



DRAFT

Approved: June 13, 2022

**CITY OF ARDEN HILLS, MINNESOTA
REGULAR CITY COUNCIL MEETING
MAY 23, 2022
7:00 P.M. - ARDEN HILLS CITY COUNCIL CHAMBERS**

CALL TO ORDER/ROLL CALL

Pursuant to due call and notice thereof, Mayor David Grant called to order the regular City Council meeting at 7:00 p.m.

Present: Mayor David Grant, Councilmembers Brenda Holden, Fran Holmes, David Radziej, and Steve Scott

Absent: None

Also present: City Administrator Dave Perrault; Public Works Director/City Engineer David Swearingen; City Planner Jessica Jagoe; Finance Director Gayle Bauman; City Attorney Joel Jamnik; and City Clerk Julie Hanson

PLEDGE OF ALLEGIANCE

1. APPROVAL OF AGENDA

MOTION: Councilmember Holden moved and Councilmember Holmes seconded a motion to approve the meeting agenda as presented. The motion carried (5-0).

2. PUBLIC INQUIRIES/INFORMATIONAL

None.

3. RESPONSE TO PUBLIC INQUIRIES

A. Public Inquiry Response from May 9, 2022 City Council Meeting

City Administrator Perrault provided the Council with a response to the public inquiry made at the May 9, 2022 City Council meeting regarding how the City will address its Met Council housing numbers.

4. PUBLIC PRESENTATIONS

A. 2021 Financial Statements

Aaron Nielsen, MMKR, reviewed the 2021 financials with the Council noting the City received a clean or unmodified report on the 2021 audit. He discussed the health of the City's General Fund and Enterprise Funds. He commended the City on its strong financial standing and asked for comments or questions.

Councilmember Holmes commented on the amount of money the City spends on Public Safety, noting the Council takes public safety very seriously.

Mayor Grant thanked Mr. Nielsen for his presentation and thanked the Finance Department for their great work on behalf of the City of Arden Hills.

B. Beyond the Yellow Ribbon (BTYR) – Suburban Ramsey County

Eileen Scott, Beyond the Yellow Ribbon representative, provided the Council with a presentation from Beyond the Yellow Ribbon. She explained she served as the Chair for BTYR Suburban Ramsey County. She discussed the goals and mission of this group and described the great work BTYR was doing in the community to assist its service members, veterans and their families. She thanked all of the members of the public that attended the recent Scoops for Troops fundraiser event. She thanked the City for their ongoing partnership and stated she looked forward to working with the City going forward.

Councilmember Holden requested further information on how the public can learn more about Beyond the Yellow Ribbon.

Ms. Scott encouraged the City to put contact information or a link for BTYR onto their website.

Mayor Grant thanked Ms. Scott for her presentation.

5. STAFF COMMENTS

A. Transportation Update

Public Works Director Swearingen reported Lexington Avenue was now closed to all northbound traffic from County Road E to I-694. He explained signed detours were in place. He stated all businesses and residential access will be maintained during the closure. He commented the west access at Target was now open. He encouraged people traveling through this area to drive with caution and to be prepared for delays. He stated residents with comments or concerns about this project should contact Ramsey County.

Public Works Director Swearingen stated MNDOT has begun their median barrier project on Highway 51 from County Road C to I-694.

Public Works Director Swearingen explained work began on the City Hall parking lot project. It was noted customers would have access to the parking lot and City Hall throughout the duration of this project.

Public Works Director Swearingen stated Old Snelling Avenue from County Road E to Highway 51 was also under construction. He indicated the contractor has completed the utility work and will now begin the street reclamation work.

Mayor Grant reported the City Council and City staff continues to advocate for the local businesses that are being impacted by the road closures that would occur this summer.

Councilmember Holden encouraged staff to contact Ramsey County two times a day to encourage them to reopen the business district. She was hopeful the County would come through in order to support the local businesses. She indicated she was available to make calls to the County.

6. APPROVAL OF MINUTES

- A. April 18, 2022, City Council Work Session
- B. April 25, 2022, Regular City Council
- C. May 9, 2022, Regular City Council

Councilmember Holmes reported she spoke to staff regarding a minor change to the April 18 worksession minutes.

MOTION: **Councilmember Holden moved and Councilmember Holmes seconded a motion to approve the April 18, 2022, City Council Work Session meeting minutes as amended and the April 25, 2022, Regular City Council meeting minutes and May 9, 2022, Regular City Council meeting minutes as presented. The motion carried (5-0).**

7. CONSENT CALENDAR

- A. Motion to Approve Consent Agenda Item - Claims and Payroll
- B. Motion to Approve 2021 City Financial Statements and Audit
- C. Motion to Approve Resolution 2022-029 Accepting Donation from Arden Hills Foundation
- D. Motion to Approve Resolution 2022-030 Entering into a Master Partnership Contract with MnDOT
- E. Motion to Approve Change Order No. 1 and Payment No. 1 – Insituform Technologies USA, LLC – 2021 CIPP Lining Project
- F. Motion To Approve Resolution 2022-031 City Of Arden Hills Commitment To Supporting The Suburban Ramsey County Beyond The Yellow Ribbon Network’s Support Of Service Members, Veterans And Military Families

MOTION: **Councilmember Holden moved and Councilmember Holmes seconded a motion to approve the Consent Calendar as presented and to authorize execution of all necessary documents contained therein. The motion carried (5-0).**

8. PULLED CONSENT ITEMS

None.

9. PUBLIC HEARINGS

None.

10. NEW BUSINESS

A. Resolution 2022-034 Approving Municipal Support For The Old Snelling Avenue North And County Road E/Lake Johanna Boulevard Intersection Improvements

Public Works Director/City Engineer Swearingen stated On March 21, 2022, at the Work Session, Council discussed the results of the open-house and public survey for the intersection of County Rd E and Old Snelling Ave. Ramsey County and the engineering consultant, SRF, presented and made the recommendation to design a roundabout improvement. At this stage of the planning and design process, the estimated costs for construction of the roundabout will range from \$1,200,00 to \$1,800,000. The City would pay 25% for the south-leg of the intersection (Old Snelling) plus the watermain and sanitary sewer improvements.

Brian Johnson, SRF, discussed the proposed roundabout in further detail and noted the public engagement events that were held in recent months. He reported more roundabout educational materials have been posted to the County's website. He stated it had been determined a single lane roundabout would be the best option for this intersection. He commented further on the roundabout project and requested Council offer their support for the roundabout improvement at the intersection of County Road E and Old Snelling Avenue.

Councilmember Holden requested further information regarding pedestrian safety.

Mr. Johnson described how pedestrians would navigate through the roundabout, noting pedestrians would only have to deal with traffic coming from one direction. He noted cars are supposed to yield to pedestrians.

Councilmember Holden expressed frustration with the fact the County would no be installing a trail in this area.

Mr. Johnson indicated the roundabout would be graded to connect to trails on both sides of Lake Johanna Boulevard.

Joey Lindquist, Ramsey County, explained County staff had submitted grant requests to assist with future trail connections.

Councilmember Holden expressed concern with the fact Lake Johanna Boulevard with be made more narrow and the shoulder would be eliminated which meant the students from Bethel University would not have a place to be when walking from campus to the Lake Johanna.

Further discussion ensued regarding the trails and sidewalks that would be constructed around this intersection.

Ms. Lindquist indicated the County could install a sidewalk along this portion of the roadway for safety purposes.

Mayor Grant asked how the new trail would fit into the roundabout given the fact the City's road would be a different width than the roundabout roadway width.

Public Works Director/City Engineer Swearingen stated Bolton & Menk has coordinated with SRF and Ramsey County regarding this. He noted the plans for this project were only at 30% at this time.

Councilmember Holmes questioned if traffic or pedestrians would be able to get through the intersection while it was being turned into a roundabout.

Ms. Lundquist stated it would be cheaper and faster to close the intersection completely. She noted if certain legs remained open throughout construction the project would take longer and cost more.

Councilmember Holden supported the County leaving certain legs open.

Mr. Johnson stated work on this intersection would be inconvenient for the community and noted the County wants to work with the City and its businesses.

Mayor Grant reported the County was about 30% into the design phase of this project. He commented further on the importance of this intersection to Arden Hills residents and stated if this intersection were fully closed a detour would be quite lengthy. He encouraged the County to pay real close attention to the utilities that were in this space.

Councilmember Holden stated over 38% of the residents in Arden Hills go to St. Paul each morning to get to work. For this reason, she recommended this intersection remain open while the roundabout is being constructed.

Councilmember Radziej questioned if this intersection would be shut down if traffic lights were installed. He anticipated this would not be the case. He anticipated if traffic signals were installed at this intersection the cost would be even more for this project.

Mr. Johnson commented on how the roundabout was the best long-term solution for this intersection. He stated he understood this was a critical intersection for the community and he wants to make sure the construction sequencing was well planned with the City and County because a lot of people would be impacted by this project.

Councilmember Scott noted there was a large number of student traffic using this intersection on a daily basis.

Councilmember Holden requested further information on how the City would fund this project.

Public Works Director/City Engineer Swearingen stated \$330,000 was set aside in this year's budget and noted State Aid funds could also be used for this project.

MOTION: Councilmember Holden moved and Councilmember Holmes seconded a motion to approve Resolution #2022-034 – Supporting Ramsey County for a roundabout improvement at the intersection of County Road E and Old Snelling Avenue. The motion carried 3-2 (Councilmembers Holden and Radziej opposed).

B. Resolution 2022-032 – Site Plan Review – 4400 Round Lake Road W (Baker Hostetler LLP/Saltbox) – PC 22-007

City Planner Jagoe stated at their March 21, 2022 meeting the City Council reviewed a concept plan for a company called Saltbox. Saltbox offers flexible warehouse and office suites that are leased by individual businesses, usually startup/small digital commerce companies. They currently have five (5) locations across the United States. The intent of Saltbox is to provide an all-inclusive collaborative workspace to small businesses by providing the essential operations and logistical infrastructure that enables a business to start and scale its growth. Saltbox will be remodeling the interior of the building to construct flexible work spaces that can be used as either warehouse, office, or some combination of the two. Suites will range in size from 76 sq. ft. up to approx. 2,000 sq. ft. The suites are constructed with 10’ high modular walls that are open above with no ceilings. Each suite is equipped with power, HVAC, and Wi-Fi as well as access to a shared central loading dock for shipping/delivery needs. Each Saltbox facility is designed with conference rooms, huddle rooms/lounges, bathrooms, main entry/welcoming area, and a break room that are shared by the small business tenants. The facility is open seven (7) days a week from 6 AM to 11 PM.

City Planner Jagoe explained Saltbox employs Operations Specialists that handle the on-demand logistical services for receipt and delivery of packages, plus they are able to provide order fulfillment assistance to the small business owners. A package that is delivered to Saltbox is received by the Operations Specialist at the loading dock. The Saltbox employee then distributes smaller boxes to the individual suites or there is secured warehouse space for larger packages. Saltbox employees are onsite from 8 AM to 6 PM. The Applicant has stated this window of time is when 95% of their activity is expected to occur

City Planner Jagoe reported the Arden Hills location would be for 214 warehouse and office suites with an estimated maximum occupancy of 398 members and 15 Saltbox employees. Saltbox would say that their flexible business model means that the 398 members would not be at the facility at the same time, but rather come and go at the needs of their individual business. As part of the improvements to the property, the Applicant is proposing to reconfigure the parking lot layout that would result in the immediate addition of 36 parking spaces and also identifies an area as proof of parking as a placeholder for future installation of parking spaces. Therefore, the Applicant is pursuing the Site Plan Review for the additional parking spaces.

City Planner Jagoe reviewed the Plan Evaluation and offered the following Findings of Fact:

1. The Applicant has submitted an application for Site Plan Review to install striping for additional parking spaces at the subject property 4440 Round Lake Road W.
2. The Subject Property is located with the Gateway Business District and is guided as Light Industrial & Office on the 2040 Land Use Plan.

3. The Subject Property was developed prior to the City’s creation of the Gateway Business District and is considered to be legal nonconforming.
4. The Applicant intends to continue the utilization of the existing 113,565 square foot building for office and warehouse purposes in a manner consistent with the nonconforming regulations.
5. The Applicant will be reconfiguring the parking lot layout within the boundaries of the existing parking lot.
6. The proposed plan does not conflict with the general purpose and intent of the Zoning Code or the Comprehensive Development Plan for the City.
7. The application is not anticipated to create a negative impact on the immediate area or the community as a whole.
8. The proposed plan will not produce any permanent noise, odors, vibration, smoke, dust, air pollution, heat, liquid, or solid waste, and other nuisance characteristics.
9. The proposed plan is not anticipated to have any impact on traffic or parking conditions.
10. A public hearing is not required for Site Plan Review.

City Planner Jagoe commented on the request further and reported the Planning Commission recommended adoption of Resolution 2022-032, approving Planning Case 22-007, for Site Plan Review at 4440 Round Lake Road W. as presented in the May 23, 2022 Report to the City Council as amended by the conditions below:

- 1) That the project shall be completed in accordance with the plans submitted. Any significant changes to these plans, as determined by the City Planner, shall require review and approval by the Planning Commission and City Council.
- 2) The proposed parking spaces and drive aisles shall conform to all other regulations in the City Code.
- 3) A building permit shall be obtained prior to installation for the parking spaces identified as “Proof of Parking”. Future installation of Proof of Parking area can be processed administratively through the Planning Department as part of the Site Plan approval if completed in accordance with the plans submitted under this review.
- 4) Saltbox shall be required to maintain a listing of building tenants and provide said listing to the City upon request as needed for verification of occupancy in satisfaction of nonconforming uses.

Councilmember Holden asked where the UPS drop off would be for this property.

City Planner Jagoe noted the main entrance of the building would be used or the loading dock area. She encouraged the applicant to speak to this further.

David Sorensen, Saltbox representative, explained there was an existing drive in door that would be used for shipping and receiving.

MOTION: Councilmember Holmes moved and Councilmember Radziej seconded a motion to approve Resolution 2022-032 - Planning Case 22-007 for a Site Plan Review for Baker Hostetler LLP on behalf of Saltbox to reconfigure the parking lot layout for tenants of the 113,000 square foot office and warehousing facility at 4440 Round Lake Road West based on the findings of fact and submitted plans, and the four (4) conditions in the May 23, 2022, Report to the City Council. The motion carried (5-0).

C. Resolution 2022-033 – Variance – 1152 Benton Way (William and Adrienne Guelker) – PC 22-004

City Planner Jagoe stated 1152 Benton Way, the Subject Property, is zoned R-3, Townhouse and Low Density Multiple Dwelling District. It is designated for Low Density Residential Uses in the 2040 Comprehensive Land Use Plan. The subject property is the site of a single-family dwelling owned by the Applicants. Surrounding parcels to the North, East, and South are also zoned R-3, Townhouse and Low Density Multiple Dwelling District and designated for Low Density Residential Uses in the 2040 Comprehensive Land Use Plan. The parcel to the West is zoned B-2, General Business District and designated for Community Mixed Use in the 2040 Comprehensive Land Use Plan.

City Planner Jagoe reviewed the Site Data, Plan Evaluation and offered the following Findings of Fact:

General Findings:

1. City Staff received a land use application for a variance request to the required combined side yard setback and landscaped area and increase the allowed structure coverage and floor area ratio at the Subject Property, 1152 Benton Way.
2. The Subject Property is located within the Hunters Park Planned Unit Development which was approved with flexibility in the development standards.
3. The Subject Property does not comply with the underlying R-3 district standards for lot size, combined side yard setbacks, structure coverage, and floor area ratio.
4. The proposed building addition would maintain the current side yard setbacks and be located 5.8 feet from the south side yard property line. The combined side yard setbacks would remain 11.6 feet.
5. The proposed addition would not require a rear yard setback variance.
6. The structure coverage is proposed to increase from 27% to 30% of the Subject Property. A variance is required to exceed 25% structure coverage of a parcel.
7. The landscaped area is proposed to decrease from 65% to 62% of the Subject Property. A variance is required to reduce landscaped area below 65% of the parcel.
8. The Floor Area Ratio (FAR) is proposed to increase from 0.31 to 0.36. A variance is required to increase FAR above 0.3.
9. The proposed addition of the subject parcel would conform to all other requirements and standards of the R-3 district.
10. The City Council has approved similar variance requests for other properties in the Hunters Park Planned Unit Development.

Variance Findings:

11. Variances are only permitted when they are in harmony with the general purposes and intent of the ordinance.
12. A single-family detached dwelling with an addition is a reasonable use within the R-3 District.
13. The nonconforming lot size for the R-3 District, which was approved as part of the Hunters Park Planned Unit Development, and the substantial amount of shared open space that is part of the development, presents a unique situation for the property owner.
14. The proposed addition will not reduce the existing side yard setbacks. The addition will not require a rear yard setback variance. The nearest dwelling unit to the south of the Subject Property is approximately 18 feet away.
15. The increase in lot coverage and the decrease in landscaped area are unlikely to have a negative impact on the Hunters Park Development, due to the abundance of shared greenspace throughout the development. There is a total of seven acres of Homeowners Association common greenspace throughout the neighborhood.
16. The variance request is not based on economic considerations alone.
17. The Applicants have received approval from the Hunters Park Architectural and Environmental Committee for the proposed addition.

City Planner Jagoe commented further on the request and reported the Planning Commission recommended approval of Planning Case 22-004, for a Variance at 1152 Benton Way as presented in the May 23, 2022 Report to the City Council as amended by the conditions below:

1. A Building Permit shall be issued prior to commencement of construction.
2. The proposed building shall conform to all other standards and regulations in City Code.

Councilmember Holmes reported the Council received a comment objecting to this variance today from the public.

Councilmember Holden stated the applicant was proposing a significant increase to a small lot. She asked if a smaller addition would better fit the City's requirements.

City Planner Jagoe commented the existing structure coverage already exceeded the City's maximum requirement. She noted any addition to this property would trigger a variance.

Councilmember Scott discussed the proposed finished area, which would be under the deck, noting the deck would remain the same.

Bill Guelker, 1152 Benton Way, thanked the Council for considering his request. He stated the current deck was 12' by 20' and this would be removed. He explained he would like to put a two story 14' by 14' gabled addition onto the home along with a 12' by 14' deck in the space where the existing deck was located. He reported the addition would house a dining room that would better meet the needs of his family. He indicated his home backed up to Bethel University and there was only woods behind his house. He stated he would like to take advantage of the view from the back of his home.

Councilmember Holden questioned how far the current deck extends from the house.

Mr. Guelker stated the deck sticks out 12 feet.

Councilmember Scott requested further comment regarding the two story addition.

Mr. Guelker indicated he was proposing to construct a 14' by 14' two story addition with a dining room on upper level and a workshop on the lower level.

Further discussion ensued regarding the other homes in his neighborhood that received variances.

MOTION: **Mayor Grant moved and Councilmember Scott seconded a motion to approve Resolution 2022-033, approving Planning Case 22-004, for a variance at 1152 Benton Way.**

Councilmember Holmes discussed the side yard setback for this property noting there would be no change after the addition would completed.

City Planner Jagoe reported this was the case.

Councilmember Holden indicated she would not be supporting this request due to the size of the proposed addition.

The motion approving Resolution 2022-033 Approving Planning Case 22-004 for a variance at 1152 Benton Way based on the findings of fact and submitted plans and the conditions in the May 23, 2022 Report to the City Council carried 4-1 (Councilmember Holden opposed).

11. UNFINISHED BUSINESS

None.

12. COUNCIL COMMENTS

Councilmember Radziej congratulated Finance Director Bauman for receiving a recent award on the City's financial reporting and commended her for a job well done.

Councilmember Radziej thanked staff for visiting each of the businesses along Lexington Avenue in order to discuss their concerns with the roadway project.

Councilmember Scott congratulated Finance Director Bauman on another clean audit.

Councilmember Scott stated last Monday he completed a two hour walking tour around Karth Lake with several residents that live on this lake. He thanked these residents for their time.

Councilmember Scott reported he attended the Touch a Truck even on Saturday, May 21 and thanked the public for attending this great community event.

Councilmember Scott thanked all of the members of the public that attended the Scoops for Troops fundraiser event on Sunday, May 22.

Councilmember Scott encouraged residents to do whatever they can to support the businesses along Lexington Avenue this summer.

Councilmember Holmes explained she attended the Scoops for Troops event. She thanked Eileen Scott for her presentation this evening and stated she appreciated all of the great work Beyond the Yellow Ribbon was doing in this community.

Councilmember Holden requested staff speak with Ramsey County further the funding that would be set aside for the Lake Johanna trail.

Councilmember Holden suggested a smaller Touch a Truck event be held at each of the City's parks once a week throughout the summer. She stated this would be a great way to draw residents to the City's parks.

Mayor Grant stated he attended a Twin Cities Gateway meeting last week and noted this organization would be sending the Arden Hills \$3,500 to promote City events.

Mayor Grant commented he attended the 911 Dispatch Policy meeting and noted this group reviewed response times and the 2022 budget.

Mayor Grant explained he attended the Touch a Truck event on Saturday and thanked Public Works Director/City Engineer Swearingen for his assistance with this event.

Mayor Grant indicated the City Administrator and other staff members have been visiting the businesses along Lexington Avenue as a result of the County's construction project. He requested an update from staff on these visits.

City Administrator Perrault provided the Council with an update on the meetings he had with the local business owners along Lexington Avenue. He stated the feedback was that businesses were frustrated, but understood this was a County project. He explained the businesses appreciated the fact the City was reaching out and would be taking their feedback to the County.

Mayor Grant thanked staff for taking the time to speak with these businesses.

ADJOURN

MOTION: **Councilmember Holden moved and Councilmember Holmes seconded a motion to adjourn. The motion carried (5-0).**

Mayor Grant adjourned the Regular City Council Meeting at 9:12 p.m.

Julie Hanson
City Clerk

David Grant
Mayor