

City of North Saint Paul
June 6, 2023
Approved Regular City Council Meeting Minutes

I. CALL TO ORDER

Mayor Monge called the meeting to order at 6:30 p.m.

II. THE PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

III. ROLL CALL

Present: Council Member Nordby
Council Member Schweer
Council Member Cole absent
Council Member Wong
Mayor Monge

Staff: City Manager Brian Frandle, Assistant to the City Manager Jennie Kloos, City Engineer Morgan Dawley, Community Development Director Brandy Howe, Communications Coordinator Kari Erpenbach, and City Attorney Soren Mattick.

IV. ADOPT AGENDA

On motion by Council Member Schweer, seconded by Council Member Wong, with all present voting aye (4-0), motion carried to approve the agenda as submitted.

V. PRESENTATIONS

A. Silver Lake Association – Paul Nichol, President

Mr. Nichol thanked the City of North St. Paul for their continued partnership. He discussed the aquatic invasive species and requested financial assistance for removal. He explained the invasive species and what damage it can cause. He noted past treatments only treated approximately 10% of the lake and costs \$3,000 annually to which the City contributed approximately \$1,000 with the rest of the funding coming from grants, association fees, pledges, and donations. The new treatment would last approximately 2-3 years and would cost \$20,000. He requested \$5,000 from the City of North St. Paul and is planning to ask Maplewood and Oakdale for \$2,500 respectively. Mr. Nichol explained the treatment would take place in the fall and spring and would target hot spots. Mr. Nichol commented on the safety of the treatment and stated it will be administered at a very low dose and there would not be any negative impacts to animals, people, or other plants.

Mr. Nichol noted in 2021 and 2022, Ramsey County lab tests identified it as a 'hybrid' watermilfoil and Aquatic Invasive Species that has been found in other metro lakes as well. The proposal is three fluridone treatment applications including an initial application and a 'bump' treatment in the Spring of 2024. The Minnesota Department of Natural Resources (DNR)

approved Silver Lake for full lake treatment in 2023-2024 instead of the 10% treatment plan normally allowed in response to the invasive strain

Resident, Ron Jungbauer stated he has presented to the Business Association and also the Parks and Recreation Commission who are both willing to help financially. He added they have requested more funding from the DNR.

On motion by Council Member Schweer, seconded by Council Member Wong, with all present voting aye (4-0), motion carried to approve \$5,000 to be given to the Silver Lake Association for the removal of milfoil.

VI. APPROVAL OF CONSENT AGENDA

Council Member Wong requested that Consent Agenda Items H, J, and O be moved to City Business.

On motion by Council Member Schweer, seconded by Council Member Wong, with all present voting aye (4-0), motion carried to approve the consent agenda as amended without items H, J, and O, Resolution No. 2023-162 consisting of:

- A. May 16, 2023 workshop meeting minutes
- B. May 16, 2023 regular meeting minutes
- C. General Claims \$1,933,216.00
- D. HRA Claims \$15,506.44
- E. EDA Claims \$891.05
- F. Tobacco Licenses
- G. Liquor License Renewals for 2024 – ***Resolution No. 2023-163***
- H. Application/Request from Neumann’s Bar & Grill for a Temporary Extension of their On-Sale Liquor License to Include a Portion of their Paved Parking Area, located at 2531 7th Ave E. on Saturday, September 16, 2023 **Moved to City Business**
- I. New License Approval On-Sale and Sunday Liquor License for SouthEats Asian Cuisine Located at 2086 11th Ave. E. ***Resolution No. 2023-165***
- J. New License Approval On-Sale, Sunday Liquor License and On-Sale Wine License for Everich Ventures, Inc. DBA “The Den” is Located at 2544 7th Ave. E. **Moved to City Business**
- K. Building Permit Report – April 2023
- L. Resolution Accepting Donations - ***Resolution No. 2023-166 & Resolution No. 2023-167***
- M. Special Event Permit for the Sentinel – June 2 to August 25 – ***Resolution No. 2023-168***
- N. Special Event Permit for Trenton Hawthorne – Kick Hunger for North St. Paul Food Shelf – September 24, 2023 – ***Resolution No. 2023-169***
- O. Resolution Approving Firefighter Declaration on a Dual Position - **Moved to City Business**

VII. MEETING OPEN TO PUBLIC

David Nelson expressed his concern regarding the invasive plants at Southwood Nature Preserve and mentioned the turtle signs need to be taken down in the fall and put back up in the spring.

John Schmahl expressed his frustration regarding the lack of microphones at Saturday's special Planning Commission meeting.

VIII. CITY BUSINESS ACTION ITEMS & RECOMMENDATIONS

A. Consideration of a Resolution to Approve the Flood Resiliency Plan

Rebecca Haug with WSB shared the flood resiliency report and provided a framework for the City to use when determining which projects will qualify. She stated the plan highlighted specific areas that are susceptible and provided education to residents. Community Development Director, Brandy Howe stated this report will last approximately 10 years with a continual short- and long-term goal assessment.

On motion by Council Member Wong, seconded by Council Member Nordby, with all present voting aye (4-0), motion carried to adopt Resolution No. 2023-173, Approving the Climate Resiliency and Vulnerable Population Projection in Flood Prevention and Mitigation Strategies Plan.

B. Consideration of a Resolution to Approve a PUD Amendment for the Lille Redevelopment Project

C. Consideration of a Resolution to Approve a Comprehensive Plan Amendment

D. Consideration of a Development Agreement between the City of North St. Paul and the 2515 NSP LLC related to the Lillie Redevelopment Project

Ms. Howe presented both Items B and C, noting the project was originally approved as a mixed use building with housing units, live/work units and commercial development space. Jim LaValle, developer, had to adjust the design to eliminate the commercial space due to high interest rates and general increased cost. Per City Ordinance, a public hearing is required in order to amend a PUD. The public hearing was held at a special meeting for the Planning Commission.

Ms. Howe noted Mr. LaValle and their architect adjusted the model and size and are working to secure financing. He explained the first floor commercial space would change to work/live units. The change in dwelling units require a PUD amendment. The building modifications were substantial enough for staff to require an amendment change. She stated the Planning Commission agreed that the development team has maintained the majority of the original design. Without the commercial space, the taller ceilings and the mezzanine are not required and have changed the ceiling height from 58 to 50 ft. Planning Commission reviewed the modifications and agreed that the aesthetic quality remains. Ms. Howe also noted the building, as amended, met the requirements and follows the Comprehensive Plan. She also explained this amendment is specifically designed for this project and the Planning Commission and staff approve of this amendment.

Council Member Nordby inquired if the live/work units were adequately described in the original proposal. Ms. Howe recalled discussion about this at the last City Council meeting.

Mayor Monge inquired about the size of each live/work units. Mr. LaValle noted they vary in size and include 3 large, 3 medium and 2 small units.

Council Member Schweer inquired about types of commercial spaces allowed. City Attorney Soren Mattick clarified that packaged food may still require a restaurant license.

Mayor Monge requested a brief history of this project due to the arrival of the three new City Council Members. Mr. LaValle discussed the history of the project. Mr. Wrede, project architect, took ideas from the Historical Society and recommended the use of brick and windows from the old town and mix it together with other current features. He also included the emphasis on live/work units. Mayor Monge noted the loss of the commercial space is an important aspect and would like more time to absorb the new information.

The Council inquired about outdoor elements, ability to combine rental units, application process, advertise the live/work units before the livable units, marketability of the live/work space, timeline and the appearance of the building. Mr. LaValle stated if approved this evening, he could close this month and start demolition in July. He noted hard marketing would begin in the fall for the opening in fall of 2024. Mr. LaValle noted he could market the live/work units as commercial space first for a year.

Mr. Mattick expressed his concern regarding modification of documents reflecting what is being compromised. Council Member Wong expressed her concern that one year may be too short of a timeline from a marketing standpoint. Mr. LaValle stated the City Council previously approved the marketing plan and is not sure if he can agree to the anything more than a one-year marketability plan due to financial reasons.

Council Member Nordby inquired if this would set a precedent moving forward. Mr. Mattick stated this would not set a precedent and added the City Council is not bound by this document.

Council Member Wong suggested engaging the EDA and indicated she would be more comfortable with their support and guidance. Council Members Nordby and Schweer stated their concern about the change of building plans and language modifications in the development agreement. Mr. Mattick clarified the deadline for this resolution could be the end of the month. He also recommended these resolutions could occur at the next City Council meeting. This would allow staff time to draft, and revise the documents and put it on as a consent agenda item.

Ms. Howe added the PUD and document change amendment would be on the agenda at the June 20th city council meeting. Mr. LaValle noted his concern about possible decision changes in the next two weeks and suggested approving the TIF agreement in order for the finances to move forward.

Mikayla Huot from Baker Tilly clarified the financing as part of the revised TIF agreement to include a minimum assessment study. She noted the building has been valued as a residential unit so if this project became classified as commercial, the tax amount would change.

Mr. Mattick recommended combining current City Business Action Items B, C, and D with the provisions and place them on the next city council's consent agenda. He also requested staff to revise the document to incorporate the provisions regarding retail space and timeline. He advised that an amendment change to the Comprehensive Plan would require a super majority vote.

Ms. Huot informed the Council on the definition of the property and stated there was no change to what was already approved in the new development agreement. Mr. Mattick directed staff to bring back a resolution for all of the items, to be placed on the June 20th City Council meeting's consent agenda.

Mr. Mattick clarified some of the Council's terms so the proposed development agreement can be updated accordingly. Per Mr. Mattick, a revised development agreement will be considered on June 20th along with the final PUD and Comprehensive Plan Amendments.

On motion by Council Member Schweer, seconded by Council Member Wong, with all present voting aye (4-0), motion carried to direct staff to revise the development contract to be consistent with requiring commercial space to remain on first floor for a period of one year, if after that one year the first floor is no longer deemed feasible, it can be converted to residential units and to direct staff to bring back an amendment for the PUD and the Comprehensive Plan and the revised development agreement scheduled for June 20, 2023 to be placed on the Consent Agenda.

E. Consideration of a Revised TIF Assistance Agreement between the City of North St. Paul and 2515 NSP LLC

Ms. Huot with Baker Tilly provided a brief overview of the additional assessment value based on their minimum assessment value. Ms. Huot noted this TIF agreement would help the developer in the first 10 years with cash flow to repay the debt obligation and a reasonable return on their equity. Special legislation language included in the TIF statute would allow the City to establish a one-time use of funds. She stated the resolution includes the inclusion of the assessment agreement and the modification of the TIF agreement to include both the upfront and revised tax increment note.

Council Member Nordby inquired about the definition of a minimum assessment agreement. Ms. Huot stated this minimum assessment is an agreed upon minimum value of the project and includes representatives from the City, County and the developer. The TIF agreement amount is set at \$18.5 million, which could increase but cannot be lower. Council Member Nordby also inquired about a possible future sale of the building. Ms. Huot stated there can be conditions put into the agreement to help with this possible future event. She also added if a future sale occurs within a specific timeframe there can be a review of finances to analyze the performance of the project and could be adjusted if a new developer came in.

On motion by Council Member Wong, seconded by Council Member Nordby, with all present voting aye (4-0), motion carried to approve the revised TIF Assistance Agreement between the City of North St. Paul and 2515 NSP, LLC.

F. Application/Request from Neumann's Bar & Grill for a Temporary Extension of their On-Sale Liquor License to Include a Portion of their Paved Parking Area, Located at 2531 7th Ave E. on Saturday, September 16, 2023

Council Member Wong requested this be pulled for clarification regarding the property extension. Ms. Howe noted this is a similar process as outdoor seating or public right-of-way and added this is a temporary situation for this one-time event.

On motion by Council Member Wong, seconded by Council Member Schweer, with all present voting aye (4-0), motion carried to Adopt Resolution No. 2023-164, Approving a Special Event Permit for Neumann's Fest 2023, September 16, 2023

G. NEW License Approval On-Sale, Sunday Liquor License and On-Sale Wine License for Everich Ventures, Inc. DBA "The Den" is Located at 2544 7th Ave. E.

Council Member Wong pulled this item for clarification on the process. Ms. Howe noted this business has requested a food component in addition to the current adult daycare. Assistant to City Manager Jennie Kloos stated the process for liquor license includes steps and documents needed with council approval. If approved by city council, the application would be sent to the State of MN Alcohol and Gambling Division who would then begin their inspection and approve or deny the request.

Council Member Schweer requested for more information from the business. The Council agreed to hold off on approval until more information from the business is available for clarification.

On motion by Council Member Wong, seconded by Council Member Nordby, with all present voting aye (4-0), motion carried to continue Item J, NEW License Approval On-Sale, Sunday Liquor License and On-Sale Wine License for Everich Ventures, Inc. DBA "The Den" located at 2544 7th Ave. E., to a future city council meeting.

Mr. Frandle noted he will reach out to the owner/applicant to provide more information at the next City Council meeting.

H. Resolution Approving Firefighter Declaration on a Dual Position

Council Member Wong pulled this item for clarification on the economic and financial impact retirement coverage may have on the City. Mr. Frandle noted the dual position is for a firefighter/code enforcement investigator. Ms. Kloos noted Minnesota law states employers must certify eligibility with documentation of all part- and full-time firefighters under the classification of Fire and Police for employees to stay in the same classification.

On motion by Council Member Schweer, seconded by Council Member Nordby, with all present voting aye (4-0), motion carried to Adopt Resolution No. 2023-170 and Resolution No. 2023-171 Approving a Firefighter Declaration on a Dual Position.

IX. REPORTS OF CITY MANAGER AND DEPARTMENTS

Mr. Frandle noted the McKnight project is completed, the full-time position starts next week for Public Works, and Rotary Park restrooms are open after vandalism. Silver Lake reconstruction has begun and water and sewer lines are being connected for the student-built house. The North St. Paul Police Department hired a new officer from Ramsey County. Mr. Frandle also noted the

Touch a Truck event will be on June 9th from 4-8 p.m. and Music in the Park will begin on June 15, 2023. He also mentioned Juneteenth is officially a holiday and City offices will be closed.

X. REPORTS OF COUNCIL, COMMISSIONS & COMMITTEES

Council Member Wong reported the Arts and Culture Commission has been busy with the Art Cart and the next meeting is tomorrow at 6:30 p.m. There will be more community events in the future.

Council Member Nordby stated the Planning Commission met via special meeting last Saturday and the next meeting will be the first Thursday in July.

Council Member Schweer noted the Parks and Recreation Commission will meet on June 15th along with the first Music in the Park. She also expressed her gratitude during the National Peace Officers Week celebration at St. Peter Church. She mentioned the first car show is this evening and the soft opening of a new candy store in town. Hours for the candy store are Thurs.-Sun., 11 a.m.– 6 p.m.

Mayor Monge noted his attendance at the Memorial Day service at Veteran's Park.

XI. GENERAL BUSINESS

Council Member Wong noted Happy Juneteenth and Pride Month.

XII. ADJOURNMENT

There being no further business, on motion by Council Member Wong, seconded by Council Member Nordby, with all present voting aye (4-0), Mayor Monge adjourned the meeting at 8:45 p.m.

/s/ John Monge, Mayor

Attest:

/s/ Brian Frandle, City Manager / Clerk