

**HOPKINS CITY COUNCIL
REGULAR MEETING PROCEEDINGS
NOVEMBER 4, 2019**

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Pursuant to due call and notice thereof a regular meeting of the Hopkins City Council was held on Monday, November 4, 2019 at 7:02 p.m. in the Council Chambers at City Hall, 1010 First Street South, Hopkins.

Mayor Gadd called the meeting to order followed by the Pledge of Allegiance with Council Members Brausen, Kuznia, Halverson and Hunke attending. Staff present included City Manager Mornson, Finance Director Bishop, Director of Planning and Development Elverum, Assistant City Manager Lenz, City Attorney Riggs and Public Works Director Stadler.

CONSENT AGENDA

Motion by Brausen. **Second** by Kuznia.

Motion to Approve the Consent Agenda.

1. Minutes of the October 15, 2019 City Council Regular Meeting Proceedings
2. Minutes of the October 15, 2019 City Council Work Session following Regular Meeting Proceedings
3. Ratify Checks Issued in October 2019
4. Approve Water and Sanitary Sewer Rate Increases
5. Approve Special Assessment for Water and Sewer Repairs on Private Property

Ayes: Brausen, Kuznia, Gadd, Halverson, Hunke.

Nays: None. Motion carried.

NEW BUSINESS

VII.1. Authorize the Sale of \$2,245,000 General Obligation Refunding Bonds, Series 2019B

In addition to City staff, a representative present for the item was Stacie Kvilvang, Ehlers and Associates, Inc. Ms. Kvilvang discussed the highlights of the report commenting that the City has maintained its AA+ rating due to strong management, its long range Financial Management Plan, strong budget liquidity and rapid debt amortization. Ms. Kvilvang gave a summary of the bond sale results. Mayor Gadd asked about the purpose for refunding the bonds. Ms. Kvilvang discussed the interest savings to the City. Council Member Kuznia complimented the City's AA+ rating. Ms. Kvilvang commented on the stable outlook for the Hopkins community. Mayor Gadd thanked Ehlers and Associates, Inc. for their help with the bond sale and financial management of the City.

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

Motion to Adopt the No. 2019- 084 Awarding the Sale of General Obligation Refunding Bonds, Series 2019B, in the Original Aggregate Principal Amount of \$2,015,000; Fixing Their Form and Specifications; Directing Their Execution and

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Delivery; Providing for Their Payment; and Providing for the Redemption of Bonds Refunded Thereby.

Ayes: Brausen, Kuznia, Gadd, Halverson, Hunke.
Nays: None. Motion carried.

VII.2. 600 –2nd Street Northeast (Excelsior Tech Center) Conditional Use Permit for Outdoor Storage

City Planner Lindahl discussed the staff report commenting that the Conditional Use Permit (CUP) is necessary for the outdoor storage of up to 20 moving trucks. Mr. Lindahl gave an overview of the site plan, standards for outdoor storage and proposed setback. Mr. Lindahl discussed the staff's recommendation for the fencing and the applicant has agreed to the conditions. Mr. Lindahl commented that the applicant would like to occupy the building soon with installation of landscaping and fencing next spring. A condition of approval requires that the applicant provide a letter of credit to fulfill the conditions of the application. Staff is recommending approval of the application. Council Member Brausen asked about the landscaping and number of employees. Mr. Lindahl described the area, setbacks and landscaping. A Beard Group representative came forward to address the Council commenting that the tenant would have 6-8 offices and a sales area and that they are in agreement with the conditions as recommended by the staff. Council Member Kuznia commented that he liked the proposed fence design.

Motion by Hunke. Second by Brausen.

Motion to Adopt Resolution 2019-085, approving a conditional use permit for 600-2nd Avenue Northeast allowing outdoor storage of up to 20 box moving trucks, subject to conditions.

Ayes: Brausen, Kuznia, Gadd, Halverson, Hunke.
Nays: None. Motion carried.

VII.3. Zoning Text Amendment, Site Plan and Conditional Use Permit Applications to Allow Redevelopment at 510 Blake Road North

City Planner Lindahl discussed the staff report giving an overview of the property and site location. Mr. Lindahl commented that the applicant has withdrawn the Planned Unit Development (PUD). Council Member Brausen asked about PUD change. Mr. Lindahl commented that the PUD was added as precautionary item and was the only substantial change to the application. Mr. Lindahl discussed the site plan, CUP, exterior design and commented that the Watershed District has signed off on the design. Mr. Lindahl explained that the drive-thru is positioned behind the site supporting the pedestrian friendly future vision for the area. Staff recommends approval of the application. Council Member Hunke asked about the property access. Mr. Lindahl commented that the applicant negotiated the new access onto Cambridge Street and that staff supports design. Council Member Brausen asked about the easement agreement. Mr. Lindahl commented that the City Attorney would review the agreement.

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Representatives of Bank of America and the Told Development Co. discussed the proposed building. Council Member Kuznia likes the design and asked about the timeline. Construction would begin in the spring with opening scheduled for late 2020. Mayor Gadd asked about other potential uses for the site. The applicants commented on the small size of the site and that there was no ability to acquire additional land. Planning and Development Director Elverum commented on the major soil issues on the site.

Motion by Kuznia. **Second** by Halverson.

Motion to Adopt Resolution 2019-086 approving Ordinance 2019-1143 amending Section 535.03, Subdivision 2(V) related to the location of banks and savings and loan institutions.

Ayes: Brausen, Kuznia, Gadd, Halverson, Hunke.

Nays: None. Motion carried.

Motion by Halverson. **Second** by Kuznia.

Motion to Adopt Resolution 2019-087 approving the site plan for the property at 510 Blake Road North, subject to the conditions.

Ayes: Brausen, Kuznia, Gadd, Halverson, Hunke.

Nays: None. Motion carried.

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

Motion to Adopt Resolution 2019-088 approving a conditional use permit allowing a drive thru for the property located at 510 Blake Road North, subject to the conditions.

Ayes: Brausen, Kuznia, Gadd, Halverson, Hunke.

Nays: None. Motion carried.

Mr. Lindahl commented that the text amendment would require a second reading.

VII.4. Beacon Interfaith Housing Apartment Building (Vista44) Rezoning & Planned Unit Development (PUD) and Site Plan Review

City Planner Lindahl discussed the site location and proposed project. Mr. Lindahl explained that the proposed rezoning standards are similar in height and density requirements and that the difference in the set backs create a more urban environment. Mr. Lindahl explained that the applicant is proposing an affordable apartment building to support families and that no city funds are supporting the project. Mr. Lindahl gave an overview and background of the application and discussed the overall issues, concerns and written comments from the public engagement process. Mr. Lindahl discussed the

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PUD standards and the deviations from the PUD requested by the applicant. Mr. Lindahl gave an overview of the exterior building materials, floor to area ratio, façade articulation and parking. The applicant has proposed more total parking than required and is offering the addition of public art, more bicycle parking and a rooftop solar system. Mr. Lindahl gave an overview of revised the site plan and commented that the parking study eliminated the need for the proof of parking. Mr. Lindahl discussed the next steps in the process and commented that the site plan is contingent on the rezoning and that state law requires a majority or 4/5 vote to approve the rezoning.

Mayor Gadd asked about the mixed use zoning in the downtown center. Mr. Lindahl discussed the 2040 Comprehensive Plan that guides the downtown area. Council Member Brausen asked about the Planning and Zoning Commission vote. Mr. Lindahl discussed the 4-2 vote explaining that the votes against the motion were to take a closer look at the changes to the site plan and overall zoning. Council Member Hunke asked about the park dedication fee. Mr. Lindahl commented that the requirement would be \$3000 per unit.

Beacon representative, Kevin Walker came forward to discuss the project commenting that changes were made to the project per the staff recommendation.

Council Member Halverson asked about the income guidelines and preference for Hopkins School District residents. Mr. Walker commented that the maximum income is \$50,000 per household based on family size. The income guidelines are consistent with a work force housing development. Mr. Walker discussed the geographic preference rules and explained that Beacon would make connections with local social service agencies.

Mayor Gadd asked about the process to apply for family based housing and rules of conduct. Mr. Walker discussed the application criteria, process, safety standards and supportive housing staff and property management.

Council Member Kuznia asked about occupancy and length of stay. Mr. Walker commented that it is not a time limited housing project and that they are governed by the occupancy code.

Council Member Brausen asked about the project model. Mr. Walker explained that Beacon has experience with family housing but is new to family supported housing. Beacon is partnering with Volunteers of America who has experience serving families.

Mayor Gadd asked about location determination. Mr. Walker discussed the opportunities that Hopkins offers.

Mayor Gadd discussed the public comment procedure and Council Member Brausen commented that everyone's perspective is welcome.

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Marie Trafas, 402-14th Avenue North, commented on the need for affordable senior housing within walking distance to the downtown.

Michael Beasley, 128-7th Avenue South, asked the Council to support Vista 44.

Reverend John Nelson, Gethsemane Lutheran Church, 715 Minnetonka Mills Road, represented the following faith communities asking the Council to approve the project: Pastor Scott Searl, Shepherd of the Hills Lutheran; Pastor Jay Rudi, Oak Knoll Lutheran; Reverend Deacon Cindy Hillger, St. Martins by the Lake Episcopal; Reverend Dave Langille, St. Martins by the Lake Episcopal; Rabbi Jill Crimmings, Bet Shalom Congregation

Ann Van Sickle, 145-11th Avenue North, asked the Council to approve the Vista 44 project.

Kyle Bresin, 25-15th Avenue North, asked the Council to approve the project.

Mark Muenchow, 1117-1st Avenue South, commented that the site is a prime location for better a project.

Charlie Flynn, 374 Althea Lane, asked the Council to approve Vista 44.

Aaron Osowski and Liz Farmer, 2062 Mainstreet, support the Beacon project.

Pam Tanaka, 606 East Park Valley Drive, is opposed to the project.

Richard Van Sickle, 145-11th Avenue North, supports Vista 44.

James Shirley, 32-11th Avenue South, discussed his concerns, the need for senior housing and that the Council should hold off for better uses for the site.

Gary McGlennen, 32-11th Avenue South #111, discussed the neighborhood opposition asking the Council to reject the proposal.

Betty Johnson, 103 North Blake Road #101, commented that Vista 44 would be an asset in the community.

Greg Zoidis, 201 Homedale Road, supports Vista 44.

Jonathon Andress, 422-13th Avenue North, supports the mission of Beacon.

Mayor Gadd closed the public comments at 9:16 p.m.

Mayor Gadd asked about the housing supportive services. Anna Petersmeyer, Volunteers of America (VOA) representative discussed the types of services they offer.

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Mr. Walker commented that the project would be a fully supportive housing development. Council Member Hunke asked about coordinating services with Hennepin County. Ms. Petersmeyer discussed the on-site case management.

Mayor Gadd asked about the VOA contract and security. Mr. Walker gave an explanation of the service provider contract and commented that the development would have front desk security and staffed evenings and weekends but not 24-7. Mr. Walker explained the income guidelines and supportive rent subsidy.

Mayor Gadd asked about the R5 vs. Mixed Use zoning standards. Mr. Lindahl explained the standards commenting that the Mixed Use zoning supports transit.

There was Council discussion about affordability, balancing housing in the community, project location, how the project came before the City Council, community concerns and timing of the application process. Mr. Lindahl commented that by State Law, the City must respond to the application within 60 days but can request a 60-day extension. The City Attorney advised the Council that requesting more information is specific enough to extend the application.

Council Member Hunke commented that he is in favor of Vista 44 for the site commenting that the zoning standards are very similar and the concept plan has improved.

Council Member Brausen asked about the future redevelopment to the north of the property and orientation of the building. Mr. Walker commented that he couldn't speculate on the future development plans of the church property. The Beacon project manager discussed the site grades and the current orientation that minimized the building height.

There was discussion that the Council did not have much opportunity to look at the proposal. Mayor Gadd commented that the Council needs to look at what is best for entire community as the city grows.

Council Member Halverson commented that she understands both the concerns and support for the project but not sure about her decision.

Council Member Brausen commented that he needs more time to discuss and review the application.

Council Member Kuznia commented the need for further discussion.

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

Motion to continue Resolution 2019-089 and 2019-090 to a future meeting for further discussion and directing staff to send a 60-day extension letter.

Ayes: Brausen, Kuznia, Gadd, Halverson.

Nays: Hunke. Motion carried.

ADJOURNMENT

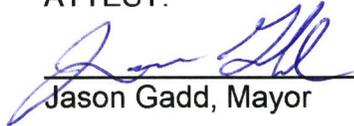
There being no further business to come before the City Council and upon a motion by Halverson, second by Kuznia, the meeting was unanimously adjourned at 10:13 p.m.

OPEN AGENDA – PUBLIC COMMENTS AND CONCERNS

The City Council did not receive any comments or concerns.

Respectfully Submitted,
Debbie Vold

ATTEST:



Jason Gadd, Mayor



Amy Domeier, City Clerk