

- MINUTES -
CHASKA CITY COUNCIL
APRIL 17, 2023

1. Call to Order

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

2. Pledge of Allegiance

3. Roll Call

Roll call was taken. Present: Mayor Windschitl and Councilmembers Grau, Hatfield, Hubbard, and Huang.

Absent: None.

Also Present: Matt Podhradsky, City Administrator; Noel Graczyk, Administrative Services Director; Kevin Wright, Communication Director; Elise Durbin, Assistant Administrator; Marshall Grange, Parks and Recreation Director; Nate Kabat, Community Development Director; Liz Hanson, City Planner; Mike Melchert, City Attorney; Matt Haefner, Water and Sewer Director; and Matt Clark, City Engineer.

4. Adopt the Agenda

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

5. Visitor Presentation

5.A. Representative Nash – Legislative Update

This presentation was canceled because Representative Nash was unavailable at the last minute.

6. Approve Previous Meeting Minutes

6.A. Approve the April 3, 2023 City Council Meeting Minutes

Motion by Councilmember Hubbard, second by Councilmember Hatfield to approve the minutes of the April 3, 2023 City Council meeting.

Motion carried.

7. Consent Agenda

Motion by Councilmember Hatfield, second by Councilmember Grau to approve the Consent Agenda Items A through B:

A. Adopt Resolution 2023-33 Authorizing Participating in National Opioid Settlements

Motion to adopt Resolution No. 2023-33 to authorize the City Administrator to sign the amended MOA and take measures needed to participate in the opioid settlements.

B. Adopt Resolution No. 2023-34 Approving the Final Plat for Oak Creek 2nd Addition/DR Horton/PC #2023-10

Motion to adopt Resolution No. 2023-34 approving the Final Plat for Oak Creek 2nd Addition (PC #2023-11).

Motion carried.

8. Action Items

8.A. Adopt Resolution No. 2023-36 Denying the Variance to the Bavaria Road Setback at 1142 Rosemary Lane/Jimmy Son/PC #2023-09

City Administrator Podhradsky introduced the item to the Council and City Planner Elizabeth Hanson provided a presentation on it.

Councilmember Hubbard asked what the road would look like if it became an arterial road. City Administrator Podhradsky stated the road would be widened. There are issues with the closeness of the buildings and the setbacks for different types of roads.

Councilmember Hubbard added the property is a higher elevation than the road. She asked if that impacts safety. City Administrator Podhradsky stated that depends on future development of the road. The true issue is setting a precedent for future variances.

Councilmember Grau pointed out they don't have concerns about the sport court but about the setback itself. Councilmember Hatfield noted it is a difficult decision.

Councilmember Huang asked if the precedent would be that all houses on the street would be eligible to add a sport court or the like. City Administrator Podhradsky confirmed that was correct. Councilmember Huang added it could impact any additions to other residences. City Administrator Podhradsky explained it could set a precedent regarding all setbacks.

Councilmember Huang asked if such a decision could open the City to legal retaliation, particularly if there is a safety issue. City Attorney Matt Melchert stated the variance analysis is based on if a lot has a unique situation that would allow for a variance.

Community Development Director Nate Kabat pointed out many decks and homes in that area are built all the way up to the setback. Some decks may receive variances for the setback because they are not permanent structures. However, the proposed sport court would require foundation to be laid and similar permanent construction efforts.

Jimmy Sun, 1142 Rosemary Lane, is the applicant for the matter. He explained his family has had a dream to have a sport court and stay in the community. They hired a contractor to create the plans. Mr. Sun explained the sport court would be for all kids in the neighborhood to use as they are a tight-knit community. He added he understands the concern for a precedent, though he wishes each application could be considered by its own merit.

Mayor Windschitl explained how impactful a precedent can be for the City and for future Councils. Councilmember Grau added the City can get into trouble by relying on merits of the applicant.

Councilmember Huang pointed out how well-done the proposal was and the applicant's investment in the community. Councilmember Hubbard noted her agreement.

8.A.i. Resolution No. 2023-37 Approving the Variance

Motion by Councilmember Huang, second by Councilmember Hatfield to adopt Resolution No. 2023-36 denying the major variance request to encroach into the 125-foot Bavaria Road setback by twelve (12) feet for the purpose of an indoor sport court building addition, as established by the City regulations, based upon the staff report and the following findings:

1. Practical difficulties due to unique physical characteristics of the property do not exist. The property is similar in size and character to the other lots on Rosemary Lane. The Bavaria Road setback is applied on all lots adjacent to the roadway and not just this lot.
2. The Bavaria Road setback regulation alone cannot be considered a practical difficulty to grant a variance. This setback equally applies to other lots on Rosemary Lane abutting Bavaria Road, and all lots along Bavaria Road north of Pioneer Trail, and thus is not unique to this property. Furthermore, the setback regulation has not resulted in an unreasonable use of the property.
3. The variance, if granted, will alter the essential character of the area. A rear building addition encroaching into the minimum building setback would set a negative precedence for other homes along Bavaria Road. Granting this variance would alter the viewshed along the roadway.
4. The variance, if granted, is contrary to the intent and purpose of the City's Comprehensive Plan and zoning regulations (Section 15.28.100.A and PRD- 53), which require a 125-foot centerline setback from Bavaria Road based upon its current and future classification. The 125 foot setback is necessary as it seeks to provide adequate separation and safe conditions for nearby uses.

Motion carried.

8.B. Adopt the Resolution Nos. 2023-38 and 2023-39 and Ordinance No. 1033 Approving the Preliminary Site & Building Plan, Preliminary Plat, Zoning Ordinance Amendment (ZOA) and Variance for Chaska Yards/Carver County CDA/PC #2023-01

City Administrator Podhradsky introduced the item to the Council and City Planner Elizabeth Hanson provided a presentation on it.

Councilmember Hatfield asked how many more steps there are with State Historic Preservation Office. They go through a three-step process, similar to what the City does.

Community Development Director Nate Kabat noted this is the first time the Council has received the proposal. There was a similar request submitted previously, but it was canceled and revised to include lot lines.

Councilmember Hatfield stated the project looks great.

Councilmember Hubbard asked if there will be designated signage regarding public or private driveways. Mayor Windschitl stated they would likely add it down the line if needed.

Councilmember Huang agreed it was a cool project, and he thanked staff and the other parties for their effort. City Administrator Podhradsky noted the most difficult piece of the project was the financial piece, and the developers sought out several grants to make the project happen.

Motion by Councilmember Huang, second by Councilmember Grau to adopt Resolution No. 2023-38 approving the Preliminary Site & Building Plan and Preliminary Plat for 4 housing units on the Ess Lot and Ernst Home (Chaska Yards) (PC #2023-01).
Motion carried.

8.B.i. Resolution No. 2023-39 Approving the Variance

Motion by Councilmember Hatfield, second by Councilmember Grau to adopt Resolution No. 2023-39 approving the Variance to Section 15.16.020.F.1. PRD Building Setbacks and Building Separation to reduce the Building Setback from 30 feet to 7 feet 8 inches and the building separation from 25 feet to 8 feet.
Motion carried.

8.B.ii. Ordinance No. 1033 Approving the Zoning Ordinance Amendment

Motion by Councilmember Hubbard, second by Councilmember Huang to adopt Ordinance No. 1033 approving the zoning ordinance amendment (ZOA) to PRD-74.
Motion carried.

8.C. Adopt Resolution No. 2023-40 Approving the Concept Plan for 3740 Chestnut Street/Audrius Asakenas/PC #2023-11

City Administrator Podhradsky introduced the item to the Council and Elizabeth Hanson provided a presentation on it.

Mayor Windschitl commented it is a great project. Councilmember Hubbard noted her appreciation for the thoughtfulness put into the project by the developer.

Motion by Councilmember Huang, second by Councilmember Hatfield to adopt Ordinance No. 2023-40. Motion carried.

8.D. Transient Accommodation Renewals

City Administrator Podhradsky introduced the item to the Council and Chief of Police Ryan Seibert provided a presentation on it.

City Administrator Podhradsky asked how long someone can stay in transient accommodations. City Attorney Mike Melchert stated the length of time is 30 days according to City ordinance.

Chief Seibert added the Police Department is rather particular in what they consider a qualifying call. For example, a call for medical assistance doesn't count as a qualifying call. City Administrator Podhradsky added the City doesn't want them to discourage calls for service due to the ordinance.

Chief Seibert continued the Staff presentation.

Councilmember Huang asked what happens if a transient accommodation at level III fails to meet the requirements. Mr. Melchert stated the transient accommodation has until August 1 to meet the requirements. If not, the Council has the option to suspend or revoke the hotel's license. The business would have hearing rights.

Mayor Windschitl asked if the City has mechanisms to change processes for organizations that place folks in the hotel. Chief Seibert explained the Police Department has previously had discussions with the organizations. The organizations need to have their own procedure to handle mental health considerations and placements.

Mayor Windschitl asked if TownSquare Place is still used as a hotel. Chief Seibert stated it is likely a relatively small percentage of rooms used as a traditional hotel room. Mayor Windschitl added no one from TownSquare Place has shown up to speak for themselves. Also, the proposed ordinance uses a lot of Staff time, on top of the amount of Staff time already allotted to handling issues at TownSquare Place.

Councilmember Hatfield stated using the ordinance as it is meant to be used starts to address the issues at hand. There are implications if the City were to say TownSquare Place couldn't take vouchers anymore. The facilities need to have better management. City Administrator Podhradsky agreed it is the responsibility of the management.

Mayor Windschitl asked what happens beyond level III. Mr. Melchert noted the hotel would need to hire a security guard from 6:00 p.m. to 6:00 a.m. daily as part of the requirements for level III. It would be extremely expensive, but it may take off pressure from the Police Department.

Councilmember Hatfield asked how the phasing would work in comparison to the August deadline. Chief Seibert stated there would be an ongoing review of incidents at a particular transient accommodation. If there is a pattern of incidents, then they would work with the hotel to start phasing in a 24/7 front desk employee or an armed security guard.

Councilmember Grau asked if there was progress made in August but issues in October, would the Council still be able to revoke the license. City Administrator Podhradsky stated there would be a certain time period after the August 1 date for the Council to make a decision.

Chief Seibert added any ambiguity has been eliminated due to conversations with the hotels and written letters to the hotel. City Administrator Podhradsky pointed out Chaska introduced the ordinance in 2018, so it is a relatively new issue for Chaska.

Councilmember Grau noted it is important to take action to assist businesses or residents in the area and maintain the integrity of the City.

Mayor Windschitl asked if the owners themselves have been engaged in the process. Chief Seibert explained management is on-site, but he hasn't had dialogue with the official owner of

TownSquare Place. Letters were sent directly to the owner, but it is management who has communication with the Police Department.

Councilmember Huang asked if the calls for service in the surrounding neighborhood have been tracked. There are likely issues overflowing from the hotel. Chief Seibert stated it depends on the situation. A felony in the neighborhood that can be directly tied to the hotel would be considered as a qualifying offense. However, it is more difficult to prove a connection for a call for service.

Councilmember Hubbard stated the facilities certain individuals are being placed in do not have the support needed to help the individuals succeed. The vouchers are important for people to have a safe place to stay, but there are other issues the individual may be experiencing that may promote criminal activity. The largest issue at hand is creating a better support structure in Chaska and the County.

Councilmember Huang added it would be helpful to add a higher quality hotel to the area, but they have not shown interest in the past because of the proportion of rooms to the population of Chaska.

Motion by Councilmember Hatfield, second by Councilmember Huang to approve the 2023-2024 transient accommodation licenses effective May 1, 2023 through April 30, 2024.

Mayor Windschitl stated he doesn't want to support the proposal, but they need to continue with the process.

Motion carried.

9. Bills

9.A. Accounts Payable Claims Roster 17-4-2023

The Council requested further information about bills on pages 8, 12, and 17.

City Administrator Podhradsky provided further information regarding those bills.

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

10. Other Business

10.A. City Administrator's Report

10.A.i. Bi-Weekly Report 17-4-2023

Councilmember Grau:

- Noted the proposed development site looks good.
- Encouraged folks to abide by the construction signage.

- Asked if there are flood concerns for Chaska. City Administrator Podhradsky stated there are not concerns.

Councilmember Huang:

- Noted there is Food Distribution coming up on Thursday at 11:30 a.m.
- Stated on April 26 at the Chaska Event Center there is a first responder luncheon celebration.
- Pointed out Christmas in May is coming up on May 6, 2023.
- Shared May 10 is Taste of Chaska, and there will be live music.
- Stated July 14-15 the Fire and Ice Festival.
- Added July 28-30 is River City Days.
- Stated there is an interim CEO of Southwest Transit. Councilmember Hatfield provided a summary of the CEO search.
- Asked for an update on Hwy 41. City Administrator Podhradsky provided an update on Hwy 41 and explained new signage will be placed reflecting the changes. Councilmember Hubbard noted it would be helpful for the Council to have ongoing updates on the construction.

Councilmember Hubbard:

- Stated tomorrow is Tax Day.
- Pointed out a Community Center Task Force meeting is also tomorrow.
- Noted the Earth Day Celebration is Saturday, April 22, and it is a family event.
- Encouraged community members to continue shopping downtown.

Councilmember Hatfield:

- Explained, in response to social media posts, that the Council is in strong support of the downtown businesses. She noted there are regular meetings by the Downtown Business Alliance, and the businesses and City have worked together to strategize with the construction. There are opportunities for businesses to participate in the Farmer's Market, to add information to *The Herald* mailer, to access sandwich board signs, and to attend monthly meetings with the Downtown Business Alliance to liaise with Councilmembers and City Staff.
- Stated Coffee with a Cop is Thursday, April 20 at Dunn Brothers.
- Added Squad Car Storytime will be April 22, 2023 at 10:30 a.m.

Mayor Windschitl:

- Encouraged community members to attend Christmas in May on May 6, 2023.

10.B. Financial Reports as of 02/28/2023

11. Adjourn

Motion by Councilmember Huang, second by Councilmember Hatfield, to adjourn the meeting at 10:51 p.m.

Motion carried.