

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, SEPTEMBER 22 6:00 P.M. – 8150 BARBARA AVENUE**

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Monday, September 22, 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: Murphy, Scales, and T'Kach

Absent: Council Member Gliva

Staff In Attendance: City Administrator Wilson, City Clerk Kiernan, City Attorney Nason, City Engineer Merchlewicz, Finance Director Hove, City Planner Schneider, Assistant Fire Chief – Fire Marshal Oswald, Community Development Director Ziemer,

3. APPROVAL OF AGENDA:

Motion to approve agenda as published on Friday, September 19 by T'Kach, second by Scales.

Ayes: 4

Nays: 0 Motion carried.

4. PRESENTATIONS:

A. Fire Prevention Week – October 5-11

Mayor Dietrich recognized fire as a serious public safety risk both locally and nationally, noting that homes remain the place where people are at greatest risk of death and injury. She also emphasized the growing use of lithium-ion batteries in everyday items, which can present significant fire hazards if not handled properly.

She proclaimed October 5 through October 11, 2025, as Fire Prevention Week in Inver Grove Heights, with this year's theme focusing on the safe use of lithium-ion batteries. Residents were encouraged to purchase certified products, charge them correctly, and recycle batteries responsibly.

Mayor Dietrich commended Chief Hill and the dedicated members of the Fire Department for their service, prevention efforts, and community education. She invited residents to attend the Community Open House on October 12 from noon to 3:00 p.m. at Fire Station No. 2.

She concluded by presenting the proclamation to Assistant Chief Oswald.

As a side note, Mayor Dietrich shared that during a recent meeting with representatives from Republic Services, it was mentioned that many batteries are still being disposed of in the trash, whether inadvertently or otherwise, and that this has led to several serious fires.

5. CONSENT AGENDA:

- A. Approval of Minutes of the May 5, 2025, City Council Work Session**
- B. Approval of Minutes of the August 4, 2025, City Council Work Session**
- C. Approval of Minutes of the August 11, 2025, City Council Meeting**
- D. Approval of Minutes of the August 25, 2025, City Council Meeting**
- E. Approval of Minutes of the September 2, 2025, City Council Work Session**
- F. Approval of Minutes of the September 8, 2025, City Council Meeting**
- G. Approval of Disbursements, **Resolution 2025-205****
- H. Personnel Actions**
- I. Exempt Gambling Permit for Ducks Unlimited**
- J. Approval of Liquor Vendor for Let's Pawty Halloween Dog Event**

- K. Resolution Approving Reciprocal Fire Service Agreement for Capital City Regional Firefighters' Association, **Resolution 2025-206**
- L. Resolution Calling a Public Hearing to Assess Unpaid Charges for City Services, **Resolution 2025-207**
- M. Resolutions Awarding Contract and Approving Budget For City Project No. 2025 - 14-64th Street Outfall, **Resolution 2025-208 & 2025-209**
- N. Correction of Stormwater Charges for Closed Landfill Site

Motion to approve Consent Agenda Items A-N by Scales, second by Murphy.

Ayes: 4

Nays: 0 Motion carried.

6. PUBLIC HEARINGS: None

7. REGULAR BUSINESS:

A. Rental Housing Licenses

Director Ziemer presented the following 8 new rental housing licenses.

6170 Boyer Path
1918 52nd Street East
1926 52nd Street East
8295 Delaney Avenue

7515 Barbara Avenue
8015 Claymore Avenue
7602 River Road
3769 7th Street East

All applications have been reviewed by staff and found to meet the necessary requirements. Staff recommends approval of all licenses.

Motion to approve the 8 Rental Licenses by T'Kach, second by Scales.

Ayes: 4

Nays: 0 Motion carried.

B. Comprehensive Plan Amendment and Zoning-Related Development Requests for a 57-Unit Senior Apartment Building at 9170 Cahill Avenue, **Resolution 2025-210, 2025-211, 2025-212 & Ordinance 1512**

Senior Planner Schneider outlined the request from Dakota County CDA regarding the Hillcrest Pointe Senior Housing site at 9170 Cahill Avenue. Dakota County CDA owns the property, which currently contains a 66-unit senior housing facility approved in 2013. They are proposing to construct an additional senior housing building with 57 units. The requests include a Comprehensive Plan Amendment, PUD Amendment, Major Site Plan Review, and Vacation of a Drainage and Utility Easement.

The Comprehensive Plan Amendment involves changing the land use designation from Medium Density Residential to High Density Residential. The existing density is 11.6 units per acre, while the proposed density is 21.6 units per acre. Policies in the 2040 Comprehensive Plan for Established Development Areas allow infill development that preserves neighborhood character, provides a broad range of housing opportunities, and ensures compatibility in size and scale with existing adjacent neighborhoods. Staff evaluated the proposal and found that senior housing is a documented need in the 2040 Comprehensive Plan and Dakota County Needs Assessment, that the new building mirrors the existing facility to preserve character, that trees will be preserved and additional trees planted to buffer the neighborhood, and that the development maximizes use of the site while minimizing impacts to the surrounding area.

The property is governed by the Arbor Pointe PUD, which uses development districts like zoning districts. The site is currently in the R-III Medium Density Residential development district allowing multi-family housing between 6–12 units per acre. The proposal seeks to amend the PUD to change the development district to R-IV High Density Residential, which allows multi-family housing that is more than 12 units per acre.

For the Major Site Plan Review, the proposal is a 57-unit, three-story building with 58 underground parking stalls and 29 surface spaces, totaling 87, which exceeds the 86 required. Setback requirements are exceeded, landscaping and tree preservation requirements are met, and no flexibility from performance standards is requested. The easement vacation relates to stormwater needs.

Landscaping will include 75 trees equaling 242.5 caliper inches, with 16 additional trees added in response to neighborhood feedback. At the Planning Commission Public Hearing on August 6, 2025, two neighboring residents expressed concerns about tree preservation, buffering, and lighting of existing properties. The Planning Commission voted 6-0 to recommend approval of the CDA's requests.

Recommended actions include approving the Comprehensive Plan Amendment to change the land use of the subject property from MDR, Medium Density Residential to HDR, High Density Residential, approving the amendment to the Arbor Pointe PUD to change the Development District of the subject property from Medium Density Residential - R-III to High Density Residential - R-IV, approving the Major Site Plan Review to construct a 3-story, 57-unit senior housing facility, and approving the vacation of the Drainage and Utility Easement. Conditions require Metropolitan Council review and approval of the Comprehensive Plan Amendment and that CDA shall enter into a Site Improvement Agreement with the City.

Colleen Daly, 9170 Cahill Ave #318, expressed concern about frequent power outages in the area, noting that they have been lengthy at times and have affected both residents and nearby businesses. She emphasized that this issue should be addressed, particularly with added development and increasing density in the area.

Kari Gill, Dakota County CDA, noted she had no additional comments beyond Mr. Schneider's overview. She stated that trees were supplemented in response to Planning Commission feedback and acknowledged the neighbors' concerns. She explained that as many trees as possible have been added, and there is likely no room for more.

Council Member T'Kach noted the importance of adding more affordable senior housing in the community. She expressed appreciation for the additional trees included in the revised landscape plan to address neighbor concerns but observed potential conflicts between deciduous trees and conifers that could reduce buffering as the trees mature. She suggested reviewing the plan more closely to adjust tree placement, replace smaller trees with species that provide stronger long-term buffering, or consider relocating some trees to provide shading in front of the building or on the adjacent site.

Ms. Gill stated they are willing to continue refining the landscape plan. She noted that if the project is approved, plans would be finalized over the winter, with bidding anticipated in early spring and construction starting in late spring or early summer of next year. She added that there will be time during the winter planning process to address concerns and make improvements before submitting the plans to the City for final approval.

Council Member T'Kach asked whether the maintenance of the landscaping would be contracted out or handled directly by the CDA.

Ms. Gill stated that they use landscape contractors at all their sites.

Mayor Dietrich asked whether either Ms. Gill or Planner Schneider could respond to the resident's concerns about power in the area. She inquired if there is adequate power supply and asked if Xcel is the provider. She further asked if there is a point in the process to ensure that adequate power is available for the new project, so residents do not suffer unintended consequences.

Ms. Gill stated that they work with Xcel during the design process of all projects. She noted she was not aware of the recent outages and was unsure of their cause, whether related to construction or another issue.

Mayor Dietrich inquired whether coordination with Xcel is included in the planning process.

Planner Schneider explained that coordination with Xcel is not part of the zoning review process, but the building and engineering departments may review such matters during the building permit process, where finer details are addressed.

Sally Layde, Insite Architectural engineer, explained that their electrical engineer has not yet joined the project. She noted that the typical process requires coordination with Xcel, along with preparing plans for review by the City's building department to ensure compliance with electrical requirements. She added that while the building plans will be subject to City approval, broader power issues are handled directly by Xcel.

Council Member Murphy acknowledged that the power concerns are not a City or County issue but suggested that a phone call from the City or County to Xcel could carry weight. He recommended asking Xcel if there are existing issues in the area before the project moves forward, noting this would provide reassurance to residents.

Council Member T'Kach recalled a meeting earlier in the year where the possibility of onsite generators for power outages had been discussed and asked if that was still being considered.

Ms. Gill stated that generators are not typically included at their buildings. She added that the only location with a generator is their Burnsville site, which has assisted living.

Council Member Scales recalled the extensive process for the first building, commended the organization for being a good neighbor to the community and City, and expressed support for the next phase.

Motion to approve Resolution 2025-210 Amending the 2040 IGH Comprehensive Plan and Maps for guiding the overall development and redevelopment of the City of Inver Grove Heights, Ordinance 1512, amending Ordinance 789 (Arbor Pointe PUD) relating to development district designation, Resolution 2025-211 approving a major site plan approval for a 57-unit Senior Living Facility and Resolution 2025-212 approving vacation of drainage & utility easements on Lot 1, Block 1, Arbor Crest 2nd Addition by Murphy, second by Scales.

Ayes: 4

Nays: 0 Motion carried.

C. Ordinance Amending Arbor Pointe PUD to Allow Cannabis Retailers, Ordinance 1513 & Resolution 2025- 213

Senior Planner Schneider outlined a request for a Planned Unit Development Amendment at 9082 Buchanan Trail, known as Grand Grape Generation. The applicant is seeking approval to establish a cannabis retail business at the site. Because the Arbor Pointe Planned Unit Development contains its own permitted use table, the request involves amending the PUD to include Cannabis Retailer as an allowable use within the Community Shopping Center District. The property is currently zoned Planned Unit Development and is guided for mixed use.

In evaluating the request, it was noted that the proposal complies with buffer requirements, which would effectively limit the area to a single dispensary. The existing uses in the Community Shopping Center District are comparable to those permitted in the B-3 General Business Zoning District. The proposed use is restricted to retail only. Any operation would still require both State and City licenses before beginning business.

The Planning Commission conducted a public hearing on September 3, 2025, and after discussion, voted 7-2 in favor of recommending approval of the request. The recommended action is approval of a Resolution amending the Arbor Pointe PUD to allow cannabis retailer as a permitted use within the Community Shopping Center District.

Mayor Dietrich noted that regardless of personal opinions, the State requires cities to address this matter. She expressed appreciation for the thoughtful effort to identify a suitable location within the City.

Council Member Murphy asked whether hours of operation had been discussed.

Planner Schneider stated that hours of operation were not discussed, explaining that this review focused on a high-level zoning change to allow the use. He added that while licensing could potentially address hours of operation, there are no known restrictions.

Council Member Murphy inquired whether hours of operation had been previously discussed and suggested that City Attorney Nason might recall.

City Attorney Nason stated that she was reviewing the City's Cannabis Registration Ordinance and did not believe it included provisions regarding hours of operation.

Director Ziemer explained that discussions about hours of operation typically raise concerns about limiting a business's ability to set its own hours. He noted that such restrictions are not included in the City's existing code and that it is uncommon to regulate businesses to operate only within specific time periods.

Mayor Dietrich asked if liquor stores are regulated at the State level.

Director Ziemer confirmed that they are.

Council Member Murphy asked if the matter technically falls under the authority of the State of Minnesota.

Director Ziemer confirmed that it does fall under State authority, explaining that liquor sales are subject to specific State requirements regarding permitted hours of operation.

Council Member Murphy noted uncertainty about the matter but stated he believed hours of operation would have been a major topic of discussion if they were an issue. He added that he feels there are mandated hours of operation.

City Attorney Nason stated that City Code includes provisions on hours of operation for cannabis businesses, limiting retail sales to 8:00 a.m. to 10:00 p.m. Monday through Saturday, and 10:00 a.m. to 9:00 p.m. on Sunday.

Council Member T'Kach asked if it was only cannabis leaf products or if it also included edibles and other cannabis items.

Planner Schneider explained that the definition of a cannabis retailer is broad and encompasses a wide range of cannabis products.

Motion to approve Ordinance 1513, amending Ordinance 789 (Arbor Pointe PUD) relating to Cannabis Use and to approve Resolution 2025-213 Approving a summary publication of Ordinance 1513 by Scales, second by T’Kach.

Ayes: 4

Nays: 0 Motion carried.

D. Ordinance Amending Zoning Land Use Tables, Ordinance 114 & Resolution 2025-214

Senior Planner Schneider outlined the details of the Code Amendment regarding updates to the Land Use Tables. The existing tables include both residential and nonresidential uses. They rely on a symbology system where “P” signifies a permitted use, “C” denotes a conditional use, “A” represents an accessory use, and a blank space indicates a prohibited use

The proposed updates to the Land Use Tables focus on formatting improvements to make them more user-friendly, without changing existing policies. Updates include color coding to align with the zoning map, clearer headings and subheadings, and a new reference column. The amendment also removes PUD columns, consolidates similar uses, adds new uses for clarity, and modifies existing uses for consistency.

Planner Schneider explained that swimming pools represent the only minor change in the proposed updates. Currently, pools are a conditional use in multifamily zoning districts. Staff recommends changing them to a permitted use, as pools in multifamily developments are already reviewed comprehensively during the approval process. Any specific standards, such as hours of operation, can be addressed at that stage without requiring a separate conditional use permit. Other than this change, existing code allowances are being maintained.

Mayor Dietrich asked if the updated Land Use Tables would be available on the City’s website once adopted.

Planner Schneider confirmed that the updated Land Use Tables would be available through a link in the City Code and on the planning page. He added that, in the future, planning staff may consider proposing a second amendment to address substantive issues such as whether certain uses should be permitted or conditional, but emphasized that was not the purpose of this Ordinance.

The Planning Commission held a public hearing on September 3, 2025. At that meeting, the Commission voted unanimously 9-0 to recommend approval of the request.

Planner Schneider noted a correction regarding beekeeping, which has been added to the permitted use table. Although beekeeping is already included in the definition of agricultural uses, it was not previously listed in the table. Commissioners observed that it should also be permitted in the E-1 district, since agricultural uses are allowed there. This minor correction was made between the Planning Commission and Council review.

The recommended action is for a motion to approve the Ordinance Amending the Land Use Tables in City Code Sections 10-6-1 and 10-6-2.

Council Member Scales commented that the updates improve readability and expressed appreciation for the work completed.

Council Member T’Kach thanked Planner Schneider for his work, noting the updates were easy to follow. She asked whether the new format would comply with upcoming ADA requirements for communication tools, including web accessibility, and suggested consideration be given to this if applicable.

Planner Schneider stated that he did not have an immediate answer but noted that staff would be mindful of the idea.

Motion to approve Ordinance 1514, amending IGH City Code, Title 10, Chapter 5, Section 1, Land uses in all Residential Districts and Title 10, Chapter 6, Section 2, Land uses in all Nonresidential Districts and approve Summary Publication of Ordinance 1514 by Murphy, second by Scales.

Ayes: 4

Nays: 0 Motion carried.

E. 2nd Reading of Ordinance Amending City Code Related to Requirements for Addressing the Council

City Administrator Wilson reviewed the second reading of the Ordinance amendment concerning the requirements for addressing the City Council.

The current City Code, under Title 1, Chapter 5, Section 7, requires each person addressing the Council to state his/her name and address in an audible tone for the record and, unless further time is granted by the presiding officer, shall limit his/her address to a reasonable time, except at a public hearing when the limit shall be three (3) minutes.

The proposed change to the City Code under the same section clarifies that unless further time is granted by the presiding officer, each person addressing the Council must limit their comments to three (3) minutes. The presiding officer, generally the Mayor, may still invite speakers to share their name and address, but it is no longer required. The amendment makes clear that the three-minute standard applies to all comments, not only those made during public hearings.

The requested action is for a motion and a second to approve the second reading of the Ordinance.

Council Member T’Kach asked if this applies to the EDA or only to the City Council.

Administrator Wilson said it applies only to the City Council.

Kelly Kayser, 1953 59th Court East, urged the Council to carefully consider how they request residents to share their name and address during public comment. She acknowledged that individuals have a constitutional right not to provide this information but noted that including it creates a valuable historical record and allows for follow-up if needed. She encouraged the Council to be clear and specific in their request while ensuring residents do not feel discouraged from sharing their information.

Motion to approve the second reading of an Ordinance amending IGH City Code Title 1, Chapter 5, Section 7, Regarding addressing the Council by T’Kach, second by Scales.

Ayes: 4

Nays: 0 Motion carried.

F. Rental Housing Licensing Ordinance Updates and Discussion

Community Development Director Ziemer reviewed the Rental Housing Licensing Program. The current Ordinance was adopted and implemented in 2016 and is located under Business Regulations in Chapter 4. A license is required to rent a dwelling or dwelling units, applying to single-family homes,

townhomes, duplexes, triplexes, and apartment buildings. Eleven (11) exemptions exist, such as hotels, motels, nursing homes, and units in owner-occupied homes. Proposed updates are divided into two phases. The first phase focuses on streamlining and improving existing processes (i.e., application requirements, approvals, duration, enforcement), while the second phase considers possible revisions or expansions to the program.

The first phase includes maintaining the April 1 to March 31 license period but changing the term from two years to one year. A clear renewal timeline would be created, requiring renewal applications to be submitted by January 31, with fines for late renewal applications. Administrative staff would be authorized to approve or deny license applications, while appeals of denials would go to the City Council. The City Council would continue to have authority to suspend or revoke licenses. Application forms would be streamlined to collect only necessary information, and detailed requirements would be removed from City Code. Additionally, license holders would be required to have a Property Manager residing within 75 miles of Inver Grove Heights, who could be the license holder, owner, or a hired manager. The City is also considering adding fines for violations of the rental licensing code with a three-tier fine structure.

The second phase explores expanding the program. One option is the creation of a proactive inspections program. This could take the form of a self-inspection program where applicants submit completed inspection forms, supplemented by City inspections in response to complaints, or a regularly scheduled City inspection program where licenses would only be issued after passing inspection which would likely require additional City staff. The current system does not include inspections of dwelling or dwelling units, as inspections only occur when complaints are filed, and staff rely on adopted sections of the International Property Maintenance Code. Another potential expansion is placing limits on the number of rentals in a neighborhood. Other cities have adopted such policies, including Northfield, Mankato, West St. Paul, and Winona. West St. Paul applies limitations specifically to single-family residential zoning (R-1C), while St. Paul has a student housing overlay district near the University of St. Thomas.

Director Ziemer provided an overview of the current concentration of rental licenses, reporting 389 single-family homes and 16 duplexes with licenses. He explained that single-family homes include both detached dwellings and townhomes, with higher concentrations found in townhome areas such as north of Highway 494 near Arbor Pointe and along Archer Trail. These attached housing types result in multiple licenses within the same area. He also noted the cannabis development. Overall, the data reflects a variety of housing styles and types, and he asked whether the Council would like staff to explore any additional aspects of the rental licensing program.

The next steps include finalizing the Ordinance to accomplish the Phase I changes, scheduling three (3) readings on October 13, October 27, and November 10, with adoption targeted for November 10. Because the renewal period is approaching, notices need to be sent to license holders to inform them of the proposed changes and meeting dates. Continued research and discussion will take place regarding Phase II items of interest.

Council Member Scales remarked that he could not recall ever seeing an administrative denial. He asked whether there are clear guidelines that outline the circumstances for denial, noting that administrative approvals typically follow a checklist process. He questioned what specific factors would warrant a denial under this system.

Mayor Dietrich noted that there had been at least one denial in the past that she could recall.

Attorney Nason explained that the matter had resulted in a provisional license, but the applicant later withdrew. She noted that this occurred several years ago and that several concerns had been raised at the time.

Director Ziemer explained that under the Ordinance, Section 413-6 on License Issuance, Subsection B refers to additional grounds outlined in Code Section 3-2-10. Any of the listed items could serve as grounds for denial. He noted that if an application is incomplete, it would not move forward for approval. If an applicant does not satisfy the listed requirements, they would be informed that the issues must be corrected, or the application would be denied.

Council Member Scales stated that he was comfortable with administrative approval or denial, noting that it was a reasonable approach.

Council Member Murphy stated that while he does not object to administrative approval, he is reluctant to give up Council oversight. He noted that Council review is quick, does not take much time, and has ensured awareness of issues such as background checks. He added that information on property ownership, management, and location has been very helpful and led him to support limits on the concentration of rentals in residential neighborhoods. He stated that he could support administrative approvals only if Council continued to receive this information on a regular basis, as it has not historically been provided by staff.

Mayor Dietrich asked, with renewals moving to an annual schedule, when a more comprehensive approach involving inspections of dwellings could be implemented if the Council wished to pursue that option. She affirmed her support for the annual renewal process and inquired how soon inspections could be put into place.

Director Ziemer responded that further review would be needed, and alternatives could be brought back to Council for consideration. He noted that comprehensive inspection programs typically require significant staffing resources, not only for the initial inspections but also for follow-up work. He explained that while annual renewals could begin this year, implementing inspections would likely align better with the next cycle of renewals. He added that licenses already issued on a two-year basis should remain on that schedule until their renewal, at which point they could transition into the annual cycle. This approach would allow inspections to be incorporated more effectively as part of a broader program.

Mayor Dietrich stated that if a majority of the Council supports a more comprehensive approach, the appropriate next step would be to evaluate the staff resources required; otherwise, the matter would not merit further consideration.

Council Member T'Kach asked about the pros and cons of moving to annual renewals, noting that her main concern was the impact of increased fees. She emphasized that while large multifamily complexes would already face significant costs, smaller property owners with single-family homes and duplexes could be disproportionately affected if fees were doubled or tripled.

Director Ziemer stated that no changes to the fee structure are being proposed at this time, though fee adjustments may be considered separately in the future. He explained that annual renewals would improve timeliness and accuracy of ownership information, as property sales during a two-year cycle often go unreported. He added that annual deadlines would streamline processing, reduce late submissions, and encourage timely compliance. He noted that the change would also lessen confusion compared to other cities' processes and improve efficiency and customer service for both staff and applicants.

Council Member T'Kach emphasized the importance of including an educational component for both property owners and tenants, covering safety practices, property maintenance, and responsible renting. She suggested requiring postings in rental units with information on resources and how to file complaints, noting that tenants may be hesitant to report issues for fear of rent increases or eviction. She also raised concerns about the impact on tenants if a license is denied, questioning how much time they would have to relocate and what protections would be in place.

She added that attention should be directed toward improving the poorest properties rather than applying the same level of scrutiny to all. Properties with repeated complaints or code violations could face more frequent inspections and licensing requirements, while those consistently in compliance could qualify for longer renewal cycles. She questioned how limited resources should be allocated, cautioning against excessive staffing for inspections. She further noted the need for clear criteria to distinguish between minor and major violations and reiterated her support for an administrative process, paired with a strong emphasis on education and engagement from police and fire to ensure accessible information for property owners.

Administrator Wilson shared feedback from Council Member Gliva, who supported annual licensing and expressed interest in adding language for proactive inspections. She favored administrative approvals but recommended that Council receive periodic reports and composite data on issued licenses. She supported the requirement for a local manager but suggested reducing the distance to 50 miles instead of 75. She also expressed interest in exploring an Ordinance to limit the concentration of rental housing.

Council Member Murphy expressed strong support for the proactive inspections program, limitations on the concentration of rentals in neighborhoods, and the requirement for annual renewals. He emphasized the importance of treating all rental license holders the same, noting that if a license is issued in Inver Grove Heights it should be renewed annually, with consistent fees that can be revisited when necessary. He added that while he supports an administrative approval process, it is essential that the information collected through the annual renewal process be included in the Council packet or otherwise provided regularly.

Mayor Dietrich stated that she preferred continuing to receive rental license information in the Council packet rather than creating a separate report. She agreed with Council Member Murphy on the value of knowing whether owners are local and leaned toward keeping this a Council responsibility, emphasizing the importance of having the information available to respond to complaints.

Director Ziemer explained that a report listing property addresses, owners, and managers could be provided on whatever timeline the Council prefers. While some information may change over time, much remains consistent. He acknowledged the Council's interest in maintaining visibility on approvals.

Mayor Dietrich stated that it was reasonable that fewer individuals would need to be involved if the information were not included as a formal agenda item.

Administrator Wilson stated that a key benefit of staff approval is the ability to act on license applications as soon as the review is complete. She noted that under the current process, there can be up to three weeks between Council meetings, which delays approvals. By removing the requirement for Council action, staff could notify applicants of approval or denial promptly. She added that most applications are approved, and this approach would provide a clear benefit to applicants by avoiding unnecessary delays.

Mayor Dietrich stated that she favored providing good customer service by avoiding unnecessary delays in the approval process rather than requiring applicants to wait for Council action.

Council Member Scales stated that while most aspects of the program sounded reasonable, he did not support proactive inspections. He noted that the City currently operates reactively, and expanding into proactive inspections could set a precedent for inspecting other issues such as ash trees, yard maintenance, or trash. He expressed concern that this approach could lead to hiring additional staff to conduct inspections, which he did not believe residents wanted or needed.

Council Member Murphy stated that while he did not support adding significant staff, he believed proactive inspections were necessary to ensure rental properties are safe for tenants, particularly

children. He emphasized that property owners have an obligation to provide safe housing and that the City has a responsibility to confirm this before issues arise.

Council Member Scales expressed concern that implementing proactive inspections would expand government bureaucracy and increase expenses. He stated that he did not believe residents wanted additional resources devoted to such a program.

Council Member Murphy stated that his discussions with residents reflected an opposing viewpoint.

Council Member T’Kach stated that she did not support a proactive inspection program. She emphasized the importance of education to help property owners and tenants, noting that some may not know how to conduct background checks and can face challenges such as unpaid rent and difficulty with evictions. She cautioned that inspections could lead to questions about why other issues, such as lawn maintenance, are not also being inspected and stressed the need to be mindful of limited staffing and resources. She further stated that she was not hearing significant concerns from police or fire regarding rental properties and urged the Council to prioritize resources while supporting efforts to improve tenant and property owner responsibility through education.

Council Member Murphy questioned how an alternative program would be funded and stated that he viewed proactive inspections as more effective than continuing a reactive approach to rental housing. He further stated that he would not support the implementation of an education program, as he believed it extended beyond the proper role of the City.

Council Member Scales stated that while there are many areas in the City that could be subject to inspections, he did not support focusing on a single issue. He noted that if the City wished to adopt a proactive approach, it should apply broadly across all inspections. He added that he was not prepared to support adding staff for this purpose at this time, as he did not believe the value justified the cost.

Council Member Murphy stated that the explanation was clear and that he understood the point.

Council Member T’Kach clarified that the education program she envisioned would be basic, such as providing applicants with a packet, flyer, or online resource outlining available tools and services. She explained that this could include information on background checks, tenant resources, and eviction procedures, noting that some property owners are not fully aware of these rules. She emphasized that the program would not require significant funding but would instead offer simple guidance to assist property owners and tenants.

Director Ziemer explained that the licensing program has two components: registration, which is how it currently operates, and a safety element that in other cities also serves to preserve property condition and value. He stated that inspections are tied to both safety and preservation. He observed that there appeared to be general support for the phase one changes, if Council receives routine reports. Regarding proactive inspections, he noted that Council seemed divided, with a slight majority interested in exploring the concept further or gaining a better understanding of what such a program would involve.

Mayor Dietrich stated that she would like input from the Chief Building Official, noting that a resident had recently contacted her regarding a rat infestation in a rental property. She expressed interest in understanding how many similar complaints are received but not reported to the Council, as this information would help guide her perspective on the issue.

Director Ziemer asked if the reference was to complaint calls or calls over issues within rental properties.

Mayor Dietrich confirmed that the reference was correct.

Council Member T’Kach inquired whether such matters were resolved or if the Chief Building Official conducted inspections in response.

Mayor Dietrich stated that she supported a comprehensive approach but requested additional information on how it would be structured. She emphasized the importance of ensuring resident safety.

Director Ziemer asked whether limitations on concentration should be considered as an item.

Council Member Scales stated that he supported discussing limits on the number of rentals within a neighborhood but expressed concern about how exemptions would apply in certain areas. He suggested that further discussion would be needed to address those situations.

Mayor Dietrich and Council Member Murphy agreed with the comments.

Director Ziemer stated that phase one, addressing the processing side of the Ordinance, would begin at the October 13 meeting. He added that additional information on the other two items discussed would be compiled for a future Council work session, where Council could provide direction on next steps.

Mayor Dietrich asked when the information would be brought back to the Council and how often updates should be provided, noting uncertainty about the volume of rental properties.

Director Ziemer stated that most activity would occur during the renewal period if the program were adopted, resulting in more detailed reporting early in the year. He noted that later reports would likely reflect fewer applications, primarily from new property owners. He added that he would consult with the Administrator to determine appropriate timing for providing updates.

Kelly Kayser, 1953 59th Court East, stated support for the Council’s discussion on rental concentration. She expressed concern that while there is frequent emphasis on affordable housing, the need for first-time buyer single-family homes is often overlooked. She noted the growing number of rental properties owned by foreign LLCs and non-local owners and encouraged the Council to continue addressing this issue.

8. PUBLIC COMMENT:

Lora Torgerson, 2039 East 100th Street, expressed concern about recent road work near the 80th Street freeway entrances, stating that the removal of lanes has caused traffic backups and questioned the engineering rationale for the changes. She also opposed the proposed \$60 million Central Maintenance Facility, referring to it as excessive, and asked how it could be placed on a referendum for taxpayers to decide. She emphasized the need to justify the cost to residents and questioned why such an expensive facility was necessary.

Mayor Dietrich stated that while public comments are typically received without response, she requested that Administrator Wilson provide a high-level explanation of the 80th Street County project and the Central Maintenance Facility.

Administrator Wilson explained that 80th Street is a County road, and the County made the final decision on the improvements. The project was intended to enhance pedestrian safety by reducing lanes and adding bump-outs at intersections to shorten crossing distances, particularly near the Community Center, Library, and High School.

As to the Central Maintenance Facility, as the Mayor indicated, a petition effort was undertaken and received the required number of signatures to be deemed valid. The Council will therefore discuss next steps in October, which may include financing the project differently, pursuing a referendum to maintain the original financing approach, or reconsidering the project’s size and scope. Because the petition was

submitted too late for this November's ballot, any referendum, should the Council choose that option, would occur in 2026.

Ms. Torgerson stated that she appreciated the answers provided but strongly urged the Council to place the matter on a referendum. She emphasized that this involves taxpayer money and represents a significant financial request and asked the Council to give serious consideration to allowing voters to decide.

9. MAYOR AND COUNCIL COMMENTS:

Council Member Scales reminded everyone that the Community Clean-up will take place on Saturday, September 27.

Mayor Dietrich noted that she had received complaints about the Bishop Heights area on Upper 55th, where the median grass is not being consistently maintained. She explained that two separate agreements among businesses outline mowing responsibilities, but with corporate turnover, upkeep is no longer reliable. Emphasizing that this is a key retail entry point into the City from Saint Paul, she asked the Council to consider a practical solution, possibly including Public Works taking over the mowing, to ensure the area is maintained in an orderly manner.

Council Member T'Kach asked whether this might be something the Chamber or its members could address, noting that it may have been part of the original agreement for them to handle.

Mayor Dietrich clarified that the agreements are between the City and the businesses, noting that there are two separate agreements in place.

Council Member Murphy asked for confirmation that the roadway belongs to the City and stated he had no objection to the City taking responsibility for cleaning it up.

Mayor Dietrich suggested that code enforcement might be able to address the matter and asked for input on a practical approach, inquiring whether the Council would be supportive of working out a solution in that way.

Council Member T'Kach suggested that the area could be addressed by planting it differently.

Administrator Wilson stated that staff can investigate the matter by identifying which department would be responsible, estimating the cost, and determining whether there are other similar commercial districts in the community. She added that there was a period in Inver Grove Heights when the City sought to place certain types of maintenance responsibilities on others rather than the City, and this situation reflects that approach from the past.

Mayor Dietrich emphasized the importance of this matter, noting that it is in a retail area where the City has been working to attract and has successfully added more retail development.

10. ADJOURN:

Motion to Adjourn at 7:36 p.m. by Scales, second by Murphy.

Ayes: 4

Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Tammy Greenlee