

**BIG LAKE CITY COUNCIL
REGULAR MEETING MINUTES**

**~~FEBRUARY 22, 2023~~
RESCHEDULED TO MARCH 1, 2023 DUE TO INCLEMENT WEATHER**

1. CALL TO ORDER

Mayor Paul Knier called the meeting to order at 6:00 p.m.

2. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

3. ROLL CALL

Council Members present: Ken Halverson, Sam Hanson, Paul Knier, Kim Noding, and Paul Seefeld. Also present: City Administrator Hanna Klimmek, City Clerk Gina Wolbeck, Finance Director Deb Wegeleben, City Engineer Layne Otteson, Community Development Director Therese Haffner, City Planner Lucinda Spanier, Police Chief John Kaczmarek, Streets/Parks/Fleet Superintendent Norm Michels, Water/Wastewater Superintendent Dan Childs, Planning Consultant Kendra Lindahl from Landform, and Big Lake Student Liaison Allie Cross.

4. OPEN FORUM

Mayor Knier opened the Open Forum at 6:01 p.m. No one came forward. Mayor Knier closed the Open Forum at 6:01 p.m.

5. PROPOSED AGENDA

Council Member Seefeld motioned to adopt the proposed Agenda as presented. Seconded by Council Member Hanson, unanimous ayes, Agenda adopted.

6. CONSENT AGENDA

Council Member Noding motioned to approve the Consent Agenda as presented. Seconded by Council Member Seefeld, unanimous ayes, Consent Agenda approved. The Consent Agenda consisted of: 6A. Approve List of Claims, 6B. Approve Council Workshop Minutes of February 8, 2023, 6C. Approve Regular Council Meeting Minutes of February 8, 2023, 6D. Approve Resolution 2023-14 approving a 2022 Budget Amendment No. 1, 6E. Approve Resolution 2023-15 approving

the 2023/2024 Liquor License Renewals, 6F. Approve Additional Police Officer Position, 6G. Approve Resolution 2023-16 and 2023-17 approving the Tobacco and 3.2% Malt Liquor Licenses to SKGP, Inc. doing business as Big Lake Plaza at 16777 Marketplace Drive.

7. BUSINESS

7A. Big Lake Car Condo Third Addition Development Application – Preliminary Plat, and Amendments to the Comprehensive Plan, CUP, and PUD

Kendra Lindahl reviewed the planners report for the development application submitted by Richard Hinrichs for a Comprehensive Plan Amendment, Conditional Use Permit (CUP) Amendment, a Planned Unit Development (PUD) Amendment and Preliminary Plat to add a third phase to the Big Lake Car Condo's Development which would add 11 additional storage units all to be contained in one principal structure. The Applicant has indicated that 10 of the units would be for individual purchase and the remaining larger unit would be for RV storage and vehicle display. Lindahl reviewed that the parcel is currently zoned I-1 Industrial Park, noting that previous Comprehensive Plans steered the parcel towards industrial use, but the 2018 comprehensive plan land use map has it designated as "business". Properties guided "business" should be zoned as a business district to be consistent with the future land use. PUD approvals are generally only supposed to be granted for projects that are consistent with the comprehensive plan, and if Council wishes to allow this project through a PUD approval, the comprehensive plan should be amended to support the long-term use of the property as an "Industry or Office" use. The amendment would bring the parcel back to the future land use category that was in place prior to the 2018 comprehensive plan. Lindahl also reviewed that the Applicant was approved for a CUP to allow a single luxury garage building with the first phase approvals, and an amendment was approved as part of the phase 2 approvals. An additional amendment is required to include this additional luxury garage building. The Applicant is also seeking CUP approval to allow a portion of the building to exceed the 35-foot maximum building height on the NW corner of the structure. The Applicant is also proposing a plat to create additional building lots for the townhome-style car condo community, which will be platted as Big Lake Car Condos Third Addition and would include 11 lots and Outlot A. Lindahl discussed that the Planning Commission held a public hearing on February 1, 2023 and other than the Applicant, there was no one present to speak on the item. The Planning Commission noted that the developer did not propose any public benefit in exchange for the PUD flexibility. Staff had recommended the addition of a public sidewalk on the west side of 168th Street at the Applicant's expense. The Planning Commission felt that a sidewalk would be a public benefit but would be more valuable on the south side of 198th Avenue. The Planning Commission unanimously voted in favor of recommending approval of the request with the conditions recommended by staff and one change to condition #9 to require a sidewalk to be constructed on the south side of 198th Avenue from 168th Street to the existing driveway in the condo project.

Council Member Halverson asked if the load bearing requirement is a building code issue. Lindahl responded that it meets building code requirements, but doesn't meet our ordinance. Halverson also asked if the structure will need to have a sprinkler system. Council Member Hanson identified that there is a plan for sprinklers.

Council Member Halverson motioned to approve Resolution No. 2023-18 approving a Comprehensive Plan Amendment, Conditional Use Permit Amendment, Planned Unit Development Amendment and Preliminary Plat for Car Condos Phase 3 at 16795 198th Avenue, subject to the conditions identified therein. Seconded by Council Member Noding, unanimous ayes, motion carried.

7B. Ordinance Amendment – Zoning Text Amendment for the Innovation Industrial (I-4) District

Lucinda Spanier reviewed the planners report for the zoning text amendment application submitted by Nick Christenson of Bob's Towing and Recovery, Inc. Christenson has been operating his business at 101 Lake Street South, and was notified that towing operations are not permitted at that location/zoning district and is exploring his options to relocate his business in Big Lake. The Applicant is requesting an amendment to the Innovation Industrial (I-4) zoning district which would increase the maximum area permitted for outdoor storage by 100%. Spanier noted that given the significance of the increase in outdoor storage area that is being requested, should the City Council be amenable to the request, staff advised conducting a thorough review of the existing regulations relative to the request, notably location setback requirements and landscaping requirements. Spanier discussed that the Planning Commission held a public hearing on the application at their February 1, 2023 meeting, and no public input was provided. Finding the proposed use compatible with the uses allowed in the I-4 district, the Planning Commission unanimously voted in favor of the request. Spanier identified that Staff supports the recommendation of the Code Revision Task Force which is to uniformly regulate outdoor storage in the districts that allow it, to regulate it on a case-by-case basis (IUP), and to allow it to sunset after the date or event stated in the IUP or upon violation of the conditions under which the permit is issued, whichever occurs first.

Mayor Knier asked if Staff is supporting the Code Revision Taskforce, which appears to be different than the recommendation of the Planning Commission. Spanier explained that the recommendation of Staff and the Code Revision Taskforce is to eliminate the maximum square footage which gets to what our applicant is trying to get to, although it changes the permitting process from an Administrative Permit to an IUP to allow for adjacent property owners to be notified and involved, for it to be negotiated on a case-by-case basis, and for there to be a sunset date or use change such as ownership.

Council Member Halverson asked if the biggest reason they would need to do the IUP is because of the Code Revision Taskforce. In April, the code revision proposed will eliminate the I-3 zoning district, and the I-4 district will be renamed to I-3 and will have the IUP requirement. Spanier responded that the final code language will be adopted by the City Council, but this is what is being recommended by the taskforce.

Mayor Knier commented that one of the goals of the taskforce was to lower the amount of IUP's and CUP's that are necessary, and questioned why we would put this stipulation on this district rather than just opening it up to the 7:1 instead of 3.5:1. Spanier responded that the goal of the I-4 district is to allow for flexibility and eliminating the maximum square footage requirements, which creates greater flexibility. Because we would be creating flexibility in another area, there is an equal/opposite reaction that is taking place in order to balance that. Halverson discussed that with an IUP, people around the property would be notified through the hearing process, so if it's something that would not be a good fit, at least the neighboring properties that it could have a negative effect on, would have an avenue to voice their concerns. Spanier noted that she would support that as outdoor storage can have detrimental effects potentially to neighboring properties so it is important for those that are invested in the area to be able to have an opportunity to weigh in on how that proposed site plan might negatively impact their property values. Council Member Seefeld stressed that the I-4 district was created to provide flexibility so if they are going to the I-4 district, there is a lot of flexibility there. Halverson responded that we still need to respect our neighbors and neighborhood. Seefeld commented that Halverson's reference is on a R-1 district. Halverson responded that people should have the right to voice their opinion, explaining that he's not saying they should be able to tell someone what they can/cannot do on their property.

Council Member Hanson asked what an applicant has to do to get an IUP. Spanier reviewed that they will need to submit a site plan, and if they are requesting any deviations from our code, it would have to go through the variance process which would require a public hearing at the Planning Commission and ultimately consideration by the City Council. Anyone that is going to be developing in this district would have to go through the formal entitlement process. An IUP process would not draw out the process any more than the process would take ordinarily.

Council Member Halverson asked if Staff would recommend that Nick from Bob's Towing start the IUP process now since the code will most likely be changing at the end of April. Spanier recapped that the City has not received any formal applications for the development of any property in the I-4 district to date, noting that the Jerry Minor project was just Concept Plan review. Spanier also stated that because the IUP is not current ordinance, she would not advise the applicant to do so. It does sound like they are looking for a very specific amount of outdoor storage so if the City Council is amendable to expanding the ratio, the approval could be done now and then when the full code revision goes through in April, the rules would change.

Therese Haffner reviewed that the Council should take action on the application before them tonight, which is a request for an increase to a 7:1 ratio for outdoor storage. As far as the code revision process, that is going to come before Council at the second meeting in April. Council Member Seefeld asked if the IUP will still be required after the code revision if Council decides to go that route. Spanier stated that it would be up to the discretion of the City Council. Kendra Lindahl stated that if the Council supports the Applicant's request tonight and passes the 7:1 code revision, the Applicant has between tonight and the time the Council adopts a change to the ordinance to proceed and get site plan approval under this new ordinance. If we adopt a new ordinance at the end of April and they already have site plan approval under tonight's ordinance, they do not need to come in and get an IUP because they would already be permitted. Spanier noted that they will be restricted to a 7:1 ratio.

Council Member Halverson stated that with an IUP, we will know the site plan specifications. If we blatantly change it to a 7:1 now, and we don't know what the multiplier is, we won't know if it is a 20x20 building or a 3,000 square foot building. With an IUP, we would know exactly what they are asking for.

The property owner, Larry Palm from LGL discussed that this is a 2-phased project. The First phase has already been platted and generally the size of the lots has been set. The lots regardless of the outside storage, only allow for a particular sized building with the setback. You can only go so big by the time you get parking and all the other things that come along with that. Then you get to the storage. Palm responded that he can't give a multiplier number for the 7:1, but it is established by ordinance.

Commercial Broker, Joe Elam from Commercial Realty solutions, stated that he has been working with Bob's Towing. The size of the building is going to be dictated by the ratio. He needs a 6,000 to 8,000 foot building. Until we know the ratio, we don't want to stick the money into the site plan. If this does get approved and we need to hit a deadline before an IUP is adopted, he doesn't know if they can do that within the next 6 weeks. Halverson stated that considering Elam's comments on how tough it would be for them to meet the 6-week timeline, if the City Council decides to leave it at the 3.5:1 ratio now, then would they just wait until the code revision project is adopted in April and then just file for the IUP. Halverson expressed that if they spend all that money now, and then not get it done in the 6-weeks, they would be out that money. Elam responded that no one wants to wait, the idea is to get in the ground and under construction. He has been looking at the site for a while and they have been in this process for a long time and we need to keep the ball rolling.

Council Member Noding asked if there is a particular size and location they have in mind. Elam indicated that the Applicant is under contract for a 1.6-acre parcel next to Jerry Minor's parcel. Mayor Knier asked if there was any discussion about not requiring an IUP for this district. Spanier explained that it was a unanimous recommendation of the Planning Commission to approve the 7:1 text amendment request, but they had no comment on the future IUP requirements with the

exception of when they reviewed the original code language, which they were supportive of the language at that time. Knier stated that he is understanding from staff's response that the Planning Commission was for no IUP's, but the Code Revision Taskforce wants an IUP and asked why when someone applies for an IUP to have the 7:1 ratio that they want and questioned what is interim about that. Halverson clarified that right now, an applicant can't apply for an IUP because that is not a current option. The request for tonight is only for a text amendment to allow 7:1 outdoor storage ratio, it has nothing to do with an IUP. Knier stated that once it is changed, anyone who wants to build in the I-4 district would need an IUP. Spanier confirmed that the requirement is a recommendation of the Code Revision Taskforce, which Staff is supportive of, and when the Planning Commission reviewed that code language, they were supportive of that as well. Technically, the recommendation on this particular request coming from the Planning Commission, is that the ordinance is changed as requested by the Applicant, but they did not have any commentary on any future changes to the revised code language that will be before the City Council on April 26. Hanson clarified that staff is just informing Council that when the code revision goes through, IUP's will be required at that time, it has nothing to do with what we are deciding on tonight. Knier recapped that for tonight, we are just making a decision for Bob's Towing to go to a 7:1 outdoor storage ratio. Spanier clarified that it wouldn't just be for Bob's Towing, it would be applicable to all properties within the Innovation Industrial District. Spanier also explained that based on the Code Revision Taskforce's recommendation, we will not have a limit after that language is adopted in April, we will just have a different permitting process in the form of an IUP, which won't extend the entitlement process at all for an applicant because they are already required go a formal entitlement process which takes just as long. Knier noted that it would just cost \$500 more.

Council Member Noding asked for clarification on a way that we could grant their request without affecting the entire district. Halverson pointed out that Hanson had the best answer in that we go to 7:1 now and then come the second meeting in April when the code changes, then an IUP would be required. We are just making a change that is basically going to go from now until the code changes at the end of April. This is a short term change from now until April 26 to accommodate the Applicant's request. Knier and Noding stated that they are in favor of going to 7:1 and then hash everything out later.

Council Member Halverson motioned to approve Ordinance No. 2023-02 approving an amendment to Chapter 10, Section 1062.04 to increase the maximum amount of outdoor storage area allowed in the Innovation Industrial (I-4) district by 100%. Seconded by Council Member Noding, unanimous ayes, motion carried.

Council Member Seefeld motioned to approve Resolution No. 2023-19 authorizing summary publication of Ordinance No. 2023-02. Seconded by Council Member Hanson, unanimous ayes, motion carried.

Larry Palm asked for information relating to what the future IUP process will be. Mayor Knier asked Staff to meet with Palm to answer his questions.

7C. Code Revision Project – Review of Draft Sign Ordinance

Kendra Lindahl reviewed the rewrite of the City's sign ordinance Chapter 13 which will be a repeal and replace and is part of the City's code revision project. Lindahl discussed that changes to the ordinance will be significant, noting that the goal of the update is to make the ordinance clear and concise by reducing unnecessary text and the need for conditional use permits and variances for signs. Notable changes made to the ordinance language includes reducing the amount of wall signage allowed from 20% to 10% of the building front and removes the maximum wall sign size. This will eliminate variances similar to the Premier Marine variance which asked for a larger wall sign than allowed but was still within the percentage allowed for wall signage. There was also a section added to account for multitenant sites that are not part of a shopping center to allow for a master sign plan associated with the multitenant building.

7D. Donations Towards the Big Lake Police Department

John Kaczmarek reviewed recent cash donations totaling \$8,470 made to the Police Department towards the Canine Program, as well as a kennel donation from Runnings of Monticello, valued at \$514.98. Cash donations were received from the Big Lake American Legion Post 147 (\$4,500) Great River Federal Credit Union (\$1,070), Jerrell Kramer (\$200), Suzanne Granger (\$2,200), and Ray Rondo Construction (\$500), all towards the Big Lake Canine Program.

Council Member Seefeld motioned to approve Resolution No. 2023-20 accepting donations towards the Big Lake Police Department as presented. Seconded by Council Member Halverson, unanimous ayes, motion carried.

7E. Department Reports

Deb Wegeleben provided a year-end 2022 financial recap and noted that the City's annual audit will begin on March 6 and is expected to wrap up by March 10. The financial statements will be presented to Council at the April 26, 2023 meeting. Wegeleben provided an update on the City's outstanding debt obligations noting that after the 2023 payments, the City's debt will be \$24,488,239. Wegeleben also provided activities/efforts of the City's Safety Committee.

Knier commented that the interest rate on the new bond came in at 1.5%, and the older debt was higher at 2.0% to 3.0%.

Therese Haffner provided an update on activities in the Community Development Department. Haffner reviewed BLEDA's priorities and strategies, discussed the Business Retention and Expansion Program, and reviewed recent/current development and redevelopment projects. Haffner also reviewed housing, commercial and redevelopment projects, and provided a year-to-date 2022/2023 permit activity comparison.

8. ADMINISTRATOR'S REPORT

City Administrator Hanna Klimmek thanked everyone for their flexibility regarding the weather related decisions from last week and postponing tonight's meetings. Klimmek recognized the City's plow team and the tremendous service they have provided to the City of Big Lake, noting that the recognition also extends to the county and state as well. Klimmek reviewed that last week, her and Mayor Knier had the pleasure of welcoming next year's kindergartners and their families to kindergarten registration, provided information on the Sherburne Soil & Water Conservation District who are promoting the "We Are Water" Exhibit, which will be open to the public from March 2 through April 24 during normal business hours at the Sherburne History Center. This is a program that was developed to communicate the importance of water to residents of the Mississippi River St. Cloud Watershed. Klimmek also noted that she will be attending the quarterly stakeholder outreach meeting on Friday, which is hosted by Xcel Energy. Representatives from the MN Pollution Control Agency will be presenting on remediation requirements related to the Sherco retirement. Klimmek also congratulated our Student Liaison, Allie Cross, who submitted a button design to Spud Fest and was chosen as 1st place. The 4-day community festival will be held from June 22 through June 25.

9. MAYOR & COUNCIL REPORTS and QUESTIONS/COMMENTS

Mayor Knier: reviewed the recent CMRP Meeting. Mayor Knier thanked the Public Works Department for their efforts in clearing the streets during the recent snow events.

Council Member Halverson: discussed the February Parks Advisory Committee Meeting. Halverson also thanked Public Works for the plowing work they have done.

Council Member Hanson: discussed the recent BLBYR and BLCLA Meetings.

Council Member Noding: reviewed the February BLEDA and BLCE Meetings.

10. OTHER – No other.

Big Lake City Council Meeting Minutes

Date: March 1, 2023

Page 9 of 9

11. ADJOURN

Council Member Halverson motioned to adjourn at 7:10 p.m. Seconded by Council Member Seefeld unanimous ayes, motion carried.

Gina Wolbeck
Clerk

Date Approved by Council 03/08/23