

**CITY COUNCIL MEETING  
CITY OF FRIDLEY  
JANUARY 7, 2019**

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The City Council meeting for the City of Fridley was called to order by Mayor Lund at 6:59 p.m.

**ROLL CALL:**

**MEMBERS PRESENT:** Mayor Lund  
Councilmember Barnette  
Councilmember Tillberry  
Councilmember Eggert  
Councilmember Bolkom

**OTHERS PRESENT:** Wally Wysopal, City Manager  
Scott Hickok, Community Development Director  
Steve Dunbar, Fridley Investments, LLC  
Terri Pierce, 8020 Ruth Street NE  
Natividad Seefeld, 1106 Onondaga Street NE

**OATH OF OFFICE:**

Councilmember, Ward 1: Tom Tillberry  
Councilmember, Ward 2: Steve Eggert  
Councilmember, Ward 3: Ann Bolkom

**APPROVAL OF PROPOSED CONSENT AGENDA:**

**APPROVAL OF CITY COUNCIL MINUTES:**

1. City Council Meeting of December 10, 2018.  
City Council Meeting of December 17, 2018.

**APPROVED.**

**NEW BUSINESS:**

2. Receive the Minutes from the Planning Commission meeting of December 19, 2018.

**Councilmember Bolkcom** pointed out on page 33 the motion states Councilmember instead of Commissioner.

**RECEIVED.**

- 3. Resolution Designating Official Depositories for the City of Fridley for Calendar Year 2019.**

**ADOPTED RESOLUTION NO. 2019-01.**

- 4. Resolution Designating the Fridley *Sun Focus* as the Official Newspaper of the City of Fridley for the Year 2019.**

**ADOPTED RESOLUTION NO. 2019-02.**

- 5. Resolution Requesting Conveyance of Tax Forfeit Property to the Housing and Redevelopment Authority in and for the City of Fridley.**

**Wally Wysopal**, City Manager, stated these properties are located at 4733 2 ½ Street and 6209 Baker Avenue and are part of the Housing Replacing Program.

**Councilmember Bolkcom** pointed out on page 50 the address in the explanation should be 4733.

**ADOPTED RESOLUTION NO. 2019-03.**

- 6. Approve a Professional Services Agreement (#3021813) between the City of Fridley and the Mississippi Water Management Organization for a Village Green Pond Subwatershed Feasibility Study.**

**APPROVED.**

- 7. 2019 City Council and Staff Appointments**

**APPROVED.**

- 8. Claims: (ACH PCard – 1812; 183406-183672).**

**APPROVED.**

**ADOPTION OF PROPOSED CONSENT AGENDA:**

**MOTION** by Councilmember Barnette to adopt the proposed consent agenda. Seconded by Councilmember Eggert.

**UPON A VOICE VOTE, ALL VOTING AYE, MAYOR LUND DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**OPEN FORUM, VISITORS:**

No one in the audience spoke.

**ADOPTION OF AGENDA:**

**MOTION** by Councilmember Bolkcom to adopt the agenda. Seconded by Councilmember Eggert.

**UPON A VOICE VOTE, ALL VOTING AYE, MAYOR LUND DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**PUBLIC HEARING:**

- 9. Public Hearing on a Vacation Request, SAV #18-01, by the City of Fridley's Housing and Redevelopment Authority, to Vacate the University Avenue Service Drive from Fourmies Avenue North to Mississippi Street, a Small Section of Fourmies Avenue and Small Triangle of Fifth Street**

**and**

**Resolution Vacating a Portion of 5<sup>th</sup> Street NE and Fourmies Avenue NE and Vacating and Reserving a Portion of the University Avenue East Service Drive from Fourmies Avenue North to Mississippi Street, Petitioned by the City of Fridley's Housing and Redevelopment Authority.**

**MOTION** by Councilmember Bolkcom to open the public hearing. Seconded by Councilmember Tillberry.

**UPON A VOICE VOTE, ALL VOTING AYE, MAYOR LUND DECLARED THE MOTION CARRIED UNANIMOUSLY AND THE PUBLIC HEARING WAS OPENED AT 7:12 P.M.**

**Scott Hickok**, Community Development Director, stated as part of the City's redevelopment of the former City Hall site, the HRA is facilitating a street vacation request to remove a portion of the University Avenue Service Drive from Fourmies Avenue north to Mississippi Street. Also excess pieces of 5th Street and Fourmies Avenue will be cleaned up and platted in one of their next actions on their agenda.

**Mr. Hickok** stated to give them a sense of areas that are being vacated, the largest along the left side of the future plat area is the Service Drive that would run from Fourmies up to Mississippi. If Fourmies had continued straight to the east there would be that little chunk of right-of-way that did not take the curve. They are going to clean that up as part of this vacation as well. Off from

Fifth Street, the entrance drive had a little triangular piece of right-of-way that they are also going to clean up as part of this plat.

**Mr. Hickok** stated over the last year, staff has been working with Steve Dunbar of Fridley Investments, LLC. There is potential redevelopment as they know for the former City Hall that Mr. Dunbar has been involved with. Mr. Dunbar has been working closely with Fairview in developing a project. Fairview's residential arm is Ebenezer, and they are interested in doing a senior housing project on this property. The idea is to create a health campus where Ebenezer would operate the senior housing and take advantage of the resources of the Fairview complex next door.

**Mr. Hickok** stated the reasons for having emergency access onto University Avenue are no longer needed. The building at the corner of University Avenue and Mississippi Street does not require that frontage road for access of any sort, and that access quite simply is clumsy and dangerous. The vacation is supported by all City departments.

**Mr. Hickok** stated staff did notify MnDOT, Anoka County, all private utility companies, the owners of the former Cummins property, and all other owners within 350 feet. MnDOT and Anoka County are both very much in favor of this request. The owner of the former Cummins property did not have any objections and understands that once the vacation happens, the added property will go back and be added to their parcel of land, and the vacated portion on the front of the former City Hall will be part of Mr. Dunbar's property once the sale has commenced.

**Mr. Hickok** stated the only private utility company the City has heard from was CenterPoint Energy, and they have a gas main within that proposed vacated easement area. They do have an easement that would be over the entire area that is being vacated. This would be for drainage and utility purposes, and would satisfy CenterPoint's needs.

**Mr. Hickok** stated as part of the construction analysis to remove the Service Drive, a new sidewalk or multi-use trail will be constructed to connect the existing sidewalk south of Fourmies Avenue to Mississippi Street. Installation of landscaping and potential removal of the chain link fence will also all be part of this project. All of the details for this project have yet to be finalized, but they are very excited about the vacation of that frontage road. Staff recommends Council hold the public hearing for SAV#18-01 and recommends Council adopt the two resolutions.

**Councilmember Barnette** asked what the State of Minnesota was going to do with those exit roads onto University that were so heavily used. She asked if they would be reconstructed.

**Mr. Hickok** replied the emergency access out onto University will be closed. They will excavate that, will re-seed that, and will establish the curb so there will be no confusion, no access there anymore. This will be a nice addition to the landscaped corner of that corridor.

**Councilmember Tillberry** asked when he is saying vacating, he is actually saying, close that road down and turn it into green space. It will disappear and become part of whatever their plans are.

**Mr. Hickok** replied that road was something from years ago when access could only be gained through the frontage road. With this new design and proposal for development there will be a much better and safer access from University Avenue. This really opens up an opportunity to put more green space in to allow less runoff and it will look much better along the University Avenue corridor.

**Councilmember Bolkcom** stated so the owner of Cummins will obtain some of that land.

**Mr. Hickok** replied, correct. The law as it reads on that is when a vacation like this happens, the land goes back from where it came. At the time when this frontage road was developed, land was taken from that corner parcel to help facilitate for the access roadway. The land will go back and join up with the parcel again. It will be taxable square footage.

**Councilmember Bolkcom** asked if the City needed to take any action.

**Mr. Hickok** replied, once it is vacated, the property is joined with the adjacent tax parcel and City staff will file it with the County recorder's office.

**Councilmember Bolkcom** stated staff mentioned there will be landscaping and the possible removal of the chain link fence. Does the new developer share in the cost of that?

**Mr. Hickok** replied in this particular case the Housing and Redevelopment Authority is funding the roadway removal and the replacement the landscaping of that area. The developer can use some of that land for storm water management and landscaping for their project.

**Councilmember Bolkcom** asked if there will be a walkway.

**Mr. Hickok** replied, yes, there will. That seems to be a fairly busy pedestrian way and they will establish a connection that will be part of the land plan for this new development.

**Councilmember Bolkcom** stated there was some mention at the Planning Commission meeting about whether the church and bank were notified. This will be a great way to fix a problem that has been there for a while.

**Mr. Hickok** replied staff has not heard anything from those entities suggesting anything but a positive response to this.

**Mayor Lund** stated it would never have been built by today's standards. Normally they want those switchbacks a block or a block and a half back. It is reverting finally back to what it should have been quite some time ago and this is the time to do it.

**Councilmember Eggert** asked if this was similar to what was done at the Cielo apartments.

**Mr. Hickok** replied, yes. When they can, they will take it back to that standard that should have been where they can put green space between the building and the roadway. Those frontage roads were really a product of having State Highway 47 at one time having direct access. The

state increased the speed and intensity along the roadway because the population was growing. By doing that, they needed to take away direct access which would be an impediment to moving traffic.

**Terri Pierce**, 8020 Ruth Street NE, asked if there is consideration for a safer way for pedestrians to get across and to also cross to go to the Walgreen's store. They have had several accidents. There was a police presence there at one time, trying to get people to walk in the walkways as well as follow the light direction.

**Mayor Lund** stated there is already the striped pedestrian crosswalk in the intersection and the "Don't Walk" and "Walk" signals. Once the road is taken out there will be either an asphalt trail or more likely a concrete sidewalk.

**Councilmember Bolkcom** stated the City is part of a big study related to the accidents and pedestrian safety. Highway 46, Highway 65, and East River Road were not built to go 50, 55, 60 miles an hour. They are just beginning that whole big project.

**Natividad Seefeld**, 1106 Onondaga Street NE, stated since they will be taking some fencing down and adding some walking space, it is extremely dark through that whole stretch. She asked if there will be lighting there.

**Mayor Lund** stated not that he is aware, but they are just in the initial stages of doing a corridor study of University and what it will entail as far as fencing, lighting, and calming techniques they use. Sometimes they widen the medians, create curb cuts, etc. Certainly the removal of the short section of this roadway should make that intersection a bit safer.

**Ms. Seefeld** stated her concern in the future would be how can they look at lighting through that whole stretch of University including where the apartments are. If you drive by that area, the only lighting is on the side of the building and it is very dim. With the amount of people using the walkways in that area, lighting would be a really good idea at some point.

**Councilmember Eggert** stated with respect to the study referenced here with MnDOT, he did recall they had talked about the lighting issue at most of those major intersections, so they are very aware of it in the study. As that progresses, it becomes a matter of funding and when.

**Councilmember Bolkcom** stated MnDOT owns them and they dictate what happens..

**MOTION** by Councilmember Barnette to close the public hearing. Seconded by Councilmember Eggert.

**UPON A VOICE VOTE, ALL VOTING AYE, MAYOR LUND DECLARED THE MOTION CARRIED UNANIMOUSLY AND THE PUBLIC HEARING WAS CLOSED AT 7:30 P.M.**

**MOTION** by Councilmember Tillberry to adopt Resolution No. 2019-04. Seconded by Councilmember Bolkcom.

UPON A VOICE VOTE, ALL VOTING AYE, MAYOR LUND DECLARED THE MOTION CARRIED UNANIMOUSLY.

**NEW BUSINESS:**

10. **Preliminary Plat Request, PA #18-05, by Fridley Investments, LLC, to Replat the Property Generally Located at 6431 University Avenue NE to Create New Lots for the Redevelopment (Ward 1).**
11. **Resolution Approving an S-2 Redevelopment District, Master Plan Amendment, MP #18-01, for Fridley Investments, LLC, on Behalf of the Property Owner, the City of Fridley Housing and Redevelopment Authority, to Allow the Redevelopment of the Former City Hall Property, Generally Located at 6431 University Avenue NE (Ward 1).**

**Scott Hickok**, Community Development Director, stated they will be hearing in his presentation about an S-2 master plan amendment as well as a plat, PS 18-05. The petitioner is requesting two land use items to allow for the redevelopment of the former City Hall property. The project would allow for the construction of a 135-unit senior living complex. The building will be four stories above an underground parking complex. There will be a mix of independent living, assisted living, and memory care suites along with a wide variety of common area amenities and services.

**Mr. Hickok** stated the project has been designed considering the vacation of the University Avenue Service Drive which will give the project an additional 38 feet of property. The new development will be accessed from Fourmies Avenue where there will be a parking lot with 43 new surface parking stalls and a drop off canopy in front of the door. The underground parking garage will be accessed from what they will call the alley that connects to Fifth Street. That alley is the same ramp the Police Department and staff used to go down to the lower level.

**Mr. Hickok** stated the S-2 zoning designation allows flexibility with the redevelopment of the property. An S-2 zoning is much like a planned unit development in that it relaxes some of the standards, more typical zoning standards, and allows some exchange for architectural features and so forth and puts a bit different emphasis on the master plan as opposed to things like the setbacks you typically see in zoning.

**Mr. Hickok** stated the intent of this district is to provide the City with a site plan and review authority to determine that the project meets the goals and objectives of the City's Comprehensive Plan, and this project does that.

**Mr. Hickok** stated City Code requires 90 parking stalls based on the breakdown of independent, assisted, and memory care units. Of those 90 stalls Code requires 29 of them to be enclosed. There will be 134 stalls constructed as part of this project. That is above and beyond what the Code would require for this complex.

**Mr. Hickok** stated moving to the plat portion of this request, in order to accommodate the redevelopment, the petitioner would like to create three lots. One parcel would accommodate the senior housing. It is 2.67 acres in size. Another parcel is for potential further redevelopment which is 1.14 acres in size. The third parcel is the existing parking lot for the Fairview office complex. It is .71 acres in size. The parcel with the office building is not part of the replat. That is .46 acres and is basically the footprint of the Fairview building that is just south of the City Hall.

**Mr. Hickok** stated the Planning Commission reviewed both the master plan amendment and the plat request at their December 19 meeting. They recommended approval of both items, including the stipulations recommended by staff for the master plan amendment.

**Mr. Hickok** stated staff recommends concurrence with the Planning Commission recommendation on approval of both items and adoption of the resolution for the Master Plan Amendment, MP #18-01.

**Commissioner Bolkcom** asked if there would be plenty of parking for everyone, including the seniors who would be living in those apartments.

**Mr. Hickok** replied, that is correct. There is adequate parking underneath the building for the entire population from within the building. For the exterior they see ample parking, 43 parking stalls on the surface. Based on the comparison of the other similar senior projects in our community, this is in excess. They have not had a parking problem at any of the Fridley senior complexes. As to the one on 4<sup>th</sup> Street down from 53<sup>rd</sup> Avenue, that was choices made by employees. They liked to park closer to the door and so they were parking on the street. They have corrected that problem.

**Mayor Lund** said Fridley Investments, LLC, will then own the area which is now basically the parking ramp. What is the thought process if they do not need it for future development? Is there talk from the HRA for retention of that for the City or HRA to redevelop rather than selling it?

**Mr. Hickok** replied, the answer to that is yes, and the choice was not to be a landholder but instead to offer it in the sale of this property. The developer has indicated a desire to have a next phase. They would immediately demolish the parking deck that went along with the City Hall building. They would landscape and maintain that area as next phase for development. It is best suited for somebody who could then combine the parcels into a development that works well together. Probably no better developer to do that than the one who fills the first building.

**Mayor Lund** asked if Fridley Investments, LLC, would own just part of the property.

**Mr. Hickok** replied they will own it all. The Fridley HRA did not want to be a landlord and lease the parking lot. The City has leased that parking lot to Fairview through the course of time, and the City wanted to free itself from that. They will be purchasing the land and will be making their arrangements with Fairview.

**Mayor Lund** asked how Fairview felt about somebody else owning what they use for a parking lot. If they do not have a parking lot they are at a very big disadvantage.

**Mr. Hickok** replied, early on in the discussion they wanted to make sure their developer included Fairview in their discussion. That all needed to be coordinated. There is quite a large doctor group that owns the properties there, and Fairview leases from this doctor group. No small feat to discuss and negotiate all of those details, but this group has been through that and quite confident all those details have been worked out.

**Mayor Lund** asked who would be paying for the demolition of the parking lot and City Hall.

**Mr. Hickok** replied, this is a land sale and there will be consideration given for the cost of the demolition. The building as it exists is considered a liability in terms of future interest and people using it. Whoever would buy it would be looking to demolish it and start clean on that site. The City knows that. The HRA's choice would have been to demolish the building itself and sell the land for a premium price or to sell the land and give consideration for the demolition which was the choice for this development group along with the HRA.

**Mayor Lund** said his only concern is the HRA is selling it at a discount rate because there is going to be costs factored in for the building, but they are not really benefitting for the parking ramp because they are not developing that. Why not retain that and sell that because they are going to pay for it sooner or later. The ramp is okay with going out but to cease to exist by removal. That seems like a big advantage for the developer rather than for the City.

**Councilmember Eggert** stated as he recalls this contract for this type of development is very similar to the Cielo apartments. The same structure. Big piece of land. Phased development and included demolition or site issues out of the purchase agreement.

**Councilmember Bolkom** stated it was not a parking ramp that people could use. There were a lot of improvements that needed to be made there if they were to stay there. If they were to continue to own it also they would have some huge liability keeping and maintaining it.

**Councilmember Eggert** stated you also get into the issue of looking at lines on a piece of paper, and you are not looking at the structures. He as a developer, would like to have a facility there with either a parking deck or if it is not the parking deck, the HRA would have the cost of dealing with a parking deck on that piece of land. This particular structure to him in the contract is very clean and gives you a clean presence there and is in the same form as the Cielo apartments which went faster than maybe they thought as they phased in the apartments. In this case as he has talked with the development group in this type of business this is what they like to do. You have 135 units right out is quite a bit and to make that next step you need to walk into the market and be assured you have your base covered.

**Mr. Hickok** stated the point is correct that probably one of the most difficult things and something you would not want to build your brand new building next to is a post-tension parking deck that is still remaining on a site for the City to deal with later. By having all the demolition

done on that site and ready for redevelopment for their next phase, it serves them best, it serves the City best, to have that post-tension deck removed at this time.

**Steve Dunbar**, Fridley Investments, LLC, stated they have been working on this for a little over a year now with the City and HRA, it has been a wonderful experience, and they are very excited to hopefully bring forward this opportunity and asset to the community.

**Mayor Lund** stated he is fine with demolition all at once. It economically makes more sense. He asked Mr. Dunbar whether it is his plan to build Phase 1. The green space which is now the ramp will become a green space and, depending on how the project proceeds, there might be a Phase 2.

**Mr. Dunbar** replied, great question. Commissioner Eggert addressed it very well. Their goal here is to do a Phase 2. Stepping into the market with 135 units is a sizable project, and they do not want to saturate it out of the gate with a larger scale project, two buildings. They want to step in gradually and have that absorption appropriately. It would allow for them to plan an even more successful Phase 2.

**Mr. Dunbar** stated having a clear site there next door, they have access from the site plan. On the site plan they will see the current access road that went down to the police facility and the old municipal center. That is their access into their underground garage. That is their access for move-in/move-out and for food delivery on a daily basis. That overall campus, along with the clinics for Fairview, directly to the south as well. They are viewing this as a larger campus approach. Having that Phase 2 opportunity is necessary and it is critical for having a nice clean area for that Phase 1. It allows them to plan moving forward to bring forward these two which is their goal.

**Councilmember Eggert** stated he believed that access to that lower level, with all that parking, is part of the tract they are talking about as far as the parking ramp being demolished. The developer is using part of that tract.

**Mr. Dunbar** replied, correct.

**MOTION** by Councilmember Tillberry to approve Preliminary Plat Request, PA #18-05, by Fridley Investments, LLC, to Replat the Property Generally Located at 6431 University Avenue NE to Create New Lots for the Redevelopment (Ward 1). Seconded by Councilmember Bolkcom.

**UPON A VOICE VOTE, ALL VOTING AYE, MAYOR LUND DECLARED THE MOTION CARRIED UNANIMOUSLY**

**MOTION** by Councilmember Tillberry adopting Resolution No. 2019-05, Seconded by Councilmember Bolkcom.

**UPON A VOICE VOTE, ALL VOTING AYE, MAYOR LUND DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**Councilmember Bolkcom** asked if there was a timeline.

**Mr. Dunbar** replied with the contract with the HRA that was approved last week, the closing date is May 1 and that is their current goal to begin clearing this site. They are working towards that date right now.

**Councilmember Bolkcom** asked what they saw happening in the next six months to a year.

**Mr. Dunbar** replied current estimates would allow for about 2 months to clear the site and then about a 14-month construction cycle so completing it around late summer of 2020 is the goal.

**12. Approve Claim No. 183598 in the Amount of \$217,439.98 to Meggitt Training Systems, Inc., for the Public Safety Department's Gun Range Equipment.**

**Mr. Hickok** stated they may recall staff talked about seven options they had when they were building the Civic Center. They called them alternates early on in the project. Everything from bird-safe glass to iron-enhanced sand filters for water quality. They had a fireplace. They had a number of other things that if the budget allowed they would add to the project for this campus.

**Mr. Hickok** stated one of the things was the gun range for the Police Department which was a very important part of this campus.

**Mr. Hickok** stated this item was an alternate originally, but as the project proceeded and the budget looked like it could accommodate it, they put in a HVAC system to heat the shell of the gun range. They soon learned, as they were putting in the HVAC system, that they needed to know the design of the gun range (gun range equipment) itself because there really has to be cooperation between the designers on the HVAC system and the people putting in the gun range equipment.

**Mr. Hickok** stated if they had to do it over again, they would have had an entire gun range in the project rather putting it in as an alternate. But because it was an alternate, it was not in the McGough package so it was not in the City's GMP (Guaranteed Maximum Price). McGough brought the project in under budget and on time, and the GMP guaranteed that would happen. The City still has money in the bank from the project, and they certainly have money to pay for the Meggitt Training Systems, Inc. gun range that was installed.

**Mr. Hickok** stated staff thinks the money was well spent. The police officers would say it is certainly a state-of-the-art facility that will allow them to train to their highest potential and to keep their certifications up-to-date as it relates to firearms.

**Councilmember Bolkcom** stated the old gun range was a terrible place for them to practice their skills that were needed. It was unsafe because of both noise and air pollution. The new gun range is ventilated and they can use it year-round.

**Mr. Wysopal** asked if there are any other alternate items that might be coming back for Council's approval that are outside the GMP.

**Mr. Hickok** replied, he is proud to say they were able to do six of the seven alternates. They did the bird safe glass, the fireplace, the sand filter for the water outside, and the gun range equipment. They did not get a hoist for the Public Works garage. As they moved along in the course of this project, the hoist was something both the mechanics and the Public Works Director said could be added at some point in the future. They put in the I-beams and everything else so it is a simple installation of a piece of equipment. At this point, there is no intent to immediately put that in. In fact they believe there is better use of that money elsewhere.

**Mayor Lund** stated it is his understanding the installation of the gun range has to be improved for sound deadening and is not a part of this.

**Mr. Hickok** replied, correct.

**Mayor Lund** asked if this was being addressed in some other fashion.

**Mr. Hickok** replied the gun range is actually half underneath the work area for engineering and some of the other staff. Then it is half outside. You can hear more of the firing and the training going on of the firearms. They have talked with the architects and their acoustical people about this. The architects assured the City this could work. They have acoustical people coming tomorrow from Georgia. They are going to set up test equipment and helping staff determine what has to happen to make the two uses co-exist.

**Mayor Lund** stated the testing tomorrow will determine whether additionally needs to be done.

**MOTION** by Councilmember Bolcom approving Claim No. 183598 in the Amount of \$217,439.98 to Meggitt Training Systems, Inc., for the Public Safety Department's Gun Range Equipment. Seconded by Councilmember Eggert.

**UPON A VOICE VOTE, ALL VOTING AYE, MAYOR LUND DECLARED THE MOTION CARRIED UNANIMOUSLY.**

**14. Informal Status Reports:** There were no reports.

**ADJOURN:**

**MOTION** by Councilmember Barnette, seconded by Councilmember Eggert, to adjourn.

**UPON A VOICE VOTE, ALL VOTING AYE, MAYOR LUND DECLARED THE MOTION CARRIED UNANIMOUSLY AND THE MEETING ADJOURNED AT 8:08 P.M.**

Respectfully submitted by,

Denise M. Johnson  
Recording Secretary

Scott J. Lund  
Mayor