



BELLE PLAINE ECONOMIC DEVELOPMENT AUTHORITY
NOTICE OF REGULAR MEETING AND AGENDA
CITY HALL, 218 NORTH MERIDIAN STREET
PLEASE USE THE NORTH ENTRANCE

**MONDAY, APRIL 8, 2019
5:00 P.M.**

PLEDGE OF ALLEGIANCE.

5:00
P.M.

1. CALL TO ORDER. 1.1. Roll Call.

2. APPROVAL OF AGENDA.

3. APPROVAL OF MINUTES.

- 3.1. Regular Session Minutes of March 11, 2019.
- 3.2. Joint Work Session Minutes of March 18, 2019.

4. TREASURERS REPORT.

- 4.1. Approval of Bills.

5. BUSINESS.

- 5.1. Discussion Trunk Area Fee Financing Policy.
- 5.2. Discussion New Home Permit and Plan Review Fee Waiver Program.

6. ADMINISTRATIVE REPORTS.

- 6.1. Commissioner Comments.
- 6.2. Director's Update.
- 6.3. Upcoming Meetings.
 - 1. Regular Session, 5:00 pm, Monday, May 13, 2019.

7. ADJOURNMENT OF REGULAR SESSION.

There may be a quorum of the Belle Plaine City Council present at the meeting.

**BELLE PLAINE ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING
MARCH 11, 2019**

PLEDGE OF ALLEGIANCE.

President Krant led those present in the Pledge of Allegiance.

1. CALL TO ORDER. 1.1. Roll Call.

The Belle Plaine Economic Development Authority met in Regular Session at 5:00 PM on Monday, March 11, 2019 at City Hall, 218 North Meridian Street, Belle Plaine, MN. Commissioner Krant called the meeting to order with Commissioners Coop, Meyer, Pankonin, Fahey and Coleman present. Commissioner Doyle was not present.

Also present was Community Development Director Smith Strack.

2. APPROVAL OF AGENDA.

MOTION by Commissioner Coop, second by Commissioner Fahey, to approve the agenda as presented. ALL VOTED AYE. MOTION CARRIED.

3. APPROVAL OF MINUTES. 3.1. Regular Session Minutes of February 4, 2019.

MOTION by Commissioner Coop, second by Commissioner Pankonin, to approve the agenda as presented. ALL VOTED AYE. MOTION CARRIED.

Commissioner Coleman inquired on the validity of ROSE Loan for Olsen/Shinehouse due to the passing of Olsen. Community Development Director Smith Strack explained the application was taken out in the building owner and renters name and the approval is good for 180 days. Smith Strack will be reaching out to Shinehouse regarding the ROSE Loan.

4. TREASURERS REPORT. 4.1. Approval of Bills.

MOTION by Commissioner Coleman, second by Commissioner Pankonin to approve the treasurer's report. ALL VOTED AYE. MOTION CARRIED.

5. BUSINESS.

5.1. Resolution 19-003: Resolution Approving Terms Of A ROSE Program Loan To Oldenburg Brewing Co LLC and Colt Oldenburg, Individually, For A Façade Improvement At 116 Main Street West.

Commissioner Krant introduced Resolution 19-003 Approving Terms of a ROSE Program Loan to Oldenburg Brewing Co., LLC and Colt Oldenburg, individually, for a façade improvement at 116 Main Street West. Community Development Director Smith Strack explained Oldenburg proposes redevelopment of a storefront at 116 Main Street West, the former Volleyball Products building. Smith Strack noted façade changes are proposed including, removal of storefront street-facing window and replacement with glass overhead garage door; replacement of commercial entry door; replacement of awnings using existing structures and replacement of custom-made louvers.

Commissioner Meyer inquired when the proposed grand opening is for the pub. Meyer also inquired if the sidewalk café ordinance is not adopted would Oldenburg still want the proposed overhead garage door, noting potential issues with liquor licenses with alcohol on the window ledge. Commissioner Fahey stated seeing a similar design in Prior Lake. Applicant Colt Oldenburg confirmed even if the sidewalk café ordinance is not adopted he would still move forward with the garage door opening noting the window

ledge would be a height of 28” from the inside of the building and 36” from the outside of the building allowing for some outdoor stool seating. Oldenburg acknowledged if the door is open a pedestrian would be able to grab alcoholic beverages from the opening explaining this could occur with the sidewalk café option as well. Oldenburg explained signs could be posted to help prevent. Commissioner Meyer inquired if the pub would have a full menu. Oldenburg explained high-speed convection ovens will be used to make items such as Philly cheese steak, wings and other items noting nothing will be fried. Commissioner Coleman inquired on pros or con feedback from neighbors. Oldenburg noted nothing has been reported to him. Commissioner Krant inquired if food trucks would be visiting. Oldenburg explained he would be serving his own food. Oldenburg also explained spirits will be served along with craft beer and soda’s, kombucha fermented tea and old fashioned bourbon.

MOTION by Commissioner Fahey, second by Commissioner Coleman to approve the ROSE Program Application for Colt Oldenburg at 116 Main Street West. ALL VOTED AYE. MOTION CARRIED.

5.2. Joint City Council, Planning Commission, and EDA Work Session - Housing.

Community Development Director Smith Strack explained the EDA established a 2019 goal of having a joint meeting of City Council, Planning Commission and EDA in the first quarter of 2019 with purpose of plotting efforts to increase rooftops. Smith Strack explained City Administrator Meyer recommends the discussion be held Monday, March 18 during a planned work session of the City Council. Smith Strack explained the EDA previously received background information on properties which were the subject of past discussion pertaining to residential development and building permit trends. Smith Strack noted the EDA also plans to have discussion pertaining to HRA programs in 2019. Smith Strack cited two current programs: façade revitalization/energy efficiency and new home down-payment assistance. Smith Strack explained staff is looking for feedback on potential focal points as listed: Strategies to encourage new residential subdivisions: allow higher density, new building permit incentive, financing of trunk fees, more builders, increase City “it” factor, etc.; Strategies to encourage new multiple family units. Site acquisition, reduce zoning public hearings, consider financial assistance, etc.; Strategies to encourage increased residential use in Downtown and revitalization: site acquisition, local 4d housing program for existing downtown rentals, financial assistance, identify target area, target housing unit type – i.e. lofts, studios, find public-use partnership for mixed commercial/residential redevelopment etc.; and Prioritize specific target areas, developments, strategies, etc.

It was the consensus of the Commission to have a quorum. Commissioner Coop suggested an explanation of incentives and trunk fees explaining both the positives and negatives and how it affects the city budget. Commissioner Meyer explained the commission needs to be mindful of risks. Commissioner Pankonin noted difficulty-appraising houses at the selling price. Community Development Director Smith Strack explained appraisals increase with quality of life increases i.e. Aquatic Center. Meyer suggested a focal point be on upcoming action items like multi-family housing.

5.3. TIF Process.

Community Development Director Smith Strack explained the City Council reviewed basic information on local financial incentives and TIF process. Smith Strack explained since development inquiries are increasing it appears information could be pertinent to the EDA. Smith Strack presented a slideshow on TIF and local financial incentives.

Commissioner Pankonin inquired on what happens when an agreement is paid off early. Community Development Director Smith Strack explained the district would be deactivated and any remaining fees that were not offset can be used for a different project. Commissioner Coop requested clarification on an abatement agreement contract between the City and the owner of the property would bind the hands for the future. Smith Strack confirmed it does in the case of an abatement agreement. Coop inquired if a correctly zoned area applies to build housing which meets the requirements the City is not allowed to turn down without opening up for a potential suit. Smith Strack confirmed the City must allow.

6. ADMINISTRATIVE REPORTS.

6.1. Commissioner Comments.

Commissioner Coleman noted the Gala and commended staff and the Chamber of Commerce for their work.

6.2. Director's Update.

Community Development Director Smith Strack highlighted her report.

Commissioner Meyer inquired on Aztron. Smith Strack explained the company is currently renting space in town.

6.3. Upcoming Meetings.

1. Regular Session, 5:00 pm, Monday, April 8, 2019.

Commissioners were reminded of upcoming meetings as listed.

7. ADJOURNMENT OF REGULAR SESSION.

MOTION by Commissioner Coleman, second by Commissioner Pankonin, to adjourn the meeting as 6:06 PM. ALL VOTED AYE. MOTION CARRIED.

Respectfully submitted,

Renee Eyrich
Recording Secretary

**BELLE PLAINE CITY COUNCIL
WORK SESSION
MARCH 18, 2019**

1. CALL TO ORDER. 1.1. ROLL CALL.

The Belle Plaine City Council met in Work Session on Monday, March 18 at 7:51 PM in the council chambers of City Hall, 218 North Meridian Street, Belle Plaine, MN. Present were Mayor Christopher Meyer and Councilmembers Cary Coop, Paul Chard, Renee LeMieux and Ben Stier.

Also present were City Administrator Meyer, Finance Director Jirik and Community Development Director Smith Strack. Commissioners Coleman was present from the EDA committee, Commissioners Herrmann and Cauley were present from the Planning and Zoning Committee and Commissioner Pankonin was present as a member of the EDA and Planning and Zoning committee.

2. APPROVAL OF AGENDA.

MOTION by Councilmember Coop, second by Councilmember Stier to approve the agenda as presented. ALL VOTED AYE. MOTION CARRIED.

3. DISCUSSION ITEMS.

3.1. 2020 Election and Future Elections.

Finance Director Jirik explained Scott County currently handles all absentee and early voting for all cities and townships. Jirik explained Election and City representatives met to discuss City and County options due to construction at the Scott County Courthouse in 2020. Jirik noted each of the options have costs associated with them. After discussion and review, the consensus is for option three; the county continues to manage all the absentee voting for 2020 at an offsite location to be determined. Mayor Meyer stated his concern with SCALE participation noting the change should not be a SCALE initiative noting instead changes should be handled by Scott County.

3.2. Housing Joint Meeting. – City Council, Planning and EDA

Community Development Director Smith Strack explained the EDA and Planning Commission look to join in discussion with City Council pertaining to creation of additional rental and single-family housing opportunities. Staff provided a slideshow regarding TIF, multi-family and single-family development. It was the consensus of the group to move forward with TIF for multi-family housing, note to inquire about site acquisition and maintain area trunk fees and building permits.

Commissioner Cauley suggested innovative storm water management as a future topic.

4. ADJOURN.

MOTION by Councilmember Coop, second by Councilmember LeMieux, to adjourn at 8:47 PM. ALL VOTED AYE. MOTION CARRIED.

Respectfully submitted,

Renee Eyrich
Recording Secretary



MEMORANDUM

DATE: April 8, 2019
TO: EDA President Krant, EDA Board Members, and Administrator Meyer
FROM: Cynthia Smith Strack, Community Development Director
RE: Item 4.1 Payment of Claims

REQUEST: Motion to Approve Payment of Claims

GENERAL INFORMATION

The EDA approves accounts payable for the EDA fund (801) and EDA Revolving Loan Fund (800) at each regular meeting. Attached please find claims for April for your consideration.



CITY OF BELLE PLAINE
 AP DEPARTMENT APPROVAL
 MARCH 2019

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Act Code	Check Name	Amount	Comments
FUND 801 ECONOMIC DEVELOPMENT AUTHORITY			
DEPT 460500 DEVELOPMENT			
801-460500-131000	PATRICIA KRINGS	\$12.00	RETIREE INSURANCE - EDA
801-460500-202000	METRO SALES INCORPORATED	\$247.71	EDA - 02/19 COPIER LEASE
DEPT 460500 DEVELOPMENT		\$259.71	
DEPT 495100 GRANT PROJECT			
801-495100-311000	INTERNET CONNECTIONS INC	\$75.00	2018 EDA JOB BOARD MAINT
DEPT 495100 GRANT PROJECT		\$75.00	
FUND 801 ECONOMIC DEVELOPMENT AUTHORITY		\$334.71	

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CITY OF BELLE PLAINE
 AP DEPARTMENT APPROVAL
 MARCH 2019

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Act Code	Check Name	Amount	Comments
FUND 801 ECONOMIC DEVELOPMENT AUTHORITY			
DEPT 460500 DEVELOPMENT			
801-460500-202000	OFFICE DEPOT, INC	\$4.37	EDA - COPY EXPENSE
801-460500-304000	KENNEDY & GRAVEN CHARTERED	\$234.50	EDA - AZTRON
801-460500-321000	FRONTIER COMMUNICATIONS	\$116.76	EDA - PHONE
DEPT 460500 DEVELOPMENT		\$355.63	
DEPT 495100 GRANT PROJECT			
801-495100-311000	INTERNET CONNECTIONS INC	\$150.00	2019 EDA JOB BOARD
DEPT 495100 GRANT PROJECT		\$150.00	
FUND 801 ECONOMIC DEVELOPMENT AUTHORITY		\$505.63	

*CLS
3-26-19*

*CLS
3-26-19*



MEMORANDUM

DATE: April 8, 2019
TO: EDA President Krant, EDA Board Members, and Administrator Meyer
FROM: Cynthia Smith Strack, Community Development Director
RE: Item 5.1 Discussion Trunk Area Fee Financing Policy

GENERAL INFORMATION

At a joint work session on March 18th the City Council, Planning Commission, and EDA discussed potential strategies to 'set the table' for apartment construction and new residential subdivisions.

One potential method to assist developers with financing new residential subdivisions is a policy/program option for financing a portion of water, sanitary sewer, and storm sewer trunk area fees. Trunk fees are per acre fees due at the time of subdivision development agreement signing and prior to release of the final plat for recording. Applicable fees are as follows:

TRUNK FEE SCHEDULE				
	Drinking Water	Sanitary Sewer	Storm Sewer	Total
Residential	\$ 2,100.00	\$ 1,600.00	\$ 2,850.00	\$ 6,550.00
Commercial	\$ 2,100.00	\$ 1,600.00	\$ 3,100.00	\$ 6,800.00
Industrial	\$ 2,100.00	\$ 1,600.00	\$ 3,450.00	\$ 7,150.00

Attached please find sample policy language. The language is similar to that approved in 2017 for financing of WAC/SAC fees which are due at the time of building permit issuance. The draft policy has been released to department head staff for comment. Please note the following:

- The potential program is limited to water, sanitary, and storm water trunk area fees and does not include park fees.
- As a starting point, the minimum total fees due would have to exceed \$50,000 total to be eligible for financing.
- The Applicant would have to be fee simple owner of subdivided property at the time of assessment agreement execution. Contract for deed arrangements or land leases would not be eligible for financing.
- Assessment agreement would have to be signed prior to signing of development agreement and releasing final plat for recording.
- Fees related to processing and filing the assessment would be assigned to the Applicant.
- Table on the following page is offered as a starting point for discussion of terms of the assessment:

TOTAL TRUNK AREA FEE DUE	TERMS
\$50,000 to \$100,000	50% paid at signing of subdivision development agreement; interest rate: prime plus one (1)%, maximum term five (5) years spread equally across all resulting lots of record included in the associated final plat.
\$100,001 to \$200,000	50% paid at signing of subdivision development agreement; interest rate: prime; maximum term six (6) years spread equally across all resulting lots of record included in the associated final plat.
\$200,001 and up	50% paid at building permit issuance; interest rate as set by Council; maximum term seven (7) years spread equally across all resulting lots of record included in the associated final plat.

For background, Jane Properties Subdivision trunk area fees total \$107,236 (three commercial lots). Provence Second Addition, Phase 1 (19 lots) totaled \$84,704 in trunk fees. Ridgeview Health Campus trunk area fees totaled \$51,136 for 7.5 acres (two lots). Robert Creek Preserve trunk fees totaled \$175,125 for all phases (28 acres); only fees applicable to first addition were paid.

Trunk Area Fee Financing Policy

I. PURPOSE.

1. The City of Belle Plaine is committed to the following goals:
 - a. Promoting quality development;
 - b. Maintaining, strengthening, and diversifying the tax base;
 - c. Promoting complete housing options; and,
 - d. Creating and retaining jobs.
2. The City finds that, in certain situations, drinking water, sanitary sewer, and storm sewer trunk area fees may prevent development projects furthering the aforementioned goals from proceeding.
3. The purpose of this policy is to establish a procedure for regulating, coordinating, and facilitating assessment of trunk area fees to qualifying subdivision developments. This policy does not support waiving of trunk area fees.

II. DEFINITIONS.

1. "Applicant" means any person filing a request to finance trunk area fees through an assessment. Applicant also means that person's agents, employees, and others acting under that person's direction.
2. "City" means the City of Belle Plaine, acting by or through its duly authorized representative(s).
3. "Property Owner" means any person, group of persons, association, corporation, or any other legal entity holding a deed for a subject parcel of real estate.
4. "Trunk Area Fee" means per acre area development fees for drinking water, sanitary sewer, and storm sewer typically due with execution of subdivision development agreements.

III. POLICY.

1. Eligible subdivision developments. Assessment of trunk area fees at the time of execution of a subdivision development agreement may be considered by the City of Belle Plaine, provided trunk area fees due total at least \$50,000. Subdivision development parcels accruing trunk area fees proposed for assessment must be under fee simple ownership of the Applicant at the time of signing of a subdivision development agreement.
2. Ineligible subdivision developments.
 - a. Trunk area fees applicable to development parcels not under fee simple ownership of the Applicant at the time of subdivision development agreement signing.
 - b. Trunk area fees applicable to development parcels subject to contract for deed or lease at the time of application for financing of trunk area fees.
 - c. In general, Applicants who are not in good standing with the City will not be considered for assessment of trunk area fees. For example, Applicants who have past-due utility bills, delinquent property tax payment(s), delinquent assessments, unresolved building permit issues, non-current rental licenses, and similar issues.
3. All agreements made under this policy shall be at no cost to the City. The City shall be reimbursed through interest on the assessment or other means for initial and on-going costs to service the assessment. Interest bearing assessments are envisioned as the norm under this policy.
4. The Property Owner shall execute an assessment agreement following approval of a

Trunk Area Fee Financing Policy

resolution by the City Council but prior to execution of a subdivision development agreement. Prior to the City Council considering an assessment agreement resolution, the Applicant shall provide written evidence approving the assessment agreement. Waivers of assessment hearings and/or appeals incorporated in a development agreement are not an acceptable means of formalizing an agreement to assess trunk area fees.

5. The City reserves the right to determine and limit the number of applications submitted by a common Property Owner and/or Applicant.

IV. FINANCING STRUCTURE AND TERM.

1. The following guidelines are generally applicable:

TOTAL TRUNK AREA FEE DUE	TERMS
\$50,000 to \$100,000	50% paid at signing of subdivision development agreement; interest rate: prime plus one (1)%, maximum term five (5) years spread equally across all resulting lots of record included in the associated final plat.
\$100,001 to \$200,000	50% paid at signing of subdivision development agreement; interest rate: prime; maximum term six (6) years spread equally across all resulting lots of record included in the associated final plat.
\$200,001 and up	50% paid at building permit issuance; interest rate as set by Council; maximum term seven (7) years spread equally across all resulting lots of record included in the associated final plat.

2. The City reserves the right to determine the amount of trunk area fees allowed to be assessed to the property.

V. APPLICATION PROCESS.

1. Applications shall be submitted by the Property Owner or by the Property Owner and Applicant. Supplemental information regarding the need for financing assessments shall be provided. Supplemental information may include, but is not limited to, evidence of a demonstrated need for fee financing, background information on the requesting entity, creditworthiness, and project analysis.
2. The application shall be on a form provided by the City.
3. The City will assign a fee for requests under this policy. Said fee shall be included in the City's fee schedule. Fees related to processing and filing the request including, but not limited to those required from Scott County shall be paid by the Applicant.
4. City staff shall review the application materials and make a preliminary determination regarding the completeness of the application and whether the application meets the criteria outlined in this policy. City staff shall provide written notice to the Applicant as to whether or not the application is complete and whether or not the application meets the criteria outlined in this policy.

Trunk Area Fee Financing Policy

5. Staff shall review the application materials and make a recommendation to the City Council regarding trunk area fee assessment.
6. The City Council shall review and act on the application and supplemental information. The Council may deny a request based on specific findings regarding the merit of the application (i.e. creditworthiness, fiscal analysis of the development, etc) and/or whether or not the application is eligible for consideration. The Council shall review any proposed assessment agreement. The Council shall approve the assessment agreement and authorize/direct execution of the agreement by Resolution.
7. Following execution of the assessment agreement the Finance Director shall cause a special assessment to be filed against the subject property. The Finance Director shall transmit notice of the assessment to the Scott County Auditor to be extended on the property tax lists of the County and the assessment shall be collected and paid in the same manner as other municipal taxes.



MEMORANDUM

DATE: April 8, 2019
TO: EDA President Krant, EDA Board Members, and Administrator Meyer
FROM: Cynthia Smith Strack, Community Development Director
RE: Item 5.2 Discussion Building Permit and Plan Review Fee Waiver Program

GENERAL INFORMATION

The EDA has two incentive programs available to residential property owners: an income qualified new home down payment assistance program and a residential rehabilitation/energy efficiency program. The EDA has previously discussed and provided for other incentive programs.

At the March 18th joint work session those in attendance reached consensus to investigate a fee waiver program tied to new homes proposed for lots in new residential subdivisions platted after a certain date (e.g. January 1, 2019). The fee waiver incentive could assist in facilitating take-down rates of lots in new subdivisions.

The fee waiver could be similar to one in effect from 2012-2015. As envisioned, the fee waiver would be limited to building permit and plan review fee. This means the applicable state surcharge, water meter, tracer wire, and WAC/SAC fees would still apply.

Following is a break-out of fees applicable to new homes with a value of \$250,000:

Bldg permit fee	\$ 2,017
Plan review fee	\$ 1,311
State surcharge	\$ 125
Water meter	\$ 155
Tracer wire curb box	\$ 30
WAC	\$ 4,040
SAC	\$ 5,090
TOTAL	\$12,865
Fee waiver – if applied	\$ 3,328

Discussion pertaining to potential waiver program and parameters is requested.



MEMORANDUM

DATE: April 8, 2019
TO: President Krant, Members of the EDA, and Administrator Meyer
FROM: Cynthia Smith Strack, Community Development Director
RE: Item 6.2 Director's Report

Design Committee

The Design Committee did not meet on April 1, 2019.

Planning Commission

The Planning Commission will meet at 6:30 p.m. on April 8th. Agenda items include:

- Public hearing assign I/C Industrial Commercial zoning classification to Jane Properties Subdivision property.
- Public hearing preliminary plat – Jane Properties Subdivision (non-residential).
- Public hearing – non-conformance expansion permit 210 Cedar St S (front yard setback).
- Public hearing – conditional use permit for change in use at 725 Main Street East (vehicle graphics printing and attachment).
- Public hearing – Ordinance 19-05 pertaining to outdoor storage.
- Public hearing – Ordinance 19-06 pertaining to offstreet parking.
- Minor subdivision request – Jennifer Shinehouse 116 Oakwood Drive

Other

- Discussion Façade Improvement Loan program with two businesses.
- Zoning information to three businesses.
- Verification of property listings with CoStar.
- Attended Chamber Board meeting March 18, 2019
- Coordinate review of draft sidewalk café code update.
- Coordinate joint meeting EDA, PC, and CC regarding housing efforts.
- Met with two developers regarding potential for development.
- Code amendment outside storage and off-street parking follow up.
- Coordinate review of non-conformance expansion permit – 210 Cedar St S.
- Coordinate review of conditional use permit request – 725 Main St E.
- Coordinate review of plat, easements, and development agreement for Jane Properties Subdivision.
- Code compliance issues processed.