

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

The Ramsey City Council conducted a City Council Work Session on Tuesday, March 28, 2023, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Mark Kuzma (attended remotely)
Acting Mayor Chris Riley
Councilmember Chelsee Howell (attended remotely)
Councilmember Debra Musgrove
Councilmember Michael Olson
Councilmember Dan Specht
Councilmember Matt Woestehoff (joined at 8:09 p.m.)

Also Present: City Administrator Brian Hagen
Police Chief Jeff Katers
Community Development Director Hanson
Economic Development Manager Sean Sullivan
City Attorney Fritz Knaak
Zoning Code Enforcement Officer Craig Swalchick
City Engineer/Public Works Director Bruce Westby

1. CALL TO ORDER

Acting Mayor Chris Riley called the City Council Work Session to order at 5:30 p.m.

2. TOPICS FOR DISCUSSION

2.01: Request for Feedback on Preliminary Development Proposals for Parcel 46

Economic Development Manager Sullivan reviewed the Staff report and the proposals from developers who are interested in Parcel 46 for homes, market-rate apartments, and retail spaces. He reviewed the proposals from Norhart, Centra Homes, and Capstone Homes. He shared that a large format retail developer may be interested in the site but he is not sure who the developer is. He requested to revisit the pause on apartments on City land. He stated that all of the developers were present to answer any questions.

Councilmember Specht asked if there is a timeframe of when the large format retailer is likely to reach out.

Economic Development Manager Sullivan explained that they could know who the developer is in the next few weeks but the process with a bigger retailer would take much longer. He added that the information about the wetland areas of the land has been shared with the large format retailer.

Councilmember Musgrove asked if this land is the only area that the large format retailer is interested in.

Economic Development Manager Sullivan stated that he did not know the other sites that they are looking at and the area west of Armstrong and 'Diamond Site' would also be zoned for this kind of development.

Councilmember Musgrove asked how the retail access with the market-rate apartments would be accessed.

Economic Development Manager Sullivan explained that there would be a shared access for the hotel that would come in off of Sunwood.

Councilmember Musgrove asked if this would be the only access and asked if they could also enter off of Zeolite.

Economic Development Manager Sullivan said yes.

Councilmember Musgrove shared her concern with the developer starting a project and not being able to resolve the wetlands.

Economic Development Manager Sullivan explained that there are no wetland issues on the market-rate apartment site.

Mayor Kuzma asked what the tax difference would be between full residential and mixed use.

Economic Development Manager Sullivan explained that the Capstone project with all residential units and no retail, would bring in approximately \$450,000 annually, and with adding retail it would be approximately \$400,000. He stated that Centra Homes would bring in approximately \$430,000 for all residential units and with retail it would be approximately \$360,000.

Councilmember Specht stated that he was still in support of a pause on apartments as there are other good development options. He stated that he liked the Centra Homes project 1 or the Capstone Homes project 2.

Acting Mayor Riley asked Capstone and Centra to talk about how they plan to work with the wetlands.

The developer from Capstone stated that she was at the previous work session and learned the cost of the wetlands which sparked some discussion about what would enable them to mitigate the wetlands. She stated that it is usually difficult to put housing on wetlands that need to be mitigated. She explained that they impacted the wetlands where roads would need to go.

Another developer from Capstone stated that the watershed would need to approve these plans.

The developer from Centra explained the challenges of these already mitigated wetlands that would need to be mitigated again. He stated that this depends in large part on the economics and goals of the City since mitigating the wetlands would be very expensive.

Acting Mayor Riley asked if there have been studies of the need in Ramsey for apartments.

The developer from Capstone stated that they have not done a study but they have evaluated the vacancy rates which are showing low, meaning the current apartments are full.

Councilmember Specht said he would be interested in a short term pause to see what the large format retailer may be.

Councilmember Musgrove noted that she has been to one of the apartments in Lino Lakes and they were very nice. She added that she would be open to an apartment project. She would like to see more information on what the need would be for apartments in the City.

Councilmember Howell agreed to put a pause on things until they get more information from who the large format retailer is before moving forward with any other proposals.

Economic Development Manager Sullivan asked what the process would look like if he does receive the name of the large format retailer who is interested.

Councilmember Specht requested that he bring the name to the Council and they will discuss and let him know if they are interested.

Economic Development Manager Sullivan asked what kind of timeline the Council would like to see so that this process does not drag on.

Acting Mayor Riley stated that since the developers who have already submitted proposals have been waiting for a long time he does not want them to continue to wait. He noted that there are also other areas in the City that could accommodate this larger retailer.

Councilmember Musgrove added that they may find out who the larger retailer is and then they may not be able to move forward if they cannot mitigate the wetland. She agreed with Acting Mayor Riley that she would rather not wait.

Mayor Kuzma agreed and said that they should move forward with the developers who are already interested.

Acting Mayor Riley shared that he likes the idea of working around the wetlands as the City will be bearing this cost.

Economic Development Manager Sullivan stated that with all of the proposals the wetlands go away. He explained that the pond can be moved.

Councilmember Musgrove agreed.

Councilmember Specht agreed and said that this also is a business decision for the developer. He said that he likes the Centra Homes project 1 and Capstone Homes project 2.

Acting Mayor Riley asked the developers if the City was to reserve a part of this land for retail space and in a number of years there are no retailers, how easily would the land be to build on for more residential.

The developer from Capstone explained that the concern is a shared access point with the residential area and if it is retail it is not a good entrance. He said that this would need to be discussed. He added that other than the access concern they would have no problem building on later.

The developer from Centra agreed.

Economic Development Manager Sullivan said that he has all of the direction that he needs. He asked if the discussion around the apartment pause should be brought back to a work session.

Acting Mayor Riley said yes.

Economic Development Manager Sullivan stated that it is possible he could hear within a week from the large format retailer and asked if they would like to have that brought back if it is a retailer they would be interested in.

Acting Mayor Riley asked the developers if they had any closing comments.

The developer from Capstone stated that it will come down to the money that the City wants to spend.

The developer from Centra agreed.

The developer from Norhart asked when they will know when the City will release the hold on apartments.

Administrator Hagen stated that this can be worked into a work session soon.

There was a consensus of the Council.

2.02: Rental Inspection Program Ordinance Review

Zoning Code Enforcement Officer Swalchick reviewed the Staff report concerning the rental licensing and inspection programs with the Crime-Free Housing as part of the Strategic Plan. He reviewed the benefits for the landlords and tenants. He explained the cost breakdown. He asked for this to be brought forth to a public hearing for the residents to have an opportunity to give their input. He noted that the Police and Fire Departments are on board with this program.

Councilmember Specht thanked Zoning Code Enforcement Officer Swalchick for his work on this and stated that he is in support of this.

Councilmember Musgrove thanked Zoning Code Enforcement Officer Swalchick for putting this together. She asked when the Council can expect to see a draft before this is brought to a public hearing.

Zoning Code Enforcement Officer Swalchick said he can have a draft next week.

Mayor Kuzma said that he supports this and that it is a good thing for the City.

Acting Mayor Riley added that the downside of the Crime-Free Housing program was the cost. He asked if this is the same cost that they are dealing with or if there are other costs not discussed.

Zoning Code Enforcement Officer Swalchick stated that he does not have the Police Department's cost figured into this as he assumed the Police Department would work with the initiation of this process and determine if extra Staff would be needed.

Police Chief Katers said they will assign an officer to this program and he assumes that there will actually be a reduction in calls for service for patrol officers as a part of implementing this plan. He anticipates a reduction in calls in one area and an increase in another. He stated that the costs will be absorbed within the Department initially and then he will come back to the Council and ask for more if necessary.

Zoning Code Enforcement Officer Swalchick stated that they do not wish for this to negatively impact the taxpayer but benefit them.

Administrator Hagen asked if the Council wants to fully fund this program and include Police and Fire costs when they bring back more numbers for review.

Acting mayor Riley stated that he would like to fully understand what all of the costs are.

Councilmember Musgrove agreed and asked if some reserve can be built into this.

Zoning Code Enforcement Officer Swalchick said that there is a lot of flexibility in the numbers and that they can put these reserves in. He added that in talking with the Fire Inspector, there will not be much of an added increase in duties as these inspections are already being done. He stated that they would just ask that the inspector attend the monthly meetings with the property owners to help with fire prevention.

There was a consensus of the Council.

2.03: Discuss 2023 Citizen Survey

City Administrator Hagen reviewed the Staff report and the anticipated cost of the citizen survey. He stated that the City had budgeted \$15,000 and the final cost would be \$20,800, which could be spread out over two years.

Councilmember Musgrove recommended not doing the survey this year and that it is budgeted for next year. She added that they still hear from the residents quite often.

Mayor Kuzma supported doing the survey again as having the statistical data is important. He added he would like to see the payment spread out over two years.

Councilmember Howell agreed with Councilmember Musgrove stating that finding ways like this to cut costs in the budget would be beneficial for other larger projects like the roads.

Councilmember Specht said he likes the survey but thinks it would be a good idea to keep it on even numbered years and skip this year.

Councilmember Olson agreed.

City Administrator Hagen added that the survey would be done in the fall of 2024.

The consensus of the Council was to hold off on the survey for this year and budget for it next year.

3. TOPICS FOR FUTURE DISCUSSION

3.01: Review Future Topics/ Calendar

Noted.

4. MAYOR / COUNCIL / STAFF INPUT

4.01: Attorney-Client Privileged Discussion of Litigation: PSD Holdings, LLC v. City of Ramsey - Closed to the Public

City Administrator Hagen stated that the Council will be going into closed session pursuant of Minnesota Statutes, section 13D.05, subd. 3(b), to discuss litigation case of PSD Holdings, LLC and BLIP II, LLC v. City of Ramsey.

The meeting recessed to Closed Session at 6:40 p.m.

The meeting reconvened to open Work Session at 8:54 p.m.

5. ADJOURNMENT

The Work Session of the City Council was adjourned at 8:55 p.m.

Respectfully submitted,

Brian S. Hagen
City Administrator

ATTEST:

Katie M. Schmidt
City Clerk

Drafted by Ava Rokosz
TimeSaver Off Site Secretarial, Inc.

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

The Ramsey City Council conducted a Closed Session on Tuesday, March 28, 2023, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Mark Kuzma (attended remotely)
Acting Mayor Chris Riley
Councilmember Chelsee Howell (attended remotely)
Councilmember Debra Musgrove
Councilmember Michael Olson
Councilmember Dan Specht
Councilmember Matt Woestehoff (joined at 8:09 p.m.)

Also Present: City Administrator Brian Hagen
Community Development Director Hanson
City Attorney Fritz Knaak

1. CALL TO ORDER

Acting Mayor Riley called the Closed Session of the City Council to order at 6:40 p.m.

2. COUNCIL BUSINESS

2.01: Attorney - Client Privileged Discussion of Litigation: PSD Holdings, LLC v. City of Ramsey - Closed to the Public

City Attorney Knaak discussed the lawsuit being brought against the City by PSD Holdings.

RECESS AND RECONVENE

The Closed Session meeting recessed at 6:51 p.m.

The Closed Session meeting reconvened at 8:09 p.m.

2.01: Attorney - Client Privileged Discussion of Litigation: PSD Holdings, LLC v. City of Ramsey - Closed to the Public (continued)

The Council discussed the matter and gave direction to staff.

3. ADJOURNMENT

The Closed Session was adjourned at 8:53 p.m.

Respectfully submitted,

Brian Hagen
City Administrator

ATTEST:

Katie M. Schmidt
City Clerk

Drafted by Ava Rokosz
TimeSaver Off Site Secretarial, Inc.