

**MINUTES OF A STUDY SESSION OF THE PRINCETON CITY COUNCIL HELD ON  
OCTOBER 4, 2012, 4:30 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

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Acting Mayor Paul Whitcomb called the meeting to order. Council members present were, Dick Dobson, Thom Walker and. Mayor Jeremy Riddle and Victoria Hallin were absent. Staff present was Finance Director Steve Jackson, Carie Fuhrman, Liquor Store Manager Nancy Campbell, and City Clerk Shawna Jenkins.

**GREAT RIVER FAITH IN ACTION**

Denise Freih Executive Director of Great River Faith and Action spoke to the Council about the services they provide. She stated that they provide services to the elderly and families in need. They provide similar services that Rum River used to. There are not a lot of these types of services available in Princeton so this area was included in the grant they recently wrote to MN Health and Human services.

Freih said she recently met with Mayor Riddle and Community Development Director Fuhrman to go over their programs. They will need volunteers that could to do some driving, yard work, etc. She added that while the State understands there is a need in this area, the community needs to help support the programs as well. They have already helped four Princeton families with their furniture give away. They are a Non-Profit that mostly survives on local assistance and grants. They have a store in Elk River, but will need office space here in Princeton for a couple people.

Freih said that state is lacking in funds to help, so they are interested in ideas for fund raising as well. Currently they have a 5k run in Becker and would like to put something together for Princeton as well.

Karnowski asked if they collaborate with other groups, such as Rum River Services and Family Pathways. Freih responded that Rum River does not provide the elder care services. They are hoping Rum River can continue to help with family services and they can work with them to bring the furniture and Great River Faith in Action would cover the need for Elder Care services.

**ORDINANCE 581 ALLOWING AUTO AND RECREATIONAL SALES & SERVICE IN THE B-2 DISTRICT AS A CONDITIONAL USE PERMIT**

Fuhrman reported that Automobile and recreational sales and service was formerly allowed as a Conditional Use Permit in the B-2 Neighborhood Commercial District. The use was removed during the 2010 Zoning Ordinance amendments to comply with the changes made to the Comprehensive Plan. Here is a timeline of the events:

Fuhrman stated that in the 2008 Comprehensive Plan Update a new land use designation was added, known as Neighborhood Commercial. It was added to provide areas for limited commercial, office, and services uses adjacent to residential uses. This district was to serve as a transition between general commercial and residential uses. Uses were limited in this District to mostly provide goods and services to surrounding residential districts, and additional requirements were added to ensure buildings were designed with similar scale and design elements as neighboring residential structures. Page 19 of the Comprehensive Plan states:

*The neighborhood commercial concept allows limited commercial uses in existing commercial nodes adjacent to residential neighborhoods, as well as future commercial sites included in a mixed-use planned unit development. Typical uses would include small convenience centers, offices, and other commercial uses that are more compatible with surrounding residential areas.*

Fuhrman added that in a 2010 Zoning Ordinance Amendment it was determined that this use did not fit in with the Neighborhood Commercial land use designation. As the Zoning Ordinance should reflect the Comprehensive Plan of a community, the Planning Commission and City Council removed automobile and recreational sales and service from the B-2 Neighborhood Commercial Zoning District during the 2010 amendments to the Zoning Ordinance.

Fuhrman stated that the proposed amendments to the B-2 Neighborhood Commercial District language, outlines the intent, permitted, conditional, and interim uses. The list of uses allowed in the District provides a sense of what uses the City found to be compatible with neighboring residential uses, such as a deli, 3,000 square foot convenience store, office space, barber, beauty shops, specialty schools, daycares, churches, veterinary clinics, and so on.

Fuhrman reported that in June 2012, an existing automobile sales lot owner applied for two variances to construct an accessory building. Staff recommended denial of the variance requests because the accessory building was proposed to be utilized for auto repair/service of the automobiles to be sold on the lot, a use which is currently not permitted as it is a nonconforming use. This would in essence expand the business, and expanding a non-conforming use is not allowed by the current Zoning Ordinance. The variance requests also did not meet the City and State review standards for variances. Staff believes that if the proposed use of the building was for storage only, that would not be considered expanding a nonconforming use.

Fuhrman said that the Planning Commission held a public hearing and recommended approval of Ordinance #692 which allows automobile and recreational sales and service as a conditional use permit back in the B-2 Zoning District, provided that

- (a) A minimum lot area of 0.75 acre is required and the use shall be on 1 lot or contiguous lots not separated by a public street or other use.*
- (b) A minimum lot width of 100 feet is required.*
- (c) The parking area for the outside sales and storage area shall be hard surfaced before the operation of business begins and maintained to control dust, erosion, and drainage. No parking or display of vehicles for sale shall occur on landscaped areas. Customer parking shall be clearly marked.*
- (d) Interior concrete or asphalt curbs shall be constructed within the property to separate driving and parking surfaces from landscaped areas.*
- (e) All areas of the property not devoted to building or parking areas shall be landscaped.*
- (f) Noise from electronic speaker devices shall be regulated in Chapter VI, Performance Standards.*

Fuhrman stated that based on the 2008 Comprehensive Plan update and 2010 Zoning Ordinance amendments, it is apparent that the Planning Commission and City Council wanted to see this zoning district move towards limited commercial uses compatible with

the surrounding residential uses. A conscious decision was made by the Planning Commission and City Council to remove automobile sales and repair businesses from this district back in 2010 and only allow automobile sales and service and automobile repair as conditional uses in the B-3 General Commercial District.

Fuhrman added that this is a difficult decision to be made; and when it comes to long-range planning and zoning decisions, the City Council should only approve the proposed ordinance amendment if they find that the amendment meets the intent and provisions of the Comprehensive Plan – specifically the Neighborhood Commercial provisions – and the Zoning Ordinance – specifically the B-2 Zoning District.

WALKER MOTIONED TO APPROVE THE FIRST READING OF ORDINANCE 692 AMENDING THE ZONING ORDINANCE ALLOWING AUTOMOBILE AND RECREATIONAL SALES AND SERVICE AS A CONDITIONAL USE PERMIT IN THE B-2 (NEIGHBORHOOD COMMERCIAL) ZONING DISTRICT. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

### **BROADBAND GRANT LETTER OF SUPPORT CONSIDERATION**

Karnowski reported that the Blandin Foundation currently has a grant round open for Broadband Communities. This is a two year commitment with the goals of defining technology needs and objectives, measurement of current broadband access and working with the Blandin Foundation and the larger Mille Lacs County community to develop projects and apply for funding. Blandin is only selecting 10 communities statewide.

Karnowski said that Broadband was identified in several areas of the Mille Lacs County Comprehensive Plan process to date including economic development, education, jobs and training, etc. Even though the Comprehensive Plan has not been completed nor adopted, the grant opportunity may not come along again or at least not for another 2 years. Accordingly, Mille Lacs County has decided to apply for one of those 10 grants.

Karnowski stated that one part of the grant application requires letters of support from groups within the community, such as cities, schools, townships, chambers, etc.

Karnowski said that if the Council would like to supply a letter of support, a motion to authorize the Mayor to sign the letter and send it to the County would be in order.

Karnowski added that the County is also looking for volunteers to serve on their leadership team for the project. If anyone is interested in working on the project, I'm sure their participation would be appreciated. Serving on the team may result in the city getting some direct benefit from the project.

DOBSON MOTIONED TO APPROVE THE MAYOR TO SIGN A BROADBAND GRANT LETTER OF SUPPORT. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

### **DEVELOPERS AGREEMENT FOR WEST RIVER RUN SECOND ADDITION & RESOLUTION 12-63**

Fuhrman provided an update on West River Run Second Addition.

Attorney Schieffer reported that he has put together the Developers Agreement for West River Run Second Addition that the Council Recently approved along with an Ordinance Amendment that was required. The conditions that have been added to the Developers Agreement are those that the Planning Commission had added.

Schieffer stated that in talking with Mr. Haehn, he has a concern about the provision that calls for the posting of either of a cash escrow or a letter of credit in the amount of \$70,000. That escrow amount was determined by the Engineer who estimated the cost of the elements of his construction plans that would have some sort of a public impact if they were not completed. They added those costs together and then cut it in half, which totaled the \$70,000. He added that this amount is fairly small for this type of project. The \$70,000 escrow is mostly to insure that the grading, storm water and ponding is covered, as well as any legal and engineering fees that the City would be billed for.

Schieffer said Haehn has stated that he has an escrow set up with his title company, and is asking if the City could work with the Title Company to get approval to tap into that escrow if needed.

Walker asked if trying to work this through the Title Company will slow things down. Schieffer said the other options would be to provide the escrow or a letter of credit. He added that the City is willing to release a part of the Escrow when the grading is done satisfactory. He stated this Developers Agreement is the standard, and is just tailored to any large developments or projects that require a plat.

WALKER MOTIONED TO APPROVE THE DEVELOPERS AGREEMENT WITH THR UNDERSTANDING THAT THE SECURITY GUARENTEE IS SUBJECT TO SOME ADDITIONAL CHANGES. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

DOBSON MOTIONED TO APPROVE RESOLUTION 12-63 AUTHORIZING THE APPROVAL OF THE DEVELOPERS AGREEMENT FOR AN AICION BUSINESS OPERATION AND THE PLAT OF WEST RIVER RUN SECOND ADDITION. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

#### **OTHER BUSINESS / COMMENTS**

Fuhrman reported that the City has been approached by the fair board about the possibility of the racetrack being leased out. She asked if the Council could send a representative to the meeting.

Karnowski stated that they would like know if the Council is okay with the City saying they support the racetrack. He added that if it may carry more weight, if the Council members could attend the next meeting. Walker asked when the meeting was. Karnowski replied that he believes it is sometime in the next week or so. Walker and Dobson said they will both try to attend the meeting.

Fuhrman said the Races usually bring about 700 people to the City on Friday night. Walker added that they work very hard and try to keep the races ended on time each night.

**ADJOURN**

DOBSON MOTIONED TO ADJOURN THE MEETING AT 4:55PM. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

Shawna Jenkins

ATTEST:

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Paul Whitcomb, Acting Mayor