

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

JUNE 20, 2022

Pursuant to due call and notice thereof a regular meeting of the City Council of Little Canada, Minnesota was convened on the 20th day of June, 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 Fischer, Miller, McGraw, and Torkelson.
Absent: None.

ALSO PRESENT: City Administrator Chris Heineman, Community Development Director Corrin Wendell, Public Works Director Bill Dircks, Finance Director Sam Magureanu and City Clerk/HR Manager Heidi Heller.

MINUTES

McGraw introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-6-78 – APPROVING THE MINUTES OF THE JUNE 8, 2022 WORKSHOP AND JUNE 8, 2022 REGULAR MEETINGS AS SUBMITTED

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

ANNOUNCEMENTS

The City Administrator introduced the new Finance Director, Sam Magureanu, who started on June 13, 2022.

Fischer reported that Little Canada resident, Barb Jordahl, spends a lot of time in Pioneer Park helping keep the park clean, and he wants to thank her for all of the time she spends helping the community.

McGraw announced that NineNorth will be deciding on a finalist for the vacant Executive Director position on Thursday.

PUBLIC COMMENTS

None.

PUBLIC HEARING – CONSIDER A VARIANCE FOR SETBACKS AND MINOR SUBDIVISION AT 3250 SPRUCE STREET; APPLICANT: LAPHAM HICKEY

The Community Development Director stated The City has received a Variance and Minor Subdivision (Lot Combination) application from Lapham-Hickey Steel at 3250 Spruce Street, who is planning building addition to expand their production floor and add a new front office in order to be able to increase the volume of their operations and add employees. She noted that due to the demand for steel, fabrication has increased considerably in the metro area and Lapham-Hickey's current space is inadequate in keeping pace.

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The Community Development Director explained that in the existing warehouse there are three overhead cranes used for moving large steel pieces across the facility to machinery for different processes. The proposed plan would expand two overhead crane bays to extend the production floor 210 feet. She stated in order to make this plan feasible, the proposed expansion needs to utilize the existing crane infrastructure and expand it northwards so that the flow of the assembly line remains continuous. This requires that the layout of the addition is calibrated in such a way that the new crane rail and structure aligns exactly with the existing crane path. These rigid parameters result in the proposed addition being located 6' set back from the east property line as opposed to the required 20-foot rear yard setback. The Community Development Director explained that by granting a 6' rear setback variance, Lapham Hickey will be able to expand their production line in such a way that improves not only efficiency, but worker safety as well since cranes will run continuously without obstacle across the whole plant.

The Community Development Director stated the site is bordered on two sides with industrial buildings and two sides by roadway. She stated that the applicant's building is currently on one parcel, but the applicant owns two parcels and the expansion would expand onto the second parcel. She explained that in order to avoid having a structure cross a property line, the applicant is required to combine the parcels into a single lot as a requirement of the expansion project.

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

McGraw introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-6-79 – APPROVE REQUESTS AT 3250 SPRUCE STREET FOR A MINOR SUBDIVISION WHICH COMBINES TWO PARCELS (PID 3130222340002 AND 313022310013) INTO ONE PARCEL, AND A VARIANCE REQUEST TO ALLOW A REAR YARD SETBACK REDUCTION FROM 20-FEET TO 6-FEET ON THE EAST SIDE OF THE BUILDING ADDITION

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

PUBLIC HEARING – ANNUAL STORM WATER POLLUTION PREVENTION PROGRAM REVIEW

The Public Works Director stated that the City is required to hold a public hearing annually to review the Storm Water Pollution Prevention Program (SWPPP) as part of the permit with the Minnesota Pollution Control Association and discuss the City's progress in meeting national Pollutant Discharge Elimination System (NPDES) requirements.

The Public Works Director explained that last year staff maintained and inspected all pollution control devices and cleaned them out as needed, and inspected and did work on the outfalls that were found to need some repairs, along with completing some maintenance. He stated the entire city was swept two times and several areas were swept a third time after the leaves were done falling. He explained that the low rainfall over the last year has allowed the stormwater system to settle down and dry out.

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Overall the city's storm sewer system continues to work very well and staff are working on plans to address the problem areas. The Public Works Director explained the City had 34 snow events during the 2021-2022 winter where 252 tons of salt was used. The City's snow plow operators do a very good job of minimizing their use of salt, and less salt is used when actual plowing occurs rather than just the small snowfalls where only salt is put down. He reported that there are some pollution rule changes that will require City Code changes, including addressing pet waste.

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

CONSENT AGENDA

Fischer introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-6-80 – APPROVING THE CONSENT AGENDA WHICH CONTAINS THE FOLLOWING:

- Approval of the Vouchers
- Approve Renewal of a Wagon Vendor License for El Taco Nazo at 120 County Road C West
- Adopt Ordinance 865, Amending Chapter 602, Prohibition of Certain Open Fires on Balconies

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

TWIN LAKE BOULEVARD MULTI-FAMILY HOUSING PROJECT TAX INCREMENT FINANCING LOAN AGREEMENT

The City Administrator stated that this is the final action item for the Twin Lake Boulevard multi-family housing project.

Mikaela Huot, Baker Tilly, stated that the City has agreed to provide financial assistance to Twin Lake Limited Partnership for the construction of a 60-unit multi-family affordable housing project. She explained that the City will provide a loan to the developer using unobligated tax increment revenues from several of its existing Tax Increment Financing (TIF) districts exercising the authorized provisions of Minnesota Statutes 469.176 Subdivision 4n (temporary use of increment authorized). She noted the Council adopted a spending plan for TIF (redevelopment) District 3-2, TIF (housing) District 3-3 and TIF (renewal & renovation) District 5-1 at the June 8, 2022 City Council meeting after a public hearing to authorize the transfer of the identified \$1,000,000 in unobligated funds to be used as a loan for this project. She noted the total development cost for this 60-unit project is \$19,522,637. Ms. Huot reviewed the eligible costs that these funds can be used for and the repayment schedule. She noted the funds will only be dispersed after certain conditions are met during construction. She reported there is a personal guarantee from the developer to ensure the project will be completed.

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Fischer introduced the following resolution and moved its adoption:

RESOLUTION NO. 2022-6-81 – APPROVE A TAX INCREMENT FINANCING LOAN AGREEMENT AND AUTHORIZE THE EXECUTION OF THE LOAN AGREEMENT IN THE AMOUNT OF \$1,000,000 AS FINANCIAL ASSISTANCE TO TWIN LAKE LIMITED PARTNERSHIP FOR THE CONSTRUCTION OF A 60-UNIT MULTI-FAMILY AFFORDABLE HOUSING DEVELOPMENT ON TWIN LAKE BOULEVARD

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

UPDATE ON PIONEER PARK IMPROVEMENTS

The Public Works Director announced that the City was awarded a \$300,000 grant from the Minnesota Department of Natural Resources Outdoor Recreation Grant Program for the new playground at Pioneer Park. He noted that by Fall 2022, there should be a final plan set that will be ready for bids in spring 2023, with construction beginning in the summer.

COUNCIL REPORTS & MEETING UPDATES

Keis announced that the League of Minnesota Cities annual conference starts on Wednesday in Duluth. The City Administrator stated that he will be attending along with three Council members, Miller, Fischer and McGraw.

There being no further business, the meeting was adjourned at 8:02 p.m.

John T. Keis, Mayor

Attest:

Christopher Heineman, City Administrator