

INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, September 9, 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, September 9, 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, T’Kach, Gliva and Scales; City Administrator Wilson, City Clerk Kiernan, Police Chief Chiodo, Parks & Recreation Director Lares, Public Works Director Connolly, City Engineer Merchlewicz, City Attorney Nason, Community Development Director Ziemer, Assistant City Planner Botten, Finance Director Hove, Commander Otis, Parks Superintendent Swoboda, and Code Enforcement Coordinator Tyson Rainey.

3. APPROVAL OF AGENDA:

Motion to approve agenda as published by Gliva, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

4. PRESENTATIONS

5. CONSENT AGENDA:

- A.** Approval of Minutes of the August 12, 2024, City Council Meeting
- B.** Approval of Minutes of the August 26, 2024, City Council Meeting
- C.** Approval of Disbursements, **Resolution 2024-180**
- D.** Personnel Actions
- E.** Resolution Amending Position Classification Plan, **Resolution 2024-181**
- F.** Resolution Approving Local Road Improvement Program Grant Funding Assistance for City Project No. 2016-17 - 117th Street Reconstruction, **Resolution 2024-182**
- G.** First Amendment to the Final Design Contract for City Project No. 2016-17 - 117th Street Reconstruction, **Resolution 2024-183**
- H.** Declare Costs to be Assessed, Order Preparation of Proposed Assessments, and Call for Assessment Hearings for Pavement Management Projects 2024-09 D, F, G, H and I, **Resolutions 2024-184, 185, 186, 187, 188, 189, 190, 191, 192, & 193**
- I.** Resolution Setting Budget and Closing City Project No. 2019-09D - 64th Street Area Improvements, **Resolution 2024-194**
- J.** Resolution Setting Budget and Closing City Project No. 2019-09D - Bryant Lane Area Improvements, **Resolution 2024-195**
- K.** Resolution Setting Budget and Closing City Project No. 2021-01 - NWA Trunk Utility Improvements, **Resolution 2024-196**

- L.** Resolution Awarding Contract and Approving Budget for City Project No. 2024-09L – 2024 Ultra-Thin Bonded Wear Course (UTBWC), **Resolution 2024-197 & 2024-198**
- M.** Approval of Massage Therapist License
- N.** Authorization to Submit CVB Grant Application for 2025 Recovery Grant from Explore MN
- O.** Resolution Authorizing Easement Acquisitions for City Project No. 2023-08 – Babcock Trail Multi-Use Trail, **Resolution 2024-199**
- P.** Pipeline Crossing Agreements with UP Railroad for City Project No. 2016-17 – 117th Street Reconstruction
- Q.** Resolution Approving a Setback Variance for 10037 Barnes Trail, **Resolution 2024-200**
- R.** Resolution Accepting \$4,000 in Donations for Fire & Police Departments, **Resolution 2024-201**

Motion to approve consent agenda items 4A – R by Murphy, second by T’Kach.

Ayes: 5

Nays: 0 Motion carried.

6. PUBLIC HEARING:

- A.** Consider a Variance from the Subdivision Ordinance to Allow Placement of a Shed in a City Drainage and Utility Easement at 7260 Bancroft Way

Assistant Planner Botten presented this item. The property is located along Bancroft Way, east of Babcock Trail and is zoned R1-C, single-family residential. There is a multi-family development behind the property owned by an association.

The request is for a variance from the Subdivision Ordinance to allow a shed in a city drainage and utility easement. To be approved by Council, an unusual hardship must be identified. This request complies with the setback requirements for R1C zoning, but the request is for the shed to be in the easement.

Site:

- 20’ drainage and utility easement along rear property
- 20’ easement used for a flow path for stormwater
- 30-inch storm sewer located in easement
- Shed is 8’ x 8’ (64 square feet)

The shed was originally behind the garage area, but the homeowners moved it back to create a garden space.

Staff recommends a denial of the request.

- City Code restricts placement of structures in D&U easements
- Creates potential obstruction of drainage in area
- Inhibits access to storm sewer pipe if maintenance is required
- Lack of demonstrated hardship

Assistant Planner Botten said they received comments from two neighboring property owners, and they are included in the packet.

Applicant Randy Markun - 7260 Bancroft Way - said the easement is the only flat area on the property and water can easily drain beneath the shed. The shed was very difficult to use where it was previously because of the incline.

Mayor Dietrich asked when the shed was moved.

Markun said they moved the shed in the spring of 2024.

Council Member Murphy asked if the water in the pictures was after a rainfall.

Markun said the water was from a slip and slide/pool.

Council Member Gliva asked if the shed could go anywhere else on the property.

Markun said everywhere else on the property is on an incline.

Public Comment:

Michael Bates - 7256 Bancroft Way - Presented support. Bates said there is drainage there, but it does not affect the property.

Ed Iago - 7152 Ballard Trail - said he represents the Lafayette Ridge homeowner's association. They oppose the shed because it would set a precedent and contaminate the pond.

Motion to close public hearing by T'Kach, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

Council Member Scales said he does not see a hardship and does not want to approve the request because it would set a precedent in the city for all of the other easements.

Council Member Gliva said she agrees with Council Member Scales and does not think it is a good idea to put anything on an easement.

Council Member T'Kach said she agreed with Scales and Gliva and asked if the owner could put the shed on stilts to level it and not require a permit.

Planner Botten said she would recommend asking the Building Inspections department.

Motion to Approve Denial Resolution #2024-202 for a Variance to allow placement of a shed within the rear yard drainage and utility easement of the property located at 7260 Bancroft Way by Scales, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

7. REGULAR BUSINESS:

- A.** Police Department UAS (Unmanned Aerial Systems) Policy and Related Budget Amendment

Chief Chiodo and Investigator Malcolm presented this item. Chief Chiodo said state statute requires the police department to provide an opportunity for public comment before it purchases or uses an Unmanned Ariel System (UAS). At a minimum, they must accept public comments submitted electronically or by mail. They presented the UAS request at the City Council Work Session in August to decide how to receive public comment. They put the plan on the city website, social media, and the police department website. They had 28 comments received and have submitted them to the City Clerk.

Chief Chiodo said there has been a lot of thought and care in the process. Chief Chiodo has been in law enforcement for 28 years and with Inver Grove Heights Police department for six years. Throughout the 28 years she has worked in every area except S.W.A.T. Chief Chiodo said she chose Investigator Malcolm to be the drone coordinator for Inver Grove Heights. Investigator Malcolm will give history about his work experience with the Fourth Amendment and other areas that residents are concerned about. Chief Chiodo will review questions from the residents after the presentation.

Investigator Malcolm said he has been a police officer with Inver Grove Heights since 2017 where he has served as a patrol officer, a member of the crime scene team, an Explorer Advisor, a field training officer for new officers and most recently as an investigator. He is a general investigator and investigates everything from homicides to theft. Investigator Malcolm has a bachelor's degree in criminal justice from Metropolitan State University and a master's degree in criminal justice leadership from Concordia University. Investigator Malcolm said he understands the concerns of residents regarding their 4th Amendment Right against unreasonable searches and seizures and takes it very seriously.

What UASs will be used for:

- Search and rescue
- Disaster relief
- Locating fleeing suspects
- Crime scene documentation
- Officer and public safety concerns

Investigator Malcolm said the UAS will help them capture a large outdoor scene and be able to present it to a jury. The UAS will also help when they are searching a building where there is a potential armed assailant. The option currently is to put an officer or the canine at risk.

What UASs will not be used for:

- Spying on citizens
- Conduction searches of private areas of property or residences without emergency circumstances, or a search warrant issued by a judge
- Equipped with weapons or munitions

The plan includes using two different types of UASs. The larger is about the size of the podium. The smaller UAS fits in the palm of your hand and is intended to be used for training and indoor deployments.

Proposed Policy:

- Purpose and Scope: The purpose of this policy is to establish guidelines for use of an unmanned aerial system (UAS) and for the storage, retrieval, and dissemination of images and data captured by the UAS (Minn. Stat. § 626.19).
- Definitions: Definitions related to this policy include:
 - Unmanned aerial system (UAS) - An unmanned aircraft of any type that is capable of sustaining directed flight, whether preprogrammed or remotely controlled without the possibility of direct human intervention from within or on the aircraft (commonly referred to as an unmanned aerial vehicle (UAV), and all of the supporting or attached systems designed for gathering information through imaging, recording, or any other means (Minn. Stat. § 626.19).
- Policy: A UAS may be utilized to enhance the Department's mission of protecting lives and property when other means and resources are not available or are less effective. Any use of a UAS will be in strict accordance with constitutional and privacy rights and Federal Aviation Administration (FM) regulations.

Investigator Malcolm said in addition to training from the FAA as program coordinator, he will ensure any member of the police department selected for the UAS team has a strong understanding of the 4th Amendment and reasonable methods to avoid unintentional recording of private properties.

- Privacy: The use of the UAS potentially involves privacy considerations. Absent a warrant or exigent circumstances, operators and observers shall adhere to FM altitude regulations and shall not intentionally record or transmit images of any location where a person would have a reasonable expectation of privacy (e.g., residence, yard, enclosure). Operators and observers should take reasonable precautions to avoid inadvertently recording or transmitting images of areas where there is a reasonable expectation of privacy. Reasonable precautions can include, for example deactivating or turning imaging devices away from such areas or persons during UAS operations.\
- Program Coordinator: The Chief of Police will appoint a program coordinator who will be responsible for the management of the UAS program. The program coordinator will ensure that policies and procedures conform to current laws, regulations, and best practices and have the following additional responsibilities:
 - Coordinating the FM Certificate of Waiver or Authorization (COA) application process and ensuring that the COA is current, and/or coordinating compliance with FM Part 107 Remote Pilot Certificate, as appropriate for department operations.
 - Ensuring that all authorized operators and required observers have completed all required FM and department-approved training in the operation, applicable laws, policies, and procedures regarding use of the UAS.
 - Developing protocols for conducting criminal investigations involving a UAS, including documentation of time spent monitoring a subject.
 - Developing protocols to ensure that all data intended to be used as evidence are accessed, maintained, stored, and retrieved in a manner that ensures its integrity as evidence, including strict adherence to chain of custody requirements.

Electronic trails, including encryption, authenticity certificates, and date and time stamping shall be used as appropriate to preserve individual rights and to ensure the authenticity and maintenance of a secure evidentiary chain of custody.

- Developing protocols that ensure retention and purge periods are maintained in accordance with established records retention schedules.
- Ensuring that established protocols are followed by monitoring and providing periodic reports on the program to the Chief of Police.
- Preparing and submitting the required annual report to the Commissioner of Public Safety (Minn. Stat. § 626.19).
- Reviewing the program and UAS use for compliance with Minn. Stat. § 626.19.
- Facilitating law enforcement access to images and data captured by the UAS.
- Developing protocols for reviewing and approving requests for use of the Department UAS by government entities (Minn. Stat. § 626.19).
- Recommending program enhancements, particularly regarding safety and information security.
- Maintaining familiarity with FAA regulatory standards, state laws and regulations, and local ordinances regarding the operations of a UAS.
- Posting the Department policies and procedures regarding the use of a UAV on the department website, as applicable (Minn. Stat. § 626.19).

Mayor Dietrich asked for an example a situation where they may make policy better and run up the chain of command.

Investigator Malcolm said he does not have a great example because they have the program set up to the best of their ability. It would be something that they would recognize as a shortcoming such as having too many pilots or not enough pilots or a potential change to the platform.

Use of UAS:

- Only authorized operators who have completed the required training shall be permitted to operate the UAS.
- Use of vision enhancement technology (e.g., thermal, and other imaging equipment not generally available to the public) is permissible in viewing areas only where there is no protectable privacy interest, when in compliance with a search warrant or court order, or when there is an applicable exemption to the warrant requirement. In all other instances, legal counsel should be consulted.
- UAS operations should only be conducted consistent with FM regulations.
- Shall not be used without a search warrant, except:
 - During or in the aftermath of an emergency situation or disaster that involves the risk of death or bodily harm to a person.
 - Over a public event where there is a heightened risk to the safety of participants or bystanders.
 - To counter the risk of a terrorist attack by a specific individual or organization if the agency determines that credible intelligence indicates a risk.

- To prevent loss of life or property in natural or man-made disasters and to facilitate operation planning, rescue, and recovery operations.
- To conduct a threat assessment in anticipation of a specific event.
- To collect information from a public area if there is a reasonable suspicion of criminal activity.
- To collect information for crash reconstruction purposes after a serious or deadly collision occurring on a public road.
- Over a public area for officer training or public relations purposes.
- For purposes unrelated to law enforcement at the request of a government entity, provided the request is in writing and specifies the reason for the request and the proposed period of use.

Investigator Malcolm said this summer law enforcement had knowledge of town festivals becoming violent due to a specific group of juveniles starting fights and assaulting people. This is an instance a UAV that could be utilized over a public event. A peaceful demonstration would not fall under this provision.

Each pilot is required to have a monthly flight to maintain efficiency. An example of a request from a government entity would be the Public Works department requesting assistance to survey the water tower for damage or a promotional video for another department.

Prohibited Use:

- The UAS video surveillance equipment shall not be used:
 - To conduct random surveillance activities.
 - To target a person based solely on actual or perceived characteristics such as race, ethnicity, national origin, religion, sex, sexual orientation, gender identity or expression, economic status, age, cultural group, or disability.
 - To harass, intimidate, or discriminate against any individual or group.
 - To conduct personal business of any type.
- The UAS shall not be weaponized (Minn. Stat. § 626.19).

Additional Prohibitions:

- Unless authorized by a warrant, a UAS shall not be deployed with facial recognition or biometric matching technology (Minn. Stat. § 626.19).
 - IGH Police Department does not currently use facial recognition or biometric matching technology.
- Unless authorized by a warrant or for purposes of permitted use outlined in this policy, a UAS shall not be used to collect data on public protests or demonstrations (Minn. Stat. § 626.19).

Retention of UAS Data:

- The Office of the Support Services Supervisor, shall ensure that data collected by the UAS is disclosed or deleted as required by Minn. Stat. § 626.19, including the deletion of collected data as soon as possible, and in no event later than seven days after collection, unless the data is part of an active criminal investigation (Minn. Stat. § 626.19).

Investigator Malcolm said if the data is part of an ongoing investigation it will fall under the retention period based on the type of investigation, either seven years or permanent. One question residents have is how they will know if the UAS has been used against them or if they are the subject of a UAS. The public is notified within 90 days of the data being captured or in cases where there is a search warrant to conduct pre-surveillance in anticipation of a search warrant, they would be notified with the search warrant is executed, whichever is sooner.

Chief Chiodo said most of the questions from the community fit into nine questions.

1. Why do we need a drone?
2. What is the cost to implement (including purchasing and training)?
3. Will the drone operator be licensed and qualified by the FAA?
4. Will there be notification to property owners for use on their property?
5. Will a search warrant be used when flying on private property?
6. Will this technology replace officers?
7. What are "other" government entities?
8. What if the drone is misused?
9. Why can't you use Dakota County Sheriffs UAS program?

Chief Chiodo said Burnsville does not have a UAS system right now. If they had one in February when their officers and fire fighter were shot, they could have sent used the UAS instead of sending a people. They also have lost children situations, and a particular concern are small children that live with autism and are attracted to water. They now have to call another city or the county to ask to use their UAS. If they have a drone in the department and a drone operator present, it would be 60 seconds to have the drone up in the air.

Drone operators will be licensed and qualified by the FAA.

When they patrol the Inver Grove Heights parade, they want to ensure that there is an officer at every intersections so traffic cannot come through. Right now, they are sending one person to every single corner to visually check. With a drone, they could have it in the air to check that they have individuals at each intersection for protection.

The police department has used the Dakota County Sheriffs UAS but using their UAS works best for planned events. In emergency situations they would prefer to use their own tools instead of rely on another agency.

Chief Chiodo said people said they do not want the UAS to replace officers. This will not replace officers; they will have their officers in place. This is to help to see situations from the air. They have homicides and car accidents that can stretch over a number of blocks and an aerial view can help.

The UAS can be utilized by other departments in the Inver Grove Heights government. This will not be used for requests from ICE, Homeland Security, the FBI, etc. The UAS is for their internal city use.

Mayor Dietrich asked how quickly a drone could be deployed.

Chief Chiodo said they are planning for six drone operators, one for each of their four teams, one for the investigation's unit during the day and one with their SRG team that is there in the evening. It would be 60 seconds from the time the drone operator arrives on the scene.

Agencies Using Drones:

- DCSO Program has 5 drones, 15 operators for 10 years
- Inver Grove Heights Fire Department
- Eagan Police Department
- MN State Patrol
- MN Bureau of Criminal Apprehension
- 99+ LE Agencies in Minnesota and growing

Chief Chiodo said the DSCO used their drones over the Inver Grove Heights parade this year. The fire department has different restrictions that law enforcement has when it comes to drones. They are not able to cross utilize a UAS.

Required Documentation:

- Documentation: Each use of a UAS should be properly documented by providing the following (Minn. Stat. § 626.19):
 - A unique case number
 - A factual basis for the use of a UAS
 - The applicable exception, unless a warrant was obtained

Chief Chiodo said they have to fill out a report every year for the BCA. They have to include each date it was used and the reason for an exception if there was no warrant. The report is put out in June of every year and is available to the public. The cost for Dakota County Sheriff's Department to maintain their UAS in 2023 was \$18,000 and they used their drone 74 times without a search warrant. The report breaks down the uses by exception. The Police Department's policies for UAS are already published on their website and the report will be published there also.

The top four uses for using a drone without a search warrant have remained the same since the information started being gathered in 2019.

2023 State Drone Use Report:

- 4,236 - LE usage without a search warrant
- Code 8 (1,986) - were used for training or public relations
 - Most were training events
- Code 1 (1,031) - emergency situations that involved risk of death or bodily harm, searching for missing people and documenting crime scenes
- Code 7 (603) - To collect information for crash reconstruction purposes after serious or deadly collisions occurring on public roads
- Code 6 (398) - Collect information from a public area where there is a reasonable suspicions of criminal activity

Requesting Use:

- Developing uniform protocols for submission and evaluation requests made during ongoing or emerging incidents. Deployment of UAS shall require written authorization of the Chief of Police or authorized designee, depending on the type of mission.
- Coordinating the completion of the FAA Emergency Operation Request Form in emergency situations, as applicable (e.g., natural disasters, search and rescue, emergency situations to safeguard human life).

Notification/Protocols:

- Developing operations protocols governing the deployment and operation of a UAS including but not limited to safety oversight, use of visual observers, establishment of lost link procedures, and secure communication with air traffic control facilities.
- Developing a protocol for fully documenting all missions.
- Developing a UAS inspection, maintenance, and record-keeping protocol to ensure continuing airworthiness of a UAS, up to and including its overhaul or life limits.
- Implementing a system for public notification of UAS deployment.

Officer Accountability:

IGH P/P 320 Code of Conduct

- Misuse of police powers; search warrants. Administrative subpoenas, credit checks etc.
 - Baseline Discipline = Termination
- Garrity violations; perjury; falsify official documents or reports
 - Baseline Discipline = Termination
- Minnesota Statute 360.75 (Misdemeanor)
 - Operating any aircraft in such a manner to indicate either a willful or wanton disregard for the safety of persons or property.
- IGH P/P 100.4 Constitutional Requirements
 - All members shall observe and comply with every person's clearly established rights under the United States and Minnesota Constitutions.
- IGH P/P 102.1 Oath of Office
 - Officers of this department are sworn to uphold the federal and state constitutions and to enforce federal, state, and local laws.
- IGH P/P 311.2 Search and Seizure
 - It is the policy of the Inver Grove Heights Police Department to respect the fundamental privacy rights of individuals.
 - Members of this department will conduct searches in strict observance of the constitutional rights of persons being searched.
 - All seizures by this department will comply with relevant federal and state law governing the seizure of persons and property.
- IGH P/P 311.6 Search Warrants
 - Search warrants are obtained by application to the court.
 - (a) Any officer may make application to the court for a search warrant.
 - (b) Application shall be prepared and presented to a judge for review and signing pursuant to all applicable laws and procedures.

- (c) Officers preparing a search warrant shall take all reasonable steps to confirm and corroborate probable cause contained in the search warrant application.

Program Costs:

- Team of 6 Operators
- Operators/Pilots receive no extra compensation
- Training is free for operators
- Initial License Exam \$175, free re-licensure ever 2 years after
- Initial Drone Purchase, Data Storage/License Fees
 - \$15,000, use of one-time public safety dollars
- Yearly cost moving forward for Storage/User Licenses
 - \$3,400

Community Suggestions:

- Conduct a trial period/evaluation period
- Share use statistics/information with the community
- Use the County UAS program

Chief Chiodo said they evaluate any new tool that they implement. The police department will likely look at a 60-day, 90-day and 1-year review to see where they can improve. They will work with the communications department and IT to have the statistics and information published on their website. The public can look up crime in neighborhoods throughout Inver Grove Heights at any time on their website. Using the County's UAS system is not practical in an emergency situation.

Recap of Events:

- Council work Session on August 5th
- Publicized on City Website and Police Social Media
- Q&A September 5th at Inver Glen Library
- State statute 626.19 requires the police department to accept public comment electronically, or by mail or in person
- To date 28 electronic responses
- The police department is asking for Council to approve a budget amendment of \$15,000 from Fund 102 to the Police Machinery and Equipment Fund

Mayor Dietrich thanked Chief Chiodo for being proactive with community outreach.

Council Member Murphy asked if the seven day deletion requirement applied to unintentional video and how do they verify it was deleted.

Investigator Malcolm said unintentional recordings do need to be deleted within seven days. He is working with two of the commanders that oversee the evidence storage platform on a system that will code it a certain way for auto deletion. As Program Coordinator it will be Investigator Malcolm and a support services supervisor's job to ensure that the video has been deleted.

Chief Chiodo said it is similar to what they do with their body camera footage.

Council Member Murphy asked if there are any neighboring cities that are using UAS.

Chief Chiodo said Burnsville is looking at it but waiting to see what happens in Inver Grove Heights.

Investigator Malcolm said Inver Grove Heights will be the third law enforcement department in the county to use UAS. Dakota County Sheriff's office and the Eagan Police Department are the other agencies currently using UAS.

Chief Chiodo said someone included articles in the comment they sent. There was some factual information but also some incorrect information. The articles said Burnsville had zero uses of their UAS, but Burnsville does not have drones.

Council Member Murphy said the article says a city used a drone a certain amount of times without a warrant. The wording seemed misleading because the instances the city used them without a warrant were all included in the nine exceptions.

Chief Chiodo said she looked it up because she was curious about it. The article said Plymouth used their UAS 231 times without a warrant but 189 of the times were for training.

Council Member T'Kach said a lot of people are concerned about the 4th Amendment rights and asked if the UAS program could be discontinued by Council if people were not comfortable with it.

Chief Chiodo said they are not asking approval from the Council to have the program. State statute requires them to accept public comment.

Administrator Wilson said state statute gives the chief of a law enforcement agency the ability to put a program in place as long as they have met the requirements of having a written policy and allowing an opportunity for public comment. Council could give direction but there is not a formal vote of the Council.

Council Member T'Kach asked if they needed a search warrant for public events where there may be a heightened risk and how do they determine what a heightened risk is.

Chief Chiodo said a heightened risk to safety at a public event is on the list of items that they do not need to obtain a search warrant for. Every day they use their professional experience to determine if something is an emergency. There is not a list of select criteria because it varies from city to city and event to event. It is reasonable to use their professional experience and knowledge to make the decisions. It does not have to be a terroristic threat but if there is a public safety need, they could use the UAS. They also receive intelligence from groups that work from the state that monitor chatter.

Council Member T'Kach said she wants to support this but also wants to make sure that people in the community are comfortable and said there were two or three drones at the fireworks.

Chief Chiodo said the drones were not the police department since they are not authorized to use them until after they have received public comment. They may have belonged to the police department or Dakota County Sheriffs.

Council Member T'Kach asked if people can have drones in the city and if there would be confusion between a privately owned drones and the police department drones.

Chief Chiodo said people can own drones and they will put the police department's drone usage on the website. If their drone is being used in someone's backyard as part of a criminal investigation they will be notified within 90 days.

Investigator Malcolm said he participated in a vehicle pursuit where the vehicle crashed, and the driver fled. They tracked the driver using a canine through people's yards and realized he had entered a resident's garage. They entered the garage to apprehend the suspect. They are not typically going into someone's house with the drone. The community has the trust in the police department to go into people's houses to apprehend a suspect and he asks that the community have the trust in them to not abuse their powers with the UAS.

Council Member T'Kach asked how long the UAS would last without having to be replaced.

Investigator Malcolm said five to seven years. It is technology based so it will also depend on if the company continues to update the technology on older models as new models are introduced.

Council Member T'Kach asked if they would be willing to do another community meeting if there was a request from the community.

Chief Chiodo said the policy will be posted on the website. Residents could come to the police station and talk to her or the person running the program.

Mayor Dietrich said it would be a great addition to the police citizens' academy.

Council Member T'Kach asked if there would be opportunity for the public to contact the police department if they had additional questions.

Chief Chiodo said yes, they could contact them by email, phone or stop by the police department with any questions.

Council Member Scales said drones are being used everywhere and many other departments and cities have them. The difference is the police department has more rules for when they can use them that others do not. This is just informing Council and the public what they will be using it for.

Chief Chiodo said that was correct.

Council Member Gliva asked if the community would be notified if the police department was going to use the drone at a public event.

Chief Chiodo said they can notify the community for pre-planned events that are not criminal in nature.

Mayor Dietrich said the UAS is a great tool to keep the community safe and she supports the police department's discretion when making decisions.

Public Comment:

Rachel Tallarini - 2430 96th St. E - asked for clarification on what other government entities may petition to use the UAS.

Investigator Malcolm said the requests would be from organizations within the city such as the Public Works department. There would not be requests from federal organizations.

Council Member T'Kach asked if it would be allowed to let a neighboring city use their drones.

Investigator Malcolm said yes, it would be under their mutual aid agreement. If they had an operator and the available resources, they would assist.

Council Member Scales said it is a necessary tool, but it is new and scary. It is a resident and officer safety issue. He would like to see the use statistics on the website if possible.

Motion to accept Comments into record by Gliva, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

Motion to Approve Resolution 2024-203 approving budget amendment of \$15,000 for the public safety small equipment fund by Murphy, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

B. Adoption of Preliminary 2025 Budgets & Tax Levies for Taxes Payable 2025

Finance Director Hove presented this item. The first draft of the General Fund Budgets and Tax Levy discussion was at the July 15 Work Session. During the August 5 Work Session, they discussed the Debt Service Levies and budgets, the Economic Development Authority Budget, the Host Community Fund Budget, The Pavement Management Fund Budgets, and the Internal Service Fund Budget. At the August 26 Council Meeting, City Administrator Wilson provided recommendations and a review of the General Fund Budget and Tax Levy.

Council Actions Needed:

- Adopt Citywide Preliminary Tax Levy
 - Council is required to pass a preliminary levy by September 30 each year; when the final levy is adopted in December, it may be lower but cannot be higher than the preliminary levy. Proposed tax notices mailed to residents in November will be based on the approved preliminary levy.
- Adopt Special Taxing District Preliminary Levies
- Adopt Preliminary General Fund Budget

- Set the date, time, and place for statutorily required public meeting on the City's proposed budget and levy
 - Scheduled for the December Work Session

2025 Budget Recap - Base Assumptions - with adjustments:

- 3% Wage Increase, plus steps increases for all full-time staff as negotiated with various employee unions
- 6.2% average increase in the City's costs for employee insurance (across the City's 3 plans)
 - Originally budgeted at 10%
- 5% increase to Pavement Management levy funding
- 5% increase to Parks Capital Replacement levy funding
- 5% increase to EDA levy funding

Adjustments from the first draft:

- Implement a smaller increase to the Fire Department's Central Equipment allocation than originally shown.

2024	2025 - 1 st Draft	2025 - Modified
\$856,200	\$1,482,800	\$1,382,800

- Based on updated inflationary recommendations from equipment vendors
 - Allows for better phase-in of increases for future capital costs
- Assume a 50% decrease (\$50,000) to Town Square cable franchise revenue to all for future consideration of an adjusted 2025 revenue share plan.
 - Originally budgeted for \$100,000 in revenue

Use of Fund Balance:

- General Fund - 2025 is the first year to start spending down the previous year's savings from Fire SAFER Savings Plans (\$525,000)
- From one-time Public Safety Aid
 - \$11,250 for Police Department badge updates and new honor guard uniforms
 - \$331,600 to cover phase-in of 3 new police officers
- Debt Funds - continue to utilize Closed Bond Funds in lieu of levy for 2020A Refunding Bonds (\$177,250)
- City Facilities
 - Use fund balance for ongoing capital needs (\$188,500)
 - Plus: use \$45,000 for Police Department building updates (2025 = Year 2)
- Technology Fund - utilize \$75,000 for Fire Station \$2 AV updates

Expenditure Budgets by Function

	2024 Approved Budget	2025 Proposed Budget	\$ Difference	% Change

General Government	\$ 3,359,700	\$ 3,456,511	\$ 96,811	2.88%
Police	11,846,756	12,679,169	832,413	7.03%
Fire	6,464,364	6,777,629	313,265	4.85%
Public Works	4,956,955	5,035,595	78,640	1.59%
Parks & Recreation	3,566,235	3,647,160	80,925	2.27%
Community Dev.	2,259,475	2,302,500	43,025	1.90%
Transfers Out	484,515	771,240	286,725	59.18%
Subtotal	\$32,938,000	\$34,669,804	\$1,731,804	
Tax Abatement	182,880	183,300	420	
Total	\$33,120,880	\$34,853,104	\$1,732,224	

Director Hove said one of the resolutions is for Council to approve the preliminary General Fund budget amount of \$34,853,104.

New Staff Positions Included in Preliminary Levy and Budget (4FTE's)

- Police Department – 3 additional police officers
 - 5-year phased approach like SAFER savings plan, using Police's share of one-time public safety dollars
 - 2025 levy impact of \$82,900
- Fire Department – 1 additional FT firefighter
 - 2025 levy impact of \$132,300
 - Additional firefighters could be considered if the City is awarded a new SAFER grant
 - Otherwise, future years would consider adding 1 FT firefighter/year in years 2026 & 2027
- Additional \$30,000 spread across all departments for additional hours, position reclasses, intern

Fire Department	Police Department
4 new staff in 2019 (3 FT Captains + 1 Inspector)	Minus 2 staff in 2019 (1 officer, 1 support staff)
0 new staff in 2020	1 new staff in 2020 (1 officer)
0 new staff in 2021	1 new staff in 2021 (1 officer)
9 new staff in 2022 (3FT Lts. + 6 FT FF - grant funded)	4 new staff in 2022 (2 officers, 1 Sgt., 1 support staff)
0 new staff in 2023	2 new staff in 2023 (2 officers)
1 new staff in 2024 (Assistant Chief - Operations)	0 new staff in 24
14 new FT staff positions over 6 years	Net gain of 6 new staff over 6 years

Proposed Use of One-Time Public Safety Aid

	2025	2026	2027	2028	2029	Total
Cost of 3 Officers	\$414,500	\$435,225	\$456,986	\$479,836	\$503,827	\$2,290,374

Levy	\$82,900	\$174,090	\$274,192	\$383,868	\$503,827	\$1,418,878
State Aid	\$331,600	\$261,135	\$182,795	\$95,967	\$0	\$871,497
	20%/80%	40%/60%	60%/40%	80%/20%	100%/0%	

Director Hove said the cost of the three officers would be 100% levy supported in 2029.

What is Funded in the General Fund?

What's Included	What's Not Included
Administration & Mayor/Council	Community Center Funds*
City Clerk & Elections	Debt Service Funds*
Communications	Host Community Fund
Finance	
Community Development	Golf Course
Planning	Utilities (Water, Sewer, Storm)
Inspections	Convention & Visitor's Bureau
Police	
Fire	* these are not part of the General Fund, but they are levy-supported Funds
Engineering	
Streets & Street Lighting	
Parks & Recreation	
Transfers - to EDA & Parks Capital	

Expenditure Budgets by Function

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Transfers Out - procedural change to reporting for Parks Capital Replacement

	2024 Approved Budget	2025 Proposed Budget	\$ Difference
EDA	\$ 169,515	\$ 177,990	\$ 8,475
Parks Capital Replacement	\$ 315,000	\$ 593,250	\$ 278,250
Total Transfers Out	\$ 484,515	\$ 771,240	\$ 286,725

Director Hove said in prior years the city also made a transfer from the Pavement Management fund for paved surfaces within parks. For 2025, staff is recommending combining these into one transfer for improved simplicity and transparency.

Council Member T'Kach asked if the EDA funding is for consultants and studies and not land purchase.

Director Hove said the EDA fund is more of an operating fund. It will pay for consultants or studies and there is funding for a full time staff member. This funding allows the EDA have flexibility to either hire a full time staff person or continue with a consultant. It does not give enough to buy property.

Council Member T'Kach asked if the EDA has levy authority.

Director Hove said EDAs have levy authority, but the Inver Grove Heights has not set it up. Council can decide they would like the EDA to have levy authority and there are legal steps that they have to follow.

Council Member T'Kach asked how long the process would take.

Administrator Wilson said it would take most of a year and if Council would like to add an EDA levy for 2026, they should give staff direction within the next few months. The EDA levy comes from the same taxpayers as the city's levy but would be identified as an EDA levy on taxpayers' tax statements.

Council Member T'Kach asked if Host Community Funds could be moved into the EDA fund.

Administrator Wilson said Host Community funds can be used as Council directs.

Citywide Tax Levy Calculation

	2024 Approved Budget	2025 Proposed Budget	\$ Difference	% Change
General Fund Subtotal	\$ 32,938,000	\$ 34,669,804	\$ 1,731,804	2.88%
Minus Other Revenues	-5,966,897	-6,120,729	-153,832	2.58%
Amount Levied for General Fund Activities	\$ 26,971,103	\$ 28,549,075	\$ 1,577,962	5.85%
General Fund-Tax Abatement	182,880	183,300	420	0.23%
Debt Levy	2,542,411	2,547,632	5,221	0.21%
Pavement Management Levy	3,045,000	2,934,750	(110,250)	-3.62%
Total Levy	\$32,741,394	\$34,214,757	\$1,473,363	4.50%

Tax Abatement Tax Levy

Annual abatement is based on the new value added to the city's tax base under The Crossings project. City taxes related to that new value are "abated" or paid back to the developer.

- 2023 was the first year of this abatement (\$33,000 estimate) – due to fact that only a portion of the new project’s market value was “online”
- 2024 estimated at \$182,880 – after 2024, these payments should stabilize as the only “new value” will be due to any appreciation of the existing property
- 2025 estimated at \$183,300
- Abatement runs for ten years or less
- Maximum abatement is \$1.6 million
- Abatement is considered a separate “levy” each year

Debt Tax Levies

Bond Issuance	2022 Budget	2023 Budget	2024 Budget	2025 Budget
Street-Related Debt				
2015A G.O. Bonds	635,669	637,301	633,210	634,055
2016A G.O. Bonds	695,874	718,134	718,292	723,227
2017B G.O. Bonds	263,211	263,125	262,882	267,731
2020A G.O. Bonds*	177,250	177,250	177,250	177,250
Use of Closed Bond Fund	-177,250	-177,250	-177,250	-177,250
Fire station Debt				
2018A G.O. Bonds	737,977	739,289	739,552	733,514
2019A G.O. Bonds	176,585	187,635	188,475	189,105
Total	\$2,519,316	\$2,545,484	\$2,542,411	\$2,547,632

Pavement Management Tax Levy

	2024 Adopted	2025 Proposed	% Change
Tax Levy	\$ 3,045,750	\$ 2,934,750	
Transfer out for Parks Pavement	-250,000	0	
Levy without Parks Capital Transfer	\$ 2,795,750	\$ 2,934,750	+5%

Citywide Tax Levy Calculation

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Pavement Management Levy	3,045,000	2,934,750	(110,250)	-3.62%
Total Levy	\$32,741,394	\$34,214,757	\$1,473,363	4.50%

Director Hove said the General Fund Levy, Tax Abatement Levy, Debt Levy and Pavement Management Levy equals a levy amount of \$32,214,747 and is a 4.50% increase over 2024.

Impact of 4.50% Citywide Tax Levy Increase on Median Valued Residential Property (\$349,500)

Proposed Citywide 2025 Tax Levy	\$ 34,214,757
Levy Increase (%)	4.50%
Tax Rate	50.932
Change in Tax Rate	1.60%
2025 Median Valued Property*	\$ 349,500
Annual change in City Taxes (for \$349,500 median property)	\$68,77

*In 2024, the median valued property was \$341,950

Director Hove said the tax rate does change over the years depending on citywide market values and fiscal disparities but typically stays in the 48 to 52 range. The tax rate is subject to change until the county finalizes the numbers in the spring.

Comparison - Dakota County Cities

City	Preliminary Rate (estimated)
Apple Valley	13.76%
Burnsville	7.06%
Eagan	8.20%
Farmington	7.54%
Hastings	7.50%
Inver Grove Heights	4.50%
Lakeville	12.05%
Rosemount	10.90%
South St. Paul	9.06%
West St. Paul	7.22%
Average	8.77%

Eagan's tax rate includes 3% related to the Parks/Facilities Bond and Rosemount has gradual increase between 2024 and 2027 for debt service on new building and the tax rate was 6.90% prior to the increase.

Director Hove said these are preliminary numbers, but Inver Grove Heights has the lowest tax rate compared to the other Dakota County cities.

Council Member T'Kach asked if they are anticipating a significant increase in the tax rate next year because they are significantly lower than the other cities and if staff thinks they have the savings needed for future projects and needs.

Director Hove said staff has not presented the utility budgets yet but those are not funded by a tax levy. There will be future building needs for the central maintenance facility and would

likely involve some debt. This is a unique year and staff feel they can continue to provide the services needed and even increase some staffing with this rate.

Administrator Wilson said the biggest need coming will be to figure out a properly sized central maintenance facility for the community. The Fire Station on Upper 55th Street is also a significant challenge. They do not have enough planning done to make a recommendation on a budget. The challenges they have are not imminent and require additional development and research.

Council Member T’Kach said she thinks 4.5% is great but does not want residents to be shocked with a 12 - 15% increase because they forgot something.

Director Hove said everything is included in the budget.

Council Member Scales said 12 - 15% is a scary number and is not based on anything.

Director Hove said cities are setting a maximum right now and she expects some of the rates will lower as they are finalized.

Approval Needed:

- Adopt Citywide Preliminary Tax Levy
 - Council is required to pass a preliminary levy by September 30 each year; when the final levy is adopted in December, it may be lower but cannot be higher than the preliminary levy
- Special Taxing District Preliminary Levies – Storm Water Special Taxing District Levy
 - Established under MN Statute 444
 - Used to fund trunk storm sewer improvements installed in conjunction with the 70th Street East Reconstruction Project from Cahill Avenue to Concord Boulevard (City Project 2001-02)
 - Babcock trail
 - South Grove
 - 70th Street
 - Contains approximately 3,000 parcels)
 - 10-Year Term (2018-2019)
 - Annual levy of \$79,394
- Adopt Preliminary General Fund Budget
- Set the date, time, and place for statutorily required public meeting on the City’s proposed budget and levy
 - Monday, December 2, 2024 at 6 p.m.
 - Council Chambers – 8150 Barbara Avenue, Inver Grove Heights

Director Hove said the resolutions can be approved in one motion or Council can do separate motions.

Motion to approve Resolution 2024-204 adopting proposed citywide tax levies for payable 2025, approve Resolution 2024-205 adopting proposed storm water special taxing district tax levies payable for 2025, approve Resolution 2024-206 adopting the

preliminary general fund 2025 budget, approve Resolution 2024-207 setting the date, time, and location for the public budget discussion by T’Kach, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

C. Interim Use Permit to Allow a Park-and-Ride Facility at 6588 / 660 Cahill Avenue

Assistant Planner Botten presented this item. The property is located on the east side of Cahill Avenue and is in the B-4 zoning district for shopping centers. The site is developed and includes three buildings and a lot of parking area.

The applicant is requesting an Interim Use Permit (IUP) for a park, sleep, and fly facility at 6588/6600 Cahill Avenue.

Interim Use Permits (IUP):

- Does not fit strict application of Zoning Code
- Uses have merit for an intermediary period of time.
- Temporary use of a property until a specific date, occurrence of a particular event, or until change of zoning regulations.

Background - Existing IUP:

Inver Grove Hospitality/AmericInn

- Location: AMC Movie Theater, 5861 Blaine Avenue
- Term: First issued May 2018 for five-years; and a one-time 1.5 year extension
- Facility: 250 parking spaces
- Expiration: January 10, 2025
- Other:
 - Proposed location is a multi-tenant site.
 - Parking minimums are met within the front or side of existing businesses.
 - Property is not proposed to be fenced, but would include security cameras.

Assistant Planner Botten said the applicant is requesting a five-year IUP. The Dollar Tree, Aldi, the Post Office, and other smaller stores are located on the site. There is no proposed fence but as a condition of approval they are required to have a guard post with 24 hour in-person surveillance starting by April of 2025. The security footage has to be kept for at least two weeks, and they have to be in communication with the police department. The police department will need a contact with the people working directly at the site in case there are any issues.

The Planning Commission recommended approval of the IUP for five years with the conditions presented in the Resolution. Staff supports the recommendation from the Planning Commission but added additional language to the wording of the expiration of the IUP. The language permits the five-year but includes additional language that states if the park-and-ride would terminate for three months or more, the IUP would expire. If there is a

change in ownership of the property, change in zoning regulations or if the property were subdivided, the IUP would become void.

The request requires a 4/5th vote from Council and staff has not heard from any of the surrounding property owners.

Council Member Scales asked if the reason there is would be no fence was for emergency services to have access.

Assistant Planner Botten said yes, they will not have a fence so emergency services can access the area if needed and the owners of the property have said that they do not want a fence.

Council Member Scales asked if it would be a problem if someone was visiting a business on the property and parked in the space.

Assistant Planner Botten said the city would not be monitoring it and the applicant may be able to provide more information.

Council Member Murphy asked if staff has any history of how long temporary use permits historically last. If this is approved, it would be 12 years from the first IUP.

Assistant Planner Botten said all of the IUPs approved in the past have been for different types of use and different periods of time. There is no consistent timeframe there have been IUPs with longer timeframes. Each request is looked at differently.

Council Member Murphy asked if they would look to change the code to include a temporary use in the code.

Assistant Planner Botten said Council could consider updating the code. In this case, the area has redevelopment potential so Council may not want to change the code to include a park-and-fly.

Council Member Gliva asked what would happen to the IUP if the zoning of the property changed.

Assistant Planner Botten said the current property is a commercial shopping center and is likely not to be rezoned. If it were rezoned the IUP would become void.

Council Member Gliva asked if there would be a situation where they would not want to have an IUP.

Assistant Planner Botten said the code is written that it is an allowed interim use in the B-3 or B-4 districts. If the zoning were to change the comprehensive plan would need to be changed to match the zoning.

Mayor Dietrich asked if Council had discretion on the timeframe.

Assistant Planner Botten said yes, the Council can determine the timeframe.

Council Member T'Kach asked if there is a minimum timeframe an IUP holder would have to move their property if the zoning were changed.

Assistant Planner Botten said they would be eligible for a one-time extension to allow them time to find a new site.

Council Member T'Kach asked to confirm if the property sold in three years, the IUP would be expired but the applicant could request a one-time extension.

Assistant Planner Botten said yes, if the property sold prior to the IUP expiring, the IUP would be void upon the sale of the property and the applicant could request a one-time extension.

Administrator Wilson said the difference between an Interim Use Permit (IUP) and a Conditional Use Permit (CUP) is a CUP runs with the land indefinitely and survives a change of ownership. CUPs are also grandfathered in if there is a zoning change. An IUP can end after a certain timeframe, a sale of a property and it is not grandfathered in if a future Council does a rezoning. Council sees CUPs more commonly than IUP.

Owner Ali Hasan said they do not operate a traditional park-and-fly. They operate as a park, sleep, and fly and all of their guests stay at their hotel. There were concerns about security at their current property and there are concerns about the new property. They have had a handful of security issues since they have been there. There were two more serious incidents. One of the incidents was a stolen car, but it was a domestic situation. The other incident was a car was damaged from a gunshot, but the gunshot was not on their property.

They originally suggested a fence, but the owner of the lot did not agree. They are currently planning to have security cameras and 24/7 security. The new property is behind a line of trees and a building so it would not be as much of an eyesore as the current location. There was a concern of commercial vehicles parking in the area, but they were not guests of the hotel. They were truckers who had parked there to sleep. They have a sizeable business and support from the Conventions Visitor Bureau CVB and the hotel's General Manager Evelyn Sanchez is part of the CVB.

General Manager Evelyn Sanchez said the business supports 12 jobs, seven full-time positions and five part-time positions. The director of CVB Lily Miller wrote a letter on their behalf.

Hasan said the other businesses in the area support the park, sleep, and fly because it brings more people into the community. They currently have three full-time and three part-time drivers and one full-time and one part-time security guard. The new property will add an additional four security guards. They had a request to have their vehicles only use the back road to get to the parking lot and they have agreed to that.

Sanchez said when a guest comes in, they fill out a form with car, make, model, plate number and owner's phone number. Each guest is assigned a number and security checks the numbers. If they have an unauthorized vehicle in the lot, they will contact the police department.

Hasan said they do not move cars to the lot until late in the evening. If other cars are parked in the area late into the evening, they are not concerned. They are concerned if there are unregistered vehicles there at 2 a.m. because the local businesses would be closed at that time.

Council Member T’Kach asked if there would be signage for the area they will be using.

Hasan said the Planning Commission requested signage. They will also have security cameras and there will be signage saying “this area is monitored by surveillance” but he does not think they would need signage saying it was only for AmericInn use. It would not be an issue if someone parked there overnight. They had one guest of Holiday Inn that used their current lot. They caught it but did not do anything and he got his car.

Council Member T’Kach said she wanted to make sure that people were not getting towed because they accidentally parked in their lot.

Hasan said they only tow they had to do was because of a broken down vehicle.

Hasan said they do not own the lot and there is a condition that ends the IUP if there is an ownership change. He asked if the change of ownership was referring to them as the business owners or change of ownership of the property.

Attorney Nason said as it is structured now, a change to ownership of the property that would terminate the IUP.

Hasan asked if it could be changed as sale of the property would be outside of their control.

Attorney Nason said it would be the Council’s decision if they want to consider an approval with the original conditions or an approval with some or all of the additional conditions.

Mayor Dietrich said it is the City’s intent to encourage economic growth and this area could be redeveloped for retail.

Hasan said they have had discussions with the property owner, Gator, and they said they had it for sale but have since removed it and put up for lease signs. Gator told them that they had the spoken with a developer two years prior about a potential apartment building.

Hasan said there are some items they have to add items to the property to make it usable and if the IUP is approved for a shorter period of time it may not be worth it for them. Their lease with Gator is for five years.

Council Member T’Kach asked if the applicant sold the business would the IUP be voided.

Attorney Nason said as it is written the IUP would be voided if the property owner sold the property. Council could amend the verbiage to say if the business were sold the IUP would be terminated.

Council Member Gliva asked if anyone has talked to the businesses where the park-and-fly is located.

Hasan said they have discussed this with the business owners. Their original map had 220 spaces and the only business to have an issue with it was Aldi because they have some larger trucks that need to be able to get in the area. They amended their map to 192 parking spaces.

Council Member Gliva asked if there were any concerns with a large parking lot in general.

Hasan said all of the conversations have been through Gator. Gator seemed happy with the idea because the added presence of a security guard would do more good than harm.

Council Member Gliva said she is concerned that there is no fence and there is a school nearby where kids would be going back and forth. There may be some current issues with people loitering. She is concerned that the guard station would not be active until April.

Hasan said engaging with Gator took much longer than expected. The original plan was to have the guard station up when the contract started but due to time constraints, they will not be able to have it built in time. They have a vehicle marked as security with a siren on top and they will use that until they get the guard station built.

Council Member Gliva said economic development is on Council's short list and is concerned with having a large parking lot in the middle of the city.

Hasan said the shuttle will lead the cars to the parking lot at the top of the hour between 6 and 10 p.m. and when guests are returning, the shuttle will take them to their car, and they will exit. There will be no massive amounts of people going in and out. Most guests prefer to keep their car until the evening to visit restaurants in the area. The only two lots that were large enough, zoned correctly and close enough to the property are Aldi's lot and the AMC movie theater's lot. The lot next door needs significant development and is not a viable option by January. The CVB supports this and the lot itself maintains 12 jobs.

Mayor Dietrich asked what the difference was between a park-and-fly and a park, sleep, and fly.

Hasan said this has always been a park, sleep, and fly. It is only for guests that stay at the hotel. The majority of the time guests will check into the hotel for a night and have an early flight in the morning. The guests' cars will remain in the lot until they return from their trip. All of the people using the lot stay at the hotel for one or two nights.

Assistant Planner Botten said there could be some confusion because the language in the code for the IUP listed approvals in the B-3, B-4 and P districts for park and ride facilities such as short-term parking and park and fly lots. If they had the operation on the AmericInn property they would not need the IUP. Since it is not on their property, they need an IUP. The correct term is a park and ride facility, but it could also mean a park, sleep and fly, a park-and-ride or short-term parking.

Mayor Dietrich asked if a park-and-fly would be permitted.

Assistant Planner Botten said yes, they use a park and ride facility as a general term.

Hasan said they have never allowed a regular park-and-fly because it does not benefit them. The cost of taking someone to the airport is not worth allowing just parking.

Council Member Murphy said he is concerned with there not being a fence and asked how many rooms there are in the hotel.

Hasan said they have 82 rooms.

Council Member Murphy asked if they were requesting 192 spaces because they are doubling up on the rooms until somebody comes back.

Hasan says a guest will come and stay at the hotel and typically leave their car there for about a week. They would not have enough spaces in their parking lot to have guests staying at the hotel and their guests that have left for their trip.

Council Member Murphy asked how it would work if a guest showed up at the parking lot late and has to get on the shuttle to the airport.

Hasan said the guest has to check in at the front desk. The guard in the guard shack will only be doing security, they will not be checking guests in and out. Guests stay at the hotel before their trip 80% of the time. They will have use of their car until the evening when the shuttle leads them to the parking lot at a specific time. The shuttle will return them to the hotel to sleep for the evening and take them to the airport the next morning. They do have 5-10% of guests that stay at their hotel at the end of their trip. They will park at the hotel property and the shuttle will take them to the airport. Their car would remain on the hotel property for the duration of their trip since it is a minor occurrence.

Council Member Murphy asked how many parking spaces they have at the hotel.

Hasan said they share a parking lot with Applebee's, but it is 75-80. Applebee's has never had an issue with their guests using a few parking spaces of theirs and they also have no issue with Applebee's guests using their parking spaces.

Council Member Murphy asked if the five-year term would be a deal-breaker.

Hasan said it is not, but the park, sleep and fly is very important to their business. The amount of traffic in Inver Grove Heights is not sustainable without this. Their agreement with AMC was for 220 spaces. Most of the winter the lot is full, but it quiets down in the summer. The winter months help the business be sustainable. It also brings more business for the neighboring hotels who operate smaller park, sleep, and fly programs. An IUP for two or three years would be worth it but the end of the IUP would put the viability of the business in jeopardy. The park, sleep and fly option generate about one third of their revenue.

Sanchez said one of the reasons the CVB approves of this program is that it brings in people from neighboring states and even Canada that would not normally come to Inver Grove Heights. They stay at their hotel and visit the local businesses.

Hasan said he was aware there were issues with the previous owner that they were unaware of at the last meeting. He tried to address as many concerns from that meeting as he could. The program supports 12 jobs on its own and it is bringing business to the area.

Council Member Scales asked if the police department provided any information on the area.

Assistant Planner Botten said they sent a drawing of the request and the additional conditions that were included in the resolution. They commented on what was presented but not if there are any security issues on the property currently.

Council Member Murphy asked how a five-year term of an IUP does not prevent them from approving redevelopment on the property.

Community Development Director Ziemer said an IUP is associated with the owner of the property and not the land. There is some risk to the user of the property making investments to the property knowing that at some point in time they may not be able to continue that use into the future. If the owner of the property decides to sell the IUP is terminated. The new owner could apply for an IUP but if Council decides they would want a different long-term use in the area, the IUP application can be denied. There is a five-year timeframe given but there are other aspects such as ceasing the operation of the park and ride, or the lease expires the IUP is void. It preserves the City's ability to look at its use as a temporary use. Council can continue to entertain development, but it would ultimately be up to the property owner to sell the land.

Mayor Dietrich said the police department recommended having at least two weeks of memory storage for security footage because there is a potential for increased public safety calls. She would want the staffed guard building would be operable by January 11, 2025. Mayor Dietrich has concerns with the length of the contract because she does not know how it will affect the area in terms of crime.

Mayor Dietrich asked if a condition could be added requiring the business to be current on taxes and fees.

Attorney Nason said they can change the dates and the start. They typically see language in licensing stating that they must be current on taxes. If they want to require taxes and fees be current it would apply to the property owner Gator.

Mayor Dietrich said she would like to hear from the current tenants and the police department before moving a Resolution forward.

Council Member T'Kach said she was supportive of the application and did not realize park, sleep and fly was an available product. She researched and saw a lot of hotels offer this type of product and thinks they are protected with the conditions. She does not know if having a security building constructed by January is feasible. If there were redevelopment going on in the area it does take some time. They were asked to move from their original area because there had been some proposals for retail, and nothing has happened yet.

Council Member Scales said redevelopment is important, but the area used to be an enclosed mall, and the back lot was never used. There are current calls to the police department for activity happening there now and he thinks this will help decrease that. It is a temporary use and he does not have an issue with the five year term. At AMC they gave a shorter term because development was coming, and they do not currently have any development plans. He would not want it as permanent, but it is ok as temporary. There are more positives than negatives.

Council Member T'Kach said she reviewed the community crime map and there are no reported crimes in the area, but she is not sure what the date range is.

Motion to approve Resolution 2024-208 approving an interim use permit to allow a park-and-ride facility to be operated at 6600/6588 Cahill Ave by T’Kach, second by Scales.

Ayes: 2

Nays: 3 (Dietrich, Gliva, and Murphy) Motion failed.

Mayor Dietrich said the reason for her denial is if they cannot make money because they cannot obtain an additional parking lot they may need to change the scope of their business. Mayor Dietrich would also want to have further input from the police chief.

Council Member Gliva said she was not comfortable putting the business without a fence, near a school and without hearing from the other businesses could create a safety issue.

Council Member Murphy said he was uncomfortable with the length of the IUP and the ability to request another year. He is also uncomfortable that there is no fence planned.

Attorney Nason asked the Council Members that voted against approval if they had any additional reasons related to health, safety, or welfare that they would like on the record. Attorney Nason will prepare a written Resolution that includes the reasons for denial and articulates the facts from the Council and it will be brought back before the Council during the next meeting.

Mayor Dietrich said she wanted to clarify that the business needs to have at least enough parking spaces for the rooms they have to sell.

Council Member T’Kach asked when the applicant could return with a new application.

Assistant Planner Botten said the applicant could request a reconsideration of the application at the next meeting.

Attorney Nason said there was no language in the IUP section that would inhibit reapplication.

D. 3rd Reading of Ordinance Amending City Code Related to the Sale of Tobacco and Nicotine Products

Commander Otis presented this item.

Background:

- Prior to 2024, Dakota County previously issued licenses for the sale of tobacco and nicotine products and delivery devices and conducted compliance checks.
- In 2023, the City adopted an ordinance and took over the licensing of tobacco products in 2024.
- The 2024 compliance checks were completed, and the police department has requested clarifying revisions to existing code language.

City Code Revisions:

#1. License Denial, Suspension, or Revocation

- Knowing there is no suspension, or revocation is contemplated for first violation.
- Existing language in 4-12-5: Basis for Denial, Suspension or Revocation of License and 4-12-10: Administrative Penalties for Violations have some discrepancies.
- Proposed language change clarifies that there is no mandatory suspension or revocation of a license upon a violation, although Council always has discretion to impose greater penalties for any violation.

4-12-5: Basis for Denial, Suspension, or Revocation of License:

- A. The following ~~shall~~ may be grounds for denying the issuance or renewal of a license or suspending or revoking any license issued under this chapter:
- B. Except as may otherwise be provided by law, the existence of any particular ground for denial, revocation or suspension does not mean that the City must deny revoke, or suspend the license. If a license is mistakenly issued or renewed it shall be revoked upon the discovery that the person was ineligible for the license under this Chapter.

#2. Administrative Penalties for Violations

For this section, there are seven revision areas.

1. Clarifies that in addition to financial penalties or license suspension or revocation, the City Council may add reasonable conditions to a license as a result of violation
 - No one under 21 allowed to sell licensed products
 - Additional training requirements
2. Further clarifies that each violation of a license is a separate violation of the terms of the license
 - They cannot move from a first violation to a second violation without a previous violation within 36 months of that ordinance
3. Requires that all license holders implement seller training upon a license violation
 - Similar to alcohol server training requirements
4. Clarifies that the City Council will be holding hearings related to license violations
5. Removes non-criminal penalty section
 - Police issuing a petty misdemeanor citation to sellers over 21 years of age.
 - Administrative penalty process for the business.
 - Consistent with other compliance checks outlined in ordinances.
6. Language updates for consistence
 - Changed business to licensed retail establishment
 - Changed server to seller
7. The addition of recently passed statutory language that requires the imposition of additional penalties for license violations in certain circumstances.

Commander Otis said there was a typo in the ordinance:

Notwithstanding the foregoing, pursuant to Minnesota Statutes, Section 461.12 subd. 1a.2a. a licensee's authority to sell licensed products must be suspended for not less than seven (7) days and may be revoked if the licensee:

Commander Otis said Council is requested to approve the third reading of the ordinance with the typo correction and approve the summary publication resolution.

Council Member T'Kach asked if there are some places that sell tobacco that are not licensed retail establishments.

Attorney Nason said the terminology in the beginning of the ordinance refers to a licensed retail establishment. They changed business to licensed retail establishment for consistency. If a business is not a licensed retail establishment, it is illegal to sell the tobacco products.

There were no additional comments received for this item.

Motion to approve third and final reading of an Ordinance 1483 Amending City Code Related to the Sale of Tobacco and Nicotine Products and approve Resolution 2024-209 Summary Publication by Murphy, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

E. 2nd Reading of Ordinance Amending City Code Related to Abatement of Nuisance (Hazardous and Diseased) Trees

Attorney Nason presented this item and Parks Superintendent Swoboda and Code Enforcement Coordinator Rainey were present to answer questions.

Background:

- City Code currently declares certain diseased trees to constitute a public nuisance and authorizes their abatement
- Unlike the general public nuisance abatement section (Title 5, Chapter 9), the diseased tree abatement section (Title 5, Chapter 8) does not provide for the appeal of an abatement order
- Staff are requesting the Council consider amending the City Code related to diseased and hazardous trees to clarify certain definitions as well as the abatement procedures for diseased and hazardous trees

Attorney Nason said the revision of this code started because a compliance order was issued to a property owner and the property owner wanted to appeal the order.

Objectives of the Ordinance:

1. Clarify that diseased and hazardous trees and wood constitute a public nuisance under the City's general public nuisance section (Title 5, Chapter 9)
2. Define hazardous trees to include hazardous trees as a public nuisance
3. Provide that abatement of diseased trees and hazardous wood and trees is to follow the process provided in Title 5, Chapter 9

#1. Clarify that Dead, Diseased, and Hazardous Trees that Constitute a Public Nuisance under Chapter 8 Also Constitute a Public Nuisance Under Chapter 9

Section One. Amendment. Title 5, Chapter 9, Section 2 of the Inver Grove Heights City Code is hereby amended to include the following language:

- T. Diseased trees, hazardous trees, or hazardous wood which constitute a public nuisance under section 5-8-4 of this code.

#2. Define a Hazardous Tree and Declare Them to be a Public Nuisance Under Chapter 8

Section Two. Amendment. Title 5, Chapter 8, Section 4 of the Inver Grove Heights City Code is hereby amended as follows. The new language is show underlined:

5-8-4: Nuisances Declared and Prohibited

- A. Nuisances Declared: The following items are hereby declared to be public nuisances, ~~when found within the control zones between April 1 and September 15:~~
1. Any hazardous tree. A hazardous tree is defined as a tree which has structural defects in the roots, stem, and/or branches that are likely to cause the tree or tree part to fall, and such fall could cause property damage or personal injury.
 - Ordinance clarifies the definition of a diseased tree
 2. Any diseased tree. A diseased tree shall mean any of the following when found with the control zones between April 1 and September 15:

Attorney Nason said staff has only been able to find one Resolution establishing a control zone from 2019 and it declares the entire city to be the control zone. To answer the question from the last meeting, for Emerald ash borer purposes, the entire city is a control zone.

- Ordinance clarifies the definition of a hazardous wood

Hazardous wood is the wood from one of these trees in the control zone.

#3: Clarify Language in Section 5-8-6 Related to Abatement

- Add a reference to "diseased or hazardous trees" to Section 5-8-6, along with hazardous wood
- Amended the section related to abatement of trees to clarify that the abatement process found in Section 5-9-6 shall be followed.

Additional Information:

- Diseased trees are only subject to abatement if they are:
 1. Located in a control zone; and
 2. Between April 1 and September 15
- Hazardous wood is only subject to abatement if it is:
 1. Located in a control zone; and
 2. Between April 1 and September 15
- Hazardous trees are subject to abatement at any time
- Per resolution 19-75, the entire city is a control zone for EAB purposes

Council Member Murphy asked if this applied to city-owned land.

Attorney Nason said yes, it does not reference privately owned land.

Council Member Scales said they have residents that own a lot of acres with ash trees in the middle of the acreage and if the tree falls it will not hurt anything. He asked if this would require those residents to remove those trees and if it could potentially be 100 trees. He does not want to force residents to pay a large amount of money to remove trees that will not hurt anything if they fall.

Attorney Nason said if the tree is not likely to cause harm to a person or property, it is not considered a hazardous tree. As the code is written, if the tree is diseased, it is subject to abatement.

Council Member Murphy asked if changing the definition of a control zone would address Council Member Scales concerns.

Attorney Nason said yes, it would.

Administrator Wilson said nothing about this ordinance changes the control zone. This ordinance gives residents a way to appeal an abatement notice where they do not have that option now. This amendment is taking a step in the right direction by allowing an appeal.

Council Member Scales asked if code enforcement intended to go into the large properties.

Superintendent Swoboda said they are not looking for hundreds of trees in private backyards. They are mostly taking phone calls from residents are for hazardous trees that have the potential to harm people or property. They should be looking at the entire urban forestry to help control emerald ash borer, but they do not have the resources.

Council Member Scales said he appreciates that they are not going into these large lots and asked if taking down a tree with emerald ash borer is necessary or has the spread of it already stopped.

Superintendent Swoboda said a tree can get emerald ash borer one year, but it takes three to five years to kill the tree. There are treatments for emerald ash borer, but it has to be caught early. The City also has thousands of trees that they are trying to deal with.

Council Member T'Kach asked they could start a program where they have a list of contractors that the City works with that would help with tree removal and if it could be charged on a per hour basis. She also asked if the abatements could be added to the property taxes.

Code Enforcement Coordinator Rainey said if the abatement is not paid, it will be added to the property taxes. There are no grants to help pay for tree removal.

Superintendent Swoboda said he often provides lists of tree removal companies that the City uses. Many of the private trees are in backyards and take much more work to be removed, increasing the cost.

Council Member T'Kach asked if there was a way to set a standard pricing with contractors.

Superintendent Swoboda said every tree is different depending on how big it is and how dead it is. A lot of these trees are getting to the point where contractors do not want to touch them.

Mayor Dietrich asked if Superintendent Swoboda or Coordinator Rainey had any opinion on the updates to the ordinance.

Both Swoboda and Rainey said they were ok with the updates.

Council Member T'Kach asked how long someone has to remove a tree.

Coordinator Rainey said the code allows for 14 days to remove a diseased tree. It is not a long time to get a service to come and remove the tree. Residents can contact them to let them know they are working on finding a contractor, they will work with residents.

Council Member T'Kach asked if there was a preference between burning, chipping, or removing the wood.

Superintendent Swoboda said any option would be ok.

Council Member T'Kach said she was concerned about the wind if they were trying to burn an entire tree.

Chief Swoboda said depending on the size of the fire they would need to acquire a burning permit.

Coordinator Rainey said the ordinance does not clarify a timeframe for diseased trees, so he has been staying consistent with hazardous trees and advising 14 days.

Council Member Scales said diseased and hazardous trees should be taken care of. He does not want to be heavy handed and go into properties with hundreds of trees and he is happy with adding the appeal process.

Motion to approve second reading of an Ordinance amending IGH City Code Title 5, Chapters 8 & 9 related to abatement of diseased and hazardous trees by Scales, second by Murphy.

Ayes: 4

Nays: 1 (T'Kach) Motion carried.

8. PUBLIC COMMENT:

9. MAYOR AND COUNCIL COMMENTS:

Mayor Dietrich thanked everyone for a fantastic week of Inver Grove Heights days.

Council Member Murphy said it was a great event with a lot of residents attending.

Council Member Scales said he agreed and said there were more people and more excitement this year than the last. He thanked emergency services for assisting a family

member in need. Lieutenant Wegner, firefighter Bryant and recruit firefighter Foss went above and beyond with communications and even put away some groceries.

10.ADJOURN:

Motion to Adjourn at 9:40 p.m. by Scales, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Sara Lyons