

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, MAY 27, 2025 - 6:00 P.M. - 8150 BARBARA AVENUE**

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Monday, May 27, 2025, in person. 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: Gliva, Murphy, T’Kach, and Scales.

Staff In Attendance: City Administrator Wilson, City Clerk Kiernan, City Attorney Nason, Parks & Recreation Director Lares, Recreation Superintendent Dorshak, Communications Manager Looze, Planning Director Shay, and City Planner Schneider.

3. APPROVAL OF AGENDA:

Motion to and approve agenda with the addition of 2 presentations and the rest was published by Murphy; second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

4. PRESENTATIONS:

- A.** Simley High School Art Show Recognition of Art in City Hall – Pat Gilbertson & Jennifer Eversman, Art Teachers.

Mr. Pat Gilbertson and Ms. Jennifer Eversman, both art teachers from Simley High School, were welcomed and thanked for celebrating the student art exhibit now on display in the lobby. Mr. Gilbertson expressed gratitude to school leaders, Communicate Manager Looze, and the City Council for supporting the arts, and explained how the project came together after a previous display location was lost, leading to collaboration with City staff. He recognized several current and former students for their artistic achievements.

Council Member Murphy remarked on how impressive the student artwork is and asked whether students have always been this talented, joking that his own art class experience was nothing like it.

Mr. Gilbertson said Simley consistently has talented art students, with several each year producing top-level work; this year, some may achieve the highest AP Art scores, reflecting exceptional skill.

Mayor Dietrich thanked Mr. Gilbertson, Ms. Eversman, and the students for their contributions to the City Hall art display, praised the artwork for beautifying the space, acknowledged Communications Manager Looze and Council Member Murphy for their efforts, and presented certificates recognizing the teachers’ dedication to their students and the community.

- B.** Recognition of Parks & Recreation Staff – Lifeguards for their life saving efforts at the VMCC Aquatics area.

Recreation Superintendent Dorshak recognized the Aquatics Team for their life-saving work, highlighting Noah Bouchard for rescuing a guest who became distressed at the water park. She

noted such rescues happen regularly and praised the entire aquatics staff, including lifeguards, managers, and instructors, for their dedication and training. She also publicly thanked Amber Adam for her significant role in managing the facility's operations, hiring, and training.

Mayor Dietrich thanked Noah for his heroic lifesaving actions on February 15th, praising his quick and professional response, and presented him with a certificate. She also expressed appreciation to the entire Aquatics Team for their dedication to safety, presented them with a certificate, and invited the lifeguards forward to be recognized.

5. CONSENT AGENDA:

- A.** Approval of Minutes of the March 3, 2025, City Council Work Session
- B.** Approval of Minutes of the March 10, 2025, City Council Meeting
- C.** Approval of Minutes of the March 24, 2025, City Council Meeting
- D.** Approval of Disbursements, **Resolution 2025-121**
- E.** Personnel Actions
- F.** Approval of Contract and Acceptance of Archery Grant from the Minnesota Department of Natural Resources
- G.** Authorization to Enter into Contracts for City Hall East Elevator Improvements
- H.** Charitable Gambling Permit for U of M Ducks Unlimited Bingo & Raffle
- I.** Resolution Amending the Final PUD Development Plan for Peltier Reserve, **Resolution 2025-122.**
- J.** Ordinance Amending the Bishop Heights PUD to Allow an Outdoor ATM **Ordinance #1499**
- K.** Preliminary and Final Plat for Peltier Reserve 3rd Addition, Amendment to the Final PUD Development Plan, Vacation of an Existing Drainage and Utility Easement, and Rezoning of a Portion of the Plat, **Resolution 2025-123, 124, 125, & 126 Ordinance 1500.**

Motion to approve Consent Agenda Items A - K by Scales; second by T'Kach.

Ayes: 5

Nays: 0 Motion carried.

6. PUBLIC HEARINGS: None

7. REGULAR BUSINESS:

- A.** Preliminary and Final Plat of Inver Wood Golf Course Addition and Reguiding and Rezoning of Outlot A, **Resolution 2025-127, 128, and 129 Ordinance 1501.**

The Inver Wood Golf Course project addresses preliminary and final platting, land use, and rezoning. The subject property involves a specific parcel of approximately 4.25 acres located at the northwest intersection of Babcock Trail and 70th Street. The ownership history shows that there was an intent in 2012 to convey two lots to the Economic Development Authority (EDA), with the acquisition cost totaling \$1,352,000, including a \$1,000,000 Host Community Fund loan, and that these lots were purchased with the intention of future development.

Survey and planning work were completed in December 2024. The goal is to separate a portion of the golf course property for development while reintegrating another parcel back into the golf

course. The current land use designation is Public Parks & Open Space, and the property is zoned P, Institutional.

The preliminary plat encompasses the entire Inver Wood Golf Course property. It proposes consolidating the golf course into one lot, incorporating the eastern parcel back into the golf course, and subdividing a 4.25-acre portion from the golf course as Outlot A. Under this proposed subdivision, the golf course would become Lot 1, Block 1, totaling 243,885 acres; Outlot A would consist of 4.252 acres under EDA ownership; and there would be 7.768 acres of dedicated right-of-way. No drainage and utility easements are being dedicated with the golf course or Outlot A at this stage, but they would be required with a future replat of Outlot A. The dimensions of Outlot A comply with minimum standards.

In terms of proposed land use and zoning, the EDA previously discussed various options on February 10, 2025. These included potential residential uses spanning low, low-medium, medium, and high-density; commercial development; and mixed-use development. The considerations for choosing a direction included adjacent land uses, surrounding area context, identifying the highest and best use of the site, opportunities for the most attractive development potential, site constraints such as ponding, and the goal of capturing the highest sale price to help pay back existing debt.

The EDA directed that the land use should be designated mixed-use, as this provides the greatest opportunity and flexibility. Mixed-use development may involve high-density residential uses. Director Ziemer explained that zoning must match the proposed land use, noting that R-3C and B-3 are the closest existing zoning options because the City currently has no specific mixed-use zoning district. However, there may eventually be a consideration to create a mixed-use district or pursue a mixed-use Planned Unit Development (PUD) at the time of development.

The zoning options for the site include R-3C, multi-family residential, which is considered favorable because the area already contains a mixture of zoning types and land uses, such as the golf course, church, cemetery, rural residential properties, urban single-family homes, twin homes, and quad homes. R-3C is seen as the most attractive development option, as other types of residential development would be complicated due to the property's configuration, small size, and segmentation by roads. B-3 General Business zoning is less viable because the distance from Highway 52 complicates a purely commercial development, while mixed-use zoning could be created in the future to accommodate higher density residential development alongside supportive commercial and service uses.

Zoning is needed because the EDA directed the land use designation to be mixed-use, but the closest matching zoning options today are either B-3 or R-3C, as the City does not yet have a specific mixed-use zoning district. Development would require utility extensions to the site, and financial feasibility depends on covering the costs of constructing those utilities. Director Ziemer highlighted development constraints, including the size and shape of the parcel, which limit the feasibility of lower density residential development, and described the site as effectively an "island" surrounded by roads. The goal is to achieve the highest and best use, meaning the most marketable and likely development outcome, while marketing the land with known land use and zoning parameters, and with the EDA retaining ownership.

The Planning Commission recommended approval of the preliminary and final plats and the land use amendment for the Inver Wood Golf Course Addition but recommended denial of rezoning.

The proposed actions include motions to approve resolutions for the preliminary and final plats for the Inver Wood Golf Course Addition, with a condition requiring the dedication of additional right-of-way for Babcock Trail and 70th Street with a future replat of Outlot A; to approve a resolution for a comprehensive plan amendment changing the land use for Outlot A from Public Parks & Open Space to mixed-use; and to approve an ordinance rezoning Outlot A from P, Institutional to R-3C, multi-family residential. The Planning Commission recommended denial of the rezoning to R-3C; however, City staff maintain their recommendation for R-3C zoning.

Within the City, low-density residential areas allow 1-4 units per net acre and are zoned R-1A, B, or C. low-medium density residential permits 4-8 units per net acre under R-3A zoning. Medium-density residential supports 8-12 units per net acre and is zoned R-3B. High-density residential allows 12-35 units per net acre with R-3C zoning. Mixed-use areas also accommodate 12-35 units per net acre and may be zoned R-3C or B-3. Commercial districts have no specific density and are zoned B-1 through B-4, while Institutional uses fall under P zoning.

Mayor Dietrich requested a brief explanation for the public about why the Planning Commission recommended denial, for those who had not seen the Planning Commission meeting.

Director Ziemer explained that the Planning Commission recommended denial mainly due to the surrounding land uses, which include rural residential, single-family, and medium-density residential areas. They felt R-3C zoning might not be suitable at this time and preferred lower density options like R-3A or R-3B, though he noted these do not align with a mixed-use land use designation.

Mayor Dietrich asked whether zoning the property as R-3C would commit the City to a specific project or if the City would still retain the flexibility to approve or deny future proposals for the site.

Director Ziemer explained that because the EDA, which includes the City and City Council, owns the land, they can choose whom to sell it to and are not required to accept the first offer. Even with R-3C zoning, the City would likely encourage developers toward a mixed-use PUD to allow higher-density housing with some commercial uses, maintaining flexibility for future development.

Council Member Murphy asked whether there was an estimated number of units per acre required to make development of the property cost-effective, considering the challenges posed by surrounding streets and other site constraints.

Director Ziemer stated that no specific analysis has been done to determine the number of units per acre needed for cost-effectiveness, though earlier estimates suggested utility construction costs could exceed \$1 million, making it unclear what the exact development threshold would be.

Council Member Gliva asked if it might help a developer if the City covered the estimated \$1 million utility connections as part of future 70th Street improvements, and whether there could be a way for a developer to eventually repay some of those costs. She also wondered if this approach could make single-family homes or townhomes more viable on the site.

Director Ziemer explained that utility installation could serve as a bargaining tool with developers, though utility extensions are usually prompted by development itself. He added that on a four-acre site, single-family or medium-density projects likely could not handle the estimated million-dollar utility cost, as smaller developments do not have the scale to spread out such expenses.

Council Member Gliva emphasized the need for clarity, noting that the lack of utilities makes it very challenging to pursue any development, whether for townhomes or single-family homes.

Director Ziemer said that while medium-density development is not entirely impossible, it faces significant challenges, including lot configuration, location, and the lack of existing utilities, all of which are major concerns raised by developers considering the site.

Council Member T'Kach asked whether the City Council or EDA can still reject a proposed project even if it fully complies with zoning and technical requirements under designations like R-3C, mixed-use, or R-3A, simply because they do not support the specific project.

Director Ziemer confirmed that because the City owns the property, it has full discretion to decide whether to sell it, even if a proposed project meets all zoning standards and requirements. He clarified that this is different from privately owned land, where property owners have the right to proceed if they meet City standards, but for City-owned land, the City is not obligated to approve or sell for a project it does not support.

Council Member T'Kach expressed understanding of consolidating lots for the golf course and setting aside the separate parcel for future development but questioned whether the City could approve the preliminary plan without immediately rezoning the property. She suggested waiting to see what development proposals come forward and having staff explore ideas first, so rezoning could be tailored later to projects that align well with community interests.

Director Ziemer sought clarification, asking if the question were whether the City could approve the preliminary and final plat without also approving the rezoning.

Council Member T'Kach confirmed that was correct.

Director Ziemer explained that if the City decides not to approve the rezoning, staff will also recommend against changing the land use, as the two must be consistent. He noted that rezoning provides clarity for developers about the types of projects the City wants, making the property easier to market. Without it, developers would have to propose projects and seek the necessary changes themselves, adding steps and uncertainty to the process. He confirmed that the City Council has the authority to choose not to move forward with rezoning at this time.

Council Member T'Kach asked if medium-density zoning, potentially including mixed-use features like a restaurant or golf-related amenities, would be viable given the utility and development costs. She questioned what unit density such zoning could support, suggesting figures like five or ten units per acre, and noted that 35 units per acre is considered the upper limit for high-density zoning.

Director Ziemer explained that medium-density zoning like R-3B would require a corresponding medium-density land use designation, which is not being considered at this meeting. He said the Council would have to instruct staff to explore that option. Medium density typically ranges from 8 to 12 units per acre, but he noted that figuring out exactly what could be built on the site, both financially and physically, would depend on a developer's detailed analysis, which he could not provide.

Council Member T'Kach asked if Director Ziemer could offer any estimate based on his experience.

Director Ziemer explained that since the property is about four acres, developing it at eight units per acre would yield around 32 units, but he doubted whether that many units could practically fit on the site, which raises concerns about covering the costs of utility extensions.

Council Member T'Kach asked whether 32 units would be considered medium density and if, under high-density zoning, the property could potentially accommodate up to 100 units.

Director Ziemer explained that high density and mixed-use zoning both range from 12 to 35 units per acre, which could mean about 48 units on a four-acre site. However, he emphasized that site constraints like parking, stormwater management, and other factors would still limit how much development could realistically fit on the property.

Council Member Murphy asked whether R-3B zoning is incompatible with mixed-use development due to this property's specific limitations or if mixed-use zoning always requires high-density development.

Director Ziemer explained that in the City's system, low-medium-density residential corresponds to R-3A zoning, medium density matches R-3B, and high density aligns with R-3C. Although there is a land use category for mixed use, the City does not currently have a specific mixed-use zoning district. Mixed-use permits 12 to 35 residential units per acre plus commercial uses, and the closest zoning districts available to achieve mixed-use development are R-3C and B-3.

Council Member Murphy asked for confirmation that mixed-use zoning allows 12 to 35 units per acre.

Director Ziemer confirmed that it was correct.

Council Member Scales asked if a Senior Center would be classified as high- development under mixed-use or high-density zoning.

Director Ziemer confirmed that it would, explaining that a senior apartment building or similar facility falls under high-density development.

Motion to accept 2 comments into record by Gliva; second by Scales.

Ayes: 5

Nays: 0 Motion carried.

Paul Willig, 6930 Athena Way, shared that he and his neighbors submitted letters and a petition with 52 signatures opposing R-3C rezoning or commercial use for the site. He emphasized their preference for lower density development, like R-3A townhomes, to preserve the neighborhood's rural feel and character, expressing concern about apartments and urging the City to focus on what best fits the community rather than rushing to develop the land.

Mayor Dietrich confirmed that the City received the petition and noted it would be included in the public record.

Jacob Gundry, 6910 Athena Way, expressed a preference for low-density development due to concerns about traffic, the small size of the property, and changes from future road projects, and urged the City to preserve the neighborhood's character with larger lots and homes.

Crissy Willig, 6930 Athena Way, said she had submitted a letter and emphasized that their area is quiet and not mixed-use as described. She expressed concerns that an apartment complex would bring traffic, noise, light pollution, and would not fit the neighborhood's character. She noted reliance on wells and septic systems, fearing impacts on water quality and property values. She questioned the urgency to develop given the unfinished plans for 70th Street and urged preserving the neighborhood for long-time residents. Mayor Dietrich confirmed the City had received Ms. Willig's letter.

Craig Hillegas, 6755 Arlene Avenue, agreed with earlier comments that multi-family housing does not fit the neighborhood's character, which is made up of single-family homes, a church, and the golf course. He acknowledged the potential cost of extending services but felt it was worth it to preserve the area. He opposed business zoning and suggested that if zoning changes are needed, options like R-3A or R-3B should be considered instead.

Andy Hansen, 6750 Arlene Avenue, said there are still many unanswered questions about developing the property and argued that the site is not suitable for any development. He felt the small size, especially after factoring in right-of-way, makes it effectively undevelopable and urged against taking any action.

Council Member Scales shared his personal ties to the area and acknowledged that resistance to development is common. He believes the property should be developed, though he is unsure of the exact use, and sees potential given its location by the golf course. He said mixed-use raises concerns but feels more at ease since the EDA controls the land. He favors higher density senior housing with amenities like a coffee shop rather than commercial uses, and he doubts low or medium density could cover utility costs. He said leaving the property vacant long-term is not realistic or best for the City.

Council Member Murphy agreed with Council Member Scales that the property has sat undeveloped for over 30 years and should begin generating revenue. He believes the site is developable, despite concerns about the absence of a mixed-use zoning district. He felt reassured knowing the City owns the land and can control future projects. He stressed the importance of marketing the property and pursuing development opportunities.

Council Member T'Kach said she usually supports higher density in the City but feels there's insufficient information for the site. She proposed considering creative solutions and cautioned against rushing into rezoning due to economic uncertainty and future leadership changes. She wants clearer utility cost estimates and believes other City properties could be prioritized for development first.

Council Member Gliva explained that if the City pays to install utilities, the expense comes from the general fund and impacts all residents. She cautioned that while low-density developments like townhomes might appear ideal, they may not be financially viable for developers without significant City investment. She expressed personal support for mixed-use zoning because it offers flexibility and allows the City, as the landowner, to reject projects that do not fit. She also showed interest in senior housing due to housing needs but emphasized that mixed-use zoning would keep future decisions under City control.

Administrator Wilson clarified that there were three action items before the City Council and suggested taking each motion independently.

Mayor Dietrich thanked her for the clarification and confirmed that the motions would be handled separately, acknowledging the four-fifths vote requirement for the second item.

Council Member Scales expressed opposition to further delays, stating it is unfair for residents to repeatedly revisit the same projects. He believes the City should proceed to provide clear guidance on its intentions, clarifying that this action would not authorize immediate development or construction but would set the stage for future discussions and decisions.

Motion to approve Resolution 2025-127, approving the preliminary plat for Inver Wood Golf Course and by Motion to approve Resolution 2025-128, approving the final plat for Inver Wood Golf Course by Scales; second by Gliva.

Ayes: 4

Nays: 1 (T'Kach) Motion carried.

Mayor Dietrich agreed with moving forward but emphasized that the City is not rushing the process. She explained that since their retreat in February 2024, the majority of the City Council has been working to return tax-exempt parcels to the tax rolls, and residents can expect to see more such initiatives, all approached thoughtfully.

Motion to approve Resolution 2025-129, Amending the 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 Gliva.

Ayes: 4

Nays: 1 (T'Kach) Motion carried.

Motion to approve Ordinance No. 1501, rezoning Outlot A of Inver Wood Golf Course Addition from P, Institutional to R-3C Multiple Family Residential by Dietrich; second by Scales.

Ayes: 4

Nays: 1 (T'Kach) Motion carried.

B. 3rd and Final Reading of Ordinance Amending City Code Related to Temporary Expansion of Premise for On-Sale Liquor License Holders, Resolution 2025-130 Ordinance 1499.

City Administrator Wilson presented the 3rd Reading of an ordinance to repeal and replace IGH City Code Title 4, Chapter 1, Section 15 (C), regarding Temporary Expansion of Premises for on-sale liquor license holders and exemptions from large assembly permits. On-sale liquor licenses cover a defined, compact, and contiguous area where alcohol can be sold and consumed, which affects liability insurance, parking, and utility charges. Businesses sometimes wish to expand temporarily, often into parking lots, for special events. The proposed ordinance aims to streamline the process for obtaining a Temporary Expansion of Premises, making it more efficient for local businesses.

Currently, businesses with an on-sale liquor license may apply for up to three temporary expansion permits per year, and each expansion can last no more than two days. Each requested expansion must come before the Council and must hit one of two regular meetings in a month, and the business is often required to also obtain a Large Assembly Permit. Under the proposed new process, Council approval would be given in concept through the issuance of a punch card, either at the time

of annual liquor license approval or when first needed during the calendar year. Staff would then review and approve specific events and dates, requiring submission at least 21 days in advance of the first event of the year and 14 days in advance of any subsequent events in the year.

The new process allows up to ten single-day expansions per year instead of three and removes the requirement for a Large Assembly Permit. It also permits two alternative rain dates with the initial approval. For each event, license holders must provide the date, time, estimated attendance, proof of insurance, and a site plan detailing the expansion area, traffic flow, parking, emergency access, lighting, noise control, a severe weather plan, and measures to prevent serving minors. Businesses can reuse information from prior applications for similar events.

The timeline of consideration included the 1st reading of the ordinance on April 28, which was approved by the Council, and the 2nd reading on May 12, which was also approved. Prior to the 2nd reading, notice was mailed to all current on-sale liquor license holders along with a copy of the proposed ordinance. The 3rd and final reading of the ordinance was scheduled for tonight, May 27. The requested action was to move approval of the 3rd and final reading of the ordinance as presented and adoption of the Resolution of Summary Publication.

Mayor Dietrich asked whether there would be an annual date set and if that date would be January 1st.

Administrator Wilson stated that the City plans to process these on a calendar year basis but will also allow mid-year applications. She explained that businesses, especially those that often request temporary expansions, could submit for approval alongside their annual liquor license renewal, which goes to the City Council each December for licenses renewing on January 1st. She noted that while most requests will likely align with annual renewals, businesses can still seek City Council approval mid-year if opportunities arise after choosing not to apply during their annual renewal.

Mayor Dietrich asked how the process would work for this year.

Administrator Wilson explained that this year, businesses need to submit applications anytime between now and the date of their first planned event. She clarified that the City requires applications to be filed at least 21 days before the first event of the year and at least 14 days before any additional events. She noted that one business, which has been eagerly awaiting this ordinance, submitted all required information last Friday. If the ordinance is adopted tonight, she anticipates the City Council will see at least one application on the agenda for the next regular meeting in two weeks, to support summer events planned by that local establishment.

Mayor Dietrich thanked staff for informing businesses about the ordinance changes and noted it was a good sign that businesses were already submitting applications.

Council Member T'Kach stated that she was realizing these would be single-day exemptions and questioned whether a two-day event, such as an art festival, could obtain a liquor license expansion for both days.

Administrator Wilson responded that businesses would be able to obtain a liquor license expansion for a two-day event, explaining that it would simply count as two days out of their total allotment of ten days for the year.

Council Member Murphy asked whether the information from the second reading on the severe weather plan was available and requested a summary of the details discussed.

Administrator Wilson stated that staff recommends leaving details about severe weather plans out of the ordinance and instead providing an informational flyer with definitions and examples, like moving people indoors during tornado warnings or canceling events if severe weather is forecasted. She noted that including such detail in City Code was too complex.

Council Member Murphy stated that he agreed with the strategy.

Council Member T'Kach asked whether it would be possible for a business to sublet their liquor license expansion to another business that either does not usually have a liquor license or has one but chose not to apply due to costs or other reasons.

Administrator Wilson explained that the expanded area must be compact and contiguous to the license holder's regularly licensed premises. She stated that while businesses could partner with another local business for events at the licensed location, the ordinance could not be used to effectively turn a liquor license into a catering license that operates anywhere in the community.

Motion to approve Ordinance 1499, repealing and replacing Inver Grove Heights City Code Title 4, Chapter 1, Section 15C regarding temporary expansion of licensed premises and amending Title 4, Chapter 14, Section 4 regarding permit exemption for large assemblies and Motion to approve Resolution 2025-130, approving the publication of summary of ordinance no 1499 by Scales; second by T'Kach.

Ayes: 5

Nays: 0 Motion carried.

C. Ordinance Amending City Code Regarding Massage Therapist Qualifications, **Ordinance 1502.**

City Clerk Kiernan presented Amending City Code Massage Therapist Qualifications. Staff identified the need to update the City Code's definition of an educational institution because it only referenced accredited schools. After learning that licensing by the Minnesota Office of Higher Education is more stringent than accreditation, staff proposed revising the definition to include both accredited institutions and licensed private career schools.

Definition Change

ACCREDITED INSTITUTION: An educational institution holding accredited status with the U.S. Department of Education or Minnesota Office of Higher Education.

Proposed Change

ACCREDITED INSTITUTION: An educational institution included in the Database of Accredited Postsecondary Institutions and Programs maintained by the U.S. Department of Education, or a postsecondary institution licensed by the Minnesota Office of Higher Education as a private career school.

The change will allow easier understanding of City Code. Staff recommends waiving the 3-reading rule and granting adoption of the ordinance under 4-8-1 definitions.

Motion to waive the three reading rules for Ordinance 1502, amending City Code Title 4, Chapter 8, Section 1 Revising the definition of an accredited institution for Massage Therapist Licensing Requirements by Scales; second by Murphy.

Ayes: 5

Nays: 0 Motion carried.

Motion to approve Ordinance 1502, amending City Code Title 4, Chapter 8, Section 1 Revising the definition of an accredited institution for Massage Therapist Licensing Requirements by Gliva; second by T'Kach.

Ayes: 5

Nays: 0 Motion carried.

Mayor Dietrich thanked staff for identifying the issue and for clarifying the City Code to make it easier for businesses to understand.

D. Babcock Trail Development Sketch Plan

Planning Manager Shay described the location as consisting of four properties along Babcock Trail north of I-494, at Babcock Trail and 49th Street, with a total area of 5.0 acres and 3.87 acres of developable land.

The current land use is HDR (High-Density Residential) with a density range of 12 to 35 units per net acre, and the zoning is R-3C, multi-family residential, within the Shoreland Management Overlay District. The development concept proposes a 135-unit apartment building, resulting in a density of 34.9 units per net acre, which falls within the HDR range.

The site is located near Stark Lake, classified as a recreational development lake, where multi-family residential is allowed as a PUD and is processed as a CUP in the Shoreland Overlay. The density analysis involves breaking the 1,000-foot boundary into 267-foot tiers, where each tier includes all suitable land area multiplied by the average square footage per multi-family unit, allowing additional density for units situated in tiers further from the lake. The density calculation yields 23.3 units, or 6.0 units per net acre, resulting in a density not consistent with the HDR density range of 12-35 units per net acre, while existing multi-family development to the west is estimated at 15 units per acre.

There are conflicts because the density required by the HDR land use is 12-35 units per net acre, translating to 47-135 units, while the density allowed by the Shoreland Ordinance is 6.0 units per acre, or 23.3 units. A variance is required to allow an additional 24 units to achieve the HDR minimum density, with a larger variance needed to achieve the density shown in the concept. A PUD process is required to achieve additional flexibility from Shoreland standards regarding the impervious surface, with 42% shown versus the maximum allowed of 25%.

The City Council is asked to consider and discuss whether the City Council is open to larger variances and/or PUD flexibility regarding density and impervious surface, and whether the City Council would be open to variances to allow 60 units (15.5 units per acre), 100 units (25.8 units per acre), or 135 units (34.9 units per acre).

Mayor Dietrich asked if there was someone available to discuss the Shoreland Management Overlay District and help identify any potential unintended consequences of the options being considered.

Planning Manager Shay said he consulted City Attorney Nason to clarify the Shoreland regulations. He explained that grants and variances are specific to individual properties and not broadly applicable. While variances are permitted under Shoreland rules, they still require findings of fact and must meet state statute criteria, including proving practical difficulties based on unique property characteristics, beyond just economic reasons.

Mayor Dietrich said she was thinking about possible unintended consequences, like the effects on impervious surfaces, and asked about the potential impact on water runoff if the development included 135 units. She clarified that she was not looking for specific answers but wanted to raise these points for discussion.

Planning Manager Shay explained that measures such as additional ponding, engineering solutions to slow water flow, and directing runoff into City sewer systems are considered to mitigate impacts when standards are exceeded. He emphasized that any increase beyond standards requires justification and careful evaluation to prevent negative effects, particularly regarding stormwater management and lake water quality.

Council Member Scales stated that he believes the proposed project fits well with the surrounding neighborhood and supports higher density at the site. He acknowledged concerns about stormwater and impervious surfaces but expressed confidence in the City's engineering capabilities to manage those issues, emphasizing his common-sense assessment that the project is appropriate for the area.

Mayor Dietrich expressed appreciation for the information being presented, noting that while no vote would be taken, it was helpful to provide guidance to staff.

Council Member Murphy said he was open to variances and felt the project fits the location. He questioned whether conflicts between density requirements and the Shoreland Ordinance were due to timing or changes in the ordinance.

Planning Manager Shay explained that the Shoreland Ordinance, adopted in 2004, has been in effect for over 20 years and applies to the current comprehensive plan. However, he noted that the property has been designated for high-density residential use since the 2020 and 2030 comprehensive plans, with the 2020 plan adopted in 1998, before the Shoreland Ordinance was in place.

Council Member T'Kach asked whether the Shoreland rules changed in 2004 and noted that the 2030 comprehensive plan was likely adopted in 2008. She observed that since the rules changed in 2004, the comprehensive plan might not have been aligned with the Shoreland Overlay rules at that time and questioned whether high-density residential should have been designated for the area.

Planning Manager Shay explained that the Shoreland Ordinance was likely not evaluated during earlier planning because of conflicts with high-density residential guidance. He noted that this parcel is unique, as it is the only high-density site affected by the Shoreland Overlay, making it more challenging to develop higher density near the lakeshore. He stated that the conflict arises because the comprehensive plan promotes density while the Shoreland Ordinance restricts it. He added that

the high-density designation likely was not originally included in the comprehensive plan but was added later to accommodate a specific development proposed for the site.

Council Member T'Kach expressed that she finds it challenging to identify a legitimate hardship or practical difficulty, other than financial factors, which would support granting a variance. She observed that although a developer may wish to maximize unit density, she does not believe this alone constitutes sufficient grounds for a variance in this situation.

Planning Manager Shay explained that some level of variance is possible for high-density residential development, but it would be the responsibility of the applicant or developer to justify the need for a variance. He noted that any variance request would be evaluated when the application comes before the City.

Council Member T'Kach asked whether it would be possible to achieve lower impervious surface coverage given the range of 60 to 135 units and inquired if there is a typical standard for impervious surface that corresponds to different residential densities, considering factors like parking.

Planning Manager Shay said impervious surface levels depend on factors like building design, parking, and access. He noted coverage might drop from 42% at 135 units to about 35% at 100 units but is unlikely to reach the 25% Shoreland limit, as high-density areas typically allow up to 40%.

Council Member T'Kach expressed concern that pursuing the maximum 135 units feels like forcing the project into an unsuitable situation due to impervious surface limits. She said reducing coverage to 30% might justify a small variance but noted the gap from the new shoreline rules remains significant.

Council Member Gliva said she was undecided but felt 135 units might be too high due to impervious surface concerns. She suggested considering a middle-ground density and was open to evaluating a variance, noting the area could support some level of density development.

Mayor Dietrich stated that she was open to considering a project with up to 135 units, emphasizing that her personal approval was not required for the decision. She inquired whether there was sufficient majority support to move forward with pursuing the necessary variances.

Planning Manager Shay confirmed that there was majority support to proceed.

E. Appointment of Planning Commissioner

Administrator Wilson discussed the process for filling seats on the City's Advisory Commissions. She explained that a week earlier, the City had conducted its annual interviews of local volunteers interested in serving on the City's three Advisory Commissions. At that time, there were nine seats to fill: three on the Planning Commission, three on the Parks and Recreation Advisory Commission, and three on the Environmental Advisory Commission.

After interviews and voting, the Council reached a deadlock on appointing the final seat to the Planning Commission because an even number of Council Members were present, making it challenging to break the tie. Now that all five Council Members are in attendance, Administrator Wilson presented the names of the three top vote-getters from those interviews: Connor Gosell, Trisha Presley, and Randy Sampson. She noted that each Council Member would be asked to vote for one candidate, as there is one seat to fill.

Council Member T’Kach stated that she would like to discuss the idea of term limits for committees and commissions at a future work session. For the current discussion, she expressed support for retaining experience on the Planning Commission and specifically endorsed Trisha Presley, noting her two-year term of service and current role as Secretary, and highlighting her valuable knowledge in finance, development, and related projects.

Council Member Scales asked whether it was appropriate to advocate for a specific individual, noting that such politicking had not previously occurred during voting processes.

Administrator Wilson stated that she was unsure, noting that during her time working for the City, the Council had simply voted without engaging in discussion.

Council Member T’Kach said she would be interested in hearing other Council Members’ perspectives, noting that during the interviews and the overall appointment process, there had not been much opportunity to discuss the various committees and commissions. She explained that her question was intended in that context.

Council Member Scales said that if the Council was going to discuss candidates, it should have been done for every vote, not just this one. He felt uneasy debating a single appointment when eight others had been decided without discussion and questioned whether it was fair to treat this vote differently. However, he said he would go along with it if the rest of the Council agreed.

Mayor Dietrich said that while she could not predict what any Council Member might say, she believed that, for consistency, the Council should avoid discussion on these appointments since they had not done so for the previous ones. She suggested that if the Council wanted to allow discussion in the future, it should be addressed at a work session, as previously mentioned.

Administrator Wilson announced the results of the first ballot, reporting that Conor Gosell received three votes and Trisha Presley received two votes, giving Connor Gosell a majority of the Council’s support.

Motion by Gliva, second by Dietrich to appoint Connor Gosell to the Planning Commission for a three-year term.

Ayes: 5

Nays: 0

Motion carried.

Mayor Dietrich asked if staff would inform Connor Gosell about his appointment.

Administrator Wilson replied that she would notify all three applicants.

8. PUBLIC COMMENT:

Amy Powers-Johnson, 2051 75th Street and lifelong member of the district, addressed the Council to express ongoing concerns about the harms of flavored tobacco, noting that despite efforts, the issue continues to affect youth. She requested that the City explore restrictions on Alzheimer’s and CELA flavored tobacco products and introduced students to share their experiences and emphasize the importance of addressing the problem.

Four students—a freshman, two sophomores, and an eighth grader from Inver Grove Heights Middle School and Simley High School—who are members of the Spartan Anti-Vaping Effort, spoke to the

Council about their concerns regarding the ongoing harms caused by flavored nicotine and tobacco products. They shared statistics about youth vaping in Minnesota and recounted personal experiences of seeing friends and classmates struggle with addiction, including athletes who have quit sports because of vaping. The students described their work to educate their peers and support those who are affected but stressed that they need the City's leadership to help eliminate the sale of flavored tobacco products locally.

Tamara Lenarz, 7562 Becker Trail and a health educator at South St. Paul High School, described vaping as a serious issue, noting her school locks bathrooms for part of each class due to illegal activity and urged the Council to take action.

A Simley High School student concluded by urging City staff to explore policy options and bring forward an ordinance to end the sale of flavored tobacco products in Inver Grove Heights.

Mayor Dietrich said that tonight they have had the privilege of hearing from many Simley students on three different topics. She thanked them for their passion and their requests, noting that the Council plans to keep discussing the issues, as there is interest among its members.

Elyse Less, Executive Director of Tobacco Free Alliance and a resident of West St. Paul, asked the Council how they plan to revisit the issue of flavored tobacco sales and inquired about the next steps. She also offered support from the Tobacco Free Alliance to assist the Council and City staff with information and resources as needed.

Mayor Dietrich said the Council's next step would be to discuss the issue, seek majority direction on how to proceed, and determine what actions fall within their authority.

Sandy Honerbrink, 2318 75th Street East, asked for clarification about the City budget's large totals and repeated categories, and questioned the high technology costs compared to her experience in the private sector. She shared suggestions and expressed interest in staying informed and discussing the budget further, citing her financial background.

Mayor Dietrich thanked her for taking the time to review the budget, noted that the budget process runs from June to December, and suggested sending specific questions to Administrator Wilson for responses.

Administrator Wilson said that City Council meetings dedicated to the 2026 budget will take place on July 21, August 1, and October 6, and encouraged anyone interested to attend.

MAYOR AND COUNCIL COMMENTS

Council Member Murphy described the meeting as one of the best during his tenure, commending staff and Communications Manager Looze for their work and noting the positive involvement of young adults.

Council Member Scales remarked on the impressive youth presentations and suggested discussing flavored tobacco regulations at a future work session. He also announced the 150th community reunion of the Old Salem Shrine, known as the Little White Church, happening on Sunday, June 1st, from noon to 3 p.m. on Upper 55th, and invited the community to attend. Council Member T'Kach added that there would be remarks around 12:45 p.m.

9. ADJOURN:

Motion to Adjourn at 8:07 p.m. by Scales, second by Murphy.

Ayes: 5

Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Tammy Greenlee