

- MINUTES -
CHASKA CITY COUNCIL AUGUST 20, 2018

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 Schulz, Boe, Rohe, Geisler, and Mayor Windschitl. Absent: None.

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

4. Adopt the Agenda

City Administrator Podhradsky informed the Council that Item 8.C. will be moved to the September 10, 2018 City Council Meeting, and that Items 8.A. and 8.B. should be one Item. He explained the new agenda system puts ordinances as separate items, so that needs to be adjusted.

Motion by Councilmember Rohe, second by Councilmember Boe to adopt the agenda as amended.

Motion carried.

5. Visitor

Ed Driscoll, 2500 Christian Drive, informed the Council of noise issues in his neighborhood from the construction of Hwy 41 and that the berm and vegetation the residents were expecting has not been constructed. He asked how they could best constructively engage the Council, or County and State if necessary, to make sure that berm and vegetation get installed.

Councilmember Rohe interjected that in conversations with his neighbors, he explained why they would not be getting a wall there, but told them he was assured a berm and ample vegetation would be installed, and that is where this is coming from.

City Administrator Podhradsky explained that this is going to happen. He explained there is a different contract for berming and landscaping, and the work is set to begin this fall. He suggested a member of the neighborhood be a part of the group that determines where to place or adjust the planned landscaping. He inquired if Mr. Driscoll would be willing to be the contact person from the neighborhood for that.

Mr. Driscoll replied that he would be happy to do that.

Mayor Windschitl commented that the construction traffic is likely louder than the future traffic use.

Mr. Driscoll responded that they can hear the conversations of the workers when the CATs are turned off and that the State had explained that there would be amplified sound there.

Councilmember Geisler mentioned that the Carver County website regarding the construction has posted that once construction is done, which should be soon, the landscaping and path connections will begin. She recommended Mr. Driscoll monitor that.

The Council thanked Mr. Driscoll for coming in.

6. Minutes

Motion by Councilmember Geisler, second by Councilmember Rohe to approve the minutes of the July 30, 2018 and August 6, 2018 City Council meetings.

Motion carried.

7. Consent Agenda

Motion by Councilmember Geisler, second by Councilmember Schulz to approve the Consent Agenda Items A through F:

- A. Adopt Resolution 2018-113, Awarding Bid for Utility Extension to Former Carver County Public Works Site to Service a Brewery
Motion to Adopt Resolution No. 2018-113 awarding the contract for the Extension of Utilities to the former County Public Works site to the low bidder, G. F. Jedlicki, in the amount of \$377,582.00, and authorize the City Administrator to execute said contract.
- B. Adopt Resolution 2018-114, Approve the Final Plat for Savanna Estates 2nd Addition
Motion to adopt Resolution No. 2018-114 approving the Final Plat for Savanna Estates 2nd Addition.
- C. Adopt Resolution 2018-115, Approve the Final Plat for Clover Field 7th Addition/Fieldstone Family Homes
Motion to adopt Resolution No. 2018-115 approving the Final Plat for Clover Field 7th Addition (PC #2018-27).
- D. Authorize Chaska Community Center Hockey Locker Room Remodel
Motion to authorize City Administrator, Matt Podhradsky, and Mayor, Mark Windschitl, to execute the necessary contracts to award bids for the CCC Locker Room Addition project.
- E. Adopt Resolution 2018-119, Approve the 2019 Carver County Assessment Agreement
Motion to adopt Resolution No. 2018-119 supporting the 2019 County Assessment Agreement and authorizing the Mayor and City Clerk/Administrator to sign the 2019 Assessment Agreement with Carver County.
- F. Authorize Purchase Agreement - Property at 3690 Creek Road
Motion to authorize the Mayor and City Administrator to execute the purchase agreement with Mr. Jerry Bontrager to acquire the property at 3690 Creek Road.

Councilmember Boe stated that he has heard some concern from neighbors of the Clover Field how the changeover from townhomes to single-family homes will blend with the townhomes on the west side of Clover Field Drive.

City Administrator Podhradsky explained that Staff believes this will fit in nicely.

Community Development Director Ringwald commented that from a land-use perspective, the transition works out nicely. He commented that the homes will not really have a rear so they look as nice on the alley side as on the street side, so the view from the homes behind will be good. He also noted that single-family homes are moving faster than townhomes, and from Staff's perspective, it finishes out the neighborhood well.

Councilmember Boe inquired if the setbacks between the homes would be similar to the other homes in Clover Field.

Community Development Director Ringwald indicated that they would.

Councilmember Boe asked how much infrastructure expense there is in changing over to single-family as he is aware the water and sewer for townhome use is already in.

Community Development Director Ringwald replied that he does not know, but there is some cost to it.

Councilmember Boe stated that north of the roundabout will blend well, and it will be nice to see these pieces fill in.

Community Development Director Ringwald agreed and noted that these are the last remaining lots near the school so it is nice to finish off that portion of the neighborhood.

Mayor Windschitl inquired if the homes are similar in style to the ones on Faulkner.

Community Development Director Ringwald explained that they are bigger.

Mayor Windschitl agreed and commented that it will transition nicely.

City Administrator Podhradsky pointed out that the extension for the brewery is visible on the Old Carver County Public Works Site, and that they closed on that last week so improvements on the building will be notable quite quickly.

Motion carried.

8. Action Items

8.A. Adopt Resolution 2018-118 Approving the Final Site & Building Plan for Biolyph at 4275 Norex Drive/PC #2018-23, and Adopt Ordinance No. 954, Approving Rezoning from PID-2 to PID-8/City of Chaska/PC #2018-28 and Ordinance No. 955, Zoning Ordinance Amendment to Sections 4.4.3.2D/PC #2018-23 and PC #2018-28

City Administrator Podhradsky reminded the Council that this is Item A and B together from the original agenda and introduced the Item to the Council.

City Planner Hanson presented the Item to the Council.

City Administrator Podhradsky gave further detail on the planning process for the industrial businesses in Chaska that took part in a tax increment assistance program in 1985.

City Planner Hanson continued with her presentation of the Item.

City Administrator Podhradsky provided additional clarity regarding original owner putting some of the property in a conservation easement.

Mayor Windschitl inquired if the conservation easement was done with the County and not the City.

City Administrator Podhradsky explained that the County requires the City to be a named party in the easement.

Councilmember Geisler looked to clarify that the conservation easement stayed with the property in the sale of the property to Biolyph, and so the conservation easement should have remained intact.

City Administrator Podhradsky replied that they will get to that and there are some exhibits to show in regards to that.

Councilmember Geisler noted that there was not document that countered what the conservation easement document dictated.

City Administrator Podhradsky stated that the conservation easement follows the property.

City Planner Hanson continued her presentation of the Item.

City Administrator Podhradsky gave further detail on the Chanhassen 2030 Comprehensive Plan.

City Planner Hanson went on presenting the Item.

Mayor Windschitl looked to clarify that the existing building is indicated by the hatched-out lines in the diagram.

City Planner Hanson confirmed this was so.

Mayor Windschitl then asked if the area to the north and west is all conservation easement.

City Planner Hanson responded that it was, and the grassy area to the south as well.

Councilmember Boe inquired if the portion of the proposed building expansion in the north is within the conservation easement.

City Planner Hanson confirmed that a portion of it is.

Councilmember Geisler looked to clarify that at the time of the approval the setback from the municipal border was 20-feet.

City Planner Hanson confirmed this was so.

City Administrator Podhradsky provided additional clarity on the setback from 1986 in regards to the future-use plan of the Chanhassen property to the east.

City Planner Hanson continued her presentation of the Item.

Mayor Windschitl referred to the proposed site plan and looked to clarify that the northern portion of the expansion is not within the conservation easement.

City Planner Hanson confirmed it was not within the conservation easement, and went on presenting the Item.

Mayor Windschitl inquired where the entrance to the building was located.

City Planner Hanson pointed it out on the proposed site plan diagram.

City Administrator Podhradsky pointed out that the coniferous trees being put in are significantly bigger than what is typically used and that the size shown on the landscaping model is the actual size.

Councilmember Boe inquired where the property line is in relation to the coniferous trees.

City Planner Hanson showed the property line on the photo, and continued her presentation of the Item.

Mayor Windschitl referred to the white house in the oblique image and asked if it was staying.

City Planner Hanson stated that it is as of right now.

Councilmember Geisler asked if it was used for storage.

City Planner Hanson confirmed that it was storage and was part of the previous owner's business use. She then went on presenting the Item.

Councilmember Boe commented that the lighting is fairly directional shining downward.

City Planner Hanson confirmed that they are downward-facing fixtures, and continued her presentation of the Item.

Mayor Windschitl commented that the generator would only be for emergency use and it is the same generator that is already there.

City Planner Hanson responded that he was correct.

Councilmember Geisler commented that with the building expansion wrapping around the generator, it should direct the noise in the opposite direction.

City Planner Hanson agreed and said concealing it more should help with noise mitigation.

The Council asked how often it runs or is tested.

The applicant stated it is tested weekly for thirty minutes.

Councilmember Geisler commented that even then, it should be more muffled with the building wrapping around.

City Planner Hanson went on presenting the Item to the Council.

Councilmember Boe inquired when Section 4 of the Zoning Ordinance came to be.

City Planner Hanson responded that it was pre-1986. She then continued with her presentation of the Item.

Councilmember Boe inquired what occurs going from PID-2 to PID-8.

City Planner Hanson explained that she would get in to that soon, and continued her presentation.

Councilmember Boe commented that a new PID is being created at this point.

City Planner Hanson confirmed this and stated that it is purely to make everything more direct. She went on with her presentation of the Item.

City Administrator Podhradsky provided additional clarity about the proposed zoning amendment.

Mayor Windschitl commented that to him it would have made sense for Chanhassen to put a buffer in since they were building next to commercial, and not houses all the way back.

City Administrator Podhradsky agreed and pointed reiterated the timing of the Chaska industrial use versus the Chanhassen residential use and that a buffer should have probably been installed on the Chanhassen side since the industrial use was already up on the Chaska side.

Councilmember Geisler agreed and stated that removing a couple of the homes from the residential planning would have provided room for the buffer and they wouldn't be having this issue.

City Administrator Podhradsky agreed and provided another option Chanhassen could have taken.

Councilmember Geisler stated that by not doing that, the residential use is now right up at the border of the cities.

Councilmember Boe inquired if Chanhassen's Zoning Ordinance says that their setbacks of 100-feet are only for adjacent Chanhassen residents.

City Administrator Podhradsky confirmed this was so and stated that Attorney Harris could speak more to that as he did the research on it.

Attorney Harris explained that the Chanhassen Ordinance is not as succinct as Chaska's, but the end result is the same in that the protective setback in Chanhassen applies only to Chanhassen residential districts.

Councilmember Geisler asked if, per Chanhassen's Ordinance, larger setbacks would have been applied to any commercial use that surrounded their residential neighborhood, but that this could not have applied to the shared border with Chaska. She asked if the area to the south of the Chanhassen residential neighborhood is commercial use.

City Administrator Podhradsky confirmed it was and that everything on the west side of Galpin is commercial.

Councilmember Geisler stated that they would have applied their ordinance to their commercial, probably, with their setback.

Attorney Harris noted that he cannot speculate on how Chanhassen would have reacted to it or what they would have done, but that is what their code says.

Mayor Windschitl also stated that if it would have said from any residential, then officially it would have had to move 100-feet away, possibly.

Attorney Harris reiterated that he did not recall Chanhassen's exact setback distance but that the analysis is the same as Chaska's in that it only applies to districts in their community.

City Administrator Podhradsky stated that they need to be clear that these are only speculations, and that they did not know Chanhassen's thought process when they put the residential in. He went on to say that what was guided around that property, and what actually ended up being built, does not fit with what other land uses exist over there.

Councilmember Rohe looked to clarify that Chaska had all its zoning and industrial all in place prior to Chanhassen putting the residential use in.

City Administrator Podhradsky confirmed this was all in place in 1986 and that the site and building plan had actually put the square for the future use in three years before this neighborhood was built.

Councilmember Rohe then asked if it would be reasonable to say that Chanhassen Staff and City Council, when they went ahead with this in the early 90s, were well aware of what Chaska had going to the west.

City Administrator Podhradsky agreed and stated primarily because the building was already built.

Councilmember Rohe reiterated that Chanhassen was very well aware of what was there on Chaska's end so this is no surprise.

City Administrator Podhradsky clarified that the only thing that was built at that time was the building as exists now, but the square that was on the plan showing where the future addition would be was approved in 1990.

Councilmember Boe inquired when the conservation easement was put in place.

City Administrator Podhradsky responded that it was put in in 2005.

Councilmember Boe also asked if the conservation easement is located on this parcel only.

City Administrator Podhradsky stated that the conservation easement does not exist on any other industrial property, it is solely on this parcel, and at the initiation of the property owner.

Mayor Windschitl asked if it can ever go away.

City Administrator Podhradsky stated that it can if the City and the property owner would have to mutually agree to do so.

Councilmember Rohe asked if they both did that, could the conservation easement be swapped to the east and allow the development to take place on the north.

City Administrator Podhradsky stated that it is probably a bigger issue of how the building lays out for the operations within. He said that conceptually, that works, but that the applicant has indicated that the building is being laid out as proposed from an operational standpoint. He also noted that what the applicant is doing is allowed by what the City has in place now.

Councilmember Boe stated that he is troubled by changing the verbiage in Section 4.4.3.2d to insert the word 'Chaska', albeit less troubled after hearing this is the verbiage Chanhassen uses,

as it is that concept of changing the rules of the game in the middle of the game did strike him as unfair.

City Administrator Podhradsky stated that when this site plan was approved with the addition on there, the addition set where that building was going to be. He explained that someone could have look at the approved plans and see exactly where that addition was going to be, and reiterated that it was set with the notion that there was going to be industrial next to it. He opined that the sequence of events with this means more than anything else because it sets in motion who made decisions at what time. He also noted that this issue illustrates the importance of Comprehensive Plans so surrounding communities to know what is being proposed.

Councilmember Boe stated that the bottom line is the conflict developed when Chanhassen allowed residential to come in adjacent to the industrial when Chaska assumed it was industrial behind that area, so the 20-foot setback would have been in affect rather than the 100-foot.

City Administrator Podhradsky explained he believes the conflict exists because of that and because they never created a buffer between the residential homes on the Chanhassen side and the industrial that was already built in Chaska.

Councilmember Geisler added that the 20-feet was only applicable if it was industrial backed to industrial, but with this, it is saying that if industrial was backed to residential it is 100.

City Administrator Podhradsky responded that is true only if it is in Chaska. He noted that if this was Chaska coming in after the fact and building an industrial next to an existing residential neighborhood that was in Chanhassen, this discussion would be entirely different. He explained that the applicant bought the property with these facts in place, and the conservation easement on the property limits where the addition can go, but this is what is approved and what he is basing his purchase of the site on. He explained that now the applicant is coming back after the fact and looking at how he can be a good neighbor, but there is only so much he can do within the constraints of the property. City Administrator Podhradsky stated that the question to be asked is if some of that burden could have been taken by the Chanhassen side during the development of this neighborhood so that this would not have been as big of an issue as it is now.

Councilmember Geisler inquired about the windows on the eastside of the building addition and asked if there is a second story to the building with offices that would look out the windows, or if they are just higher windows for natural lighting in the building. She asked if there was a way to move them higher.

City Administrator Podhradsky stated that there is a second floor in there and the way the windows are designed are to allow more for natural light to enter there. He noted as the elevation of the building gets closer to that side, one could probably see out of the first story window, but most of them you'd have to be really stretching to see out. He said City Planner Hanson had said they are four-feet on the south side and get up to something taller than him on the north side.

Councilmember Boe inquired if he was referring to the first-floor windows.

City Administrator Podhradsky stated he was.

Councilmember Geisler explained she was asking about the second-floor windows.

City Administrator Podhradsky responded that they are pretty high, definitely higher than someone sitting at a desk.

Councilmember Schulz inquired if someone was sitting on the inside of the building looking out those windows, would they only see tops of trees and sky.

City Administrator Podhradsky stated that is how they are designed. He asked City Planner Hanson if they show the actual elevation.

City Planner Hanson stated she would rather have the architect comment on that.

Martin Woody, architect for the applicant, explained that the windows on the second level are just to let light in. He noted that there is a second floor, and the windows are typically 4-feet off the floor, but with the use of the building, there will not be office spaces looking out the windows.

City Administrator Podhradsky stated that the offices are on the far west side of the building.

Mr. Woody explained that the windows on the east are there to break up the massing and let natural light in, and that the second level is used for storage.

Councilmember Geisler stated that the reason she asked was for privacy reasons for the residents on the other side. She stated that it makes sense to match the look of the building.

Councilmember Boe asked if the trees located in the conservation easement are still there or if some have been removed.

City Planner Hanson stated that they have stayed outside the conservation easement with where they have dug out or graded so far.

City Administrator Podhradsky pointed out that the applicant is proposing additional plantings inside the conservation easement as well to fill in the blanks between deciduous trees.

Councilmember Geisler noted that trees were also removed and not just buckthorn, but that the additional planting will put more in than was ever there.

City Administrator Podhradsky explained that unless it is surveyed, the lines are hard to distinguish, but if anything encroached into it, it is a matter of a couple of feet and not 20-feet.

Councilmember Boe noted the row of existing evergreens and inquired if those would be lost.

City Planner Hanson stated that those are all going to be removed or relocated on site, and what can be saved will be placed along the edge on the eastern edge.

City Administrator Podhradsky referred to the landscaping plan and stated the applicant is trying to be more strategic with where they put the landscaping.

City Planner Hanson agreed and pointed out where the more significant plantings will occur.

Councilmember Geisler asked if it was possible in the east end of the back parking lot if a few of those spaces could be moved to the beginning of the parking lot to continue the shade trees and not have that divot there.

Timothy Percy, owner and applicant, stated that it is possible, but it does not help them operationally or functionally. He stated that he has done a lot to help already, including sacrificing two parking spaces for additional screening. He noted that there are 28 proposed spaces, and for every space they do not have there, employees will be walking 400-500 feet to get to the building, and that is not within reason to him.

Councilmember Geisler stated she did not mean to move the entire parking to the other location. She referred on the diagram where she meant, and reiterated just moving a couple spaces over.

Mr. Woody stated that they could not be moved without adding another drive or another row of parking.

Staff commented off-mic.

City Administrator Podhradsky restated Councilmember Geisler's question about moving a couple of parking spaces to the west in order to provide additional space for landscaping.

Councilmember Schulz added his thoughts about how to move those spaces and add landscaping.

Mr. Percy referred to a diagram showing the possibilities for parking with a 40-foot, 50-foot, and 60-foot setback. He explained he thought those setbacks for parking are bizarre.

Mr. Woody referred to the same diagram and showed the changes from the original parking plan that they have made. He explained he is not sure if moving those few spaces west would gain much.

Mr. Percy discussed the impact of reducing the 28 parking and the subsequent addition of landscaping and screening.

Councilmember Rohe commented that this is the final plan and this stuff is getting a little nit-picky versus being in the preliminary process.

Mayor Windschitl stated that they weren't suggesting that they remove spaces, but shift them, if that is a possibility. He asked if the colored diagram they were just looking at shows the gain of 10 feet that resulted from dropping the one parking space.

City Administrator Podhradsky asked if this colored diagram had changed since the Planning Commission saw it.

Community Development Director Ringwald stated that the changes occurred to it before it went to the Planning Commission, and so what the Council is seeing now is what is being proposed.

Mayor Windschitl looked to clarify that the eastern most two spaces have been taken away.

This was confirmed.

Councilmember Schulz asked City Planner Hanson to breakdown the parking numbers.

City Planner Hanson stated that the City's parking standards depend upon what type of use that is going in a building. She explained that in this case, the applicant is required to provide 237 spaces based on the square footage of the existing and future space, as well as the use. She went on to say that the City does not want them to construct all of those if they are not going to use them, and they are proposing 28 constructed parking spaces as part of the building expansion. The rest they have to show as proof of parking to show that they can meet the 237 spaces.

Councilmember Schulz inquired if the 237 number is for if they fully expanded.

Community Development Director Ringwald explained that it is for if a different user came in that had a higher head count as every industrial user is not the same, there is space for future parking. He noted that applicants are to plan for what is required in the code, but to only build what they need.

City Administrator Podhradsky added that showing it as proof of parking also prohibits them from building in those areas in the future.

Councilmember Boe asked if it would be acceptable to take the windows from the eastern exposure and moving them to the northern exposure to break up the mass of concrete, since they are intended to provide natural light.

City Planner Hanson stated that she would rather the applicant answer that.

Mr. Percy explained that the future expansion is to the north, so they would not put windows where they will be adding on in the future.

Councilmember Boe looked to clarify that the expansion to the north can happen as there is land that is not within the conservation easement.

Mr. Percy responded that it is limited, but they can.

Councilmember Boe stated he is still trouble by inserting "Chaska residents" into the verbiage of the zoning ordinance, and it sets up the possibility for future Chaska users to question why they have to do 100-feet and this use only has to do 30-feet. He explained that he would like it to be consistent throughout the community as this is setting up a different scenario that won't exist in a lot of locations in Chaska.

City Administrator Podhradsky explained that the challenge with that is the expectations were set back in 1990 when the footprint of the building was put using standards assuming there was going to be adjacent industrial use. He stated that he cannot think of another area in town where industrial has been put up against residential that is on the city border. He commented that it is difficult to not do that, and remain consistent with the expectations that were created for the property owner when he bought the property.

Councilmember Geisler asked if he meant they are not setting a precedent or possibility of liability at some future point.

City Administrator Podhradsky said that they are looking at this as a whole and not just one spot.

Attorney Harris explained that the changed to 4.4 is a change that applies around the entire periphery of the City; it applies around Chaska's entire corporate boundary it doesn't apply to any particular parcel.

City Administrator Podhradsky commented that the majority of stuff that will pop up in the future will be on the west end of town, and if Carver, Chaska, and Victoria stick to their Comprehensive Plans, he doesn't believe they will run into an issue like this. He stated the issue is making sure the City deals with its zoning issues and stays consistent with the expectations it created a long time ago.

Councilmember Boe noted that 4.4.3.2 was in place but did not apply because they thought it was going to be industrial use. He commented that another business in town with residential behind them could point to this case and question why they only had to give 30-feet when they have to give 100-feet.

City Administrator Podhradsky stated that his response would be that this case in question is unique because they never anticipated Chanhassen to put residential use there. He also noted that another industrial use in Chaska would have the same setbacks as this case if they were adjacent to another industrial use.

Councilmember Rohe mentioned that this is also different because an approval for expansion was already made, and that also makes this case unique.

City Administrator Podhradsky explained that the pertinent issue is how to stay consistent with the expectations Chaska created in the past. He noted that the Chaska is distinguishable from

other cities from an economic development perspective because they can sit down with businesses and create a future for them, and that is why so many businesses stay because they have the room to expand onsite. He commented that it would be troublesome if the City creates expectations, and don't hold to them in the future.

Councilmember Geisler noted it would be by someone else's actions, too.

City Administrator Podhradsky agreed and stated that they can't control the actions of Chanhassen and it would not be good, by someone else's actions, to not pull through with Chaska's commitments.

Councilmember Rohe stated that this is absolutely right. He referred to a past development on the border of Chanhassen and stated that he has to make decisions as a Councilmember based on what is best for Chaska, and their businesses. He wants to be sensitive to things, but thinks the applicant is going above and beyond with this. He agreed that Chaska cannot control what Chanhassen had done by putting the residential use next to established industrial, and a lot has been done to make this the best project possible and mitigate as much as they can to the Chanhassen neighbors to the east. He stated he is in support of moving this item forward.

Councilmember Boe inquired if they need to make that verbiage change, or if the applicant is in effect grandfathered in by the conditions that were in place in 1990.

City Administrator Podhradsky responded that he thinks they need to make that change.

Councilmember Boe commented that he is still uncomfortable with the change, but the rest of it he understands and he applauds and encourages the applicant's expansion and is glad to see that.

Councilmember Schulz stated that it is an important change as it also adds a level of protection in the future as well.

Councilmember Boe said that it creates a double standard in his mind with the situation that is on the municipal boundary versus not.

Mayor Windschitl commented that he looks at it as Chanhassen had the opportunity to put that buffer in on their side and they looked at Chaska's industrial and didn't see the importance of it.

Councilmember Boe stated that he does not disagree with that.

Councilmember Schulz noted that this will be important if Carver or Victoria throw residential housing up against Chaska industrial use.

City Administrator Podhradsky interjected that they need to know they are not protected and that Councilmember Schulz makes an important point that if neighboring communities are going to differ in their plans, they need to know what the consequences are. The consequences would

be that if Chaska can't guarantee they are provided a buffer, the neighboring community needs to provide that buffer. He reiterated that the future expansion for this building was clearly designated and created as clear of an expectation as possible, and also that it is not Chaska's responsibility if neighboring communities veer from their comprehensive plans.

Councilmember Geisler stated that by adding the word "Chaska", which she also was not comfortable with, it is actually making it less ambiguous to any future situation.

City Administrator Podhradsky confirmed that this was so and provides expectation.

Councilmember Rohe agreed and stated that it is incumbent upon the community that veers from comprehensive plans to get the proper setbacks and not expect another community to step in and make that decision, as Chanhassen has done with this issue.

City Administrator Podhradsky noted that Chanhassen thirty years ago did that. He explained that these are decisions that were made a long time ago, and Staff is trying to follow through with the expectations that were created.

Councilmember Boe asked if this change now allow Chaska to put industrial up against an existing residential neighborhood in Victoria, for example, and not have to have the 100-feet.

City Administrator Podhradsky stated that he thinks it would but made the argument that if Chaska is going to be good neighbors, they would not do that.

Councilmember Boe explained that is why he still questions the verbiage because it allows that kind of verbiage to occur.

City Administrator Podhradsky reiterated that the timing in this is everything. The sequence of how these events happened is critical. The applicant is trying to be a good neighbor, but there is only so much they can do within the context that was already approved. He stated that if they were starting from scratch thirty years ago and Chaska and Chanhassen were both developing these properties at the same time, it would look different.

Councilmember Geisler commented that in all her years on Council, this is the first time she has seen plans go from a dotted proposed expansion to final; that she is used to seeing a concept plan, a comment period, a process.

City Administrator Podhradsky noted that there was a concept and a preliminary, and this is the final. The difference is that the concept and preliminary were done by somebody way back when.

Mayor Windschitl noted that Southwest Christian addition was another one like that. When they put on the addition, it was the final.

Councilmember Rohe commented that Ridgeview was the same, that the expansion was approved years ago.

City Administrator Podhradsky stated that this is very consistent with how they have dealt with this in the past.

Mayor Windschitl noted that this is not a public hearing and that public comment is not required, but out of courtesy to all present in the audience, he stated if one person wanted to come up and share anything they could. He asked they keep it to one person, two at maximum and that they not repeat themselves.

Bryant Tchida, 2503 Bridle Creek Trail, Chanhassen, thanked the Council for their time and for listening to their concerns. He stated that the 1990 site plan did not say proposed expansion and was not proposed or approved, that it was a dotted line and it was probably future expansion. He stated that Councilmember Geisler was right that there was no site plan and it was not addressed in any meaningful way.

Councilmember Geisler explained that they did not see the process, but there was a process then.

Mr. Tchida passed out copies of the 1990 site plan and stated that the dotted line showing the expansion is a ghost drawing and that this site plan was never approved. He stated that if it had been approved, they wouldn't be going through a proposal and approval right now. He read a portion of the document. He referred to the notion that there was not a buffer in place, and showed before and after photos of what he stated was in fact a robust buffer. He stated that the building will come within 30-feet from his property and that he does appreciate the proposal to add thick cover within the conservation easement, but the 120-feet of trees that were there did in fact act as a buffer. He reiterated that the residential houses to the east did not exist in 1990, but that there was no site plan approval for that and today, industrial is being built next to residential. Mr. Tchida commented that the reason they are amending Section 4 of the Zoning Ordinance is because it applies to planned industrial districts specifically, and includes a 100-ft setback from residential uses and zoning purposes. He argued if this had all been approved before, there would be no need to amend that ordinance and that it is being amended to solely benefit this project. He explained that he believes spot zoning is something that is raised by what is happening here in the amendment to add the Chaska language. He asked for clarification where in the Chanhassen ordinance he could find provision regarding the 100-foot setback provision only applies to Chanhassen properties. He read what he had found regarding 100-foot setbacks from Article 22 of the Chanhassen Code and asked where it is stated it applies only to Chanhassen properties.

Councilmember Rohe asked Staff to answer that question now.

Attorney Harris replied that it is found in the definitional section of the Chanhassen Code, within the definition of residential districts in section 1-2.

Mr. Tchida thanked Larry for the clarification. He argued that they should be making decisions based on the facts as they currently are and stated this has been very hard on him and his family. He stated that the 100-foot separation exists so that you can do more landscaping in between, including berming. He referred to the berm that exists between residential and

industrial uses to the south and how effective it is for screening. He argued that berming is the right way to do things, stated that he did not believe this expansion was approved, and asked that the Council apply the standards as they are today to the residential houses that are back there today. Mr. Tchida said it isn't fair to justify this based on what happened 28 years ago. He suggested looking at other options, including moving the parking lot to the south and adding berming, and to stick to the 100-foot setback.

Councilmember Rohe looked to clarify that there is nothing stopping the home owner from making investments in their backyard, including berming, trees, a fence.

Staff confirmed that there is not.

Mr. Tchida commented that he understands that and it is a fair point but the building coming that close is so extreme industrial and selling a house would be difficult. He stated you can mitigate to a degree, but without a substantial berm with the right vegetation on top, it is severe industrial back there.

Councilmember Geisler referred to her previous comment about the dotted line and clarified that City Administrator Podhradsky addressed that and she understands how they did it then, and how it is currently being done, for example Southwest Christian.

City Administrator Podhradsky explained that how this was done is very typical to how they did industrial back then and now in that they encourage people to plan their addition to set out their maximum boundary for where they can go. He noted that if this would have been guided for, or actually had been, residential back then, there would have been the 100-foot setback but it was set with a 20-foot setback because the use was supposed to be industrial.

Councilmember Rohe commented that it is consistent and referred to the approved future expansion of Ridgeview and how the neighbors will feel. He stated that if they do not provide businesses to plan for future expansion, they would have to take their business elsewhere to accommodate growth. He asked Mr. Pearcy if that was the case.

Mr. Pearcy said he would not have purchased the property if the ability for future expansion had not been approved.

Councilmember Geisler stated that while there is the process for concept plan, preliminary, and final in other situations, the City allowed industrial owners to designate possible expansion in their approvals.

City Administrator Podhradsky clarified that they do that now, too.

Councilmember Schulz commented that the term 'possible' can be confusing, but it just means that they may expand if needed, that they have the opportunity to do so, but they may not actually expand. He added that when you approve a plan like this, you are approving that expansion as well.

City Administrator Podhradsky looked to add that it does not mean they have to expand, but that they are approved to do so if needed and to the known constraints.

Councilmember Rohe mentioned that it can come back to bite the Council and referred to the expansion proposed by Ridgeview Medical Hospice out on the lake.

Mr. Tchida stated that the problem is the houses weren't there at the time, but they are now, so the setbacks have to be dealt with. The setback was not an issue back then.

Councilmember Rohe asked if Mr. Tchida understands City Administrator Podhradsky's point about the importance of the timeline of events with this and what Chanhassen, at that time, given the known industrial use on the Chaska side, could have done. He agreed that time has moved forward, but Mr. Percy predicated the purchase of this building with the future expansion option if needed. He explained that as a member of this Council, it makes it very hard to go back and try to second guess or change something a previous Chaska Council did, but he has no control over what the City of Chanhassen does.

Mr. Tchida explained that he understands that point, but when Biolyph bought the property, it was known that there were houses there and that would have been an opportunity to look closely at the 100-foot setback. He commented that there is a set of residential folks on the other side, who when they purchased their homes, the buffer of trees was so thick and the business isn't really noticed. He stated that from their perspective, the expectation that it would come that close to the property line just was not there.

Jeff Sebenaler, 2499 Bridle Creek Trail, Chanhassen, stated that the two homes that were there when the use was agricultural and are still part of the Chanhassen development, preceded Home Time and Biolyph and to him, that is a residential community. He stated Chaska build next to two homes. He mentioned that prior to the use to the south becoming business, it was proposed high density housing before it ever became industry. He explained that the suggestion they brought to the Planning Commission, to move the parking lot to the south, moves it toward industry. He stated that he believes Mr. Percy's argument that his employees would then have to walk 400 feet to the building is a weak argument. He stated that if the parking lot goes where proposed on the east side, they would walk 200 feet. He explained that to him, putting the parking lot to the south is a better idea. He noted that he does like the landscaping plan that is in place, but revisiting the parking lot issue would go a long way.

Mayor Windschitl commented that the applicant has reissued it, he has gained another ten feet and asked how much is needed between a parking lot and residential. He said with that 10-feet, it is now at 40-feet, and if you fill that in with trees, that is a pretty good buffer. He explained that he feels that the applicant has gone out of his way and heavily into the screening part of it, and that maybe in the short term while the vegetation grows, a fence could be installed by the property owners. He commented that good strides have been made by the applicant in moving things and they Council needs to respect how he lays out his property. He explained that he does really feel for those affected, but Mr. Percy is not violating any of Chaska's ordinances, he is not asking for a variance, and he is staying within the conservation easement.

Mayor Windschitl stated he is not sure what else can be done as Mr. Percy has gone pretty far forward to help buffer as much as possible.

Mr. Sebenaler asked what significant trees can be put in the four feet between the wall of the new building and the conservation easement to the north, and the seven feet between the corner of the building and the conservation easement to the south end.

Alan Kirkman, 2510 Bridle Creek Trail, Chanhassen, stated he appreciated the attempt to make this a better situation, but adding 25-30 trees will do nothing to screen compared to the size of the building. He explained that over 57 trees had been removed from the site, which were in the approved site plan.

Councilmember Schulz explained that the site plan defines the outline of the building footprint, not the placement of the trees and the landscaping.

City Administrator Podhradsky noted that the landscaping plan was not the trees Mr. Kirkman is referring to but the 47 trees that were around the building, and it was clear from the original approvals that those trees were not protected by an easement and were not going to permanent.

Mr. Kirkman stated that the landscaping plan talked about the overcover of those trees.

City Administrator Podhradsky explained that the trees that were cut down were not a part of the landscaping plan. The landscaping plan that was approved for the building was trees that occurred out on Norex, in front of the building, other places other than that area there.

An audience member stated that there were trees cut out of the conservation easement.

City Administrator Podhradsky noted that they have shown the line on the conservation easement and Staff would disagree with that, and that it should be noted that Mr. Percy is putting more trees into the conservation easement than ever existed there before.

Mr. Kirkman argued that they cut trees from within the conservation easement. He thanked the Council for their time and asked them to do the right thing.

Community Development Director Ringwald noted that a portion of the line is missing.

Councilmember Rohe asked City Planner Hanson to put the action item back on the screen.

Councilmember Geisler asked Community Development Director Ringwald to address the machine that could be used to minimize damage to a large oak.

Community Development Director Ringwald explained that using a vibratory plow to cut the edge to minimize damage to the roots of the oak tree in one of the backyards would be something the applicant could provide as part of the installation of their landscaping.

Community Development Director Ringwald pointed out that one of the conditions from Planning Commission was to have Staff look more with the applicant at the landscaping around the parking lot and to look at considering if other parking stalls could be moved. He explained Staff worked extensively on the landscaping and the applicant did move two parking stalls. He noted that if the Council was to approve this plan as is, they would need to remove condition 18.

Community Development Director Ringwald stated that there was not a specific number or distance or dimension attached to it.

City Administrator Podhradsky stated that if the Council feels comfortable with it, to remove it, but if not, do what they think they need to do.

Attorney Harris explained the importance of the order of the motions.

Motion by Councilmember Rohe, second by Councilmember Schulz to adopt Ordinance No. 955 approving the Zoning Ordinance Amendment (ZOA) to Section 4.4.3.2d to include the following language:

d) From adjoining Chaska residential uses or residential zoning districts in Chaska:.....100 feet;

Attorney Harris stated that three actions need to be considered tonight, and due to the nature of this item, it is important that they designate the record on which the Council is making its decisions. He noted that the Council Packet, the PowerPoint presentation by City Planner Hanson, the copy of the May 21, 1990 agenda item, the City Code, and the presentations, drawings, diagrams, and comments of the people who came forward, all of which exist in video or another form, are all part of the record and that the Council designates that as the record on which they are making their decisions tonight.

Councilmember Rohe amended his motion to include the statement that the matters which Attorney Harris read constitute the record on which the Council is making its decision.
Amended motion carried 3/2 (Boe, Geisler).

Motion by Councilmember Rohe, second by Councilmember Schulz to adopt Ordinance No. 954 approving the rezoning from Planned Industrial District No. 2 (PID-2) to Planned Industrial District No. 8 (PID-8) for all of Blocks 1-2 in Arbor Park, Blocks 1-2 in Arbor Park 2nd Addition, Blocks 1-2 in Arbor Park 3rd Addition, Blocks 1-2 in Arbor Park Final, and Block 1 in Chaska Business Lofts, noting that the Council Packet, the PowerPoint presentation by City Planner Hanson, the copy of the May 21, 1990 agenda item, the City Code, and the presentations, drawings, diagrams, and comments of the people who came forward constitute the record on which the Council is making their decisions.
Motion carried.

Motion by Councilmember Rohe second by Councilmember Schulz to adopt Resolution No. 2018-118, approving the Final Site and Building Plan for Biolyph at 4275 Norex Drive (PC #2018-23) with the removal of condition 18 and noting that the Council Packet, the PowerPoint presentation by City Planner Hanson, the copy of the May 21, 1990 agenda item, the City Code, and the

presentations, drawings, diagrams, and comments of the people who came forward constitute the record on which the Council is making their decisions.

Councilmember Schulz stated that he seconded this motion, but he does have concerns about what was removed from the conservation easement and would like that to be looked into as he does not feel that has been addressed properly. He suggested they discuss this further.

City Administrator Podhradsky stated that they can make that a condition of the approval.

Councilmember Rohe amended his motion to include the condition that Staff look further into what was removed from the conservation easement and provide more detail to Council.

Councilmember Geisler noted that she was thinking the same thing.

Councilmember Boe stated that he shares those same thoughts and that the Council has spent a lot of time over the years having people stand behind those easements.

Councilmember Rohe asked Attorney Harris if that does anything to the motion.

Attorney Harris explained that it is within the Council's prerogative to revise the form of the resolution that is before them, but suggested they clarify exactly that they want to require and expect the applicant to do.

Councilmember Rohe stated it might be better to approve the motion as is and to direct Staff if a separate situation.

Substitute motion by Councilmember Rohe second by Councilmember Schulz to adopt Resolution No. 2018-118, approving the Final Site and Building Plan for Biolyph at 4275 Norex Drive (PC #2018-23) with the removal of condition 18 and noting that the Council Packet, the PowerPoint presentation by City Planner Hanson, the copy of the May 21, 1990 agenda item, the City Code, and the presentations, drawings, diagrams, and comments of the people who came forward constitute the record on which the Council is making their decisions.

The Council agreed that this is a tough one.

Councilmember Schulz stated that going forward is the right direction to go but it is hard as it will leave the neighboring residents upset.

Councilmember Boe agreed and said they love to see their businesses expand and it is unfortunate the situation developed as it did over the years because of decisions made out of the Council's hands.

Councilmember Geisler also agreed and commented that it is great to see businesses grow, but it is hard because she understands the impact it is having but they are due to decisions the Council had nothing to do with.

Mayor Windschitl reiterated that it is a challenging spot, but the Council has to look at the greater good of their community but also look at their neighbors just as importantly, but they want to be consistent in how they do their business and they strive in being consistent. He stated they are following Chaska's ordinances the way they believe they are set up to be, and this will be a challenge for someone, however the vote goes. He noted that the building owner made some concessions and done things to make this work a little better. He recognized the head shaking in the audience and said he understood that but this is something they are making their best judgment on. He thanked everyone for being there.

Substitute motion carried.

City Administrator Podhradsky noted that Staff will come back and give a report on the conservation easement.

8.C.—POSTPONED--Presentation of Community Survey Results

8.D. Adopt Resolution 2018-110 and Ordinance 952, Approve the Preliminary Plat and Rezoning for Sagewood/PC #2018-30

City Administrator Podhradsky introduced the Item to the Council.

City Planner Hanson presented the Item to the Council.

Mayor Windschitl asked if it was possible to make a field road off of West Creek Boulevard and asked where the creek is that they can't cross.

Community Development Director Ringwald explained that it is the outlot of the wetland that goes to West Creek.

City Planner Hanson noted the location of the site on the map.

Mayor Windschitl asked if the dark line on the left is the municipal boundary.

City Planner Hanson confirmed that it is.

Mayor Windschitl commented that they shouldn't be leaving sections like this open because now the City has to carry the burden of fixing these roads after the construction traffic is through and why he struggles with fill-in neighborhoods.

Councilmember Boe agreed and said that is why Clover Ridge Boulevard had to be redone sooner than planned.

Mayor Windschitl explained that as long as Staff did their due diligence about looking at coming through there and made sure that is not a possibility, then he takes their recommendation for that.

City Planner Hanson continued presenting the Item to the Council.

Councilmember Boe inquired which outlot is the designated park space.

City Planner Hanson pointed it out on the proposed site plan and continued her presentation of the Item.

Mayor Windschitl asked for further detail regarding the annexation.

City Planner Hanson stated it is future annexation area.

Mayor Windschitl inquired if a temporary cul-de-sac would be put in there.

City Planner Hanson confirmed this was so, or whatever satisfies the fire department for turn around.

Mayor Windschitl commented that it wouldn't just be for fire trucks but maintenance vehicles, plows, etc.

Councilmember Boe asked where the three lots that were removed were located.

City Planner Hanson referred to the site plan diagram to show their former location, and continued with the Item.

Councilmember Boe inquired if the park going in would be a city park.

City Planner Hanson explained it would be owned and maintained by the homeowner's association (HOA).

Councilmember Boe looked to confirm this development would have its own HOA.

City Planner Hanson confirmed this was so, and went on presenting the Item.

Mayor Windschitl asked if they were 2-4-bedroom homes.

City Planner Hanson stated they range in room count, and 2-4 is accurate and they have one rambler style as well as the two-story homes.

Councilmember Boe inquired if there was a full basement on all of them.

City Planner Hanson responded that there is.

Councilmember Rohe looked to clarify this development will have its own HOA.

City Planner Hanson again confirmed it will have its own HOA, and continued presenting the Item to the Council.

Councilmember Boe asked for clarification that there are a fair number of new trees planted to the north of the eastern cul-de-sac.

City Planner Hanson explained that it is not seen on this drawing but they will be added coniferous and deciduous trees on that northern edge.

Councilmember Schulz stated that he appreciates the changes and adjustments that were added after Council comments.

Councilmember Boe noted he was happy about that as well and has heard there is less of a concern now from the adjacent neighbors and thanked the developers.

Councilmember Rohe mentioned that there are positive changes and he is pleased with that.

Ryan Melville, 2750 Clover Preserve Drive, asked that the developer considered smaller monument signage and that having two seemed excessive.

The Council agreed that two would be excessive and asked for that to be pointed out in the photos.

City Planner Hanson explained that they are allowed two monument signs on one entrance and restricted to 80-square feet total for both signs, but what they are proposing is 5-foot by 2.5-foot.

Mayor Windschitl asked what the signs would say.

City Planner Hanson responded they would say the development name Sagewood of Clover Preserve.

Mayor Windschitl asked if that was a requirement of the City or the developers.

City Planner Hanson replied that it is not a requirement but an allowance they are able to do as any new residential subdivision.

Councilmember Boe supposed it was to differentiate them from the existing development. He asked if two are encouraged and that he can't think of a neighborhood that has more than one.

City Planner Hanson stated that Harvest has two and that Sagewood's are minimal comparatively and pointed out where they would be located within their own outlots.

Community Development Director Ringwald noted that Staff just looks at it as it relates to code.

Councilmember Boe asked if there will be nighttime illumination.

City Planner Hanson explained they cannot have internal illumination but may have external light shining on the main part.

Deb Ridgeway with DR Horton explained that the monuments are more of a marketing thing that they are directed internally to make room for. She stated that they would like the opportunity to be able to do two, but they may do one or none. She also noted they are not internally illuminated but, in the past, have done a smaller up-light that goes on the sign.

Mayor Windschitl asked if there could be one sign with two faces as it seems overkill since the City only uses one street sign for location.

Councilmember Schulz noted that they are within their allowances.

Councilmember Boe indicated it was similar to when Clover Field put their own entrance in off of Hundertmark.

Mr. Melville asked the developer to consider one smaller sign and requested that the developer abide by whatever is approved.

Mayor Windschitl noted that signs are watched closely, and suggested the developer consider one sign/one pillar.

Mr. Melville offered that they could do something temporary for three years while they sell homes, and then consider something else more permanent after.

Councilmember Boe stated they got good feedback from the neighbors.

Mayor Windschitl agreed that is nice and it is great when the developer listens to that feedback as well.

Motion by Councilmember Boe, second by Councilmember Rohe to adopt Resolution No. 2018-110, approving the Sagewood Preliminary Plat for a 55-lot subdivision on 28 acres of land in the Clover Ridge development (PC #2018-30).

Motion carried.

Motion by Councilmember Boe, second by Councilmember Geisler to adopt Ordinance No. 952 approving the rezoning from Rural (R) to Planned Residential District (PRD-73).

Councilmember Boe inquired if there is a timeframe for the annexation and completion of the loop around.

City Administrator Podhradsky stated that the earliest it could have been was 2010 but it was clear there was no incentive to do it yet and the consensus was to wait until there was something driving the decision. He estimated it is at least a decade out.

Motion carried.

8.E. Adopt Resolution 2018-111, Approve the Lot Split for Sagewood on the Kelzer Site
City Administrator Podhradsky introduced the Item to the Council.

Mayor Windschitl asked if the area of the Kelzer site that is coming in later as industrial has a 100-foot buffer.

City Administrator Podhradsky stated they have a 300-foot buffer.

Motion by Councilmember Geisler, second by Councilmember Schulz to adopt Resolution No. 2018-111 approving the Lot split.
Motion carried.

8.F. Adopt Resolution 2018-112, Approve the Conditional Use Permit for Residential Facility at 320 Walnut Street/PC #2018-29
City Administrator Podhradsky introduced the Item to the Council.

City Planner Hanson presented the Item to the Council.

Councilmember Boe commented that he was surprised this was zoned residential and thought it was business/office.

Community Development Director Ringwald noted in that zoning district it allows on the east side of Walnut Street special use permits, light commercial/light office to occur.

Councilmember Boe stated he was thinking they would have to rezone as he didn't know it was already residential.

City Planner Hanson continued her presentation of the Item.

Mayor Windschitl inquired what sides the fire exit stairways on located on.

City Planner Hanson responded that they are on the east and south sides and continued the presentation of the Item.

Mayor Windschitl inquired if they'd be consistent with parking if another business came in there.

City Planner Hanson stated that future use would need to provide their own onsite parking to accommodate their use.

Mayor Windschitl inquire if visitor parking would be ok on the street and if they are being consistent if this was a different type of business.

City Planner Hanson explained that the applicant has indicated to Staff that visitors are not all coming at one given time, so Staff did not see an issue with the parking.

Jason Vanderscoff, 3421 Lakeshore Cove, introduced himself.

Councilmember Boe inquired what the length of time they anticipate most residents staying.

Mr. Vanderscoff responded that is usually 35-40 days and mentioned that visiting hours are Wednesday evenings and Sunday, and there are not more than 5-6 families visiting typically, and on holidays, residents are given passes to be with family.

Councilmember Boe noted there is no one left in the crowd to voice displeasure with the proposal and asked if any notice was mailed out to nearby residents.

Community Development Director Ringwald explained that this is a CUP and was a public hearing at the Planning Commission and thus a notice was mailed out to anyone within 350-feet.

Councilmember Boe asked if anyone attended the Planning Commission to speak regarding this item.

Mr. Vanderscoff commented that no one was here, but that role was called at 12:10am. He did say a gentleman was there that owns the Klein Mansion and he was able to speak with him before he left. Mr. Vanderscoff noted that he has received zero complaints.

City Administrator Podhradsky noted that he spoke to the police department and they indicated that it really is not even on their radar as far as issues.

Councilmember Geisler inquired if there would be any issues during snowfalls for clearing roads or having anyone park in the way of snowplows.

Mr. Vanderscoff explained that as there are five parking spots and six employees and that they will utilize parking in front of the building during the day hours, and the overnight staff will park in the lot.

City Administrator Podhradsky stated the City does the downtown maintenance from 2-6 am.

Mayor Windschitl commented that while he understands this and gets this, he struggles with the use of the site and has had this conversation with the owner, Mr. Ford, but feels that now the block across from the city park and it is an institution and not his vision of what you want to see in that location. He noted that he felt these things last time with the other site. He explained that he needs to know why there are so many of these institutions in Chaska, and struggles with the location across from the city park.

Mr. Vanderscoff stated that this is a question that has been asked of him in the past, that Chaska does a lot of work with mental health and chemical dependency. He noted that he is working on a project in Shakopee and are now venturing out of the City of Chaska for future expansion.

Councilmember Schulz looked to clarify they are taking over the entire building.

This was confirmed.

Mayor Windschitl commented that this is a longer-term lease as there are some major modifications that need to be done with the site, so it isn't a two-year lease. He asked how long the lease is.

Mr. Vanderscoff responded that it is a ten-year lease.

Mayor Windschitl also asked where the City is at on their lease with the former Peacock.

Mr. Vanderscoff replied that they are in the second of five years.

City Administrator Podhradsky explained that it was a five-year with a one option of additional five-years.

Mr. Vanderscoff confirmed this was so and they had changed the terms of the lease as far as payment arrangement.

Mayor Windschitl stated that it is not about Mr. Vanderscoff being a bad businessman, but that he just struggles with that beautiful building and changing the usage for that. He said he understands the owners desire to rent it as it is vacant, but it is hard.

Mr. Vanderscoff explained they were grateful to the owner because it is right up against the Klein Mansion where they operate so it gives them an additional layer of support for that mansion, and increasing in staff in that area helps the women with their medical needs. He noted there are no other women's facility of this nature in Carver County at this time and there is a need for helping the women.

Mayor Windschitl said he understands that but Chaska seems to be the host for those. He asked what comments the owner of the other Klein Mansion that attended the Planning Commission meeting had.

Mr. Vanderscoff responded that he was interested in how the operation would function and asked some questions about if he was outside, would he see the women walking around and Mr. Vanderscoff explained that it is a residential facility and not a locked facility so they cannot contain the women, but the majority of their programming is inside, and any transportation would be done with their company vehicle.

Mayor Windschitl asked if they would be going to the sugar site.

Mr. Vanderscoff stated that site is strictly male and another reason they like this location as there is the male and female separation.

Councilmember Boe asked if there is any interplay between these two buildings now.

Mr. Vanderscoff explained they are looking into providing food service to the women in the Klein Mansion as right now they provide their own meals.

Mayor Windschitl asked where they would be transported to with the bus.

Mr. Vanderscoff responded that males go to the community center three times a week.

Mayor Windschitl asked if the women would be taken there as well.

Mr. Vanderscoff stated that is something they are exploring but is something that would have to be discussed with the City. He explained they also provide transport to medical appointments the women have.

Councilmember Geisler looked to confirm that primarily the residents are there voluntarily; they are not forced to be there but want to be there.

Mr. Vanderscoff confirmed this is so.

Councilmember Geisler inquired what their chemical of choice is.

Mr. Vanderscoff explained that alcohol is number one, and that opiates have surpassed marijuana in the State.

Councilmember Geisler commented that they are not out wandering at night.

Mr. Vanderscoff stated it is better that they are residence than out wandering.

Motion by Councilmember Rohe, second by Councilmember Geisler to adopt Resolution No. 2018-112 approving the Conditional Use Permit for a residential facility at 320 Walnut Street.

Councilmember Schulz stated that in a way he agrees with Mayor Windschitl in that he would like to see there not be such a concentration in Chaska but if not here, then where? He stated the dual location will work well for the use and the have proven the facilities they run are top notch and there have not been any complaints. He referenced the situation with the Peacock, and stated that he believes in supporting this new building as it will be a valuable asset.
Motion carried.

8.G. Adopt Resolution 2018-116, Public Improvement Hearing to Consider Chaska Creek Way Phase II Improvements

City Administrator Podhradsky presented the Item to the Council.

Councilmember Boe noted this would open up the way for Hy-Vee as well.

City Administrator Podhradsky agreed and stated that it meets the connection they were looking for. He continued with the Item presentation.

Councilmember Boe asked if approval was given from the Corps to go over the creek.

City Administrator Podhradsky confirmed this and said they are good to go with the project.

Mayor Windschitl asked why the piece they are extending up on the top wouldn't have been done already.

City Administrator Podhradsky explained that they are responsible for the entire cost of that as it is their service road to service their next properties. They wanted to build as little as possible at first, but are now going through the closing of one of those lots to sell it and need to provide the access now.

Mayor Windschitl asked if the sewer line is already brought in as it is so short.

City Administrator Podhradsky confirmed it was already brought in.

Mayor Windschitl asked where it is going to be as it is almost finished off.

City Administrator Podhradsky replied that it isn't and still needs to be pushed back.

Mayor Windschitl pointed out on the diagram what he was referring to.

City Administrator Podhradsky stated that the one on the bottom is water.

Mayor Windschitl explained that he understood that but wanted to know where it will go as it shows it is already in the site plan of Engler Medical Building.

Councilmember Boe commented that it was extended along that way, already there.

Mayor Windschitl stated he was confused and asked if they are doing it or not if it is already done.

City Administrator Podhradsky responded that they are extending it as it only went as far as the medical building and now they are taking it to the west because it needs to serve two additional lots.

Mayor Windschitl noted that it is stopping in the middle of the medical building that is currently there.

City Administrator Podhradsky explained they will add additional in the future and they are only taking it as far as the lots they have commitments on and will have to extend it in the future as the industrial to the south gets developed.

Mayor Windschitl noted that he was looking at the wrong building.

Councilmember Boe asked how signage will be done with multiple streets coming in.

City Administrator Podhradsky stated that a good example of that is at Hwy 5 when Bavaria Road goes to the south and Rolling Acres goes to the north. He stated there will be two signs, one to the north and one to the south.

Mayor Windschitl opened the public hearing at 10:38 pm.

Mayor Windschitl closed the public hearing at 10:39 pm.

Motion by Councilmember Boe, second by Councilmember Geisler to adopt Resolution No. 2018-116 Ordering the Chaska Creek Way and Chaska Creek Boulevard Improvements and further, scheduling a Public Assessment Hearing for September 17, 2018.

Motion carried.

8.H. Adopt Resolution 2018-117, Approving Construction Plans for the Chaska Creek Way and Chaska Creek Boulevard Improvements and Authorizing Solicitation of Public Bids

City Administrator Podhradsky presented the Item to the Council.

Motion by Councilmember Rohe, second by Councilmember Schulz to adopt Resolution No. 2018-117 approving the construction documents for the Chaska Creek Way and Chaska Creek Boulevard Improvements and authorizing the solicitation of public bids.

Councilmember Boe noted that the resolution number is not given in the action requested.

Assistant Administrator Kabat noted that it was probably due to the new system.

Motion carried.

9. Bills

9.A. AP COUNCIL ROSTER 8-20-2018

Motion by Councilmember Boe, second by Councilmember Geisler to approve the bills as presented. Roll call was taken. Voting aye: Councilmembers Schulz, Boe, Rohe, Geisler, and Mayor Windschitl. Voting nay: None

Motion carried.

10. Other Business

10.A. City Administrator's Report

10.A.i. Biweekly Report

10.B. Other Meeting Minutes

10.B.i. Receive the minutes of the July 11, 2018 Planning Commission meeting

10.B.ii. Receive minutes of the August 8, 2018 Planning Commission Meeting

10.B.iii. Receive Minutes of the July 26, 2018 Human Rights Commission Meeting

Councilmember Boe:

- Noted that in the digital packets it does not give the agenda item in the upper right-hand corner. City Administrator Podhradsky stated he will talk to Denise about that.
- Reminded the Council about Curling Night in America being filmed August 27-29, 2018. He noted that the community will also be shown in video footage.

Councilmember Rohe:

- Noted he became a grandfather one week ago.

Councilmember Geisler:

- Noted Wally's is closing. City Administrator Podhradsky stated that retail component is closing but the wholesale component will keep going.

Councilmember City Administrator Podhradsky:

- Noted he made a mistake on the biweekly with the Hwy 41 date, he put Thursday, August 31, 2018 and it should be Friday, August 31, 2018. He stated he will follow up with an email, and the location will be in the tunnel where it goes underneath the road.
- Councilmember Boe asked City Administrator Podhradsky when the bulldozer is coming for the Hot Spot. Assistant Administrator Kabat noted that the closing papers are all signed and he is working with them to start the application for the demolition process.

Mayor Windschitl:

- Noted that the closing on the brewery occurred and that is moving forward.
- Reminded the Council the next Council Meetings will be back to back September 10, along with the Decision Resource Meeting and a work session to go over the preliminary budget., and on September 17, 2018.
- Noted there was a task force meeting to discuss possibility of the library locations and there is an open house Wednesday August 22, 2018 to get public input on the possible sites. He noted one of the sites is the easterly half of Guardian Angels, the Norwood Inn, the Carver County License Center, the Moravian Church site, and City Square West.

11. Adjourn

Motion by Councilmember Boe, second by Councilmember Rohe to adjourn the meeting at 10:53 pm.

Motion carried.