



**MINUTES
CITY COUNCIL WORK SESSION
October 7, 2014**

CALL TO ORDER

The work session meeting was called to order at 5:00 pm.

Present: Mayor: Tim Hultmann; Council: Tom Skjaret, Donny Chillstrom, Kurt Kaminski and Liz Olson

Staff Present: City Administrator: Scott Weske

Others Present: Sarah Larson and Ann Mavity, representing Beacon Interfaith

Absent: None

APPROVE AGENDA

A motion was made by Chillstrom, seconded by Skjaret, to approve the Agenda as presented. Ayes: all.

BUSINESS ITEMS

Discuss Interested Land Purchaser for Virginia Avenue Property North of City Hall – Beacon Interfaith Housing Collaborative

Beacon Interfaith presented to the Council their idea of what they would like to build on the Virginia Ave property. They would like to see a 40-50 unit building that would service families with lower income. This project would be supported by state and federal funds along with money from Wayzata Community Church.

In 2012, the City Council approved the purchase (through motion) of this .9 acres from Mn/DOT for \$185,000. At that time, an appraisal was completed, which concluded that the value was \$185,000. The city bought the property contingent upon the known presence of a leaking underground storage tank, petroleum releases to soil, and possible eligibility for Petrofund reimbursement. The city indemnified and held Mn/DOT harmless from any claims related to these items. A Phase I and Phase II environmental assessment were completed for the site, including the remediation needed. To date, it is not believed that this work has been completed.

The original purpose of this purchase was to facilitate some development of the property as a re-development opportunity. There had been some interest in the property in 2004. In 2008, Mn/DOT notified the city of the re-conveyance/purchase opportunity, but the city declined at an asking price of \$355,000 and the uncertainty of the environmental contamination.

The property lies within the area of the Downtown Master Plan completed in 2001. The Comprehensive Plan calls for Downtown Village Mixed Use in this area of the city, which could be a combination of medium density housing and/or commercial activity.

Council had many questions as this was the first time they have had chance to view this idea/project. Council directed the staff to be able to review a purchase agreement sent from Beacon

Interfaith knowing that is the first step to open up much larger public discussions and land application process.

OTHER BUSINESS

No other business was discussed.

ADJOURN

A motion was made by Chillstrom, seconded by Kaminiski, to adjourn the meeting. Ayes: all. The meeting was adjourned at 6:25 pm.

Respectfully submitted,

Scott Weske, City Administrator

DRAFT