



City Council Meeting

May 27, 2025

7:00 PM

Fridley City Hall, 7071 University Avenue NE

Minutes

Call to Order

Mayor Ostwald called the City Council Meeting of May 27, 2025, to order at 7:00 p.m.

Present

Mayor Dave Ostwald
Councilmember Patrick Vescio
Councilmember Ryan Evanson
Councilmember Luke Cardona
Councilmember Ann Bolcom

Others Present

Walter Wysopal, City Manager
Scott Hickok, Community Development Director
Brandon Brodhag, Assistant City Engineer
Melissa Moore, City Clerk
Ryan George, Police Chief
Beth Kondrick, Deputy City Clerk
Sarah Sonsalla, City Attorney

Pledge Of Allegiance

Proclamations/Presentations

1. Proclamation for Scott Hickok Appreciation Day, May 28, 2025

Mayor Ostwald presented the proclamation recognizing Scott Hickok for 31 years of service to the community and declared May 28, 2025, as Scott Hickok Day. He expressed appreciation and wished him well in his retirement.

Scott Hickok, Community Development Director, commented that he began his career in Fridley in 1994. He introduced his family members who were present in the audience and thanked them for their support. He stated that he has enjoyed his career in Fridley and appreciated the wonderful staff, leadership, and support provided. He recognized the excellent Commissions, the residents, and the vision and direction of the City Council. He looked forward to the continued progress of the City.

Approval of Proposed Consent Agenda

Motion made by Councilmember Evanson to adopt the proposed Consent Agenda. Seconded by Councilmember Cardona.

Upon a voice vote, all voting aye, Mayor Ostwald declared the motion carried unanimously.

Approval/Receipt of Minutes

2. Approve the Minutes from the City Council Meeting of May 12, 2025.
3. Receive the Minutes from the Council Conference Meeting of May 12, 2025.
4. Receive the Minutes from the Environmental Quality and Energy Commission (EQEC) Meeting of April 8, 2025.
5. Receive the Minutes from the HRA Commission Meeting of February 6, 2025.
6. Receive the Minutes from the Planning Commission Meeting of April 16, 2025.
7. Receive the Minutes from the Public Art Commission Meeting of April 2, 2025.

New Business

8. Resolution No. 2025-59, Authorizing Participation of the City of Fridley in the Minnesota Local Performance Measurement Program.
9. Resolution No 2025-61, Approving Gifts, Donations and Sponsorships Received Between April 19, 2025, and May 16, 2025.
10. Ordinance No. 1431, Creating Title No. 6 (Zoning and Subdivision) of the Fridley City Code, Repealing Chapter 205 (Zoning), Repealing Chapter 211 (Subdivision), Repealing Chapter 213 (Fences), Amending Chapter 209 (Fees) and Amending Chapter 506 (Signs) (Second Reading).

Licenses

11. Resolution No. 2025-60, Approving Temporary Intoxicating Liquor Permit for Fridley Lions Club for Event Held During Fridley 49er Days, June 13-14, 2025, at Commons Park.

Claims

12. Resolution No. 2025-62, Approving Claims for the Period Ending May 21, 2025.

Open Forum, Visitors: (Consideration of Items not on Agenda – 15 minutes.)

Ibsaa Ahmed, Executive Director of Bilal Oromo Dawa Center commented that the center has grown into a vital center providing a wide range of services to its members. He stated that the community recognizes

two holidays that require a large outdoor space for prayer, and since 2015, they have been holding that prayer at the National Sports Center in Blaine, but it has become difficult to schedule that space. He stated that in 2017, they were lucky enough to be able to use Fridley Community Park, but due to the large turnout, they were not granted access to the park again. He asked that the Council consider designating a park or field in Fridley that they could use twice a day for the holy day prayers, noting that it is just a few hours during the morning. He commented that they would obtain the proper permits, follow the rules, and ensure the space is cleaned up following the prayer.

Mayor Ostwald commented that decisions cannot be made during the open forum. He recognized the request being made. He noted that in 2017, the original thought was that a few hundred people would participate, but it was more like 1,000 people, which caused issues with parking. He asked the date of the event.

Mr. Ahmed replied that the next date would be June 6th. He noted the parking available at his building and a shared parking agreement with another adjacent building. He stated that they could split the sessions into two if desired to help address issues with parking. Mayor Ostwald commented that staff would follow up with the resident.

Adoption of Regular Agenda

Motion made by Councilmember Bolkcom to adopt the regular agenda. Seconded by Councilmember Vescio.

Upon a voice vote, all voting aye, Mayor Ostwald declared the motion carried unanimously.

Regular Agenda

New Business

13. Resolution No. 2025-56, Approving a Joint Powers Agreement with Anoka County for the 44th Avenue (CSAH 2) Bridge and Trail Improvements Project

Brandon Brodhag, Assistant City Engineer, provided background information on the project, which is led by Anoka County. He presented additional project elements, the project layout, and information related to the Anoka County Joint Powers Agreement, proposed cost-share, project outreach and coordination, and project timeline.

Councilmember Bolkcom recognized the work of City staff, as this is a project that is needed. She commented that this will be a great improvement that will provide safety for those walking and biking as well.

Motion made by Councilmember Bolkcom to approve Resolution No. 2025-56, Approving a Joint Powers Agreement with Anoka County for the 44th Avenue (CSAH 2) Bridge and Trail Improvements Project. Seconded by Councilmember Evanson.

Upon a voice vote, all voting aye, Mayor Ostwald declared the motion carried unanimously.

14. Resolution No. 2025-58, Denying the Massage Therapy Business License Application for Jie Swanson, Lotus Spa and Denying the Massage Therapy Individual License Applications for Di Zhou, Cuiluo Liu, Yuanquin Wang, and Dongli Liao

Beth Kondrick, Deputy City Clerk, provided background information on Lotus Spa, which was previously licensed in 2022 as Enhance Beauty Spa, noting that the license expired and was not renewed. She provided additional information on concerns and investigations that occurred in 2023, 2024, and 2025 related to unlicensed individuals performing massage, sex trafficking, and prostitution activity, as well as the violations that were found at the location. She stated that after the visit to the business in April, the City received a license application for the business and individual massage therapist licenses. Because of the Code violations that occurred, staff recommends denial of the business license and individual licenses.

Shawn Paul Kehren, Attorney representing Lotus Spa, asked for the month and day for the activity referenced with the state and federal partners' activity mentioned from 2023, as well as activities mentioned from 2024. He asked if a search warrant was issued for the property or whether there had been any arrests on the case. Ryan George, Police Chief, commented that he did not have the dates available. He was not aware of a search warrant or arrests made.

Mr. Kehren stated that his client has received the letter and asked for a second chance. He stated that Jie Swanson is a resident of Columbia Heights and spoke of her hard upbringing in China prior to coming to the United States, as well as her experience in salons and other entrepreneurial businesses. He stated that Ms. Swanson purchased the salon in 2022, began to hire additional employees, and believed she was operating with a business license. He commented on the services that the business provides to its customers. He stated that five individual licenses have been applied for, along with the business license, noting that all applicants are legal to work in the United States. He explained that Ms. Swanson was not advertising lingerie and was selling shapewear. He recognized that there were mistakes made, especially with the licensing, as Ms. Swanson believed that the license was good for three years. He explained that the name change for the business was to give the business a fresh start, not to hide anything. He stated that the locks on the doors were left from the previous owner, noting that only two of the doors had locks and those had been changed out to comply with City Code. He stated that Ms. Swanson does not participate in sex trafficking and runs a legitimate business that focuses on wellness. He commented that Ms. Swanson has had to fire employees and has experienced blackmail. He stated that most likely, the anonymous tips were provided by the person threatening blackmail. He provided additional information on the clients served by the business. He stated that no charges have been filed against Ms. Swanson or the massage therapists. He did not believe the claims of sex trafficking to be credible. He understood that there was another massage therapy case considered by the Council in April and noted that this is a very different business. He asked the Council to give Ms. Swanson another chance.

Jie Swanson commented on her difficult childhood in China and the challenges she experienced coming to America. She stated that in 2016, someone helped her begin a business and provided information on that experience. She commented on the challenges she has experienced since that time, starting over many times, and apologized for the regulations she was not aware of. She

commented that with her experiences growing up, she would never participate in sex trafficking. She commented on the relief that she provides to her clients and the additional training she has received to improve her services. She believed the license was good for three years and commented on the difficulty she experiences trying to log in and fill out paperwork on the computer. She asked the Council to give her another chance.

Bret Morris, friend of Ms. Swanson, commented that he has been a friend of Ms. Swanson for the past three years. He stated that they attend church together, and it is amazing to see the work Ms. Swanson has done for her business. He stated that the statements in the report are not true, noting that this is a clean spa and he welcomed the Council and Police to check them out.

Motion made by Councilmember Bolkcom to accept the paperwork provided by Mr. Kehren into the record. Seconded by Councilmember Vescio.

Mayor Ostwald commented that this is not a court of law and explained the process the Council follows to make its determination. He asked if there is an inspection of the premises after the license is issued. Ms. Kondrick commented that an inspection was done. Mayor Ostwald asked if locks on doors were looked for at that time. Chief George was unsure if that would be part of the initial inspection done by the Building Official or the Fire Marshall. He commented that locks on doors are inspected as part of a compliance inspection.

Councilmember Bolkcom asked if there was a compliance check at the facility after the initial inspection. Chief George replied that a compliance check was not completed after the business license expired. Councilmember Bolkcom asked about the process that is followed after a license expires and whether notification is mailed. Ms. Kondrick replied that a renewal notification is emailed and/or mailed. She confirmed that at least two notices were sent relating to the renewal needed. She stated that she was contacted by Public Safety asking if the business had a current license. She confirmed that the business had been operating for two years without a license.

Councilmember Bolkcom asked if Ms. Swanson was unaware that she did not have a license for two years. She asked if Ms. Swanson had received the emails. Ms. Swanson replied that she believed that the license was valid for three years and had recently been trying to change the name and renew the license, but was having difficulty with the computer and her password.

Mr. Kehren recognized that both a business license and a massage therapist license are needed and asked if the business license is still valid. Ms. Kondrick replied that the business license is only valid for one year, and any massage therapists are tied to that business license.

Councilmember Bolkcom asked why Ms. Swanson waited for two years without acting. Ms. Swanson replied that she believed the license was valid for three years. She stated that she did not receive a notice about the renewal.

Councilmember Cardona asked for the dates the notification was sent. Ms. Kondrick commented that notice is sent in January/February, alerting license holders that their license will expire in April.

Councilmember Bolkcom asked and received confirmation that others were employed at the business and asked if they were licensed. Ms. Swanson commented that the employees did have certificates. Ms. Kondrick stated that the first individual massage therapist license applications she received for this business are presented tonight. Councilmember Bolkcom commented that the business had employees working for two years without the proper licensing.

Mayor Ostwald commented that he searched the Secretary of State website and the business license for this business, with the State also expired 1.5 years ago. He stated that, as the business owner, Ms. Swanson needs to ensure she complies with all requirements. Ms. Swanson commented that this is the first business she has owned where she has other employees.

Councilmember Vescio asked for the hire date of the employees who have submitted license applications and whether those employees performed massages prior to the license application date. Mr. Kehren believed that two of the employees had been working in the shop before that date.

Councilmember Evanson asked if there are any other ongoing investigations related to sex trafficking or prostitution, related to this shop or any of the people working in the shop. Chief George commented that the City is always participating in ongoing investigations as part of the Task Force. He commented that these investigations are labor-intensive, and he cannot comment on the ongoing activity of the BCA.

Councilmember Evanson asked if the massage licenses were denied, could Ms. Swanson continue with other cosmetology services at the business. Ms. Kondrick commented that cosmetology is licensed by the State, so that decision would be left to the State. Councilmember Evanson commented that if the licenses are denied, that would not shut down the business but only the massage services at the business. Councilmember Evanson asked if denial of the license would prevent the applicant from applying for another business license in Fridley in the future. Ms. Kondrick replied that under the current City Code, there would be a one-year suspension period, but noted that staff is currently undergoing the process of recodification of the Code.

Councilmember Cardona asked for more information on potential changes to the Code on this matter. Ms. Kondrick replied that staff would like to make the change so that a denied/revoked license would result in indefinite suspension.

Mayor Ostwald asked the City Attorney for input she may have on this topic. Sarah Sonalla, City Attorney, stated that the Council would have the grounds to deny the license based on the information in the staff report and the answers provided tonight related to the lack of licensing. Mayor Ostwald asked if the applicant would have any recourse. Ms. Sonalla replied that any appeal would need to go through the court system.

Councilmember Cardona asked if the business could continue to operate with cosmetology services if the massage license is revoked. Ms. Kondrick confirmed, noting that proper licensing would still be needed from the State. Councilmember Cardona asked if the applicant is aware that they could continue to offer the cosmetology services if the massage licenses are denied. Mr. Kehren stated that he was just made aware of the State licensing and communicated that to his client. He noted that

Ms. Swanson is currently not performing the cosmetology services. Ms. Kondrick noted the services listed on the business's website, which would still require a cosmetology license from the State.

Upon a voice vote, all voting aye, Mayor Ostwald declared the motion carried unanimously.

Motion made by Councilmember Bolkcom to approve Resolution No. 2025-58, Denying the Massage Therapy Business License Application for Jie Swanson, Lotus Spa and Denying the Massage Therapy Individual License Applications for Di Zhou, Cuiluo Liu, Yuanquin Wang, and Dongli Liao. Seconded by Councilmember Vescio.

Further discussion: Councilmember Evanson reviewed the purpose of the City Code related to massage therapy businesses. He commented that perhaps the petitioner was unaware of what was going on, but the locked doors would also prevent the owner from knowing what was going on, which is why locked doors are not allowed. He stated that Public Safety has done a lot of work to confirm the suspicions of what was going on at the business. He stated that the consequence of being wrong on this is catastrophic if prostitution and sex trafficking were occurring at the business.

Upon a voice vote, all voting aye, Mayor Ostwald declared the motion carried unanimously.

Mr. Kehren asked and received confirmation that the current City Code requires a one-year period before the business could apply for the license again and asked when the anticipated Code changes would be made. Ms. Kondrick replied that the changes would be presented this summer, as staff are currently working on this chapter of the City Code.

Mayor Ostwald asked if this case would be grandfathered because the denial occurred prior to the Code change. Melissa Moore, City Clerk, replied that is yet to be determined. She stated that staff will work with legal counsel and obtain input from the City Council on this topic.

Public Hearing(s)

Informal Status Reports

Councilmember Cardona commented that the city-wide garage sale will be taking place on June 6th and 7th. He congratulated Mr. Hickok on his excellent career and wished him the best in his retirement. He also recognized Dave Jenson, who will also be retiring next week. The Council echoed those comments of appreciation and well wishes.

Councilmember Bolkcom commented that the leopard frog is anticipated for installation at Moore Lake Park within the next month. She stated that the work has begun to identify a public art piece for installation at Commons Park.

Councilmember Vescio commented on the Public Safety promotion ceremony he will be attending the following night.

Councilmember Evanson noted the upcoming 49er Days and reminded residents and businesses of the upcoming deadline for parade submissions.

Adjourn

Motion made by Councilmember Vescio to adjourn. Seconded by Councilmember Bolkcom.

Upon a voice vote, all voting aye, Mayor Ostwald declared the motion carried unanimously and the meeting adjourned at 8:48 p.m.

Respectfully Submitted,

Melissa Moore
City Clerk

Dave Ostwald
Mayor