

LAUDERDALE CITY COUNCIL
MEETING MINUTES
HELD REMOTELY VIA TELECONFERENCE

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October 13, 2020

Call to Order

Mayor Gaasch called the Regular City Council meeting to order at 7:31 p.m.

Roll Call

Councilors present: Andi Moffatt, Jeff Dains, Roxanne Grove, Kelly Dolphin, and Mayor Mary Gaasch.

Councilors absent: None.

Staff present: Heather Butkowski, City Administrator; Jim Bownik, Assistant to the City Administrator; and Miles Cline, Deputy City Clerk.

Approvals

Mayor Gaasch asked if there were any additions to the meeting agenda. There being none, Councilor Dains moved and seconded by Councilor Grove to approve the agenda. Motion carried unanimously on a roll call vote.

Mayor Gaasch asked if there were any corrections to the minutes of the September 22, 2020 city council meeting. There being none, Councilor Dolphin moved and seconded by Councilor Dains to approve the minutes of the September 22, 2020 city council meeting. Motion carried unanimously on a roll call vote.

Mayor Gaasch asked if there were any questions on the claims. There being none, Councilor Grove moved and seconded by Councilor Dains to approve the claims totaling \$147,325.97. Motion carried unanimously on a roll call vote.

Consent

Councilor Dains asked to remove item "C" regarding City website proposals. Councilor Dains moved and seconded by Councilor Grove to approve the remaining Consent Agenda items: the 2021 CTV Service Agreement and 2019 infrastructure improvements pay request #9.

Informational Presentations/Reports

A. Presentation by Abby Moore, Training and Community Learning Specialist for the Mississippi Watershed Management Organization, on Organizational Priorities, Climate Change, and Adopt-a-Drain Program

Moore provided the Council and residents a presentation on a wide range of topics currently being worked on by the Mississippi Watershed Management Organization (MWMO).

B. City Council Updates

Councilor Dains contacted State Representative Hausman regarding the ongoing street racing issues to see if there were additional state resources to combat the problem. Dains also said he would invite a representative from the Metropolitan Council Transportation Committee he sits on to a future meeting to discuss bus route 61.

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Councilor Moffatt shared that she and Councilor Dains hosted a City Council pop-up meeting at the Lauderdale Community Park on September 27.

Discussion/Action Item

A. 1795 Eustis Street Redevelopment

The City's bond council (Julie Eddington of Kennedy and Graven), financial advisor (Stacie Kvilvang of Ehlers), and consulting planner (Jennifer Haskamp of Swanson Haskamp Consulting) joined the city council meeting remotely. The purpose of the discussion was to revisit the milestones that have occurred before discussing Real Estate Equities (REE) Phase 3 planned unit development (PUD) application.

Eddington revisited the affordable housing allocation procedures and updated where REE was in that process. She reiterated how she believes the affordable housing allocation process is flawed due to the federal government not providing enough housing allocation to meet affordable housing needs in the state. Additionally, the state allocation process by lottery doesn't allow developers to influence the process. The City only can wait for our number to rise to the top.

Kvilvang revisited the criteria established by the Council when selecting a developer for the site; the priority was senior housing. She expressed how the multi-family and single-family developers she spoke with perceived the site and its location. She noted her experiencing closing deals for cities and that redevelopment projects take at least two to three years to get housing allocation.

Kvilvang also spoke about how the deal was structured including how the City will repay the bonds and the City will benefit financially from park dedication fees and by issuing REE's conduit debt. The project is partially publicly funded by the housing revenue bonds, tax credits, and tax increment financing. She explained how public deals like this one differ from private developments.

Eddington and Kvilvang answered questions about the bond the City issued to purchase 1795 Eustis Street in 2018 and reviewed options for extending the bonds. Kvilvang's recommendation was to issue a new temporary bond versus a bank placement.

Haskamp revisited the land use approvals to date and the steps for REE to complete the PUD process and receive final approvals. The schedule and resolution were included in the packet along with REE's narrative of the proposed project and the traffic study that were part of the Phase 2 application.

Additionally, Haskamp spoke to two builders to research the viability of single-family homes on the site. The assumption was that single-family lot prices would be higher now versus when the City bought the site due to the recent new home construction. Haskamp spoke with representatives of a national builder and a mid-sized local builder to find out which product types they build would work on the site. The national builder said their single-family home product wouldn't work on the site. They said their three-story row house would fit the market but the site wasn't big enough. They build ten rowhouses/per acre with a 30 unit minimum. If there was enough land to build 30 units, they would offer \$15,000 per unit provided the City removed the existing building.

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The local mid-size developer builds one to 30-unit projects. They focus on building small apartments and pods of housing (two to four units per lot). For the two to four-unit sites they would pay up to \$40,000/unit if the City removed the existing building. The owner-occupied market requires a minimum of 2,000 square feet of living space. The finished product sells for \$700,000+. Their buyers have been mainly 30 and 40-something year olds. He thought 1.7 acres would yield somewhere between 8 and 15 units. Ultimately, the developer did not believe a marketable single-family, duplex, triplex, or quadplex product would yield enough units to make the city financially whole on the project. He thought both market-rate and affordable multi-family options could be desirable in this location.

The city attorney continued to work on the purchase agreement previously discussed. REE was expected to submit their Stage 3 PUD paperwork shortly. Included would be proposed operation/management plans, updated designs, construction management plans, etc. for Council and community review.

B. Resolution No. 101320A – Approving Allocations of the City of Lauderdale’s CARES Act Funds

Staff totaled costs from September 1 to September 30 that were reported to Minnesota Management and Budget (MMB) last week. That amount totaled \$6,546.68 to acquire equipment for teleworking, teleconferencing city council meetings, park signs, voting booths, legal fees, and staffing costs. To date, staff reported \$20,453 in expenses to MMB leaving \$160,966 unspent. Staff identified other costs for the City to better serve residents through the pandemic. That list currently totals ~\$26,000.

The City Council also may allocate funds to support area hospitals, businesses, and individuals in need. Staff spent the last few weeks supporting Ramsey County’s efforts to reach homeowners and renters in need. Staff also reached out to Lauderdale business owners to see if they had costs not covered by a PPP loan or other aid available. Some said they did and council members stated their interest in supporting them. Staff will continue to identify internal needs for the money and prepare a program to distribute funds to Lauderdale businesses.

By approving the resolution, the Council acknowledges how the funds were spent to date. Councilor Moffatt made a motion to adopt Resolution No. 101320A—Approving Allocations of the City of Lauderdale’s CARES Act Funds. This was seconded by Councilor Dains and carried unanimously on a roll call vote.

C. City Council Meeting Start Time

Mayor Gaasch asked the Council to weigh in on whether to keep the 7:30 p.m. start time or start earlier in order to end earlier. This could be a temporary or permanent change. Some council members preferred to keep the 7:30 p.m. start time but agreed to the 7:00 p.m. start time for the rest of the year due to the anticipated meeting lengths.

Councilor Moffatt made a motion to move the remainder of 2020 meetings to a 7:00 p.m. start time. This was seconded by Councilor Grove and carried unanimously on a roll call vote.

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Items Removed from the Consent Agenda

A. New City Website Proposals

Administrator Butkowski stated that the City's website needed to serve as a more robust communication platform and be accessible to all users on all platforms. We are able to use CARES funding to make the website improvements, so this would be a good time to do it.

Councilor Dains made a motion to enter into an agreement with CivicPlus to create an enhanced website for the City. This was seconded by Councilor Dolphin and carried unanimously on a roll call vote.

Set Agenda for Next Meeting

The October 27 council meeting may include the 2021 fund budget, tobacco ordinance study and revisions, and Real Estate Equities items.

Work Session

A. Community Development Update

Butkowski stated that the finishing touches were put on Skyview Park and that Falcon Heights was exploring potential fire contract services with other cities. Mayor Gaasch added that she heard positive feedback regarding the new playground equipment.

C. Opportunity for the Public to Address the City Council

Mayor Gaasch opened up the floor to anyone in attendance interested in addressing the Council.

Duane Pulford, 1757 Eustis Street, stated that Skyview Park looked nice, and wanted to know if all of the funding for the equipment came from Ramsey County, or if some City funds were used as well. Butkowski responded that Ramsey County paid for the equipment and the accessible surfacing while the City paid for the concrete work and the equipment installation.

There being no additional people interested in speaking, Mayor Gaasch closed the floor.

Adjournment

Councilor Dains moved and seconded by Councilor Grove to adjourn the meeting at 10:05 p.m. Motion carried unanimously on a roll call vote.

Respectfully submitted,



Miles Cline
Deputy City Clerk