

## UNAPPROVED

### COON RAPIDS CITY COUNCIL MEETING MINUTES OF MAY 17, 2016

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#### CALL TO ORDER

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The second regular meeting of the Coon Rapids City Council for the month of May was called to order by Mayor Jerry Koch at 7:00 p.m. on Tuesday, May 17, 2016, in the Council Chambers.

#### PLEDGE OF ALLEGIANCE TO THE FLAG

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Mayor Koch led the Council in the Pledge of Allegiance.

#### ROLL CALL

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Members Present: Mayor Jerry Koch, Councilmembers Denise Klint, Ron Manning, Wade Demmer, Jennifer Geisler, Brad Johnson and Steve Wells

Members Absent: None

#### ADOPT AGENDA

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MOTION BY COUNCILMEMBER GEISLER, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT THE AGENDA AS PRESENTED. THE MOTION PASSED UNANIMOUSLY.

#### PROCLAMATIONS/PRESENTATIONS

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##### 1. POPPY DAYS PROCLAMATION

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Mayor Koch read a proclamation in full for the record declaring May 20 and May 21, 2016 to be Poppy Days in the City of Coon Rapids.

Auxiliary representatives presented the Mayor and Councilmembers with poppies. A round of applause was offered by all in attendance.

##### 2. COMMUNITY SCHOLARSHIP MONTH PROCLAMATION

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Mayor Koch read a proclamation in full for the record declaring May to be Community Scholarship Month in the City of Coon Rapids.

Nick Braschayko, Coon Rapids Community Scholarship Association, was proud of the fact that \$3.6 million has been awarded to graduates of Coon Rapids. He indicated 151 students would be receiving scholarships in 2016. He appreciated the communities continued support and the assistance that was offered to local graduates interested in pursuing their secondary education.

3.      **ARMED FORCES DAY PROCLAMATION**

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Mayor Koch read a proclamation in full for the record declaring May 21, 2016 to be Armed Forces Day in the City of Coon Rapids. A round of applause was offered by all in attendance.

**APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

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4.      2016 LOCAL BOARD OF APPEAL AND EQUALIZATION MINUTES
  5.      MAY 3, 2016, COUNCIL MEETING
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MOTION BY COUNCILMEMBER GEISLER, SECONDED BY COUNCILMEMBER WELLS, FOR APPROVAL OF THE MINUTES FROM THE 2016 LOCAL BOARD OF APPEAL AND EQUALIZATION MEETING. THE MOTION PASSED 6-0-1 (KLINT ABSTAINED).

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER KLINT, FOR APPROVAL OF THE MINUTES OF THE MAY 3, 2016, CITY COUNCIL MEETING. THE MOTION PASSED UNANIMOUSLY.

**CONSENT AGENDA/INFORMATIONAL BUSINESS**

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6.      APPROVE TEMPORARY ON-SALE STRONG BEER AND WINE LICENSE FOR 4<sup>TH</sup> OF JULY COMMUNITY CELEBRATION
  7.      APPROVE A CLASS A ON SALE, SUNDAY, AND 2 AM LIQUOR LICENSE FOR MARBLZ 2 INC.
  8.      ADOPT RESOLUTION 16-58 APPROVING NEW GAMBLING PREMISES PERMIT FOR COON RAPIDS YOUTH HOCKEY ASSOCIATION
  9.      ADOPT RESOLUTION 16-62 SETTING LEVY HEARING FOR MISCELLANEOUS ASSESSMENT 2016-2
  10.     ADOPT RESOLUTION 16-64 APPROVING NEW GAMBLING PREMISES PERMIT FOR THE AMERICAN LEGION POST #334
  11.     ADOPT RESOLUTION 16-65 ACCEPTING COON RAPIDS 2016 MEMBER CITY GRANT AGREEMENT
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MOTION BY COUNCILMEMBER DEMMER, SECONDED BY COUNCILMEMBER

KLINT, FOR APPROVAL OF THE CONSENT AGENDA AS PRESENTED. THE MOTION PASSED UNANIMOUSLY.

**PUBLIC HEARING**

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**12. CONSIDER RESOLUTION 16-63 AUTHORIZING APPLICATION FOR ECONOMIC DEVELOPMENT FUNDING FOR RMS COMPANY**

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The Staff report was shared with Council.

Mayor Koch questioned the size of the loan the City would be requesting from the State. Community Development Director Brown explained the City was pursuing a \$700,000 forgivable loan from the Minnesota Investment Fund. He reported the City was also proposing to provide \$138,000 through a forgivable loan.

Mayor Koch opened and closed the public hearing at 7:24 p.m. since no one appeared to address the Council.

Lee Zachman, President of RMS Company, thanked the Council for their consideration. He stated he was a proud member of the community and discussed the good jobs his company provides to Coon Rapids residents.

Councilmember Klint questioned when the new facility would be completed. Mr. Zachman anticipated construction would begin in 2016.

**MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER GEISLER, TO ADOPT RESOLUTION 16-63 AUTHORIZING AN APPLICATION FOR ECONOMIC DEVELOPMENT FUNDING FROM THE STATE OF MINNESOTA AND AGREEING TO ACT AS THE LEGAL SPONSOR FOR RMS COMPANY. THE MOTION PASSED UNANIMOUSLY.**

Mr. Zachman requested the Council reconsider the 4% energy tax that he is being charged by the City. He estimated his company pays \$150,000 per month in energy costs during the summer months, which equated to a \$5,000 per month tax to the City of Coon Rapids. He recommended that the energy tax be capped to \$20,000 per year.

Councilmember Johnson indicated the Council discussed this topic at a recent worksession meeting and was aware of the local business owners concerns.

**13. HOLD PUBLIC HEARING ON ESTABLISHING A HOUSING IMPROVEMENT AREA FOR CREEK MEADOWS II HOMEOWNERS ASSOCIATION**

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The Staff report was shared with Council.

City Attorney Brodie reported the Council was simply introducing the Ordinance this evening and the Ordinance would be considered at the next Council meeting. He reported the Ordinance would not go into effect until 45 days after approval.

Mayor Koch opened the public hearing at 7:33 p.m.

Krista Johnson, Greater Midwest Property Management, explained she was the property manager for Creek Meadows II. She stated she has worked with the Board for the past 14 months to come up with financing options and appreciated the City's assistance. She believed the Board had found a great solution through the HIA (Housing Improvement Area).

Sandy Reitz, President of the Creek Meadows II homeowners association, explained this was a difficult decision for the 44 homeowners within the association. She indicated the Board understood that improvements had to be made and thanked the City for offering the association assistance.

Robert French, 1537 Creek Meadows Drive, stated he liked the low homeowner dues, but understood it was necessary for the association to make repairs and improvements. For this reason, he was willing to pay his fair share for the improvements. He believed the City of Coon Rapids did not want this association to become a blighted property.

Darlene Scott, Creek Meadows Drive, indicated she has lived within this association since 1990 and she supported the proposed improvements.

Amy Rheinhold, 11234 Creek Meadows Drive, thanked the Council for considering the HIA. She was thankful that the City had a program available to assist struggling townhome associations. She discussed the associations reserve study noting there was a major financial shortfall. She understood the association was in need of help financially and believed the HIA was the best option.

Mayor Koch closed the public hearing at 7:38 p.m.

Mayor Koch considered the Ordinance to be introduced regarding establishing a housing improvement area for that portion of Creek Meadows II Homeowners Association located along Creek Meadow Drive and Robinson Drive.

#### **BID OPENINGS AND CONTRACT AWARDS**

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**14.    CONSIDER RESOLUTION NO. 16-3(9) AWARDING CONTRACT FOR MSA**

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STREET RECONSTRUCTION

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The Staff report was shared with Council.

MOTION BY COUNCILMEMBER GEISLER, SECONDED BY COUNCILMEMBER JOHNSON, TO ADOPT RESOLUTION NO. 16-3(9) AWARDED A CONTRACT TO C.S. MCCROSSAN CONSTRUCTION, INC. IN THE AMOUNT OF \$1,942,263.05. THE MOTION PASSED UNANIMOUSLY.

15.      CONSIDER ADOPTING RESOLUTION NO. 16-8(9) AWARDED A CONTRACT FOR MISCELLANEOUS TRAIL CONSTRUCTION AND REHABILITATION

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The Staff report was shared with Council.

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT RESOLUTION NO. 16-8(9) AWARDED A CONTRACT TO BARBER CONSTRUCTION INC. IN THE AMOUNT OF \$149,665.00 FOR MISCELLANEOUS TRAIL CONSTRUCTION, REHABILITATION AND ERLANDSON PARK PEDESTRIAN BRIDGE REPLACEMENT CONTRACT.

Councilmember Demmer asked if the City discussed repairing the bridge versus a total replacement. Public Works Director Himmer explained the bridge had to be widened which meant a total replacement was necessary.

THE MOTION PASSED UNANIMOUSLY.

OLD BUSINESS

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16.      CONSIDER ADOPTION OF ORDINANCE 2166 AMENDING THE MINIMUM SEATING CAPACITY FOR TAPROOMS AND COCKTAIL ROOMS AND THE HOURS FOR 3.2 MALT LIQUOR ON SUNDAYS

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The Staff report was shared with Council.

Councilmember Klint asked if parking at taprooms and cocktail rooms would be impacted by the proposed code amendment. Community Development Director Fernelius reported this was a licensing issue. He provided further comment on how taprooms differed from typical restaurants.

MOTION BY COUNCILMEMBER DEMMER, SECONDED BY COUNCILMEMBER GEISLER, TO ADOPT ORDINANCE 2166 AMENDING THE MINIMUM SEATING

CAPACITY AND THE HOURS FOR 3.2 MALT LIQUOR ON SUNDAYS. THE MOTION PASSED UNANIMOUSLY.

NEW BUSINESS

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17.    PC 16-9: APPROVAL OF AMENDMENT TO GATEWAY COMMERCE CENTER  
      PLANNED UNIT DEVELOPMENT, H&W, LLC

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The Staff report was shared with Council.

Mayor Koch questioned if the City had a deadline for approving this request. Planner Harlicker explained the 60-day timeframe has been extended.

Councilmember Klint asked how many site changes this PUD has had since it was originally approved. Planner Harlicker stated this was the fifth request for a change since 2007. He reviewed each of the amendments in detail with the Council.

Councilmember Manning inquired if the original plat included a hotel. Planner Harlicker discussed his recollection of the original plat and the location of the hotel.

Councilmember Manning was interested in seeing the original plat.

Councilmember Geisler commented on her time on the Planning Commission and recalled the group requesting the developer to have all of his changes in one final PUD amendment. She believed the constant shifting and changing made the plan feel uncertain. She indicated she would not be supporting the PUD amendment.

Councilmember Klint stated when this property was in litigation the project was put on hold. She discussed the history of this site further and believed the 2007 plan would have provided a beautiful gateway entrance into the community. However, over time, the original vision for this site has drastically changed. She was very frustrated that the promises made in 2007 were not being carried out. For that reason, she would not be supporting the requested amendment.

Councilmember Klint questioned if the new car dealership was already located in the City of Coon Rapids and would simply be relocating.

Mayor Koch explained the company was located in the City, but noted a new brand of dealership would be brought into the community.

Councilmember Demmer recalled the swim school being approved and believed this would have been a great use for the property. He stated if the expanded car dealership were approved, it would eliminate the space for swim school. He asked what the shelf life was for a PUD and

believed that perhaps the developer should go back to the drawing board of the 2007 plan for this site was obsolete. He believed the entire plan had to be updated or the amendment should be denied. Planner Harlicker reported the swim school did not have the funding at this time for a new building, which led the developer to propose expanding the car dealership.

Councilmember Manning stated this was a really important piece of property. He was in favor of tabling action on this item in order for the Council to discuss the request further at a worksession meeting. He commented that the proposed PUD amendment did not align with the original vision for this property.

Councilmember Geisler did not approve of how the developer was trying to “plop” uses into the project. She wanted to see the developer create a comprehensive and reasonable plan for the site.

Councilmember Manning did not like the direction the PUD was heading and wanted to further discussion the options for this site.

Mayor Koch agreed this site was challenging. He was excited about bringing a new dealership to the community and understood Walser was a great partner to the community. He discussed how the PUD has evolved over time and noted he would vote to support the amendment. However, he was interested in discussing the project further.

Councilmember Johnson believed one portion of the property has remained constant with the original PUD. He understood the car dealership has been a constant since the beginning and stated he would be offering his support to the PUD amendment. He believed the expanded car dealership would be a positive to the community and was not too inconsistent with the original PUD.

**MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER KLINT, TO TABLE ACTION ON THIS ITEM TO THE JUNE 7, 2016 CITY COUNCIL MEETING. THE MOTION PASSED 5-2 (JOHNSON AND MAYOR KOCH OPPOSED).**

Councilmember Manning requested this item be added to the next worksession agenda.

Mayor Koch was interested in hearing from the applicant.

The representative from Walser Automotive, reported the original intent was to expand the Nissan dealership in order to move a Hyundai dealership to Coon Rapids. It was found original site (6 acres) was tight for the dealership. He reviewed several photos of how the new dealership would look and described how enhanced the facility would be. He then described the number of new employees that would be hired for the dealership.

Councilmember Geisler did not believe the Council opposed the dealership but rather was upset with the lack of overall planning for the site, given the number of changes being requested for the PUD. She wanted to understand what the developers plan was for the remaining parcels and if

the developer would stick to this plan.

Mayor Koch questioned how tight the developer was on dates.

Walser Automotive Representative stated he would rather the project not be further delayed. He did not want to see the new dealership opportunity offered to another community.

Councilmember Johnson commended the applicant on their work on the site plan. He was satisfied with the site plan and believed proper consideration should have been given to the request.

The developer discussed how the market has led to the changes. He stated that he was doing his best to create a high quality development and noted the architectural standards were high. It was his hope to have the bulk of the land occupied in the near future. He commented on how the 10-acre car dealership would be a nice amenity for the City and requested the Council offer their support to the PUD amendment.

Councilmember Manning wanted to see a first class hotel on the corner lot.

18.    PC 16-10: CONSIDER RESOLUTION 16-54 GRANTING FINAL PLAT APPROVAL FOR GATEWAY COMMERCE CENTER 4<sup>TH</sup> ADD., HIGHWAY 10 AND HANSON BOULEVARD, H&W FAMILY LLLP
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City Manager Stemwedel recommended the Council table action on this item.

MOTION BY COUNCILMEMBER MANNING, SECONDED BY COUNCILMEMBER KLINT, TO TABLE ACTION ON THIS ITEM TO THE JUNE 7, 2016 CITY COUNCIL MEETING. THE MOTION PASSED 5-2 (JOHNSON AND MAYOR KOCH OPPOSED).

19.    PC 16-12: CONSIDER RESOLUTION 16-55 GRANTING FINAL PLAT APPROVAL FOR GATEWAY COMMERCE CENTER 5<sup>TH</sup> ADD., HIGHWAY 10 AND HANSON BOULEVARD, H&W FAMILY, LLLP
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The Staff report was shared with Council.

Councilmember Klint questioned what was being approved by the Council. Planner Harlicker explained the final lot location and dimensions were being formally approved. He reported the lot was approved in concept in 2015.

MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER GEISLER, TO ADOPT RESOLUTION NO. 16-55 APPROVING THE FINAL PLAT FOR

GATEWAY COMMERCE CENTER 5TH ADDITION WITH THE FOLLOWING  
CONDITION:

1. ALL COMMENTS OF THE CITY ENGINEER BE ADDRESSED.

Public Works Director Himmer indicated the Council elected to table action on the 4<sup>th</sup> Addition this evening. He reported that the 5<sup>th</sup> Addition language refers to an outlot within the 4<sup>th</sup> Addition. He believed that the final plat could not be recorded with the County until the 4<sup>th</sup> Addition situation was resolved.

Councilmember Johnson requested that his motion remain on the floor. City Attorney Brodie advised the Council could proceed in this manner, noting that the final plat could not be recorded until the Council took action on the 4<sup>th</sup> Addition.

THE MOTION PASSED 6-1 (KLINT OPPOSED).

20. CONSIDER INTRODUCTION OF ORDINANCE ESTABLISHING FEE FOR  
KEEPING CHICKENS

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The Staff report was shared with Council.

Mayor Koch considered the Ordinance regarding establishing a fee for keeping chickens to be introduced.

OPEN MIC/PUBLIC COMMENT

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Mayor Koch reviewed the rules of order for the Open Mic/Public Comment portion of the meeting.

Jennifer Koch, 2020 127<sup>th</sup> Avenue NW, explained she received the City's response regarding a potential flea market along Coon Rapids Boulevard between Egret and Avocet. She understood this was vacant City owned property. She addressed each of the City's concerns and reported a flea market would not need a structure of any sort. She indicated there were traffic control concerns, but she believed the City's police officers could patrol this area. It was her opinion that City staff was bright enough to figure out how to license this event. She discussed the benefits of holding a flea market within the City and requested the Council reconsider the potential of having a flea market in the City along Coon Rapids Boulevard.

Jerry Pierce, 12236 Partridge Street, discussed the development planned along Coon Rapids Boulevard. He believed the City was using too much TIF for these projects. It was his opinion that the City owed the seniors citizens of this community \$1.25 million plus interest since 1980, for a senior center. He stated in 1995 the new City Hall was built and a referendum was

approved for this expense. He encouraged the Council to pursue a senior citizen center.

#### REPORTS ON PREVIOUS OPEN MIC

None.

#### OTHER BUSINESS

Councilmember Klint asked if staff had responded to the resident with noise concerns from the car wash adjacent to her property in Anoka. City Manager Stemwedel reported he has exchanged emails with the Anoka staff regarding this matter.

Councilmember Geisler reported it was National Police Week. She thanked the Coon Rapids Police Department and its officers for their dedicated service to the community.

Mayor Koch reported the Public Works Open House was well attended this past Saturday and was a huge success.

Mayor Koch believed the Home Remodeling Tour last Sunday was another great event for the City. Community Development Director Fernelius anticipated that close to 1,400 people toured the six remodeled homes.

Councilmember Johnson discussed the kids fishing clinic that was held at the Coon Rapids Dam on Saturday, May 7<sup>th</sup>. He stated there was a good turnout for this event and encouraged staff to further publicize this event in the future.

City Clerk Lenzmeier explained candidate filing opened Tuesday, May 17<sup>th</sup> and will remain open through Tuesday, May 31<sup>st</sup>. She noted there would be four Council seats on the ballot this fall.

Public Works Director Himmer reported the next BNSF/Hanson Boulevard crossing open house meeting would be held on Wednesday, June 15<sup>th</sup> at 5:00 p.m. at Epiphany Church. Signs will be posted on the roadway and postcards would be sent out. He anticipated the Council would be updated on this matter at the Tuesday, June 7<sup>th</sup> City Council worksession meeting.

Fire Chief Piper provided an update on the Senate and House bonding bills.

Mayor Koch discussed the amount of road construction that was happening in and around the City. Public Works Director Himmer reported updates on the City's projects were available on the City's website.

Bunker Hills Golf Director Anderson reported the golf course was very busy and he looked

forward to the warm weather this weekend.

ADJOURN

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MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER WELLS, TO ADJOURN THE MEETING AT 9:18 P.M. THE MOTION PASSED UNANIMOUSLY.

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Jerry Koch, Mayor

ATTEST:

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Joan Lenzmeier, City Clerk