

**CITY OF EYOTA
PLANNING COMMISSION MEETING MINUTES
FEBRUARY 19, 2020**

Present: Members: Lief Hughes, Janet Hughes and Adam Beilke
Council Reps: John Chesney and Ray Schuchard Secretary: Marlis Knowlton

Absent: Member Susan Spafford

Guests: Refer to meeting sign in sheet "Exhibit A"

Call to Order: Co-Chair Adam Beilke called the meeting to order at 7:00 p.m., meeting was held at the Eyota Fire Hall.

Approve Agenda: Motion was made by Lief Hughes and seconded by Janet Hughes to approve the agenda as presented. Ayes 3, Nays 0. Motion carried.

Minutes: Motion was made by Lief Hughes and seconded by Janet Hughes to approve the January 15, 2020 regular meeting minutes as presented. Ayes 3, Nays 0. Motion carried.

PUBLIC HEARING

Rezoning Request Pries Properties, LLC – PIN #62.10.31.053749 and #62.10.42.081670

Motion was made by Lief Hughes and seconded by Janet Hughes to close the regular meeting and open the public hearing. Ayes 3, Nays 0. Motion carried.

This is a request to rezone the stated parcels #62.10.31.053749 and #62.10.42.081670 by Pries Properties, LLC to rezone from R-1 (low density residential) to M-1 (Industrial/Manufacturing). Co-Chair Beilke questioned the property owners, Larry and Bonnie Swenson, if there was any additional information regarding the request. Larry Swenson stated they have interest in selling the land and would like it rezoned. Beilke asked if there were any questions from the Planning Commission members, there were none. There were no questions from the public. No written comments were received. Hearing no comments Beilke asked to close the public hearing.

Motion was made by Lief Hughes and seconded by Janet Hughes to close the public hearing and reopen the regular meeting. Ayes 3, Nays 0. Motion carried.

Finding of Facts: based on the Comprehensive Land Use Plan for industrial uses this meets the following characteristics: level terrain with slopes of five percent or less, adequate access to transportation corridors such as collector roads, expressways, or other designated roadways such as trunk highways, has adequate area available for industrial expansion and buffer yards and is served by municipal and public facilities.

Based on those findings:

Motion was made by Lief Hughes and seconded by Janet Hughes to recommend to the Council to approve the rezoning request from R-1 to M-1. Ayes 3, Nays 0. Motion carried.

PUBLIC HEARING

Rezoning Request Richard Vehrenkamp – PIN #62.11.33.028603 and #62.14.22.028642

Motion was made by Lief Hughes and seconded by Janet Hughes to close the regular meeting and open the public hearing for the Vehrenkamp rezoning request. Ayes 3, Nays 0. Motion carried.

Adam Beilke noted the request from property owner Richard Vehrenkamp is to rezone PIN #62.11.33.028603 and #62.14.22.028642 from AG (Agriculture) to R-2 (High Density Residential) zoning designation.

Rick Vehrenkamp explained he had been approached by Developers Jamie and Jim Judisch and now wants to move forward to rezone from AG to R-2 as the city sees fit.

Lief Hughes asked to hear more project information from Judisch.

Jamie Judisch explained his father, himself and others that are developers got to know Eyota's EDA Director and have been looking for projects in Eyota for some time. The Director suggested the Vehrenkamp land and they initially loved the area and it was already slated to be R-2. Their civil engineer did a quick analysis and there might be nine acres that can be developed. They are considering slab on grade, maybe multifamily, twin homes, they don't know yet. Some of the land is identified as wet and wet land delineation needs to be done after it is rezoned. Once the delineation is done they can come up with a plan. Engineers came up with a few possible ideas but delineation needs to be done and then work with the city to figure out the needs and wants of the city.

Adam Beilke opened up for comments from audience, requested one at a time, stand and state your name. Knowlton verified there had not been any written comments received.

Ray Schuchard questioned if they were going to put in single family homes because they are not permitted in R-2 zoning. Jamie Judisch responded then they there won't be any single family, they are looking into twin or town homes.

Greg Brehmer (310 Carolann ST) questioned how water runoff will be handled. Ray Schuchard answered that will be part of the water delineation process that needs to be done to it figure out, it will probably need a pond or something and figure out where it would go.

Greg Brehmer asked how are they going to keep Section 8 housing out if the units aren't rentable, what is the guarantee it won't go to Section 8 with all the money they have involved in the project. If you were in our shoes you would not want it in your backyard. Jamie Judisch explained most of that type of housing is done through low income tax projects which they do not do and would not do unless a partner that is qualified was involved which they don't have. They are not eligible for that housing. The focus is looking at primarily work force housing earning \$35,000 to \$50,000 a year, that's the target market. Greg Brehmer asked but what happens if the units aren't rented and you can't fill them, with all the money invested, you're going to do anything you can do. Jamie Judisch doesn't see that as a concern with the numbers they have now.

Jamie Judisch went on to explain they have done other larger projects and they do background checks, keep things in house, do their own management, take ownership in the projects and are

proud of the projects and involved for the long term. If they end up with crime they won't have any tenants so they want the facilities to be kept clean, safe and attractive.

Bonita Mundt (146 Carolann ST) there is only one road coming in to that field; is it going to stay one road coming in and out, imagine all the traffic. Jamie Judisch noted they are looking at other options but not sure if any of them are viable. Other projects they have done, most recent one in Pine Island is next to the library, government center and a route to school. Folks were concerned about traffic and you can follow up with the City of Pine Island for their opinion but traffic has not changed that much. Jim Judisch noted projects don't change the traffic flows that much. Jamie responded to another question, yes, the Pine Island facility is next to the fire station.

Cory Stephans (230 Carolann ST) commented that you can't compare this to Pine Island because that facility is at an intersection with four blocks and they can go any direction. Concerned over a natural disaster and the road becoming blocked and can't get in or out. Questioned, there must be a city ordinance regarding intersections and emergency access and the length of a block. Just Everett Avenue and going east and west is not feasible. No one could quote any ordinances; Knowlton said there is one regulating the length of cul-de-sacs.

Bonita Mundt noted when a large apartment was discussed years ago and they could not get out to Highway 42 or to the east by the existing apartments that project was turned down.

Sandi Mangan (314 6 ST SW) Asked what the apartment rental rates will be. Jamie Judisch said for a two bedroom, which is the most requested, is typically about \$1,000 a month. Sandy Mangan went on to voice concerns that in Rochester it is hard to find an apartment less than \$1,500 so these will be low income. And houses for rent should be compared to apartment rentals along with owned homes. Typically homeowners are more invested in the community than renters are. She has neighbors renting a house that has had numerous police calls, in Rochester there are ordinances that fine the rental unit owners for police calls. How is Eyota going to make landlords accountable and fine them. Police protection is a cost to the taxpayers. How can we have enforcement and what kind of ordinances do we have or need.

Chris Berg (122 Carolann ST) questioned what exactly are they going to do (build) he has been listening and hasn't heard what exactly is being asked to approve. We are blindly approving rezoning without knowing the details of the project. You can't compare this to the Pine Island project because they have four streets we only have one for a large amount of traffic. Adam Beilke explained they are tasked with just the rezoning at this time, to change to R-2. There will be another public hearing for the actual project after the wetland delineation is completed. There is a sequence of events to follow and first is rezoning.

Greg Brehmer stated Rick Vehrenkamp can't even farm most of the land because it is too wet. Greg doesn't want this behind him. Also has an issue with the request for TIF (tax increment financing) where we (citizens) flip half the bill for their project and it gets paid back later but our taxes never go down. I want a new house, will you help me too.

Cory Stephans quoted information from the Land Use Plan found on the city website, saying high density should have adequate transportation of collector and arterial streets, which it does not, and should be outside the flood plain, which it is not, and clearly shows on graph 4.7 showing wetlands except for the very top northwest corner. These facts must not be overlooked and deny the rezoning request. He also had an Olmsted County soil map showing the soil

grades. This is why Rick can't farm most of it and can't tile it because of the wetlands. The soil map has soil categorizations which show a lot of the area as M517A which is identified as poorly drained with 0 to 12 inches to the water table. Farther south in the field where the trees are it is 1846 which is very poor drained with a water table at zero feet. It specifies where you can and cannot tile and in 1846 soils for 2 feet deep you must be 120' away, 3' deep 230' feet away, 4' deep 310' feet away and so on. The soils change as you go up into Carolann Street. Adam Beilke again this is a rezoning request from AG to R-2 and it is the first step for them to move ahead with the project in order to get wetland delineation completed. Cory Stephans said the city has to take a hard look at these facts and once it is rezoned it is hard to get back.

Mike Meek (210 Carolann ST) questioned the projection that a two bedroom here could rent for \$1,000 a month compared to the Pine Island facility that has rents of \$1,475-\$1,625; how will the cost be lowered that much. Jamie Judisch indicated that the majority of the savings in Eyota will be because there won't be any underground parking. Mike Meek went on to ask if there is a plan the public can see or if the public is just supposed to trust Judisch. Ray Schuchard handed the concept plan and emphasized with Jamie Judisch that this a concept plan, just something they would hope to do and it is hypothetical.

Cory Stephans has been in the business since 1988, is not necessarily against this development, but went in to detail how he sees the city struggling to get single family home developments and we need more housing. Other towns are growing, part of Eyota's problem is the surrounding feedlots and he questioned if the city had suggested other properties for this apartment plan. If a single family development opened up he is sure it would be filled quickly. But maybe this project is not the right way to get housing.

Greg Brehmer commented that once it is rezoned and investigated, they will do anything to get their invested money back. It's not fair to the neighbors.

Sandi Mangan requested clarification, if it is rezoned can someone else come in with section housing. Lief Hughes acknowledged anyone else can develop once it is rezoned but the project would need to be approved. Others agreed every project would need approval.

Greg Brehmer told Rick Vehrenkamp that he doesn't blame him for wanting to sell the land and asked what Rick wanted for the land. Many folks began a conversation about neighbors buying the property, that conversation was stopped, that can be discussed on their own time.

Mike Meek asked procedurally what happens next. If they find it too wet to build can he farm it once it is zoned to R-2, can the R-2 zoning be made just temporarily until all the questions are answered, can the zoning be switched back. Lief Hughes said once it is rezoned to R-2 it is R-2.

LeRoy Mundt (146 Carolann ST) asked who would be responsible for keeping the weeds down if it isn't farmed. Someone answered it would be the landowner. And the property taxes are based on the use of the land not the zoning.

Greg Brehmer doesn't think it should be rezoned because of all these issues and the neighbors keep their places nice and pay their taxes; and there is no guarantee what this project will end up being like. Lief Hughes replied it won't be a crap hole, and Greg Brehmer worries it won't start out that way but what if they can't keep the place up.

Jamie Ward (820 Jefferson ST SW) question directed at Judisch, comparing this to Pine Island, which she heard was a struggle to rent and is mostly occupied by elderly, if you can't fill that one, how will you fill this one. Jamie Judisch explained the Pine Island facility stabilized in less than a year, went pretty well, and is close to or usually full. They aimed a bit high there and could have scaled back but it worked out. They have been working with housing agencies and with Olmsted County and are seeing a need for work force housing; a mix of a lot of people including divorced and elderly. Pine Island wanted more units for elderly coming from bigger homes that didn't want home maintenance issues and didn't want to leave the community. He thinks there is a need here and sees it being a broader demographic mix. Building outside of Rochester was new to them, an unknown, a learning experience and a guess. Pine Island facility would have been better if they would have scaled back some. He went into examples of divorced folks looking for \$1,000 rent and had to be turned away because \$1,200 was only available. Pine Island is also very accessible to the nursing home for aging in place and he wants to have that same relationship here in Eyota with the senior living facility.

Karen Loeding (255 Carolan ST) asked for information regarding how many apartments will there be, or how many other buildings, how many people will be living there, how many stories. Jamie Judisch stated nothing can be over three stories and the rest they really don't know yet because the wetland delineation needs to be completed first to determine the buildable area. Their civil engineer just guessed at a plan based on what Judisch would like to see and might work. But until the delineation is done they just don't know, and maybe an apartment building isn't the best use, maybe twin homes or townhouses would be better, they would work with the city determining the needs. But they see the need all over, 40 miles around Rochester, and they want work force housing. Not everyone can afford a \$300,000 house.

Sandi Mangan asked doesn't anybody or can't anyone build a \$150,000 to \$200,000 home anymore. Jamie Judisch said no, prices have gone way up, some have tried and are going over budget, even building townhomes. It's a tough market right now.

Sandi Mangan likes people that own versus rent because owners are invested in the town. Jamie Judisch said if they build townhomes they will be sold not rented and might be \$200,000; that folks earning \$45,000-\$50,000 a year should be able to afford. Sandi went on to explain Eyota seems to have more and more houses being rented out, she would like to see the town grow, but wants an investment in town by ownership. Her neighborhood has a rental and the owner is not being punished and doesn't seem to care about the fact that law enforcement is at the house numerous times. And she has to explain to her kids why law enforcement is there and explain domestic violence. They don't want that in their neighborhood and asked about background checks, knowing there are different levels of background checks. Jamie Judisch said they do background checks, no they can't catch everything, and they have onsite managers and security cameras. Sandi's concern is there is no recourse to the owners of rental properties. Home owners pay taxes. Jamie said they don't want the police there. His experience is there are very few active owners in large rental facilities, but they are. Tracy Krucker (Little Eagles Childcare) commented that the apartment owners also pay property taxes. Jamie went on to explain one of their Rochester buildings has had one break in and another had one assault that the onsite manager stopped. All their projects are set up the same way and try to avoid crime. Jim Judisch stated renters are all working people or retired.

Mike Meek asked what Pine Island gave them as tax incentives and what do you want from Eyota to make you happy; we need to know what we are getting into. Jamie Judisch said it will

all depend on what's able to be built, almost all of the previous projects included TIF. Pine Island was a high bred TIF because the city sent out an RFP (request for proposals) because they were soliciting a builder to come and the city had land available that was already cleaned, etc. Jim Judisch stopped to explain in Pine Island the site was cleaned by the city because there was previously a gas station there with the potential for pollution; this Eyota site is agricultural with no clean up required. Jamie went on saying they have been in discussions with Eyota and hypothetically could use TIF; they pay their property taxes and get some portion of it back. The returned tax amount is a negotiated with and approved by the City. They are looking at HRA to get help and money back. Eyota's EDA Director provided possible grant opportunities but we aren't far enough along to know if any of this is possible or will work. There are a lot of different ways this can be put together. There will not be any city bonding, only pay as you go. No one is on the hook for any cost. They would pay their taxes and after a year would get a portion of the taxes back.

Mike Meek asked if they had preliminary cost numbers. Jamie Judisch, no, not yet, it is hard to speak in generalities because every project is different. The zoning needs changing, then the wetland delineation needs to be done then we can figure out what can be built and calculate the cost. It will be all based on debt service ratio which is a requirement for bank financing. Jim Judisch reiterated that they don't know yet how many acres are even available until the delineation is completed. Mike Meek heard it would be three phases of development but now you're saying you don't know. Jamie said the concept plan is an educated guess.

Richard Zeitler (119 Carolann ST) Pine Island facility has older people and you said it would be the same here. He sees it as a problem for one way in and out; he sees it in Rochester and if there is a fire the access will be closed down. Elderly people in there need EMTs and that will block one area off. There needs to be more than one access before changing the zoning.

Lisa Miller (310 Carolann ST) if this is rezoned and they don't build then it is open to anyone to come in and build something. Her concern is once rezoned you can't go back. Adam Beilke all projects requires review and approval by the Planning Commission and Council.

Richard Zeitler said Carolann Street is a NASCAR track, cars are speeding. He gave some examples and said if you put more traffic on Carolann it will be a hazard.

Darrell Johnson (227 Carolann ST) questioned if there was any chance to negotiate with MnDOT for an access on Highway 42. More than one responded no, MnDOT will not grant another access, it would be too close to existing streets, the railroad and on a curve. Darrell Johnson asked if there was a chance to cross the creek to the east onto North Madison. Some on commented, no, Rick Vehrenkamp doesn't own that land.

Chris Burt said the plan shows the apartment building right up next to the existing houses instead of farther away; he doesn't like a two or three story building next to single family lot lines. Jamie Judisch explained their engineer just lifted the Pine Island plan and stuck it in here as a possibility; the building probably won't be there. Chris Burt went on to describe the increased wet areas behind his house. The newer manhole is two to three feet above grade and surrounded by standing water and sometimes underwater. It didn't used to be that bad, it has gotten worse. The area doesn't drain and if you put more back there, where will all that water go. Greg Brehmer added his is the highest property on Carolann and he had standing water in his back yard last year.

Mike Meek quoted the Comprehensive Plan 4.2: The City's major goals are to maintain and improve a high quality of life and develop properties in an orderly, responsible and compatible way. So before you go and rezone look at other options like Keefe's land along Highway 14 where there are two or three entrances and traffic would not be an issue.

Unidentified: Asked if a traffic study has ever been done in the neighborhood. No.

Jamie Ihrke (214 Carolann ST) Verified this decision still needs to go to Council for final approval. But, is there anything we can say to change your mind and not approve this request. Adam Beilke: that is the point of public hearings.

Unidentified Woman: What will the City do to slow down traffic on Carolann and to make it safer: more deputies, speed bumps, four way stop, what. There are two daycares and a city bus stop near that intersection and it won't be pretty with more traffic. You are welcome to sit in my driveway for a day and watch traffic. Bonita Mundt also offered her driveway to watch traffic.

Jamie Ward questioned, with no underground parking what is the plan for parking. With two bedroom apartments you might have three drivers; the City is already dealing with some parking issues elsewhere. Jamie Judisch said it would be surface parking around the building. Someone commented one and a half spaces per unit are required.

Mike Meek will all the water from the parking lot go down the creek or where. Jamie Judisch said that will all be determined by the wetland delineation and a pond will likely be required.

Adam Beilke asked if there were any other questions or comments.

Motion was made by Lief Hughes and seconded by Janet Hughes to close the public hearing and reopen the regular meeting. Ayes 3, Nays 0. Motion carried.

Motion was made by Lief Hughes and seconded by Janet Hughes to deny the rezoning request from AG to R-2 due to unforeseen issues. Ayes 3, Nays 0. Motion carried.

The Planning Commission discussed the Finding of Facts for denying the request and agreed on the following:

Based on the Comprehensive Plan's Locational Criteria of characteristics should be on level to fairly rolling terrain, lying outside the floodplain, which is a concern for this parcel; good access by means of collector and arterial streets is a concern, increased traffic is a concern and it is not viewed as being in the right location.

PUBLIC HEARING

Variance Application - Little Eagles Childcare Center, LLC – 417 Second Street SW

Motion was made by Lief Hughes and seconded by Janet Hughes to close the regular meeting and open the public hearing for Little Eagles variance request. Ayes 3, Nays 0. Motion carried.

Adam Beilke stated this is a public hearing for the Little Eagles Childcare Center, LLC, 417 Second Street SW PIN #62.14.22.083987 variance request to construct an accessory building in the front yard.

Tracy Krucker and Trisha King, owners explained they would like to construct a 12x16 storage shed next to the existing trash enclosure on the south side of the building, by the parking lot. The shed would be to keep strollers and to store other items. They can't keep them in the back because it is too steep. The Ordinance states you can't have a shed in the front yard but they can't use the back yard because of the hill. Teachers need to access the strollers and with no stairs.

Janet Hughes questioned what the distance is from the east side yard lot line to the proposed shed. Ray Schuchard said there is an easement in there. Tracy Krucker said the shed would not be any closer to the lot line than the existing trash enclosure which is sixteen (16) feet. It will be the same as the trash enclosure.

Ray Schuchard noted there is a similar shed situation at the Peace Lutheran Church.

Motion was made by Lief Hughes and seconded by Janet Hughes to close the public hearing and reopen the regular meeting. Discussion: it was confirmed there were no other comments. Ayes 3, Nays 0. Motion carried.

Knowlton verified no written comments had been received in reference to this request.

Motion was made by Lief Hughes and seconded by Janet Hughes to approve the variance. Ayes 3, Nays 0. Motion carried.

Findings of Fact: the Commission discussed and agreed on the following:

The request fits the needs of the applicant and is within the guidelines. It also appears that there are exceptional circumstances in the back yard due to the slope that they can't use the back yard for a shed.

Planning Commission Member Application – Heather Tesdahl: Motion was made by Lief Hughes and seconded by Janet Hughes to recommend to the Council Heather Tesdahl be appointed as a Planning Commission member. (Term 2020-2022) Ayes 3, Nays 0. Motion carried.

Other Project Updates: Jennifer Lawver of ERH Developing introduced herself; she is in the process of purchasing the land east of the Summerfield subdivision. Her intentions are to develop single family homes, starting with phase one which would be twenty lots.

Other Business: The March 18 meeting may need to be rescheduled; Knowlton will contact members and verify availabilities.

Adjourn: Motion was made by Lief Hughes and seconded by Janet Hughes to adjourn the meeting. Ayes 3, Nays 0. Motion carried. Meeting was declared adjourned at 8:17 p.m.


Marlis Knowlton, Clerk/Treasurer

Guest Sign In

Eyota Planning Commission Meeting

Date: February 19, 2020

Name: Please print.

Citizen - Please list your address

Business Representative - Please list company and address

Other Guests - Please list affiliation to a group or business, or personal address

| | |
|------------------------|-----------------------------------|
| John Allen | Crossstown Comm. |
| Jamie Judisch | Judisch & Judisch Ent Inc |
| Jim Judisch | |
| Rich Vancamp | |
| Lane Hillie | Carolann St. |
| Bonnie & Larry Swenson | |
| Richard Zentler | Carolann St (119) |
| Mike Meek | Carolann St (210) |
| Randy Joyce | Carol Ann |
| Janie Thibe | Carolann St (214) |
| Jandy Deje | Carol Ann St. |
| JAMIE WARD | (820 Jefferson) |
| Christopher Burt | 122 Carolann ST |
| Karen Loeding | 255 Carolann ST |
| Dora Hanner | 222 Carolann St |
| Till Vercamp | St Charles Pres |
| Heather Tesdahl | South Ave. SE |
| Justin Wendt | 5th St. |
| Jim Starr | Biz - KW Commercial, Apple Valley |

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Eyota Planning Commission Meeting

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Other Guests - Please list affiliation to a group or business, or personal address

Darrell Johnson

(227 Carolann)

Willie Nelson

Greg Brehme ✓

310 Carolann St

Lisa Miller

Robert Brui

534 Canyon LLC

JENNIFER HAWVER

9229 VIOLA RD NE ERH DEVELOPING INC.

John Rivers

134 Carolann St

Peg Stephens

(230 Carolann)

Dave En

226 Carolann St aw

Kathleen M. Emberton

139 Carolann St. NW

Tracy Krueker

311 Glen. St SW

Trina King

522 SOUTH AVE SE

Sandi Mann

314 6th St. SW

Vicky Arendt

Eyota

Bonita G Mundt

Eyota

(146 Carolann)

LeRoy Mundt

(146 Carolann)

Bill Thomas

Eyota