

**MINUTES OF THE REGULAR MEETING
CITY COUNCIL
LITTLE CANADA, MINNESOTA**

JANUARY 26, 2022

Pursuant to due call and notice thereof a regular meeting of the City Council of Little Canada, Minnesota was convened on the 26th day of January, 2022 in the Council Chambers of the City Center located at 515 Little Canada Road in said City.

Mayor John Keis called the meeting to order at 7:30 p.m. and the following members of the City Council were present at roll call:

CITY COUNCIL: Mayor Keis, Council Members McGraw, Fischer, Miller and Torkelson.
Absent: None.

ALSO PRESENT: City Administrator Chris Heineman, Finance Director Brenda Malinowski, Community Development Director Corrin Wendell and City Clerk/HR Manager Heidi Heller.

MINUTES

McGraw introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-1-11 – APPROVING THE MINUTES OF THE JANUARY 10, 2022 IMPROVEMENT HEARING FOR WOODLYNN AVENUE, THE JANUARY 10, 2022 IMPROVEMENT HEARING FOR RYAN DRIVE, THE JANUARY 12, 2022 WORKSHOP AND THE JANUARY 12, 2022 REGULAR MEETINGS AS SUBMITTED

The foregoing resolution was duly seconded by Fischer.
Ayes (5). Nays (0). Resolution adopted.

ANNOUNCEMENTS

None.

PUBLIC COMMENTS

None.

PUBLIC HEARING – CONSIDER PRELIMINARY PLAT & FINAL PLAT AND VARIANCES FOR THE SUBDIVISION OF 3000 LABORE ROAD; APPLICANT: LANDMARK OF LITTLE CANADA, LLC

The Community Development Director reported that Landmark of Little Canada, LLC is now the owner of 9.67 acres of 3000 Labore Road, and they have applied for approval of the Preliminary Plat and Final Plat to subdivide the property into 15 single-family home lots, along with request for variances to allow reduced front setbacks, some lots at reduced widths and a longer cul-de-sac. She noted that 3000 Labore Road was previously a 26-acre parcel, but the applicant purchased and subdivided 9.67 acres from that larger parcel last fall. She noted that the Planning Commission reviewed this proposal in December and recommended approval for all requests.

The Community Development Director reviewed the subdivision and plat and stated that the preliminary and final plat meets all City Code requirements. She then reviewed the variance

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requests to allow a 5-foot reduction in front yard setbacks for all of the lots and reduced lot widths on lots 3-5 and 8-15. She explained that the Zoning Code requires single family lots to be a minimum of 75 feet wide and the developer proposes reduced lot widths ranging from 65 feet to 72.6 feet on 11 of the lots. She explained that there is a request to allow the cul-de-sac length to be 700 feet instead of the limit of 500 feet.

McGraw stated that he has received a call from a long-time resident who is concerned about the water runoff from this development. Fischer stated that he spoke to the neighbor, Dave Marchio, who also brought up the water runoff concern, and wants to make sure that this development does not cause a water problem for the neighbors or make things worse. He stated that there will be a lot of attention to make sure that all of the neighborhood concerns are addressed.

Nathan Fair, Landmark Development/Hanson Builders, stated they have done two other residential developments in Little Canada so he is very knowledgeable about the wetlands in the area. He noted they built the Cherry Hill development which is one lot south of this one. He stated that these are designated wetlands on the Sculley property, even though others do not believe they are. He stated there are a lot of agencies who monitor water runoff from projects, and there is a good Watershed District here also that he is working with. He stated people are already calling his office asking how they can buy into this development, so he expects it to be sold out quickly. He noted there is an issue with the north neighbor's driveway since it runs over the Sculley property and there is no formal easement for the driveway access, but he wants to be a good neighbor and will work with them to get their driveway access dealt with.

Nathan Fair stated their targeted buyers are families and most of the homes will be 2-story style with 3,000 to 5,000 square feet, and some with indoor sport courts since they are popular now. He estimates the home prices will be \$750,000 to \$1.2 million.

Cindy Marchio, 3006 Labore Road, stated she appreciates Mr. Fair working with them on their driveway, and is wondering about the distance of the new road to their home since it appears to very close. Mr. Fair stated the Marchio's home is unfortunately very close to their south property line and the grade is fairly steep, making it difficult to do much, but he will do the best they can to provide landscaping to screen their home from the new housing development.

Nathan Fair reported they tried to buy the properties on either side of 3000 Labore Road, but the property owner to the east had no interest in selling and it did not make sense to only buy one of the properties. He explained that there is a pond at the end of the new cul-de-sac, and water cannot run into the wetlands until the pond reaches a certain elevation level. McGraw asked how much water will runoff of the impervious surfaces from the homes. Mr. Fair stated there will not be any more water running directly into the wetlands that is not going there now. He explained that the water will be directed to the front of the homes so that it runs into the storm drains in the street. Mr. Fair explained that they looked into the perceived thoughts that there were not wetlands here, but these are designated wetlands. McGraw stated that the long-time resident is concerned that the wetlands do not get any bigger from this new development. Mr. Fair stated there are a lot of rules and agencies that monitor wetlands and what can be done.

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Dave Marchio, 3006 Labore Road, asked if there would be retaining walls built behind the new homes. Mr. Fair stated there will not be retaining walls behind the homes, but there will likely be some between the homes since the road runs downhill. Mr. Marchio asked if his woods would stay the same with the development or become a pond. Mr. Fair stated that his property should not change, but all they can do is follow the rules they are subject to for water runoff and wetlands. He explained that wetlands and lakes and ponds fluctuate as the water tables change.

Torkelson asked if Mr. Fair has a high level of confidence that the water that falls on the roofs and pavement will run where the engineers have planned for it to go into the pond. Mr. Fair stated yes, the water runoff should go where it is designed.

Dave Radford, 2991 Walter Street, Maplewood, asked if the developer already has their watershed permits. Mr. Fair stated they are scheduled for the Watershed District final approvals in February, but they do have approval of the wetland delineation by the Department of Natural Resources (DNR). Mr. Radford asked about the runoff from the lawns with fertilizers. Mr. Fair stated there is a buffer zone to protect the wetlands from the chemicals that are put on lawns. He estimated that the buffer zone here is about 30 feet wide and is designed to filter the water that comes directly off the lawns before it reaches the wetlands.

There were no additional comments from the public. Upon motion by Keis, seconded by McGraw, the public hearing was closed.

Fischer introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-1-12 – APPROVE VARIANCES TO ALLOW:

- 1. 25-FOOT FRONT YARD SETBACKS ON ALL LOTS (5 FOOT REDUCTION VARIANCES)***
- 2. LESS THAN 75-FOOT WIDE PARCELS ON LOTS 3-5 AND 8-15 AS STATED IN THE JANUARY 26, 2022 STAFF REPORT***
- 3. A 700-FOOT CUL-DE-SAC ROAD LENGTH (200 FEET LONGER VARIANCE)***

FOR THE PROPERTY LOCATED AT 3000 LABORE ROAD, PID 04-29-22-24-0015, BASED ON THE FOLLOWING FINDINGS OF FACT:

- The property is found to be of unique circumstance because of these two areas and the development configuration is the best and highest use of the site to be able to construct the fifteen single-family homes.***
- The single-family home development that is proposed is in keeping with the R-1, Single Family Residential District, as well as the neighboring areas.***
- The physical factors of the property are the main reason for the variance request in that it produces an extreme hardship that is limited to the topography and wetland located on the site. In addition, under Minnesota law, we find that practical difficulty has been met, meaning (1) the property owner proposes to use the property in a reasonable manner permitted by the ordinance, (2) the owner's plight is due to***

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circumstances unique to the property not created by the owner, and (3) the variance will not alter the locality's essential character.

- *The request for variance is not based on an economic hardship and solely based on the physical aspects of the site and is the best and highest use of the property.*

The foregoing resolution was duly seconded by Miller.
Ayes (5). Nays (0). Resolution declared adopted.

Fischer introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-1-13 – APPROVE THE PRELIMINARY & FINAL PLAT FOR GERVAIS WOODS 2ND ADDITION AT 3000 LABORE ROAD, PID 04-29-22-24-0015, AS PRESENTED IN THE JANUARY 26, 2022 STAFF REPORT, CONTINGENT UPON APPROVAL OF THE DEVELOPMENT AGREEMENT WITH LANDMARK OF LITTLE CANADA, LLC

The foregoing resolution was duly seconded by Miller.
Ayes (5). Nays (0). Resolution declared adopted.

ECONOMIC DEVELOPMENT AUTHORITY MEETING

At this point in the meeting, the City Council temporarily adjourned and convened as the Economic Development Authority.

Fischer introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-1-14 – RECESSING THE CITY COUNCIL MEETING AND CONVENING AS THE ECONOMIC DEVELOPMENT AUTHORITY

The foregoing resolution was duly seconded by McGraw.
Ayes (5). Nays (0). Resolution adopted.

EDA – AMEND 2022 BUDGET

The City Administrator reported that at the January 12 City Council meeting, the Little Canada Economic Development Authority (EDA) approved a zero budget for Fiscal Year 2022. He explained that while this follows previous practices for the EDA, staff had proposed several potential expenditures be included in the EDA operating budget for 2022.

The Finance Director stated that in December the Council approved the 2022 Operating Budget which included an EDA Budget with \$65,000 in expenditures. She explained that the expenditures include up to \$20,000 for a proposed housing study, up to \$10,000 for Retail Trade Analysis or other market study, and up to \$5,000 for matching funds for participation in the University of Minnesota Resilient Communities Program (RCP). She stated these proposed expenditures were

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to be funded by a \$100,000 transfer from the Owasso/Woodlyn Capital Project Fund (474), which was first established with a \$350,000 transfer from the EDA Fund in 2013.

McGraw introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-1-15 – ADOPT THE AMENDED 2022 BUDGET AT \$100,000 IN REVENUES AND \$35,000 IN EXPENDITURES

The foregoing resolution was duly seconded by Keis.
Ayes (5). Nays (0). Resolution adopted.

McGraw introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-1-16 – ADJOURNING THE ECONOMIC DEVELOPMENT AUTHORITY MEETING AND RECONVEN AS THE CITY COUNCIL

The foregoing resolution was duly seconded by Torkelson.
Ayes (5). Nays (0). Resolution adopted.

PURCHASE OF NEW LADDER TRUCK FOR LITTLE CANADA FIRE DEPARTMENT

The City Administrator reported that the replacement of the Fire Department's ladder truck has been included in the Capital Improvement Plan in the Fire Capital Fund (457) for several years. He reported the amount budgeted for the Fire Ladder Truck is \$1,352,000 and the current balance in the Fund is approximately \$1,554,444. He stated the truck will be purchased through Sourcewell Consortium Pricing, which follows the competitive contracting law process.

The City Administrator explained that there are different payment options offered in the proposal, and staff recommends to utilize the 50% prepayment option which is to prepay \$675,449 at the contract execution and \$675,449 due before the vehicle release which is anticipated to be in 18-21 months. The City Council may also utilize American Rescue Plan Act (ARPA) funding for the remainder of the ladder truck purchase.

Chief Don Smiley reported this is the biggest purchase the Fire Department has ever made. He explained their current ladder truck is from 1992 and it was completely paid for by charitable gambling funds. He explained there is a large amount of research and decisions that go into buying all new fire trucks, and a committee was formed two years ago to work on this truck. He noted that the new truck will have a longer 110-foot ladder since buildings in the city are getting taller, and it will be much more maneuverable. Captain Mike Morelan explained that the biggest part of their decisions for the truck were how to best keep their firefighters safe, along with taking care of the citizens, and be financially mindful.

Fischer stated that he was part of the discussions and was blown away by watching the Little Canada Fire Department go through the process of designing a truck from the ground up, and said they did a great job.

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Fischer introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-1-17 – APPROVE THE PURCHASE OF A FIRE DEPARTMENT LADDER TRUCK FROM MACQUEEN EQUIPMENT, LLC IN THE AMOUNT NOT TO EXCEED \$1,350,898 AND AUTHORIZE THE CITY ADMINISTRATOR TO SIGN THE PURCHASE AGREEMENT

The foregoing resolution was duly seconded by Keis.
Ayes (5). Nays (0). Resolution declared adopted.

Torkelson stated that he received an email asking some questions about the City’s Fire Capital Fund. He clarified that the City Administrator and the Finance Director manage this fund. The Finance Director explained that was the correct, and the City Council approves it each year as part of the Capital Improvement Plan, and the fund is included in the annual audit. Torkelson clarified that the funding was used exclusively for fire equipment and fire facilities. He asked if the primary funding source is from the fire department’s charitable gambling. The Finance Director stated that the primary funds are from an annual \$160,000 property tax levy, along with charitable gambling donations received from the Little Canada Fire Department. She explained the benefit to keeping it in a separate fund is to allow the City to keep accurate records for fire department expenses, and it allows the City to save up for large fire equipment purchases.

ORDINANCE 860, AMEND CITY CODE CHAPTER 803, USED CAR SALES

The City Clerk stated that certain types of business licenses are limited on the number that can be issued at a time, including auto sales licenses. She explained that the zoning code contained the language that limited the number auto sales licenses that can be issued at a time in the specific zoning districts, but the recent zoning code update removed this detail. She stated that staff feels it is important to continue to limit the number of auto sales licenses, and determined that it makes more sense for this information to be in the licensing chapter of the city code rather than the zoning code. She noted that staff proposes to keep the same number of licenses and in the same type of zoning districts as previously allowed.

Keis introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-1-18 – ADOPT ORDINANCE 860, AMENDING CITY CODE CHAPTER 803, USED CAR SALES, AS PRESENTED

The foregoing resolution was duly seconded by Torkelson.
Ayes (5). Nays (0). Resolution declared adopted.

ORDINANCE 861, AMEND CITY CODE CHAPTER 3200, RENTAL HOUSING LICENSING

The City Clerk explained that the wording in Section 3200.070 Maintenance Standards, is outdated as this section of the city code refers to the “Uniform” Building Code, but the City adopted the “Minnesota State Building Code” several years ago, so this language should be updated to accurately reflect City Code Chapter 301, which is the Minnesota State Building Code Adoption.

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McGraw introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-1-19 – ADOPT ORDINANCE 861, AMENDING CITY CODE CHAPTER 3200, RENTAL HOUSING LICENSING, AS PRESENTED

The foregoing resolution was duly seconded by Miller.
Ayes (5). Nays (0). Resolution declared adopted.

CONSENT AGENDA

Fischer introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-1-20 – APPROVING THE CONSENT AGENDA WHICH CONTAINS THE FOLLOWING:

- Approval of the Vouchers
- Approve 2022-2023 State of Minnesota Institution Community Work Crew Contract

The foregoing resolution was duly seconded by Miller.
Ayes (5). Nays (0). Resolution adopted.

COUNCIL REPORTS & MEETING UPDATES

Keis reported that last week he participated in a League of Women Voters Conversations with Constituents, and the primary questions were how cities were helping to dismantle racism and what are they are doing to increase diversity in their organizations. He stated that it was interesting to hear what other cities are doing to ensure equality and diversity. He noted it was recorded if so it can be watched.

Fischer stated he is on the Fire Department long-range planning committee, and they discuss the maintenance needed for the station and equipment, and what is going on around Little Canada at other fire departments. He noted they meet quarterly. He reported that he also sits on the Fire Relief Committee who manages the funds for the retired Fire Fighters. Keis noted there are now two female fire fighters on the Little Canada Fire Department.

Miller reported that the Ramsey County League of Local Governments met last Friday and they heard an update from about what is going on and planned for the upcoming session of the legislature. She noted previous discussion had been on mental health.

The City Administrator noted that the purchase agreement for the Twin Lake Boulevard city-owned properties was executed in early January. He also noted that the developer submitted an application to Minnesota Housing for the Housing Tax Credit (HTC) program and announced that Reuter-Walton was approved for the full amount of bonding and tax credits through the State of Minnesota. The HTC program offers investors a 10-year reduction in tax liability in exchange for capital to build eligible affordable rental housing units. He explained that the project is based on rents at 60% of Area Median Income (AMI) which means that a family of four would need to have income of around \$62,000, and rents would be just over \$1,180 for a 1-bedroom unit and around \$1,400 for a 2-bedroom unit.

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The City Administrator stated that he and the developer also met with representatives from Ramsey County after the state funding was approved, and the County has a new housing levy or may have some ARPA Funds that could be used to close the gap in funding since the property is located in a qualified census tract.

McGraw clarified that all of the tenants will need to work to pay the rent and there are no government subsidies that pays their rent. Fischer asked where things were at with the process to amend the Comprehensive Plan to change the land designation to high density housing. The Community Development Director reported that she sent out the notices to the adjoining cities and agencies and they have 60 days to give feedback on the land use change proposal, and stated she has already received a few comments. She noted that as soon as she receives the responses from the immediate cities and school districts, she can submit those to the Metropolitan Council to get their review started.

There being no further business, the meeting was adjourned at 8:59 p.m.

John T. Keis, Mayor

Attest:

Christopher Heineman, City Administrator