

**MELROSE PLANNING AND ZONING COMMISSION
SPECIAL MEETING
MONDAY, JANUARY 9, 2023 – 6:00 P.M.**

AGENDA

1. Call to Order/Roll Call/Pledge of Allegiance .
2. Oath of Office.
3. Election of Officers
4. Approval of Agenda
5. Approval of Minutes
6. Reports
 - a. City Planner Report
7. New Business
 - a. Railroad West Zoning
 - b. WAC/SAC Fees
8. Informational Items
 - a. Next Meeting - January 30, 2023
9. Adjournment

**MELROSE PLANNING AND ZONING COMMISSION
SPECIAL MEETING
MONDAY, JANUARY 9, 2023– 6:00 P.M.**

A.I. #1 CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE

The Melrose Planning and Zoning Commission met in a Special Meeting on Monday, January 9, 2023, at 6:00 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Commission Members Jason Seanger, Shawn Mayers, Dave Berscheit, Jean McDonald, Adam Paulson, Nick Shaw, Joeline Wieling, City Administrator Colleen Winter, and City Planner Shelia Hellermann. Because this was the Commission's Organizational Meeting for 2023, City Planner Hellermann called the meeting to order.

The Pledge of Allegiance was recited.

A.I. #2 OATHS OF OFFICE

At its January 5, 2023, meeting, the Council appointed Joeline Wieling as the Council's representative to the Commission for a one-year term. City Planner Hellermann administered the Oath of Office to Ms. Wieling.

A.I. #3 ELECTION OF OFFICERS

Ms. Hellermann solicited nominations from the Commission for the election of Chair and Vice Chair for 2023. During 2022, Mr. Seanger served as Chair and Mr. Berscheit served as Vice Chair. Although not done prior to 2015 when Mr. Dufner was appointed to the position, Administrator Winter will again recommend that the Commission consider appointing someone to fill a secretary position in order to sign various documents from time to time. Mr. Mayers was the Secretary in 2022.

A motion was made by Mr. Mayers seconded by Mr. Paulson and unanimously carried reappointing Mr. Seanger as Chair, Mr. Berscheit as Vice-Chair and Mr. Mayers as Secretary.

Mr. Seanger chaired the remainder of the meeting.

A.I. #4 APPROVAL OF AGENDA

A motion was made by Mr. Shaw seconded by Mr. Mayers and unanimously carried to approve the agenda as submitted.

A.I. #5 APPROVAL OF MINUTES

A motion was made by Mr. Mayers, seconded by Ms. McDonald and unanimously carried to approve the minutes from the Commission's October 31, 2022, Regular Meeting

A.I. #6 REPORTS

- a. City Planner Hellermann provided an update as follows:

Regarding Riverside Flats, on the former Kraft lot, the comment period for the Environmental Assessment Worksheet (EAW) has closed and the City's responses have been prepared by WSB. The City Council will review them at their next meeting on January 19th. It is anticipated that construction will begin in March/April. Next step from the developer will be plans and specifications, and permit applications.

Kwik Trip is closing on the real estate purchase of the former US Bank/Melrose State Bank property this week. They have indicated that we will be receiving an application for a demolition permit soon. I have spoken with their architect and an application for a building permit should be forthcoming as well. They have been in contact with Roger, making sure they have electric service by early July to begin construction.

On the 168 Riverfront/Middendorf property, we are still working with title issues. It is hoped this will come to a resolution soon.

We have started discussing and putting together a request for proposals for the updating of the comprehensive plan.

The City lost its court action against Bonner in the Rose Park case. Specifically, the judge ruled that the City failed to make a connection between property deemed uninhabitable and nuisance property. We are moving forward under advice of Mr. Dymoke, to close that gap. Further, I want to pursue a vacant building registration process, so we track, inventory, and ask regular, specific questions about vacant buildings to make sure they are not just sitting and deteriorating.

Since our last meeting I have been working with Roger Avelsgard, our electrical supervisor to fund large capital investments in our infrastructure – the dedicated tie line between SW Substation and the East Substation and getting the overhead circuit underground in the original part of the City. There are significant funds available from the federal government, specifically in this case from the Department of Energy, but getting the funds is a process. This GRIP funding is coming from the Infrastructure Investment and Jobs Act (IIJA). Our first concept paper was due in December. We will not hear for a couple of months if we advance. Grant hunting has become something – there is money flowing. It is now figuring out what projects we have and what fits. Not necessarily for new ideas, but for existing plans in the capital improvement schedule that could possibly receive alternate funding.

Ms. Hellermann sent letters to two property owners who constructed those temporary storage structures for the winter. Both came to see me after receiving the letters. We had good discussion about what is permitted and how to move forward. We will see if they come down in spring.

Regarding the THC ordinance, we are waiting. If the Minnesota legislature legalizes marijuana as it seems they plan to do, we can then have ordinances and likely zoning regulations for both THC and marijuana at the same time. We have until August to put something in place – as our moratorium expires then.

A.I. #7 ACTION ITEMS

- a. In reviewing the plans for Railroad West, including road planning, right of way, platting, and cost estimates, additional discussions have taken place between Staff and City Engineer, Blommel. To allow for greater flexibility in road planning,

lot sizing, and other ideas within the area, a Planned Unit Development Overlay District (PUD) is being considered.

Specifically, a PUD would allow deviation from the street right-of-way and paving requirements of the Subdivision Ordinance and, as we move forward with platting, we could consider variations from the lot sizes. Flexibility is being sought.

Ms. Hellermann stated that the city will need to acquire 10 feet of right of way from 4 property owners to construct a 32 foot road and 17 feet or right away for a 36 foot road. We cannot get additional right of way to the north.

Another issue is sidewalks and parks. Lake Wobegon is located north. The state would allow access to the Lake Wobegon Trail.

If GC Real Estate Partners only purchases 4 to 5 acres what will be the plan for the remaining acreage?

Density issue. If they only purchase 4 acres it only would allow 40 units rather than the planned 72.

The Comprehensive Plan does allow for the creative use of site planning or PUD's that provides flexibility for development containing affordable housing such as a reduction in lot size, setbacks, street width, floor area, and parking spaces.

The Comprehensive Plan transportation goal and policies is to develop and maintain a roadway system that accommodates the safe and efficient movement of people and goods. The city should plan and construct roadways to accommodate existing traffic demand and future traffic growth.

The Comprehensive Plan also addresses the need of parks and trails.

If a PUD is not utilized, we must follow the land subdivision and the city must request variance of itself.

Ms. Hellermann reviewed the advantages of using a Planned Unit Development.

The Preliminary site plan and lot information has been received from GC Real Estate Partners for the Commission's review.

It was the Planning and Zoning Commission recommendation to move the multi-family unit to the west.

The Planning and Zoning Commission by consensus supported the 36-foot road up until the residential property, and then allow for a 32-foot road, move the multi-family unit to the west, and supported the Planned Unit Development.

- b. Staff, Council, Utilities Commission, and Boards are discussing a change to the City's WAC and SAC fees. Staff presented a comparison of other cities for review and consideration. We have found, in recent conversations with developers on the Kraft lot and Railroad West, that our fee structure is considerably less expensive in terms of how we define "unit" as it relates to multi-family projects.

If we consider a large apartment complex, like Meadowlark (25 units), they have a single service for their building. They would pay for WAC, if building using 6" service, \$5,651, plus the meter fee, rather than \$1,000-\$1,500 per unit (or \$30,000+ in the case of a 25-unit apartment).

Engineer Blommel, when consulted, has pointed out that the fee structures for WAC and SAC vary greatly between cities. Melrose can choose to have low SAC and WAC, or consider a different fee structure, more in line with neighboring cities. The consideration of the different Boards, Commissions, Council, and Department Heads is being sought before a change is made to the fee structure. After discussion, the Utility Commission determined that our WAC/SAC structure should remain. It asked Staff to ensure that our costs are being covered, but beyond that we would look to monthly user rates and charges. It determined that having very reasonable WAC/SAC fees would be advantageous as developers look to Melrose for potential projects.

A.I. #8 NEW BUSINESS

None

A.I. #9 INFORMATIONAL ITEMS

- a. The Commission's next meeting date is scheduled for Monday, January 30, 2023, at 6:00 p.m.

A.I. #10 ISSUES BY PLANNING AND ZONING COMMISSION MEMBERS

None

A.I. #11 ADJOURNMENT

A motion was made by Mr. Mayers, seconded by Ms. McDonald and unanimously carried that the meeting be adjourned at 7:00 p.m.

PATRICIA HAASE – CITY CLERK