INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, JUNE 24, 2013 - 8150 BARBARA AVENUE

CALL TO ORDER/ROLL CALL The City Council of Inver Grove Heights met in regular session on Monday, June 24, 2013, in the City Council Chambers. Mayor Tourville called the meeting to order at 7:00 p.m. Present were Council members Bartholomew, Madden, Mueller, and Piekarski Krech; City Administrator Lynch, City Attorney Kuntz, Community Development Director Link, Finance Director Smith, Chief Stanger, and Deputy Clerk Kennedy.

3. PRESENTATIONS:

4. CONSENT AGENDA:

A. i) Minutes of June 3, 2013 City Council Work Session
ii) Minutes of June 10, 2013 Regular City Council Meeting

B. **Resolution No. 13-75** Approving Disbursements for Period Ending June 19, 2013

C. Pay Voucher No. 8 for City Project No. 2012-09D, Urban Street Reconstruction 65th Street Neighborhood and Cahill Court

D. Approve Custom Grading and Drainage Easement Agreements for Part of Lots 24, 25, and 26, Oakland Park (4916 Boyd Avenue)

E. Approve Custom Grading Agreement for Lot 4, Block 1, Hatchard Estates (9172 Dalton Court)

F. Accept Agreement relating to Landowner Improvements within City Easement on Lot 12, Block 4, Hoekstra Highlands (7924 Blanchard Way)

G. **Resolution No. 13-76** Receiving Bids and Awarding Contract for the 2013 Pavement Management Program, City Project No. 2013-09B, Sealcoating

H. Approve Playground Replacement for Groveland Park

I. Approve Replacement of Waterpark Lily Pads for Veterans Memorial Community Center

J. Approve Renewal of Advertising Bench Permits

K. Personnel Actions

Motion by Madden, second by Bartholomew, to approve the Consent Agenda

Ayes: 5
Nays: 0 **Motion carried.**

Allan Cederberg, 1162 82nd St. E., requested permission to ask a question regarding items 4B and 4C.

Mayor Tourville stated the items had already been approved but Council would allow his question.

Mr. Cederberg questioned why a check dated June 13th in the amount of $430,964.03 was listed in the disbursements for Pay Voucher No. 8 for project 2012-09D when the payment had just been approved as part of item 4C on the current Council agenda.

Mr. Kuntz stated his recollection is that there is a standing Council resolution relating to the authority of the City treasurer to issue certain checks for certain recurring expenses prior to ratification by the Council. He noted he did not have the resolution on hand and a copy could be provided at a later date.

Mayor Tourville stated there are a number of checks that are processed and dated prior to the Council taking action on the disbursements to allow for the timely processing of payments by the City as the Council only meets twice a month.

Ms. Smith stated the referenced check was being held by the Finance Department pending Council approval and the necessary signatures being received.

Mayor Tourville clarified the check would not have been released if the Council had not approved the item as part of the Consent Agenda.

Ms. Smith responded in the affirmative.

5. PUBLIC COMMENT: None.

6. PUBLIC HEARINGS:

A. CITY OF INVER GROVE HEIGHTS; Consider Renewal of 3.2 On-Sale Liquor License held by Arbor Pointe Golf Club, Inc. for premises located at 8919 Cahill Avenue

Ms. Kennedy stated Arbor Pointe Golf Club did not submit a license renewal application prior to the Council taking action on annual liquor license renewals at their regular meeting in December of 2012. She explained the applicant subsequently submitted the required materials and has requested renewal of their 3.2 On-Sale liquor license for the remainder of the 2013 calendar year. She stated all license fees were paid and liability insurance documentation was provided.

Mayor Tourville questioned if the background investigation conducted by the Police Department revealed anything that would preclude the license from being renewed.

Ms. Kennedy responded in the negative.

Motion by Mueller, second by Madden, to close the public hearing.

Ayes: 5
Nays: 0 Motion carried.

Motion by Madden, second by Bartholomew, to approve renewal of 3.2 On-Sale Liquor License held by Arbor Pointe Golf Club, Inc. for premises located at 8919 Cahill Avenue

Ayes: 5
Nays: 0 Motion carried.

7. REGULAR AGENDA:

COMMUNITY DEVELOPMENT:

A. ROBERT THOMAS HOMES; Consider Resolution related to a Conditional Use Permit to Allow Additional Impervious Surface on a Residential Lot for property located at 7681 Addisen Court

Mr. Link reviewed the location of the property. He stated the request was to exceed the allowed impervious surface coverage. The property owner would like to add a porch onto the front and have remaining square footage available for a future patio or storage shed in the back. The application met the conditional use permit criteria and the applicant met with the engineering department to discuss storm water issues. Planning staff recommended approval of the request with five (5) conditions. The Planning Commission also recommended approval of the request on a 5-3 vote.

Councilmember Piekarski Krech stated the whole area was designed with the storm water plan in mind and she expressed concern that the City was already modifying the design standards for what would be allowed in the development. She questioned how many other similar requests were going to come up and how they would affect the storm water plan that was designed and adopted.

Mr. Link stated the additional impervious coverage would be compensated for with additional storm water ponding on the north side of the property.

Councilmember Piekarski Krech questioned what the City would do if similar requests were made by the other property owners in the development. She questioned what the point of saturation would be at which the City would no longer be able to meet the specifications of the storm water plan for the development of

the North West Area. She explained she was concerned that this request would set a precedent for future requests and could potentially negate all of the work that was done to create and implement the specific set of design standards for storm water management in the North West Area.

Mr. Link stated the specific request being considered was only for an additional 240 square feet.

Councilmember Piekarski Krech questioned how many extra square feet of additional impervious surface could be added to the development before the storm water plan no longer works.

Mr. Link stated the request is for a conditional use permit that is allowed throughout the City for any property to increase the impervious coverage by 10%.

Councilmember Piekarski Krech stated the City spent a considerable amount of time and resources to develop minimal impact design standards specifically for the Northwest Area. She expressed concern that if the standards were changed the whole plan would be negated because if one request is approved a precedent would be set and subsequent requests would have to be approved as well. She stated impervious surface and storm water management were integral parts of the overall plan for the Northwest Area and she originally agreed to the standards because they promoted water conservation, kept the amount of impervious surface to a minimum, and handled the storm water within the development.

Mayor Tourville clarified that any property owner in the City could make an application for a conditional use permit to allow an additional 10% of impervious surface on their property. He opined it would not be right to punish the applicant simply because this request related to property in the Northwest Area.

Councilmember Piekarski Krech stated others have been strictly held to the design standards in the Northwest Area.

Mayor Tourville noted the requests were not related to single-family homes within the new development. He stated the commercial developments were held to the design standards because the impact to the area would have been greater.

Councilmember Bartholomew questioned what the status was of the overall area and how it may impact future requests for additional impervious surface.

Mr. Lynch explained during the planning process staff estimated the number of acres that could potentially be developed and how they may be developed and then scaled back the number residential units that could be built in the Northwest area. He stated there was some room for fluctuation in the amount of impervious surface.

Mr. Kaldunski stated the total impervious surface in Argenta Hills was less because the number of units in the development was modified. He explained staff does know that the entire Argenta Hills development will meet the minimum criteria of 25% impervious surface and is meeting the goal of the Northwest area design standards.

Councilmember Piekarski Krech questioned what would happen if 20 more applications were made for an additional 10% impervious surface.

Mr. Kaldunski stated in this specific case the applicant is adding additional stormwater infiltration and holding capacity by constructing a rain garden. The developer will expand an existing infiltration basin in lieu of the rain garden being located on the applicant's property. The specific location was somewhat unique to the development in that there is a very large rain garden located near the back side of the property and engineering staff did not want to construct another rain garden on top of the retaining wall.

Councilmember Piekarski Krech questioned how much room was available for expansion of the infiltration ponds.

Mr. Kaldunski stated the infiltration ponds would have sufficient capacity. He noted in most other instances the applicant would be required to put the rain garden directly on their lot.

Councilmember Piekarski Krech questioned if changing the designation for storm water fees would cover the costs associated with additional rain gardens.

Mr. Kaldunski stated the developer has agreed to build the rain garden on behalf of the property owner and the change in the stormwater classification is to increase the quarterly stormwater utility rate to cover the operation and maintenance costs of the additional 240 square feet being added to the public facility.

Councilmember Piekarski Krech stated there should be an agreement outlining the responsibilities of the property owner.

Mayor Tourville noted the planning report included a condition requiring a storm water facility maintenance agreement.

Mr. Kuntz explained Planning staff recommended the condition related to a storm water facility maintenance agreement, but the condition was recommended to be deleted by the Planning Commission.

Mr. Kaldunski stated it was recommended that the condition be removed because the work was going to be done on a public facility. The developer was going to build the additional storage and infiltration basin on a City-owned outlot. He noted the property owner was uncomfortable with the requirement to send in an annual report to the City regarding a pond that was not on his property.

Councilmember Piekarski Krech questioned how the City would guarantee that no additional money would be spent for the care and maintenance of the basin.

Mr. Kaldunski explained that was why the homeowner agreed to pay the costs associated with a higher storm water utility classification.

Councilmember Bartholomew questioned what the practice was to monitor the overall system and make sure the increases in impervious surface were not a detriment to the system.

Mr. Kaldunski stated the City's consultant, EOR, reviews the hydrologic calculations for the development to ensure the proper amount of storm water management facilities are present.

Councilmember Bartholomew clarified even if the City were to approve the full 10% on each lot engineering staff was confident the development would not exceed the capacity of the storm water system.

Mr. Kaldunski stated if a 10% increase in impervious coverage was approved for every lot in the development the City still would not reach the threshold outlined in the analysis prepared by the engineer's consultant.

Councilmember Mueller commented that the lots all had approximately the same setback and almost no front yard with minimal space between lots. He questioned if there would be enough room on the lots for the rain gardens.

Mr. Kaldunski stated the lots were purposely designed that way to have less impervious surface in the entire development. He noted smaller equipment would be used to build rain gardens that are placed on properties that have already been developed.

Motion by Bartholomew, second by Madden, to adopt Resolution No. 13-77 approving a Conditional Use Permit to allow Additional Impervious Surface on a Residential Lot for property located at 7681 Addisen Court with the conditions as stated

Ayes: 4
Nays: 1 (Piekarski Krech) Motion carried.

B. DON AND SUE SCHLOMKA; Consider the following requests for property located North of the Travel Plaza, East Side of Highway 52/55 at 117th Street:

i) Resolution relating to a Final Plat and Improvement Agreement for a One Lot Subdivision

ii) Resolution relating to a Conditional Use Permit for a Contractors Yard with Outdoor Storage

iii) Resolution relating to a Major Site Plan Review to Construct a 12,500 Square Foot Building

Mr. Link reviewed the location of the property. He stated the proposal was to construct a 12,500 square foot building. The building would be used for maintenance and repair of fleet vehicles. He noted there was an area in the back of the building that would be used for outdoor storage of portable restroom rentals and the plans show a future storage building of 800 square feet. Staff reviewed the request and found it met the zoning requirements for a conditional use permit and the criteria for a major site plan. The proposal would include three (3) documents, a storm water facilities maintenance agreement, improvement agreement, and an encroachment agreement. Both Planning staff and the Planning Commission recommended approval of the request.

Dan Tilsen, G-Cubed Engineering, stated the applicants were present and agreed to the proposed conditions.

Motion by Mueller, second by Piekarski Krech to adopt Resolution No. 13-78 approving a Final Plat and Improvement Agreement for a One Lot Subdivision and Resolution No. 13-79 approving a Conditional Use Permit for a Contractors Yard with Outdoor Storage and a Major Site Plan Approval to Construct a 12,500 Square Foot Building

Ayes: 5
Nays: 0 Motion carried.

C. HALLBLADE PROPERTIES; Consider the following requests for property located South of Tractor Supply on the West Side of Cahill Avenue:

i) Resolution relating to a Preliminary and Final Plat for a One Lot Subdivision

ii) Resolution relating to a Conditional Use Permit for Outdoor Storage

iii) Resolution relating to a Major Site Plan Review for a Retail Sales Operation

Mr. Link explained the applicant has proposed to operate a recreational trailer sales lot on a vacant lot south of Tractor Supply on Cahill Avenue. The project would consist of a 9,000 square foot sales and service building with room for a future addition. He noted there would be room in the display area for approximately 250 trailers. The project complied with all performance standards and a revised landscape plan was submitted that addressed all staff concerns. He explained there was a Park Dedication fee due on part of the property as part of it lies inside the Arbor Pointe Planned Unit Development and some of it lies outside. The portion that lies outside the Arbor Pointe PUD requires payment of an additional Park Dedication fee. He stated an improvement agreement would be brought forth for Council approval at a later date. Engineering staff reviewed the application and found it to be acceptable. Both Planning staff and the Planning Commission recommended approval of the request.

Councilmember Mueller questioned why so many trees were going to be placed in the front and on the side of the building.

Mr. Link stated they were required by the landscape regulations. He explained there was very little vegetation on the highway side of the property and that meant the other two sides of the property had to received more intensive landscaping.

Mayor Tourville suggested staff work with the applicant to come up with a revised landscape plan that would include fewer trees, but more mature trees.

Councilmember Piekarski Krech stated she would rather have a few mature trees that are well maintained.

Mr. Link stated part of the reasoning behind the landscaping was to keep the west side of the property open so it was more visible from the highway. He noted staff could work with the applicant to further revise the landscaping plan.

Mike Hallblade, applicant, stated he would like to be able to plant larger, more mature trees in lieu of a greater quantity of smaller trees. He agreed with the proposed conditions.

Motion by Mueller, second by Madden, to adopt Resolution No. 13-80 approving a Preliminary and Final Plat for a One Lot Subdivision, Resolution No. 13-81 approving a Conditional Use Permit for Outdoor Storage, and Resolution No. 13-82 relating to a Major Site Plan Approval for a Retail Sales Operation

Ayes: 5
Nays: 0 Motion carried.

D. DAKOTA COUNTY CDA; Consider the following requests for property located at the Corner of Cheney Trail and Cahill Avenue:

i) Resolution relating to a Comprehensive Plan Amendment to Change the Land Use from O, Office to MDR, Medium Density Residential

ii) Ordinance Amendment to the Arbor Pointe PUD Ordinance #789 to Change the Master Land Use Plan for the Parcel from R&D, Research & Development to Medium Density Residential R-III, Approximately 6-12 Units/Acre

iii) Resolution relating to a Final Plat and Final PUD Development Plan for a 66 Unit Senior Housing Multiple Family Development

iv) Resolution relating to a Conditional Use Permit for a Multiple Family Development

Mr. Hunting stated the property was a vacant lot located across the street from Walmart. He reviewed each request. The project consists of a one-building, three-story, 66 unit senior housing development with 66 underground parking spaces and 33 surface spaces. Improvements would include a trail around the building, construction of the sidewalk/trail that was part of the original Arbor Pointe plan, infiltration basins, and landscaping. He explained the existing outlot would be re-platted and staff recommended an additional 15 feet of right-of-way be dedicated to address future road improvements. All performance standards were met for the site plan and conditional use permit. He stated the site had been vacant since 1992. He noted changing the land use and developing the site would add residents to the area and increase spending at local businesses, traffic volumes and noise levels would be less with the proposed senior housing project, multiple family is a typical use seen as a buffer between commercial and single-family residential, and the request was not unique in that other changes have occurred in Arbor Pointe over the years to reflect market differences. Both Planning staff and the Planning Commission recommended approval of the request.

Mayor Tourville questioned how tall of building could be built on the property under the current zoning designation.

Mr. Hunting stated the current R&D land use would allow a 60 foot or five-story building on the property. The R-III designation would allow a 35 foot building.

Councilmember Piekarski Krech questioned what the possible development scenarios could be for the remaining outlot.

Mr. Hunting stated that issue had not been looked at either by Planning staff or the CDA. He explained the applicant's intent was to have minimal impact on the existing features of the property such as the grading along the hill or the knoll. He noted the remaining space has potential for future development but

any proposed development or expansion would have to be brought back to the Council for approval because the Comprehensive Plan Amendment being requested puts the property at its maximum density in that category.

Councilmember Piekarski Krech questioned why the City would leave an outlot without knowing what could potentially be built there in the future.

Mr. Hunting clarified the excess property was not being left as an outlot and the entire parcel would be platted as one (1) lot.

Councilmember Bartholomew clarified at the proposed land use designation the development would be at maximum capacity and any future increase in density would require a comprehensive plan amendment to change the land use designation.

Mr. Hunting replied in the affirmative.

Mayor Tourville questioned if the plan would need to be submitted to Metro Council for approval.

Mr. Hunting responded in the affirmative.

Councilmember Madden questioned if there was anything in the agreement that would guarantee the proposed use, senior housing, would remain the same in the future and would not be changed.

Mayor Tourville opined an agreement could be drafted that would stipulate the use and require any changes be brought back to the Council for approval.

Mr. Kuntz stated in past senior housing projects the City did not impose a stipulation that the use remain senior housing in perpetuity. He explained in order for the CDA to receive that designation from the federal government they have to impose a declaration which has a lifespan attached.

Mark Ulfers, Executive Director of Dakota County CDA, explained the proposed development would be the 27th building in a program to provide affordable senior housing throughout the County. He stated the CDA would be comfortable with putting a stipulation in the development agreement or entering into a covenant that the property would remain senior housing. He noted in Inver Grove Heights in the year 2000 there were 4,645 people over the age of 55. By the year 2030 it is estimated there will be 13,244 people over the age of 55. He stated the demand for senior housing is strong and will grow exponentially. He reiterated it is the CDA's intent to keep the use as senior housing for the life of the building.

Kari Gill, Deputy Executive Director, stated the CDA has proposed a 66 unit senior housing development for adults ages 55 and older. The CDA currently has 26 similar developments with over 1,500 units that are scattered throughout Dakota County. Two (2) of the buildings are currently located in Inver Grove Heights, Carmen Court and Cahill Commons. The buildings are meant for independent living. The current income limits for the units are approximately $45,000 annually for one (1) person and approximately $55,100 for a two (2) person household. The rents for the proposed building would be fixed rates, currently $573 per month for a one bedroom unit and $700 for a two bedroom unit. Garage parking would be optional at a cost of $45 per month. The proposed building would also include six (6) premium two bedroom units that would not have an income limit and the rent would be $900 per month. She noted the rental amounts were updated annually so the rents could be slightly different based on when the building actually opens. She explained over time their building finishes and exterior materials have changed. The exterior of the proposed building would be comprised of hearty siding and brick, comparable to Thompson Heights in South St. Paul. She stated the CDA handles their own property management, conducts criminal history and rental checks on all residents, and they have an on-site caretaker, property manager and maintenance technician. She noted they contract for snow removal and lawn care services. She explained the CDA typically obtains City approvals prior to the acquisition of property, but in this situation was unable to do so due to the unique circumstances surrounding the ownership of the property. The previous property owner, Rottlund, went into bankruptcy several years ago and disposed their undeveloped property through a receiver. All of their property was disposed of with the exception of this parcel and when the CDA decided to purchase the property there was no time to seek

City approval as the property was set to be returned to three (3) bankruptcy banks. She stated the CDA believed the property was a good location for senior housing and was a compatible use for the site. She explained senior housing typically generates less traffic and noise than other potential uses on the site. She noted three main issues were raised at the neighborhood meeting and at the Planning Commission meeting. The first related to the proposed three-story height of the building, the second related to the fact that the use was not an office use as required by the current zoning designation, and the third related to the CDA's future plans for the undeveloped or remaining portion of the property. She stated at this time the CDA did not have any plans for future development. She noted they agreed with the conditions that were proposed.

Councilmember Bartholomew questioned if the age requirement applied to all residents or if only one of the occupants of the unit had to comply with the requirement.

Ms. Gill stated the age requirement applied to the head of household.

Councilmember Piekarski Krech confirmed children were not allowed.

Councilmember Madden stated he took a tour of several of the CDA's housing developments and he was very impressed with how well-managed and maintained the properties were. He opined the senior housing project was a great idea because it is needed.

Councilmember Bartholomew questioned what the maximum number of residents would be in a 66 unit building.

Ms. Gill stated two (2) people per bedroom were allowed and approximately half of the units would be one-bedroom and the other half two-bedroom.

Councilmember Mueller stated he was happy to see that the CDA came back to Inver Grove Heights for another housing development.

Mayor Tourville stated there is a tremendous need for senior housing in Inver Grove Heights and Dakota County.

Councilmember Madden questioned how large the waiting list was for senior housing in Dakota County.

Mr. Ulfers stated the City has a variety of senior housing options and the CDA is able to offer a more affordable option. The rent for a one-bedroom unit at Inver Glen was $1510-$1638, and a two-bedroom unit was $2000-$2159. He reiterated the rent for a one-bedroom unit in a CDA development was $573 and $700 for a two-bedroom unit. He explained their goal is pass on the affordability of their product to the residents and take advantage of the fact that their agency has non-profit status. He stated the total number of households on the waiting list in Inver Grove Heights alone was 288.

Aric Elsner, 9250 Cheney Trail, stated senior housing would be a good use for the property but not as is currently proposed. He expressed concern that the CDA would construct another development in the future on the open space of the property. He stated the ideal development for the residents in the neighborhood was the single-story office buildings that were proposed but never constructed. He opined a three-story building backed up to the residential neighborhood was unacceptable. He stated the property should be developed all at once to minimize the impact on the neighborhood. He suggested that the CDA build a larger, two-story building that would span the entire lot.

Christopher Riess, 9281 Cheney Trail, suggested restricting the development to Inver Grove Heights residents only. He acknowledged the need for senior housing and suggested that more units be constructed within the development in a two-story building. He opined the size of the building could be doubled to span the entire piece of property. He stated the proposed layout and location on the lot suggested intent to expand in the future. He noted the property was subject to taxation in years past and now will be exempt as the CDA is required to pay a fee in lieu of taxes. He questioned if a future zoning change to increase the density would also require a 4/5 vote.

Mr. Link stated an application for either a comprehensive plan amendment or a conditional use permit

would require a 4/5 vote in order to be approved.

Mr. Riess opined that a three-story building would be at eye level with the existing homes on the hill. He asked the Council to come up with a design that would be a better fit for the site and for the neighborhood. He stated it is important for the residents to know what to expect on the site in the future. He reiterated the size and scope of the building as proposed is the main issue for the residents.

Joseph Sonday, 9258 Cheney Trail, stated he was the closest neighbor to the proposed development and the most impacted. He explained he was in favor of a senior housing development, but not a three-story building. He expressed concern regarding the lack of screening between his property and the proposed building and stated he did not want the view from his home to be residential windows. He opined he would like to see the applicant compromise with the neighbors and revise their plans to minimize the impact to the residents. He reiterated the neighborhood would be satisfied with a two-story building opined a
two-story building could not be properly screened given the elevation of the site. He stated the neighbors were promised that the property would be developed with an office use and deserved a better compromise than the development as proposed. He questioned if the CDA would pay taxes to the City.

Mayor Tourville stated the CDA would pay a fee to the City in lieu of taxes. He noted the City cannot legally limit the tenants to Inver Grove Heights residents because the CDA is a county organization, thus the facility is open to Dakota County residents.

Mr. Cederberg stated he would like to know if the CDA would consider a two-story building.

Dian Piekarski, 7609 Babcock Trail, stated she read the minutes from the Planning Commission meeting and it seemed as though a 2-story building would not be feasible from a cost perspective. She asked for clarification regarding the reasoning behind the proposed three-story building. She suggested it may be beneficial for the CDA to hold onto the property until such time that they are able to afford fully developing the property with multiple buildings or a larger building with more units. She questioned what the County would do with the property if their request was denied by the City.

Councilmember Madden questioned if the CDA owned any two-story buildings in Dakota County.

Mr. Ulfers explained all of their buildings were predominantly three-stories and noted in a couple of situations the ends of the buildings were dropped down to two-stories. He explained the CDA has had a program since 1989 to build similar developments throughout Dakota County. The main premise of the program is to construct senior housing that is affordable to develop and to operate. He stated their architect calculated it would cost the CDA approximately 20% more to build and operate a two-story building than a three-story building. He noted it would not be economical for the CDA to develop a two-story building. He reiterated the CDA is trying to construct a development that is both affordable and attractive. He stated they currently had three-story buildings that were located much closer to single-family homes than what was proposed for this particular development. The proposed building would be located approximately 150 feet from the nearest home. He explained they fully intend to work with residents on landscaping and anything else they can do to be good neighbors. He stated the CDA staff prides itself on being accessible and responsive to complaints or concerns and they intend to carry on that reputation.

Mayor Tourville clarified it would cost the CDA 20% more to build the same number of units in a two-story building.

Mr. Ulfers stated there were two (2) components involved, the cost to construct the building and the ongoing cost to maintain the building. He noted operational costs were built into the rent structure.

Kirk Velett, Insite Architects, estimated the total cost would be $7-8 million to construct the 66 unit building. If a two-story building were constructed approximately 20%, $1.5 million, would be added to the construction costs.

Mr. Ulfers noted the two-story building would be larger and more expensive to maintain and operate.

Mayor Tourville clarified that the CDA looked into a two-story building and concluded it was not financially feasible.

Mr. Ulfers responded in the affirmative.

Councilmember Bartholomew stated there seemed to be some skepticism from the neighbors regarding the accuracy of the proposed elevations. He asked the CDA to further clarify the information.

Mr. Velett stated he did not believe it was a question of whether or not the elevation that was presented was correct. He explained his understanding was that the argument was that when a person looks out there window they tend to look down rather than straight out. He explained the building, from the first floor, sits 20 feet lower than the walkout level of the houses. He estimated the homes to be nine (9) feet from floor to floor, put an eye level five (5) feet above entry level, and drew a straight line across which would hit just below the ridge point of the proposed building. From an actual height standpoint it was estimated that the ridge point was approximately one foot to 1.5 feet higher than the second floor level of the closest home.

Councilmember Bartholomew questioned if Mr. Velett felt the elevation as presented was an accurate representation.

Mr. Velett responded in the affirmative.

Councilmember Bartholomew questioned what the difference was between the fee that would be paid by the CDA and the projected tax base for the property.

Mr. Ulfers explained the CDA operates under a State statute and follows the same statute to determine the fee they pay in lieu of taxes. He stated the CDA will pay 5% of the rents that are collected. He modeled a hypothetical rent roll at the request of the City Administrator and estimated $25,000-30,000 would be paid annually. He noted the legislature ultimately will determine what they pay going forward. He stated they do pay all City assessments and fees that are levied against the property and do not receive a discount on those costs.

Mayor Tourville stated there were approximately three (3) lots from which the neighbors would be able to see the building, and the remaining lots had screening provided by very thick wooded areas. He questioned if the CDA would be able to build out the entire property at once.

Mr. Ulfers stated they had the funding available to construct a three-story, 66 unit building. He explained they would not have the funding to build anything else at this time and they did not know when or if they would have the funding in the future. He acknowledged it was hypothetically possible that something more could happen on the site in the future, but whether or not it actually occurs would be a function of demand and availability of resources. He reiterated any changes in density would require Council approval.

Mayor Tourville questioned if the CDA would be amenable to working with the neighbors on a landscaping plan that could provide additional screening.

Mr. Velett stated the plan is to plant larger deciduous trees and to plant them as high as possible on the hillside in order to provide better screening for neighbors. He noted they were planning on using trees taller than six (6) feet to start out with.

Mayor Tourville suggested that the CDA allow the neighbors to receive a per diem or the ability to choose the type of trees they would like placed on their property to provide screening.

Mr. Kuntz stated it was possible but would require agreement by both parties, the CDA and the private property owner.

Mr. Ulfers stated it was a reasonable request and the CDA would be willing to work with the City Attorney and the homeowners to make something like that happen.

Mayor Tourville stated it would be easier to plant vegetation in the neighbors' yards than on the hillside.

Councilmember Bartholomew questioned if a future change in land use from medium density residential would require another comprehensive plan amendment.

Mr. Hunting stated the development would be at maximum capacity with the comp plan designation that is proposed. If additional units were proposed in the future the CDA would have to request another comprehensive plan amendment and any multiple family development also required a conditional use permit. Both requests would require a 4/5 vote from the City Council in order to be approved.

Mr. Riess opined it would not be unreasonable to ask the CDA to build a larger building, despite the additional 20% cost, because the property was purchased at such a significant discount. He explained the neighbors did previously suggest constructing the three-story building and moving it so it was more centered on the property. This would alleviate the neighbors' concern that an additional building would be constructed on the property in the future.

Mr. Ulfers stated the CDA did purchase the property at a very good price. He explained economically the CDA did not need to build additional housing on the site. He reiterated they did not have plans for additional housing on the property. He stated he was willing to enter into an agreement to memorialize that fact. He explained the City's extensive storm water regulations would essentially preclude them from adding additional units in the future because there would not be enough space left to do so. Originally it was thought the existing Arbor Pointe storm water system had sufficient capacity to deal with storm water on site. It was determined that was not the case and they would be required to construct three (3) additional retention ponds. He reiterated if it was important to the City the CDA would not have a problem with restricting the development to just this building, provided they can do it in a manner that is affordable.

Councilmember Piekarski Krech questioned why they chose to position the building on the property in the manner that was proposed. She stated if the building was centered on the property all of the neighbors would be getting the same effect.

Mr. Ulfers stated the idea was to preserve as much native vegetation as possible.

Mr. Velett explained the retaining walls were meant to prevent grades from dropping down at the garage door itself so the three-story look would be maintained as much as possible. An additional retaining wall was added to protect vegetation after the engineering department requested that an infiltration basin be added on the southwest piece of the property. He clarified the retaining walls were not built to place the building in the proposed location.

Councilmember Piekarski Krech questioned if the retention pond had to be located on the southwest piece of the property.

Mr. Kaldunski responded in the affirmative.

Mayor Tourville suggested that the CDA consider the possibility of moving the building so it would be more centered on the property and potentially adding a few additional units.

Mr. Velett stated they could look at centering the building on the property. When the placement was originally considered they felt the knoll was a nice feature of the property that should be preserved and they felt that centering the building on the property would create a visual impact for more of the homes on top of the hillside. He reiterated the positioning of the building could be reevaluated.

Mr. Ulfers stated if Council preferred that the positioning of the building be reviewed the CDA would be responsive to the City's needs and concerns. He noted they were trying to get the building constructed this fall and would like to keep the project moving forward on schedule.

Mr. Elsner stated he appreciated the CDA reconsidering the positioning of the building on the site. He opined the project should be delayed if necessary in order to come up with a plan that would work for everyone, including the neighbors. He noted he would be in favor of the landscaping per diem that was suggested to provide some screening for the neighbors.

Councilmember Bartholomew questioned what the limitations would be from a storm water management

perspective if the building was repositioned on the property or if additional units were constructed.

Mr. Kaldunski stated the current storm sewer system design fit the proposed plan quite well. If additional impervious surface was added the CDA would have to construct more storm water management facilities.

Councilmember Bartholomew confirmed it would put further limitations on the property.

Mr. Kaldunski stated the way the site was currently designed it was utilizing some of the storm water ponding from the Arbor Pointe development that exists at Cahill Avenue and Concord Boulevard. The storm water management plan includes the use of a series of infiltration basins and that is why the plan works without having a major pond put on the site. If another building was constructed in the future the CDA would need to include a large footprint for a pond. He noted the proposed location was on the high point of three (3) different watersheds.

Councilmember Bartholomew clarified any additional units would require enhancements to the storm water management plan.

Mr. Kaldunski responded in the affirmative.

Mr. Kuntz stated a question was raised as to whether or not the CDA would be amenable to voluntarily putting a covenant on the property stipulating that the property was only to be used for senior housing. The second issue that was raised related to the fact that the conditional use permit ties into and approves a landscape plan. He explained a condition could be added that would allow City staff to approve an alternate landscape plan that accommodated the location of more mature, larger trees on adjoining lands if the respective landowners and the CDA would agree. The third issue related to a limitation on the number of housing units. He stated the CDA agreed to a covenant that would limit the number of housing units to 66 and would stipulate that no additional structures would be placed on the rest of the lot, other than those shown on the site plan, unless the City agreed. The fourth issue related to the repositioning of the building and/or an increase in the number of units. He stated the issue required further clarification because 66 units was the maximum number that would be allowed on the property under the comprehensive plan amendment and zoning designation the CDA requested. He explained if the suggestion is to increase the number of units Planning staff would have to go back and reconsider the request because currently the site is at maximum density.

Mayor Tourville stated the CDA may not be interested in additional units or they may want to consider the offer. The premise was to alleviate the neighbors' concern that the CDA would build additional units on the site at some point in the future.

Mr. Ulfers stated they would be willing to look at repositioning the building, but would feel better if they could maintain their construction schedule. He noted building and material costs are increasing and if they lost a construction season their construction costs could increase by 3-5%. He explained changing the number of units would require them to go through the Planning Commission process again and that would not be feasible in order to maintain their construction schedule. He reiterated they would look at repositioning the building in a manner that would be more tolerable for the neighbors.

Mayor Tourville questioned if the CDA would have to go back to the Planning Commission if they increased the number of units to 67.

Mr. Ulfers stated they would have to increase by increments of 6 based on how the units are constructed.

Mr. Hunting stated he would have to recalculate the density to determine if the addition of 6 units would require the plan going back to the Planning Commission for approval.

Mr. Lynch stated the CDA previously indicated they would only be able to afford to develop 66 units at this point in time.

Mayor Tourville stated they may want to look into more units if they are considering repositioning the building because it may be more cost effective to add them now.

Mr. Lynch noted it would be difficult to allow for resident input on the new site configuration without delaying the project and disrupting the construction schedule. He reiterated that the CDA indicated maintaining the construction schedule was of great importance to them.

Mayor Tourville suggested residents could provide input when the plan came back to the City Council at one of the regular meetings in July. He stated the CDA would have to make a decision on what they want to pursue after it is determined whether or not they would be required to go back to the Planning Commission.

Mr. Ulfers stated they would be able to preserve their project schedule if the item was placed on the July 8th City Council agenda.

Councilmember Piekarski Krech questioned if the CDA would be interested in additional units.

Mr. Ulfers reiterated his certainty that the CDA could afford 66 units right now. He stated he would have to go back and do some more calculations to determine if they could afford 72 units. He suggested another option would be to include the additional units as an alternate bid for the project.

Councilmember Mueller clarified the CDA still intended to build a three-story building.

Mr. Ulfers responded in the affirmative.

Mayor Tourville asked staff to determine in the next few days if the item would have to go back to Planning Commission if six (6) units were added to the building.

Mr. Kuntz explained if all that was presented was a relocation of the building, it would not need to go to the Planning Commission for approval. He stated although the intention is to bring the item back to the Council on July 8th, the CDA would still have to agree to extend the 60-day time frame.

Mr. Ulfers stated that was acceptable.

Councilmember Madden questioned why they were even considering 72 units. He stated the CDA wants and is able to afford 66 units and it doesn't make sense why they are asking them to look at the option if it will complicate the process further.

Mayor Tourville stated it was just a suggestion that if they are going to reposition the building they may want to consider adding units if it would be cost effective to do so.

Councilmember Mueller questioned if the neighbors would be happy if the building was repositioned. He stated if it was not going to make a big difference to the neighbors he did not see the point in wasting the CDA's time to draft new plans.

Mr. Ulfers stated the CDA wanted to be a good partner to the City and would look at the repositioning if it was requested. He noted the repositioning may cause some issues with other neighbors who would be affected as a result of the building being moved. He wanted the Council to be aware that repositioning may not be less impactful than what was currently proposed.

Councilmember Piekarski Krech stated the height of the building would be the same no matter what.

Mayor Tourville stated even though the height would not change it may make a difference if the building was moved further away from the neighbors.

Mr. Velett stated they may be able to move the building approximately 20 feet to the west and still comply with the setback requirements.

Mr. Riess reiterated his sentiments that a two-story building with more than 66 units would be amenable to the neighbors.

Councilmember Madden questioned if repositioning the building would change Mr. Riess' opinion of the project if it remained a three-story building.

Mr. Riess opined that repositioning the building did not necessarily mean that nothing more would be built

in the future. He stated he could not comment until he saw the repositioning.

Councilmember Bartholomew stated the issue was addressed by placing a covenant on the property.

Allan Cederberg, 1162 82nd St. E., suggested building flat roofs to cut off some of the height.

Mr. Ulfers stated aesthetically flat roofs tend to not look as good as what they have proposed and they are a bit more costly to build and maintain.

Vance Grannis, Jr., 9249 Barnes Ave, suggested Council could take action on the comprehensive plan amendment because all of the issues raised were pertinent to the remaining components of the request. He stated this would allow the comprehensive plan amendment to go through the review process with Met Council.

Councilmember Madden stated he did not see what would be gained by delaying the process and making the CDA revise their plans to move or reposition the building a minimal amount.

Mayor Tourville stated it would give the CDA an opportunity to reconsider the placement on the site.

Mr. Sonday stated the repositioning would make a big difference to him.

Mr. Elsner commented that the repositioning was not going to have a great impact on him because the building would still be three-stories tall.

Councilmember Bartholomew stated he would like to see the plans with the building being repositioned 20 feet to the west. He opined if there was an opportunity to increase the buffer between the neighbors and the development it would be beneficial.

Councilmember Piekarski Krech agreed it would be worthwhile if the construction schedule was not delayed. She opined she would not like to see a two-story building spread out over the property because it would increase the impervious surface.

Mayor Tourville commended the CDA for their willingness to consider a revised plan.

Motion by Tourville, second by Piekarski Krech, to table items ii, iii, and iv to July 8, 2013

Ayes: 5
Nays: 0 Motion carried.

Motion by Bartholomew, second by Madden, to adopt Resolution No. 13-83 approving a Comprehensive Plan Amendment to Change the Land Use from O, Office to MDR, Medium Density Residential

Ayes: 5
Nays: 0 Motion carried.

PUBLIC WORKS:

E. CITY OF INVER GROVE HEIGHTS; Resolution Approving Cost Share Contract with Dakota County Soil and Water Conservation District for Community Conservation Partnership Funding Program, Ordering Project, and Authorizing Preparation of Plans and Specification for City Project No. 2012-07, Bohrer Pond NW Pretreatment Basin

Mr. Kaldunski explained Council was asked to approve a cost sharing agreement to receive a $50,000 grant from the Community Conservation Funding Program. The County was able to secure the grant through the Legacy Fund via the State Legislature. The City would use the funds to complete a project on the northwest corner of Bohrer Pond. He explained the project would involve the excavation of a pretreatment basin to allow the basin to capture storm water and sediments from the three (3) storm sewers that dump into it. The City would contribute funds from the Storm Water Utility Fund.

Mayor Tourville questioned if there were any concerns regarding contamination.

Mr. Kaldunski responded in the negative.

Motion by Piekarski Krech, second by Bartholomew, to adopt Resolution No. 13-84 approving a Cost Share Contract with Dakota County Soil and Water Conservation District for Community Conservation Partnership Funding Program, Ordering Project, and Authorizing Preparation of Plans and Specifications for City Project No. 2012-07, Bohrer Pond NW Pretreatment Basin

Ayes: 5
Nays: 0 Motion carried.

F. CITY OF INVER GROVE HEIGHTS; Consider Resolution Receiving Feasibility Study, Scheduling Public Hearing, and Authorizing Preparation of Plans and Specifications for City Project No. 2013-09C, Mill and Overlay

Mr. Kaldunski stated the project would involve improvements to Conroy Way and Cloman Avenue. The mill and overlay would add structural strength to the existing street section. He noted Cooper Avenue and Comstock Avenue were eliminated from the scope of the project in order to stay within budget. The total estimated project cost was $297,000 and the project was proposed to be funded by the Pavement Management Fund, utility funds, and special assessments. The estimated per lot assessment was $4,825. Metzen Appraisals was hired to review the proposed assessments and they indicated that assessments up to $4,000 per single-family parcel would be sustainable.

Mr. Cederberg commented the Council was not allowed to assess more than what the appraiser indicated could be sustained.

Councilmember Piekarski Krech stated the Council was not levying assessments at this time and the final amounts would not be determined until after the project was completed and an assessment hearing was held. She explained the project had not been ordered by the Council at this point in time.

Motion by Mueller, second by Madden, to adopt Resolution No. 13-85 receiving the Feasibility Study, Scheduling a Public Hearing, and Authorizing Preparation of Plans and Specifications for City Project No. 2013-09C, Mill and Overlay

Ayes: 5
Nays: 0 Motion carried.

8. MAYOR & COUNCIL COMMENTS:

9. ADJOURN: Motion by Piekarski Krech, second by Mueller, to adjourn. The meeting was adjourned by a unanimous vote at 10:05 p.m.