

EAST BETHEL CITY COUNCIL MEETING

MAY 21, 2014

The East Bethel City Council met on May 21, 2014 at 6:00 PM for the City Council Work meeting at City Hall.

MEMBERS PRESENT: Bob DeRoche Ron Koller Tim Harrington
 Tom Ronning

MEMBER ABSENT: Heidi Moegerle

ALSO PRESENT: Jack Davis, City Administrator
 Mark Vierling, City Attorney

1.0 The May 21, 2014 City Council Work meeting was called to order by Mayor DeRoche at
Call to Order 6:00 PM.

2.0 **Harrington made a motion to adopt the May 21, 2014 City Council Work Meeting**
Adopt **agenda. Ronning seconded; all in favor, motion carried.**
Agenda

3.0 Davis presented the staff report and indicated the Council is asked to consider the approval
Zoning Map for the rezoning. The properties are a contiguous boundary of land west of Ulysses Street
Amendment NE, South of 189th Avenue NE, the current zoning is B-3, and proposed change to I – Light
 Industrial. The second property is a contiguous boundary of land east of Highway 65 and
 North of Klondike Drive NE, the current zoning is R-2, the proposed change is to B-3 –
 Highway Commercial. The third property is a contiguous boundary of land north of Viking
 Boulevard NE and approximately one-half mile east of Highway 65. The current zoning is
 R-1 and R-2 and the proposed change would be to B-3, Highway Commercial.

The need to rezone the area known as Classic Commercial Park was the catalyst for requesting the zoning changes that are presented for this discussion. The other two areas were ready for rezoning and constituted more than one parcel. These were attached to the request for the rezoning of the Classic Commercial Park area to minimize the number of submissions to Met Council for rezoning approvals. Future rezoning of the Highway 65 and County Road 22 Corridors are intended to be in one submission and can be set at a date to be determined.

The Planning Commission at their April 22, 2014 meeting conducted a Public Hearing to discuss this matter. There were no objections filed or presented at the Public Hearing for any of the rezoning requests and the Planning Commission recommended the zoning changes as outlined for City Council for consideration.

The need to rezone the area described as the Classic Commercial Park is to avoid leaving the land use decision to interpretation. This was the case with Aggressive Hydraulics and a differing interpretation of uses within the current zoning designation could have prevented their location on their current site and probably their decision to locate within the City.

It is also to maximize the use of this area to its highest and best use. The use within this area is to service businesses and light manufacturing and future land use will follow this pattern. The change in zoning will permit these activities to continue but still allow for

commercial development.

The new zoning classification would provide increased development flexibility over the current designation.

The zoning change in this area would provide the zoning framework for continuation of the predominant use of this area which is trades and service oriented business, transportation and light manufacturing. To continue the highway commercial zoning designation of these parcels is ignoring the economic and market realities of the geography of this area and creating a situation where every new use may face a rezoning or CUP request.

In addition, there were no objections from any of the affected property owners regarding this proposed zoning change.

Classic Commercial Park and adjoining areas to the west and north is an area that consists primarily of construction, services and trades and manufacturing companies. This is an area that has been discussed and proposed for rezoning for the past two years and contains potential "shovel ready" sites for light industrial uses. There are 60 acres within this area that are developable.

The second parcel under consideration for discussion for rezoning is the area that is located at the intersection of Klondike Drive and Highway 65. The need to rezone the area described as Minnesota Fresh LLC is that these parcels were inappropriately rezoned in 2008. This is the only residential zone on the east side of Highway 65 between 181st and 225th Avenue and would eliminate the "spot" zoning of these two parcels. These parcels are more suited to business use. The property owners also requested that the R-2 zoning be changed to B-3.

This property is currently zoned R-2 and is subject to a Significant Natural Environment Overlay. These parcels are currently being used as an agri-business by Minnesota Fresh LLC as authorized by an IUP, approved by City Council on December 4, 2013. The IUP was approved with recommendation for rezoning consideration when other zoning matters were proposed.

The third boundary is an area that is located at the intersection of Isanti Street and Viking Boulevard. The need to rezone this is that these parcels were previously zoned for commercial use. A B-3 zoning designation would provide for better screening regulations that would protect residential properties to the north of this area. A B-3 zoning designation would permit the expansion of the businesses located on these parcels. As this area is currently zoned R-1 and R-2, the businesses located at this intersection are non-conforming uses and no expansion is permitted. There were no objections from any of the affected property owners regarding this proposed zoning change.

There are three businesses located at this intersection and the property immediately to the west is zoned City Center which permits business uses. At one time, this area was zoned commercial and should revert to that zoning classification due to the pattern of development and use along this particular section of Viking Boulevard. The impact to the residential area is minimal and having these businesses designated as B-3 provides better screening standards for the residential areas and allows the expanse of the businesses on these sites.

DeRoche, "Well, to begin with, I guess I'd like to clarify for some people that had asked me

over the weekend, again. Some people were under the assumption that the zoning was voted down, it wasn't even going to go through. Where they got that information, I don't know. Other people, after conversation said, 'Well, now we kind of understand why it was tabled.' My personal reasons, I guess, for doing it and, to me, kind of putting a bunch of zoning together was kind of like an omnibus bill down at the Capitol. And, I guess I would prefer from now on that they kind of come up separately so that if one, one can be passed and if another one has issues, that the whole block of them isn't postponed or suspended temporarily. That being said, no, I don't have any problems with Farm Fresh getting theirs zoned commercial. If it was that at one point, it was changed to R-2, I think we all pretty much know why that happened. I don't really, I can't change why it did it but, whatever. The ones in the southwest part of the industrial park, if the record kind of shows that initially I was the one that kind of pushed for that so Aggressive Hydraulics could come down there. There were a few other Councilmembers that were a little adverse to that. So for someone to think that I don't want that zoned Industrial, that's kind of the only thing we can put down there for the most part. And, as for the other properties on Viking Boulevard, it wasn't so much an issue with those but, you know, I've had a conversation with Jack about my concerns that there are a couple other businesses, maybe more, on Viking that I think we need to take a look at and do the same thing for. Because, if they've been in the City a long time, been doing business a long time, and if, for right now they're noncompliant, which is okay, I guess, until they want to do something and then there's going to be an issue. And, if they are commercial and they've been commercial, I know one person in particular that purchased the business, they want to purchase the building and the property. Right now, they are grandfathered-in. If the purchase is made, then they lose that. And, they don't want to put all kinds of money into something and then have it pulled out from underneath them. I guess I don't blame them for that. That being said, I don't have any issues with the zoning."

Ronning, "The front page, the third separate boundaries of land? Contiguous boundary of land north of Viking Boulevard NE, approximately one-half mile northeast of Highway 65. If somebody doesn't have the packet, there, it sounds like it is from Highway 65 for a half a mile. Or, it could be read that way. That's a little ambiguous. People that live there are not going to think that, 'They did it to me again.'"

Davis, "Well, that could probably be clarified a little bit. However, the property between what we're considering rezoning and Highway 65 is zoned City Center so it permits commercial uses."

Ronning, "There were no objections from any of the affected property owners regarding this proposed zoning change. Might be true, but it might not if we didn't receive, or something."

DeRoche, "Yeah, and Jack and I kind of talked about that. My concern was from the legal side, even though the resident said he didn't care, if we don't have something in writing that he would come back. But, you know, they came to these meetings and apparently...does that 'hold water' Mark?"

Davis, "Again, we noticed this as was required in the paper and sent out letters to all the affected areas to be rezoned plus surrounding parcels that were affected by this under the requirements of the law. So, there was proper notification given to everyone and there were no objections on anyone's part."

Vierling, "The Statute requires that you notify people within a given distance but you're allowed to use the County tax records for ownership and mailing purposes. So, it's not uncommon that we often hear that someone says, 'Well, I didn't get the notice.' Or, 'I had purchased this property six months ago and it never came to me.' Or, something of that nature. That can happen but, you know, the only records that we have available to us are the County records for tax ownership. Most of the County has only changed those once a year. So, you can have an eight-, nine-month gap of ownership in there very easily. That can happen."

Ronning, "Do we have record of mailed delivery?" Vierling, "Usually staff will maintain a master list of what they have maintained for mailing lists that they have gone to. Many of the cities purchase the labeling in terms of where they go to, right from the County. So, you have a master list and verify by the County. The County Auditor/Treasurer often will map out exactly the area and print the labels for you based off their tax records."

Ronning, "Is that a long way of saying we don't have any way to verify? Staff has a list." Vierling, "And a record of who they've mailed to." Ronning, "Yes, but it isn't registered or certified so we know that it is going..." Vierling, "Cities are not required to mail registered and certified, for that type of thing."

Ronning, "Were you saying that the one person in this area that didn't care is a resident?" Davis, "That's in the Classic Commercial Park. There's a 40-acre parcel that is zoned R-2 and the owner of that parcel recognizes that the access to that property is through a business district and that business district is composed of service-oriented business, manufacturing, gas station, and really, it's attractiveness and marketability as a residential area is severely restricted because of what you go through to get to there. And, he recognizes he has more value with that being zoned Light Industrial because that increases his flexibility as to what he can sell it for. And, there's probably been some approaches to him about developing some of that area or using it for those purposes. To use his residential property would probably have very limited value. And, incidentally, he did come to the Planning Commission meeting when they had the Public Hearing. He made no comment but I had Colleen call him just to verify that there were no objections. And, he has no objections to the rezoning."

Ronning, "We're not, we don't watch over people. We're not caregivers, anything like that but I do think of us, sometimes as 'Big Brother.' And, that you'd take a look at these sorts of things if the guy is, for instance, if he passed away and his beneficiaries assume the land, they can't do much of anything with it, can they?" Davis, "They can develop it to its highest and best use. Again, if you're buying residential property, you don't want to have to drive through a business or light industrial district to get to your home, probably. It's going to decrease the value of that property. He recognizes it. Everybody in that family is very business oriented and I think they recognize that the potential is there. Much more for B-2, B-3, and Light Industrial uses than it is for residential uses."

Ronning, "Well, it's fair to say, reasonably, that we do and have considered things like that in this application." Davis, "That's correct. We want to make sure that everybody was aware, especially those things involved, changes from residential to this type of zone, that this will affect his taxes a little bit too. He recognizes that. He is actually supportive of the zoning change." Ronning, "Thank you."

DeRoche, "Ron?"

Koller, "I was at the Planning & Zoning Committee meetings and there didn't seem to be any objections to it and a lot of this, like you know, they switched it over around 2007 and 2008 for reasons and we're just putting it back to where it should be."

DeRoche, "Well, and you know, there again, one of the things I explain to people is, people may not like it sometimes that we ask a lot of questions. But, not so much in the far past there were decisions made that really kind of put this City in a bad situation because people didn't ask enough questions up here. So, I guess, I would rather be accused of asking too many questions and having too much information than just passing something on and then all of a sudden something else comes up and then you're trying to deal with it. Because, it just doesn't work. What do you think Tim? Anything to offer?"

Harrington, "No, I don't have any questions." DeRoche, "Well, that being said..."

Ronning, "The one piece that you talked about that is not included is Plow World."

DeRoche, "Right, and that's something that we're going to have to pursue. That's when I made the statement about Jack and I just talked here, about an hour and a half ago maybe, that there's Plow World and there's a cement step place." Davis, "Go for It." DeRoche, "Go for It Gas, because when they came in, they hadn't used that IUP/CUP for quite a while. I think it was a year. Was it two years Mark? That if they don't use it?" Vierling, "It lapses."

DeRoche, "It lapses so we had to do something with that. So, we're going to have to go back. You know I kind of stressed it to Jack that my concern that we really need to follow up on that. I think Jack will do that." Davis, "Again, Bob and I had this discussion. The reason those were not included with these is that these can be single-issue parcels and we're going to have to take a little bit different strategy in approaching this so we don't do little segments of spots of zoning. This whole thing was precipitated by the Classic Commercial Park so we're changing that designation because it does fit the land use, what will probably happen in that area, in the future, which is a large area. With Mrs. Johnson's property, we told her that when we're going to look at rezoning that, hers includes two parcels in what it said in the write up. Theirs is the only parcel on the east side of Highway 65, from 181st Avenue to 225th Avenue, that's a distance of over five miles, that's not zoned commercial. It's the only residential parcel in that whole segment along that east side of the road. So, in essence, that's spot zoning that we're correcting. The other was three parcels together. What we'll look at with the others is trying to combine those with some additional parcels. But, we want to talk to those people because I'm sure that most people down there who are zoned residential don't want to be zoned commercial. So, we're going to have to figure out the best way to approach it and put that together in a package."

Ronning, "Didn't you go to the open house at Plow World?" Harrington, "I did." Ronning, "Did Ron go too?" Koller, "No."

Ronning, "He said something to you about interest in participating in some of these changes? Or, being considered, whatever?" DeRoche, "I've talked to him, just stopping in, talking to him, and he expressed the concern that he had bought it, bought the business, but he wants to buy the building and the property. But, he doesn't want to do that and then have it pulled out from underneath him. Anybody else? Well, that being said, we're pretty much done here. "

4.0 **Harrington made a motion to adjourn at 6:19 p.m. Koller seconded; all in favor,**
Adjourn **motion carried unanimously.**

Submitted by:

Carla Wirth

TimeSaver Off Site Secretarial, Inc.