

## COON RAPIDS CITY COUNCIL MEETING MINUTES OF NOVEMBER 16, 2010

### OPEN MIC/PUBLIC COMMENT

No one appeared.

### CALL TO ORDER

The second regular meeting of the Coon Rapids City Council for the month of November was called to order by Mayor Tim Howe at 7:00 p.m. on Tuesday, November 16, 2010, in the Council Chambers.

### PLEDGE OF ALLEGIANCE TO THE FLAG

### ROLL CALL

Members Present: Mayor Tim Howe, Councilmembers Denise Klint, Melissa Larson, Paul Johnson, and Scott Schulte

Members Absent: Councilmembers Joe Sidoti and Jerry Nelson

### 1. ADOPT AGENDA

MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT THE AGENDA AS PRESENTED. THE MOTION PASSED UNANIMOUSLY.

### 2. RECOGNITION OF FIRE PREVENTION POSTER CONTEST PARTICIPANTS

Fire Marshal Williams indicated he visited all nine elementary schools this fall regarding the fire prevention contest. He stated this year's theme was "Beep, Beep, Beep, A Sound You Can Live With". He reviewed the importance of working smoke detectors in each and every home. Fire Marshal Williams presented the winners in attendance with their poster and a plaque from the Fire Department. He explained that each of the winners will go onto a metro-wide contest and are also invited to a pizza party at Fire Station #1 with the firefighters.

Mayor Howe thanked all those who participated in the Fire Prevention poster contest as this was a valuable initiative in educating the students of the school district as to the importance of smoke detectors.

### 3. COUNTY ATTORNEY-ELECT TONY PALUMBO

County Attorney-Elect Tony Palumbo introduced himself to the Council stating he would take office on January 4, 2011. He noted he has worked as an attorney for Anoka County for 31 years and would continue to work closely with Coon Rapids City staff and police into the future.

Mayor Howe congratulated Mr. Palumbo on the election and stated he was always welcome at Council meetings.

4. CONSIDER APPROVAL OF MINUTES:
    - A. OCTOBER 26, 2010, WORK SESSION
    - B. NOVEMBER 3, 2010, COUNCIL MEETING
    - C. NOVEMBER 9, 2010, SPECIAL COUNCIL MEETING
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MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER LARSON, FOR APPROVAL OF THE MINUTES OF THE OCTOBER 26, 2010, WORK SESSION. THE MOTION PASSED UNANIMOUSLY.

MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER KLINT, FOR APPROVAL OF THE MINUTES OF THE NOVEMBER 3, 2010, COUNCIL MEETING. THE MOTION PASSED UNANIMOUSLY.

MOTION BY COUNCILMEMBER LARSON, SECONDED BY COUNCILMEMBER KLINT, FOR APPROVAL OF THE MINUTES OF THE NOVEMBER 9, 2010, SPECIAL COUNCIL MEETING. THE MOTION PASSED UNANIMOUSLY.

5. CONSENT AGENDA:
    - A. ON-SALE 3.2% MALT LIQUOR WITH STRONG BEER IN CONJUNCTION WITH AN ON-SALE WINE LICENSE FOR DUNN BROTHERS COFFEE, 401 NORTHDALÉ BOULEVARD
    - B. 3.2% OFF-SALE MALT LIQUOR LICENSES FOR NORTHERN TIER RETAIL LLC D/B/A SUPER AMERICA #4197, 3155 COON RAPIDS BOULEVARD AND SUPER AMERICA #4290, 2015 NORTHDALÉ BOULEVARD
    - C. CONSIDER RESOLUTION 10-112 AMENDING THE 2010 FACILITY CONSTRUCTION FUND BUDGET FOR COMPLETION OF SECURITY IMPROVEMENTS AT CITY HALL
    - D. ACCEPT WARRANT DEED AND AUTHORIZE PAYMENT OF PAID TAXES, STANLEY AND CAROL ZAWISTOWSKI, SHENANDOAH BOULEVARD/ PONDS OF SHENANDOAH 3<sup>RD</sup> ADDITION
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MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER JOHNSON, FOR APPROVAL OF THE CONSENT AGENDA AS PRESENTED. THE MOTION PASSED UNANIMOUSLY.

6. CONSIDER AWARD OF BID PACKAGE – BUNKER HILLS GOLF COURSE, CONTRACT C-31 LOW VOLTAGE, VOICE, DATA, AV, PROJECT 08-20
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Public Services Director Gatlin presented a memorandum to Council stating bids were received on May 25, 2010 for the Bunker Hills Clubhouse project. The only bid not yet considered for award is

bid package C-31 - Low Voltage, Voice, Data, AV. Consideration of that bid is appropriate at this time.

On May 25, 2010, six bids were received for bid package C-31 - Low Voltage, Voice, Data, AV for the Bunker Hills Clubhouse project. The low bid was submitted by Unitech Electrical Contracting in the total amount of \$146,670. The bid for that item has not yet been awarded. The award has been delayed to allow the new food and beverage contractor, Town & Country Caterers, to review the bid and determine whether or not equipment provided would best meet their needs.

After reviewing the bids with Jason Hines of Town & Country Caterers, staff recommends all bids be rejected and that Mr. Hines and the City solicit quotes from technology vendors to provide a system that best meets the needs of Town & Country Caterers and the City of Coon Rapids. In the future, quotes will be received for required technology items. Since the City's portion of the technology bid package would be less than \$100,000, the normal competitive bid process would not be required.

The Golf Course budget contains \$146,670 for technology based on the low bid from Unitech Electrical Contracting. Staff believes going through the quote process, approximately \$5,000-\$10,000 could be saved on this item and a portion of the cost would be paid by Town & Country Caterers, the new food and beverage operator.

This item relates to the Community Development/Redevelopment section of the City's long term strategic vision. Redevelopment of Bunker Hills Clubhouse will enhance the recognition of Bunker Hills Golf Course as a major destination location through the redevelopment of the clubhouse facility.

Mayor Howe questioned if staff was looking to go in a new direction. Public Services Director Gatlin stated the technology bids did not meet the needs and the City was looking to go in another direction. He recommended Council reject these bids and allow staff to negotiate the necessary quotes for these items.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER LARSON, TO RECOMMEND THAT ALL BIDS RECEIVED FOR C-31 – LOW VOLTAGE, VOICE, DATA, AV FOR THE BUNKER HILLS CLUBHOUSE PROJECT BE REJECTED AND DIRECT STAFF TO NEGOTIATE WITH TECHNOLOGY CONSULTANTS TO OBTAIN QUOTES FOR REQUIRED TECHNOLOGY ITEMS. THE MOTION PASSED UNANIMOUSLY.**

**7. CONSIDER CONTRACT AWARD FOR NEW COON RAPIDS ICE ARENA, PROJECT 10-12**

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Public Services Director Gatlin presented a memorandum to Council stating on September 23, 2010, bids were received for 13 bid categories as part of Bid Package #2 for construction of the new Coon Rapids Ice Arena. Bids were also previously received for Bid Package #1 that included two bid categories for structural steel and precast concrete. Also, on October 5, 2010, bids were received for three additional categories as part of Bid Package #2 including plumbing, HVAC, and electrical items. On October 5, Council awarded bids in five bid categories.

Under the construction manager process, the City essentially acts as its own general contractor. Construction is broken down into a number of separate bid divisions. Construction of the new Coon Rapids Ice Arena was broken down into two bid packages with 18 separate bid categories. The project construction manager, RJM Construction, solicited bids for all bid categories for the project. Non-construction items to be bid later include furniture, fixtures, and equipment. A summary sheet showing the bid results for all 18 categories was provided.

Bids were received for the two bid packages with 18 separate bid categories on three separate dates. On August 20, 2010 bids were received for Bid Package #1. Bids were received for 13 of the 16 bid categories for Bid Package #2 on September 23 and finally bids were received for the remaining three bid categories for Bid Package #2 on October 5. On October 5 Council took action to award bid categories for five items shown on the summary sheet.

The construction manager has reviewed the remaining 13 bids not yet awarded in detail. RJM Construction is recommending that all of the remaining 13 bids be awarded with the exception of the ice system and athletic skate tile flooring. Staff, the construction manager, and design team are recommending that all bids for the ice system be rejected and the ice system be rebid. Rebidding the ice system allows staff and RJM to review the system for potential cost savings to bring the bids within the estimated costs and performance requirements. The design team, construction manager, and staff are also recommending that bids for athletic skate tile flooring be rejected. During the final design and value engineering process it has been determined that a different grade of athletic skate flooring can be substituted, reducing costs. Rebidding the athletic skate tile flooring allows for competitive rebidding of an alternate, more cost effective product.

It is recommended that the remaining items, excluding the ice system and athletic skate tile flooring, be awarded. The recommended low bidders and bids recommended for award are as follows:

Category	Description	Low Bidder	Bid
5B	Miscellaneous Steel	Linco Fab, Inc.	\$67,515
6A	Carpentry and Specialties	George F. Cook Construction	\$863,000
7B	Metal Panels and Roofing	SGO Roofing	\$250,592
8A	Aluminum Entrances/Curtain Wall/ Glass	All Metro Glass	\$333,500
9D	Painting	Fransen Decorating, Inc.	\$98,005
13B	Ice Rink Specialties	Rink Systems, Inc.	\$159,300
21A	Fire Protection Systems	General Sprinkler Corp	\$55,500
22A	Plumbing and Piping Systems	Wenzel-Plymouth Plumbing	\$474,000
23A	HVAC and Controls Systems	Northland Mechanical	\$1,102,000
26A	Electrical and Technology Systems	Manor Electrical, Inc.	\$1,200,000
32A	Landscaping and Irrigation	Great Northern Landscapes	\$168,750
Total			\$4,772,162

This item relates to the Quality of Life section of the City's long term strategic vision. The Ice Arena represents the first phase of a longer term community goal of a comprehensive community center on the current Target/Goodwill site. The intent is to work towards creating a community in which people of all generations decide to invest themselves and their resources in the community and to communicate their community pride.

On August 17, Council approved plans specifications and established a total project budget of \$10.3 M. In order to maintain this project budget, several bid package items need to be reduced. The design team has gone through a detailed value engineering process to reduce the scope of the project and the bid prices. Brian Recker of RJM Construction discussed the Coon Rapids Ice Arena final budget with recommended reductions in greater detail. The process to be followed at this time includes awarding bids as submitted and then reducing contract amounts through a final value engineering process and then using a change order process to reduce individual contract amounts for selected bidders. Also, it is appropriate at this time for the Council to consider the bid alternate for the outdoor rink. The total estimated construction cost for the outdoor rink is approximately \$650,000. Financing for the project will come from a combination of property tax levy, HRA funds, City facilities funds, possible tax increment funds, and outside contributions from user groups including the School District and the Coon Rapids Hockey Association.

City staff recommends approval of contracts and award of bids for 11 bid categories for Bid Package #2. A listing in tabular form of recommendations on award of contracts is as follows:

Category	Description	Low Bidder	Bid Amount
5B	Miscellaneous Steel	Linco Fab, Inc.	\$67,515
6A	Carpentry and Specialties	George F. Cook Constr.	\$863,000
7B	Metal Panels and Roofing	SGO Roofing	\$250,592
8A	Aluminum Entrances/Curtain Wall/ Glass	All Metro Glass	\$333,500
9D	Painting	Fransen Decorating, Inc.	\$98,005
13B	Ice Rink Specialties	Rink Systems, Inc.	\$159,300
21A	Fire Protection Systems	General Sprinkler Corp	\$55,500
22A	Plumbing and Piping Systems	Wenzel-Plymouth Plumbing	\$474,000
23A	HVAC and Controls Systems	Northland Mechanical*	\$1,102,000
26A	Electrical and Technology Systems	Manor Electrical, Inc.	\$1,200,000
32A	Landscaping and Irrigation	Great Northern Landscapes	\$168,750

The total of the 11 bid categories recommended for award is \$4,772,162.

Staff also recommends that bids for Bid Category #13A - Ice System, be rejected and specifications revised and this bid package rebid.

Staff also recommends that bids for Bid Category #9C - Athletic Sports Flooring, be rejected and specifications revised and this category rebid as a quote package since the value will be less than \$100,000.

Many project alternates were received and have been provided for Council review in RJM's total project budget summary dated November 10, 2010. One alternate provided was to reduce the quantity of infrared heaters at the arena stadium seating from 9 to 5. Should this alternate savings be accepted, the proposed contractor for award of Bid Category 23A, HVAC and Control Systems, would change to Gorham Oien Mechanical, Inc. at a contract of \$1,079,050.

Mayor Howe questioned if there were any further updates from staff. Public Services Director Gatlin indicated 11 areas were recommended for approval while two should be rejected in order to authorize staff to advertise these items again.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER JOHNSON, TO ACCEPT THE 11 BID CATEGORIES AS RECOMMENDED BY STAFF IN AN AMOUNT OF \$4,772.162 AND REJECT THE OTHER TWO ITEMS (13A AND 9C).**

City Manager Fulton requested comments from the Council on how to proceed with the bid alternate for outdoor ice.

Councilmember Schulte suggested an extra sheet of ice be added outdoors as it would pay dividends overtime and draw larger regional tournaments to the area.

Mayor Howe agreed with this recommendation as this would be a wonderful first-class arena and offering the outdoor ice would set the location apart.

Councilmember Johnson stated the ability to maintain ice at the local parks has been reduced so the extra sheet at the arena would allow the community another option for outdoor ice.

Councilmember Schulte stated the extra sheet would be refrigerated and maintained by a Zamboni.

**FRIENDLY AMENDMENT:** Accepted by Councilmember Schulte and Councilmember Johnson to include the bid alternate for the extra outdoor sheet of ice.

**THE MOTION PASSED UNANIMOUSLY.**

**8. CONSIDER ADOPTION OF ORDINANCE AMENDING THE CITY ZONING MAP FROM GENERAL COMMERCIAL TO INDUSTRIAL, SOUTHWEST CORNER OF 117<sup>TH</sup> AVENUE NW AND JAY STREET NW, PC 10-18**

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Planner Harlicker presented a memorandum to Council stating the City is requesting approval of a zone change from General Commercial to Industrial. The subject property is located at the southwest corner of 117<sup>th</sup> Avenue NW and Jay Street NW. The properties are 1818 117<sup>th</sup> Avenue NW and 11630 Jay Street NW.

In 2009 the City Council adopted its 2030 Comprehensive Land Use Plan, which guides future land use policies and decisions. The properties proposed for rezoning total 1.2 acres. There is an auto repair business and an undeveloped parcel that is owned by a manufacturing business. On the previous plan these properties had a land use designation of General Commercial; the current plan changed the land use designation to Industrial. The General Commercial designation is primarily a commercial area that tends to service industries, other businesses and residential areas. The Industrial designation is primarily a manufacturing, warehousing and similar industrial uses district.

State statute requires that the zoning of a parcel be consistent with its land use designation. To bring

the zoning map into compliance with the new land use map, several areas of the city need to be rezoned. This request is one of the rezonings that are needed so that the zoning map is consistent with the land use map.

The current zoning of General Commercial is consistent with the previous General Commercial land use designation. To make the zoning consistent with the current Industrial land use designation, the zoning of the subject parcels should be changed to Industrial.

The following uses are allowed in the Industrial zoning district:

- The assembly of fabricated metal products and electrical equipment, including communication equipment, phonographs, office machines, household appliances, and electronic components and accessories.
- The manufacture, compounding, processing, packaging or treatment of such products where 95 percent of all of the components and final products have an acute oral or dermal LD50 to mammals of 500 milligrams per kilogram or higher. Examples of such products are, but are not limited to, candy, cosmetics, drugs, perfume, pharmaceuticals, toiletries, and food products, except the rendering or refining of fats or oils.
- The manufacture, compounding, processing, packaging, treatment, or assembly of products and merchandise from the following prepared materials: bone, cellophane, canvas, cloth, cork, feathers, felt, fiber, fur, glass, hair, horn, leather, nonferrous metal, paper, plastics, precious metals or stones, shell, rubber textiles, wood (except planing mill), and yarn.
- The miscellaneous manufacture of jewelry, silverware, optical, photographic, sporting or athletic goods, watches, clocks, toys, musical, electronic or medical instruments, or pens, pencils, or other office or artistic materials.
- Office uses.
- Research, experimental or testing laboratories.
- Service uses, including laundry and dry cleaning, animal hospitals, and kennels, duly licensed under Chapter 6-200, printing, blue-printing, duplicating, mailing and graphic arts.
- Public uses or utilities.
- Wholesale businesses, warehouses, or freight terminals except for storage of bulk petroleum, scrap or waste material as a primary use.
- Self service storage facility.
- Repair, servicing or parts sales businesses, except for businesses related to vehicles.
- Uses which are not permitted uses, but which involve the manufacture, compounding, processing, packaging, treatment or assembly of products and merchandise. Such conditional uses shall not include the storage of bulk petroleum, scrap or waste material.
- Repair, rebuilding or servicing of vehicles, except fuel sales, including the sales of parts in conjunction therewith, but not including a junk yard or salvage business.
- Sales or rental of vehicles licensed for more than 9,000 pounds gross vehicle weight and special mobile equipment as defined in Section 9-121 of the Revised City Code-1982, except for recreational vehicles. Such use may include the sale of parts in conjunction therewith.
- Truck rental.
- Outdoor storage accessory to self service storage.

The proposed rezoning would not make the existing repair business or manufacturing business non-

conforming.

On November 3<sup>rd</sup> the Council introduced the ordinance for the proposed zone change.

At the October 21<sup>st</sup> Planning Commission meeting no one spoke at the public hearing. The Commission voted 4:0 to recommend approval of the proposed rezoning.

This item relates to the Community Development and Redevelopment section of the City's long term strategic vision in that the proposed rezoning will promote a sustainable growing economic base.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT AN ORDINANCE APPROVING THE PROPOSED ZONE CHANGE FROM GENERAL COMMERCIAL TO INDUSTRIAL AT THE SOUTHWEST CORNER OF 117<sup>TH</sup> AVENUE NW AND JAY STREET NW BASED ON THE FOLLOWING FINDINGS:**

1. THE PROPOSED REZONING TO INDUSTRIAL IS CONSISTENT WITH THE LAND USE DESIGNATION OF INDUSTRIAL.
2. THE PROPOSED REZONING IS COMPATIBLE WITH THE ADJACENT LAND USE DESIGNATIONS AND LAND USES.
3. THE PROPOSED REZONING TO INDUSTRIAL WOULD NOT HAVE AN ADVERSE IMPACT ON THE ADJACENT PROPERTIES.

THE MOTION PASSED UNANIMOUSLY.

9. CONSIDER ADOPTION OF ORDINANCE AMENDING THE CITY ZONING MAP FROM OFFICE AND LOW DENSITY RESIDENTIAL 2 TO MODERATE DENSITY RESIDENTIAL AND LOW DENSITY RESIDENTIAL 2, 3237 COON RAPIDS BOULEVARD, PC 10-28
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Planner Harlicker presented a memorandum to Council stating the City is requesting approval of a zone change from Office and Low Density Residential 2 to Moderate Density Residential and Low Density Residential 2. The subject property is located at the northwest corner of Coon Rapids Boulevard and Lily Street NW, 3237 Coon Rapids Boulevard.

In 2009 the City Council adopted its 2030 Comprehensive Land Use Plan, which guides future land use policies and decisions. The property proposed for rezoning totals 23.8 acres. WCCO has a transmittal tower on the property. On the previous plan the property had a land use designation of Office and Low Density Residential; the current plan changed the land use designation to Moderate Density Residential and Low Density Residential. The Office designation provides for the location of office and other commercial uses. The Moderate Density Residential designation is primarily residential with attached housing at a density of four to seven units per acre.

State statute requires that the zoning of a parcel be consistent with its land use designation. To bring the zoning map into compliance with the new land use map, several areas of the city need to be rezoned. This request is one of the rezonings that are needed so that the zoning map is consistent with the land use map.

The current zoning of Office and Low Density Residential 2 is consistent with the previous Office and Low Density Residential land use designation. To make the zoning consistent with the current Moderate Density Residential and Low Density Residential land use designation, the zoning of the subject parcels should be changed to Moderate Density Residential and Low Density Residential 2.

The following uses are allowed in the Moderate Density Residential zoning district:

- Public uses or utilities, except major buildings, substations, towers, or high voltage transmission lines.
- Townhouses.
- Multiple dwellings of seven or fewer units per acre.
- State licensed community residential facilities or day care facilities serving 16 or fewer persons.
- Single-family dwellings when combined with permitted and/or other attached dwellings uses to achieve a density of at least four dwelling units per acre.
- State licensed community residential facilities or day care facilities serving 17 or more persons.
- State licensed community correctional facilities
- Cemeteries and their accessory structures.
- Churches, private schools, nursing and boarding care homes, hospitals, sanitariums, rest, and similar institutions.
- State licensed community residential facilities serving seven or more persons or group family day care facilities serving 15 or more children.
- Feedlots, provided that a feedlot permit is obtained from the Minnesota Pollution Control Agency.
- Marinas and related uses.
- Mining as regulated under Chapter 11-2000.
- Public buildings and major utility structures
- Private stables on less than five acres.
- Public and boarding stables as regulated under Chapter 6-300.
- Recreational facilities such as country clubs, community recreation buildings, golf courses, archery ranges, or trapshooting ranges.

The proposed rezoning would **not** make the existing transmittal tower non-conforming. It is a conditional use under the current zoning and will remain a conditional use under the proposed zoning.

On November 3<sup>rd</sup> the Council introduced the ordinance for the proposed zone change.

At the October 21<sup>st</sup> Planning Commission meeting, two residents spoke at the public hearing. They would like to see the entire parcel zoned single family residential. The Commission voted 4:0 to recommend approval of the zone change.

This item relates to the Community Development and Redevelopment section of the City's long term strategic vision in that the proposed rezoning will promote a sustainable growing economic base.

Councilmember Schulte clarified for the public that this was the WCCO tower site.

MOTION BY COUNCILMEMBER LARSON, SECONDED BY COUNCILMEMBER JOHNSON, TO ADOPT AN ORDINANCE APPROVING THE PROPOSED ZONE CHANGE FROM OFFICE AND LOW DENSITY RESIDENTIAL 2 TO MODERATE DENSITY RESIDENTIAL AND LOW DENSITY RESIDENTIAL 2 AT 3237 COON RAPIDS BOULEVARD BASED ON THE FOLLOWING FINDINGS:

1. THE PROPOSED REZONING TO MODERATE DENSITY RESIDENTIAL AND LOW DENSITY RESIDENTIAL 2 IS CONSISTENT WITH THE LAND USE DESIGNATION OF MODERATE DENSITY RESIDENTIAL AND LOW DENSITY RESIDENTIAL.
2. THE PROPOSED REZONING IS COMPATIBLE WITH THE ADJACENT LAND USE DESIGNATIONS AND LAND USES.
3. THE PROPOSED REZONING TO MODERATE DENSITY RESIDENTIAL AND LOW DENSITY RESIDENTIAL 2 WOULD NOT HAVE AN ADVERSE IMPACT ON THE ADJACENT PROPERTIES.

THE MOTION PASSED UNANIMOUSLY.

10. CONSIDER ADOPTION OF ORDINANCE AMENDING THE CITY ZONING MAP FROM INDUSTRIAL TO MODERATE DENSITY RESIDENTIAL, 10732 HANSON BOULEVARD, PC 10-29
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Planner Harlicker presented a memorandum to Council stating the City is requesting approval of a zone change from Industrial to Moderate Density Residential for property located at the northwest corner of Hanson Boulevard and 108<sup>th</sup> Avenue NW.

In 2009 the City Council adopted its 2030 Comprehensive Land Use Plan, which guides future land use policies and decisions. The property proposed for rezoning totals 56,326 square feet. There is a vacant office building on the property. On the previous plan the property had a land use designation of Industrial; the current plan changed the land use designation to Moderate Density Residential. The Industrial designation is primarily a manufacturing, warehousing and similar industrial uses district. The Moderate Density Residential designation is primarily residential with attached housing at a density of four to seven units per acre.

State statute requires that the zoning of a parcel be consistent with its land use designation. To bring the zoning map into compliance with the new land use map, several areas of the city need to be rezoned. This request is one of the rezonings that are needed so that the zoning map is consistent with the land use map.

The current zoning of Industrial is consistent with the previous Industrial land use designation. To make the zoning consistent with the current Moderate Density Residential land use designation, the zoning of the subject parcels should be changed to Moderate Density Residential.

The following uses are allowed in the Moderate Density Residential zoning district:

- Public uses or utilities, except major buildings, substations, towers, or high voltage transmission lines.
- Townhouses.
- Multiple dwellings of seven or fewer units per acre.
- State licensed community residential facilities or day care facilities serving 16 or fewer persons.
- Single-family dwellings when combined with permitted and/or other attached dwellings uses to achieve a density of at least four dwelling units per acre.
- State licensed community residential facilities or day care facilities serving 17 or more persons.
- State licensed community correctional facilities
- Cemeteries and their accessory structures.
- Churches, private schools, nursing and boarding care homes, hospitals, sanitariums, rest, and similar institutions.
- State licensed community residential facilities serving seven or more persons or group family day care facilities serving 15 or more children.
- Feedlots, provided that a feedlot permit is obtained from the Minnesota Pollution Control Agency.
- Marinas and related uses.
- Mining as regulated under Chapter 11-2000.
- Public buildings and major utility structures
- Private stables on less than five acres.
- Public and boarding stables as regulated under Chapter 6-300.
- Recreational facilities such as country clubs, community recreation buildings, golf courses, archery ranges, or trapshooting ranges.

The proposed rezoning would make the existing office building non-conforming.

On November 3<sup>rd</sup> the Council introduced the ordinance for the proposed zone change.

At the October 21<sup>st</sup> Planning Commission meeting, two residents spoke at the public hearing. They were concerned about the possible impacts of redevelopment; one thought the property should be single family residential. The Commission voted 4:0 to recommend approval of the zone change.

This item relates to the Community Development and Redevelopment section of the City's long term strategic vision in that the proposed rezoning will promote a sustainable growing economic base.

**MOTION BY COUNCILMEMBER JOHNSON, SECONDED BY COUNCILMEMBER LARSON, TO ADOPT AN ORDINANCE APPROVING THE PROPOSED ZONE CHANGE FROM INDUSTRIAL TO MODERATE DENSITY RESIDENTIAL AT 10732 HANSON BOULEVARD BASED ON THE FOLLOWING FINDINGS:**

1. THE PROPOSED REZONING TO MODERATE DENSITY RESIDENTIAL IS CONSISTENT WITH THE LAND USE DESIGNATION OF MODERATE DENSITY RESIDENTIAL.

2. THE PROPOSED REZONING IS COMPATIBLE WITH THE ADJACENT LAND USE DESIGNATIONS AND LAND USES.
3. THE PROPOSED REZONING TO MODERATE DENSITY RESIDENTIAL WOULD NOT HAVE AN ADVERSE IMPACT ON THE ADJACENT PROPERTIES.

THE MOTION PASSED UNANIMOUSLY.

11. CONSIDER ADOPTION OF ORDINANCE AMENDING CITY CODE; ALLOWING INDOOR RECREATION AS A CONDITIONAL USE IN PORT WELLNESS, PC 10-31

Planner Harlicker presented a memorandum to Council stating the City is proposing an ordinance amendment to amend the Section 11-2803 to allow indoor recreation as a conditional use in Port Wellness

On September 16<sup>th</sup> the Planning Commission recommended approval of a zone change to include the bowling alley, located at 11707 Round Lake Boulevard, in Port Wellness. The Commission was concerned that the bowling alley, which for zoning purposes would be included in the definition of indoor recreation, would become a non-conforming use. The City Code does not currently allow indoor recreational uses in Port Wellness. Indoor recreation is a conditional use in Ports Evergreen and Riverwalk.

The Commission included in its recommendation to Council the condition that the City Code be amended to allow indoor recreation as a conditional use in Port Wellness. The Commission thought that indoor recreation fit in well with the concept of promoting healthy activities in Port Wellness and was an appropriate use for the Port. Health and fitness centers, which are similar to indoor recreation, are an allowed use.

On November 3<sup>rd</sup> the Council introduced the ordinance for the proposed zone change.

At the Planning Commission meeting held on October 21<sup>st</sup>, no one spoke at the public hearing. The Commission voted 4:0 to recommend approval of the code amendment.

This item relates to the Community Development and Redevelopment section of the City's long term strategic vision in that the proposed rezoning will promote a sustainable growing economic base.

MOTION BY COUNCILMEMBER LARSON, SECONDED BY COUNCILMEMBER SCHULTE, TO ADOPT AN ORDINANCE APPROVING THE PROPOSED ORDINANCE AMENDMENT TO AMEND SECTION 11-2803 TO ALLOW INDOOR RECREATION AS A CONDITION USE IN PORT WELLNESS. THE MOTION PASSED UNANIMOUSLY.

12. CONSIDER APPROVAL OF LOAN DOCUMENTS FOR BIOVEST INTERNATIONAL, INC.
    - A. AUTHORIZE EXECUTION OF LOAN AGREEMENT
    - B. AUTHORIZE EXECUTION OF GRANT AGREEMENT
    - C. APPROVE SECURITY AGREEMENT
    - D. APPROVE PROMISSORY NOTE
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E. APPROVE MORTGAGE

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Community Development Director Nevinski presented a memorandum asking Council to approve loan documents for a Minnesota Investment Fund loan to Biovest International, Inc.

Staff was contacted by the Minnesota Department of Employment and Economic Development in June of 2009 regarding the potential expansion of Biovest International. The company has been a long term corporate citizen of Coon Rapids and is located at 8500 Evergreen Boulevard. Biovest is a subsidiary of Accentia Biopharmaceuticals, based in Tampa, Florida.

Biovest has recently developed a vaccine call BiovaxID to fight non-Hodgkin's lymphoma, a form of cancer. The vaccine uses proteins from cancer cells to create a targeted immune response to those cancer cells. The vaccine is patient-specific and therefore must be developed utilizing the patient's own cells.

Biovest has a competitive advantage in this area as the company also developed, patented and currently manufactures a series of hollow fiber instruments used to develop cell cultures for pharmaceutical, diagnostic, and biotechnology related companies and institutions. These instruments are unique in that they are self contained, compact, and automated, as opposed to more conventional cell growth chambers which require considerably more space and human interaction to operate. The instruments allow Biovest to very efficiently produce the BiovaxID vaccine on a large scale and to FDA standards. Biovest plans to remodel 3000 square feet of existing, unutilized, space in its current Coon Rapids facility in which to begin production of the vaccine.

The vaccine has not yet been approved by the FDA for use in the U.S. However, it has been identified for a named-patient (compassionate use) study in Europe, although the study is currently on-hold until the Coon Rapids facility is remodeled. The company projects it will manufacture three hundred vaccines for this European study utilizing its hollow fiber instruments.

The overall improvements are valued at \$1.1 million dollars. The landlord is funding \$750,000 worth of improvements. The Council previously approved an application for, and recently received, a grant award from the State of Minnesota for a Minnesota Investment Fund (MIF) loan to the company of \$250,000. The HRA will also consider a \$100,000 loan for the company next month.

The MIF loan is amortized over twenty years with a balloon payment due in ten years. The interest rate is adjustable, starting at 2.5% for the first five years and increases every twenty months thereafter, up to nine percent. This rate structure gives the company time to grow, provides an incentive to pay off the loan early, and addresses previously stated Council objectives of setting loan terms similar to the market. The loan will be secured by both a security agreement in the equipment.

The landlord has agreed to provide the City a second position mortgage in the real estate. The company is pledging to create at least fourteen jobs within the next two years that will pay at least \$15 per hour, plus benefits. The positions will include technical personnel, quality control experts, and engineers.

Biovest faced significant challenges to its expansion plans since discussions with staff first began in June of 2009. Its parent company, Accentia Pharmaceutical, voluntarily filed for Chapter 11

bankruptcy protection in November of 2008, making it impossible to secure financing from conventional lenders, the SBA or even the Twin Cities Community Capital Fund, of which Coon Rapids was a member. Currently, the company is scheduled to emerge from bankruptcy this month and has secured the required bankruptcy-exit financing. It has also received a Department of Defense biotechnology grant to develop a purification device with applications for its lymphoma vaccine as well as influenza vaccine. Additionally, the company has received “orphaned drug” status from the FDA for its lymphoma vaccine, which is a fast track incentive program for companies to develop treatments for diseases with small patient populations.

This item relates to the Community Development and Redevelopment section of the City’s long term strategic vision by supporting the City’s economic development strategy to attract and expand bioscience companies and create bioscience jobs in Coon Rapids.

The loan is being made using state dollars from the Minnesota Investment Fund. The City will retain twenty percent of the principal and interest payments, which will then be used to make future economic development loans.

Mayor Howe explained that Biovest is planning to remodel 3,000 square feet of unutilized space to begin the production of a vaccine. He said that while there was a limited amount of risk, it was a promising company on the rise in the City of Coon Rapids.

**MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER JOHNSON, TO AUTHORIZE THE MAYOR AND CITY MANAGER TO EXECUTE THE LOAN AGREEMENT BETWEEN THE CITY AND BIOVEST INTERNATIONAL, INC; AUTHORIZE THE MAYOR AND CITY MANAGER TO EXECUTE THE GRANT AGREEMENT BETWEEN THE CITY AND THE DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT; APPROVE THE SECURITY AGREEMENT; APPROVE THE PROMISSORY NOTE; AND APPROVE THE MORTGAGE. THE MOTION PASSED UNANIMOUSLY.**

13. 2011 FEE REVISIONS

A. CONSIDER INTRODUCTION OF ORDINANCE ESTABLISHING PERMIT AND INSPECTION FEES FOR THE BUILDING INSPECTIONS DIVISION

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A memorandum was presented from Manager of Accounting/Treasurer Vouk asking Council to consider introducing an ordinance to set the building inspection fees for 2011. This ordinance does not change any amounts, but combines the original 2010 schedule (Ordinance No. 2027) with changes adopted during 2010 (Ordinance No. 2038) and indicates that the fees are in effect for 2011. No changes to fees set by other ordinances are recommended for 2011.

State Statutes require that the amount charged for fees not exceed the cost of providing the service. Since most administrative salary increases in 2010 were not added to base salaries and thus will not carry into 2011, as well as holding the line on other expenditures in the 2011 budget, it is recommended that fees set by ordinance and authorized in the following sections of the City Code not be increased for 2011:

Title 5 - Business Regulatory Licenses  
Title 8 - Waste and Recycling Hauler Licenses  
Title 8 - False Alarm Charges  
Title 11 - Planning Fees  
Title 12 - Sign Contractor Licenses  
Title 12 - Property Monitoring and Excessive Inspection Services Fees

Furthermore, certain fees under Section 5-209 (alcoholic beverages) and the gambling investigation fee under Section 5-2008 of the City Code are set by Minnesota Statutes and did not change for 2011.

There were several changes to the building inspection permit fee structure during 2010. The ordinance combines the original 2010 schedule with those changes and indicates that the new schedule is in effect for 2011 and thereafter until revised. There are no changes to the amounts.

This item relates to the Excellence in Government section of the City's long-term strategic vision by ensuring that fees cover the cost of providing the related service or the amount allowed under State Statutes.

Hearing no objections, Mayor Howe declared the ordinance to have been introduced.

**B. CONSIDER RESOLUTION 10-111 AUTHORIZING THE AMENDED CIVIC CENTER USE POLICY AND RELATED FEES**

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Finance Director Legg presented a memorandum stating the City Council adopted the Policy for Use of Civic Center Facilities and a resolution establishing charges for use of the facilities. Staff is recommending some changes to the policy.

As you know, the Civic Center is used for a number of events during the year including weddings, banquets, parties, athletic group functions, townhome association meetings, civic groups such as scouts, etc. Due to some significant policy violations, it is staff's recommendation that some changes in the policy be made.

1. Staff strongly recommends that a City-approved, licensed caterer be required for use of the kitchen. It is clear that caterers leave the facility much cleaner and do not break equipment such as the stove, dishwasher, disposal, etc. as compared to many of the private parties inexperienced with commercial kitchens. A list of approved caterers would be provided by the Facility Coordinator. Part of becoming an approved caterer would include attending a mandatory equipment training session conducted by staff.
2. Presently, only if a user of the facility is serving beer or wine is a police officer present in the building. Recently, there have been events where the user said there would be no alcohol which was not the case. By the time staff is aware of the situation, the event is in full swing and difficult to control. And, in other instances, groups using the facility are disruptive to groups using another room or violate other use policies. Staff is recommending that fees be increased to cover additional staff to monitor events. This not only will provide more customer service by assisting users when they are here, but will be able to manage events. Users can be restricted to

the rooms rented, doors can be monitored, restrooms maintained, traffic can be directed, power issues resolved, etc. This is typical of other facilities surveyed.

3. Other miscellaneous changes to the Policy (attached) to clarify expectations.

Reservations taken after January 1, 2011 will be charged the new fees. Events already booked pay the already quoted fee. Groups using the facility on a regular basis could be given until July 1 to adjust to the new fee.

This meets the long term strategic vision by improving the quality of life for citizens of the City.

**MOTION BY COUNCILMEMBER LARSON, SECONDED BY COUNCILMEMBER KLINT, TO ADOPT RESOLUTION 10-111, AUTHORIZING THE AMENDED CIVIC CENTER USE POLICY AND RELATED FEES.**

Councilmember Johnson commended staff for addressing the issues at the Civic Center within the Civic Center Use Policy.

Mayor Howe questioned if the training room rental expense was necessary for Boy Scout groups. Finance Director Legg indicated Scout groups generally meet weekly but the training room use was typically for larger events. Conference rooms were available Monday through Thursday for no charge.

Mayor Howe requested further information on which groups were using the training room. Senior Services Director Kris Niebler explained that Scouts, athletic groups, soccer organizations, and AA groups all use this space. The conference room was used on a more frequent basis for Scouts.

Mayor Howe indicated the persons managing the calendar for these spaces will have to be flexible to manage the space with these different organizations.

Councilmember Schulte asked if the seniors had to pay the set fees. Ms. Niebler explained the City allows the seniors to use the facility during daytime weekday hours at no expense. However, night time hours would require staff supervision.

Finance Director Legg noted the building would now be supervised while also providing customer service to the organizations using the facility. Users will appreciate having a staff member onsite.

Councilmember Klint requested that an organization willing to pay for use of the training space during the day be allowed to use the space, in lieu of the seniors who use the space for free. Finance Director Legg indicated this was a bigger issue as the philosophy has been to use the Civic Center as a senior center during the day and for civic uses in the evening. She explained that up until 3:00 p.m. each day programs were run for seniors.

Councilmember Schulte stated seniors in the community were a huge asset and if a portion of the Civic Center was designated for senior use he understood. However, he questioned if all the seniors being served were from Coon Rapids. He wanted to be assured that the needs of the residents were being met. Councilmember Schulte expressed frustration with the need to charge a fee for services to non-profit organizations at the Civic Center, but stated this was the growing trend.

Mayor Howe stated he would like to see no fees charged for the training room but understood it needed to be monitored when in use. He requested feedback from staff on this issue.

Councilmember Johnson expressed concern about health regulations if licensed food providers were not used on this site. He said he was in favor of having all caterers being licensed.

Mayor Howe was in agreement.

THE MOTION PASSED UNANIMOUSLY.

#### 14. OTHER COUNCIL BUSINESS

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Councilmember Schulte questioned if the WCCO property could be addressed by staff as there was a great number of trees that needed to be cleaned up.

Councilmember Schulte requested the Council consider taking a position on the river corridor/dam and send a proclamation to the DNR. City Manager Fulton stated the Coon Rapids Dam Commission was speaking on this issue and felt it was premature to weigh in on this until further information was available. He explained there was an open meeting on Wednesday, November 17, 2010 in Champlin at the City Hall at 5:00 p.m. He noted that Councilmember Sidoti was also on this committee.

Councilmember Schulte indicated he did not want to see the dam removed, adding this was the feedback he was hearing from constituents. City Manager Fulton stated this option has been eliminated from committee consideration.

Mayor Howe requested staff clean up the center medians near Home Depot as they were in need of maintenance. City Manager Fulton indicated he thought this was private property but would investigate it further.

#### 15. ADJOURN

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MOTION BY COUNCILMEMBER SCHULTE, SECONDED BY COUNCILMEMBER LARSON,  
TO ADJOURN THE MEETING AT 7:55 P.M. THE MOTION PASSED UNANIMOUSLY.

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Tim Howe, Mayor

ATTEST:

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Joan A. Anderson, City Clerk