

PLANNING COMMISSION MINUTES - CITY OF INVER GROVE HEIGHTS

Tuesday, February 21, 2023 - 7:00 p.m.
City Council Chambers - 8150 Barbara Avenue

1. CALL TO ORDER

Chair Niemioja called the Planning Commission Meeting to order at 7:00 p.m.
The Pledge of Allegiance was recited.

2. ROLL CALL

Commissioners Present: Elizabeth Niemioja (Chair)
Scott Clancy (Vice Chair)
Jonathan Weber
Kate Challeen
Robert Heidenreich

Commissioners Absent: Dennis Wippermann (excused)
Joan Robertson (excused)
Jaime Besser (excused)
Vacant

Staff Present: Allan Hunting, City Planner
Heather Rand, Community Development Director
Stacy Bodsberg, Community Development Support Specialist

3. APPROVAL OF MINUTES

A. Approval of Meeting Minutes from the January 17, 2023, Regular Planning Commission Meeting.

Motion by Commissioner Weber, second by Commissioner Heidenreich, to approve the meeting minutes from January 17, 2023 as submitted.

Motion carried (5/0).

4. APPLICANT REQUESTS AND PUBLIC HEARINGS

A. Consider a request for a Comprehensive Plan Amendment to change the guided land use from LMDR, Low-Medium Density Residential to GI, General Industrial as part of a possible development of an approximate 200,000 square foot office/warehouse building.

Reading of Public Notice

Commissioner Weber read the Public Hearing Notice to consider the request for Endeavor Development, Case No. 23-03PA for property located at 7925, 7927, 7985 Argenta Trail, identified by PID#'s 20-00700-52-050, 20-00700-52-041, 20-00700-52-030. The request consists of a comprehensive plan amendment to change the guided land use from LMDR (Low Medium Density Residential) to GI (General Industrial) to allow for an industrial building to be constructed. Notices were mailed to 66 property owners on February 8, 2023.

Presentation of Request

City Planner Allan Hunting gave a presentation and summary of the staff report for the Planning Commission. The request is to change the current land use from LMDR to GI General Industrial. The concept is for an office/warehouse building in a 200,000 square foot range. During 2021 the city conducted a small area study for the all of the land in the northwest area south of Highway 55. The study looked at different land uses, one of which was expanding industrial. At that time, the Planning Commission unanimously supported the plan and recommended approval. When going before the City Council, there was opposition of the plan by residents in the area. Residents were opposed to the plan and the impacts of industrial, increased traffic, potential road changes, and improvements, and wanted to leave things as currently designated. The City Council did not adopt the plan and left the guiding as it currently stands in the 2040 Comprehensive Plan.

There are concerns with higher volumes of traffic on Argenta as it comes from the uses in Eagan, going out Argenta, and heading up to 55. Dakota County has looked at this and provided comment. Dakota County has the Mendota Lebanon Hills Regional Trail constructed north of 55 through the Blackstone developments. The trail will eventually run along Argenta and along the border of Eagan and Inver Grove Heights. There will be an easement for the trail and an underpass so the trail can get on the other side of Yankee Doodle. Utilities developed will come from Eagan as a part of the Joint Powers Agreement

The site has some pros/cons:

Pros:

- There is already abutting industrial in Eagan
- Industrial along the border of Eagan in Inver Grove Heights
- Expansion could be considered consistent with this plan
- Abutting higher volume streets with Yankee Doodle and Argenta, traffic volumes and noise may not be the best location for low density residential
- Change of land use has the potential to generate more employment, tax base, and a variety of services

Cons:

- Changing to industrial could have an impact on the existing residential neighborhood to the east, to the larger lot further to the south, and the manufactured home park
- Traffic concerns
- Recently, the Council did not adopt a small area plan that showed a change to industrial

Questions for the Planning Commission:

- Determine if a change of land use is a benefit and good fit for the city
- Instead of a larger scale/smaller area, this looks at a small pocket on the farther northern side. Has the least amount of impact on the neighborhood.

He mentioned that the question is if this made sense or if the city should continue on with the comprehensive plan that is in place.

Chair Niemioja asked how the city was doing on General Industrial in terms of numbers.

Community Development Director Heather Rand replied there are not a lot of acres available for industrial use. United Property has five lots and have developed three. They are hoping by this summer they would be leased up and full. She said there is land by 117th Street, west of Highway 52. Staff was hopeful to be able to identify additional spots. Industrial development generates tax base and day traffic which helps commercial businesses thrive.

Commissioner Clancy asked if the city had a discussion with a certain business owner/entity about what could possibly be built there.

Commissioner Heidenreich questioned if the Metropolitan Airport Commission has weighed in on this. The property is located directly between parallel runways. He said it seemed like residential would generate calls to the city and the Airport Commission. He questioned if there was a zoned industrial corridor they were supposed to maintain.

Mr. Hunting replied there are noise zones. One encroaches a bit into Inver Grove Heights with most of it in Eagan. If having a residential development, it would have to meet a noise attenuation standard; there is nothing for industrial.

Commissioner Challeen referenced the small area study and asked if there has been any interest in using that property for low or medium density residential.

Mr. Hunting replied that no applications have been received, there have not been any recent discussions regarding residential in this area.

Chair Niemioja asked if there were any soil remediation issues in the area.

Mr. Hunting replied he was unsure. It wasn't something that is looked at, at this point. The applicant may have that information.

Chair Niemioja mentioned that she has received 10 emails from citizens in opposition.

Motion by Commissioner Weber, second by Commissioner Challeen, to have the emails received into the public record.

Motion carried (5/0).

Chair Niemioja stated there is a quorum of five Commissioners with one Commissioner abstaining. She believes they can move forward on a vote of four. If a motion is tied, it would count as a failed motion.

Opening of Public Hearing

Evan Mattson, 10 Creekside Lane, St. Paul, Minnesota, stated that Endeavor Development has done a lot of these around the metro area. They provide a lot of benefits to the community and job opportunities to the companies they serve. He displayed an aerial photo of the area indicating there is industrial guided and industrial development to the west and south that has occurred within the past three years. To the south there was a comprehensive amendment plan and rezoning that changed the dynamics of the corner and shifted the best and highest use to general industry. He mentioned that Argenta Trail acts as a natural barrier between commercial on the west and residential on the east. Their project bolsters the tax base. Using projections based on other developments in the area, they anticipate and project \$380,000 a year in additional tax revenue. There are long term employment opportunities; industrial has held strong even in times of economic uncertainty in recent years.

He shared that there are three developments they have done/built in the area that are very similar to what is being proposed for this site. The projects have attracted a variety of different tenants. He highlighted Pilot Knob stating that the building was separated out into three different spaces for three different tenants: Now Micro, ITS, and Wedding Shoppe. These are three different uses that are completely different; there is office, warehouse, and value add in those spaces. That provides benefits to the community by hosting those companies and bringing in jobs. He said this is the highest and best use for the area given recent developments.

Chair Niemioja asked what the vacancy was like in properties 2 and 3.

Mr. Mattson replied they are zero; 100% leased. The projects were developed in 2020, they leased up before construction was completed.

Commissioner Clancy asked what takes up residence in the buildings, if it was manufacturing, office, or showroom space.

Mr. Mattson responded it is a variety of different uses. They all have an office component, a warehouse component, and a value-add component. He said this is a great location, the project is being proposed speculatively, they cannot promise users. In the southeast market of Eagan and Inver Grove Heights they see a variety of different uses.

Commissioner Challeen stated sometimes when seeing a building of this size she thinks of big semis and trucks. She questioned if that could be anticipated with this proposed use.

Mr. Mattson referenced the proposed site plan stating there will be semi's; there will not be space on the site for trailer parking. Due to that, there would not be as heavy of a user. Semis would be facing the south and shielded from Yankee Doodle Road.

Jess Donnelly, 1712 - 82nd Street West, stated she is in opposition. She said they have RM Ranch, a horse boarding facility in the area. Adding this would increase traffic. There are young kids learning to ride horses on the road in the area, this would increase noise and pollution which would have a significant impact. She said this is one of the only pieces of land left where you can enjoy quiet time with a horse where everything else is city. She felt it would bring down the area with pollution, noise, and a lot of traffic. She mentioned she was just here one year ago suggesting that the road doesn't go through, now they are here again going against the same thing. She said she would like to discourage it from going through.

Chair Niemioja asked Ms. Donnelly how she felt about low/medium density residential going in.

Ms. Donnelly replied residential would be better.

Kassandra Fries, 7920 Alberta Way, stated she opposes the proposed item. She said it was mentioned that the industrial buildings bring additional revenue to the businesses in the area. She commented that the employees in those buildings would likely not be visiting Inver Grove Heights; Eagan would be the area they would be shopping and eating due to location. She said it was mentioned that Argenta forms a natural barrier between industrial and residential areas. Both areas were included in the proposed plan that was rejected one or two years ago. She said the area currently under discussion and the area to the east of Argenta are continuous, industrial keeps encroaching on the residential area. She lives in the neighborhood across the street from Argenta. They can hear planes, snow overflow being unloaded, and slamming noises further west. There are a lot of bright lights in the evenings. She said these were the same things she argued about last year. It is a beautiful area of the city; they moved here from Apple Valley three years ago after searching for the perfect spot for a decade. She said this was like a diamond in the rough with the horses and gravel road. She said she didn't believe it was a benefit to our city to develop it in this way. It would likely benefit the neighboring city.

William Stoerzinger, 7923 Argenta Trail, said it was disheartening to see the city go backwards. He moved into the area in 1967 when it was beautiful. The county took some of his land for Yankee Doodle, then the city/county took more of his land in the front. He felt he was left with little. He said they do not need the building; it would not bring much money into city coffers. He said the trees are not replaceable. He has a well and asked if sewer and water would be supplied by the City of Eagan. He does not think this was a good idea.

City Planner Hunting replied utilities would come from Eagan for any development of sewer and water. There is a Joint Powers Agreement between the two cities.

Thomas Schaefer, 8420 Alverno Avenue, questioned what changed from last year when there were roughly 100 people in attendance against any of the changes proposed.

Chair Niemioja replied that did not take place at the Planning Commission meeting. They did not have anyone at that meeting.

Mr. Schaefer commented the nice part about the buildings behind the cemetery are that they were low, they cannot be seen from the road very well. This building would be right in everybody's face; he is totally against that. He said it was mentioned by the Community Development Director that the city is running out of land; he asked why. He questioned if it was all the changes they were making to the plan. He is against this.

Grant Rabuse, 7940 Alberta Way, mentioned he has the closest lot to the development. He is opposed. He moved into the area 37 years ago. A lot of people in the community made decisions to find a rural area, out in nature, with rolling hills, and quiet. They continue to ask the city to keep that type of environment for the Inver Grove Heights Community. It's a beautiful area. By continuing to encroach, it brings down the value of their property. He asked the Planning Commission to reject this proposal based on a long tradition of the city supporting the culture of that type of rural environment where lots of people have looked to live in.

Aida Schaefer, 8420 Alverno Avenue, said she has attended several meetings to oppose every time something has come up for industrial development in this area. She said the neighbors in the area have to get together to tell the City Council that they want this to be residential. They live in the area, this is what characterizes their neighborhood, it's the trees and land, not hearing and seeing the sites and noises. They do not want it to be developed into industrial. She suggested having a senior community or a senior residential facility. There are different things that could go in there that would preserve the look and feel of the area. She invited the Commission to drive into the area with the dirt road and horses. She wants their home to be what it is right now. She said she wasn't notified, her neighbors let her know, but she understands the 350-foot rule. She requests that they do not do this.

She mentioned that Dakota County notified them and she read aloud what was said stating that their private property is located within a conservation focus area. This is land that has significant natural areas, unique habitats, geologic features or bodies of water, making it a critical area for land conservation.

She referenced where she lives on a diagram stating that any type of water issues/seepage/contamination, would come straight toward them, their well, and their fields. It would damage their property. She said that conflicts with what the County states. She asked what they could do to make a determination once and for all against an industrial site on the left or right of Argenta. She asked how to be notified when changes are being made.

Chair Niemioja commented that the 350-foot notice just came up at a recent City Council meeting. It is State mandated but expensive to send out letters. She mentioned that there is a way to sign up for notifications on the city website.

Ms. Schaefer replied the website sign up was a blanket notification for everything; the whole agenda, not what pertains to an area of interest. She said the land abuts industrial, the north, east, and southeast are completely residential. She commented that anyone who buys a house there knows the airport is close by. The noise was there before they were. She said there is industrial land zoned on the southern side of the city, it would be great to find out how much of that land is still available or what other commercial land has been developed that hasn't been successful. She said they request more of a buffer, not increased industrial encroaching into their neighborhood.

Ralph Taylor, 8334 Argenta Trail, said the agreement with Eagan is one he also sees because his property line is Eagan/Inver Grove Heights. He wants people to understand what is happening here. With traffic, he said people don't realize what is really happening with the interstate and interstate traffic. He mentioned that UPS was expanding and nobody is taking into consideration where that traffic is going. Eagan has said those would use Highway 149. He felt that was wrong. He said nobody is looking at the infrastructure it is taking to support the properties. He said he has been involved in the engineering of the watermain that is going in up to Auburn. He was unsure why Eagan would spend that kind of money to go 600 feet. That would be \$100,000 a year in water to Eagan. It would be for mixing windshield washer fluid at a facility. He said there would be 6 semis a day equaling 6,000 gallons of water a day they would use of infrastructure. He questioned who is paying for it. He felt nobody was looking at the big picture for the land, destroying their homes. He said the semis were not going to go up to Yankee Doodle and 149, they cut through. He said the city wasn't looking at buffers. He asked the Commission to think about what is being done out there. Every building over 4,500 square feet is required to be sprinkled. He suggested the city talk to the County.

Ms. Schaefer stated at the City Council meetings they hear about density ratios. She commented that taking out a residential area makes the problem worse. She recommends taking into account the residents, not an industrial developer who is not living in the city.

Commissioner Weber asked if he could step away from the Commission to sit out in the audience since he is abstaining.

Community Development Director Rand replied he technically should not be sitting at the dais if abstaining.

Sarah Meyer, 1712 82nd Street West, representing RM Ranch, said she also opposes. She has been at the ranch at least 30+ years. She said it is a great area. There are 60+ boarders who come from all over. She said adding an industrial building would change the look of the area. Once an area changes, the trees cannot be put back. She suggested having something else other than industrial that would just bring in traffic. She would like to keep it less traffic and to keep the rural look.

Jonathan Weber, 10394 Andrea Trail, shared that the property to the south was taken over in 2010 by his father; in 2023 he took it over himself and runs a green cemetery business. He said he worked with Industrial Equities on the property to the west of them to keep the grade low so it wasn't visible to residents to the east. He said their hill is well below some of the grade levels of the subject site. He was concerned that the property would sit prominently over everything else in the area. He commented that giant industrial buildings do not fit with the mentality of running a green cemetery business. He said keeping something everyone is saying is a buffer is something they want to look at as the agreement they made with Industrial Equities to keep the tree line. This plan looks like it would be within five feet from the property line and would consist of cement. He said that doesn't work well with their business. He referenced the statement regarding pipelines in the area and said a lot of the plans have pipes going through their cemetery area, which cannot be done due to burials. Because of that it would have to be re-routed which could cause issues in the surrounding area.

He addressed the snow dumping and said they were trying to refill their pond to make it a natural burial area; they are using snow to fill the pond back in. He apologized for the noise.

Mr. Mattson addressed the comments regarding utilities and said those are available on the southwest corner. There is an easement in place on the Industrial Equities site that goes all the way down. It would not be going through the natural cemetery.

He addressed another property in the area, Janssen, who has felt infringed upon by the Industrial Equities site and no longer believes it is an adequate site for residential due to the development that has happened in the area.

Ms. Schaefer responded to the last comment made by Mr. Mattson and said if the owner of that property doesn't feel it's a great place to live because of the industrial facility right next to him, that person is living it. She said that is what they do not want. She asked to keep the residential area residential.

Chair Niemioja closed the Public Hearing.

Planning Commission Discussion

Chair Niemioja stated the Commission is currently down to four members.

She said a point was well made by a resident who said that nothing has changed since the last time the City Council has viewed this. She was unsure how necessary it is to go through this change. She said the concept of having a buffer was really important. There seems to be a natural buffer; continuing to encroach would continue to change things. She was pleased residents said that some sort of development was fine. She said she lives near the new industrial area property and that most of her neighborhood opposed it at the time. Now that the development is in, they have been really great neighbors. She said there were unexpected consequences of the Fire Station coming in, which the area wanted, now they hear sirens and coyotes every time the alarms go off. She said it was tough to anticipate some of the issues that may come up. She was unsure if that justified enough for her to change this. She said she drives the road a lot, notices the semis. She said she wasn't inclined to see enough pros to see this change, or enough change in the city to justify the need.

Commissioner Clancy said the question the Commission is often asked to judge is what the practical difficulty was for; instating, re-instating, taking away, or doing something. After listening to residents speak and the information provided by staff, he said there is nothing in the way stating this cannot happen. He said he felt it would be foolish not to heed the input from the community the Commission is meant to represent. He said from an emotional standpoint, he knows where he would vote.

Chair Niemioja stated the standard for a comprehensive plan amendment is not practical difficulty.

Commissioner Heidenreich said he understands the emotional part, he wouldn't want to have a building in his neighborhood. He said it didn't appear to be an ideal property for residential because there is air traffic overhead, nearby facilities, and pollution being created that most families may not want to live underneath. He said it doesn't seem like an ideal area for residential. He commented that the current residents have the perfect wilderness. If only wanting residential, they may never have a neighbor which would be perfect. He wasn't sure that fits the needs of the city. He sees a need to change it but said he doesn't want to be a bad person, he doesn't want to have a commercial building in his back yard, but he has a business in Apple Valley. It's residential, he is in commercial, his business was there first. He said that the Commission sees this all the time. Nobody wants apartments, townhomes, or anything on undeveloped land. He sees both sides and thinks he would vote to accept the change.

Commissioner Challeen said this could or could not be a benefit to the residents and the City of Inver Grove Heights. She agrees that if built, people who work there would likely go to Eagan to do business. It would for tax base as a benefit. With that, she did not see it as a benefit to Inver Grove Heights. She said she has driven that road for years, there are semi's, this would make it worse. She said someone had mentioned infrastructure, she felt the term was correct, that road is risky on a good day in a car, with all the truck traffic, she didn't feel it was set up to handle another large industrial building.

Planning Commission Recommendation

Motion by Commissioner Clancy, second by Commissioner Challeen, to deny the request for a Comprehensive Plan Amendment to change the guided land use from LMDR, Low-Medium Density Residential, to GI, General Industrial, as part of the possible development of an approximate 200,000 square foot office/warehouse building.

Motion carried (4/0). Abstain - Weber. This item goes before the City Council on March 13th, 2023.

5. OTHER BUSINESS

6. ADJOURN

Motion to adjourn the Planning Commission Meeting at 8:05 p.m.

Respectfully submitted, Sheri Yourczek, Recording Secretary