, it must also identify specific findings that support this alternative and should direct staff to prepare an approval resolution to be brought back at the City Council's next meeting.
2. Deny the requested variance as recommended by the Planning & Zoning Commission and staff. By denying this application, the City will uphold the goals and policies of the 2030 Comprehensive Plan and current zoning regulations for the R-1-A district as well as affirm the policy position of the draft 2040 Comprehensive Plan – Cultivate Hopkins and the Zoning Regulations Update Working Group to continue to protect single family neighborhoods while also considering revisions to the City's existing zoning standards for accessory dwelling units.
3. Continue for further information. This item should be continued if the City Council finds that further information is needed.

**CITY OF HOPKINS
HENNEPIN COUNTY, MINNESOTA**

RESOLUTION 2020-040

**A RESOLUTION DENYING THE VARIANCE REQUEST FROM
DANIEL MARTIN FOR THE PROPERTY LOCATED AT
210 – 7TH AVENUE NORTH (PID 24-117-22-13-0061)**

WHEREAS, the City of Hopkins (the “City”) is a municipal corporation, organized and existing under the laws of the State of Minnesota; and

WHEREAS, Daniel Martin (the “Applicants”) is the fee owner 210 – 7th Avenue North legally described below:

Lot 010, Block 086 West Minneapolis 2nd DIVISION, Hennepin County, Minnesota.

(the “Property”); and

WHEREAS, the Property is zoned R-1-A, Single and Two Family High Density; and

WHEREAS, the City has adopted a zoning ordinance and other official controls for reasons that include, but are not limited to, protecting the character of properties and areas within the community, promoting the proper use of land and structures, fixing reasonable standards to which buildings, structures and land must conform for the benefit of all, and prohibiting the use of buildings, structures and lands in a manner which is incompatible with the intended use or development of lands within the specified zones; and

WHEREAS, City Code Part III, Chapter 102, Article V, Section 102-160 requires two-family dwelling to have a minimum lot size of at least 3,500/unit (or 7,000 square feet); and

WHEREAS, pursuant to the aforementioned code provisions, the Applicant has made a request to the City for a minimum lot size variance in order to rehabilitate his existing one-family dwelling into a two-family dwelling; and

WHEREAS, pursuant to Minnesota Statutes, section 462.357, subd. 6(2), “[v]ariations shall only be permitted when they are in harmony with the general purposes and intent of the ordinance and when the variations are consistent with the comprehensive plan. Variations may be granted when the applicant for the variance establishes that there are practical difficulties in complying with the zoning ordinance. "Practical difficulties," as used in connection with the granting of a variance, means that the property owner proposes to use the property in a reasonable manner not permitted by the zoning ordinance; the plight of the landowner is due to circumstances unique to the property not created by the landowner; and the variance, if granted, will not alter the essential character of the locality. Economic considerations alone do not constitute practical difficulties.”; and

WHEREAS, on July 28, 2020, pursuant to the procedural requirements contained in Article III, Section 102-91 of the City Code, the Hopkins Planning and Zoning Commission (the “Commission”)

held a public hearing on the Applicant's requested variance and all persons present were given an opportunity to be heard. The Commission also took into consideration the written comments and analysis of City staff; and

WHEREAS, following its public hearing, the Commission adopted Planning & Zoning Commission Resolution 2020-05, which recommends that the City Council deny the Applicant's request for a variance and makes specific findings regarding said request; and

WHEREAS, based on a review of the Applicant's request and their submissions, the written staff report, and after careful consideration of all other written and oral comments concerning the requested variance, the Commission makes the following findings of fact with respect to the aforementioned criteria provided in Minnesota Statutes, section 462.357, subd. 6(2):

1. Is variance in harmony with purposes and intent of the ordinance?

Finding: **The requested variance is not in harmony with the purpose and intent of the zoning ordinance.** The R-1-A zoning district requires two-family dwelling to have a minimum lot size of at least 3,500/unit (or 7,000 square feet). The applicant's property is 6,497 square feet or 503 square feet smaller than required. Granting the variance would allow a two-family dwelling on a lot smaller than allowed.

2. Is the variance consistent with the comprehensive plan?

Finding: **The requested variances is inconsistent with the comprehensive plan.** The 2030 Comprehensive Plan's Future Land Use Map guides the subject property as LDR – Low Density Residential. The Land Use and Development chapter cites the preservation and protection of existing residential neighborhoods as one of the city's most important priorities.

Goal - The City will work to protect land use patterns that continue to support single family homes. Policies supporting this goal include:

- Work to protect the integrity and long-term viability of its low-density residential neighborhoods and strive to reduce the potential negative effects of nearby commercial or industrial land through zoning, site plan reviews, and code enforcement.
- Ensure that the infilling of vacant parcels and the rehabilitation of existing developed land will be in accordance with uses specified in the Comprehensive Plan.
- Work to assure strong and well-maintained neighborhoods.

3. Does proposal put property to use in a reasonable manner?

Finding: **The proposal does not put the property to use in a reasonable manner.** The applicant has a property that meets the minimum lot size standards for the R-1-A district and allows reasonable use as a single family dwelling. Granting the variance would allow the applicant additional property rights not afforded other property owners in the same district.

4. Are there unique circumstances to the property not created by the landowner?

Finding: **There are not unique circumstances to the property that were not created by the landowner that support granting the requested variance.** Under this standard, the applicant must demonstrate the issues that prevent them from using the subject property as a two-family dwelling were caused by circumstances unique to the property and were not caused by the owner. Staff finds there are no unique circumstances to this property that prevent it from meeting the minimum lots size requirement. Other properties in this same zoning district were platted or have added area to meet the zoning standards for a two-family dwelling and any other property of this size in this same zoning district would also be prohibited from redeveloping as a two-family dwelling.

5. Will the variance, if granted, alter the essential character of the locality?

Finding. **Granting the requested variance would alter the essential character of the surrounding area.** The zoning standards for the R-1-A district specifically prohibit properties of this size from developing as a two-family dwelling. Granting the requested variance would allow this property to redevelop into a two-family dwelling on a property smaller than allowed in the R-1-A district.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hopkins that the recitals set forth in this Resolution are incorporated into and made part of this Resolution, and more specifically, constitute the express findings of the City Council.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the City Council of the City of Hopkins that based on the findings of fact contained herein, the City Council hereby denies the Applicant's requested variance for the real property located at 210 – 7th Avenue North (PID 24-117-22-13-0061).

Adopted this 4th day of August, 2020.

Amy Domeier, City Clerk

Jason Gadd, Mayor

Site Location Map for 210 – 7th Avenue North



Addendum A to Supplemental Data For Variance

Sec 1: Practical Difficulties

1. The variance request is in harmony with the purposes and intent of the ordinance: I can only assume the ordinance was created to ensure there is enough usable yard space for multiple families. I can assure you this yard has more, and will have more after construction, usable yard space than most if not almost all duplexes in this neighborhood. Most duplexes are side by side, which means more of the lot is used by the building. I will not be building out, but plan to build up, leaving more usable lot space than a typical side by side.
2. The variance is consistent with the comprehensive plan: The lot is already zoned for multifamily use. Granting the variance would be consistent with the city's comprehensive plan.
3. Granting of the variance allows reasonable use of the property: Yes.
4. There are unique circumstances to the property which are not created by the landowner: The lot was partitioned off back in the 1940's. At that time, a person could build a duplex on this lot. Since then, an ordinance was created to ensure multifamily dwellings have enough lot space for each family. In my opinion, this ordinance should have taken into consideration the footprint of the building on that lot to determine a true usable lot size for each family.
5. Granting of the variance does not alter the essential character of the locality. A large number of properties in this area are duplexes. The home's character will not change, nor will the neighborhood.

Sec 2: Additional information

I am asking for a variance to move ahead on converting my 1.5 story home to a 2 story, and converting that to a duplex. Please see the reasons listed to support my request for a variance to build:

- A) My lot is already zoned for multifamily use. In my opinion, it would be a waste of Hopkins mass transit resources: bus line, biking trails, and soon to be light rail, to not capitalize on this opportunity to bring another family into this great community.
- B) More tax dollars for the city of Hopkins. My property value will go up once construction is complete, hence bringing in more tax dollars to the city, and increasing the average home value in my neighborhood.
- C) Bring more spendable money into Hopkins and it's small businesses. More residents means more money that will be spent at Hopkins's small businesses.
- D) Due to the covid-19 pandemic, there is a looming recession and housing crisis that has not yet hit, but is predicted later in 2020. More rentals will be needed due to people losing their jobs and homes. I am currently in the position to help provide one more family with quality housing at a fair price.

E) Since this will be an up/down duplex, and because the other duplexes listed in the compatibles section are mostly all side by side, I will have more usable lot space than the comparable listed. I currently have a one car garage and additional off street parking to accommodate 4+ vehicles. Almost all duplexes in Hopkins have fewer usable square footage and fewer parking spaces than the subject property.

F) This property has a new 6 foot privacy fence with 20 screening trees to provide plenty privacy for the surrounding neighbors.

Sec 3: Comparables

206 7th Ave N = 6496ft²

202 7th Ave N = 6496ft²

201 8th Ave N = 6758ft²

205 12th Ave N = 6096ft²

211 12th Ave N = 6102ft²

Topographic Map

Diagram shows ample parking for 4+ vehicles



Shows yard space compared to some of the properties listed in "Sec 3: Comparables" in Addendum A.

210 7th Ave N:



202 & 206 7th Ave N:



211 12th Ave N



Topographic Map

Diagram shows ample parking for 4+ vehicles



Shows yard space compared to some of the properties listed in "Sec 3: Comparables" in Addendum A.

210 7th Ave N:

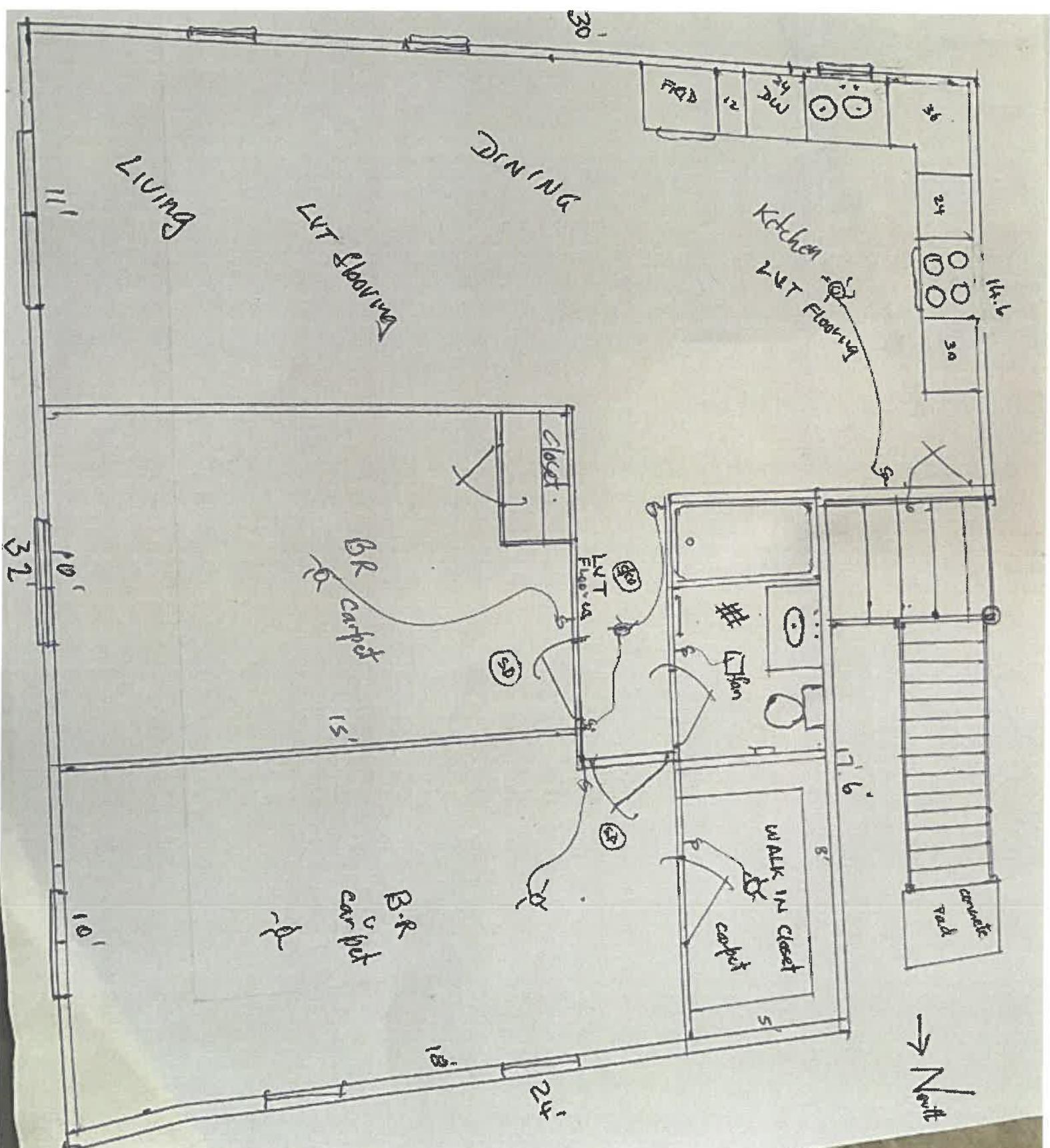


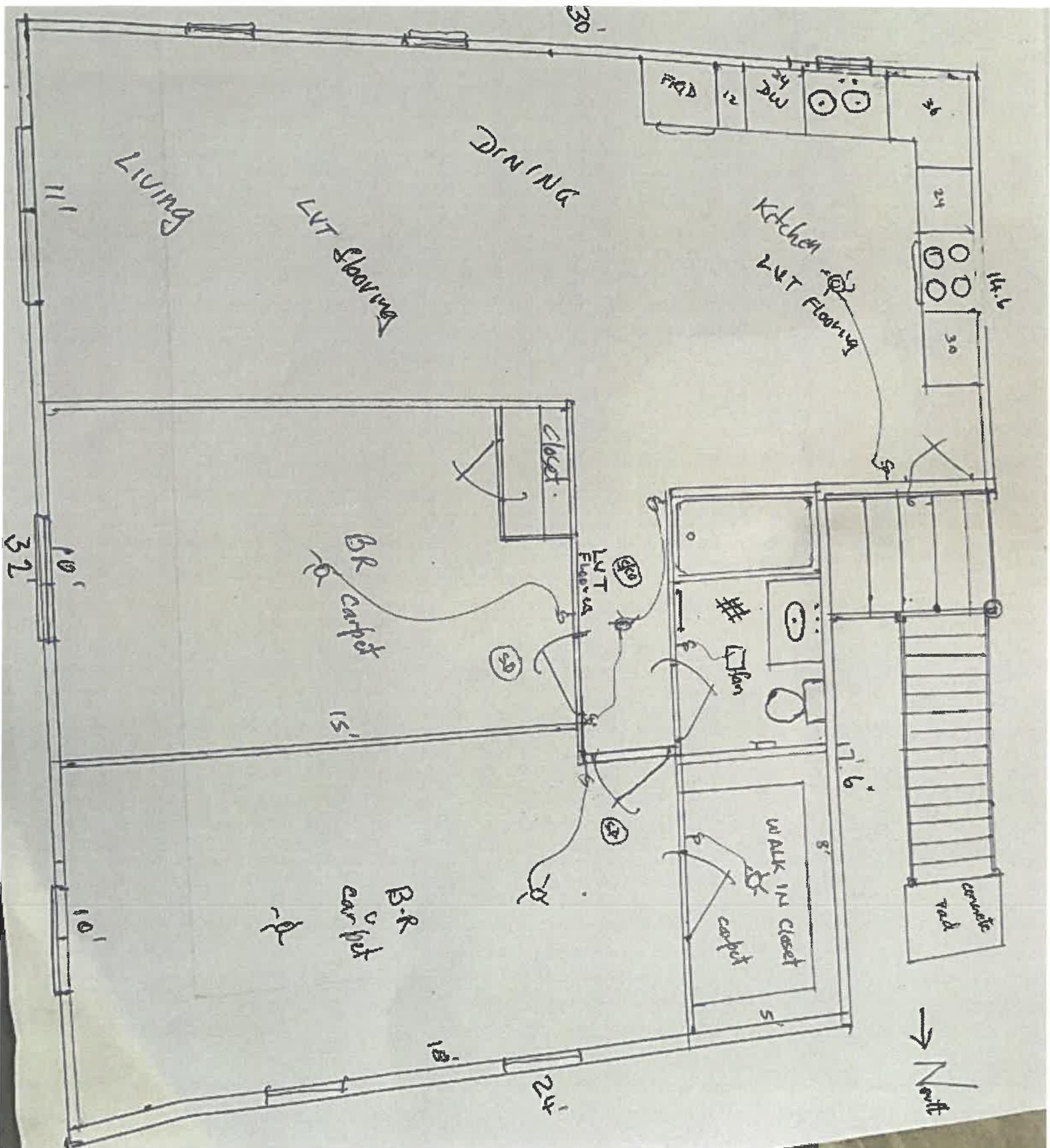
202 & 206 7th Ave N:



211 12th Ave N







Permit No. 53722
Issued 9/24/53

W. C. Gill

690-4880

City of Hopkins

Application for Building Permit

For Permit to Build (), Alter (), Move () Buildings

Date 9/24/53

Location also 208 206-7th Av. N

Builder Evelyn Gill Location 9000 Cedar Lake Rd

Owner Mrs Christine Larson Location ✓

Type of Building

- Single Dwelling ()
- 2-Family Dwelling ()
- Private Garage ()
- Multiple Dwelling ()
- Commerical ()
- Industrial ()
- Addition ()

Lot Number 11, Block No. 86, Description W. Hpls. 2nd

Lot size, 50 feet wide, 130 feet deep. Corner (), Alley ()

Survey of Plot attached (), Surveyor C.E. Coulter

Building

Size, 32'-8" feet wide, 55 feet long, 1 stories.

Foundation, Footings (), Piers (), Part Basement (), Full Basement ().
Material, Concrete (), Block (), Masonry ().

Walls of Structure, 1st Floor _____, 2nd Floor _____, Thickness _____
(Frame, Stucco, Brick veneer, cement block, etc.)

Yards, Front 28 ft., Rear _____ ft., Left side _____ ft., Right side _____ ft.

Estimated cost of improvement to owner \$ 17,000 Fee \$ 1800

I hereby certify that the above information is correct and true.

E. Gill

Owner, Builder, or Agent

Additional Information _____

Survey slip required on new construction.

Complete diagram on back of this sheet for additions, garages, etc.

Application to be filed in Triplicate with Building Inspector, with proper fee. When approved, the Third copy will be returned.

Construction can not be started until the application is approved and Permit Granted.

690-5930

City of Hopkins, Minnesota

Application

For Permit to Build (✓), Alter (), Move () Buildings

Permit Number 74

Date 4/7/50

Applicant D.A. Kopesky Address 118-5th Ave. N

Type of Building

- Single Dwelling () Private Garage () Industrial ()
2-Family Dwelling (✓) Public Garage () Addition ()
Multiple Dwelling () Commercial ()

Location

East side, House Number 209-211-12th Ave No Street
Lot Number 15, Block No. 90, Description West Mpls. 2nd
Lot size, 50 feet wide, 122.23 feet deep. Corner (), Alley (✓)
Survey of Plot attached (), Surveyor H. Hostrand
Zone, Fire Limits (✓)

Owner, Name D.A. Kopesky Address 118-5th Ave. N

Building

Size, 32 feet wide, 62 feet long, 1 stories.
Foundation, Footings (✓), Piers (), Part Basement (), Full Basement (✓).
Material, Concrete (✓), Block (✓), Masonry ()
Walls of Structure, 1st Floor Frame, 2nd Floor -, Thickness 6"
Yards, Front 31.5 ft., Rear 28.73 ft., Left side 9 ft., Right side 9 ft.
Volume of building cu. ft., Area 1st floor 1984 sq. ft.

Estimated cost of improvement to owner \$ 14000 Fee \$ 1500

I hereby certify that the above information is correct and true.

D.A. Kopesky
Owner, Builder, or Agent

Additional Information

How Financed FHA Private Public

Complete diagram on back of this sheet.

Application to be filed in duplicate with Building Inspector, with proper fee. When approved, the duplicate copy will be returned marked APPROVED, attached to the Building Permit.

Construction can not be started until the application is approved and Permit Granted.

From: [Curt Dederich](#)
To: [Jason Lindahl](#)
Subject: [EXTERNAL] re: variance request for 210 7th Avenue North
Date: Tuesday, July 28, 2020 11:52:32 AM

Mr. Lindahl,

This is in regard to the request for a variance at 210 7th Avenue North.

We have some reservations about this request.

There are already a good number of duplexes/rentals on this block of 7th Avenue N, including 3 houses very close to this property. We are concerned that adding another duplex/rental would push the block out of a healthy balance of rentals, duplexes, and single-family dwellings.

Due to the existing number of rental properties and duplexes on 7th Avenue N., we would prefer not to have yet another rental/duplex dwelling added to this portion of the neighborhood.

Thanks for your consideration,
Curt & Krista Dederich

From: [tsrinc](#)
To: [Jason Lindahl](#)
Subject: [EXTERNAL] 210 7th ave n
Date: Monday, July 20, 2020 12:21:10 PM

Jason

To whom it may concern

I am concerned that if the property at 210 7th ave n becomes a duplex

That it will add more vehicles to an already overcrowded street parking situation. The backyard and garage already being filled with motorcycles ,trailers, large r.v.

Etc. Thank you

Tim

213 8th ave n

Sent from my Sprint Samsung Galaxy S10e.

August 4, 2020,



City Council Report 2020-057

425 Madison Avenue Concept Plan Review

Proposed Action: As a concept review, this application does not require formal action by the Planning & Zoning Commission or City Council. Rather, the applicant requests feedback on the proposals so they can work toward preparing a future, formal submittal. Any comments provided by the Planning & Zoning Commission or City Council shall be for guidance only and shall not be considered binding upon the City regarding any future, formal application.

Overview

The applicant, Xijing Zhang, requests concept plan review of the proposal to subdivide the existing 1.48 acre single family property into three (3) single family lots. The proposal would keep the existing single family home and divide the remaining area into two (2) new single family lots for future development. The subject property is located at 425 Madison Avenue North, just east of Highway 169 between Highway 7 and 2nd Street Northeast. The Planning & Zoning Commission reviewed this application during their July 28, 2020 regular meeting and was generally supportive of the concept plan.

The site is currently guided by the 2030 Comprehensive Plan as LDR - Low Density Residential and zoned R-1-C, Single Family Medium Density. As such, this staff report reviews the concept plan against the R-1-C zoning standards. Based on the review detailed below, it is likely the applicant will also need approval of a Planned Unit Development (PUD) to allow flexibility from some of the R-1-C Standards in exchange for a high quality development. This report summarizes the concept proposal, reviews the proposal against the R-1-C district development standards and outlines a likely formal review process.

Primary Issues to Consider

- Background
- Subdivision Design
- Land Use & Zoning Review
- Engineering Comments
- Potential Review Process

Supporting Documents

- Site Location Map
- Concept Plans

Jason Lindahl, AICP
City Planner

Financial Impact: \$ <u> N/A </u> Budgeted: <u> </u> Y/N <u> </u> Source: _____ Related Documents (CIP, ERP, etc.): _____ Notes: _____
--

PLANNING & ZONING COMMISSION ACTION

The Planning & Zoning Commission held a public hearing to review this item (Planning Application 2020-16) during their July 28, 2020 regular meeting. During that meeting, the Commission heard presentations from both staff and the applicant. No public hearing is required for concept plan review. The Planning & Zoning Commission was generally supportive of the concept plan but had questions about the shared access and driveway for lots 1 and 2 and about the adjacent creek. Staff answered that the shared driveway was the best overall design given the limited amount of street frontage along Madison Avenue. The applicant agreed and added that they would prefer to keep future construction activity on lots 1 and 2 on a separate driveway to limit impact to their property. The applicant added that they had completed a wetland survey of the adjacent creek and none of it is located on their property. Staff added that the applicant will also be required to receive approval from the Minnehaha Creek Watershed District.

BACKGROUND

The 1.48 acre subject property was originally subdivided as part of the Campbell Third Addition plat in 1958. However, the existing single family home appears to pre-date the creation of the lot as it was built in 1950. The applicant purchased the property in 2017 and is using it as a single family home and plans to remain in the property after the subdivision. The concept plan would subdivide the subject property in such a way as to keep the existing single family home and create two new single family lots for future development.

SUBDIVISION DESIGN

To facilitate the proposed concept plan, the applicant would need to subdivide the subject property. As proposed, the concept plan subdivision would likely meet or exceed the requirements of the zoning ordinance with the exception of lot width and lot frontage along a public street. The applicant should revise their plans to provide an equal amount of street frontage for each lot. However, even with this change the approval process for this application will include subdivision through a preliminary and final plat and a planned unit development (PUD) to deviate from the lot width and lot frontage requirements (see PUD section below).

Access to the three proposed lots would be provided through two curb cuts. The existing curb cut will be modified to provide a shared access to the two new single family lots. In addition, the applicant plans to add a new curb cut to provide a separate private access to the existing single family home.

With any subdivision, the City has the ability to collect park dedication in the form of land or a fee. The standard park dedication fee for single family residential subdivisions is \$1,000 per unit. Based on the concept plan's 2 new lots, this project would be required to pay park dedication of \$2,000.

LAND USE & ZONING REVIEW

The land use and zoning section reviews the concept plans against the goals and policies in the comprehensive plan (both 2030 and draft 2040) as well as the specific zoning standards of the R-1-C district. Staff's review and findings related to each standard are provided below.

Land Use. The Subject property is guided LDR – Low Density Residential by the 2030 Comprehensive Plan. According to the narrative for this land use classification, it allows for

single family detached residential dwelling at 1 to 7 units per acre. By comparison, the 2040 Comprehensive Plan Update – Cultivate Hopkins guides this property as Traditional Urban, which allows for moderate density residential neighborhoods and accessory uses such as parks and neighborhood scaled public and institutional uses. Densities in this area typically range from 5-12 units per acre. As proposed, the single family lots will have a densities between 1.6 and 2.5 units per acre.

Zoning. The subject property is zoned R-1-C, Single Family Medium Density. The table below compares the development standards for this district with those shown in the concept plan. As proposed, the concept plan meets or exceeds the development standards for the R-1-C district with the exception of lot width and lot frontage along a public right-of-way (street). Based on the overall design, staff supports using a planned unit development (PUD) to allow these minor deviations (see PUD section below).

425 Madison Avenue North Concept Plan Zoning Comparison			
Development Category	R-1-C Standard	Concept Plan Proposal	Status
Lot Frontage	80'	Lot 1 – 37' Lot 2 – 38' Lot 3 – 25'	Non-Conforming
Lot Width	80'	Lot 1 – 37' Lot 2 – 38' Lot 3 – 25'	Non-Conforming
Lot Area	12,000	Lot 1 – 17,228 SF Lot 2 – 20,025 SF Lot 3 – 27,031 SF	Exceeds Standard
Front Setback	30'	Lot 1 – 30' Lot 2 – 30' Lot 3 – 30'	Conforming
Side Setbacks	1-Story=10' 2-Story=12' 3-Story=14'	Lot 1 – 12' Lot 2 – 12' Lot 3 – 12'	Conforming
Rear Setback	35'	Lot 1 – 35' Lot 2 – 35' Lot 3 – 35'	Conforming
Max. Building Coverage	35%	N/A	Undetermined
Max. Building Height	35'	N/A	Undetermined

Planned Unit Development. The purpose of a planned unit development is to allow flexibility from traditional development standards in return for a higher quality development. Typically, the City looks for a developer to exceed other zoning standards, building code requirements or meet other goals of the Comprehensive Plan. In exchange for the flexibility offered by the planned unit development, the applicant is expected to detail how they intend to provide a higher quality development or meet other City goals. A list of items to consider when evaluating the use of a planned unit development for this site could include, but is not limited to, the items listed below.

- Larger lots than required by the ordinance (already provided)
- Architectural design and building materials
- Energy conservation and renewable energy

- Natural resource protection and storm water management
- Buffering and landscaping
- Pedestrian and bicycle facilities

ENGINEERING COMMENTS

The Engineering Department completed an initial review of the applicant's concept plans. Based on this review, the Engineering Department offers the following comments.

- All utility services would need to be on their respective properties (including the existing home), or easements will need to be created.
- We would require the sanitary service connection to an extension of the 8" main in Madison Avenue
 - The 33" trunk to the north is approximately 15' deep in very wet soils
 - Without doing research into the easement that the line is laid, it is unclear if another private connection could actually be made across the private property.
 - Maintenance and access become significant issues on rear lot service connections.
- The shared driveway would require a signed agreement or easement to avoid any future issues.
- Utility and street work would require plans signed by a licensed engineer.

POTENTIAL REVIEW PROCESS

Based on the applicant's concept plan, staff anticipates this project will need the approval listed below. The applicant should use feedback from the Planning & Zoning Commission and City Council to prepare these applications.

- Subdivision through a preliminary and final plat
- Rezoning from R-1-C, Single Family Medium Density to R-1-C, Single Family Medium Density with a Planned Unit Development (PUD)
- Execution of a Planned Unit Development Agreement
- Approvals from the Minnehaha Creek Watershed District
- Building permits for new single family homes on the 2 new lots

Site Location Map for 425 Madison Avenue North





FINANCE DEPARTMENT

CITY OF HOPKINS

Memorandum

To: Honorable Mayor and Council Members
Mike Mornson, City Manager

From: Nick Bishop, Finance Director

Date: August 4, 2020

Subject: 2019 Audit and Comprehensive Annual Financial Report (CAFR)

PURPOSE

Informational

INFORMATION

CliftonLarsonAllen, LLC has completed the City's Audit for the year ended December 31, 2019. John Lorenzini, Manager and Lance Lauinger, Senior Associate will present the results of the audit. Dennis Hoogeveen, Principal will also be available for questions. A copy of their presentation and Executive Audit Summary are attached. Due to its size, the CAFR will be provided by email. It is also available on the City's website: <http://www.hopkinsmn.com/ArchiveCenter/ViewFile/Item/331>

FUTURE ACTION

None

City of Hopkins, Minnesota

Audit Presentation

- Council -

Year Ending
December 31, 2019

Meeting Date
Tuesday, August 4, 2020



WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor



Create Opportunities

Audit Team

Your audit team consisted of the following professionals with extensive experience in governmental accounting and auditing:

- Dennis Hoogeveen – Principal (30 years)
- John Lorenzini – Manager (12 years)
- Lance Lauinger – Senior Associate (4 years)
- Charlie Hynes, Tomi Ogundare (Associates)

Audit Results

- Audit Opinion:
 - The City has an unmodified (clean) opinion for the December 31, 2019 financial statement audit.
- Internal Controls over Financial Reporting:
 - Material Weakness – None
 - Significant Deficiencies – None
- Minnesota Legal Compliance:
 - No legal compliance findings

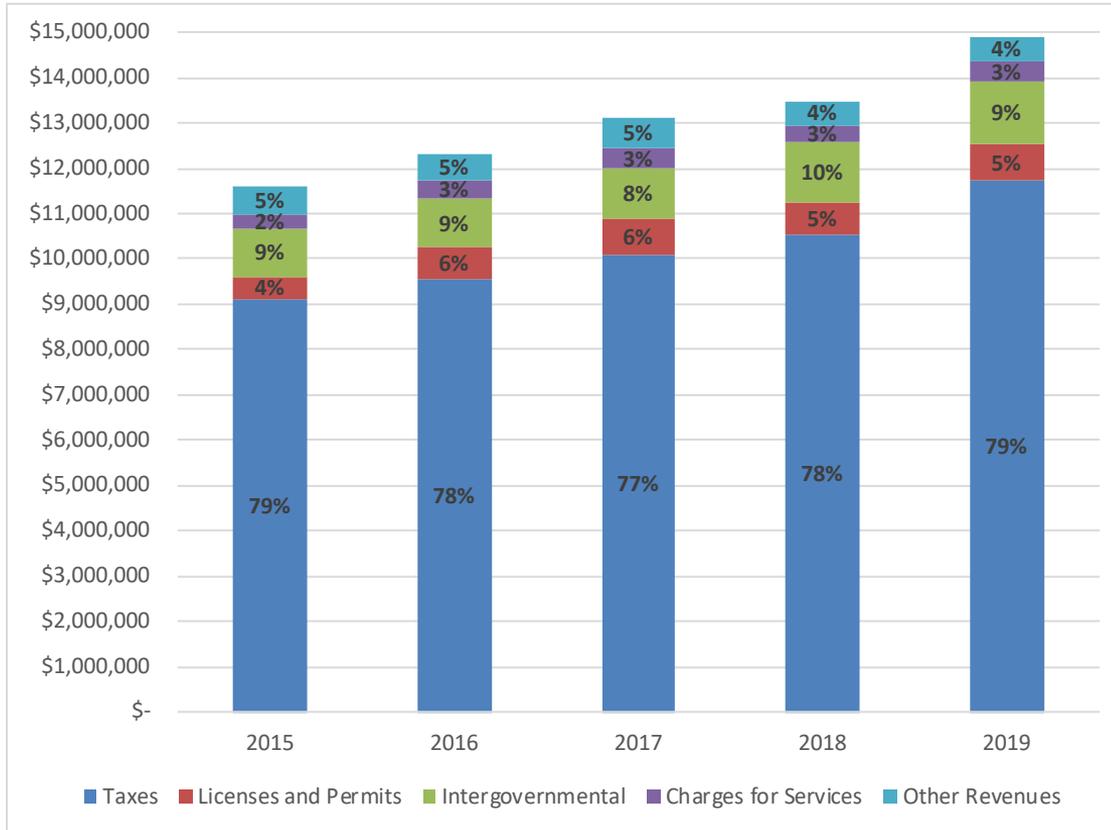
Required Communications

- No New Accounting Policies
- Accounting Estimates
- Difficulties performing the audit (None)
- Uncorrected misstatements (“passed adjustments”)
 - Timing of State Fire Relief Aid
- Corrected misstatements (“audit adjustments”)
 - No material audit adjustments
- Disagreements with management (None)

Financial Results

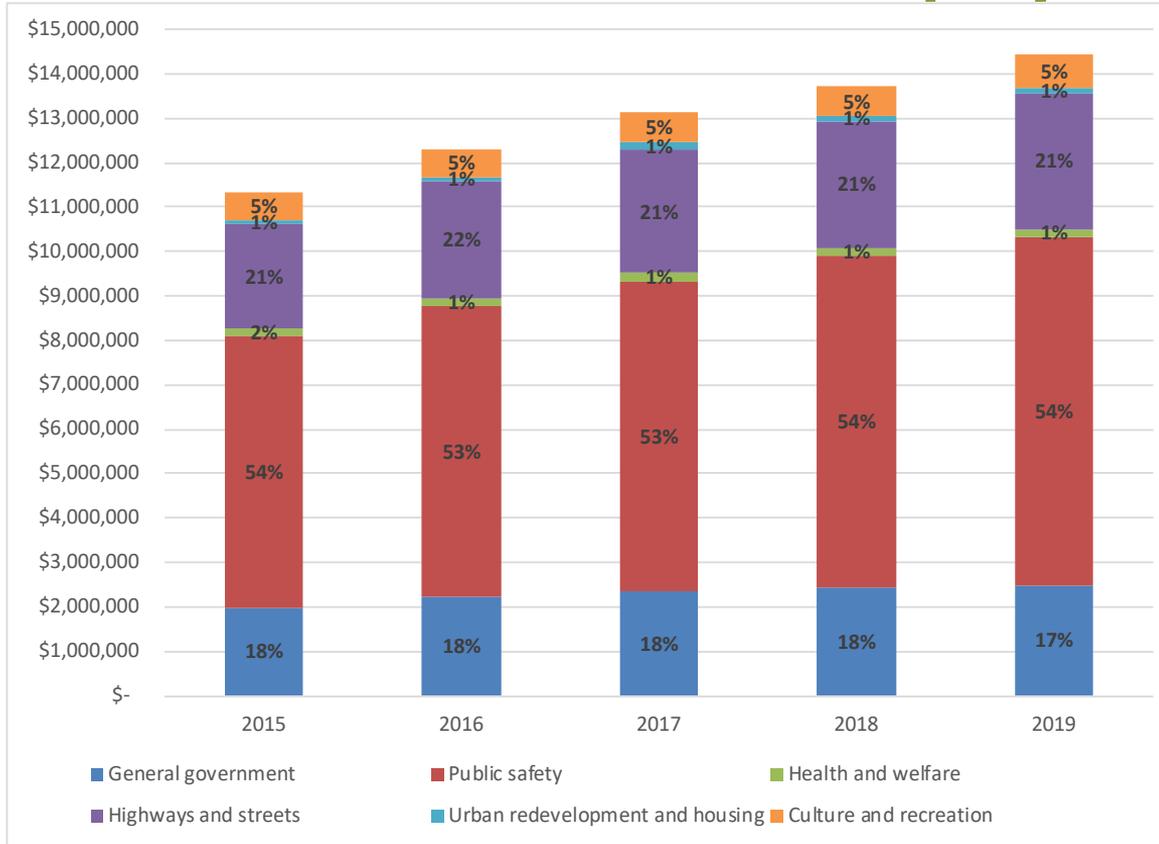
- Governmental Funds fund balances totaled \$21.6 million, an increase of \$1.8M from 2018
 - Positive operating results in the General Fund
 - Recognition of previously deferred grant revenue
 - 2019A and 2019B bonds issuance
- General Fund Revenues were \$504K or 3.4% higher than budget
- General Fund Expenditures were \$38K or 0.3% higher than budget
- Unassigned fund balance of the General Fund totaled \$5.6M
 - 39% of annual expenditures, approx. 5 months
 - State Auditor - 35%-50%, or 5 months
 - City Policy – 42%, or 5 months

Financial Results – Gen Fund Revs by Source



- 79% - Taxes
- 5% - Licenses and Permits
- 9% - Inter-governmental
- 3% - Charges for Services
- 4% - Other Revenues

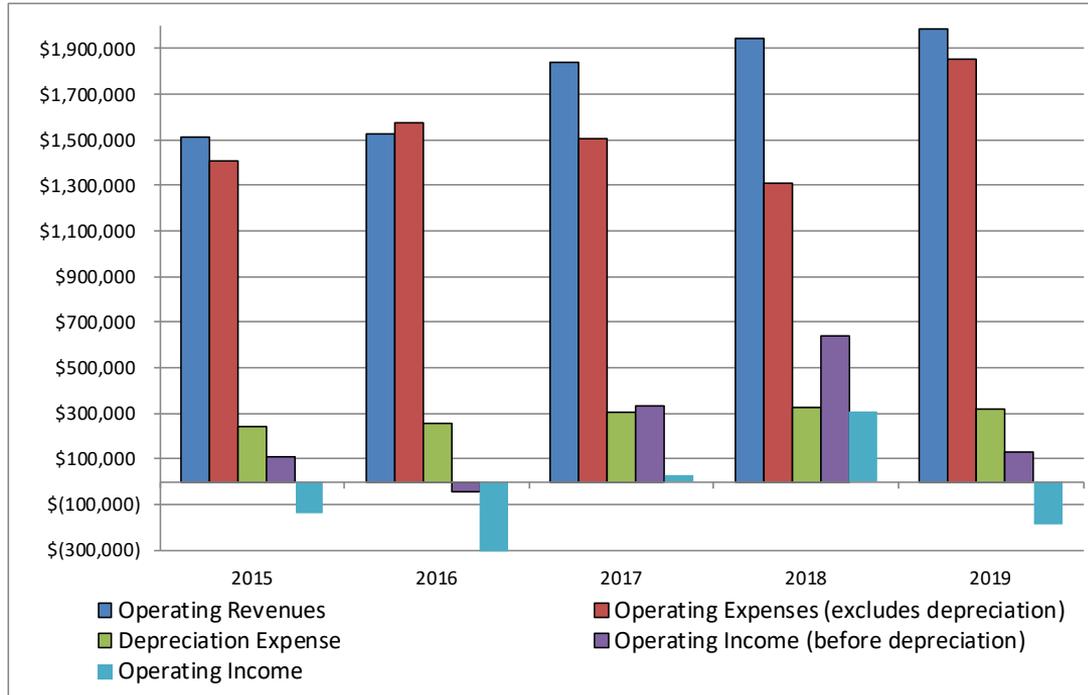
Financial Results – Gen Fund Exp by Dept.



- 17% - General Government
- 54% - Public Safety
- 1% - Health and Welfare
- 21% - Highways and streets
- 1% - Urban Redevelopment and Housing
- 5% - Culture and Recreation

Financial Results

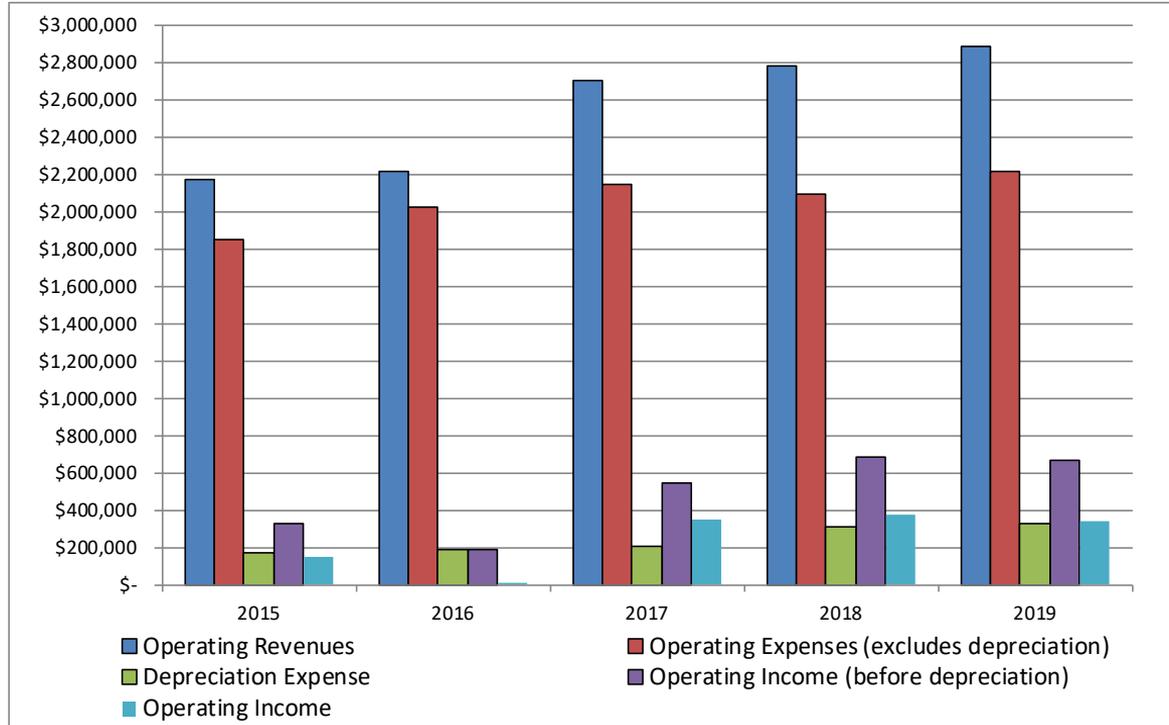
Water Fund Operations



- Operating revenues increased 2.0% (or \$39K) from prior year
- Operating expenses up 41.6% (or \$545K) from prior year
- Cash flow provided by operations \$126K in 2019

Financial Results

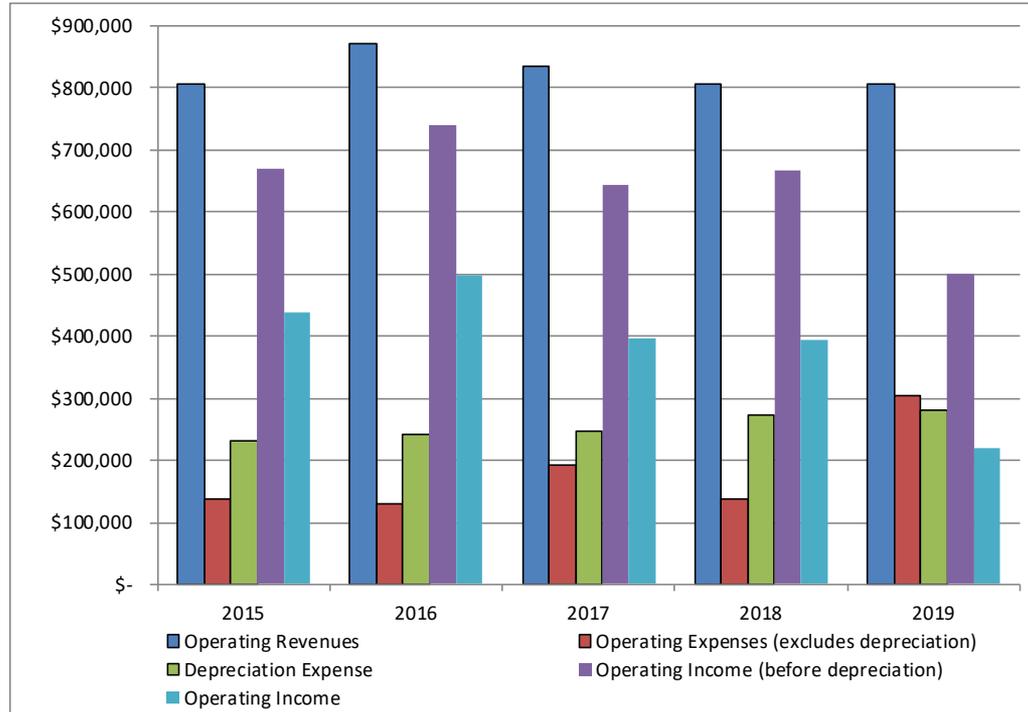
Sewer Fund Operations



- Operating revenues increased 3.6% (or \$100K) from prior year
- Operating expenses up 5.5% (or \$116K) from prior year
- Cash flow provided by operations \$759K in 2019
- Covering depreciation

Financial Results

Storm Sewer Fund Operations



- Operating revenues within \$500 of prior year
- Operating expenses up 120.1% (or \$166K) from prior year
- Cash flow provided by operations \$512K in 2019
- Covering depreciation

Emerging Issues

- Effective December 31, 2020 year-end:
 - Governmental Accounting Standards Board Statement No. 84
 - ◇ Fiduciary Activities
 - ◇ Delayed from FY19 to FY20
- Effective December 31, 2022 year-end:
 - Governmental Accounting Standards Board Statement No. 87
 - ◇ Leases
 - ◇ Delayed from FY20 to FY22



Thank You!

Dennis Hoogeveen, Principal

(612) 397-3063

Dennis.Hoogeveen@CLAconnect.com

John Lorenzini, Manager

(612) 397-3268

John.Lorenzini@CLAconnect.com



CITY OF HOPKINS, MINNESOTA
EXECUTIVE AUDIT SUMMARY (EAS)
DECEMBER 31, 2019

**CITY OF HOPKINS, MINNESOTA
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DECEMBER 31, 2019**

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AUDIT REPORT SUMMARY

We prepared this Executive Audit Summary and Management Report in conjunction with our audit of the City of Hopkins, Minnesota's (the City's) financial records for the year ended December 31, 2019. The following is a summary of reports we have issued:

Audit Opinion

The financial statements are fairly stated in accordance with generally accepted accounting principles. We issued an "unmodified" audit opinion.

Yellow Book Opinion

Our report on internal control over financial reporting noted no material weaknesses.

Minnesota Legal Compliance

No compliance issues were reported with respect to Minnesota Statutes.

**CITY OF HOPKINS, MINNESOTA
FINANCIAL RESULTS
DECEMBER 31, 2019**

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

The Statement of Net Position reflects what the City owns and owes at a given point in time, the last day of the fiscal year. Theoretically, net position represents the resources the City has left over to use for providing services after its debts are settled. However, those resources are not always in expendable form, or there may be restrictions on how some of those resources can be used. For instance, net investment in capital assets is the largest classification and reflects the balance of infrastructure (streets, storm water, sidewalks, etc.) and other assets net of the debt incurred to finance them and therefore, not cash available for use. In order to address this, the statement divides the net position into three components: net investment in capital assets, restricted net position, and unrestricted net position.

The following is a condensed version of the Statement of Net Position at December 31, 2019:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Current Assets	\$ 30,626,890	\$ 3,734,763	\$ 34,361,653
Capital Assets	95,394,401	39,848,335	135,242,736
Total Assets	<u>126,021,291</u>	<u>43,583,098</u>	<u>169,604,389</u>
Deferred Outflows of Resources:			
Deferred Charge on Refunding Pensions	146,371	-	146,371
OPEB	4,016,475	71,929	4,088,404
Total Deferred Outflows	<u>121,741</u>	<u>17,501</u>	<u>139,242</u>
	<u>4,284,587</u>	<u>89,430</u>	<u>4,374,017</u>
Liabilities:			
Current Liabilities	5,186,231	651,882	5,838,113
Long-Term Liabilities	79,863,054	9,793,276	89,656,330
Total Liabilities	<u>85,049,285</u>	<u>10,445,158</u>	<u>95,494,443</u>
Deferred Inflows of Resources:			
Pensions	6,188,034	177,264	6,365,298
OPEB	20,093	2,888	22,981
Total Deferred Inflows	<u>6,208,127</u>	<u>180,152</u>	<u>6,388,279</u>
Net Position:			
Net Investment in Capital Assets	37,857,254	31,184,022	69,041,276
Restricted	16,056,962	-	16,056,962
Unrestricted	(14,865,750)	1,863,196	(13,002,554)
Total Net Position	<u>\$ 39,048,466</u>	<u>\$ 33,047,218</u>	<u>\$ 72,095,684</u>

A significant portion of the City's net position translate into restricted net position by virtue of external restrictions (statutory reserves) or by the nature of the fund they are in (e.g., equity in a debt service fund typically can only be spent on future repayment of debt).

**CITY OF HOPKINS, MINNESOTA
FINANCIAL RESULTS
DECEMBER 31, 2019**

GOVERNMENT-WIDE FINANCIAL STATEMENTS (CONTINUED)

Statement of Activities

The Statement of Activities tracks the City's yearly revenues and expenses, as well as any other transactions that increase or reduce total net position. These amounts represent the full cost of providing services. This statement provides a more comprehensive measure than just the amount of cash that changed hands, as reflected in the fund-based financial statements. This statement includes the cost of supplies used, depreciation of long-lived capital assets, and other accrual-based expenses.

The following is a condensed version of the Statement of Activities for the year ended December 31, 2019:

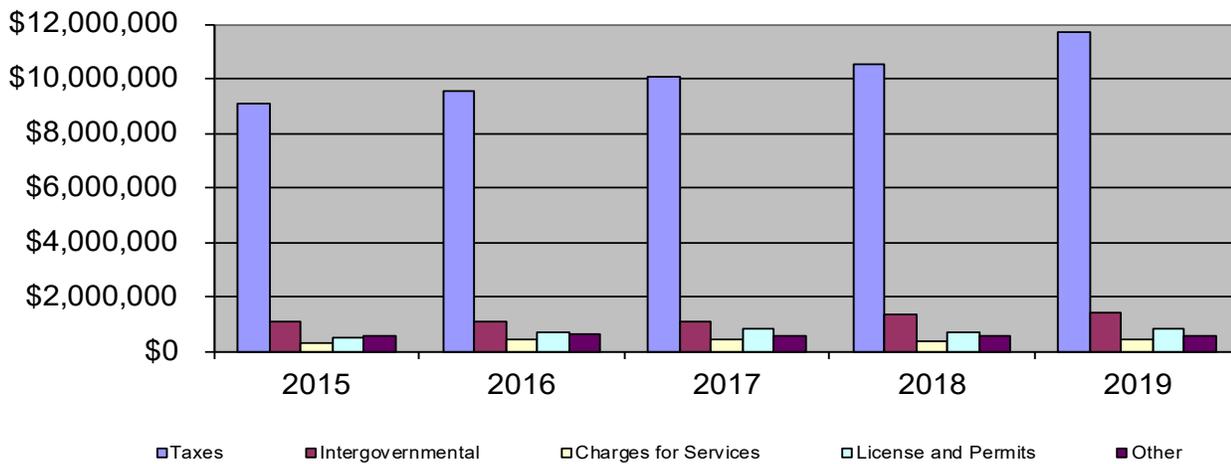
<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>	<u>Difference</u>
Governmental Activities:			
General Government	\$ 5,435,138	\$ 2,155,273	\$ (3,279,865)
Public Safety	9,200,365	1,541,896	(7,658,469)
Health and Welfare	189,917	220,450	30,533
Highways and Streets	5,175,949	2,068,003	(3,107,946)
Urban Redevelopment and Housing	2,431,931	237,324	(2,194,607)
Culture and Recreation	2,385,415	1,154,134	(1,231,281)
Interest on Long-Term Debt	212,538	-	(212,538)
Total Governmental Activities	<u>25,031,253</u>	<u>7,377,080</u>	<u>(17,654,173)</u>
Business-Type Activities:			
Water	2,204,922	1,997,826	(207,096)
Sewer	2,618,842	3,093,433	474,591
Storm Sewer	605,214	806,193	200,979
Refuse	924,090	1,001,952	77,862
Pavilion/Ice Arena	1,081,741	484,640	(597,101)
Housing and Redevelopment Authority	743,227	956,393	213,166
Total Business-Type Activities	<u>8,178,036</u>	<u>8,340,437</u>	<u>162,401</u>
Total Governmental and Business-Type Activities	<u>\$ 33,209,289</u>	<u>\$ 15,717,517</u>	<u>(17,491,772)</u>
General Revenues:			
Property Taxes			16,270,015
Tax Increments			3,209,850
Grants and Contributions, Not Restricted			75,229
Unrestricted Investment Earnings			414,386
Gain on Disposal of Capital Assets			5,562
Total General Revenues, Special Items, and Transfers			<u>19,975,042</u>
Change in Net Position			<u>\$ 2,483,270</u>

**CITY OF HOPKINS, MINNESOTA
FINANCIAL RESULTS
DECEMBER 31, 2019**

GENERAL FUND

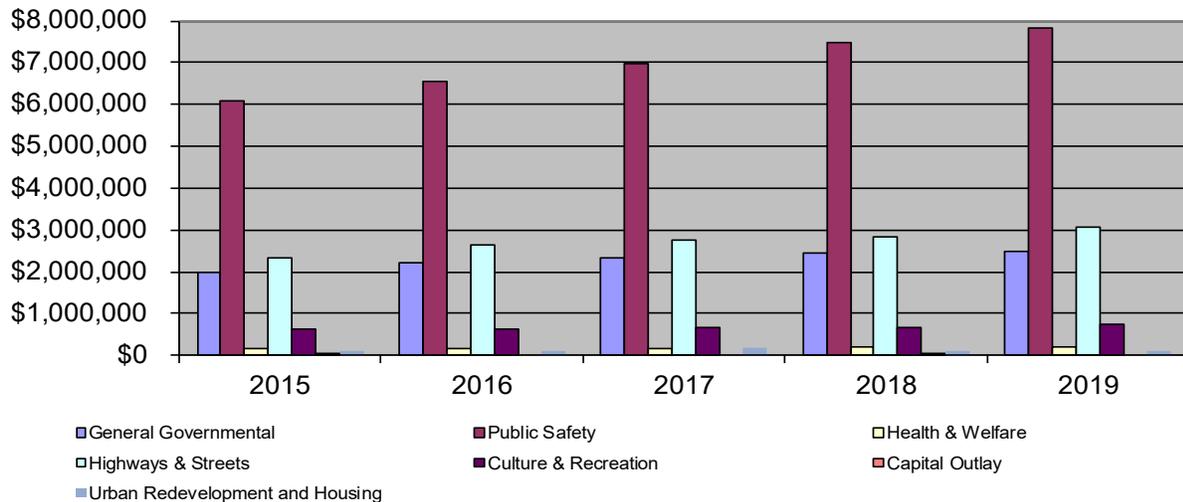
The following table presents the City's General Fund revenue sources for each of the past five years. The most significant component is property taxes which amounted to \$11,714,684 for 2019. It is important that the City operate governmental and enterprise funds effectively so that there is not a need to be subsidized by the General Fund.

General Fund Revenue by Source
Years Ended December 31,



The following table presents the City's General Fund expenditures for each of the past five years. The most significant component is public safety which amounted to \$7,836,700 for 2019.

General Fund Expenditures by Function
Years Ended December 31,



**CITY OF HOPKINS, MINNESOTA
FINANCIAL RESULTS
DECEMBER 31, 2019**

GENERAL FUND (CONTINUED)

Fund Balance – Total fund balance of the City’s General Fund increased by \$466,303 during fiscal 2019, from \$5,617,686 to \$6,083,989 at December 31, 2019. A City’s fund balance in the General Fund is an important aspect in considering the City’s financial well-being since a healthy fund balance represents things such as the availability of general cash flows, as a cushion against unanticipated expenditures, funding deficiencies, and similar problems. At December 31, 2019, the unassigned fund balance as a percentage of annual expenditures was 39.0% or approximately 20 weeks of expenditures. In order to properly analyze fund balance levels you must review all categories of fund balance (nonspendable, restricted, committed, and assigned) as well as growth indicators of the City. The percentage above is average for established communities such as the City of Hopkins.

Budget to Actual – Total revenues in the General Fund were \$503,979 (approx. 3.4%) higher than the budgeted amount while total expenditures were \$37,676 (approx. 0.3%) higher than had been budgeted. After considering operating transfers, the net effect was an increase to total fund balance that was \$466,303 more than had been reflected in the City’s budget. As part of any budget update initiated for fiscal 2020, the Council will want to take this and other budget variances into consideration in order to limit future budget differences to every extent possible.

ENTERPRISE FUNDS

The enterprise funds (Water Utility, Sewer Utility, Storm Sewer Utility, Refuse Utility, Pavilion/Ice Arena, and Housing Authority Funds) have a healthy combined net position balance in the amount of \$33,047,218 as of December 31, 2019. The largest portion of this being an investment in infrastructure and other capital assets net of related debt in the amount of \$31,184,022.



APPENDIX A

FORMAL REQUIRED COMMUNICATIONS

Honorable Mayor and
Members of the City Council
City of Hopkins, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hopkins, Minnesota (the City) as of and for the year ended December 31, 2019, and have issued our report thereon dated July 23, 2020. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during 2019.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

Honorable Mayor and
Members of the City Council
City of Hopkins, Minnesota

The most sensitive estimates affecting the financial statements were:

- Management's estimate of the useful lives of capital assets is based on authoritative guidance and past experience.
- Management's estimate of the investments at fair value is based on published market values at December 31, 2019.
- Management's estimate of for other postemployment benefits is based on the actuarial valuation conducted by an independent third party.
- Management's estimate of the amount of the year-end compensated absences payable balance to be taken by employees within one year of December 31, 2019.
- Management's estimate of the City's proportionate share of the PERA's GERF and PEPFF and Hopkins Fire Relief Association's net pension liabilities, as well as the deferred inflows and outflows, is based on guidance from GASB Statement No. 68, GASB Statement No. 71, and the plans' allocation tables. The plans' allocation tables allocate a portion of the plans' net pension liabilities based on the City's contributions during the plan's fiscal years as a percentage of total contributions received for the related fiscal year by the plans.

We evaluated the key factors and assumptions used to develop the above estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

The completion of our audit was delayed due to delays in receiving required audit information from management.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The following summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

The City passed on recording fire state aid as a deferred inflow in the General Fund. Late submissions by the Fire Relief Association resulted in a delay of when the 2018 and 2019 fire state aid was received. Because the state aid was received later than 60 days after year-end these revenues were not "available" for each of the years ended December 31, 2018 and 2019. As a result of passing on this adjustment, deferred inflows of resources are understated and fund balances is overstated by \$111,191 in the General Fund, as of December 31, 2019.

Honorable Mayor and
Members of the City Council
City of Hopkins, Minnesota

Corrected misstatements

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated July 23, 2020.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses.

Other information in documents containing audited financial statements

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

With respect to the combining and individual nonmajor fund statements and schedules (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements.

We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated July 23, 2020.

Honorable Mayor and
Members of the City Council
City of Hopkins, Minnesota

The introductory and statistical sections accompanying the financial statements, which is the responsibility of management, was prepared for purposes of additional analysis and is not a required part of the financial statements. Such information was not subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we did not express an opinion or provide any assurance on it.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document

This communication is intended solely for the information and use of the Mayor, members of the City Council, and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
July 23, 2020



APPENDIX B

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Mayor and
Members of the City Council
City of Hopkins, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hopkins, Minnesota (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 23, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Honorable Mayor and
Members of the City Council
City of Hopkins, Minnesota

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the City’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Minneapolis, Minnesota
July 23, 2020



APPENDIX C

INDEPENDENT AUDITORS' REPORT ON MINNESOTA LEGAL COMPLIANCE

Honorable Mayor and
Members of the City Council
City of Hopkins, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Hopkins, Minnesota (the City), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 23, 2020.

The *Minnesota Legal Compliance Audit Guide for Cities* promulgated by the State Auditor pursuant to Minnesota Statutes §6.65 contains seven categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing. Our audit included all of the listed categories.

In connection with our audit, nothing came to our attention that caused us to believe that the City, failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Cities*, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above-referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance relating to the provisions of the *Minnesota Legal Compliance Audit Guide for Cities* and the results of that testing, and not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
July 23, 2020



RESOLUTION APPROVING REFUNDS FOR ON-SALE LIQUOR LICENSE FEES

Proposed Action.

Staff recommends that the Council approve the following motion: Motion to Approve Resolution 2020-039 a Resolution Approving Refunds for On-Sale Liquor License Fees.

Overview:

Due to the COVID-19 pandemic, Minnesota Governor Walz has issued several needed executive orders that have impacted businesses. In recognition of these impacts, on June 2 the City Council approved refunding three months of license fees for on-sale liquor license holders. Because on-sale license holders are still experiencing limited sales resulting in significant revenue loss, staff is proposing the City Council issue another refund of three months of on-sale liquor license fees.

In May Governor Walz issued an executive order outlining plans for bars and restaurants to open on June 1 for outdoors services so long as certain conditions, including social distancing, are maintained to prevent the spread of COVID-19. Staff waived all fees for outdoor sidewalk cafes or newly created outdoor seating areas. In June, Governor Walz allowed bars, restaurants, and other public accommodations to provide indoor service with specific requirements in place including at 50% capacity. Limited off-sale options for to-go orders are permitted for on-sale intoxicating and the on-sale wine/3.2% malt liquor license holders.

The City of Hopkins licensing year runs from July 1 to June 30. Hopkins currently has licenses issued in the following license categories:

Type	Fee	Permitted to sell
On-sale Only:		
On-sale Intoxicating/Sunday	\$7,700	All types of liquor
On-sale Wine & 3.2% malt liquor	\$1,400	Wine, malt liquor (strong beer, hard seltzer, cider)
On-sale Club/Sunday	\$700/850*	All types of liquor to members
On-sale 3.2% malt liquor	\$600	Malt liquor sales only
On & Off Sale:		
Taprooms	\$900	Only the products they produce. Fee covers on & off sale
Off Sale Only:		
Off-sale Intoxicating	\$200	Permitted to intoxicating off-sale

* Fee based on number of members and is set by the State.

Primary Issues to Consider:

- Financial Impacts

Supporting Information:

- Draft Resolution 2020-039

Amy Domeier, City Clerk

Financial Impacts

The refunds are considered targeted financial assistance to business affected by COVID-19 and will be reimbursed under the Coronavirus Aid, Relief, and Economic Security Act (CARES) funds received by the City. Estimated financial impacts for a three month refund to 19 licensees is as follows:

License Type	Number issued	Three month refund per license	Total Cost
On-sale Intoxicating	8	\$1,926	\$15,408
On-sale Wine/3.2% malt liquor	5	\$351	\$1,755
Club (based on membership)	3	\$174	\$522
Club (based on membership)	1	\$213	\$213
On-Sale 3.2% malt liquor	1	\$150	\$150
Taproom	1	\$126	\$126
Grand Total			\$18,174

City Code Sec 4-16 states in part that no license shall be granted or renewed for operation on any premises on which taxes, assessments, service charges or other financial claims of the city or of the state are delinquent. Staff recommends that refunds follow this same language related to delinquent financial claims of the City. In discussion with the Finance Director regarding this provision, it was noted that the refund amount could be used to offset a portion of the delinquent financial claims of the City.

**CITY OF HOPKINS
HENNEPIN COUNTY, MINNESOTA**

RESOLUTION 2020-039

RESOLUTION APPROVING REFUNDS FOR ON-SALE LIQUOR LICENSE FEES

WHEREAS, Novel Coronavirus Disease 2019, commonly known as “COVID-19,” which is a respiratory disease that can result in serious injury or death, is spreading globally and has been identified by the World Health Organization (“WHO”) as a pandemic; and

WHEREAS, on March 13, 2020, President Donald Trump declared that the COVID-19 outbreak in the United States constitutes a National Emergency; and

WHEREAS, on March 13, 2020, Governor Tim Walz declared a Peacetime State of Emergency to authorize any and all necessary resources to be used in support of the COVID-19 response; and

WHEREAS, on March 16, 2020, Governor Tim Walz issued Executive Order 20-04 - Providing for Temporary Closure of Bars, Restaurants, and Other Places of Public Accommodation; and

WHEREAS, on March 16, 2020, the City of Hopkins declared that the COVID-19 pandemic constitutes a local emergency within the City of Hopkins, effective March 16, 2020, with all the powers and responsibilities attending thereto as provided in Minn. Stat. Ch. 12, and as otherwise provided for in the City of Hopkin’s Charter, City Code and Emergency Operations Plan (EOP); and

WHEREAS, on March 25, 2020, Governor Tim Walz issued Executive Order 20-20 – Directing Minnesotans to Stay at Home until April 10 unless they are considered an essential employee; and

WHEREAS, on April 8, 2020, Governor Tim Walz issued Executive Order 20-33 – Extending the Stay at Home Order and Temporary Closure of Bars, Restaurants, and Other Places of Public Accommodation until May 4, 2020; and

WHEREAS, on April 30, 2020, Governor Tim Walz issued Executive Order 20-48 – Extending and Modifying the Stay at Home Order, Continuing Temporary Closure of Bars, Restaurants, and Other Places of Public Accommodation, and Allowing Additional Workers in Certain Critical Sectors to Return to Safe Workplaces, 2020; and

WHEREAS, on May 13, 2020, Governor Tim Walz issued executive Order 20-56 – Safely Reopening Minnesota’s Economy and Ensuring Safe Non-Work Activities during the COVID_19 Peacetime Emergency extending the closure of bars, restaurants, and other public accommodations as set forth in Orders 2020-04, 2020-08 and 2020-18 was extended to May 31, 2020 at 11:59 p.m.; and

WHEREAS, on May 27, 2020, Governor Tim Walz issued executive Order 20-63 – Continuing to Safely Reopening Minnesota’s Economy and Ensuring Safe Non-Work Activities during the

COVID_19 Peacetime Emergency allowing bars, restaurants, and other public accommodations to provide outdoor service with specific requirements in place including a limit of 50 people; and

WHEREAS, on May 13, 2020, Governor Tim Walz issued executive Order 20-74 – Safely Reopening Minnesota’s Economy and Ensuring Safe Non-Work Activities during the COVID_19 Peacetime Emergency extending the closure of bars, restaurants, and other public accommodations providing any indoor space must not exceed 50 percent of the normal occupant capacity and additional requirements; and

WHEREAS, due to these needed actions, many businesses have been greatly impacted by a significant loss of revenue due to the closure; and

WHEREAS, a request has been made to consider refunds of liquor license fees during the time of closure of bars and restaurants.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hopkins, Minnesota, that:

1. Refunds totaling three months of license fees for On-sale intoxicating, Wine/3.2% Malt Liquor, Club, On-sale 3.2% Malt Liquor, and the On-sale portion of Taproom fees are hereby approved.
2. Refunds shall not be issued to licensees with delinquent financial claims to the City. The refund shall be applied to the delinquent financial claims of the licensee to the City.

Adopted by the City Council of the City of Hopkins on this 4th day of August, 2020.

Jason Gadd, Mayor

ATTEST

Amy Domeier, City Clerk