

**CITY OF PRINCETON
Planning Commission
Agenda
December 21st, 2015
7:00 P.M., City Hall**

- 1. Call to Order**

- 2. Approval of Minutes of Regular Meeting on November 16th, 2015 - Tab A**

- 3. Agenda Additions/Deletions**

- 4. Public Hearing: None**

- 5. Old Business:**
 - A. Gas Station Canopy LED Tube Lighting – Tab B**

- 6. New Business: None**

- 7. Communication and Reports:**
 - A. Verbal Report**

 - B. Reschedule January 18, 2016 and February 15, 2016 meeting dates**

 - C. City Council Minutes for November, 2015 - Tab C**

- 8. Adjournment**



THE MEETING OF THE PLANNING COMMISSION BOARD HELD ON NOVEMBER 16, 2015, AT 7:00 P.M., AT THE CITY HALL COUNCIL CHAMBERS

The meeting was called to order at 7:00 P.M., by Jack Edmonds. Members present were Jeff Reynolds, Chad Heitschmidt, and Chuck Young. Staff present were Jolene Foss (Comm. Dev. Director) and Mary Lou DeWitt (Comm. Dev. Assistant).

APPROVAL OF MINUTES OF REGULAR MEETING ON OCTOBER 19, 2015

HEITSCHMIDT MOVED, SECOND BY REYNOLDS, TO APPROVE THE MINUTES OF OCTOBER 19, 2015. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

APPROVAL OF MINUTES FROM THE SPECIAL MEETING ON NOVEMBER 2, 2015

HEITSCHMIDT MOVED, SECOND BY REYNOLDS, TO APPROVE THE MINUTES OF NOVEMBER 2, 2015. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

AGENDA ADDITIONS / DELETIONS:

HEITSCHMIDT MOVED, SECOND BY REYNOLDS, TO APPROVE THE AGENDA. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

PUBLIC HEARING:

A. #15-17 Conditional Use Permit for 801 5th Avenue North

Community Development Director Memo:

BACKGROUND

Theresa McGuire has applied for a conditional use permit for the property address at 801 5th Ave N PRINCETON MN 55371
PID #24-040-2180, City of Princeton, Original Townsite, Lot 1, Block 54, Mille Lacs County, Section 28, Township 36, Range 26

ANALYSIS

The request is to allow a Home Bakery Business in R-2 Residential District.

Zoning. The current zoning for this property is R-2 Residential.

Comprehensive Plan. The Future Land Use Plan designates this property to remain R-2 Residential.

R-2 Residential Definition:

The intent of the R-2 Residential District is to preserve the older historic areas of the city, which was platted into small modest sized lots with a less restrictive zoning district permitting a higher density but retaining the historic residential character of the district. The average density for this district is 4-8 units per acre.

Home occupations are an allowable use in R-2 with a Conditional Use Permit.

Home Occupation Definition:

Any occupation or profession, regulated within this ordinance, which is carried out for gain by a resident and conducted as a secondary use in the resident's dwelling unit or in an accessory building as long as it does not utilize more than 25% of the total floor area of the dwelling.

Home occupations may not utilize garages or accessory buildings. (See Chapter VI – Performance Standards, J. Home Occupations)

Home Occupations (Rev. 11-18-2010; Ord. 658)

A home occupation is that accessory use of a dwelling that shall constitute either entirely or partly the livelihood of a person living in the dwelling. All permitted home occupations require an approved conditional use permit.

1. Permitted Home Occupations

The following permitted home occupations with an approved conditional use permit:

- Childcare.
- Dressmaking, sewing, and tailoring.
- **Home cooking and preserving.**
- Home crafts such as model making, rug weaving, lapidary work, and woodworking.
- Laundry-related services.
- Telephone answering and clerical work.
- Tutoring, limited to four students at a time.
- Other approved occupancy.

The following conditions must be met to meet the conditional use permit requirements:

- a. The home occupation does not change the outside appearance of the dwelling and is not visible from the street.
- b. The home occupation does not generate traffic, deliveries, parking, or sewerage and/or water use in excess of what is normal in the residential neighborhood.
- c. The home occupation does not create a hazard to person or property or generate hazardous waste.
- d. The home occupation does not create any detriments to the residential character of the neighborhood due to the emission of noise, smoke, dust, gas, heat, glare, vibration, electrical interference, or any other nuisance resulting from it.
- e. The home occupation does not result in the outside storage or display of anything except a nameplate no larger than two square feet in area which may only be attached to the wall of the dwelling.



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f. The home occupation does not utilize more than 25% of the total floor area of the dwelling. If an accessory building is used for such home occupation, it shall not exceed 625 square feet in total floor area.

g. The home occupation is conducted by no more than two persons, one of whom shall reside within the dwelling.

General CUP Review Standards

Subsection 3.B. of Chapter IV outlines the standards for review of a conditional use permit:

1. *The proposed use does not violate the health, safety, or general welfare of Princeton residents.*

Comment: It does not appear that the proposed use will violate the health, safety or general welfare of Princeton residents.

2. *The proposed use has been reviewed and approved by the City Engineer in regards to erosion, runoff, water pollution, and sedimentation.*

Comment: It does not appear that the proposed use will create any potential erosion, runoff, water pollution and sedimentation issues.

3. *Adequate parking and loading is provided in compliance with the Ordinance.*

Comment: The parking requirements are being met.

4. *Possible traffic generation and access problems have been addressed.*

Comment: No changes to the traffic generation or access are proposed with the CUP.

5. *The proposed use can be accommodated with existing public services and will not overburden the city's service capacity.*

Comment: The proposed use can be accommodated with existing municipal sewer and water.

6. *The proposed use conforms to the City's Comprehensive Plan and is compatible with present and future land uses of the area.*

Comment: The Comprehensive Plan states that the City should strive to expand and diversify the area tax base by promoting sound economic development opportunities and encourage wise land use patterns in the area.

Staff Recommendation

It is City Staff's recommendation to **approve** the Conditional Use Permit for the Home Occupation in R-2 Residential for Theresa McGuire to open a home bakery.

*****End of Staff Memo*****

Theresa McGuire, applicant wrote the following memo:

In my home bakery I will be baking pies, cookies, cupcakes, and decorated cakes for all occasions and making some candy. These will be available by order only and there will not be a retail area in my home. These items will be either picked up by the customer at my home at which I have a four car driveway available for off street parking, or delivered to the customer by myself. This should minimize any traffic issues or parking problems. I will be certified by the Dept. of AG under the cottage food laws, which also allows me to see my products at community events and farmers markets. I am currently the pastry chef for a local restaurant and am a graduate of the International Culinary School at the Art Institute.

Thank you, Theresa McGuire

*****End of Memo*****

Theresa McGuire, applicant said that she is currently working as a pastry chef.

Edmonds opened the public hearing.

Karen Reed, 807 5th Avenue North, asked how the bakery items would be dispersed.

McGuire said she would take orders and she could deliver them or they would come pick them up.

Reed said she has no issue with it.

HEITSCHMIDT MOVED, SECOND BY REYNOLDS, TO CLOSE THE PUBLIC HEARING. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

HEITSCHMIDT MOVED, SECOND BY REYNOLDS, TO APPROVE ITEM # 15-17 CONDITIONAL USE PERMIT TO ALLOW A HOME BAKERY BUSINESS IN AN R-2 RESIDENTIAL DISTRICT, LOCATED AT 801 5TH AVENUE NORTH WITH THE FOLLOWING HOME OCCUPATION ZONING CONDITIONS:

1. THE HOME OCCUPATION DOES NOT CHANGE THE OUTSIDE APPEARANCE OF THE DWELLING AND IS NOT VISIBLE FROM THE STREET.
2. THE HOME OCCUPATION DOES NOT GENERATE TRAFFIC, DELIVERIES, PARKING, OR SEWERAGE AND/OR WATER USE IN EXCESS OF WHAT IS NORMAL IN THE RESIDENTIAL NEIGHBORHOOD.
3. THE HOME OCCUPATION DOES NOT CREATE A HAZARD TO PERSON OR PROPERTY OR GENERATE HAZARDOUS WASTE.
4. THE HOME OCCUPATION DOES NOT CREATE ANY DETRIMENTS TO THE RESIDENTIAL CHARACTER OF THE NEIGHBORHOOD DUE TO THE EMISSION OF NOISE, SMOKE, DUST,

GAS, HEAT, GLARE, VIBRATION, ELECTRICAL INTERFERENCE, OR ANY OTHER NUISANCE RESULTING FROM IT.

5. THE HOME OCCUPATION DOES NOT RESULT IN THE OUTSIDE STORAGE OR DISPLAY OF ANYTHING EXCEPT A NAMEPLATE NO LARGER THAN TWO SQUARE FEET IN AREA WHICH MAY ONLY BE ATTACHED TO THE WALL OF THE DWELLING.
6. THE HOME OCCUPATION DOES NOT UTILIZE MORE THAN 25% OF THE TOTAL FLOOR AREA OF THE DWELLING. IF AN ACCESSORY BUILDING IS USED FOR SUCH HOME OCCUPATION, IT SHALL NOT EXCEED 625 SQUARE FEET IN TOTAL FLOOR AREA.
7. THE HOME OCCUPATION IS CONDUCTED BY NO MORE THAN TWO PERSONS, ONE OF WHOM SHALL RESIDE WITHIN THE DWELLING.

UPON THE VOTE, THERE WERE 4 AYS, 0 NAYS. MOTION CARRIED.

The Planning Commission Board reviewed the Findings of Fact:

1. Does the proposed use violate the health, safety or general welfare of the Princeton residents? No.
2. Has the proposed use been reviewed and approved by the City Engineer in regards to erosion, runoff, water pollution, and sedimentation (if applicable)? No.
3. Is adequate parking and loading provided in compliance with the Ordinance? Yes.
4. Have possible traffic generation and access problems been addressed? Yes.
5. Can the proposed use be accommodated with existing public services and not overburden the City's service capacity? Yes.
6. Does the proposed use conform to the City's Comprehensive Plan and is compatible with present and future land uses of the area? Yes.

B. Kennel Ordinance Amendment

The Planning Commission Board has reviewed this Kennel Ordinance Amendment a few times and has recommended changes. Staff has made the changes and is bringing this back to the Planning Commission for review. The public hearing was left open from the October 19, 2015 Planning Commission meeting.

Foss said that staff has made some revisions to the Kennel Ordinance Amendment that was sent out in the packet. In R-1, R-2, and R-3 Zoning Districts kennels will not be allowed. In B-1 Zoning District it was added that with an Interim Use Permit a Pet Store selling cats or dogs under eight months of age with overnight boarding is allowed. Pet Grooming will also be allowed with an Interim Use Permit with no overnight boarding. In B-2 Zoning District with a Conditional Use Permit, Veterinary Clinics are allowed with overnight boarding provided they meet all kennel conditions as established in Chapter 6. With an Interim Use Permit in B-2 and B-3 Districts the allowed use would be Kennels, Pet Grooming with no overnight boarding, Pet Store selling cats and dogs under 8 months of age with overnight boarding, Doggie Daycare with no overnight boarding provided they meet all kennel conditions as established in Chapter 6.

Foss wanted the Planning Commission Board to understand the number of pets that could be on each property with this Kennel Ordinance Amendment.

DeWitt explained that on a standard City block there are twelve lots. This amendment would allow up to three dogs or cats or a combination of no more than five. That would add up to quite a few domestic pets on a City block. The current Ordinance is three dogs/cats in a total combination per property site.

Edmonds said the number of pets at three is enough.

Heitschmidt and Young agree.

Foss said she will make the changes of the number of dog/cats to a total of three in a combination. She will keep where the Veterinary Clinic has to apply for a Conditional Use Permit and that Kennels, Pet Grooming, Pet Stores, and Doggie Daycares will need an Interim Use Permit.

Edmonds commented that the current Ordinance in place allows a combination of three dogs/cats so this should not be an issue.

Edmonds opened the public hearing. There were no more questions from those in attendance.

REYNOLDS MOVED, SECOND BY HEITSCHMIDT, TO CLOSE THE PUBLIC HEARING. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

HEITSCHMIDT MOVED, SECOND BY YOUNG, TO APPROVE AND FORWARD TO THE CITY COUNCIL THE #727 ORDINANCE AMENDING VARIOUS SECTIONS OF THE PRINCETON CODE OF ORDINANCES AND THE PRINCETON ZONING ORDINANCE TO AMEND THE DEFINITION OF KENNEL, AND AMEND HOW AND WHERE KENNELS ARE PERMITTED WITHIN THE CITY OF PRINCETON WITH THE DEFINITION ALLOWING A COMBINATION TOTAL OF THREE DOMESTIC DOGS AND/OR CATS PER CITY PROPERTY LOT. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

OLD BUSINESS: None

NEW BUSINESS:

A. Planning Commission Bylaws

Foss informed the Planning Commission Board that the change in the Planning Commission Bylaws had gone to the City Council without coming first to the Planning Commission for review and approval. Staff is bringing this to the Planning Commission Board for review.



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DeWitt said the change in the Bylaws is that the Planning Commission shall consist of five regular members who shall be residents of the City, except that one of the members may be a person who owns a business located within the City of Princeton so long as that person lives within the 55371 zip code area.

Edmonds questioned if the Planning Commission Board needs a Secretary position in the duties of Officers. If the Bylaws are being changed maybe that could be removed.

DeWitt explained that the Secretary Officer position has duties that are required for the Planning Commission Board.

HEITSCHMIDT MOVED, SECOND BY REYNOLDS, TO APPROVE THE AMENDMENT TO THE CITY OF PRINCETON PLANNING COMMISSION BYLAWS. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED.

COMMUNICATION AND REPORTS:

A. Verbal Report

Foss had no verbal report.

B. City Council Minutes for October, 2015

The Planning Commission Board had no comments.

C. B-1 Zoning District Section Replacement

DeWitt informed the Planning Commission Board that on the desk in front of them is the amended section of the B-1 Zoning Ordinance for their zoning books.

Heitschmidt said his term is up December 31, 2015 for the Planning Commission Board and he will not be reapplying. He enjoyed his time on the Board.

The Planning Commission members thanked Heitschmidt for his time on the Board and his valued comments.

REYNOLDS MOVED, SECOND BY HEITSCHMIDT, TO ADJOURN THE MEETING. UPON THE VOTE, THERE WERE 4 AYES, 0 NAYS. MOTION CARRIED. THE MEETING ADJOURNED AT 7:41 P.M.

ATTEST:

Jack Edmonds, Chairperson

Mary Lou DeWitt, Comm. Dev. Assistant

MEMORANDUM



TO: Princeton Planning Commission
 FROM: Jolene Foss, Community Development Director
 SUBJECT: LED Canopy Lighting
 DATE: December 17th, 2015

Staff is recommending the addition of language to the Zoning Ordinance to address the recent request to put LED Lighting around a gas/filling station canopy. LED bar lighting would be used to outline the canopy around the gas pumps at gas stations.

In researching Elk River, Zimmerman, Duluth, Cambridge and Milaca I did not give very much insight. Duluth prohibits this kind of lighting. Milaca, Zimmerman and Cambridge do not address this topic directly.

The City of St. Cloud does not address this issue in their Zoning Ordinance but according to the Senior Planner, they mention that shielding of LED is required if it is located adjacent to residential.

A request to PUC, Southern Minnesota Municipal Power Agency (SMMPA) and the City Attorneys has been made for their input on this topic.

Suggested language:

Definition: Any LED tube lighting that goes around the canopy of a gas station.

F. Video Display Signs, Electronic Changeable Copy Signs, and Electronic Graphic Display Sign, and Gas Station Canopy Tube Lighting – General Provisions (Added 05-08-14; Ord. 706):

1. Location:
 - a. Signs shall only be permitted on property that is zoned B-2 Neighborhood Business, B-3 General Commercial, HC-1 Health Care, MOR Medical Office Residential, MN-1 Industrial, and MN-2 Industrial Districts.
 - b. Signs shall not be located within 125 feet of any existing residence (including single family homes, townhomes, multi-family residential buildings, apartments, etc) without proper shielding.
2. Orientation:
 - a. Signs shall not interfere with traffic and road safety due to placement and orientation, as determined by the city engineer.
3. Size and Height: The size and height of the sign shall be subject to the same

provisions as any other wall or freestanding sign.

4. **Brightness:**

- a. No sign may be of such intensity or brilliance that it interferes with the effectiveness of an official traffic sign, device, signal or the safety of the public, or located where it would do so as determined by the city engineer.
- b. Signs must not exceed a maximum illumination of 5,000 nits (candelas per square meter) during daylight hours, and a maximum illumination of 500 nits (candelas per square meter) between dusk to dawn, as measured from the sign's face at maximum brightness.
 - 1) The sign owner shall be required to provide an accurate field method of ensuring that maximum light levels are not exceeded if requested by City officials.
 - 2) The sign owner shall sign a license agreement supplemental to the building permit agreeing to operation of a sign in conformance with these regulations. Violation of these regulations shall result in forfeiture of the license, and the City shall be authorized to arrange disconnection of electrical service to the facility.
 - 3) Signs shall have an automatic dimmer control or other mechanism to automatically adjust its nit level based on ambient light conditions.

5. **Flashing Prohibited:** Flashing signs are prohibited (refer to Definition section).

6. **Malfunction:** In the event of a malfunction, the sign shall be designed to freeze the display, and the owner shall discontinue the display immediately upon malfunction, or upon notice from the City that the display violates the City's regulations.

**MINUTES OF A STUDY SESSION OF THE PRINCETON CITY COUNCIL
HELD ON NOVEMBER 5, 2015 4:30 P.M.**

Tab C

Mayor Paul Whitcomb called the meeting to order. Council members present were, Thom Walker, Dick Dobson, Jules Zimmer and Victoria Hallin. Staff present, Administrator Mark Karnowski, Finance Director Steve Jackson, Public Works Director Bob Gerold, Police Chief Todd Frederick, Fire Chief Jim Roxbury, Community Development Director Jolene Foss, Clerk Shawna Jenkins, Engineer Mike Nielson, and Attorney Damien Toven.

Cemetery Issues

Karnowski advised that the Council and staff have received some comments over the years about the protocol we use at the city cemetery. It was suggested that our processes be reviewed to determine whether changes in how we do things would better serve the needs/wants of the public.

Currently the city public works staff sets monuments twice a year (once in the spring and once in the fall).

Apparently there are some that would like to contract directly with the monument companies and have them set the monuments.

Obviously, the advantage would be that monuments could be set more quickly than they currently are.

One down side is that, if we didn't set it, then it doesn't make sense for us to maintain the monuments. If the footing settles (which it often does) then it would be up to the monument company to fix it...regardless of how many years have passed since it was set. Currently, our staff does that work.

There are other negatives that should come up during the discussion.

Gerold said staff time averages 160 hours twice a year for pouring concrete. That includes new stone settlings and repair. Karnowski replied that allowing monument companies to set the stones would save City staff a lot of time, but there would still be repair needed. Gerold added that if the monument companies were to set the stones, he is not sure how quickly it would get done. Karnowski stated that it may also cause issues in the future if stone setting was not done correctly.

Gerold commented that there have always been a few unhappy family members or monument companies, but staff cannot always work on their timeline. Zimmer asked if a monument company could be allowed to set the stones in cases where the family does not want to wait, then the city would be responsible for any needed repair in the future.

Walker suggested allowing the monument company to do the setting if the family really wants it done. Karnowski added that we could also offer an additional fee for a stone setting if it is out of the regular time frame and the family did not want to wait. Walker added that in the cases of a monument company doing the work, there should still be a "marking" fee for staff to mark the site and that cost could cover any additional future repairs.

Engineering Selection Discussion

Karnowski asked the Council and PUC who they would like to interview for engineering now that they have been able to review the RFP's that were received.

Daniels from PUC said they had trouble with Bolten Mink in the past, so they took them off the list of possibilities. The ones they have chosen to interview TKDA, WSN and WSB.

Walker added that when the EDA was looking at Engineers for the Industrial Park Study, they felt Ulteig was too far away.

Walker stated he likes the work WSB has done. Whitcomb added that WSB is actually proposing a new engineer to work with the City, so he likes that. He felt it may be nice to be the only city that an engineer is working with.

Hallin asked how the Council felt if TKDA, WSB and WSN where interviewed. Dobson commented that he was not comfortable with WSN because they were so far away.

Staff and PUC will meet with TKDA and WSB.

Snow Emergency Ordinance

Karnowski advised that the police and public works have had a lot of issues over the years with snow emergency parking issues. They have worked with the City Attorney's to draft an ordinance that would allow cars to be towed. In essence, adopting the ordinance amendment would allow vehicles to be towed.

Walker questioned if a snow emergency can be called if it was not snowing as of yet. Gerold replied that in Elk River for instance, ordinance states a snow emergency can be called if NOA is predicting that many inches of snow.

Frederick reported that the current problem is the delay in which they have to wait to identify owners and try to get them notified to move their car. Officers actually go door to door to try and wake people up to move their cars, but that takes a lot of time.

Karnowski stated that language regarding a NOA prediction could be added to Section 720.00. Frederick commented that they are handing information out to people so people can be forewarned of the process and ordinance change if adopted.

**HALLIN MOVED TO INTRODUCE THE SNOW EMERGENCY ORDINANCE AMENDMENT.
DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY**

7th Ave North sewer and water hookups

Karnowski advised that there has been discussion on allowing the private homeowners to roll the cost of their private hookups into their assessment. Whitcomb asked how many properties have homes. Daniels responded that there are a total of 8 lots being assessed, with just 2 being vacant lots. Karnowski added that those 2 vacant properties could also pay the SAC and WAC fees up front at the reduced rate if future development was planned. Those properties would not have any hookup costs at this time, but they could add the SAC and WAC to their assessment if they so choose.

Daniels added that he spoke to all the residents and they are all willing to hook up right away. They are also very happy that the City and PUC are going to be adding some additional funds to help reduce the cost.

Council members confirmed that they all understood those costs could be rolled into an assessment.

TED Grant Discussion – Reduce Grant Request

Nielson reported that Bruce Cochran, Jolene Foss and himself worked on this grant. It would include a round-a-bout at 21st Avenue and a sewer extension to serve the 200 acres that they are looking to get shovel ready. This is the same site that Solid Ground Development had looked at developing several years ago. DEED has reviewed the project and the grant is right on the bubble of approval of denial. It was asked if the grant could be lowered some, or the local share could be increased.

Karnowski asked if a smaller pipe with a lift station could be used to keep the cost down. Nielson said the lift station cost would exceed the savings on the smaller pipe, as it does not amount to much per foot difference.

Nielson said the trunk fees are about \$6000 per acre, so this grant would really help bring those costs down. He isn't sure if a round-a-bout at County Road 31 is needed right now, but removing that from the grant application would take out more of the important transportation aspect. He suggests agreeing to the lower grant amount to see if we get it, then we can decide not to accept the grant if things don't work out financially.

Daniels asked how the fire flow looks when they get out that far. Nielson said they look fine, but at some point it may need to be looped back.

Foss added that she does have a letter of support from the developers. Nielson commented that with the current trunk fees, it would total about 1.21 million. He said removing the second round-a-bout would lessen the total by about 1.5 million, but then the application won't score the needed transportation points.

Foss stated that she feels the round-a-bout at County Road 31 will be needed at some point, but she would be okay with removing it from this grant application.

Walker commented that a large portion would probably be the data center, but hopefully there would also be many other businesses as well.

Foss suggested taking advantage of what could be done now, then maybe apply again in the future for the second round-a-bout at County Road 31. Nielson added that tying it to the TED Grant would likely be their best opportunity.

Walker asked for clarification on each phase. Nielson responded that Phase 1 would be to the end of the Soule property, and the second would go just past the church. Each Phase equals about a quarter mile section.

Hallin asked if the church would be asked to hook up. Nielson replied that if a property is in the Township they would stay on private well and septic. If they wanted to hook up to water and sewer, the property would need to be annexed.

Walker asked how difficult it would be to start back on for each phase if all were not done at once. Nielson said it would be about \$30,000 – 40,000 to start back up, but it would not be that difficult.

Walker asked if the Soule property would be able to run off Phase 1 and suggested removing the round-a-bout on County Road 31. Karnowski added that the grant needs a strong transportation aspect to be approved.

Karnowski asked if just reducing the size of the sewer would decrease it enough. Nielson replied that it would only save about \$150,000, which is not much when looking at a large project like this. Nielson stated that this project has an opportunity of paying for itself, but the issue would be paying for it until the land was developed.

Walker inquired if there was a size between the 12" and 21" sewer line. Nielson said there is an 18", and while force mains are less expensive, but the cost saving is removed because a lift station is needed.

Foss said from a Community Development aspect, it is a good idea to take advantage of grants as development would be a great asset to the community.

Karnowski added that the Federal money has been sitting for quite some time and should be used soon so the city does not lose it.

Walker stated that he thinks the application should be submitted with both round-a-bouts and Phase 1. Hallin said she thinks Phase 1 and 2 should be done. Nielson added that approximately 120 acres could be developed if Phase 1 and 2 were completed.

Foss another consideration is that sewer and water costs have not come up much since this was looked at in 2006.

Dobson questioned if for some reason PUC did not have the funds or did not want to go out on bond for this project, would the City put sewer in and not water. Nielson said no, both would be done at the same time.

Walker asked if staff has heard of plans for the Soule property to be developed. If phase 1 is done, about 2/3 of the property could be developed. Karnowski added that it is really important to have willing participants. In this case, it would be putting in the utilities to handle future development. He recommends looking at the sewer line size, depths, service area, growth rate, etc.

Walker questioned if it gets more expensive the deeper you go. Neilson said yes, and estimated about \$100,000 for dewatering costs. He also included funds expected in acquiring right of ways. He also added in some costs for utility expansion, and if the pipe size was reduced it could eliminate the need for an Environment Assessment, which also would reduce costs.

Whitcomb said his biggest concern is selling this project to the residents, so he would like to see commitments from the landowners. Foss will reach out to the property owners, especially Saxon and Boo. Karnowski stated that if the grant was received, we could get a commitment before accepting the grant. Nielson added that he does not think it is out of line to ask them to pay at least part of the trunk fees up front if the grant was received. Whitcomb added that growth needs to pay for the growth.

Nielson advised that one of the round-a-bouts could be built with the Federal funds that are already available to the City.

Nielson suggested making it conditional. He would want to see Boo put up a letter of credit for \$800,000 and a commitment to pay the other off at the time of sale. He stated the city is

70% funded on one round-a-bout. If the planned trail was left in, that may help the application a bit as well.

Walker questioned the grant scoring. Nielson said it really depends on who is looking at the application. Walker suggested the application state that the city would like to do both, but can scale back if needed.

Karnowski asked the Council if they would be comfortable with Foss making some calls to the property owners and for Nielson to crunch the numbers. Nielson at this point is suggesting leaving the second round-a-bout in the plan to keep those transportation points, but take the sewer down to Phase 1 and 2. Phase 3 could be added if the property owners will make an official commitment.

Foss and Nielson will work on this.

Taxilane Pay application #2 (Final)

Karnowski reported that this is the 2nd and final pay request for the taxilane project.

WALKER MOVED TO APPROVE THE PAY APPLICATION #2 FOR THE FINAL TAXILANE PAYMENT OF \$8,328.81. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Liquor Store Signage

Karnowski advised that the city was made aware of a used "Wine & Spirits" sign that was advertised on Craig's List. The sign is 12' 6" long and the LED red letters are 15" high.

The cost for the sign is \$200 and the quote for installing the sign is \$400.

The reason the purchase is being considered is to increase the awareness of the liquor store to Wal-Mart shoppers. The plan would be to mount the sign on the south side of the building.

He checked with Gerold and it was suggested to hire an electrician to do the work. The company selling the sign said they will do it. It does meet the sign ordinance.

Hallin liked the idea. Karnowski said staff believes it may be beneficial to have signage on the other side of the building to let people know it is a liquor store.

HALLIN MOVED TO APPROVE THE PURCHASE OF THE WINE AND SPIRITS SIGN ADVERTISED ON CRAIGSLIST FOR \$200 AND THE INSTALLION OF \$400. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

2016 Budget Discussion

Frederick, Roxbury and Foss gave a brief overview of their proposed 2016 budget. Jackson said the rest can be discussed at the December study session, or Council can meet a bit earlier at the Tuesday, November 24th meeting. Council decided to meet at 6:30 pm on Thursday November 12th to discuss the rest of the proposed budget.

ZIMMER MOVED TO CONTINUE THE MEETING UNTIL THURSDAY, NOVEMBER 12TH AT 6:30PM. DOBSON SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

Shawna Jenkins
City Clerk
ATTEST:

Paul Whitcomb, Mayor

**MINUTES OF A REGULAR MEETING OF THE PRINCETON CITY COUNCIL HELD ON
NOVEMBER 12, 2015 7:10 P.M. IN THE CITY HALL COUNCIL CHAMBERS**

Mayor Paul Whitcomb called the meeting to order and led the Pledge of Allegiance to the Flag. Council members present were, Thom Walker, and Jules Zimmer. Others present: Administrator Mark Karnowski, Development Director Jolene Foss, Police Chief Todd Frederick, Public Works Director Bob Gerold, Liquor Store Manager Nancy Campbell, Fire Chief Jim Roxbury, Clerk Shawna Jenkins, Engineer Attorney's Damien Toven and Kelli Bourgeois. Absent was Victoria Hallin and Dick Dobson

AGENDA ADDITIONS/DELETIONS

CONSIDERATION OF MINUTES

- A. Regular Meeting Minutes of October 22, 2015
- B. Study Session Meeting Minutes of November 5, 2015

WALKER MOVED TO APPROVE THE REGULAR MEETING MINUTES OF OCTOBER 22, 2015 AND THE STUDY SESSION MEETING MINUTES OF NOVEMBER 5, 2015. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

CONSENT AGENDA

- A. **Permits and Licenses**
- B. **Personnel**
 - 1. WWTP Manager Chris Klinghagen Step 5 Increase to \$27.26 effective 11-22-15
 - 2. Public Works Austin Schneider Step 4 Increase to \$23.53 effective 11-18-15
 - 3. Public Works / WWTP Tyler Hall Step 3 Increase to \$22.54 effective 11-18-15
 - 4. Police Ryan Vandenhuevel Step 5 Increase to \$62,568 year effective 11-15-15
 - 5. Liquor Store – approval to Hire Theresa Zinnel at \$11.18 effective 11-10-15
- C. **Donations/Designations**

WALKER MOVED TO APPROVE THE CONSENT AGENDA. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

OPEN FORUM

PUBLIC HEARINGS

REPORTS OF OFFICERS, BOARDS, AND COMMITTEES

- A. EDA Board Meeting of October 15, 2015
- B. Planning Commission meeting of October 19, 2015
- C. Fire Advisory Board meeting of November 3, 2015
- D. Airport Advisory Board meeting of November 2, 2015
- E. PAVC Board meeting of October 26, 2015
- F. Park Board meeting of October 26, 2015
- G. Planning Commission Special Meeting of November 2, 2015

PETITIONS, REQUESTS, AND COMMUNICATIONS

- A. Letter to Fire Department from Gerald and Marilyn McLarnon

Roxbury reported that the Fire Department received a letter from Gerald and Marilyn McLar-

non. On October 29th, the Princeton Fire and Rescue Department responded to a chimney fire at their residence. With the prompt response, the damage was confined to the chimney. They wanted to extend their thanks to the city and all of the participating firefighters for the very successful outcome.

ORDINANCES AND RESOLUTIONS

A. Ordinance 726 amending Snow Emergency Parking – FINAL READING

Karnowski stated that staff has added the language as requested regarding an NOAA prediction of a snowfall can be used to call a snow emergency, and that streets cannot be parked on until they are plowed curb to curb.

WALKER MOVED TO APPROVE ORDINANCE 726 AMENDING SNOW EMERGENCY PARKING REGULARITONS. WHITCOMB SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

B. Resolution 15-67 – accepting donations

Karnowski advised that the City has received several donations from various individuals. Joe Schwartz from Big Sky Productions shot and put together a wonderful video of Princeton's Parks. The value of that work and design is \$500.

Princeton Used Clothing has donated \$300 to be used for Christmas Lighting, Cynthia Walker donated \$25 to the Police Department and Rachel Leonard donated \$100 towards the Eagle Scout Project at the airport.

WALKER MOVED TO APPROVE RESOLUTION 15-67 ACCEPTING \$925 IN DONATIONS. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

C. Resolution 15-68 accepting donation of Pet Oxygen masks

Karnowski advised that the Princeton Fire Department is the recipient of equipment from Invisible Fence of Central Minnesota that could help save the life of a pet that experiences smoke inhalation at a major fire. The estimated value of the masks is approximately \$100 each. One will stay at the Wyanett Substation and one at the main station.

ZIMMER MOVED TO APPROVE RESOLUTION 15-68 ACCEPTING THE DONATION OF PET OXYGEN MASKS FROM INVISIBLE FENCE OF CENTRAL MINNESOTA. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

D. Resolution 15-70 amending Sterling Point Developer's Agreement

Foss reported that Roger Fink, Sr. VP of Trident Development, LLC and Quintin Harris, Sr. VP of Lancaster Pollard have requested the opportunity to amend the Developer's Agreement and the TIF Note that the City of Princeton and Trident Development, LLC entered into on July 22nd, 2010 regarding the Assignment of and Transfer of Project.

Due to the success and maturation of the Sterling Pointe Senior Living, LLC, Trident Development is looking to refinance the current loan with Lancaster Pollard. They have requested the opportunity to provide a rider for the Developer's Agreement and TIF Note that allows for the assignment to a different operator, only in the case of default, without City Council approval.

The reason for this request is that HUD wouldn't allow the refinance to occur with the stipulation written as it is, in the Developer's Agreement. In the event of foreclosure or default, if HUD were able to find a new assignee or operator, they want assurance that the City will not prevent a new, qualified operator to assume the loan.

The Regulatory Agreement with HUD in regard to Sterling Pointe outlines the terms/conditions of the HUD loan. The sections below define approved uses, requirements and actions agreed upon. These will not change with the proposed amendment:

Section 1 - Definition of Approved Use states: "**Approved Use**" means the use of the Project for the operation of the Healthcare Facility as an assisted living facility with 57 beds and such other uses as may be approved in writing from time to time by HUD based upon a request made by Borrower, or Operator, but excluding any uses that are discontinued with the written approval of HUD.

Section 11(b) - no other business or activity other than this Project (b) Borrower shall not engage in any business or activity, including the operation of any other project or other healthcare facility, or other ancillary businesses, or incur any liability or obligation not in connection with the Project. Borrower shall not acquire an Affiliate or contract to enter into any affiliation with any party, except as approved by HUD.

Section 21-Project to be maintained in accordance with Program Obligations. PRESERVATION, MANAGEMENT AND MAINTENANCE OF THE MORTGAGED PROPERTY. Borrower (a) shall not commit or permit Waste, (b) shall not abandon the Mortgaged Property, (c) shall restore or repair promptly, or cause to be restored or repaired promptly, in a good and workmanlike manner, any damaged part of the Project to the equivalent of its original condition, or such other condition as HUD may approve in writing, whether or not litigation or insurance proceeds or condemnation awards are available to cover any costs of such restoration or repair, and (d) shall keep, or cause to be kept, the Project in decent, safe, sanitary condition and good repair, including the replacement of Personality and Fixtures with items of equal or better function and quality. Obligations (a) through (d) of this Section 21 are absolute and unconditional and are not limited by any conditions precedent and are not contingent on the availability of financial assistance from HUD or on HUD's performance of any administrative or contractual obligations. In the event all or any of the Improvements shall be destroyed or damaged by fire, by an exercise of the power of eminent domain, by failure of warranty, or other casualty, the money derived from any settlement, judgment, or insurance on any portion of the Project shall be applied in accordance with the terms of Program Obligations and the Borrower's Security Instrument or as otherwise may be directed in writing by HUD.

Section 26 - requirements for Operator to be approved by HUD and comply with HUD Program Obligations

Article VI Sections 6.9 and 6.10 of the current Developer's Agreement is as stated:

ARTICLE VI Section 6.9

Assignment. Except as provided in the next sentence of this Section 6.9 or in Section 6.10, the Developer shall not assign its interest in this Agreement or the TIF Note without the consent of the City pursuant to an action by the City Council, which consent shall not be unreasonable withheld. The Developer may assign its interest in this Agreement and the TIF Note to any financial institution providing financing to the Developer for the Project, without further action or consent of the City, provided that the Developer and the assignee shall retain and undertake all of Developer's responsibilities under this agreement and the TIF Note.

ARTICLE VI Section 6.10

Transfer of Project. The Developer may not transfer, assign, lease, sell or assign the Project to any other entity without obtaining the prior written consent of the City. Failure to obtain such consent shall automatically terminate this Agreement and Note as of the date of such unpermitted transfer.

The proposed amended language is included the HUD Amendment to Development Agreement.

The City Attorney has reviewed and responded to this amendment proposal.

It is Staff's recommendation to approve the Developer's Agreement and TIF Note Amendment

Roger Fink is representing Sterling Point and stated that the property has reached a point in that they would like to move their construction loan to a final loan. If the property happened to fall into foreclosure, this amendment would allow HUD to find a person able to take over the property. We would like to get the cities approval and like to complete their paperwork with HUD by the middle of December.

Walker asked for clarification on the refinance. Fink replied that they were approved for 220F loan with a 35 year fixed rate. This will lower debt services, improve cash flow and will allow the property to operate better. The HUD has strict requirements, and money is put aside each month to make any capital improvements needed in the future.

Zimmer asked if HUD audits them yearly. Fink responded that they can see their financial statements and can audit them at any time.

Whitcomb asked the Council if they were all in approval of this amendment. Toven said Attorney Paul Dove has reviewed the document and just had some minor changes that he is suggesting.

WALKER MOVED TO APPROVE RESOLUTION 15-70 AMENDING STERLING POINT'S DEVELOPER'S AGREEMENT WITH THE ATTORNEY'S SUGGESTED CHANGES MADE. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

E. Resolution 15-69 Senior Citizen Assessment Deferral

Karnowski advised that a senior citizen deferral option as discussed at the October 15th meeting. He isn't sure that the few changes Attorney Bourgeois are reflected in this draft, so he can make those minor changes and bring it back to the Council.

Walker questioned using "disabled" and wondered how that is determined. Karnowski responded that the State has a definition and requirement to meet that. He will look up the correct wording for it.

F. Resolution 15-71, No parking on west Branch

Foss advised that Resolution 15-71 is to prohibit parking on West Branch Street from 10th Ave North and 13th Ave North as discussed at a previous meeting.

Walker asked if there were any private homes on that section. Gerold replied that he believes there is one home in that section of street. Foss stated it is mostly the apartments that are causing an issue with parking and they have adequate parking lots behind the building.

Foss asked the attorney's for clarification on whether this needs to be done via ordinance or resolution. Toven was not sure, Nielson said he believes it was done by Resolution. Toven looked it up and confirmed it is done via Resolution.

WALKER MOVED TO APPROVE RESOLUTION 15-71 PROHIBITING PARKING AND PUTTING UP NO PARKING SIGNS ALONG WEST BRANCH STREET BETWEEN 10TH AVE NORTH AND 13TH AVENUT NORTH. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

UNFINISHED BUSINESS

A. Stormwater management fee

Karnowski reported that at the November Study Session, there was a brief discussion about finally implementing the stormwater management fee the city adopted several years ago.

The discussion with the assessed residents regarding the 8th Avenue Stormwater improvements demonstrates that the city really does need a fund to help off-set the costs of stormwater issues as they come up.

Currently the residential rate is set at \$5.67/quarter with the commercial and industrial rate prorated based on that properties impervious surface and/or contribution to the city's stormwater system.

Karnowski suggested that the Council authorize collection of the fee beginning with the January Sewer and Water billing which would give the PUC the time to enter in the fee into their billing program. He also suggested that it be a monthly fee rather than a quarterly fee. Collecting the \$5.67 on a monthly basis would be \$1.89/month. Commercial properties would be determined by their impervious services.

He asked how the Council would like to proceed.

Zimmer asked for clarification on when the fee and ordinance was adopted. Karnowski responded that there was a time frame that the city had to calculate the commercial properties, so it was discussed at that time. The fee was adopted in 2009. Walker asked if this would be

set up as an enterprise fund. Jackson and Karnowski confirmed that it would be.

Zimmer questioned how much it would equal each year. Nielson replied that when it was originally discussed, he believed it equaled about \$70,000 - \$80,000 per year.

WHITCOMB MOVED TO APPROVE THE IMPLEMENTATION OF THE STORMWATER FEE, AT \$1.89 RESIDENTIAL PER MONTH BEGINNING IN JANUARY 2016. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

NEW BUSINESS

A. Mille Lacs County fire Department Mutual Aid

Karnowski advised that Roxbury was speaking to Milaca and it was suggested that we have an agreement in place to cover any mutual aid with any other Fire Department within Mille Lacs County. The thought was to have one that addressed strictly the Fire Department.

WHITCOMB MOVED TO APPROVE THE MUTUAL AID AGREEMENT WITH MILLE LACS COUNTY. ZIMMER SECONDED THE MOTION.

Walker asked who the mutual aid agreement would be with as there are no names on the signature page. Karnowski said it is a blanket agreement and it would be with whomever signed the back signature page. Roxbury said the intent was to have every Fire Department in the County sign one.

THE MOTION CARRIED UNANIMOUSLY

MISCELLANEOUS

BILL LIST

ZIMMER MOVED TO APPROVE THE BILL LIST WHICH INCLUDES THE MANUAL CHECKS AS LISTED ON THE MANUAL BILL LIST FOR A TOTAL OF \$184,143.37 AND THE ITEMS LISTED ON THE LIQUOR BILL LIST AND GENERAL CITY BILL LIST WHICH WILL BE CHECKS 72704 TO 72798 FOR A TOTAL OF \$260,829.66. ZIMMER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

ADJOURNMENT

There being no further business.

ZIMMER MOVED TO RECESS THE MEETING AT 7:45PM, UNTIL 6:30PM ON TUESDAY NOVEMBER 24. WALKER SECONDED THE MOTION. THE MOTION CARRIED UNANIMOUSLY

Respectfully Submitted,

ATTEST:

Shawna Jenkins
City Clerk

Paul Whitcomb, Mayor