

**WORKSHOP MEETING
OF THE COUNCIL OF THE
CITY OF VADNAIS HEIGHTS
JANUARY 18, 2017**

The workshop meeting of the Council of the City of Vadnais Heights was held on the above date and called to order by Mayor Fletcher at 5:30 p.m.

The following members were present: Mayor Bob Fletcher, Councilmembers: Terry Nyblom, Craig Johnson and Heidi Gunderson.

The following members were absent: None.

Also present were: Administrator Kevin Watson, Assistant City Administrator Kathy Keefe, City Engineer Mark Graham, Finance Director Bob Sundberg, Planning/Community Development Director Nolan Wall, Attorney Caroline Bell Beckman, and Deputy Clerk Beckie Gumatz.

1. Garceau Site Redevelopment Proposal

- Wall introduced Bill & Ben Beard, representatives from the Beard Group, to present their proposal for a market rate apartment project on the Garceau corner site.
- Bill Beard gave background information about the Beard Group. They have recently completed projects in Osseo and Victoria.
- Their concept would be to construct an 81-unit market rate apartment project.
- It would cater to people who are “renters by choice,” predominantly millennials or baby boomers.
- Ben Beard spoke about the various constraints of the site. There is some sewer and stormwater infrastructure underneath the site that they would like to leave alone. There is also contamination on the western side of the site where the old hospital was buried.
- There would be access points to the building both off Edgerton Street and off of Centerville Road.
- Ben Beard also noted that the site is not level. The western side is about 20 feet lower than the eastern side. With the raised patio they are proposing, it would provide views of the lake.
- There would be underground parking spaces as well as single-stall outdoor garages.
- Fletcher asked about the setback from Edgerton Street to the garages. Wall responded it is about 100 feet.
- Ben Beard spoke about various outdoor amenities; individual decks for units as well as shared cluster seating with fire pits and grills on the common area patio.
- Ben Beard also talked about their plan for the front lobby area to be more like a hotel; a large open area with a place for people to gather.
- There would also be an office type area for people to work from home but not stay in their apartments.
- The units would consist of studios, one-bedroom units, and two-bedroom units. The studios and one-bedrooms are generally more geared towards millennials and have no separate dining area. The two-bedrooms are generally favored by baby boomers and would have a dedicated dining room space.
- Bill Beard noted that generally 70-80% of people they rent to are people that already live in the area.
- Fletcher asked what anticipated average rents would be. Bill Beard responded that they are hoping to rent between \$1,000 and \$2,500 per month, including a garage stall.
- Johnson asked what that equates to per square foot. Bill Beard answered they are looking for

roughly \$1.65 per square foot.

- Bill Beard added that if the City Council would choose to partner with the Beard Group, the next step would be to enter into a preliminary development agreement and they would do a market study. Then the per square footage figure could be adjusted.
- Nyblom expressed concern about the northeast entrance. He would like to make sure not a blind corner.
- Fletcher stated that he would not like the building to be taller than three stories.
- Watson explained that tonight staff is looking for consensus from the City Council on whether or not to move forward with the Beard Group and enter into a preliminary development agreement.
- Wall also mentioned several moving parts that need to happen moving forward. There would need to be a comprehensive plan amendment for these properties, as well as other various planning step approvals before any building could take place.
- City Council consensus was to move forward with the Beard Group.
- Paul Houck, owns property next to Garceau site, stated that he is open to being part of this project and potentially selling his property.

2. White Bear Lake Area Hockey Association Gambling Compliance

- Watson outlined the letter to the White Bear Lake Area Hockey Association asking for more details related to the compliance of the city's lawful gambling expenditure code requirements.
- The city code lawful gambling requirements were updated in December of 2015 to require at least 50% of lawful expenditures be spend within the city limits, and not more than 25% be spend outside of the trade area.
- The time period in question is January of 2016 through April of 2016. WBLAHA's fiscal year is May 1 – April 30.
- Letters were sent to all gambling entities in the city informing them of the new requirements.
- The city is requesting the additional information from WBLAHA by January 30, 2017. This item would then be brought back to the February 15, 2017 workshop for further discussion.
- Watson explained that WBLAHA donated money to White Bear Hockey, who then used the money to rent ice time at the Vadnais Sports Center. This does not qualify as a donation spent within the city limits per the city code.
- WBLAHA has been difficult to get further information from.
- There have also been questions regarding their 10% donation amounts to the city each month.
- Nyblom stated that he believes the problems that occurred in their previous fiscal year are continuing in their current fiscal year which began on May 1, 2016.
- Nyblom would like to consider hiring a professional to look further into WBLAHA's compliance.
- There was further discussion on whether or not to hire a professional and how much the city would be willing to spend.
- City Council consensus was to revisit the issue after January 30, 2017.

Adjourned at 6:59 p.m.

Prepared for and approved by:

Attest:

Kevin Watson, City Administrator

Bob Fletcher, Mayor