

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, FEBRUARY 12, 2024 - 6:00 P.M. - 8150 BARBARA AVENUE**

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Monday, February 12, 2024. Mayor Dietrich called the meeting to order at 6:00 p.m. The Pledge of Allegiance was recited.

2. ROLL CALL

Present In-Person: Mayor Dietrich; Council Members: Murphy, Scales, and Gliva; City Clerk Kiernan, City Administrator Wilson, City Attorney McCauley Nason, Associate Planner Botten Finance Director Hove, and Communications Manager Looze.

Remote: Council Member T’Kach

3. PRESENTATIONS:

- A.** Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting

Mayor Dietrich presented Certificate of Achievement for Excellence in Financial Reporting to Finance Director Hove.

4. CONSENT AGENDA:

- A.** Approval of the Minutes of the January 22, 2024 City Council Meeting
- B.** Approval of Disbursements, **Resolution 2024-018**
- C.** Personnel Actions
- D.** Award of Contract for Reconditioning of Well No. 5 (City Project No. 2024-04)
- E.** Approval of Contract to Subscribe to CityView Business Licensing Software
- F.** Resolution Approving the 2024 Environmental Advisory Commission Work Plan, **Resolution 2024-019**
- G.** Resolution Executing a Memorandum of Understanding Extension with Xcel Energy Partners In Energy for 2024 Energy Action Plan Implementation, **Resolution 2024-020**
- H.** Resolution Approving Charitable Gambling Premise Permit Application and Lease for Gambling Activity, **Resolution 2024-021**
- I.** Approval of Charitable Gambling Raffle by Church of St. Patrick
- J.** Resolution Accepting Donations for Fire & Police Departments, **Resolution 2024-022**
- K.** Approval of Funding for IRS Arbitrage Payment Due on 2018A & 2019A Bonds, **Resolution 2024-023**
- L.** Approval of Hotel Licenses
- M.** Adoption of Non-Discrimination Policy & Language Access Plan
- N.** Appointment of Additional Election Judges, **Resolution 2024-024**

Motion to approve the Consent Agenda as presented by Murphy, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

5. PUBLIC HEARING:**A. Public Hearing for Additional Tobacco Sales License Renewal**

Clerk Kiernan presented that there were two (2) tobacco license renewals brought forward for approval: Walgreens and Pilot Travel Centers.

Mayor Dietrich opened the Public Hearing. No public hearing comments were received.

Motion to close public hearing by Gliva, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

Motion to approve 2024 Tobacco License Renewals by Murphy, second by Gliva

Ayes: 5

Nays: 0 Motion carried.

6. REGULAR BUSINESS:**A. Rental Housing Licenses**

City Administrator Wilson presented the Rental License renewals. Staff has reviewed the applications, background checks and all of the requirements and finds no reason to deny these licenses.

Motion to Accept an Email from Greg Grover into the Record by Scales, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

Motion to Approve Rental House Licensing Renewals by Murphy, second by Council Gliva.

Ayes: 5

Nays: 0 Motion carried.

B. First Reading of Ordinance Amending City Code Related to Residential Accessory Structures

Item presented by Associate Planner Botten. Preliminary information was presented at the Council meeting on June 27, 2023. The purpose of the ordinance is to increase the maximum size of accessory structures allowed on lots greater than 5 acres, using a range to determine size. This would provide residential parcels that do not have an attached garage the flexibility to have an additional detached structure for this purpose. The ordinance was drafted and the Planning Commission held a public hearing on September 19th, 2023. They voted to recommend approval.

The proposed changes increase the square footage permitted.

- 5 - 7.49 acres an increase from 2,400 gross sq. ft. to 3,000 gross sq. ft.
- 7.5 - 9.99 acres an increase from 2,400 gross sq. ft. to 3,500 gross sq. ft.

- 10 acres or more, an increase from 2,400 gross sq. ft. to 3,750 gross sq. ft.

There are no changes proposed for 4.99 acres and under.

They calculate gross square feet by outside measurements of the structure. This will exclude any usable attic or loft space, but if there is a full second story, it is included. If there are two structures, both are included in the maximum gross sq. ft. permitted. The maximum height of an accessory building is 25'.

The current City Code does not have flexibility for a residential property that does not have an attached garage to have any additional buildings. Similar to properties that have an attached garage, they are only allowed one detached accessory building (2 if over 5 acres). The proposed ordinance includes the following language:

E. Each residential lot with a principal building is allowed attached garage space or one detached garage up to 500 square feet, in addition to an accessory building or buildings as allowed per this section.

The definition of Gross Square feet is included as:

The sum of the horizontal areas of each story of the building measured from the exterior face of the exterior walls.

The following language has been removed:

In all residential zoning districts (R, E and A) there shall be a minimum space of six feet (6') between the principal and accessory structure unless attached, and a minimum space of six feet (6') between all other accessory structures.

(This requirement is covered under building code requirements)

The current City Code does not limit the number of structures allowed that are 120 square feet or less. Staff is proposing that no more than two (2) accessory structures of 120 square feet or less be allowed on any residential property.

The action requested is to approve the first reading of the Ordinance Amending Certain Accessory Structure Regulations.

Council Member Scales would like to see an increase in the square footage for residential properties without an attached garage, suggesting 700 square feet maximum.

Council Member Murphy asked if it would be ok to allow 700 square feet maximum because we have other safe guards in place. Associate Planner Botten confirmed that is correct.

Council Member T'Kach said she would want larger properties to be allowed more than two 120 square foot accessory structures.

Mayor Dietrich agreed with the proposed changes regarding smaller buildings. She asked about the second story, if there is a mezzanine if that would count towards the square footage permitted, or only a full second story. Associate Planner Botten stated that if the upper level is only within the attic trusses, the space is not counted. If they add a new wall 2 feet or greater from the attic trusses, it is counted towards the maximum square footage.

Motion to amend Ordinance in City Code Title 10, Chapter 15, Section 18, Accessory Structures, Title 10, Chapter 7, Section 2.B Bulk Standards, Title 10, Chapter 8A, Section 2.B Bulk Standards and Title 10, Chapter 2, Section 2, Definitions related to accessory structure standards to amend the square footage to 750 square feet by Scales, second by T’Kach.

Ayes: 5

Nays: 0 Motion carried.

C. Approval to Enter into Minnesota Investment Fund (MIF) Grant Agreement

City Administrator Wilson provided a summary of MIF – Minnesota Investment Fund program. It provides loans to business that create or retain high-paying full-time permanent jobs and invest in machinery or real property acquisition or improvements. The program is available to “manufacturing, distribution, warehousing and other eligible business activities.” To receive funds, a business must work in conjunction with the city or county government where the business will be located.

Funding for both programs comes fully from DEED. The City is agreeing to devote staff time to administrative and reporting tasks. If it’s not allocated here, DEED will invest these funds in other businesses in other communities. We have the opportunity to attract a company with well-paying jobs who is interested in expanding here and owning their own facility to Inver Grove Heights. Over the long-term, this will enhance the City’s commercial/industrial tax base and help offset property taxes for residential properties.

The company involved is Somic Packaging, currently based in Eagan. They make customizable packaging equipment/machines for national and international companies. They are wanting to relocate to Inver Grove Heights to purchase a larger building that will allow them to grow and expand. The new facility will allow them to assemble here in the U.S. and to almost double the size of their Minnesota workforce.

The Terms of the MIF Grant/Loan:

- \$175,000 for purchase of machinery/equipment
- Fully forgivable after 5 years
- Sonic must add 23 new, full-time jobs – plus retain 25 current jobs
- Jobs will pay between \$28.85 and \$31.25 per hour
- Annual reporting required

The action requested is to authorize the appropriate City officials to enter into the final Grant Contract agreement with DEED.

Council Member Scales asked if this was a minimum pay and if it could potentially be higher. Administrator Wilson confirmed that would be paying at least that much, it could be more.

Council Member T’Kach asked if they had any required permits from the MPCA as far as manufacturing these pieces of equipment and if they had a location already. The location will be in the Inver Point Business Park. It would be a newly constructed building and will need a certificate of occupancy before moving in. Staff will check into permit requirements.

Council Member T’Kach was also concerned about any environmental effects the manufacturing may have on residents. Administrator Wilson said she would follow up with them to confirm there

would not be any.

Mayor Dietrich asked if there was any threshold within the 5 years that they will report back to us. Administrator Wilson advised they will report back annually.

Motion to authorize entering into a grant agreement with Minnesota Department of Employment and Economic Development (DEED) to provide a Minnesota Investment Fund forgivable loan to SONIC Packaging by Gliva, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

7. PUBLIC COMMENT:

Tim Hill - 1565 82nd Street West - presented support of Regular Business item B as he had missed the agenda item when it was presented.

6D. CLOSED SESSION Pursuant to Minnesota Statute 13D.05, Sub. 3B (Attorney-Client Privilege)

Motion to Move into Closed Session pursuant to Minnesota Statute 13D.05, Subd 3B to discuss the matter of 19HA-CV-23-4735 by Murphy, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

Motion to move out of Closed Session and back into open session by Gliva, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

6E. CLOSED SESSION Pursuant to Minn. Stat. Sec. 13D.05, subd. (3).(c).(3). (Consider to Offer to Purchase Land).

Motion to Move into Closed Session pursuant to Minnesota Statute 13D.05, Subd (3).(c).(3) to develop or consider offers or counteroffers for the purchase of real property located at 6971 Dickman Trail (PID 20-00200-56-070) and property located on Dickman Trail and legally described as Lots 14-17, OM Johnson Addition (PID 20-39900-00-170, 20-39900-00-210, 20-39900-00-250 and 20-00200-57-093) by Council Member Gliva, second by Council Member Scales.

Ayes: 5

Nays: 0 Motion carried.

Motion to move out of Closed Session and back into open session by Gliva, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

9. ADJOURN:

Motion to adjourn the meeting at 8:26 p.m. by Council Member T’Kach, second by Council Member Scales.

Ayes: 5

Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Sara Lyons.