

**CITY COUNCIL WORK SESSION
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The Ramsey City Council conducted a City Council Work Session on Tuesday, June 26, 2018, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Acting Mayor John LeTourneau
 Councilmember Mark Kuzma
 Councilmember Chris Riley
 Councilmember Melody Shryock

Members Absent: Councilmember Jill Johns

Also Present: City Administrator Kurtis Ulrich
 Parks and Assistant Public Works Superintendent Mark Riverblood
 Community Development Director Timothy Gladhill
 City Engineer Bruce Westby
 Communications and Event Specialist Megan Thorstad
 City Planner Chloe McGuire Brigl
 City Attorney Joe Langel

1. CALL TO ORDER

Acting Mayor LeTourneau called the City Council Work Session to order at 5:34 p.m.

2. TOPICS FOR DISCUSSION

2.01: Review Objections to Revised Preliminary Plat for Riverstone; Case of Capstone Homes

Community Development Director Gladhill reviewed the staff report.

Acting Mayor LeTourneau summarized that the intent is to have a discussion to satisfy the contingencies of Preliminary Plat, on density transitioning, and on the utility discussion.

Community Development Director Gladhill suggested beginning with the discussion regarding possible utility extension.

Councilmember Kuzma asked if the extension would be along Puma.

Community Development Director Gladhill replied that the connection would be internal to the Riverstone subdivision, east/west connection on the road network.

Councilmember Kuzma asked who would be responsible for the financial obligation for the connection. He asked if AKM Farms would reimburse costs to Capstone for the two potential lots that would be lost if the connection is provided for utilities.

Community Development Director Gladhill replied that the City would pay for the extension upfront with the trunk fund, which would then be reimbursed with trunk connection fees in the future. He noted that the City would prefer for the two parties (AKM Farms and Capstone) to work out any additional financial obligations between themselves regarding potential loss of lots.

Councilmember Riley noted that it was stated that it would be a good planning process to extend services while the ground is open and therefore believes that it would make sense to provide the additional connection for future development opportunity. He agreed that the two parties should work out the details between themselves and the City should not be involved regarding potential loss of lots.

Acting Mayor LeTourneau asked for additional details on the two lots that would potentially be lost if the connections are provided.

Community Development Director Gladhill provided additional details on watermain looping and potential locations. He stated that if the request from Northfork would have come in earlier, the City would have pushed for that utility extension (primarily the water connection) prior to the approval of the Preliminary Plat for Capstone.

City Engineer Westby provided additional details on the easements that would be necessary for both water and sewer, estimating about 30 to 40 feet of easement on the south end and 20 feet on the north for the water connection.

Community Development Director Gladhill noted that staff would need direction on whether or not to include the utility connection as a condition, noting that the item would still need to come back with engineering plans to be approved.

Acting Mayor LeTourneau noted that with the estimated information, there would be a loss of two lots if the utility extension is completed. He stated that if the extension is done later, the process would be more complicated and expensive and believes that it would be in the best interest of the parties involved to work together to allow for the utility extension, which would allow the Northfork property to incur the least amount of cost for utility extension in the future.

Councilmember Kuzma stated that he would be in favor of the utility extension but would not be in favor of subsidizing the loss of lots and would want the two parties to work out those details.

Kent Roessler, representing AKM Farm, stated that they are present as a property owner that is concerned with development for the future. He stated that Outlot C is one of the nicest pieces of ground in the city and there is a lot of potential if sewer and water connection is provided. He stated that because of the golf course amenity, this 32 acres is one of the last pieces with such an amenity which will draw high-end values. He stated that now would be the time to direct Capstone to bring utilities to the property line and believed that it would be good planning to

require utilities to be brought to the property line. He stated that he is fine working with Capstone to figure out a process but noted that in the end another party would be brought in to develop the AKM Farms property. He simply asked that the City require utilities be brought to the property line. He noted that it would not be feasible to serve the property with sewer and water without that connection as it would not be feasible to run the utilities down Alpine. He stated that the lift station could also serve the golf course property in the future, if the connection is provided, in the case that the golf course goes defunct and is developed. He stated that the trunk fees would pay for the connection and this would be the only utility stub to the west of the Capstone property. He stated that they will follow the City's guidance and noted that if the utility connection is not provided, the land will be sold and developed as rural and if utility connection is provided, the development possibility will increase.

Acting Mayor LeTourneau confirmed that AKM Farms would like the utility connection provided now. He asked for input on the potential compensation for the two lots that would be lost by providing the connection.

Mr. Roessler stated that they believe that the City already provided compensation to Capstone for making their project feasible and providing that utility connection to the west. He stated that they would be open to discussion but believe that this should not be an issue with Capstone and AKM Farms and should be an issue with the City and Capstone as the City would like to allow for opportunity for future development. He stated that if the two parties are left to negotiate and an agreement cannot be reached, the City would be left with Outlot C developing as 16 rural lots. He stated that if this would have been addressed at the time of the original Preliminary Plat, a 60-foot easement would have been required.

Councilmember Kuzma asked if providing the water connection only would be sufficient.

Mr. Roessler confirmed that water connection would be agreeable and septic systems would be used.

Councilmember Shryock asked if there is any concern or difference between sewer and water utilities or individual wells.

Councilmember Kuzma stated that if septic and wells are used, the water stays here whereas utility connections send the water and sewer to St. Paul.

City Engineer Westby stated that currently there are no prohibiting regulations that would prevent development of well and septic on the site. He stated that the future preference would be to promote municipal utilities as septic systems will become more highly regulated.

Councilmember Shryock stated that if the City typically requires a sewer and water connection to future areas, how was this missed in this case.

Community Development Director Gladhill stated that there are many areas in the community where future pipe connections are not required based off the City's land use plan. He stated that if the developing property is adjacent to an urban service area property, that connection will be

required whereas if the developing property is adjacent to a rural character property, that connection is not required. He stated that the City worked off a previous request from Northfork Inc., which was not interested in utility connection and was only interested in rural style development.

Steve Bona, Capstone, stated that they do not oppose extending water and sewer to the property to the west if the City determines that is necessary. He stated that they strongly oppose any change to their Preliminary Plat to accommodate that extension. He noted that Capstone has an approved Preliminary Plat. He stated that there were a few technicalities in the original Preliminary Plat regarding the pedestrian crossing which have been worked out between staff and Capstone. He stated that they have an entitlement through Preliminary Plat. He stated that a representative from Capstone met with AKM Farms and explained that they would need a proposal from the other property owner showing the plans, schedule, cost for engineering, and cost for the changes that would occur to the approved Preliminary Plat lots. He believed that the utility extension could be provided with only losing one lot. He stated that they would need a plan and proposal and would not want to be subjected to their plat being contingent upon that. He stated that they are willing to do a fair deal if a proposal comes to Capstone. He stated that they would use fair market value for the land and would forego the loss of the revenue for the homes that could be built, if there is a fair proposal. He stated that they are only asking for the pedestrian crossing change in this Preliminary Plat amendment and would be willing to work with AKM Farms and their proposal. He noted that Capstone would still be a few years out from providing that western utility extension and therefore there is time for those details to be worked out. He stated that they would like to work with the City and would be willing to accommodate the connection but noted that the City cannot change a Preliminary Plat that has already been approved. He stated that the letter from AKM Farms came to the City and Capstone one day before the Planning Commission meeting and they still have not received a proposal.

Councilmember Shryock asked if Capstone would be opposed to stubbing a road connection in the western border that would provide connection to a future development in the west.

Community Development Director Gladhill stated that the discussion on road connection is merely a discussion as staff has not prepared for that discussion. He stated that all the concepts for Outlot C have two access points on Alpine Drive. He stated that a road connection would be a new variable.

Councilmember Shryock stated that she was not asking for a commitment but simply input from Capstone and whether the City would be okay with the two connection points on Alpine for Outlot C.

Mr. Bona replied that Capstone has an approved Preliminary Plat and therefore Capstone has a legal entitlement and that discussion would lose value. He stated that Capstone would oppose a change to the Preliminary Plat that has already been approved. He stated that if there was a proposal provided to Capstone prior to Final Plat, with monetary compensation, Capstone would be open to that discussion. He explained that it would be lost value to the approved plat and Capstone would not be open to that at this point. He confirmed that the decision would come down to the value of the land that has been lost.

Councilmember Riley stated that the Council already approved the plat without the street access and suggesting tabling that discussion. He stated that for planning sake, he believes that the utility extension would make sense and the details should be negotiated between the developers. He noted that the role of the City could be as moderator but that would be it.

Mr. Roessler stated that Capstone is before the Council tonight with an amendment to the Preliminary Plat, which will change size of lots to the south and access to the north. He believed that this would be the time to address any changes the Council would like to see to the Preliminary Plat. He stated that a caveat could be added stating that Capstone will work with the City prior to the third phase to provide utility extension stubbed to the west. He did not think two developers should attempt to work out the details and believed that the City should require the extension.

Acting Mayor LeTourneau summarized the consensus of the Council for the two developers to work out the details on utility extension. He suggested that the discussion move toward the topic of density transitioning.

Councilmember Riley summarized the comments in the staff report and from the City Attorney that the original plat for Capstone was correct using the existing development.

Mr. Roessler stated that the Preliminary Plat for Northfork was provide in the 1980s and reiterated in the 1990's. He stated that AKM Farms believes that their Preliminary Plat was in existence and therefore believes that it was short sighted to not consider the density transitioning without buffering between \$200,000 homes and \$500,000 homes. He stated that they would like some kind of buffering on the 15 to 18 homes that backup to Outlot C.

Acting Mayor LeTourneau asked if there is an approved Preliminary Plat for Outlot C.

Community Development Director Gladhill stated that there were concepts and Preliminary Plats in the past which are decades old and there is not a valid Preliminary Plat in place.

City Attorney Langel stated that the Preliminary Plat is 33 years old and therefore a Preliminary Plat that old is dead. He stated that the property owner would need to conform to current zoning and unless a property owner has been given permission to keep a plat in limbo, it would not be valid after that amount of time. He stated that density transitioning protects an existing residential development, which does not exist to the west as that is vacant land. He stated that it would be hard pressed to describe land that has been vacant for decades as an existing residential neighborhood. He did not therefore see how the requirement for density transitioning would apply.

Councilmember Shryock asked how long AKM Farms has owned the property.

Mr. Roessler replied about one year.

Councilmember Shryock then found it difficult for AKM Farms to lay claim to a 30-year-old plat plan. She stated that the density transitioning was put in place to protect residents that have been in the community for decades from developing property and not to apply toward vacant land that does not have purpose or intention.

Acting Mayor LeTourneau confirmed the consensus of the Council that the density transitioning remains as is and additional requirements will not be added.

Community Development Director Gladhill noted that the contingencies of the plat can be discussed at the regular meeting tonight.

2.02: Review Future Land Use Options for 6021 and 6043 Highway 10 N

Community Development Director Gladhill reviewed the staff report.

Councilmember Shryock stated that as the City is looking at frontage roads for Highway 10, it seems as this property would connect to Anoka and asked if the front or back of the property would be needed for frontage.

Community Development Director Gladhill noted that a strip taking would be a possibility. He stated that in order to create space for a frontage road, a portion of the property where the loading dock exists would be needed. He stated that could open a discussion for property value.

Councilmember Riley asked if RALF funds are available and whether this property would qualify.

Community Development Director Gladhill stated that a full acquisition would not be possible for this property. He stated that it seems unlikely, based upon recent requests for RALF funds that this property would qualify.

Councilmember Riley asked if the buildings are up to code currently.

Community Development Director Gladhill replied that the building is up to code, noting that there are legal non-conforming elements. He stated that the property owner is asking for input from the City on broader redevelopment before investing in the property.

Mr. Roman Gadaskin stated that he originally proposed a creative plan in 2016 that was supported by staff. He stated that he spent eight months fighting with the gas station property and was finally able to purchase the property. He stated that he has already made an investment and is still at square one. He agreed that there was a bad tenant, which he has gotten rid of without legal issues. He stated that if the City wants new development, the City would have to buy the land, or he would have to resell the property as developable land. He stated that if the City were to consider redevelopment of the existing building/gas station, he can show his previous plans which would increase removing the piece in the south side for the City land in the middle between the properties. He stated that he cannot keep spending money on something that will not be approved. He stated that he simply wants direction on which way to go.

Community Development Director Gladhill stated that the original plan stalled because there were two major code violations. He noted that one has been cured while the other is being worked out. He stated that the proposal would add a third building behind the gas station, which would be an additional use to the property that already had issues. He stated that they would like to see improvement to the property, but consistent with the allowed uses.

Mr. Gadaskin stated that he does not care whether the third building is allowed.

Councilmember Shryock stated that knowing that the City is attempting to do on Highway 10, the gateway does not have to start right at the City line. She stated that she would support staff working with property owners along Highway 10 to improve their properties, keeping in mind areas that will be needed for frontage road. She stated that perhaps the area needed for frontage be left alone and the property owner work with staff to address code violations and beautification of the property along the corridor. She stated that the intent would be to create a cohesive look that will not burden the property owner but will improve the aesthetics of the corridor. She stated that she would like to see staff encourage improvement in the site, whether a third building is included or not. She stated that perhaps staff could assist the property owner in phasing to bring the first buildings up to code before working on a third building.

Acting Mayor LeTourneau agreed. He stated that the City is not at the place where a completed plan could be agreed on. He stated that the property owner is here, interested, and cooperative and would like to encourage the property owner and staff to work together on developing a plan. He stated that even though Highway 10 is going to be redesigned, that may change the dynamics of the use along the corridor which he believes will be helpful for the property.

Community Development Director Gladhill confirmed the consensus of the Council to allow the property owner to make improvements to the building, ensuring that the parking area is properly paved to allow for parking.

Mr. Gadaskin asked if he could share his plans.

City Administrator Ulrich noted that there is limited time but noted that the plans could be emailed to staff, and he could send them to the Council.

2.03: Provide Direction on Streetscape Plan/Manual

This item was postponed for lack of time.

2.04: Approve Tinklenberg Group Proposal for Professional Services Contract Extension

City Administrator Ulrich reviewed the staff report. He confirmed that the Council did not desire any modifications to the proposal and noted that the item will come before the Council for action at the next Council meeting.

Councilmember Kuzma noted that the contract previously was renewed every six months, whereas this proposal is for one year. He stated that he would prefer to continue on six months.

Acting Mayor LeTourneau confirmed the consensus of the Council that this item be placed on the regular agenda rather than consent to allow for additional discussion.

Mr. Tinklenberg confirmed that he could be available at that meeting to address questions.

3. TOPICS FOR FUTURE DISCUSSION

3.01: Review Future Topics/ Calendar

Noted.

4. MAYOR / COUNCIL / STAFF INPUT

None.

5. ADJOURNMENT

The Work Session of the City Council was adjourned at 6:58 p.m.

Respectfully submitted,

Kurtis G. Ulrich
City Administrator

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Amanda Staple
TimeSaver Off Site Secretarial, Inc.