

INVER GROVE HEIGHTS CITY COUNCIL MEETING

MONDAY, December 2, 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, December 2, 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, Fire Chief Thill, City Engineer Merchlewicz, City Attorney Nason, Community Development Director Ziemer, Finance Director Hove, and City Environmental Specialist Sutherland .

3. APPROVAL OF AGENDA:

Administrator Wilson said Council could choose to move Public Comment prior to the closed session.

Motion to approve amended Agenda to move Public Comment before the closed session by Scales, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

4. PRESENTATIONS:

5. CONSENT AGENDA:

A. Approval of Disbursements, **Resolution 2024-266**

B. 2024 Body Worn Camera Audit

C. Contract with Landform Professional Services to Provide Staff Augmentation for the Planning Division

Motion to approve Item A - C by Murphy, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

6. PUBLIC HEARING:

A. Proposed 2025 Budget & Tax Levy

Finance Director Hove presented this item.

2025 Budget Calendar – Recap:

- June thru September – Various meeting and work sessions to discuss the General Fund budget and preliminary tax levies
- September 9, 2024 – Council adopts preliminary 2025 general fund budget and tax levies

- October & November – Work sessions to review additional budgets (enterprise funds, internal service funds, convention & visitors bureau)
- Week of November 11, 2024 – Dakota County mails out Proposed Tax Notices (2025 tax estimates based on proposed tax levies)
- December 2, 2024 – Public meeting to discuss 2025 budgets and tax levies (also referred to as Truth in Taxation Meeting). The public is invited to comment.
- December 9, 2024 – Council to approve final 2025 budgets and tax levies

Factors that impact Property Taxes:

- The City is one of several taxing district levies that affect property taxes
 - County, School District, Special Taxing Districts
 - School District 199's recently approved referendum is not reflected on the proposed 2025 tax notices – but will show up on the final 2025 tax statements
 - County's proposed levy increase was 9.92%
- Property Classification
- Changes in market value can affect taxes year over year
 - For 2025, market values on Residential Properties increased by 2.15% (vs. 3.75% in 2024)
 - For 2025 market values on Commercial properties increased by 5.63% (vs. 9.32% in 2024)

Citywide Tax Levy by Fund:

Fund	2022	2023	2024	2025	% Change
General Fund	22,916,070	24,856,311	26,971,103	28,549,075	5.85%
General Fund – Tax Abatement	-	33,000	182,880	183,300	0.23%
Pavement Management	2,550,000	2,900,000	3,045,000	2,934,750	-3.62%
Debt Service	2,519,316	2,545,484	2,542,411	2,547,632	0.21%
Total Levy	27,985,386	30,334,795	32,741,394	34,214,757	4.50%

Impact of 4.50% Citywide Tax Levy Increase on Median Valued Residential Property (\$349,200):

Proposed Citywide 2025 Tax Levy	\$34,214,757
Levy Increase (%)	4.50%
Tax Rate	50.732
Change in Tax Rate	1.20%
2025 Median Valued Property*	\$349,200
Annual Change in City Taxes (for \$349,200 median property*)	\$61.60

*In 2024, the median valued property was valued at \$341,700

2025 Citywide Budget Summary (excludes Internal Service Funds):

Fund	Expenditures & Transfers
General Fund	*** \$ 34,980,655
Public Safety and Small Equipment	235,875
Conventions & Visitor's Bureau	227,000
Community Center Operating	4,326,110
Community Center Capital	750,200
Host Community Fund	3,267,175
Economic Development Authority	*** 208,815
Debt Service Funds	*** 3,275,941
PMP - Local Streets	* 18,317,563
PMP - Partnership Projects	3,325,000
Water - Operating & Capital Funds	7,017,723
Sewer - Operating & Capital Funds	8,277,428
Storm Water - Operating & Capital	2,713,045
Inver Wood Golf Course	2,983,303
	\$ 89,905,833

*Funds that are reliant on property tax revenue / the more stars, the greater the dependence.

Director Hove said the draft of the budget book is included in the agenda. Internal Service funds are excluded because they tend to be supported within the operating funds included on the summary. The total citywide budget is larger than \$90 million, but it is supported by the expenditures in these operating budgets.

2025 General Fund budget Revenue by Type:

Revenue by Type	2024 Amended Budget	2025 Total Budget	% Change
Taxes	27,358,983	28,873,875	5.5%
License & Permits	1,225,330	1,306,300	6.6%
Intergovernmental	2,048,514	1,466,340	-28.4%
Charges for Services	1,950,603	2,037,415	4.5%
Fines & Penalties	203,300	210,800	3.7%
Special Assessments	1,500	5,000	233.3%
Other Misc.	298,150	267,300	-10.3%
Other Sources & Transfers	<u>77,500</u>	<u>813,625</u>	<u>949.800</u>
Total Revenues	33,163,880	34,980,544	5.5%

Director Hove said 2025 is the last year of the SAFER grant and there are only a few months left of revenue which caused the Intergovernmental revenue to decrease. The Other Sources & Transfers category revenue increase is primarily due to the use of \$525,000 from savings from the SAFER grant to help pay for the additional firefighter and a small transfer from the Public Safety Small Equipment fund City's portion of the additional police officers.

2025 General Fund Budget Expenditures by Function:

- Police - 36%

- Fire - 20%
- Public Works - 14%
- Parks & Recreation - 12%
- General Government - 10%
- Community Development 8%

2025 General Fund Budget Expenditures by Department:

Department	2024 Amended Budget	2025 Total Budget
Unassigned	673,645	954,540
Mayor & Council	331,925	365,765
Administration	329,250	278,600
Human Resources	427,100	432,300
City Clerk	338,675	383,242
Elections	234,703	92,700
Communications	398,362	442,553
Finance	1,399,685	1,458,450
Police	11,843,256	12,692,919
Fire	6,565,985	6,887,655
Engineering	1,466,095	1,417,485
Street Maintenance	3,385,760	3,392,010
Street Lighting	199,000	203,000
Parks Maintenance	2,863,361	2,862,850
Recreation	774,935	783,510
Community Development	506,775	520,950
Planning	420,749	423,826
Inspections	<u>1,337,700</u>	<u>1,388,300</u>
Total Expenses	\$33,506,961	34,980,655

Director Hove said the unassigned category is made up of expenditures that they do not assign to another department. Those would be the transfers out to the EDA, the Parks Capital, and the tax abatement. The majority of the increases are due to cost of living raises, step increases for employees and added cost of health insurance. The Police and Fire expenditures include the new staffing positions.

2025 General Fund Budgets by Expenditure Type:

- Personnel - 65%
- Supplies - 3%
- Other Charges & Services - 30%
- Capital Outlay - 0%
- Other Financing Uses - 2%

Director Hove said the other charges and services are typically professional services that are needed. Personnel costs have increased from 2024 due to the additional staffing and

supplies, other charges and services and other financing uses is fairly close to 2024 expenditures.

2025 Budget Overview – Key Factors:

- 3% Wage Increase, plus step increases for all full-time staff as negotiated with various employee unions
- 6.2% average increase in the City's costs for employee health insurance
- 5% increase in the Pavement Management levy funding
- 5% increase to Parks Capital Replacement levy funding
- 5% increase to EDA levy funding
- \$540,500 increase to Fire Department's Central Equipment allocation (from \$856,200 to \$1,396,700) to better save for equipment replacements
- 50% decrease (\$50,000) to cable franchise revenue to allow Town Square to retain more

2025 Budget Overview – Use of Fund Balance:

- General Fund – 2025 is the first year to start spending down previous year's savings from Fire SAFER Savings Plan (\$525,000)
- From one-time Public Safety Aid
 - \$11,250 for Police Department badge updates and new honor guard uniforms
 - \$224,625 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 (\$202,250) with full payoff planned for 2025
- 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

New Staff Positions Included in the 2025 Levy and Budget (6 FTE's)

- Police Department – 2 additional police officers plus 1 sergeant
 - 5-year phased approach like SAFER savings plan, using Police's share of one-time public safety dollars plus federal COPS grant award
 - Adds \$74,875 to the 2025 levy
 - Adds an additional \$101,524 to the 2026 levy
- Fire Department – 3 additional FT firefighters / start date of July 1, 2025
 - Adds \$198,450 to the 2025 levy
 - Adds an additional \$209,295 to the 2026 levy

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 1st 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 existing property
- 2025 estimated at \$183,300
- Abatement runs 10 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	186,585	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 Budget	2025 Total Budget	% Change
Tax Levy	\$ 3,045,740	\$ 2,934,750	
Transfers out for Parks Pavement	-250,000	0	
Levy without Parks Capital Transfer	\$2,795,750	\$2,934,750	+5%

Director Hove said in 2024 they had a transfer from the General Fund and a Transfer from the Pavement Management Fund going to the Parks Capital Fund. For more transparency staff decided to transfer the needed funds directly from the General Fund in 2025.

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	\$1,577,972	5.58%
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	<u>3,045,000</u>	<u>2,934,750</u>	<u>(110,250)</u>	<u>-3.62%</u>
Total Levy	\$32,741,394	\$34,214,757	\$1,473,363	4.50%

Citywide Tax Levy by Fund:

Fund	2022	2023	2024	2025	% Change
General Fund	22,916,070	24,856,311	26,971,103	28,549,075	5.85%
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Total Levy	27,985,386	30,334,795	32,741,394	34,214,757	4.50%

Storm Water Special Taxing District Levies:

- Established under M.S. 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 (2018-2027)
- \$79,394 annually

2025 Budget - Final Steps at Meeting:

- Public Input
- Council direction for December 9
 - Final Citywide Levy
 - Final Special Taxing District Levies
 - Expenditures Budgets

Director Hove said after the notices were mailed by the County, she only received two calls from residents. Both of the questions were related to the County and did not relate to the City's budget or levy increase.

Mayor Dietrich opened the public hearing.

There were no public comments.

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

Ayes: 5

Nays: 0 Motion carried.

Direction given to proceed with proposed 2025 Budget and Tax Levy for approval on December 9, 2024.

B. 2025 Tobacco Licenses

Clerk Kiernan presented nine tobacco license renewals. Staff reviewed all of the applications and found them to be complete and qualified for renewal. Staff recommends approval. There will be additional tobacco license renewals at the next meeting.

Mayor Dietrich asked if all of the renewals will be completed by the following Monday.

Clerk Kiernan said there are a few more coming and they are waiting on the background information for most of the renewals.

Mayor Dietrich opened the public hearing.

There were no public comments.

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

Ayes: 5

Nays: 0 Motion carried.

Motion to approve 9 tobacco license renewals by Gliva, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

7. REGULAR BUSINESS:

A. Comprehensive Plan Amendment and Rezoning of 6570 Robert Trail S., 6680 Robert Trail S and 1401 70th Street

Director Ziemer presented this item.

Comprehensive Plan Amendment & Rezoning:

Application Request:

- Comprehensive Plan Amendment (green area on map)
 - Current: LDR, Low Density Residential & LMDR, Low-Medium Density Residential
 - Proposed: HDR, High Density Residential
- Rezoning (green area on map)
 - Current: A, Agriculture
 - Proposed: R-3C, Multiple Family Residential
- Rezoning (blue area on map)
 - Current: A, Agriculture
 - Proposed: R-3A, Multiple Family Residential*

*R-3A zoning conforms to underlying LMDR land use
- Not approving Development concept or plan

Site & Development Concept:

- Located in the Northwest Area Overlay District
- Development Site:

- Two (2) properties
- Approximately 108 gross acres total
- Located off Robert Trail & 70th Street
- Mostly vacant; existing structures
- Development Concept:
 - 752 total residential units
 - 500 apartment units (HDR)
 - 190 attached townhome units (LMDR)
 - 62 detached single-family homes (LMDR)
 - Approximately 8 to 10 acres of parkland
 - Partial construction of 65th Street extension

Existing Land Use & Zoning:

- Robert Tail Area (A):
 - Land Use: Low Density & Low-Medium Density Residential
 - Density (minimum): 1 to 4 U/na & 4 to 8 u/na
 - Zoning: A, Agriculture
- 70th Street Area (B):
 - Land Use: Low-Medium Density Residential
 - Density (minimum): 4 to 8 u/na
 - Zoning: A, Agriculture

Proposed Land Use & Zoning:

- Area A: Re-guide to HDR; re-zone to R-3C
- Area B: No change to guiding; re-zone to R-3A*
 - *R-3A zoning conforms to underlying LMDR land use

Director Ziemer said Staff has been asked if the City has to approve rezoning on Area B from Agriculture to R-3A. When the comprehensive plan was adopted and the land use changed to LMDR, the corresponding zoning should have been changed at that time to R-3A. The landowner is asking to re-zone the property to match the underlying land use of the property.

Recap of Request:

- Changes to land use & zoning only
 - Not considering or approving development
 - Land Use & zoning not conditional on development
- Area A
 - Comprehensive Plan Amendment & Rezoning
 - Current: LDR / LMDR (Land Use) & A (Zoning)
 - Proposed: HDR / R-3C
- Area B
 - Rezoning
 - Current: A
 - Proposed: R-3A

Next Steps:

- Consideration tonight:
 - Approval of Comprehensive Plan amendment & rezoning requests
 - If approved tonight:
 - Future applications & agreements:
 - Preliminary Plat*
 - Final Plat
 - Planned Unit Development (PUD)*
 - Development agreement
- *Public Hearing required for Preliminary Plat & PUD

Action Recommended:

- Planning Commission Recommendation(s)
 - Approval of Comprehensive Plan amendment & rezoning to HDR & R-3C
 - Public hearing & action: August 7, 2024
 - Approval of Comprehensive Plan rezoning to R-3A
 - Public hearing & action: September 17, 2024

Director Ziemer said the applicant originally requested to re-guide a portion of Lot B to HDR, but it received a negative response from the Planning Commission. The applicant withdrew the request to re-guide Lot B and only requested re-guiding lot A to HDR.

- Action Recommendation(s) - 3 Motions
 - Motion to approve the Resolution approving an amendment to the Comprehensive Plan for the Subject Property from LDR, Low Density Residential and LMDR, Low-Medium Density Residential to HDR, High Density Residential.
 - Motion to approve the Ordinance approving the rezoning of the Subject Property from A, Agriculture to R-3C, High Density Residential
 - Motion to approve the Ordinance approving the rezoning of the Subject Property from A, Agriculture to R-3A, Low-Medium Density Residential.

Council Member T'Kach asked if R-3C zoning allowed commercial properties.

Director Ziemer said R-3C zoning is strictly residential and no commercial buildings would be allowed in the area.

Council Member T'Kach asked if mixed use developments where there is residential above retail would be permitted.

Director Ziemer said they would review the underlying land use because that determines everything that can be developed. High Density Residential does not allow for any commercial use.

Council Member T'Kach asked if it would be the same for R-3A zoning.

Director Ziemer said the underlying land use is Low-Medium Residential and if it does not allow commercial use, the corresponding zoning should also not allow commercial use.

Council Member T'Kach asked to confirm that commercial buildings would not be on the final PUD on either of the properties.

Director Ziemer said when the applicant makes their application for PUD it would all be evaluated and they would have to conform to the zoning and land use standards at that point. Based on the development concept plan it is not likely there would be any commercial buildings.

Council Member T'Kach asked if the applicant wanted to add commercial use if they would need to request rezoning of the area.

Director Ziemer said yes, that is correct. If the zoning code does not allow for commercial and the developer would like to include commercial, they would have to seek regarding, a comprehensive plan amendment to allow a commercial component area and a zoning text to allow commercial use in the area. It would require more applications, review, and consideration.

Administrator Wilson said the R-3C zoning district only permits two commercial uses, a day care and a nursing home.

Applicant Tom LaSalle, from National Land Holdings said they have been working with Staff who has been very helpful. They worked with the Planning Commission and made the changes that they requested. The request is the same as it has been in the past.

Bill Griffith said he is representing the applicant, and they have been working on the project for over two years. It is the applicant's desire to fully incorporate the comments they have received from the Planning Commission, Council, and residents. There has been some opposition to the project. The project is consistent with the plan for the NWA and utility services have been extended to the area already. The developers paused while the City made the decision in the small area plan to locate the 65th Street corridor. In August they received direction from the Planning Commission that they did not want a multi-family development on the larger property accessing 70th Street. They redesigned the project to relocate the higher density to the smaller parcel along Robert Trail South.

Griffith said the concept planning was done to show how the pieces will fit together. There is a PUD and preliminary plat process that will have the specific details. The major pieces will be as shown in this meeting for many reasons. The topography of the property, the 65th Street alignment, location of utilities, access and wetlands were all taken into consideration by the engineering team and designers when building the concept. There will be much more detail provided in the preliminary plat and PUD stages.

Griffith said the density has single family homes on the east, townhomes in the center and high density on the west of the property. It was designed this way in consideration of the single family neighbors, major roadways, and utility locations. There was a concern that the townhomes were too close to the single family homes on the north side of the property. They redesigned the location in August moving the townhomes an additional 80 feet into the property giving a 200 foot distance between the buildings. There is 300 feet of separation on the east side between the single family homes on the site to the nearest single family homes

that are already existing. The wooded area on the east side would be retained. It would be cleared to remove lower quality trees so the high quality trees could continue to grow and provide a buffer.

Griffith said staff requested they remove some of the single family homes on the northeast corner to create a green corridor linking trails and green space with the Harmon Park area. They have updated their design to include the green corridor and it would be shown in the PUD. They have planned 9.5 acres of parks and trails that connect throughout the site into the regional trail system.

Griffith said some of the primary benefits from the development are the location of the 65th Street corridor, the provision of the open space and the utilization of already built infrastructure. The City has taken on the utility debt and this development would help make the payments to the bond fund. Allen Way connects to the street systems to the north providing the opportunity to continue the street system for more development. The development meets the plans for the NWA by incorporating a range of housing for residents in Inver Grove Heights. There is less than a 2% vacancy rate in the multi-family market in Inver Grove Heights. The single family lots can offer one level living for seniors and also provide locations for new families. There is also a strong demand for multi-family residential. The plan is guided and consistent with the NWA plan.

Council Member T'Kach asked if the townhomes would be owner occupied or rentals.

Griffith said the proposal is for rental townhomes.

Council Member T'Kach asked if they could be owner occupied.

Griffith said yes, they could be owner occupied.

LaSalle said they would likely be owner occupied.

Council Member T'Kach said the townhomes being owner occupied would be a real asset for people moving into the community and asked if the single family homes were also intended to be owner occupied.

Griffith said yes, that is correct.

Council Member T'Kach asked if it would be possible to have smaller quad type buildings where there are four housing units in one building with their own entrances and parking.

LaSalle said the site does not lend itself to developing that type of building. They would need to clear ground and have access to the building from all four sides.

Council Member T'Kach said there are single family homes south of 70th Street and asked if they think there will be any conflict with people being able to access the road. The County's street reconstruction of 70th Street is not finalized.

LaSalle said he thinks the road will improve once the County is done with the reconstruction.

Council Member Gliva asked if the reason they were requesting to change the smaller parcel from LMDR to HDR was strictly financial.

LaSalle said LMDR does not meet the plan and meet the density that the City has encouraged for the site.

Griffith said when they looked at the Northwest Area plan objectives with staff, they wanted to find out how they can meet the objectives. The developer originally only had a contract with the smaller parcel and went to great lengths to have a contract with the larger parcel in order to create the opportunity for a range of housing types. They recognized the opportunity to increase density over the entire parcel. In order to pay for road construction, extension of utilities, preservation of wetlands and provide 9.5 acres of open space, the development needs to have a balance of housing. The project would not be feasible if it were developed at the current guiding and including HDR has always been their proposition for the development. If Council decides not to approve the comprehensive plan amendment it would have to be a different project and likely a different developer. This project has been designed over two years to provide an overall density of just over 8 units per acre across both sites.

Council Member Gliva said she listened to Planning Commission meetings and the residents and has a hard time imagining 500 units of apartment buildings fitting in the area and being aesthetically pleasing. They talk about how many apartment units that Inver Grove Heights is short but there is a large density of apartments in West St. Paul less than 1 mile away. Gliva said she did not hear from residents that they want more apartment buildings and is not sure another apartment building is needed. Gliva said she thinks the plans for development on lot B are fine, but she questions the density in lot A.

Griffith said he appreciates the comment and from the beginning they have tried hard to take every comment and concern into the proposal, and it is up to the Council to determine if they want to see the plan in the City. They have spent the last two years doing a lot of work, listening to everybody, and trying to get it right.

Council Member Gliva asked if the smaller parcel has to be HDR if everything else works on the other lot.

Griffith said the current contracts in place allow the opportunity to have the HDR on the smaller parcel and the LMDR on the larger parcel and allow a development with a range of housing options. The opportunity for the two parcels to have a contract with the same developer may not exist depending on Council's decision. If Council wants to see the opportunity to extend 65th Street, the amenities, range of density and housing proposed, Council should approve the amendments. If Council does not want to take the opportunity now, there will be other opportunities, but it probably will not be this package.

LaSalle said they originally had planned for more density on the larger lot, but they changed the design at the request of the Planning Commission. Moving the density was in response to what the neighbors wanted. Council will see what the apartment looks like during future phases. They will see how the units fit in the area and might not have all 500 proposed apartment units based on how it looks.

Council Member Scales said they moved the high density on the western side to lower the density on the eastern side. If they lower the density on the western side, the density on the

eastern side would have to increase to match the guidance for LMDR which is 4 to 8 u/na. Scales said the current project is 4.01 u/na and asked to confirm if the developer could come back with a plan to go up to 8 u/na to achieve the volume the parcel is guided for.

Director Ziemer said yes, if the request to re-guide the parcel to HDR was not approved and the developer wanted to continue with development, they would likely try to increase the density to offset the expenses associated with development including clearing land, utilities, and road construction. If the request is denied, the developer may or may not request a higher density. They may not pursue the development against Robert Trail because there are some aspects of the utilities that would have to come through the site adjacent to Robert Trail service the area to the east.

Council Member Scales said the comprehensive plan guidance is for 4 to 8 units and their proposal is on the lower end. If a project meets the guidance of the comprehensive plan, the Council does not have a lot of control to say no to a project. Scales said he is concerned if they do not allow the higher density on the western side that they will see an increase in density on the eastern side and have little ability to say no to the development because it meets the guidance.

Director Ziemer said if a developer proposes a project within the density ranges that conforms to zoning, there is an expectation that there is a right of being able to proceed with the development within those constraints.

Council Member T'Kach asked if Council approves the higher density on the western property if the developer could have the high density on the western side and still have 8 u/na on the eastern side.

Director Ziemer said yes, that is correct.

Council Member T'Kach said the plan that they see is the intention but if the developer cannot make the development work, another developer could come in and develop the eastern parcel up to 8 u/na, with or without the high density on the western parcel.

Director Ziemer said yes, the developer could present a development plan that proposes the maximum u/na on both the high density residential parcel and the low density residential parcel. There are constraints with the topography in the NWA that does not allow every development design plan to work. Any developer could propose a development at the maximum u/na.

Council Member T'Kach asked if there would be a lot of retaining walls in the development.

Director Ziemer said he could not answer that question at this point.

Griffith said the project is designed to utilize the sewer capacity that is assigned to the two sites. It would be difficult to do both a high density residential and maximum of the low-medium density residential because of the sewer limitations. The topography makes it difficult as well. The plan is designed to show what could occur on the two sites. It is likely the design will result in a lower number of units on the high density side, but it could result in a lower number of units on both sides. The project is at the low end of u/na on the eastern

parcel. The development is designed to satisfy the infrastructure needs with 65th Street and utilize the sewer capacity that is assigned to the two sites. This provides an upper limit on the number of units that would not allow a developer to do both 8 u/na on the east side and 12 to 35 u/na on the west side.

Council Member T'Kach asked if the connection fees for multi-family developments would be a barrier to the developer.

Griffith said yes, it could be a barrier. They have talked with Staff about the high fees and have watched some of the developments that have preceded them. The developer is seeking co-developers to develop the different pieces along with others and it could be a barrier. They have been told by Staff that the time to request an adjustment in fees is when the preliminary plan and PUD are presented. There has been discussion by the Council to adjust the City's fees to match the surrounding communities but that action has not been taken to date. There likely would be a request for some adjustment.

Mayor Dietrich thanked Griffith for answering the question, but they want to stick to the comprehensive plan amendment and rezoning.

Public Comment:

Tim Peterson - 6525 Arlene Ave - said he supports development but wants to see single family developments because of the topography of the parcel.

Craig Hillegas - 6755 Arlene Ave - said he appreciates the cooperation of National Land Holdings. Hillegas said he wants to keep the eastern property as LMDR and is concerned about disruption to the environment, individual wells and the additional traffic that would be added to 70th Street.

Diane Rademacher - 6560 Arlene Ave - said she supports single family homes neighboring her property and likes the buffer zones that were added. Rademacher said she was concerned about traffic.

Ruel Shibata - 6190 Arlene Ave - said the development does not fit the area and is concerned about the number of units, traffic, and the environmental impact.

Ria-Lynne Nelson - 6855 Arlene Ave - said she is concerned with high density residential because there is no public transportation in the area, and it does not fit the area.

Larry Nelson 6855 Arlene Ave - presented opposition to rezoning for the same reasons as previous residents stated.

Mary Hillegas - 6755 Arlene Ave - said she shares the concerns that were presented from the previous residents. Hillegas said she appreciated Council Member Scales' perspective on having the high density on the western side to keep the eastern side lower density and she appreciates the changes made by the developer. Hillegas said the high density does not fit in the area. The property was guided for low density by the Council, and it is the best fit for the area.

Kelly Kayser - 1953 59th Ct E - said they are part of a seven county metropolitan area and there is a bigger picture. The legislature tried to pass bill HF4009 and there is a lot of pressure to build more density everywhere. If projects are continually denied a similar bill will likely be passed and they run the risk of losing the ability to do any zoning at a local level.

Mayor Dietrich said there were residents who were concerned about the developers putting something in that was not planned. In the past two years this developer has not shown to be that type of business. There is a large financial commitment with every plan that is designed so it is unlikely this developer would do something like that. There was also a concern about lack of public transportation. People who depended on public transportation likely would not choose to live in this proposed development. They have not seen an issue with residents living in The Crossings or Canvas developments.

Mayor Dietrich asked Director Ziemer for details on the Agricultural zoning being a placeholder in the comprehensive plan and maybe zoned Agriculture but guided for other things in the future.

Director Ziemer said the City is required and obligated by statute to update zoning code to match land use. An area with a land use of low density residential would typically have a single-family residential type zoning, commercial land use would have a corresponding commercial zoning, etc. The larger parcel has an underlying land use of low-medium density residential which is a mix of residential type units including single family homes, twin homes, townhomes, or any type of land use that is within the density range of 4 to 8 units per net acre. When a developer is proposing a project, they are looking for the zoning to match the land use. The R-3A zoning is the corresponding zoning to the land use LMDR. The parcel should already be zoned R-3A, so the applicant has to ask for the land to be rezoned and they have to request to rezone to PUD because it is in the NWA. Any owner of this property has the right to develop the property according to the LMDR land use and the corresponding R-3A zoning.

Mayor Dietrich asked if Director Ziemer had an update on where the County is on their preliminary plans for their 70th Street reconstruction.

Engineer Merchlewicz said he is coordinating with the County, and the County is waiting to see what happens at this Council session. Merchlewicz said he has some questions of the residents that would be addressed and is the bridge between 70th and the development to understand how traffic flows and things are handled between Arlene neighborhood, this development and the 70th Street project. They are in the preliminary stage and expect the preliminary design to be completed in the spring of 2025.

Mayor Dietrich said she understands residents being concerned about traffic but does not like to use language that forecasts the worst things and appreciates knowing that the County is on board at the very early stages.

Engineer Merchlewicz said the developer has given a draft traffic study to the County and they are having to coordinate directly with the County. They are trying to understand what roadways in the development have to be built at certain times to make sure there is adequate traffic flow. The surrounding neighborhoods and access along 70th Street are taken into

account. There was a concern from a resident over the connector right of way parcel or right of way access from Arlene Avenue into this development is a question he will follow up on based on Council action on this item.

Engineer Merchlewicz said he would like to address some additional questions from residents. The amount of units the development can have is limited by the sanitary sewer system in the area based on the amount of units the sanitary system can handle. The developer has requested at least two different studies from Staff to determine if the sanitary sewer can handle the density they are proposing. The density proposed is the maximum density that the sanitary sewer system can handle and still accommodate surrounding development.

Council Member T'Kach asked if Engineer Merchlewicz was referring to maximum density being 4.02 u/na or 8 u/na.

Engineer Merchlewicz said the proposed development is for 752 units and that is the maximum number of units that the sanitary sewer system can accommodate. It does not dictate where the units are built but dictates that is the maximum number of units the two parcels can handle.

Engineer Merchlewicz said the water is serviced by City water, so it is going to be taken from existing pumps. There will be no adverse effects to the aquifer in their area outside of what they already see now.

Director Ziemer said a resident asked why the properties could not be guided for single family or low density residential. For the property to be guided LDR a developer would have to submit an application and request that. Their current developer is not asking to re-guide to LDR. They are asking to have zoning match the current land use on the east parcel and proposing to put high density residential on the west parcel. They are proposing 500 apartment units on the parcel and that is about 19 units per net acre. Residents are concerned about traffic in the area but from a planning world perspective net density of 19 is not a lot when looking at an apartment project. The higher density area is adjacent to the higher density roads and the project density decreases as it moves east.

Director Ziemer said other developers have also explored the option of developing apartments in the same area. There is land to the west of Robert Trail where developers are looking, and it could potentially include apartments in the area. The intersection of Robert Trail and 70th Street does drive the need for higher density type uses in the area. There is also potential for other commercial uses in the future.

Council Member T'Kach asked to clarify what Council is being asked to approve. The first approval is for the property on the east side to be zoned high density residential and that is in Council's control. The parcel on the east side is already guided for LMDR so they have to allow it to develop within LMDR guidelines. T'Kach asked if they would be able to say no to that request.

Director Ziemer said a property owner whose property land use is guided as LMDR has a reasonable right to develop the property according to the land use and the zoning that should correspond to each other.

Council Member T'Kach said they are committed to the guiding on the comprehensive plan. They are not committed to the high density on the west side but are committed to the LMDR on the east side since it is on the comprehensive plan.

Director Ziemer said the guiding of the land use and the zoning of a property have to match before a developer can be approved for a development.

Council Member T'Kach asked if they are able to do something other than LMDR residential and or zoning that would fit in that land use.

Director Ziemer said no, the application is for high density residential and R-3C on the west property and R-3A zoning on the east property. Council would not be able to make different decisions based on any other type of direction at this meeting.

Council Member T'Kach said the residents have asked for the property to be low density residential and asked if Council changed the guiding from LMDR to LDR if the property owner could have a complaint with the City because they did not allow them to develop at the density that is in the comprehensive plan.

Attorney Nason said lot B is guided LMDR and zoned Agricultural. The issue is does the City have solid ground to deny the request to rezone the parcel that is guided LMDR to R-3A based on the existing comprehensive plan. There is a principle that the City's comprehensive plan and zoning ordinances cannot be in conflict and the City cannot adopt official controls that are in conflict with the comprehensive plan. The City would either have to change the comprehensive plan or change the zoning to match what is in the comprehensive plan.

Council Member T'Kach asked if LDR would be 1 - 4 units or 1- 3 units per acre.

Director Ziemer said it is 1 - 4 units but the NWA AUAR contemplates an average net of 2 units per acre.

Council Member Scales said during the previous legislative session local governments nearly lost control over these types of projects. They need to start working on getting developments that they think are right in their City before the state starts to tell them what is right. If the proposed legislation had passed there was a possibility a developer could have presented a project with apartment buildings in the whole area, and they could not have said no. The state wanted to raise density in all different areas of the cities with no city control. They want to make sure they are doing what is right for the City but also what keeps control with the local government. The state has been trying to get in to cities' business over the last few years is likely due to the lack of a variety of housing. The current project is low density on the eastern parcel with a density of 4.01. Scales said they could propose more density on the parcel, but he would not support it. The western parcel is on the busier side of Robert Trail and could exit in and out on Robert Trail in the future. The developer has done a good job keeping low density on the eastern side of the property. The combination of low density and the higher density balances out what the City needs for what they put into the utilities.

Council Member T’Kach said these are important decisions for the residents and the City overall and asked if there is a possibility that the State would allow traffic from the high density residential apartments to exit onto Robert Trail.

Engineer Merchlewicz said there is a study that will be happening for the Robert Street corridor that will likely address the traffic impacts from this development. It is likely that the exit from the HDR area will be where the future 65th Street alignment will be to line up with the 65th Street alignment to the west side of Robert Trail. This would be the best configuration. There is allowance for an access to 70th Street to the south side of the eastern parcel but the terrain on the east side of the road prevents it from being a viable option. It is close to the wetland area and has steep topography.

Council Member T’Kach said that may ease some of the concerns about traffic in the neighborhoods.

Engineer Merchlewicz said traffic should eventually exit to the north and that would be the most efficient way once the road is developed.

Council Member Murphy said they need to look at the greater good for Inver Grove Heights and he does not like to be in opposition to what residents do. This developer has listened to residents and moved densities around and are meeting the density requirements needed to pay their bills in the NWA.

Motion to approve Resolution 2024-272 amending 2040 Inver Grove Heights Comprehensive Plan and Maps for guiding the overall development and redevelopment of the City of Inver Grove Heights by Murphy, second by T’Kach.

Ayes: 4

Nays: 1 (Gliva) Motion carried.

Motion to approve Ordinance # 1488 amending Title 10, Chapter 4 (Zoning Map) of the IGH City code from A, Agriculture to R-3C, Multiple-Family Residential District by Gliva, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

Motion to approve Ordinance # 1489 amending Title 10, Chapter 4 (Zoning Map) of IGH City code from A, Agriculture to R-3A, Multiple-Family Residential District by T’Kach, second by Dietrich.

Ayes: 5

Nays: 0 Motion carried.

Mayor Dietrich said she appreciates the input from residents and asked that they stay involved when they get to the platting and PUD which will come before the Planning Commission and the City Council. Dietrich also thanked the developer for staying with the project for at least the last 24 months.

Council Member T’Kach said these are very difficult decisions and they have to think about the future for the entire City. T’Kach said she agrees with Council Member Scales that without more housing in the metro area, the legislature will take control and urged residents to stay engaged in the next phase of development. That will determine the specific details about tree removal, easements, buffer zones and where the roads are constructed. They want a good development, and these developers will bring back plans. T’Kach said if this developer does not develop the property and a new developer submits an application for development, staff will work with them, and she encourages residents to work with them as well.

B. Resolution Approving the 2025 Environmental Advisory Commission Work Plan

Environmental Specialist Ally Sutherland presented this item. Sutherland is the staff liaison to the Environmental Commission.

2025 EAC Work Plan:

- 2024 EAC Work Plan Progress
- 2025 EAC Work Plan Draft Review

Environmental Specialist Sutherland said they will review what the City Code says regarding the Environmental Advisory Commission, the annual work plan processes, 2024 accomplishments and the proposed 2025 Environmental Advisory Commission Work Plan.

Environmental Advisory Commission:

- The duties and functions of the City’s Environmental Advisory Commission (EAC are defined by City Code 2-4-2.
- Advise the City Council on environmental issues including local landfill matters, wetland replacement applications and aircraft noise, and promoting public awareness of local environmental issues.
- Annual work plan
 - Helpful guiding document proposed by the EAC and approved by the City Council
 - Purpose is to define annual priorities of the EAC that align with the duties and functions defined by City Code

Environmental Specialist Sutherland said if Council approves of the 2025 Work Plan, staff and the EAC would move forward with implementation. If there are any items that impact the budget or require Council authorization, they would be brought back in front of Council for approval.

2024 EAC Work Plan:

- Support environmental programming as items arise:
 - Energy Action Plan & Xcel Energy Partners in Energy Memorandum
 - Solid Waste Abatement Program
 - New Sustainable IGH recognition program
- Join SolSmart

- Free technical assistance program to simplify city code related to solar development and regulations
 - Staff is reviewing the recommendations to provide staff recommendations to Council
 - Likely brought before Council for approval in 2025
- Review Pine Bend Landfill proposed expansion application
- Incorporate educational items into the EAC agendas
 - Annual stormwater presentation provided by engineering department
- Process other business-as-usual items per City Code
 - Metropolitan Airport Commission Noise Oversight Committee present to EAC annually to discuss airport noise concerns
 - Pine Bend Landfill provides an operational update to the EAC annually

Energy Action Plan: Reduce community energy costs and emissions related to buildings and transportation

- 01/2023: EAC recommended City Council Approval
- 02/2023: City Council approved MOU
- 02/2023+: Energy Action Plan implementation:
 - Residential Outreach
 - Sustainable IGH Awards

Environmental Specialist Sutherland said in 2024 there were 13 residents and 5 businesses that received Sustainable IGH Awards. There were also two special recognition awards including one given to Inver Glen Library.

Dakota County provides a Community Waste Abatement grant annually that is approximately \$54,000 that helps with special collections. The grant helped with collecting pumpkins for composting in October and November. They collected over 7,200 pounds of pumpkins that were able to be diverted from the landfill. The pumpkins were taken to the commercial compost facility in the City of Empire. The EAC hosted the annual Cleanup Day event in September and a Spring Shed event where they collected 80,000 pounds of materials. They collected 75 mattresses for recycling, 65 bicycles for reuse and recycling, over 20,000 pounds of confidential paper for shredding, 9,200 pounds of scrap metal and over 400 tires. There were over 500 residents that attended the events.

The Community Waste Abatement grant also provided support for the Inver Glen Library Puzzle and Game Swap event. Over 207 residents attended the event, and 470 puzzles and games were collected. An EAC commissioner and a Recycling Ambassador with the Dakota County program also attended the event. The EAC hosted a Winter Clothing Swap. Over 100 people attended, and 3,027 pounds of winter clothes were collected to be reused including over 70 jackets.

The EAC does outreach and education for the community. They attended the Touch a Truck event where Republic Services Recycling drivers were there with their truck and the EAC provided education that is approved by Dakota County. They typically speak to 300 people

at these events. They also visited the CDA properties to provide education on how to sort recycling items. The EAC educated approximately 1,800 people in 2024.

2025 EAC Work Plan - Draft:

The EAC will implement the following 2025 Work Plan with support from the City's Environmental Specialist:

1. Support the City's Energy Action Plan (EAP).
 - a. Extend the Xcel Energy Partners in Energy Memorandum of Understanding (MOU) through 2025.
 - b. Provide business outreach related to building energy audits, electric vehicle charger installation opportunities, renewable energy and available energy tax credits and rebates.
 - c. Provide residential outreach related to home energy audits, assistance for energy burdened households, renewable energy, electric vehicles and available energy tax credits and rebates.
 - d. Provide multifamily property outreach related to building energy audits and available tax credits and rebates.
 - e. Review community energy data updates provided by Xcel Energy Partners in Energy and annual EAP update.
2. Support the Sustainable IGH Awards Program.
 - a. Help promote the program to residents and businesses by hosting information tables at City events and leveraging local partnerships.
 - b. Review applications and make recommendations to the City Council for bronze, silver, gold, and special recognition awardees.
3. Host the Annual Stormwater Pollution Prevention Meeting in partnership with the City's engineering division.
4. Support the following existing City environmental programming as needed:
 - a. Solid waste abatement programming related to waste reduction, recycling and organics initiatives.
 - b. Minnesota GreenStep Cities
 - c. SolSmart
5. Increase public and the Commission's awareness of local environmental and sustainability issues by inviting internal and external speakers to EAC meetings and increasing promotions of the meetings to the public.

Example: Staff members are working on an LED lighting upgrade on City facilities and natural resources. There are opportunities for Staff to talk about regional trends and provide internal updates to the public.
6. Invite relevant City Staff to present internal environmental and sustainability updates related to City facilities, natural resources and more.
7. Process other business-as-usual items related to landfills, wetlands, airport noise and other assigned duties of the Environmental Advisory Commission per City Code 2-4-2.

Environmental Specialist Sutherland said the Xcel Energy Partners in Energy Memorandum of Understanding distinguishes what Partners in Energy will support and what the City will help

support in 2025. It will mirror the 2025 EAC Work Plan. The Xcel Energy Partners in Energy MOU and the Community Waste Abatement grant will be on the consent agenda for the Council Meeting on December 9th.

Mayor Dietrich thanked Sutherland for her work in the successes of 2024 and said she sees the goals for 2025 as attainable.

Council Member Scales thanked Sutherland for the work she and staff are doing and for focusing on practical and achievable goals. It is important to have practical and achievable goals that they can make forward progress on.

Council Member T'Kach agreed with Council Member Scales and thanked Sutherland for the success with residents and recognizing the need to shift towards businesses that have a lot of needs. If businesses are able to save money on their utilities it helps them be more competitive and is a win for the business community.

Motion to approve Resolution #2024-276 approving the 2025 Environmental Advisory Commission Work Plan by Scales, second by T'Kach.

Ayes: 5

Nays: 0 Motion carried.

C. Resolution Allocating the City's 2024 Local Affordable Housing Aid (LAHA) Funding

Director Ziemer presented this item. Director Ziemer said it has been great to have Environmental Specialist Sutherland on staff and is sad to see her go as she has been a tremendous asset for Council and the Environmental Commission.

Director Ziemer said Council had a discussion with staff from the Dakota County CDA in June where they presented different options for using the LAHA dollars.

LAHA Allocation & Distribution:

Local Affordable Housing Aid (LAHA) Funding:

- Funding Established by Minnesota Legislature
 - Created in 2023
 - Funding generated by a 0.25% metropolitan region-wide sales tax
 - Proceeds allocated to metropolitan cities with population more than 10,000
 - Inver Grove Heights 2024 allocation: \$200,443.29
 - Future allocations based on full 12-month collection
 - Commit funds within 3 years
 - Spend no later than 4th year after aid received
- Use of Funds
 - xxx
- Dakota County CDA Allocation
 - CDA staff met with City Council in June to discuss expanded partnership
 - Allocation of City's LAHA allocation; distribution to be determined by City Council
 - Three program options:

- Enhanced Single-Family Home Improvement Loan Program
- Residential Preservation & New Construction Gap Financing Program
- Radon Testing & Mitigation Grant Program

Director Ziemer said the CDA is a tremendous asset for the community, and they provide a lot of services and expertise that the City does not presently have on staff. It is an exciting opportunity to expand some of the programs, services, and partnerships with the CDA.

- Staff Analysis & Recommendation
 - Opportunity to continued & expansion of partnership with CDA
 - Unknown annual allocation (est. \$380,000)
 - CDA requests 3 to 5 year commitment
 - Adding staff & guaranteed program funding
 - Staff suggests annual evaluation of allocation & distribution %
 - Top priority: more funding for Home Improvement Loan Program
 - Suggested distribution of 2024 LAHA funds: 80%
 - Second priority: radon testing & mitigation
 - Suggested distribution of 2024 LAHA funds: 20%
 - Continue to evaluate
 - "Gap financing" program option
 - Full spectrum of need in IGH
 - City flexibility to directly assist development

Director Ziemer said he was asked why the funding would go to this program if the County already does radon testing. The County Staff indicated that they provide self-test kits to property owners upon request. They are finding the results to be inaccurate and are proposing hiring a contractor to do the testing. Through the funding program somebody would be able to get funding through the home rehab loan program to make some improvements.

Director Ziemer said he would like to see the housing study that the County CDA is doing to see the results before they allocate the funding in the future. There is also a need to fill the gap for more affordable housing. They can review the programs annually and determine funding based on needs and it allows some flexibility as development happens to provide some funding assistance if there is a need for a development that the Council would like to see in the City. Developers do not typically contact the CDA unless they have a project that they are looking for assistance with tax credits. When the City has developers asking for information, Staff could direct them towards the CDA depending on what type of project they are looking for and how they may be able to find different types of funding.

- Discussion
 - Council direction regarding allocation
 - Confirm County CDA partnership & expanded programs
 - Discuss annual vs. multi-year agreement
 - Decide funding commitment level
 - Determine distribution % by program

Director Ziemer said they need to have a project because they have three years to commit the funds and four years to spend the funds.

Council Member Murphy said he supports Staff's recommendations and agrees with an annual review.

Mayor Dietrich agreed with having an annual review.

Council Member Scales said he also agreed with the annual review and he knows a few residents that have used this program through the County and it not only helps repair their homes, it keeps them in their homes. There are older residents that need help, and this program helps with expensive repairs that people on fixed incomes cannot afford like roofs, siding, and structural repairs.

Council Member Gliva asked to confirm that the funds that the CDA receives from Inver Grove Heights will go to Inver Grove Heights residents.

Director Ziemer said it is intended to be a big pool, but the idea is that the funding that Inver Grove Heights contributes will come back to the community similar to the CBBG money that is allocated. It is also a way to track the money they are contributing to the program and how much they are getting back.

Council Member T'Kach said she agreed with Staff's recommendation and asked to confirm that Staff will ask annually if Council wants to commit to another 3 to 5 year program. There may be a project that the City wants to do, and it would allow them to build the funding. T'Kach said she agrees with the 80/20% split between the fix it loans and radon testing.

Director Ziemer said he is hoping to accomplish more engagement with the County to determine where the greater needs are. Council may decide next year that they want to commit to three years because it is having a benefit. Staff has only seen a draft template of a Joint Powers Agreement (JPA) with the CDA, but Council will see a JPA when Staff receives it.

Mayor Dietrich asked if Director Ziemer anticipated himself or a Staff member directly involved in the conversations with the CDA.

Director Ziemer said he hopes that part of his role would be engaging with the County and County staff to understand what needs they are seeing. The City will still have to make the report to the State, but the County will prepare the report. The ability to have the connection will allow Staff to make sure they are monitoring what the needs are and making sure the allocation of funding is going to what the need is and envisions himself being part of that.

Administrator Wilson said the Council packet has the division of funds being 60/40% and asked to confirm that Council wants the funds to be divided 80/20%.

Mayor Dietrich said yes, the consensus is 80/20%.

Council Member T'Kach asked if Director Ziemer knew when the County would be finished with their study.

Director Ziemer said no, the study should be completed soon but he will ask the CDA.

Motion to approve Resolution 2024-277 approving the Dakota County Community Development Agency to administer City Local Affordable Housing Aid Funds with correction of 80/20% funding by T’Kach, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

8. PUBLIC COMMENT:

Kelly Kayser – 1953 59th Ct – said the City Staff did a great job on the State of the City video. It was very professional and presented a lot of things that Staff does outside of the Council Chambers. It was great to see the aerial view from the drone. Kayser said she encourages everyone to watch the video.

Mayor Dietrich thanked Kayser for her comments and said there were many staff members that worked on the video.

9. MAYOR AND COUNCIL COMMENTS:

D. CLOSED SESSION: Discussion of Negotiations & Intent to Purchase Real Property

Motion to move into closed session pursuant to Minn. Stat. Sec. 13D.05, subd. 3(b) pursuant to the attorney-client privilege for the purpose of considering an offer of real property located at 3905 65th Street East (PID: 20-0030-28-020) by Murphy, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

Motion to move into Open session by Murphy, second by Scales.

Ayes: 5

Nays: 0 Motion carried.

10.ADJOURN:

Motion to Adjourn at 9:01 p.m. by Scales, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Sara Lyons