

REPORT TO THE CITY COUNCIL FROM  
THE COMMUNITY DEVELOPMENT AND REGULATORY SERVICES COMMITTEE  
STANDING COMMITTEE OF THE MINNEAPOLIS CITY COUNCIL  
June 23, 2015

A regular meeting of the committee was convened at 1:30 p.m. on this date.

Members Present: Council Members Lisa Goodman (chair), Jacob Frey, Kevin Reich, Abdi Warsame, Alondra Cano and John Quincy

Matters listed below are hereby submitted with the following recommendations; to-wit:

1. Land sale: 5147 Penn Ave N to PRG, Inc. ([15-00752](#))

Considering resolution authorizing the sale of property to PRG, Inc. for \$10,000, subject to conditions: a) land sale closing must occur on or before 90 days from the date of City Council approval; and b) payment of holding costs of \$300.00 per month if the land sale closing does not occur on or before the closing deadline. The sale conditions may be waived or amended with approval of the CPED Director.

Staff presentation was given by Edie Oliveto-Oats, Department of Community Planning & Economic Development.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Quincy, carried on voice vote, the matter was approved.

2. Land sale: 3901 22nd Ave S to Accent Homes, Inc. ([15-00753](#))

Considering resolution authorizing sale of property to Accent Homes, Inc. for \$25,200, subject to conditions: a) land sale closing must occur on or before 90 days from the date of City Council approval; and b) payment of holding costs of \$300.00 per month if the land sale closing does not occur on or before the closing deadline. The sale conditions may be waived or amended with approval of the CPED Director.

If Accent Homes, Inc. fails to close, approve the sale of property to Paramount Investment Group, LLC. for \$25,200, subject to conditions: a) land sale closing must occur on or before 30 days from date of City notification; and b) payment of holding costs of \$300.00 per month from the date of notification to the date of closing if the land sale closing does not occur on or before 30 days from the date of City notification. The sale conditions may be waived or amended with approval of the CPED Director.

Staff presentation was given by Earl Pettiford, Department of Community Planning & Economic Development.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Quincy, carried on voice vote, the matter was approved.

3. Minnehaha Academy Project host approval for bond issuance ([15-00754](#))

Considering resolution authorizing Host Approval for the issuance of Bank Qualified Bank Direct Financing for Minnehaha Academy through the cities of Lilydale and Mendota, in connection with (a) refinancing a project which consisted of (i) a new approximately 38,000 square foot gymnasium building, (ii) approximately 32,000 square feet of renovations comprised of new performance, rehearsal and storage space for drama productions, choir, band and orchestra concerts and other performing and visual arts events, as well as community gatherings, an art room, a photography darkroom, four classrooms, student commons and locker areas and an approximately 2,800 square foot enclosed pedestrian walkway connecting the auditorium and gymnasium, (iii) office space for the Admissions and Development offices of the Corporation, (iv) various site improvements and enhancements of existing 9th through 12th grade school facilities located at 3100 W River Pkwy, and (v) expansion, renovation, remodeling, equipping and various site improvements and enhancements of the pre-kindergarten through 8th grade school facilities located at 4200 W River Pkwy; (b) refinancing a debt obligation incurred by the Corporation with respect to the Prior Obligations (hereinafter defined); and (c) paying costs associated with the proposed revenue obligations.

Staff presentation was given by Becky Shaw, Department of Community Planning & Economic Development.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Quincy, carried on voice vote, the matter was approved.

4. Fairview Health Services Project bond issuance ([15-00755](#))

Considering approval of a resolution giving preliminary and final approval to the issuance of up to \$135,000,000 in 501(c)(3) Tax-exempt Revenue Bonds re refinancing and remodeling.

Staff presentation was given by Becky Shaw, Department of Community Planning & Economic Development.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Quincy, carried on voice vote, the matter was approved.

5. Jones-Harrison Residence host approval for bond issuance ([15-00756](#))

Considering resolution authorizing the execution of a Cooperative Agreement authorizing Host Approval for the issuance of 501(c)(3) tax-exempt health care revenue bonds for Jones-Harrison Residence through the City of St. Louis Park.

Staff presentation was given by Becky Shaw, Department of Community Planning & Economic Development.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Reich, carried on voice vote, the matter was approved.

6. Able Seedhouse + Brewery: 1121 Quincy St NE ([15-00757](#))

Considering application for an On-Sale Liquor Taproom, with Sunday Sales, Class E license, an Off-Sale Malt Liquor Growler license, and a Sidewalk Café license (New Business).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Reich, carried on voice vote, the matter was approved.

7. Bonicelli Kitchen: 1901 Fillmore St NE ([15-00757](#))

Considering application for an On-Sale Charter Wine with Strong Beer, Class E license and a Sidewalk Café license (New Business).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Reich, carried on voice vote, the matter was approved.

8. Co-op Creamery Neighborhood Café: 2601 E Franklin Ave ([15-00757](#))

Considering application for an On-Sale Wine with Strong Beer, Class E license (New Business).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Cano, carried on voice vote, the matter was approved.

9. Davanni's Pizza and Hot Hoagies: 1414 W Lake St ([15-00757](#))

Considering application for an On-Sale Wine with Strong Beer, Class E license (License Upgrade).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Frey, carried on voice vote, the matter was approved.

10. El Taco Riendo: 2412 Central Ave NE ([15-00757](#))

Considering application for an On-Sale Wine with Strong Beer, Class E license and a Sidewalk Café license (New License).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Reich, carried on voice vote, the matter was approved.

11. Henry & Son: 811 Glenwood Ave ([15-00757](#))

Considering application for an Off-Sale Liquor license (New Business).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Goodman, carried on voice vote, the matter was approved.

12. Joint/Cabooze: 913-917 Cedar Ave S ([15-00757](#))

Considering application for an On-Sale Liquor with Sunday Sales, Class B license (Expansion of Premises).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Reich, carried on voice vote, the matter was approved.

13. Katar River Restaurant & Bakery: 2751 Minnehaha Ave ([15-00757](#))

Considering application for an On-Sale Wine with Strong Beer, Class C-2 license (License Upgrade and Expansion of Premises).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Cano, carried on voice vote, the matter was approved.

14. Pizza Hut: 1101 Hennepin Ave ([15-00757](#))

Considering application for an On-Sale Liquor with Sunday Sales, Class E license (New Business).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Goodman, carried on voice vote, the matter was approved.

15. Playoffs Sports Lounge: 2501 University Ave SE ([15-00757](#))

Considering application for an On-Sale Liquor with Sunday Sales, Class C-2 license (Expansion of Premises).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened. There being no persons wishing to speak, the public hearing was closed.

On motion by Frey, carried on voice vote, the matter was approved.

16. Conduct on licensed premises ordinance ([15-00758](#))

Considering ordinance amending Title 12, Chapter 244 of the Minneapolis Code of Ordinances relating to Housing: Maintenance Code, amending provisions related to conduct on licensed premises, required rental property management training and license reinstatement requirements (by Glidden).

The public hearing was opened.

Staff presentation was given by Kellie Jones, Department of Regulatory Services, and Luther Krueger, Police Department.

The Chair afforded the courtesy of the floor to:

- a. Council President Barbara Johnson.
- b. Council Vice President Elizabeth Glidden.

The public hearing was opened.

The following person spoke:

- c. Cecil Smith, 1600 3rd St NE, Chair of the Municipal Affairs Committee, Minnesota Multi-Housing Association.

Goodman moved approval of the ordinance.

On motion by Goodman, carried on voice vote, Section 244.1840 (3) (a) of the ordinance was amended to require license holders with one upheld citation to attend one of the accepted rental management classes, to read as follows:

a. When an owner and/or the agent/contact person designated in subsection (3), have never owned or managed rental property, the owner and/or the agent/contact person shall, after the first instance in which an administrative citation issued pursuant to Chapter 2 of this Code has been paid, upheld upon appeal, or has been neither paid nor appealed, provide proof of attendance and successful completion of a recognized fundamentals of rental property management course approved by the director of regulatory services. Any costs associated with that workshop will be the sole responsibility of the licensee or agent/contact person.

On motion by Frey, carried on voice vote, Section 244.2020 (d) and (f) of the ordinance were amended to read as follows:

(d) If another instance of disorderly use of the licensed premises occurs within eighteen (18) months, if the premises contains between one (1) and six (6) distinct and separate residential units, or within twelve (12) months, if the premises contains ~~more than six (6)~~ between seven (7) and fifty (50) distinct and separate residential units, or within nine (9) months, if the premises contains between fifty-one (51) and one hundred (100) distinct and separate residential units, or within six (6) months, if the premises contains more than one hundred (100) distinct and separate units, of an incident for which a notice in subsection (c) was given, the crime prevention specialist or other assigned police department employee shall notify the licensee by mail of the violation. The licensee shall submit an updated satisfactory written management plan to the police department within ten (10) days of receipt of the notice of disorderly use of the premises. The written management plan shall detail all actions taken by the licensee in response to all notices of disorderly use of the premises within the preceding twelve (12) months. The written management plan shall also detail all actions taken and proposed to be taken by the licensee to prevent further disorderly use of the premises. The licensee shall implement all provisions of the written management plan within twenty (20) days after acceptance of the management plan by the crime prevention specialist or other assigned police department employee. The notice provided to the licensee of the violation shall inform the licensee of the requirement of submitting a written management plan. That notice shall further inform the licensee that failure to submit a written management plan or failure to implement all provisions of the management plan within twenty (20) days after its acceptance may result in the city council taking action to deny, refuse to renew, revoke, or suspend the license. The licensee or the listed agent/contact person for the licensee shall also successfully complete a property owner's workshop at the direction of and in accordance with a schedule set forth by the police department. Any costs associated with that workshop will be the sole responsibility of the licensee. The notice provided to the licensee of the violation shall inform the licensee of the requirement of the licensee or the listed agent/contact person for the licensee of the requirement to successfully complete a property owner's workshop. That notice shall further inform the licensee that failure to successfully complete the property owner's workshop may result in the city council taking action to deny, refuse to renew, revoke, or suspend the license.

(f) If another instance of disorderly use of the licensed premises occurs within eighteen (18) months, if the premises contains between one (1) and six (6) distinct and separate residential units, or within twelve (12) months, if the premises contains ~~more than six (6)~~ between seven (7) and fifty (50) distinct and separate residential units, or within nine (9) months, if the premises contains between fifty-one (51) and one hundred (100) distinct and separate residential units, or within six (6) months, if the premises contains more than one hundred (100) distinct and separate units, after the second of any two (2) previous instances of disorderly use for which notices were sent to the licensee pursuant to this section,

the rental dwelling license for the premises may be denied, revoked, suspended, or not renewed. An action to deny, revoke, suspend, or not renew a license under this section shall be initiated by the director of inspections in the manner described in section 244.1940, and shall proceed according to the procedures established in sections 244.1950, 244.1960, and 244.1970.

On voice vote, the ordinance, as amended, was approved.

On motion by Frey, carried on voice vote, the following staff directive was approved:  
Direct Regulatory Services and MPD staff to return to the CD&RS Committee within one year with a report evaluating data relating to Conduct on Premises incidents, monitoring, and other relevant information.

17. Commercial hood and exhaust cleaning ordinance ([15-00603](#))

Considering ordinance amending Title 9, Chapter 174 of the Minneapolis Code of Ordinances relating to Fire and Police Protection: Minneapolis Fire Department; Fire Prevention Bureau, amending combustible contaminate levels relating to commercial hood and exhaust cleaning (by Goodman).

Staff presentation was given by Mike Rumppe, Department of Regulatory Services, Fire Inspection Services.

The public hearing was opened.

There being no persons wishing to speak, the public hearing was closed.

On motion by Quincy carried on voice vote, the matter was approved.

18. Hotel ordinance ([15-00056](#))

Considering ordinance amending Title 13, Chapter 297 of the Minneapolis Code of Ordinance related to Licenses and Business Regulations: Hotels, to modernize the code and allow hotels with less than 50 guest rooms (by Frey).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened.

The following persons spoke:

- a. Dan McElroy, Executive Vice President of the Minnesota Restaurant , Lodging and Resort & Campground Association, 305 Roselawn Ave E, Maplewood.
- b. Michael Clark, 2340 Lee Ave N, Golden Valley, Managing Director of the Depot Minneapolis complex and the General Manager of the Renaissance Hotel.

The public hearing was closed.

Frey moved approval of the ordinance.

On motion by Frey, carried on voice vote, Section 297.65 (b) (1) of the ordinance was amended to read as follows:

(b) Notwithstanding subsection (a) of this section, a stay in excess of twenty-nine (29) days in a sixty (60) day period may occur in the following situations:

(1) Where there is a written contract between the boutique hotel or hotel and a governmental, charitable, or insurance agency to house families in crisis who are receiving temporary housing assistance from said governmental, charitable or insurance agency; a specific business entity for a business purpose which requires extended temporary occupancy, an individual whose purpose of hotel occupancy is not as a primary residence, or;

On voice vote, the main motion, as amended, was approved.

19. Secondhand dealers ordinance ([15-00757](#))

Considering ordinance amending Title 13, Chapter 321 of the Minneapolis Code of Ordinances related Licenses and Business Regulations: Secondhand Dealers, amending, consolidating and restructuring provisions related to secondhand goods (by A. Johnson).

Staff presentation was given by Linda Roberts, Department of Community Planning & Economic Development, Business Licensing.

The public hearing was opened.

The following person spoke:

a. Andrew Brooker, 5053 Penn Ave S, the business owner of secondhand goods at Picadilly Prairie, 5014 Xerxes Ave S, and Board Member, Nicollet-East Harriet Business Association.

The Chair afforded the floor to:

b. Council Member Andrew Johnson.

On motion by Quincy, carried on voice vote, the matter was approved.

20. License Applications ([15-00757](#))

Granting licenses recommended for approval in the Licenses & Consumer Services Agenda (see Licenses Agenda link).

New liquor, wine & beer establishment owners, licenses, permanent expansions, upgrades and added conditions to existing licenses detailed as follows:

a. Exchange Nightclub, 10 S 5 St (New Proprietor)

b. Stadium Pizza, 207 Washington Ave N (Expansion of Premises)

c. Lake Ethiopian Restaurant and Bar, 2713 Lake E Lake St (New Proprietor)

On motion by Goodman, carried on voice vote, the matter was approved.

21. Ability Network ([15-00759](#))

Approving resolution supporting Ability Network's application to the State Department of Employment and Economic Development (DEED) Job Creation Fund (JCF).

On motion by Goodman, carried on voice vote, the matter was approved.

22. Development Rights for 2313 13th Ave S ([15-00760](#))

Approval of the award of exclusive development rights to the Indigenous Peoples Task Force to be the developer of the City-owned property at 2313 13th Ave S for a period of 24 months with a possible extension of up to 6 months approvable by the CPED Director and authorizing staff to negotiate business terms with the Indigenous Peoples Task Force for a land sale redevelopment agreement subject to future City Council review and approval.

On motion by Goodman, carried on voice vote, the matter was approved.

23. Job Fairs in 2015 ([15-00761](#))

Authorizing acceptance of funds from Hennepin County in the amount of \$30,000 to manage industry-specific and geographically-targeted job fairs in 2015; approving budget appropriation (**Refer to W&M**).

On motion by Goodman, carried on voice vote, the matter was approved.

24. Great Streets Program Fund Balance ([15-00762](#))

Receiving and filing report (**Refer to W&M**).

On motion by Goodman, carried on voice vote, the matter was received and filed.

25. 2014 Financial Status Report on CPED Development Programs ([15-00763](#))

Receiving and filing report (**Refer to W&M**).

On motion by Goodman, carried on voice vote, the matter was received and filed.

26. Landmark 201 W Broadway Project ([15-00764](#))

Approval of recommendation that the \$350,000 City loan to the Landmark 201 West Broadway Project be restructured based on the revised terms and conditions contained in staff report (**Refer to W&M**).

Staff presentation was given by Mark Winkelhake, Manager, Development Finance, Department of Community Planning & Economic Development.

On motion by Goodman, carried on voice vote, the matter was sent forward without recommendation.

27. Eastside Food Co-op Expansion Project (2551 Central Ave) ([15-00765](#))

Approving \$450,000 of Community Development Block Grant (CDBG) Great Streets gap financing loan and approval of subordinating \$400,293 (\$319,273.53 current balance) of Neighborhood Revitalization Program Loan Pool loans originated in 2003, with the Development Finance Committee's recommendation to require a 3-month debt service reserve for all subordinate loans, to match the 3-month debt service reserve for Self-Help Federal Credit Union's first position loan.

Staff presentation was given by Nila McDonald, Sr. Economic Development Specialist, Department of Community Planning & Economic Development.

On motion by Quincy, carried on voice vote, the matter was forwarded without recommendation to the Ways & Means Committee.

With no further business to transact, the meeting adjourned at 3:00 p.m.

Reported by Jackie Hanson, Chief Committee Coordinator