

**CITY OF BAYPORT
CITY COUNCIL WORKSHOP MINUTES
COUNCIL CHAMBERS
MAY 3, 2021
4:30 P.M.**

** Due to COVID-19 and social distancing protocols, this meeting was conducted by electronic means as permitted by Minnesota Statute 13D.021 due to a health pandemic or declared emergency. **

CALL TO ORDER

The workshop was called to order by Mayor St. Ores at 4:32 p.m.

ROLL CALL

Members Present: Mayor Susan St. Ores, Councilmembers Michele Hanson, Ethan Gilmore, and John Dahl. Councilmember Connie Carlson joined the workshop at 4:40 p.m.

Staff Present: City Administrator Adam Bell, Assistant City Administrator/Planner Sara Taylor, Public Works Director Matt Kline, Building Official Scott Qualle, and City Attorney Tom Loonan. Police Chief Laura Eastman joined the workshop at 4:50 p.m.

DISCUSS THE STATUS/FUTURE REDEVELOPMENT OF THE COMMERCIAL BUILDING LOCATED AT 143 3RD STREET NORTH

Administrator Bell noted that the city last met with property owner Brad Smith in 2017 to discuss the status/future redevelopment of the commercial property formerly known as the Greystone Bar. Upon purchase of the property, Mr. Smith's intent was to connect to the neighboring building, Woody's Bar and Grill, but due to challenges meeting code requirements and necessary upgrades, the building has since remained vacant. Administrator Bell noted the property has delinquent vacant building registration fees owed to the city, which were postponed in 2020 but are proposed to be assessed later this year if the building remains vacant. More importantly, the city would like to discuss redevelopment plans for the site with the property owner, in hopes of remedying the vacant status of the property before it becomes further degraded beyond repair, and subject to potential condemnation.

Mr. Smith provided his recollection of the events leading up to the current status. He alleged several discussions with previous City Administrator Logan Martin regarding redevelopment within the overall city block and sale of the blighted adjacent property (formerly the vacuum repair shop) to the city to facilitate installation of the existing municipal parking lot. He also asserted that the previous Building Official John Buckley told him that his specific plans to connect the Greystone to Woody's, which did not trigger some of the code upgrades that would currently apply to connect the buildings, primarily related to fire suppression and accessibility. He expressed disappointment, feeling misled by the city in regards to a change in required code compliance improvements, which are in his opinion, cost-prohibitive.

Current Building Official Scott Qualle fielded questions on applicable codes, noting a combination of square footage and occupancy classification dictate when fire suppression is required. Woody's currently exceeds these thresholds as it is, but until renovation or building construction occurs, the improvements are not required. Therefore, connecting the Greystone would trigger the need for compliance. He cited Rule Section 1306 of the MN Building Code, which was adopted by Bayport in 2015 at the recommendation of former Building Official Buckley, and explained the intent was to protect traditional downtown areas with little to no building separation from the spread of fire. From a safety standpoint, both the city Building Official and Fire Chief believe this code is in the best interest of the community and do not recommend repeal under any circumstances. Building Official Qualle noted that an opportunity may exist to return the Greystone property to its original state without triggering the need for all building and fire code improvements discussed, as opposed to if the buildings were to be connected. Mr. Smith responded that all interior fixtures from the Greystone have been removed and donated

(except for the restrooms), making replacement with new fixtures and operating as a separate entity cost-prohibitive.

Administrator Bell and Attorney Loonan confirmed that the city does not have documentation to substantiate Mr. Smith's assertions regarding code requirements that were applicable in 2014-2015 and previous Building Official Buckley's interpretation. It was noted that the city adopted Building Code Rule 1306 in November of 2015, and if Mr. Smith had applied for and received permit approval for his remodel plan prior to adoption, this particular section of code would not have applied but all other provisions would still be in effect. Mr. Bell reiterated the city has no documentation to confirm prior verbal approvals or agreements, as mentioned by Mr. Smith.

Further discussion followed on potential tax incentives, grants, business loans, etc. to assist with off-setting costs for the required building upgrades to comply with the relevant code requirements. City staff was directed to solicit potential resources from the Washington County Community Development Agency and the Greater Stillwater Area Chamber of Commerce and provide those findings to Mr. Smith. The City Council directed Mr. Smith to consider the options presented and develop a plan for the property, as continued vacancy and deterioration will not be tolerated by the city long-term and the city ultimately may be forced to institute condemnation proceedings to address the property.

ADJOURNMENT

It was moved by Councilmember Hanson and seconded by Councilmember Dahl to adjourn the meeting at 5:56 p.m. and upon roll call being taken thereon, the following vote via voice:

Susan St. Ores – aye
Michele Hanson – aye

John Dahl – aye
Connie Carlson - aye

Ethan Gilmore - aye