

PLANNING COMMISSION MINUTES - CITY OF INVER GROVE HEIGHTS

Tuesday, January 21, 2014 – 7:00 p.m.
City Hall Chambers - 8150 Barbara Avenue

Chair Hark called the Planning Commission meeting to order at 7:00 p.m.

Commissioners Present: Paul Hark
Pat Simon
Tony Scales
Bill Klein
Armando Lissarrague
Harold Gooch
Annette Maggi

Commissioners Absent: Victoria Elsmore (excused)
Dennis Wippermann (excused)

Others Present: Tom Link, Community Development Director
Allan Hunting, City Planner
Eric Carlson, Park and Recreation Director

APPROVAL OF MINUTES

Chair Hark noted that the commissioners that missed the last meeting should be listed as excused absences.

The minutes from the January 7, 2014 Planning Commission meeting were approved as corrected.

CITY OF INVER GROVE HEIGHTS – CASE NO. 14-02ZA

Reading of Notice

Commissioner Simon read the public hearing notice to consider the request for an ordinance amendment to Title 11 of the City Code (Subdivision Regulations) to amend Chapter 4, Park, Trail, and Recreation Dedication or Cash in Lieu relating to updating park dedication rates. No notices were mailed.

Presentation of Request

Allan Hunting, City Planner, explained the request as detailed in the report. He advised that periodically the City is required to update its subdivision code relating to park dedication. In addition, changes were made to the State Statutes which require the fee or dedication to bear a rough proportionality to the need created by the proposed development. The Parks Commission reviewed the request and unanimously recommended approval of the request. Staff recommends approval of the proposed ordinance amendment as well.

Eric Carlson, Parks and Recreation Director, advised that the State of Minnesota updated the State Statutes relating to park dedication in 2012. In 2013 a committee of City staff members reviewed the new Statutes and determined that some updates are necessary. In most cases they are recommending a small reduction in the amount of land that the City would receive from a developer at the time of final plat; approximately a 1% decrease in the single-family subdivisions. Staff is also recommending an adjustment on cash dedication. The changes reflect the cost of land in today's market versus the market back in 2007 when the last update was done. The fees will continue to be reviewed on a regular basis.

Commissioner Klein asked if the change was a result of the State determining some of the rates were high.

Mr. Carlson replied the change was not related to the fees themselves, but rather to the need for a nexus between the fees or dedication required.

Commissioner Maggi asked Mr. Carlson to address the zoning districts in which the proposed cash dedication was increased.

Mr. Carlson advised that their research indicated that the land values went up in some of the zoning districts.

Commissioner Maggi asked if a land valuation was last done in 2007.

Mr. Carlson replied that a park dedication adjustment was last done was in 2007.

Commissioner Simon asked how the new fee schedule would affect the Argenta Hills development.

Mr. Carlson advised that park dedication was due at the time of final plat approval and the developer would pay whatever rate was in effect at the time.

Commissioner Simon noted that the Argenta Hills developer was still coming in with plats.

Mr. Hunting stated he expected only one more phase of Argenta Hills.

Commissioner Simon asked who was responsible for snowplowing the sidewalks and trails.

Mr. Carlson replied it was City staff's responsibility.

Opening of Public Hearing

There was no public testimony.

Chair Hark closed the public hearing.

Planning Commission Recommendation

Motion by Commissioner Simon, second by Commissioner Maggi, to approve the request for an ordinance amendment to Title 11 of the City Code (Subdivision Regulations) to amend Chapter 4, Park, Trail, and Recreation Dedication or Cash in Lieu relating to updating park dedication rates.

Motion carried (7/0).

Commissioner Klein asked how this would affect future park budgets.

Mr. Carlson replied it would depend on how many final plats were approved, how much land they tried to acquire, and how many parks they tried to develop while the fees were set at this rate. He advised that the theory behind the State Statute was that since land is less expensive today than it was in 2007, it should now cost less to acquire parkland. The challenge; however, is that in most cases the City is not actually purchasing land, but rather getting it through dedication, and it costs more to build the park improvements now than it did in 2007.

Commissioner Maggi pointed out that the cash dedication fees increased for some types of housing.

Mr. Carlson replied that was correct, and stated that if the land values went up next year they could adjust the park dedication rate in an upwards direction.

Commissioner Simon asked if there was a set date to revisit the rates.

Mr. Carlson replied that the ordinance suggests annually.

Commissioner Simon advised that this item goes to the City Council on January 27, 2014.

Mr. Carlson advised that three readings were required, and typically Council requested the Chamber of Commerce be notified as well.

CITY OF INVER GROVE HEIGHTS

Reading of Notice

There was no public hearing notice.

Presentation of Request

Tom Link, Community Development Director, explained the request as detailed in the report. He advised that the owner of the subject property, the Fredericks, approached the City and expressed an interest in selling their single-family and commercial properties to the City. The Planning Commission is being asked to make a determination as to whether the acquisitions are consistent with the Comprehensive Plan. The Comprehensive Plan includes several statements attesting to the importance of economic development, the role of the Economic Development Authority, and redevelopment in the Concord area. Mr. Link advised that the Concord Neighborhood Plan and Design Guidelines were adopted in December 2012. That effort designated four areas for redevelopment; one of which is the neighborhood in which the Frederick property is located. If the EDA were to acquire the property the residence would be removed and at some future undetermined time the property would be sold to a developer for redevelopment. Staff has concluded that the acquisition of the property would eventually lead to economic development and therefore would be consistent with the Comprehensive Plan. Staff recommends approval of the request to find the acquisition of the Frederick properties consistent with the Comprehensive Plan.

Chair Hark asked where the EDA would get their funding to purchase the property.

Mr. Link replied that the EDA received funding from a variety of sources, but in this case the Host Community Fund would be used.

Chair Hark asked if there were any regulations for how long the EDA could hold the property.

Mr. Link replied that the EDA could hold onto property indefinitely. He noted that in this case the EDA has no predetermined schedule for redevelopment of this property.

Commissioner Maggi asked what other properties in the neighboring area were owned by the EDA.

Mr. Link replied that neither the City nor the EDA owned any property in this specific neighborhood.

Commissioner Gooch asked if the EDA paid property taxes.

Mr. Link replied they did not. He advised that in the short run the City loses some tax revenue; however, the valuation would go up considerably after redevelopment and therefore would eventually generate significantly increased taxes.

Commissioner Simon asked why the request was not presented by an EDA representative.

Mr. Link advised that he was the Executive Director of the EDA. He noted that the EDA would consider this request on February 10.

Chair Hark asked if it would be a public hearing.

Mr. Link replied in the affirmative.

Commissioner Simon asked if it would be held in Council Chambers and televised.

Mr. Link replied in the affirmative.

Commissioner Klein asked if there were enough funds available for the acquisition.

Mr. Link replied in the affirmative.

Opening of Public Hearing

Frank Rauschnot advised he owned the neighboring property and would like the request to be tabled. He summarized the history of his property, the Frederick's property, and their relationship to each other. He stated the Frederick's have sued both his business and the City and have cost the City a lot of money over the years in City services, legal costs, staff time, etc. and he was frustrated that they now wanted to be bought out at taxpayer expense. He stated the City has prevented him from expanding his business in the past and has tried to rezone his property without his knowledge. He requested that the Planning Commission table the request to allow him time to have discussions with the City so he could get some direction.

Chair Hark asked Mr. Rauschnot if he contacted the City prior to tonight's meeting.

Mr. Rauschnot stated he did not as he only recently learned of the request.

Commissioner Simon asked Mr. Rauschnot what his feelings were regarding the property to the east of Dickman Trail.

Mr. Rauschnot stated that while he understood that the City would want to purchase all the parcels at once because they had the same owner, he was concerned that implementing the Concord Neighborhood Plan would include a zoning change. He stated there were many existing areas in the community that were poorly designed and this would be yet another.

Commissioner Gooch noted that since Mr. Rauschnot has stated he had issues with the current property owners, it seemed as if selling the property to the City would be a solution.

Mr. Rauschnot stated that the removal of the residence in the industrial neighborhood would be beneficial but is concerned that the City would rezone the property after acquiring it, and that the property would be paid for at the taxpayers' expense. He invited the Commissioners and the public to call or visit him at his business to discuss the issue.

Chair Hark closed the public hearing.

Planning Commission Discussion

Chair Hark advised that he was opposed to tabling the request, stating Mr. Rauschnot would have three weeks before the public hearing in which to initiate discussions with City staff.

Commissioner Klein asked if the residence at 6845 Dixie Avenue was a non-conforming use.

Mr. Link replied in the affirmative.

Commissioner Klein stated he assumed this area would be one of the last of the four identified areas to redevelop.

Mr. Link advised that the plan identified four redevelopment areas, but did not establish a priority amongst the four. The City is proceeding with this acquisition because the owner approached the City and the property is located in one of the four identified districts.

Commissioner Klein asked if the properties south of Mr. Rauschnot and along the east side of Dickman Trail were zoned I-1, Limited Industrial.

Mr. Link replied in the affirmative.

Commissioner Klein asked if they would likely remain I-1.

Mr. Link replied the property is currently zoned industrial, the Comprehensive Plan designates it as industrial, and the City has not considered rezoning it. He advised that the Concord Neighborhood Study looked at two different alternative uses for this area; continued industrial or a mix of residential. The City Council did not choose between the two; their discussion at the time was that they would prefer to look at redevelopment of an industrial nature but it was financially more difficult to do than residential.

Commissioner Klein questioned if it was beneficial to purchase the property at this time, stating he felt there were other properties along Concord that would be a higher priority for redevelopment.

Mr. Link replied that would be a question for City Council. He advised that removing this residence would help remove some of the frustration and conflict that has taken place there for a number of years between the two landowners.

Commissioner Maggi asked if purchasing these properties could have a negative impact on existing businesses in the area.

Mr. Link advised that the financial analysis that was done a couple of years ago indicated there would be a significant increase in tax base and property valuation whether it was redeveloped to industrial or residential. He added that this acquisition would not affect any of the existing business operations. Mr. Rauschnot's business is a legal conforming use in the industrial area.

Mr. Rauschnot stated he was concerned that this acquisition was a way for the city to eventually make zoning changes. He advised that he never received a response from the City on the draft plan he submitted to move his business down the street.

Mr. Link agreed that Mr. Rauschnot had approached the City regarding selling his property. Several meetings were conducted to discuss it; however, they could not come to an agreement in regard to price and certain conditions.

Mr. Rauschnot stated when he approached the City in regard to selling his property it was in conjunction with a relocation.

Chair Hark advised that the Planning Commission's focus tonight was to determine whether the

proposed acquisition was consistent with the Comprehensive Plan.

Commissioner Lissarrague asked if Mr. Rauschnot would have an opportunity to appear before other concerned bodies if this were approved tonight.

Mr. Link replied in the affirmative.

Commissioner Klein asked for clarification of the approval process.

Mr. Link responded that the request must first go to the Planning Commission for a determination of consistency with the Comprehensive Plan. It then goes onto the EDA for final action.

Commissioner Klein advised that in light of past conflicts, the acquisition of this property could be beneficial for Mr. Rauschnot.

Mr. Rauschnot stated it was a positive step in one respect; however, he had concerns about the City making changes once they owned the property.

Planning Commission Recommendation

Motion by Commissioner Lissarrague, second by Commissioner Scales, to find the acquisition of the properties at 6845 Dixie Avenue and 6836 Dickman Trail consistent with the Inver Grove Heights Comprehensive Plan.

Mr. Lissarrague recommended that Mr. Rauschnot attend the EDA meeting.

Motion carried (5/1 – Simon with 1 abstention – Maggi). This item goes to the Economic Development Authority on February 10, 2014.

Mr. Rauschnot advised he would be in attendance at the EDA meeting.

Mr. Link advised the meeting started at 5:00 p.m.

OTHER BUSINESS

Catherine Curtis, a representative from Town Square Television, asked the public to take the online survey found on the Town Square Television website. She advised public input was important to their negotiations with Comcast in regard to their cable franchise renewal.

The meeting was adjourned by unanimous vote at 7:59 p.m.

Respectfully submitted,

Kim Fox
Recording Secretary