

**- MINUTES -
CHASKA CITY COUNCIL
MAY 20, 2019**

1. Call to Order

The meeting was called to order by Mayor Windschitl at 7 pm.

2. Pledge of Allegiance

3. Roll Call

Roll call was taken. Present: Councilmembers Hatfield, Bostrom, Huang, Grau, and Mayor Windschitl. Absent: None.

Also Present: Kevin Ringwald, Community Development Director; Liz Hanson, City Planner; Luke Melchert, City Attorney; Nate Kabat, Assistant Administrator; Matt Clark, City Engineer; and Matt Podhradsky, City Administrator.

4. Adopt the Agenda

Motion by Councilmember Hatfield, second by Councilmember Bostrom to adopt the agenda as presented.

Motion carried.

5. Visitor Presentation

5.A. Jon Just Memorial

Dave and Cindy Just presented about the Jon Just Memorial and gave some ministry updates.

5.B. Proclamation – Poppy Days: American Legion Auxiliary, Unit 57

Mayor Windschitl read the proclamation recognizing May 23-25, 2019 as Poppy Days.

6. Minutes

Motion by Councilmember Huang, second by Councilmember Grau to approve the minutes of the May 6, 2019 City Council meeting.

Motion carried.

7. Consent Agenda

Councilmember Huang inquired if solicitor and vendor permits are listed on the City website.

City Administrator Podhradsky stated that they are not but are issued a permit card from the City.

Motion by Councilmember Bostrom, second by Councilmember Hatfield to approve the Consent Agenda Items A through K:

- A. Adopt Resolution 2019-55, in Support for Temporary Water Restrictions on Lake Hazeltine

Motion to Adopt Resolution No. 2019-55 Consenting to and Expressing Support for Carver County adopt a Water Surface Use Ordinance relating to Lake Hazeltine during the 2019 KPMG Women's PGA Championship and for any future major golf tournament in the community.

- B. Adopt Resolution 2019-56, Approving the Final Site & Building Plan at 798 Yellow Brick Road/China Pagoda, Inc./PC #2019-09
Motion to adopt Resolution No. 2019-56 approving the Final Site & Building Plan for China Pagoda at 798 Yellow Brick Road (PC#2019-09).
- C. Letter of Support - Carver County CDA Land Trust
Motion to authorize the Mayor to sign a letter supporting the Carver County CDA's expansion of the community land trust program within the City of Chaska.
- D. Adopt Resolution No. 2019-58, Approving Solicitor Permits for Aptive Environmental
Motion to adopt Resolution No. 2019-58 approving Solicitor Permit Nos. SOL.19-28 through SOL.19-34, for the above representatives of Aptive Environmental, located at 5251 West 73rd Street, Unit C, Edina, Minnesota, 55439, for the period of May 20, 2019, through September 30, 2019.
- E. Appoint Arboretum Area Transportation Plan Stakeholder Advisory Committee Representatives
Motion to adopt Resolution No.2018-59, approving Solicitor Permit Nos. SOL.18-19 through SOL.18-27, SOL. 18-32 and 18-36 for the above representatives of Aptive Environmental, located at 5251 West 73rd Street, Unit C, Edina, Minnesota, 55439, for the period of May 21, 2018, through September 30, 2018.
- F. Adopt Resolution No. 2019-59, Approving Solicitor Permits for Rise Pest Control
Motion to adopt Resolution No.2018-66, approving Solicitor Permit Nos. SOL.19-35 through SOL.19-41, for the above representatives of Rise Pest Control, located at 4940 N Hwy 169, New Hope, Minnesota, 55428 for the period of May 20, 2019, through August 31, 2019.
- G. Approve Temporary On-Sale Intoxicating License for Flags and Honor of Minnesota
Motion to approve the Temporary On-Sale Intoxicating License TW 19-03 for Flags and Honor of Minnesota, that allows them to serve intoxicating beverages at their car, bike and tractor fund raising event, on August 10, 2019.
- H. Adopt Resolution No. 2019-60, Awarding bid for Salt Shed Storage Building
Motion to adopt Resolution No. 2019-60 awarding the bid for the Salt Shed Storage Building to Greystone Construction Company in the low bid amount of \$164,990.00.
- I. Adopt Resolution No. 2019-61, Approve Transient Permit - Frybread Express
Motion to adopt Resolution No.2019-61 approving Transient Permit TRA.19-09 in the name of Robert Larson of Frybread Express of 3111 California St NE, Minneapolis, Minnesota 55418, valid May 18th and May 19, 2019.
- J. Adopt Resolution No. 2019-62, Approve Peddler's Permit for Big Bell Ice Cream Inc.
Motion to adopt Resolution No. 2019-62 approving Peddler Permit No. PP. 19-02 in the name of Ivan Sanchez, DBA Big Bell Ice Cream, 3218 Snelling Ave., Minneapolis, Minnesota, 55406, valid May 20, 2019 through December 31, 2019.
- K. Adopt Resolution No. 2019-64, Approve Transient Permit for Pretty Great Cheesecake
Motion to adopt Resolution No. 2019-64 approving Transient Permit TRA.19-10 in the name of Pretty Great Cheesecake of 867 Woodridge Dr. South, Chaska, Minnesota, 55318, valid May 20, 2019 through December 31, 2019.

Motion carried.

8. Action Items

8.A. Adopt Resolution 2019-57, Approving the Concept Plan for Hickory Street Apartments at 401 Hickory Street/Community Asset Development Group/PC #2019-10

City Administrator Podhradsky introduced the item to the Council.

City Planner Hanson presented the item to the Council.

Councilmember Bostrom inquired if there are any architects, urban planners, or-use specialists on the Planning Commission.

City Planner Hanson stated that there are.

Councilmember Bostrom commented that a unanimous recommendation to proceed carries import given the make-up of the Planning Commission. He also inquired if Community Asset Foundation is the first group Staff has heard from regarding this property.

City Planner Hanson responded they have not heard from anyone else at this point.

City Administrator Podhradsky provided further clarification regarding interest/planning for this site.

Councilmember Grau inquired if the trees on the north and west side are on the 1 acre included in the plan.

City Planner Hanson confirmed that they are.

Councilmember Grau inquired about the progress of a proposed concept plan for the property on the opposite side of Chaska Boulevard.

City Administrator Podhradsky explained that concept plan is currently not going forward.

Councilmember Bostrom asked if the land/soil would be better for office, industrial, or residential.

City Planner Hanson stated that it acts the same for all three.

Councilmember Hatfield requested City Planner Hanson to detail a talking point from the Planning Commission Meeting regarding storm sewers on the property.

City Planner Hanson and City Administrator Podhradsky gave a brief summary of their location and the discussion.

The Council and Staff discussed site lines, entrance facades and the goals of the Downtown Plan. They also discussed the potential use for the property across the street from this site.

Councilmember Bostrom looked for clarification regarding the question of the City incorporating/selling off 1-acre from City-owned land into the project site to update the 2040 Comp Plan.

City Administrator Podhradsky provided further detail regarding that plan.

The Council discussed the benefit of the trees located on that portion of the site.

Councilmember Huang looked to clarify the access point for the property across the street from the site.

Community Development Director Ringwald and City Administrator Podhradsky discussed the potential location/s.

Corey Magstadt, Executive Director of Launch Ministry, applicant, provided more information regarding Launch Ministry.

Mayor Windschitl inquired if there is any supportive housing in Carver County.

A member of the audience stated there some various sites but not any dedicated housing.

City Administrator Podhradsky gave an example of that in the Clover Field Market Place.

Mr. Magstadt continued detailing the proposed use for this site.

Dave Pokorney, Community Asset Development Group, representing the applicant, provided more detail regarding the proposed concept plan.

Councilmember Bostrom asked Mr. Pokorney if the potential Comprehensive Plan delay would be a deal-breaker.

Mr. Pokorney stated the earliest this project could begin is a year from now, so there is no problem with the Comprehensive Plan delay.

Mayor Windschitl inquired what would happen if they did not receive State funding.

Mr. Pokorney responded that if they don't get it, they will apply again and explained how the financing works.

City Administrator Podhradsky commented that there is a high priority at the State to develop units to serve people coming out of homelessness and that the State provides all the funding up front. He also noted that these are not funds cities apply for but that developers apply for.

Mr. Pokorney further detailed the grant fund process.

Councilmember Bostrom inquired if the property management on-site is 24/7.

Mr. Pokorney stated it is not 24/7 but is run by a property management company.

Councilmember Huang looked to clarify that DDK will develop the market rate apartments and Community Asset Development Group will own the supportive housing, and the property management company would manage both.

Mr. Pokorney explained that, depending who owns the market rate apartments, there could be joint property management in the future, but is not likely.

Councilmember Huang inquired what is supporting the negative cash flow.

Mr. Pokorney explained the details of how Community Asset Development Group manages the negative cash flow.

Councilmember Grau asked Mr. Pokorney to give more information on the projects and board of Community Asset Development Group.

Mr. Pokorney presented this information to the Council.

Councilmember Huang inquired about operation/maintenance of the property and if the Community Asset Development Group's revenue is based on the senior living locations.

Mr. Pokorney detailed the State's requirement for operating reserves for property maintenance as well as their funding for the property.

Councilmember Bostrom inquired what services will be provided for the residents of the unit.

Mr. Pokorney explained these apartments will solve the social issue of homelessness for sixteen people and provide supportive services by having one building instead of scattered sites.

Mr. Magstadt introduced Amanda Flowers Peterson, Program Director for Launch Ministry, who gave further information about the services that will be provided for the residents.

Councilmember Bostrom inquired if a client could be brought in to the supportive housing that had needs Launch Ministry was not capable of handling.

Ms. Flowers Peterson provided more clarity into the support coordination Launch Ministry provides to residents.

Mayor Windschitl looked to clarify that the property manager does not live on-site.

Mr. Pokorney explained that they do not; that there is an office in the building the property manager can use, but they do not live on-site.

Ms. Flowers Peterson clarified that Launch Ministry does not provide counseling but case management, and coordinates such scheduling to do so based upon the different schedules of each resident.

Councilmember Grau inquired if the two buildings are tied at the hip; if funding were to fail, would the market rate apartments still proceed.

Mr. Pokorney stated that they are not tied at the hip and stated this project is subject to the process like any other concept plan.

Mayor Windschitl asked about timing of development for each unit.

Mr. Pokorney explained that it makes sense that both pad sites be developed at the same time, but that point in the project is a year away. He also stated that preliminary discussions with potential future owners have produced questions of whether it would be acceptable to be next door to a bus garage, which is an unknown piece at this point.

Mayor Windschitl commented that there are a lot of questions that have to be answered for the project moving forward.

City Administrator Podhradsky pointed out that regarding the planning process, all the conditions listed must be met to be able to get the preliminary process, and that from Staff's standpoint, none of them appear undoable.

Councilmember Bostrom asked City Administrator Podhradsky to compare this concept plan to others the City receives.

City Administrator Podhradsky stated that from a planning standpoint, it is typical. It is just a different use than is currently seen in the community. He also stated that he feels confident that any planning issues that exist have been properly identified by Staff.

Community Development Director Ringwald commented that it will be the applicant's job now to start going through the list of conditions.

City Administrator Podhradsky noted that much has changed since they looked at this two years ago in that it is now going through the typical planning process.

Councilmember Huang inquired how many clients are currently served through supportive housing with Launch Ministry.

Mr. Magstadt stated there are twelve clients in their scattered site program, seven of which are in downtown Chaska.

Councilmember Huang asked if these clients would be moved to the proposed supportive housing.

Mr. Magstadt explained the plan is that the majority will maintain their current space, so this would roughly be a net of sixteen new units.

Mayor Windschitl inquired how those selected for supportive housing are determined.

Mr. Pokorney stated that the Community Asset Development Group Board sets those criteria and makes those decisions.

Mayor Windschitl inquired if the State dollars change the criteria at all.

Mr. Pokorney explained that they do not and that Community Asset Development Group has absolute control. He went on to say that they have to operate it as supportive housing, but the selection criteria are set by the local board.

Mr. Magstadt provided further clarity into the process that Launch Ministry follows to move clients from the waiting lists to selection for open housing. He stated that with sixteen units, he is certain they can be filled with Carver County residents.

Mayor Windschitl looked to clarify the age range of the clients for supportive housing.

Mr. Pokorney stated that for this building, it is 18-29 years old.

Mr. Magstadt explained it would be 18-25 years old for the eight Carver County GRH units.

Mayor Windschitl referred to the staff report where it stated if not filled by Carver County, it would be filled otherwise, and asked how that is determined.

Mr. Pokorney explained if they were not able to fill the unit with Carver County residents, it would open to through their coordinated entry to Scott County.

Mayor Windschitl inquired if Scott County has any programs like the one proposed.

Mr. Pokorney stated that they have scattered site housing but that there is an application similar to this one in Scott County and one in Minnetonka for the State application process.

Councilmember Bostrom looked to clarify that the State does not determine selection criteria.

Mr. Pokorney explained the application process and that one requirement is that they explain the selection criteria.

Mayor Windschitl asked if a partnership of different uses like this 16-unit and 26-unit has happened before on one lot.

Mr. Pokorney stated that he is not aware of any.

Mayor Windschitl inquired if a resident can continue living at the unit if they lose their job but can still pay rent.

Mr. Pokorney explained that the lease requires the resident have a job or a funding source, but can be a case-by-case decision.

Mr. Magstadt gave further clarity regarding the entrance requirements versus once they are housed.

Ms. Flowers Peterson explained that this unit is not transitional housing.

Mayor Windschitl stated that he has received emails from residents concerned about the proposed use for this site and asked if there have been conversations with residents downtown.

Mr. Pokorney responded that they held a neighborhood meeting and sent notices per the City's requirements and added an additional 50 people to the list to send notification.

Councilmember Bostrom asked Councilmember Grau if he has heard any comment since this is within his ward.

Councilmember Grau stated he has received positive and negative input and he believes the lack of information was what impeded the project in 2017.

Councilmember Bostrom inquired how many members on the current Planning Commission are from Ward 1.

Staff responded that there are at least two.

Mayor Windschitl referred to the shortage of parking spaces and distance to public transit system and asked how residents will get to work. He also asked if they can ensure there will not be couples selected as residents.

Mr. Pokorney restated that as a non-profit they select the criteria and are happy to add that as a condition of approval if necessary. He also stated that likely less than half will have cars, so transit is an issue and they see partnering with SouthWest Transit Prime as a solution.

Mr. Magstadt explained transit would be handled similarly to how the residents at the home on 2nd use it.

Mayor Windschitl expressed concern at the million-dollar shortfall SouthWest Transit is facing.

Ms. Flowers Peterson explained Launch Ministry currently helps residents figure out consistent transportation and stated that walking is not a hardship to these residents.

Kyle Homestead, 190 Larpenleur Ave W, St. Paul, stated that he supports this project.

Lily Homestead, 190 Larpenleur Ave W, St. Paul, also expressed support for the project.

Eric Gentry, Director of Housing and Emergency Services at the CAP Agency, stated that he supports this proposal.

Judith Bostrom, 2743 Faulkner Drive, also expressed support for this proposal.

Councilmember Huang commented that the proposed use is something that is needed in the community.

Councilmember Bostrom stated that this proposed use is a positive investment in the community.

Councilmember Grau stated that those who would use this residence are already here and that there is not a correlation to this type of housing negatively affecting property values.

Mayor Windschitl commented that this is a concept plan and that hopefully the logistics that need to work out will do so for the preliminary.

Motion by Councilmember Bostrom, second by Councilmember Hatfield to adopt Resolution No. 2019-57 approving the Concept Plan for the Hickory Street Apartments at 401 Hickory Street (PC #2019-10). Motion carried.

The Council recessed for a short break at 10:01pm.

The Council reconvened the meeting at 10:05pm.

8.B. Consider Approval of Letter of Support for Supportive Housing for Young Adults Exiting Homelessness Project on Hickory Street

City Administrator Podhradsky introduced the item to the Council.

Councilmember Hatfield inquired what this letter would entail.

City Administrator Podhradsky further defined what the State wants to see in this type of letter.

Councilmember Huang asked how heavily this letter is weighed in the application process.

City Administrator Podhradsky stated is weighed very heavily.

Councilmember Huang commented that it would then seem that the depth of the letter would reflect the level of support from the Council.

City Administrator Podhradsky stated that just because a project receives State funding does not obligate the Council to do anything. He explained the letter reflect the Council's support of

the project at this level in the process and gave suggestion for how they focus the letter's content.

Councilmember Huang inquired if Staff could draft the letter and let the Council review it prior to sending it off.

City Administrator Podhradsky agreed.

Mayor Windschitl asked why the letter could not wait to be approved until the June Council meeting.

City Administrator Podhradsky explained it is due by June 1st.

Mayor Windschitl stated it would have been beneficial to have more time to draft the letter as then more Chaska residents could see it.

Councilmember Huang agreed and suggested providing means of transparency.

Motion by Councilmember Hatfield, second by Councilmember Huang to provide a letter of support to the State of Minnesota for the proposed supportive housing for young adults exiting homelessness project at the southwest corner of County Road 61 and Hickory Street, and to authorize the Staff to draft this letter as well as to authorize the Mayor to sign this letter on behalf of the City Council. Motion carried.

8.C. Adopt Resolution 2019-63, Adopting Resolution Certifying the Results of the May 14, 2019 Special Election

Councilmember Huang recused himself from the item.

City Administrator Podhradsky presented the item to the Council and thanked Staff for their work with this special election and the election judges.

Motion by Councilmember Bostrom, second by Councilmember Grau to adopt Resolution No. 2019-63 certifying the results of the May 14, 2019 Special Election for Ward 2 and Ward 4.

Mayor Windschitl stated that the voter turnout was disappointing and that having special election cost a lot of time and slowed things down quite a bit at the City.

Councilmember Hatfield stated that she does not regret her support of the special election, and noted the excellent job Staff did about advertising it, but was disappointed the turnout numbers.

Motion carried.

9. Bills

9.A. Accounts Payable Council Roster 05/20/2019

Councilmember Huang looked for clarification on bills from pages 2, 5, 16, 18, 20, 22. He also requested seeing the invoices in landscape orientation.

City Administrator Podhradsky stated they cannot as it is a limitation of their system.

Councilmember Grau inquired of the City's process in calling for bid for sanitation companies.

City Administrator Podhradsky provided further detail into that process.

Councilmember Bostrom asked for the total cost of the special election.

City Administrator Podhradsky responded that the physical costs were about \$12,500 which does not include Staffing cost.

Motion by Councilmember Huang, second by Councilmember Bostrom to approve the bills as presented. Roll call was taken. Voting aye: Councilmembers Hatfield, Bostrom, Huang, Grau and Mayor Windschitl. Voting nay: None
Motion carried.

10. Other Business

10.A. City Administrator's Report

10.B. Bi-Weekly 05-20-2019

10.C. Other Meeting Minutes

10.C.i. Receive the minutes of the May 8th Planning Commission Meeting.

Councilmember Grau:

- Thanked all the candidates who ran for the special election. He congratulated Councilmember Huang and Taylor Hubbard for their wins. He also thanked Councilmember Bostrom for stepping into the appointment.

Councilmember Huang:

- Noted SouthWest Transit had their employee awards on May 15, 2019.
- Commented that Taste of Chaska on May 15 had an amazing turnout and thanked SouthWest Metro Chamber of Commerce for putting it on.
- Noted that Starbucks opened on May 16 at the Hazeltine site.
- Announced Fishing with Friends will be held on Saturday, June 1 from 9am to noon at the Chaska Event Center.
- Stated SouthWest Christian has their annual golf tournament at the Chaska Town Course on June 24.
- Noted the Chaska Historical Society will host an exhibit about Chaska during World Wars I and II from July 11 through November 15.
- Mentioned public request for increased enforcement on Hwy 41. City Administrator Podhradsky stated the issue there is no turn lanes and updated the Council where the City is in regard to getting those in.

- Noted Pioneer Trail is open. Mayor Windschitl commented that it still has one layer to go. Councilmember Grau on the timing of the HAWK System on Engler. City Administrator Podhradsky stated he will get a timing ETA for that.

Councilmember Hatfield:

- Noted Memorial Day Parade on Monday, May 27 and encouraged all residents to participate in the Memorial Day happenings.
- Thanked Councilmember Bostrom for his help while in his appointment.

Assistant City Administrator Kabat:

- Noted the Human Rights Commission has invited a representative from the U.S. Census Bureau to speak on promoting the U.S. Census Thursday, May 23 at 6:30pm and encouraged the Council to attend. Mayor Windschitl inquired when the census occurs. Assistant Administrator Kabat responded that it happens April 1, 2020. Community Development Director Ringwald stated the City will reevaluate wards after that, likely 2022.

Mayor Windschitl:

- Noted Nick Mason, who served on the Park Board, passed away. City Administrator Podhradsky stated details of the memorial will be forthcoming.
- Thanked all the candidates for running in the special election and congratulated Taylor Hubbard and Councilmember Huang.
- Commented that Fishing with Friends is a great event and encouraged all ages to attend.
- Requested City Administrator Podhradsky address where they are with the school issue. City Administrator Podhradsky provided an update.
- Thanked Councilmember Bostrom for filling the appointment and all he has done for the City in his role.

Councilmember Bostrom:

- Thanked the Council for choosing him for the appointment and thanked Staff and Council for all that they do.

11. Adjourn

Motion by Councilmember Hatfield, second by Mayor Windschitl to adjourn the meeting at 10:55 pm. Motion carried.