

**INVER GROVE HEIGHTS CITY COUNCIL MEETING
MONDAY, JANUARY 26, 2026 - 6:00 P.M. - 8150 BARBARA AVENUE**

1. CALL TO ORDER:

The City Council of Inver Grove Heights met in regular session on Monday, January 26, 2026, 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, T’Kach, and Gliva (remote)
Staff In Attendance: Interim City Administrator Hiniker, City Clerk Kiernan, City Attorney Nason, Community Development Director Ziemer, Finance Director Hove, Public Works Director Connolly, Parks & Recreation Director Lares, Police Chief Chiodo, Commander Hauglund, Communications Manager Looze, Planning Manager Shay, & Senior Planner Schneider.

3. APPROVAL OF AGENDA:

Motion to approve agenda as amended by Scales; second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

4. PRESENTATIONS: None

5. CONSENT AGENDA:

- A.** Approval of Minutes of the January 5, 2026, City Council Special Meeting
- B.** Approval of Minutes of the January 5, 2026, City Council Regular Meeting
- C.** Approval of Disbursements, **Resolution 2026-013**
- D.** Personnel Actions
- E.** Revised 2026 Planning Commission Meeting Schedule
- F.** Resolution Adopting Annual Update to the City of Inver Grove Heights Emergency Operations Plan, **Resolution 2026-014**
- G.** Approval of Authorization to Negotiate Special Assessment Repayment Agreement, **Resolution 2026-015**
- H.** Resolution Accepting Donations and Sponsorships to the Parks and Recreation Department, **Resolution 2026-016**
- I.** Approval of Joint Powers Agreement With Dakota County For Natural Resources Restoration Within Select Parks
- J.** Approve the Scope of Work and Costs to Complete Due Diligence Items for the Purchase Agreement with Ace in the Hole
- K.** Approve the Amendment to the Fiscal Year 2025 Host Community Grant Application with the Minnesota Department of Employment and Economic Development, **Resolution 2026-017**

Motion to approve Item A - I as presented by Scales, second by T’Kach

Ayes: 5

Nays: 0 Motion carried.

Council Member T’Kach expressed concern about investing approximately \$63,000 in due diligence for the property at this time. She noted the absence of a third-party feasibility analysis or validated

pro forma and stated that information regarding potential State funding will not be known until the conclusion of the legislative session. Without clarity on State assistance or demonstrated fundraising from the project partners, she questioned whether proceeding with soil borings and other due diligence is premature, particularly given the uncertainty as to whether the City will ultimately acquire the property.

Council Member Murphy asked staff for an update on the timing of the soil borings and whether the work could or should be deferred.

Community Development Director Ziemer stated that the timing of the soil borings and related work is tied to the overall scope of the due diligence. He noted that, as discussed at the January 5 work session, the intent is to keep the project moving forward by gathering site specific information and providing the developer with necessary input for building design and planning. He acknowledged the uncertainty related to the legislative funding timeline but explained that delaying the work could create scheduling challenges as the construction season progresses and consultant availability becomes more limited. For these reasons, staff is recommending completing the due diligence at this time.

Council Member Murphy asked for a rough estimate of how long it would take to complete the work.

Director Ziemer stated that survey work typically takes approximately 6 to 8 weeks to complete. He added that soil borings can begin around the same time but may take up to 12 weeks or longer, depending on the availability of crews and equipment.

Council Member Murphy asked whether the information generated from the work would be proprietary to the City and available for future use.

Director Ziemer confirmed that the information would be proprietary to the City for future use.

Motion to deny Item J by T’Kach. Failed for a Second.

Motion to approve Item J by Dietrich, second by Gliva.

Ayes: 4

Nays: 1 (T’Kach) Motion carried.

Council Member T’Kach stated that she is concerned about committing public dollars to a project that may not ultimately proceed. She noted that the City would be contributing approximately \$350,000, along with an estimated \$450,000 in DEED funds, and expressed concern about assembling significant public funding without written confirmation from the private developers regarding their financial commitment. She also raised concern about committing 2026 DEED funds, emphasizing that these remain tax dollars regardless of whether another project is identified, and stated that allocating those funds to this project at this time is premature.

Council Member Gliva asked whether, if the project does not proceed or is delayed, the City would have the opportunity to reassign the DEED funds to another project, as has been done in the past, or whether the current timing would limit that flexibility.

Director Ziemer stated that the Council action is limited to reallocating the grant dollars through an amended application and does not authorize additional expenditures or project work. He noted that no other project has been identified for the funds and that they must be expended by May 30 or be forfeited. He explained that the funds are designated for Inver Grove Heights and tied to the landfill, leaving the City with the option to reallocate the dollars now or relinquish them.

Council Member Gliva sought clarification that approving the reallocation of funds does not authorize immediate spending and asked whether staff would return to the Council for approval prior to any expenditures.

Director Ziemer confirmed that the Council is not being asked to authorize any expenditures at this time.

Motion to approve Item K by Gliva, second by Scales.

Ayes: 4

Nays: 1 (T'Kach) Motion carried.

6. PUBLIC HEARINGS: None

7. REGULAR BUSINESS:

A. Variance from Minimum Accessory Structure Setback Standards for 8313 Delaney Circle, Resolution 2026-018 (Approval and Denial)

Senior Planner Schneider presented a variance request for the property located at 8313 Delaney Circle. The subject property is zoned E-1, Estate and guided for RDR, Rural Density Residential land use. It consists of 2.5 acres and contains an existing single-family home and an accessory structure.

The existing accessory structure is 896 square feet. The applicant is proposing to expand the accessory structure, which prompted a variance request due to a 19-foot encroachment into the side yard setback, resulting in a setback of 31 feet where 50 feet is required. An additional variance request related to the size of the accessory structure was withdrawn. The property is also affected by a powerline easement.

The variance criteria were reviewed as part of the request. The proposal was found to be in harmony with the City Code and Comprehensive Plan and represents a reasonable use of the property. However, the circumstances were determined not to be unique to the property and were considered to be created by the landowner. The request was also found to alter the essential character of the locality. The proposal does not rely on economic considerations alone

The Planning Commission reviewed the request and recommended approval of the variance on an 8-0 vote. The primary reasons cited were that the applicant cannot expand the attached garage and that expanding in other directions would result in significant tree removal impacts. The Commission recommended denial of the size variance request.

The recommended action is for the Council to consider a motion to approve or deny a variance from the minimum side yard setback of 50 feet for an accessory structure exceeding 1,000 square feet to allow a setback of 31 feet.

Council Member Scales stated that he finds the request reasonable and expressed his support.

Council Member Murphy noted that much of the home is located within the 50 ft power line easement and expressed his support.

Motion to approve Resolution No. 2026-018 approving a variance to allow an accessory structure addition 31 feet from the side property line whereas 50 feet is required at 8313 Delaney Circle by Murphy, seconded by Scales.

Ayes: 5

Nays: 0 Motion carried.

B. Discuss Proposed Draft Ordinance Revising the City's Zoning and Subdivision Process.

Planning Manager Shay reviewed proposed Zoning and Subdivision Text Amendments intended to update application processes. The goal of the amendments is to eliminate application material checklists from code, comply with State Statute, make the process easier to understand and more user friendly, eliminate duplicative processes, and move items to an administrative process where there is no discretion.

The amendments address Variances by updating the practical difficulty standard to comply with State Statute. The Determination of Substantially Similar Use is proposed to be removed from code, with similar use determinations instead made by staff. The Northwest Area Environmental Studies Fee is also proposed for removal from code. For Conditional Uses, the amendments change the voting requirement from a supermajority vote of 4/5 to a simple majority vote of 3/5, remove the exemption for the I-2 zoning district, and remove specific environmental review language for CUP's. Interim Use Permits are proposed to match the Conditional Use changes.

Additional changes relate to Site Plan Review, including removing the distinction between minor and major site plan reviews and moving all site plan reviews to an administrative process.

Council Member Scales asked about applicant recourse if an administratively reviewed application is denied and sought assurance that applicants clearly understand their right to appeal to the Council.

Planning Manager Shay stated that if an application is denied, staff would contact the applicant to inform them of the appeals process. He explained that the applicant would have a limited timeframe to file an appeal, which is submitted through the required form and reviewed by the Board of Adjustment and Appeals in accordance with established procedures.

Council Member Scales stated that he wanted to ensure applicants clearly understand the administrative process and that a denial represents one step in the process, with an opportunity for further discussion through available appeals.

Planning Manager Shay stated that a denial in the site plan review process would occur only if the application does not meet applicable code criteria.

Council Member Scales stated that, in such cases, the applicant would need to seek a variance, which the City has the authority to grant.

Planning Manager Shay confirmed that staff typically identifies the need for a variance during the pre-application meeting prior to submission of a site plan review. He explained that if an applicant is not expected to meet code standards, staff would direct them to the variance process. He stated that staff would only deny an application if it failed to meet applicable code criteria, such as setback, impervious surface, or other required standards.

Council Member Scales emphasized that decisions should be based strictly on adopted code requirements and not subjective opinions. He expressed the importance of ensuring applicants understand their rights and have a clear path for discussion and appeal, noting that the process should not prevent applicants from bringing matters forward or slow the review unnecessarily.

Director Ziemer explained that staff typically meets with applicants prior to submission to provide guidance and identify applicable requirements. He stated that administrative site plan review is limited to verifying compliance with minimum code standards such as parking, lighting, setbacks, building height, and materials. Applications that meet these standards are approved, and additional conditions beyond code requirements cannot be imposed. He noted that the administrative process

is intended to streamline review and allow projects to proceed more efficiently, with any required site improvement agreements returning to the Council for approval. If an application does not meet code requirements, staff would identify the need for a variance and guide the applicant through the appropriate process.

Council Member Scales expressed concern about removing Planning Commission oversight and emphasized that decisions must be based strictly on written code requirements, without subjective judgment or deviations from established standards.

Planning Manager Shay confirmed that staff applies the standards exactly as written in the City Code and does not impose requirements beyond those specified.

Council Member T'Kach questioned whether removing Council review would limit the Council's ability to provide input when it disagrees with staff's site plan determination. She noted that while a project may meet all required code standards, there may be opportunities to encourage enhancements that benefit the surrounding neighborhood, and expressed concern that those opportunities could be missed if the Council does not review the application.

City Attorney Nason explained that the proposed approach would remove Council review for certain applications. She stated that if an application meets all required code standards, it may not be subjected to additional requirements or conditions beyond those standards, regardless of whether the review is conducted by staff or the Council. She noted that while this limits Council review, applications that meet all code requirements cannot be denied or modified based on criteria not established in City Code.

Council Member Scales clarified that he is not seeking to add requirements to the process but supports simplifying it for residents. He emphasized the importance of ensuring applicants have a clear path forward and are not left without options following a denial.

Council Member T'Kach clarified that she was not suggesting additional requirements beyond those outlined by the City Attorney, but rather opportunities to incentivize enhancements that benefit the surrounding neighborhood. She noted that while a project may meet all code requirements, Council and Planning Commission review can allow for discussion, flexibility, and community input to encourage site improvements that support long term community interests.

Planning Manager Shay explained that site plan review is not a negotiated approval, unlike a planned unit development. He stated that staff and Council may offer suggestions to enhance a project but cannot require changes beyond adopted code standards. He noted that while enhancements such as additional lighting or design adjustments may be encouraged, applicants who meet all minimum requirements are not obligated to incorporate those suggestions.

Council Member Scales expressed concern that suggestions from staff may be perceived by applicants as mandatory requirements and stated that this issue prompted his concern.

Council Member Murphy stated that the issue is a matter of policy and emphasized the importance of allowing Council the opportunity to discuss potential enhancements with developers, noting that residents often raise concerns directly with Council Members.

Mayor Dietrich noted that similar discussion occurred at the Planning Commission.

The amendments also change financial guarantees for Site Improvement Performance Agreements (SIPA's) from 125% to 100%. Final Planned Unit Developments would no longer require Planning

Commission review before going to City Council. The Waiver of Platting is proposed to be removed from code.

Application review data from 2015 to 2025 shows a total of 581 applications, with 45 applications including a final PUD or Site Plan Review. Of those 45 applications, 14 would still have been seen by the Planning Commission due to associated approvals. A total of 31 applications in the last 10 years would not have been seen by the Planning Commission, including 10 Site Plan Reviews and 21 Final Planned Unit Developments, representing a 5.3% decrease in applications reviewed by the Planning Commission. The Northwest area environmental studies are used to inform the City to prepare for development and do not have a clear nexus to tie to development.

The Planning Commission reviewed the amendments and recommended approval of changes related to Variances, Substantially Similar Uses, the Northwest Area Environmental Studies Fee, and Waiver of Platting. The Commission provided no recommendation on Conditional Use Permits and Site Plan Review and recommended denial of changes related to Interim Use Permits and Final Planned Unit Development.

The recommended action is for the Council to provide direction to staff on the proposed Ordinance amendments, after which staff will prepare an Ordinance for action at a future Council meeting

Council Member T'Kach asked staff to review the existing environmental fee and the proposed changes.

Planning Manager Shay stated that the environmental studies fee applies to development in the northwest area and is currently set at \$80 per gross acre, established in 2004 to recover the cost of environmental studies completed as part of the AUAR. He explained that changes in State law and recent court decisions have clarified the need for a direct nexus between development fees and specific properties. Staff is proposing removal of the fee due to concerns that the studies cannot be directly tied to individual developments and primarily serve as general planning guidance for the City.

Council Member T'Kach asked whether larger developments would still be required to complete site specific environmental studies beyond the AUAR.

Planning Manager Shay explained that additional environmental studies are not required for development within the northwest area because the AUAR has already addressed environmental review for that area. He noted that projects outside the northwest area may require an environmental review, such as an EAW, EIS, or AUAR, depending on the type and intensity of development and applicable State thresholds.

Council Member T'Kach asked whether the developer would be responsible for those environmental review costs.

Planning Manager Shay confirmed that the developer would be responsible for those costs.

Council Member Murphy stated that he generally supported the proposed changes, including revisions to application materials, variances, determinations of substantially similar use, fee removal, and waiver of platting. He asked for clarification regarding the conditional use permit language, specifically questioning how requiring a supermajority vote removes an applicant's expectation of approval and noting that the outcome is the same whether approval is by a 3/5 or 4/5 vote.

Director Ziemer explained that conditional use permits apply to uses that are otherwise allowed but require additional conditions to address potential impacts. He stated that while applicants who meet

all established standards may generally expect approval, requiring a supermajority vote reduces that expectation by raising the approval threshold. He noted that a supermajority requires broader consensus, particularly when fewer Council Members are present, thereby emphasizing that approval is not presumed even when minimum requirements are met.

Council Member Murphy acknowledged the explanation regarding situations with fewer Council Members present but sought further clarification on the practical effect of the supermajority requirement. He questioned whether a legal basis is required to deny an application and asked how the outcome differs between a 3/5 and 4/5 vote if no legal grounds for denial exist.

Director Ziemer stated that if an applicant complies with all applicable standards and conditions in the City Code, a legal basis would be required to deny the request.

Council Member Murphy stated that he supports the initial proposed changes but is not comfortable with revisions related to interim use permits, conditional use permits, site plan review, or final planned unit developments. He emphasized the importance of transparency and Council awareness of projects, noting that residents often communicate concerns directly to Council Members. He characterized the issue as a policy matter and expressed interest in further discussion regarding the supermajority voting thresholds.

Council Member Scales referenced the Planning Commission recommendations and stated that he supported all recommended approvals, as well as the Planning Commission's recommendation for denial where applicable.

Mayor Dietrich clarified that the conditional use permit and site plan review would be denied.

Council Member Murphy stated that he agreed with the same position.

Council Member Gliva stated that she likewise agreed.

Council Member T'Kach stated that she shared similar concerns and emphasized the importance of ensuring applicants understand they can revise a proposal or appeal an administrative denial. She expressed concern that the proposed changes could reduce transparency and public involvement, particularly with respect to interim use permits, conditional use permits, and site plan review. She asked staff to explain how a prior development at 80th Street and Blaine Avenue would have been processed under the proposed rules and how community and neighborhood input may have differed.

Planning Manager Shay stated that the church redevelopment required a Comprehensive Plan amendment, which is not proposed to change under the ordinance. He explained that public input for that project would have remained the same and that the proposed changes would not have altered the review process. He added that items receiving a no recommendation from the Planning Commission would be treated as denials.

Mayor Dietrich stated that she concurred with the direction outlined by the Council.

The Council directed staff to proceed with administrative approval for variances, determinations of substantially similar uses, removal of the northwest area environmental studies fee, and waiver of platting.

The Council denied moving forward with administrative approval for conditional use permits, site plan review, interim use permits, and final planned unit developments.

8. PUBLIC COMMENT

Matt Mills, Agate Trail Matt Mills, Agate Trail, expressed concern that recent federal enforcement activity has created fear among residents and businesses and urged the Council and Mayor to publicly address the issue and support affected community members.

Cassandra Izivera, Upper 71st Street East, expressed concern about fear among residents related to immigration enforcement, noting that some community members are afraid to leave their homes. She acknowledged communication with the Police Chief but expressed concern about the lack of a public response from City leadership and urged the Council and Mayor to address the issue and support affected residents.

Tanner Livesay, 1073 Waterloo Avenue, West St Paul, stated that a community crisis is emerging, citing a rapid increase in mutual aid needs at Emerald Hills Village and attributing the rise to fear, confusion, and isolation among residents. He urged the City to reduce harm by improving clarity and trust and requested three actions: issuing multilingual "know your rights" information, hosting a multilingual tenant rights and safety meeting with trusted partners in a community setting, and establishing a reliable City point of contact for residents to receive accurate information and report concerns.

Mary, Inver Grove Heights resident, expressed agreement with prior comments and commended the Inver Grove Heights Police Department and staff for their leadership and community support despite limited resources.

9. MAYOR AND COUNCIL COMMENTS:

Mayor Dietrich thanked those who addressed the Council and stated that their comments were heard. She noted that she had issued a public statement and proceeded to read it. She emphasized that City police personnel do not participate in federal immigration enforcement and do not have information related to those activities.

The City of Inver Grove Heights is aware of federal law enforcement agents operating within the community. These agents are acting on behalf of the federal government and are not under the direction or control of the City. The Inver Grove Heights Police Department does not participate in federal immigration enforcement and is typically not notified of federal operations.

The City's primary responsibility remains the health, safety, and well-being of all IGH residents. Local law enforcement will continue to focus on local public safety responsibilities, including responding to emergencies and preventing crime. Residents should continue to call 911 in the event of an emergency.

The City will continue to monitor the current situation and share any updates as they are made available. Your safety and well-being remain a top priority. City staff and the City Council appreciate the community's cooperation and partnership in maintaining a safe and respectful environment for all.

Council Member T'Kach thanked those in attendance and emphasized the importance of providing know your rights education and training for residents. She expressed willingness to work with others to support these efforts and noted concerns about ongoing fear affecting public safety, employment, housing stability, and access to necessities.

Council Member Gliva expressed appreciation for the Police Chief and police officers for their work in keeping the community safe.

10.ADJOURN:

Motion to Adjourn at 7:13 p.m. by Murphy, second by Gliva.

Ayes: 5

Nays: 0 Motion carried.

Minutes prepared by Recording Secretary Tammy Greenlee