

## EAST BETHEL PLANNING COMMISSION MEETING

February 28, 2012

The East Bethel Planning Commission met on February 28, 2012 at 7:00 P.M for their regular meeting at City Hall.

MEMBERS PRESENT: Brian Mundle, Jr. Eldon Holmes Tanner Balfany  
Lorraine Bonin Glenn Terry Lou Cornicelli

MEMBERS ABSENT: Joe Pelawa

ALSO PRESENT: Stephanie Hanson, City Planner  
Jack Davis, City Administrator

**Adopt Agenda** Chairperson Mundle called the February 28, 2012 meeting to order at 7:03 P.M.

**Mundle motioned to adopt the February 28, 2012 agenda. Balfany seconded; all in favor, motion carries.**

### Commission Appointment and Oath of Office

Joe Pelawa still needs to be sworn in. He was not at the meeting.

### East Bethel Municipal Utilities Project

**Project Service Area:** the project area includes the west side of Hwy. 65, between 185<sup>th</sup> Avenue and Viking Boulevard, and west along Viking Boulevard from Hwy. 65 to the Connexus substation, located approximately ½ mile west of Hwy. 65.

### Project Utilities

- 1.) 13,000' of waterline ranging in size from 8" to 24" with 30 fire hydrants;
- 2.) 6,800' of City trunk and lateral sewer ranging in size from 12" to 36";
- 3.) 8,000' of MCES interceptor sewer ranging in size from 24" to 48";
- 4.) One water treatment plant with a treatment capacity of up to 1,200 gallons/minute;
- 5.) Two wells with a production capacity of 1600 gpm
- 6.) One 500,000 gallon water storage tower; and
- 7.) One 500,000 gpd waste water treatment plant designed to be expandable to 5,000,000 gpd.

### Costs and Cost Allocations

<u>Project</u>	<u>East Bethel Cost</u>	<u>MCES Cost</u>
Waterline & Appurtenances	\$3,702,000*	
Water Tower	\$1,328,000	
Wells	\$ 457,000	
Lateral and Trunk Sewer	\$2,305,000*	
Interceptor Sewer	\$2,200,000*	\$2,900,000**

Water Treatment Plant***	\$2,111,000*
Waste Water Treatment Plant	\$13,000,000**, *****
Easements	\$ 660,000

\* Estimated Cost

\*\* MCES costs will be recaptured through SAC and user charges

\*\*\*The original bid and associated costs for the water treatment plant was \$6,376,000

\*\*\*\* Does not include costs for force main installation and RIB's (this will be bid as a separate project)

Estimated Total City Water Cost \$ 7,598,000

Estimated Total City Sewer Cost \$ 5,165,000

Savings from the redesign and rebid of the water treatment plant in the amount of \$4,350,000 will enable the City to pursue additional capital projects to add connections to the system. These additional projects could include connection to the Castle Towers facility, Hwy. 65 East Side Businesses between 183 Ave. and 187<sup>th</sup> Lane and/or other connections as funds permit.

### **Project Schedule**

This project was originally scheduled for completion by July 31, 2012. Due to claims for abnormal weather conditions, a change order extending the project was presented to MCES and City Council. Both the Council and MCES were advised by legal counsel that it would be difficult to deny the extension claim by the contractor.

The City Council approved the change order for a time extension by granting a date of December 1, 2012 for completion of the water service, and June 30, 2013 for final completion of the project. If the water service is not completed by December 30, 2012, then the contractor is liable for the provision of temporary water service to permit the operation of the system. There will no additional cost to the City for the water service as a result of the delay.

The delay will have potential implications as to the collection of assessment revenues. Assessments originally anticipated for 2013 will probably not be collected until 2014. Our legal counsel has advised the City that is a delay that cannot be considered damage by the contractor and is therefore not pursuable through legal action.

### **Financing**

The estimated City share of the Municipal Utility Project, \$12,763,000, will be financed with a combination of bonds which were issued December 15, 2010.

These bonds are as follows:

Recovery Zone Economic Development Bonds ( RZED-"A" Bonds)	\$11,465,000
Build America Bonds ( BAB-"B" Bonds)	\$6,100,000
Revenue Bond ( "C" Bond)	\$1,260,000
Total Issuance	\$18,825,000*

\*The discrepancy between the amount of the bond issuance and the projected cost of the project is due to the change in the cost of the water treatment facility and the remaining project contingency funds. The bonds were issued prior to the redesign and rebid of this portion of the project.

To date we have made 2010A, B & C bond interest payments of \$744,147.38 on 8/1/2011 and \$592,683.75 on 2/1/2012 for a total of \$1,336,831.13. We received \$299,437.12 for the 8/1/2011 interest payment rebate and \$238,489.74 for the 2/1/2012 interest payment rebate for a total of \$537,926.86. Interest, offset by credits, paid so far is \$798,904.27. The principal on the bonds is back loaded and won't begin until 2016.

The revenue to make the payments on these bonds (\$708,000 for 2013-2015) will be dependent on the timing and the number of connections we can make to the system and to a lesser degree the user charges that will be generated by the new customers.

For each connection to the system the customer will be charged a \$3,400 MCES SAC fee and a City SAC and WAC fee of \$5,600. In addition, each customer will be assessed a fee for their share of the lateral and trunk sewer including any street restoration. This cost will be determined and assessed by the level of service provided. For the purposes of preparing the project cash flow analysis by both Bolton & Menk and Landform, \$8,000 was used as a projection for the assessment. The total of the MCES and City charges plus the assessment projection provides the amount of \$17,000 per equivalent connection that has been used for previous cash flow models.

Bond Payment/Cash Flow Projections, presented in Projection 1 & 2 in your packet, present two scenarios:

- 1.) Projection 1 assumes revenue will be generated in 2013 with 55 City SAC and WAC fees. This projection produces a net deficit of \$394,356 at the end of 2016 and assumes the following:
  - a.) There will be no reissuing of the 2010 C bonds and the first half of the balloon payment will be made in 2016; and
  - b.) There is no additional assessment income calculated over and above the \$72,300 for street restoration assessments. In all likelihood, additional income will be derived from lateral sewer benefit assessment, however, at this time, that amount is unknown and was not included in the computations.
- 2.) Projection 2 assumes revenue would not be generated until 2014 due to delays on the project. This projection produces a net deficit of \$1,514,356 at the end of 2016 and assumes the following:
  - a.) There will be no reissuing of the 2010 C bonds and the first half of the balloon payment will be made in 2016; and
  - b.) There is no additional assessment income calculated over and above the \$72,300 for street restoration assessments. In all likelihood, additional income will be derived from lateral sewer benefit assessment, however, at this time, that amount is unknown and was not included in the computations

The most important variable in projecting cash flows for the project is the number of connections and that can be secured annually through the 20-year project period. Any change in this number, positive or negative, will be the driver of our abilities to amortize our bond indebtedness. These numbers, while unknown, present the major challenge to this project. Various schedules have

been prepared that present many different scenarios. Based on Projection 1 and 2, we need 600 SAC connections by the end of 2016 to have a break-even cash flow, assuming the 2010 "C" bonds are not refinanced. To date, and depending on assessment policies, we have 50 SAC connections in the assessed area of the project.

### **Summary of Costs to the City**

From 2013 through 2015, bond payments will be \$708,388 annually.

Beginning in 2016 and through 2017 annual bond payments could increase to \$1,493,388. This amount for these and subsequent years will be dependent on the rebonding of the 2010 "C" bonds.

Beginning June 30, 2013 and through the period listed as schedule "D" in the Cooperative Construction Agreement, the City will be required to make annual payments to the MCES for "accelerated and incremental" costs for the interceptor sewer system with an initial payment of \$34,517 in 2013 and increasing to \$202,129 in 2030 and remaining at this level through 2040. These payments are to amortize the City's portion of the interceptor sewer costs. Payments over the period will total \$3,700,511.

MCES SAC charges begin at \$3,300 in 2012 and increase at a 3% annual rate to \$5,620 in 2030.

Should flows to the MCES waste water treatment facility be less than the SAC equivalent projections, a surcharge, to be determined, will be imposed upon the users of the system. This surcharge is projected to be in the \$1.50/1,000 gal. range.

Operation and maintenance cost have as yet to be determined. These will be dependent on the number of customers and additional project connections to the system. They could, in the initial years of the project, exceed the City's portion of user charges if the customer base does not expand at projected rates of connections needed to support the system.

### **Conclusion**

This information is intended only to emphasize the challenge that confronts the City of East Bethel. It will take a concerted and collaborative effort between the City Council, the EDA, Planning and Zoning Commission and the residents of the City to do all that is required to make this project a success and not a burden on the East Bethel taxpayers.

Jack Davis explained to the group the estimated costs for the water cost \$7,598,000 and the cost for the estimated sewer cost \$5,165,000. Davis explains the savings cannot be taken off what the City owes, so the whole amount must be spent on projects that relate to water and sewer. The City is currently looking at three possibilities connecting to Castle Towers facility, Hwy 65 East Side Businesses between 183<sup>rd</sup> and 187<sup>th</sup> Lane and/or other connections as funds permit. The first would cost about \$4 million. The second project would cost about \$1.2 million. There are currently two stubs allocated to the east side of Hwy 65. Another possibility is extending a service line to Our Saviour's Lutheran Church for some senior housing and also the church. The cost for this

would be about \$250,000. All three of them would be a positive addition to the system. All of them would add ERUs, but the City would only get credit for new ERUs. If a total build-out was done up in that Castle Tower area, it would also be about 150 ERUs.

The project schedule was scheduled to be completed at July 31, 2012. There have been some delays, and the contractor is blaming it on abnormal weather. A change order was submitted to City Council, and legal counsel advised that it would be very hard to defend the denial of a claim for an extension of time. We felt it best to grant the extension with conditions. They wanted until June 30, 2013. The condition was that the water had to be ready by December 1, 2012. They also needed to have sewer done by that date. The delay shouldn't hurt the economic development efforts. Met Council said they would pump and haul before the waste water plant is finished. The plant will not be completed until the summer of 2013. The biggest impact will be the revenue collections. That will have some implications on the bond payments based on the estimated number of connections. These projections don't take into account any assessment revenue and we don't know what it will be at this time, but it should be a fairly significant amount. There are also other variables, such as connections. They are being proactive with the EDA and trying to hasten the project up.

Bonin asked why are we paying for the City of Bethel to hook up? Davis said they would pay their own costs and would just have to pay to hook up to our connection. We would have to figure out a cost sharing plan for our line to be shared. Balfany said it is about \$4.0 million.

Bonin asked if the Soderquist area wants to hook up to this. Davis said they are interested in hooking up. Davis said the city had a preliminary discussion with the City of Ham Lake and as long as they don't have to alter their comp plan, this is a possibility. This plan has been tentatively approved at Met Council and the City of Ham Lake.

Davis said the bonds can't be reduced. Terry asked why the City can't pay back that amount. Davis explained that the bonds issued are a recovery bond and a Build America bond. They are part of the federal government issued bonds so they are tax exempt. Because of those exemptions they have to be spent on a project. They have to be spent on capitalized projects that are related to water and sewer. If the monies are not spent on a project the tax exemption would be removed.

Bonin asked if the east side businesses were never part of the plan? Davis explained that the only businesses that are included in the project are the ones on the west side of the highway. The trailer park was not included on the plan. Right now we are saddled with 12 customers that have the equivalent of 50 ERUs. By 2016 we need 600 ERUs. Balfany said on the bright side, we have a \$4.0 million budget to help create those ERUs. It would be the cheapest to do the east side of Hwy 65.

Davis said they had a couple of meetings with the trailer park. We are trying to interest them in using the city water. We need a certain amount of turnover in the water. If we can get them as a customer, that is 150 connections. That would be

significant to the water system. Balfany said he would recommend the least amount of cost to get the most benefit. Davis said if we don't connect Castle Towers, we will still have to do renovations of the plant that will cost over \$2.0 million. As a long term investment, that may be the best plan. As far as the east side of Hwy 65 there are two stubs so if a business wanted to connect, the city could look at options.

Davis explained that the SAC charges increase 3 percent annually. If we don't generate enough flow, based on their estimated ERUs, the sewer treatment plant will have to tack on a fee. We still haven't determined our operations and maintenance costs. He wanted to present this information to everyone so everyone knows what we need to make it work. He believes it can work, but we need everyone working together to make it a success. Bonin said it might be a struggle but we can make it work. Davis said if we all work together we can make this thing happen. Holmes asked if the payment to Met Council, is locked in? Davis said it is locked in.

Balfany asked if we have support with the EDA and the Council. Is everyone on board to get this going? Davis said everyone is on board and people have different ideas on it now. More people are coming together to form a consensus. The quicker we get to that point the better we have success on making this project successful. As everyone is aware, this has been a very contentious and confrontational project. The EDA is doing some work and the Council is behind it. The Planning Commission will be very active on this also. Davis said he is looking forward to working with everyone to make this a success. Balfany said he is hoping that this gets done and he thinks it is important. Holmes said he thinks it will work also. Davis said no matter how we may feel about the project, we have it now, we have to work together to make it successful.

Mundle asked, with the new marketing plan, is there anything being done to attract customers? Davis said there will be recommendations to make the marketing and promotions. As far as something specific for that area, that is the area we really are focusing on. There have been discussions on the City Centre. There will be information provided to make the area really attractive for growth. Mundle asked if there is any speculation on the City Centre project and when it will move forward? Davis said the City Centre is a concept right now and we need to meet with some landowners that are interested in developing their property. The plan that we have is a nice drawing, but he is not really sure it relates to our situation. There will be some recommendations that come out of the marketing study in regards to this also. Holmes asked what has been presented to the businesses on the east side of Hwy. 65? Davis advised there was one meeting about 6 or 8 months ago; they were cautiously optimistic about it, but one business was opposed. In August they had a second meeting. He is getting calls once or a month on connecting and the business owners have some questions on how they would be assessed.

**Planning Update****Ady Voltedge – Marketing and Branding Plan**

Hanson stated that the project kick-off stakeholder meeting on February 1, 2012 was a success! 41 of the 70 invitees attended the meeting. The overall response to the meeting was very positive – people like to see that the city is looking towards the future and are supportive of the marketing plan.

The online survey is in full swing and getting a great response rate. The survey is available through February 29. As of Friday there were 550 people who completed the survey. Balfany said 600 was our benchmark. Hanson said yes. Balfany asked if the consultants could do it with less than 600? Hanson said the consultant thought if there were three hundred it would be a good response.

The project is on schedule and here is a glance of the schedule:

February 28, 2012 – Conference call with Ady Voltedge and staff to share the Retail Market Analysis and one-on-one interview results.

March 13, 2012 – Conference call with Ady Voltedge and staff to discuss the preliminary results of the community survey.

April 2, 2012 – Work Group and Stakeholder's Meeting with Ady Voltedge and stakeholders. Once Hanson knows a time and location, she will let Planning Commission know about.

Mid-May – Ady Voltedge will present the complete marketing plan.

Hanson said once she knows a time and location of the up coming meetings, she will let Planning Commission know about.

**Minimal Impact Design Standards (MIDS) Pilot Community**

Hanson explained that East Bethel has been chosen to be a MIDS Pilot Community. What does this mean for the city?

The St. Croix MIDS Pilot Community Project was established to help St. Croix Basin communities meet state water quality regulatory requirements and provide a real testing ground for the application of the new MIDS performance goals. Two cities were chosen, East Bethel and Chisago Lakes Trio.

The Pilot Community Project involves regional and focused community assistance in the form of education, training, review and consultation services, and tools and resources such as model ordinances. Education and training includes NEMO – Nonpoint source Education for Municipal Officials programming and Stormwater U – technical training for staff.

Two communities, East Bethel and Chisago Lakes Trio, were chosen to receive free education, training, and consulting services to update plans, codes, and procedures to protect the local water resources and ultimately the St. Croix River.

Staff will receive the project schedule within the next 30 days and will move forward from there. Hanson will provide the schedule to the Planning Commission when she receives it.

The completed project will result in the city's adoption of Low Impact Development (LID) standards – an approach to storm water management that mimics a site's natural hydrology where storm water is managed on site where the raindrop falls, storm water ordinance, conservation design standards, and updates to the city water management plan, engineering standards manual, parks/open space plan, and ecological corridor map.

This is a project that staff will be working on this spring and summer. Once the consultants are done with the project, then the Planning Commission will need to update the ordinances. It may involve some public hearings.

Bonin asked if we would be able to change things in the comp plan next year. Hanson said yes, Met Council typically only wants one comp plan change per year. Hanson said the consultants are also taking a look at the comp plan.

Hanson stated the City of East Bethel is in two watershed districts – Sunrise and the Upper Rum. The Sunrise is in the St. Croix Watershed. The standards that they are creating will also affect the Upper Rum River Watershed. The standards that are to be developed will be applied to the whole city, not just the Sunrise River Watershed. Cornicelli wanted to know how many cities applied to be a pilot community. Hanson was unsure.

Mundle wanted to know how the city marketing plan would be implemented. Hanson said the consultants will put together the marketing plan. If City Council adopts the plan then staff will implement it.

### **Internet Distribution Sales Discussion**

Hanson explained that at the January 24, 2012 Planning Commission meeting, Mr. DiMuzio and Mr. Valder of Valder Vehicles made a presentation discussing open sales lots. After much discussion, Planning Commission recommended staff to propose a zoning text amendment that would allow for open sales lots with regulations.

City Council discussed this same matter at their regular scheduled meeting on February 1 and again on February 15. It is the consensus of City Council, City Attorney, and Staff that the proposed business can be defined as "Internet Distribution Sales." The City Attorney drafted a definition for "Internet Distribution Sales" and Staff and the City Attorney have developed draft language to regulate the use. The draft language was provided to City Council at the February 15 meeting. City Council directed staff to proceed with the zoning text amendment.

The proposed changes are as follows:

Attachment #1 is the proposed definition to be added to Section 01. General Provisions of Administration:

*Internet Distribution Sales:* A business predicated on sales through internet communication elements of which consist of the following: ninety-five (95) percent of all sales are initiated and secured through internet communication between buyer and seller with minimal or no need for on-business-site negotiation between buyer and seller; the business has no pre-sale acquired inventory; all sales are substantially completed before the product is delivered to the business site for delivery to the customer; there is little or no need for business site signage with the exception of basic identification signage; there is also no need for on-site advertising signage; there is minimal need for product storage on site with the exception of product awaiting customer pickup; there is limited need for outside storage and no product being stored on site will require storage beyond forty-five (45) days; and no product repair is conducted indoors.

Attachment #2 is the proposed language to be added to the permitted interim uses in Section 47. Highway Commercial (B3) District.

Attachment #3 is the proposed changes to Section 10. General Development Regulations:

### **19. Internet Distribution Sales**

- A. An interim use permit is required and is limited to no more than two (2) years in duration, upon initiation or renewal.
  - 1) Ninety-five (95) percent of all sales shall be initiated and secured through Internet communication between buyer and seller with minimal on site negotiations.
  - 2) Exterior storage area for motor vehicles is limited to 4,000 square feet. Exterior storage of vehicles is limited to no more than twenty (20) vehicles.
  - 3) Exterior storage of inoperable vehicles, equipment, parts, or materials used in the conduct of the business is prohibited. On site storage of damaged vehicles is prohibited.
  - 4) Minor vehicle maintenance is permitted as an accessory use as to vehicles awaiting sale and delivery only, within a structure. All vehicles awaiting maintenance must be stored inside the principal structure.
  - 5) No pre-sale inventory shall be stored on site
  - 6) The sales area shall not take up or interfere with access to any required parking spaces.
  - 7) Sales area shall be surfaced with concrete or bituminous and shall meet required parking setbacks. Sales must not occur in the right-of-way.

- 8) All necessary state and city licenses shall be obtained prior to operation.
- 9) Business owner must submit vehicle sales records as requested by city staff within fourteen (14) days of request.
- 10) All signs associated with the use shall be in compliance with the East Bethel Sign Ordinance.

Staff requests Planning Commission discuss the proposed changes and provide staff with comments and suggestions.

Also, staff requests Planning Commission provide staff with direction to hold a public hearing at the March 27, 2012 Planning Commission meeting for the proposed changes to the zoning code.

Mundle asked if the regulations affect just that area? Hanson said this would affect the entire B3 zoning district. B3 is mostly limited to the south end of the city. Holmes said he read it quite a few times, it sounds like we are singling out just for this one company. Holmes asked what if someone else wants to do an Internet Business? The regulations wouldn't allow them to. He said that number 5 and 10 in the proposed regulations contradict each other. The regulations look like they are drafted for this one company. Terry said that it does say limited. Holmes said he doesn't get the whole thing. He thinks it should be for all businesses, not just this one business. Bonin said it is obvious the impetuous is for a used car sales lot. Balfany said that the title should be retitled to internet car sales. Holmes said all car businesses are on the internet now. Balfany said we didn't want another car lot but the gentlemen will search for the specific car a customer wants and bring it back to their site for the transaction.

Holmes asked what if someone wants to have an eBay store? Terry said if someone would sell something like eBay items, their items would be stored inside. Bonin said she thinks the ordinance should be specific for this business. Holmes said then it should say it is an internet automotive sale only. It could be parts and cars, but you need to define what the use is. Hanson said that could be taken care of with reworking the definition. Balfany said we need to find a way to segregate this from other businesses. Cornicelli said if you change the title to automotive it clears a lot of things up. He drove by the site, you can tell that it is cleaned up and you can't tell they are selling vehicles there. Balfany stated that we asked if they have been doing any transactions at the site and they stated no. He said he is seeing different vehicles there.

Terry asked about number 10? Hanson said our sign code regulates blow-up gorillas, flags, banners, and streamers; they are not allowed, so there is no need to have it specifically listed as part of the regulations. Stating that the sign code regulations must be met covers those items. Hanson said number 5 can be removed.

Bonin said they will have cars on site because someone may not want the car after it was purchased and bring it back to them. Balfany explained that Valder stated at the last meeting that if it sits in inventory too long, they would move it

to an auction. Hanson explained that outdoor storage only allows 20 vehicles and the vehicles can only be on the site for 45 days. Hanson explained that her and Davis had meetings with Valder and DiMuzio so they are aware of proposed language to allow a maximum of 20 vehicles and 4,000 square feet storage area.

Holmes asked if there has been anything talked about handicapped parking for this lot? Hanson said that will be addressed when they come in for an interim use permit because they will need to submit a site plan as part of the application. Holmes said everything is so generalized, but the conditions specific. Bonin asked if we could make a motion to allow them to operate without making this change in the City Code? Hanson said no because it is not an allowed use in the zoning district. Balfany asked if we have the right definition and description of the business? Hanson said the City Attorney has been involved with the proposed language. Holmes said when you get so specific it can come back and bite you. He doesn't want that to happen to the city. Bonin asked if we have already decided what our requirements are and are they willing to comply? Hanson stated that Valder is aware of the proposed regulations.

Hanson said that staff would monitor the business. Bonin said if the business is not doing what they are supposed to do, staff will need to confront them. Holmes said if the business does not comply with the regulations, then the IUP could be denied when they reapply for it.

Cornicelli said #1 of the proposed language should say *At Least 95%*. He asked what does minimal need? Minimal should be changed to without. Bonin said they would have people on site to look at the cars. Cornicelli also stated you can drop that whole line and stop it at seller.

Balfany said the customer sales traffic should be online and once there is interest they will negotiate in the office on site. Holmes said you are assuming all the vehicles will be in good running order.

Balfany said that #3 looks good to him. Holmes asked what if someone wanted to come in and do internet sales on salvaged vehicles? Bonin stated that exterior storage is limited to twenty vehicles. Holmes asked what is being considered on # 4, what type of minor work? Hanson said that minor motor vehicle repair defined in the zoning code. Cornicelli asked if they have a bay to do work. Hanson said they have a single bay. Balfany said he has seen people come to the business and offer oil changes in the business parking lot. They are responsible for hauling the oil away.

Holmes asked in that part in our ordinance does it address painting or auto body work? Hanson is unsure of the exact definition, if painting and bodywork is considered minor or major repairs. Holmes said there are minor things that can be done to a car, that are under paint and body. Hanson will look how it is defined. Holmes said that it could be just stated as part of the regulations that no paint/bodywork will be done on the property.

Cornicelli said he wasn't sure what is meant by *sales area* in #6. Bonin said if they had a car that people didn't want, it would be stored in the exterior storage area. Balfany suggested we reword it to read *exterior storage* and not *sales area*.

Holmes asked if the City of East Bethel makes it mandatory to have the City licenses displayed? Hanson said she wasn't sure of this requirement. Holmes said many communities require that it must be displayed and if it is not displayed, the business is shut down. Balfany said his insurance license needs to be displayed. Hanson said she would look at it and make sure it is in code that any and all businesses must have licenses on display. Balfany said this could be tacked on to #8. Hanson said the only businesses in the City that need a license, besides liquor, are automobile dealerships.

Holmes asked why we are requesting vehicle sales records? Mundle said so we can check to make sure 95% of sales are done on the internet. Holmes asked why we care on how many cars are sold? Balfany said the language should be changed to something like *buying track records*. Hanson said this will give staff the authority to request records to show what and how the cars are being sold. Cornicelli clarified that business owners must submit records of sales type to the City. Balfany said for this type of business there has to be a specific report that is submitted to the state. Holmes said this is only if city staff requests them.

Cornicelli said vehicles must not be stored in the right-of-way. Vehicle storage area shall be surfaced with, as opposed to staging sales area. Sales area is inside the building. Balfany said that would be the same language that can be put in #6.

Hanson said once the zoning text amendment is approved by City Council, then Mr. Valder can apply for an IUP. Balfany asked when we open up the zoning code for a zoning text amendment and we do a comprehensive plan amendment in August, will this business be operating illegally? Hanson said no and explained that the zoning text amendment affects the types of uses allowed in the B3 zoning district that are regulated in the zoning code. The comprehensive plan is specific to land uses. Hanson said the zoning text amendment public hearing will be at the March Planning Commission meeting and to City Council the first meeting in April. Mr. Valder could then apply for an IUP so Planning Commission may have a public hearing for him in April. Mr. Valder is well aware that the soonest an IUP could be approved is in May.

**Mundle motioned to make the changes discussed and move forward with a public hearing on March 27, 2012. Holmes seconded, all in favor, motion carries.**

Hanson said in the mean time, she will make the changes and get them out to the Commission to take a look at and to let her know if there are comments or questions.

**Approve January 24,  
2012 Planning  
Commission Meeting  
Minutes**

Bonin said she would like Hanson to contact Pelawa to inquire if he still wants to be a part of Planning Commission. If not we should look at recruiting a different member.

Terry: page 8, third paragraph beginning with second sentence he would like to change to *zoning text amendment be tailored to exclude some of the items they stated they are not* utilizing such as flags, car lifts, etc.

Mundle: page 4, second paragraph. Mundle asked *what is the status of the license you are applying for?*

Terry: page 5, third from bottom of the *he and Jordan*, not him and Jordan.

**Holmes motioned to approve the February 28, 2011 minutes as presented. Mundle seconded; all in favor, motion carries.**

**Adjourn**

**Balfany made a motion to adjourn the meeting at 8:40 PM. Terry seconded; all in favor, motion carries.**

Submitted by:

Jill Teetzel  
Recording Secretary