



CITY COUNCIL MEETING MINUTES

Richfield, Minnesota

Regular Council Meeting

November 28, 2023

CALL TO ORDER

The meeting was called to order by Mayor Supple at 7:00 p.m. in the Council Chambers.

Council Members Present: Mary Supple, Mayor; Sharon Christensen; Simon Trautmann; and Sean Hayford O'leary

Council Members Absent: Ben Whalen

Staff Present: Katie Rodriguez, City Manager; Mary Tietjen, City Attorney; Melissa Poehlman, Community Development Director Jay Henthorne, Public Safety Director/Police Chief; Jennifer Anderson, Support Services Manager; Kristin Asher, Public Works Director; Karl Huemiller, Acting Recreation Services Director; Rachel Lindholm, Sustainability Specialist; and Chris Swanson, Management Analyst

Others Present: Walter Burk, Human Rights Chair; Amanda Kueper, Sustainability Commission Chair

PLEDGE OF ALLEGIANCE

Mayor Supple led the Pledge of Allegiance.

OPEN FORUM

Mayor Supple reviewed the options to participate:

- Participate live by calling 1-415-655-0001 during the open forum portion
- Call prior to meeting 612-861-9711
- Email prior to meeting kwynn@richfieldmn.gov

Rod Sather, 63rd and Thomas, stated he believed it was time for the City to establish rules and regulations regarding short-term rentals and noted Edina and Bloomington currently prohibited such rentals.

Ashley Tomechko thanked the Council for their consideration of Aster Commons, which demonstrated a commitment to inclusivity. She believed this project would have a positive impact on the lives of many young people in the community.

LaVonne Garcia thanked the Council for their support of Aster Commons.

Reverend Hope Hutchinson, Richfield United Methodist Church, stated the level of support people need in the community was high and the need for affordable housing with supportive services on site is what they saw every day. She thanked the city for showing people they are welcome in the community and hearing the Aster Commons proposal.

Larry Ernster, 6727 Elliott Avenue, stated once the city accepted the initial plan for micro units and determined it qualified as a sacred community, he felt they would lose control of that community. He believed they were labeling homeless encampments as sacred communities. He asked why the city would authorize uncontrolled development without regard for planning density, permeable soil environmental considerations, or design. He asked if the city had done an environmental impact statement on the ordinance change. He asked what this was going to cost residents. He requested the Council vote down the micro unit ordinance until there was more research.

Mary Best, 6727 Elliot Avenue, read a statement from Alex Asmus who inquired about the change in the TIF district. He asked if the agreement returned the \$900,000. He believed it was a liberal use of TIF in multifamily projects.

Mary Best commented on the Truth and Taxation meeting and the residents' concern about tax increases and believed the liberal use of TIF was adding an additional tax burden on the residents. She asked if the city could afford to keep spending without knowing if what they were doing was working. She asked if they were moving too quickly and was there data the residents could access and understand.

APPROVAL OF MINUTES

M/Hayford Oleary, S/Christensen to approve the minutes of the: (1) City Council Work Session of November 14, 2023; (2) City Council Meeting of November 14, 2023; (3) Special City Council Meeting of November 11, 2023.

Motion carried: 4-0

ITEM #1	APPROVAL OF THE AGENDA
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M/Trautmann, S/Hayford Oleary to approve the agenda.

Motion carried: 4-0

ITEM #2	HUMAN RIGHTS COMMISSION ANNUAL PRESENTATION BY CHAIR WALTER BURK
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Human Rights Commissioner Chair Walter Burk gave the annual Human Rights Commission presentation.

Council Member Trautmann gave praise and gratefulness to the Commission. He thanked the Commissioners for their great work and leadership.

Mayor Supple echoed Council Member Trautmann's comments and thanked the Commission for their leadership.

ITEM #3	SUSTAINABILITY COMMISSION ANNUAL PRESENTATION BY CHAIR AMANDA KUEPER
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Sustainability Commission Chair Amanda Kueper gave the annual Sustainability Commission presentation.

Mayor Supple thanked the Commission for their work.

Council Member Trautmann echoed Mayor Supple’s comment and lifted them up for having a specific vision for the city and working towards it.

ITEM #4	CONSENT CALENDAR
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City Manager Rodriguez presented the consent calendar.

- A. Consider approval for a Temporary On-Sale Intoxicating Liquor license for the Blessed Trinity Catholic School, located at St. Richard’s Catholic Church, 7540 Penn Avenue South, for their 2023 Annual Gala taking place December 2, 2023 (Staff Report No. 154)
- B. Consider the approval of setting a public hearing at to be held on December 12, 2023, to consider the renewal of the Pawnbroker and Secondhand Goods Dealer license for 2024 for Metro Pawn and Gun, Inc. (Staff Report No. 155)
- C. Consider the approval of the first reading of an ordinance amendment to allow micro units as an accessory use to religious institutions and schedule a second reading for December 12, 2023. (Staff Report No. 156)
- D. Consider a modification to the Tax Increment Financing Plan, Tax Increment Financing District 2018-1, RF64, withdrawing parcels from the District (Staff Report No. 157)

RESOLUTION NO. 12146

**RESOLUTION APPROVING THE REMOVAL OF PARCELS
FROM THE 2018-1 RF64 TAX INCREMENT DISTRICT**

- E. Consider a resolution designating the existing structure at 500 – 78th Street East as structurally substandard within the Richfield Redevelopment Project Area. (Staff Report No. 158)

RESOLUTION NO. 12147

**RESOLUTION DESIGNATING BUILDINGS AS STRUCTURALLY
SUBSTANDARD WITHIN THE RICHFIELD REDEVELOPMENT PROJECT**

M/Trautmann, S/Hayford Oleary to approve the consent calendar.

Mayor Supple asked staff for an explanation on the TIF. Director Poehlman replied one of the questions brought up at Open Forum was if a part of the contract would be refunded. She noted the note was never issued and the developer did take the risk on when the pay go note was issued. She indicated if the project did not go forward, there was no note issued and no increment was generated

and given to the applicant, so there was nothing to recoup. She noted the units would come onto the tax rolls like any other non-subsidized development.

Council Member Hayford Oleary confirmed that they had received a first note and built a proportionate number of income restricted units. Director Poehlman responded that was correct and the first half of the development met affordability requirements and a note was issued, which has generated some increment. She indicated if the district did not generate enough increment to pay them the City was not on the hook for that and it would be a loss for the developer.

Council Member Hayford Oleary reiterated they got the affordable units.

Motion carried: 4-0

ITEM #6	PUBLIC HEARING AND CONSIDER THE SECOND READING OF THE PROPOSED FRANCHISE ORDINANCE AND AGREEMENT WITH CENTERPOINT ENERGY MINNESOTA GAS (“CENTERPOINT ENERGY”) ALLOWING AND SETTING TERMS FOR CENTERPOINT ENERGY’S USE OF THE CITY RIGHT-OF-WAY (STAFF REPORT NO. 159)
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Council Member Trautmann presented Staff Report 159 and opened the public hearing.

M/Trautmann, S/Hayford Oleary to close the public hearing.

Motion carried: 4-0

M/Trautmann, S/Christensen to approve the second reading of the proposed Franchise Ordinance and Agreement with CenterPoint Energy Minnesota Gas (“CenterPoint Energy”) allowing and setting terms for CenterPoint Energy’s use of the City right-of-way and approve the Resolution Authorizing Publication of said Ordinance.

BILL NO. 2023-14

AN ORDINANCE GRANTING CENTERPOINT ENERGY RESOURCES CORP. D/B/A CENTERPOINT ENERGY MINNESOTA GAS (“CENTERPOINT ENERGY”), ITS SUCCESSORS AND ASSIGNS, A NONEXCLUSIVE FRANCHISE TO CONSTRUCT, OPERATE, REPAIR AND MAINTAIN FACILITIES AND EQUIPMENT FOR THE TRANSPORTATION, DISTRIBUTION, MANUFACTURE AND SALE OF GAS ENERGY FOR PUBLIC AND PRIVATE USE AND TO USE THE PUBLIC WAYS AND GROUNDS OF THE CITY OF RICHFIELD, COUNTY OF HENNEPIN, MINNESOTA, FOR SUCH PURPOSE; AND, PRESCRIBING CERTAIN TERMS AND CONDITIONS THEREOF

RESOLUTION NO. 12148

RESOLUTION AUTHORIZING PUBLICATION OF ORDINANCE

Motion carried: 4-0

ITEM #7	CONSIDER A REQUEST FOR A COMPREHENSIVE PLAN AMENDMENT, A SECOND READING OF AN ORDINANCE REZONING THE SUBJECT PROPERTY, PRELIMINARY PLAT, SITE PLAN APPROVAL AND TWO VARIANCES, FOR 38 UNITS OF AFFORDABLE HOUSING AT 6613-6625 PORTLAND AVENUE SOUTH (STAFF REPORT NO. 160)
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Hayford Oleary presented Staff Report 160.

Mayor Supple stated Council Member Whalen had sent some comments to the City that he wanted to have read.

Council Member Trautmann read Council Member Whalen's comments noting his full support of the Aster Commons proposed project because of the housing shortages in the State. He encouraged the Council Members to vote in favor of moving ahead.

Mayor Supple asked for the comprehensive plan vote, would they need two-thirds vote, or only simple majority. City Attorney Tietjen responded it could be done by simple majority, or three-fifth's vote.

M/Hayford Oleary, S/Trautmann to adopt a resolution amending the City's comprehensive plan changing the designation of 6613-6625 Portland Avenue South to "High Density Residential"

RESOLUTION NO. 12149

RESOLUTION AMENDING THE CITY'S COMPREHENSIVE PLAN CHANGING THE DESIGNATION OF 6613-6625 PORTLAND AVENUE SOUTH TO "HIGH DENSITY RESIDENTIAL"

Council Member Trautmann stated he felt emotional about this and thanked everyone in the audience who were in support of this project. He indicated the lot had sat empty for years and he hoped the vote went well as a lot of new neighbors would be welcomed to the City. He believed this was a great project and he was honored to support it. He stated this was not a homeless encampment.

Mayor Supple believed this was an appropriate amendment to the Comprehensive Plan, and this was on the lower end of the high density. She stated she was in support of the Resolution.

Motion carried: 4-0

M/Hayford Oleary, S/Trautmann to approve a second reading of an Ordinance rezoning the subject property, preliminary plat, site plan approval and two variances, for 38 units of affordable housing at 6613-6625 Portland Avenue South

BILL NO. 2023-15

AN ORDINANCE RELATING TO ZONING; AMENDING APPENDIX I OF THE RICHFIELD CITY CODE BY REZONING 6613-6625 PORTLAND AVENUE SOUTH FROM MULTI-FAMILY RESIDENTIAL (MR-2) TO MIXED USE – NEIGHBORHOOD (MU-N)

Mayor Supple believed this was a good zoning change as it allowed more flexibility so the building could be moved closer to the front part of the lot. She indicated this would address the neighborhood's concerns about having space between the tall building and their homes.

Motion carried: 4-0

M/Hayford Oleary, S/Christensen to adopt Resolution granting approval of a preliminary plat for Aster Commons and Resolution approving a Site Plan and two variances for Aster Commons Housing at 6613-6625 Portland Avenue South.

RESOLUTION NO 12150

**RESOLUTION GRANTING APPROVAL
OF A PRELIMINARY PLAT
FOR ASTER COMMONS**

AND

RESOLUTION NO 12151

**RESOLUTION APPROVING A SITE PLAN
AND TWO VARIANCES
FOR ASTER COMMONS HOUSING
AT 6613-6625 PORTLAND AVENUE SOUTH**

Council Member Hayford Oleary stated he supported the project and thanked everyone for showing up today and for the neighbors who had reached out to him with their concerns. He indicated while he would be supporting this, but he was disappointed in the approach the City was taking and while he appreciated the flexibility they were offering with reduced parking and reduced setbacks, he wished they had taken an approach of allowing that for future projects and not just making an exception for this project. He indicated if a similar modest density building like this came forward again, he expected the City to treat it the same way, even if it was not a developer with the same community that Beacon had. He noted he was a bit wistful that they were not using this as an opportunity to address the need for transit oriented, affordable housing, but he believed this was a great project and it was a wonderful use of that site and he was glad to support it.

Mayor Supple thanked everyone who was in attendance and all the neighbors who got involved in the discussion. She noted one of the things they have struggled with was finding ways to have affordable housing that was at 30 percent or less of the AMI, and this was a wonderful opportunity to provide that.

Motion carried: 4-0

ITEM #8	CONSIDER A SECOND READING AND SUMMARY PUBLICATION OF AN ORDINANCE AMENDMENT TO SECTION 408.01, SUBDIVISION 6, CLARIFYING THAT ESCROWS SUBMITTED UNDER THE POINT OF SALE PROGRAM CAN BE SUBJECT TO FORFEITURE IF IMPROVEMENTS ARE NOT MADE, AND TO SECTION 408.01, SUBDIVISION 4, CORRECTING A CODE REFERENCE RELATING TO THE APPEALS PROCESS. (STAFF REPORT NO. 161)
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Hayford Oleary presented Staff Report 161.

Director Poehlman stated they had identified several escrows, those escrows were relatively small and they were reaching out attempting to get those escrows returned. She noted the new software would help them do a better job of tracking and automate it for them and it was important to have this in the Ordinance so they could take those funds.

M/Hayford Oleary, S/Christensen to approve a second reading of an amendment to Section 408 of the ordinance code of the City of Richfield relating to the Certification of Housing Maintenance Compliance and approve the Resolution approving summary publication of an amendment to Section 408 of the Ordinance Code of the City of Richfield relating to the Certificate of Housing Maintenance Compliance.

BILL NO. 2023-16

**AMENDMENT TO SECTION 408
OF THE ORDINANCE CODE OF THE
CITY OF RICHFIELD RELATING TO THE CERTIFICATE OF HOUSING
MAINTENANCE COMPLIANCE**

AND

RESOLUTION NO. 12152

**APPROVING SUMMARY PUBLICATION
OF AN AMENDMENT TO SECTION 408 OF THE ORDINANCE CODE
OF THE CITY OF RICHFIELD RELATING TO THE CERTIFICATE OF
HOUSING MAINTENANCE COMPLIANCE**

Motion carried: 4-0

ITEM #9	CONSIDER THE APPOINTMENTS TO THE CITY ADVISORY BOARD AND COMMISSIONS. (STAFF REPORT NO. 162)
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Christensen presented Staff Report 162.

M/Christensen, S/Hayford Oleary to approve the appointments to the City advisory board and commissions.

Council Member Hayford Oleary thanked everyone who applied and showed up to talk to them, and to serve the community.

Mayor Supple stated it was inspiring to do the interviews and then hear the reports from the Commissions with all of the work they were involved in.

Motion carried: 4-0

ITEM #10	CONSIDER A RESOLUTION AFFIRMING THAT ASTER COMMONS RECEIVED APPROVALS FROM THE CITY AND IS AUTHORIZED TO APPLY FOR AN ENVIRONMENTAL RESPONSE FUND GRANT FROM HENNEPIN COUNTY FOR ENVIRONMENTAL ASSESSMENT. (STAFF REPORT NO. 163)
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Council Member Christensen presented Staff Report 163.

M/Christensen, S/Hayford Oleary to adopt a resolution affirming that Aster Commons received approvals from the City and is authorized to apply for an environmental response fund grant from Hennepin County for environmental assessment.

RESOLUTION NO. 12153

**RESOLUTION AFFIRMING APPROVAL OF ASTER COMMONS AND AUTHORIZING
BEACON INTERFAITH HOUSING COLLABORATIVE TO APPLY FOR A GRANT FROM
HENNEPIN COUNTY'S ENVIRONMENTAL RESPONSE FUND**

Mayor Supple asked what was the next steps for the project. Director Poehlman responded there were still two actions to be decided with one for the HRA who will have to agree to sell Beacon the land, and the final plat would still need to be approved by the Council once the building permits had been applied for.

Motion carried: 4-0

ITEM #11	CITY MANAGER’S REPORT
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City Manager Rodriguez shared information regarding Mr. Sather’s concerns about short-term rentals. She indicated staff was doing research on this, including what other cities had in place. With respect to Kathleen Balaban’s concerns about the termination of the Whitecaps Agreement, those concerns were addressed at the previous Council meeting. She noted with respect to Ms. Balaban’s disagreeing that City employees could make decisions on speed limits, that issue was also addressed at the previous Council meeting. She stated there were two people that spoke in favor of Aster Commons last week also.

ITEM #12	CLAIMS AND PAYROLL
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M/Trautmann, S/Christensen that the following claims and payrolls be approved:

<u>U.S. BANK</u>	<u>11/24/2023</u>
A/P Checks: 325194-325314	\$523,609.88
Payroll: 183607-183927, 43677-43731	<u>\$783,152.74</u>
TOTAL	\$1,306,762.62

Motion carried: 4-0

ITEM #13	HATS OFF TO HOMETOWN HITS
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Council Member Trautmann gave hats off to Our Family who did geocaching at Woodlake Nature Center this week .

Council Member Hayford Oleary stated he was going to be on an upcoming discussion panel talking about what Richfield had done making housing more affordable.

Council Member Christensen gave hats off to the upcoming next three Saturdays for the indoor winter market at Veterans Park.

Mayor Supple stated there was a gathering of authors at the Community Center last weekend. She indicated applications were now open through December 15 for the HRA and EDA.

ITEM #14	ADJOURNMENT
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M/Trautmann, S/Hayford Oleary to adjourn the meeting at 8:11 p.m.

Motion carried: 4-0

Date Approved: December 12, 2023



Chris Swanson
Management Analyst



Mary B. Supple
Mayor



Katie Rodriguez
City Manager