

CITY OF ALBERT LEA
PLANNING COMMISSION
ADVISORY BOARD
MEETING MINUTES

5/20/14 5:30 pm
City Center - Council Chambers

Members Present

Rick Mummert
John Severtson
Pam Schmidt
Thayne Nordland
Doug Olson
Jon Murray
David Gross
Larry Baker, Ex-Officio

Members Absent-None

Staff in Attendance

Chad Adams, City Manager
Breanne Rothstein, Planner
Jennifer Nelson, Office Assistant

Interested Parties

Clint Jayne, Cohen-Esrey Development Partner
Scot Spates, Administrator St. John's Lutheran Homes

Chairman, Jon Murray called the meeting to order at 5:32 p.m.

Approval of the Agenda

Thayne Nordland made a motion to approve the agenda and Rick Mummert seconded the motion. The agenda was approved unanimously on a voice vote.

Approval of Minutes

A motion was made by John Severtson to approve the minutes from May 6, 2014 and David Gross seconded the motion. The minutes were approved unanimously on a voice vote.

Public Hearing

Staff Report prepared by Breanne Rothstein, Planner WSB & Associates, Inc. becomes part of these minutes by reference.

This public hearing is to consider the Comprehensive Plan consistency of the dispensation of public land located at the Jacobsen Building and Freeborn Bank Building (Lot Nine (9) and the North One-Third (N 1/3) of Lot Ten (10), Block Twenty-Two (22), and the South 22 feet of Lot Ten (10), Block Twenty-Two (22) Original Plat, City of Albert Lea, Freeborn County, Minnesota).

Chad Adams introduced Clint Jayne, Cohen-Esrey Development Partner. Jayne advised the Art Center would serve as an ambassador to take care of the first floor room rentals for parties and receptions. The City would have at least 80 hours annually of use at no charge or more time if needed. It is tax dollars paying for the project and he wants to make sure the public is provided access to the first floor. This is a \$5,000,000 renovation.

Larry Baker asked if the rent would be subsidized. Jayne advised affordable housing is not subsidized housing. Jayne cited Section 42 of the tax code which provides for a credit for investment in certain low-income housing buildings. Affordable housing means rents are income based. Jayne gave a ball park figure of \$34,000 (single family household) \$38,000 (two person household).etc. He figured the rents would be \$540.00 for a two bedroom unit, \$460 for a single. There will be a total of 21 units.

John Severtson asked about the parking situation. Jayne responded there will be a little over one parking stall per bedroom. The coffee shop has a few designated parking stalls.

The first floor space should be flexible and utilized. The Art center has a flexible space and gives the community access to first floor. Larry Baker commented the building has been used by the community and people are used to this space being available for meetings/events. Baker also asked if they had thought about putting some flowers out front to give people some green to look at. Jayne advised landscaping would be in the plan.

Jon Murray asked what plans the firm has to invest in the community being they are from Kansas. Jayne mentioned they are not in the business to be "carpet baggers" and have been involved in a non-profit group called Preserving US which focuses on maintaining the beauty and façade of historic buildings and provides affordable housing to families and seniors. They have been involved in a community garden project. Being there is not the space for this type of project downtown, he would be focused on the community having access to the first floor of the building and having a flexible environment to invite the public in.

Rick Mummert commented he is not sure if the Art Center is the best fit and how long of a contract would Jayne sign with the Art Center and asked if the lease would be \$1.00 per year. Jayne advised the commitment for the tax credits would be to have this used as affordable housing for the first 15 years. They may sign a lease with the Art Center for 3-5 years at \$1.00 a year. If it doesn't work out with the Art Center there would be a "Plan B" in place. Rick Mummert advised a 2 year contract with the Art Center would be his recommendation.

Jayne explained the state of MN has available funds of 12 million dollars, 6 million is allocated for the metro area and the other 6 million is available for greater Minnesota. To maximize a score you can commit to a longer term that 15 years, you can go 20, 25, 30 years. He is going to commit to 15 years, after the 15 year obligation has been satisfied they would have the option to contract out. He feels confident this would end up being a market rate project 15 years from now.

John Severtson asked if families would be welcome. Yes they would be welcome as long as it meets the occupancy code. Severtson commented a family of four would probably be the max. Jayne advised any person/family would be welcome as long as they meet the guidelines. Pets would probably not be allowed.

Doug Olson questioned whether the purchase of the building depended on being awarded the tax credits. Jayne advised not necessarily as they would continue trying for the credits. They will try in June and then January if necessary then again in June until they are able to get them. He would keep trying.

Jayne also stated Albert Lea is positioned well for this award. Albert Lea has a low capture rate number which is really good. The lower the number the better and anything under a 10 is good and Albert Lea is a 4. Albert Lea has not been awarded for 6-7 years. He feels this number is a home run.

Doug Olson asked when they would plan to close and when the ownership would change hands. Jayne said the application is due June 10th and they may find out in September or October. They can't close until they get the okay from Minnesota Housing.

Doug Olson inquired about the tax credits. Jayne advised 70% of tax credits would cover the costs and also historic tax credits would be available for this project. The Bank Building is already registered as an historic building.

Jon Murray, Chairman opened up the public hearing at 6:10 p.m.

No comments.

Jon Murray, Chairman closed the public hearing at 6:10 p.m.

John Severtson asked Chad Adams if the City would continue to own the parking lot. Chad answered yes.

David Gross believes this project is consistent with the Comprehensive Plan and is in support of this project.

Jon Murray is not in support of this project citing *2.4 Support various uses and businesses that are complimentary, that provide a vital function for downtown and that together keep downtown active throughout the entire day, 7 days a week*. Also believes it doesn't meet the policies. Also cited 2.11 of the Comprehensive Plan *Support the inclusion of housing opportunities for all income and age groups*. This would not allow housing to be available for everyone.

Doug Olson is not in support of the project stating this will be a non-revenue project with the Art Center being on the first floor and this would not draw people to the downtown area.

Staff recommends that the Planning Commission find the proposal sale of the Freeborn Bank Building and the Jacobsen building and their intended uses as a mixed use, multi-family housing development consistent with the comprehensive plan, based on the following findings;

- 1) The proposed use supports uses that keep downtown active throughout the day (housing);
- 2) The proposed use supports the inclusion of housing opportunities for all;
- 3) The proposed use retains iconic elements of downtown and historic resources.

A motion was made by David Gross and seconded by Pam Schmidt to recommend approval to the City Council for proposed sale of the Freeborn Bank Building and the Jacobsen building and their intended uses as a mixed use, multi-family housing development consistent with the comprehensive plan. (based on the above findings). Approved on a 5-2 roll call vote.

Old Business-None

New Business:

1. Consider Final Plat for St John's Lutheran Home on the property located generally on the southwest corner of Richway Drive and 740th Avenue.

Staff Report prepared by Breanne Rothstein, Planner WSB & Associates, Inc. becomes part of these minutes by reference.

Breanne Rothstein reviewed the staff report.

Breanne advised the ring road would be a private road. The City will have drainage and access to utilities if necessary.

Scot Spates advised the Watershed approved their easement the other day. The Watershed was given an easement off Lakeview Blvd for dredging equipment. The Country Club road doesn't exist; it was on a preliminary plat that was never recorded. The utilities are a public improvement project and will come in from the west.

Scot Spates advised they have obtained permission to work around the eagle's nest, this area will be roped off.

Staff is recommending that the Planning commission recommend approval of the final plat, subject to the following contingencies:

- 1) The submittal of a revised plan set, prior to review by the City Council, that indicates the following changes:
 - a. Final designs for the street construction and utility installation of Crescent Drive for review and approval by the city Engineer;
 - b. Final designs for the sewer and water construction of the off-site improvements for review and approval by the city engineer;
 - c. Final design and drainage calculations for the storm water management system (and all ponds and conveyances shown in drainage and utility easements);
 - d. Final design indicating construction of at a minimum a gravel access road connecting the terminus of the proposed cul-de-sacs to provide adequate emergency access;
 - e. Relocation of hydrants, as outlined in the staff report;
 - f. A dedication page that dedicates all drainage and utility easements, as indicated on the final plat;
 - g. A revised easement exhibit and final plat sheet that indicates a drainage and utility easements all over Lot 4 and Outlot A;
 - h. A revised final plat sheet showing the lot sizes for each lot;
 - i. A trail easement document for any trail proposed as public (subject to the recommendation of the Parks Commission);
 - j. A street easement document for Crescent Drive, signed by the property owner and for the ring road, signed by the Applicant;
 - k. A revised site plan that shows the building location in relation to the lot line. It is against building code to allow a building to extend across a property line. While there is flexibility from setbacks in a development zoned PD, it is unclear how building code will apply.

- 2) Legal documents conveying all public street and trail easements (where Applicable in the subdivision).

A motion was made by Doug Olson and seconded by Rick Mummert to recommend approval of the final plat for St. John's Lutheran Home on the property located generally on the southwest corner of Richway Drive and 740th Avenue subject to the above contingencies. Approved on a 7-0 roll call vote.

2. Discuss Draft Redevelopment Plan

Staff Report prepared by Breanne Rothstein, Planner WSB & Associates, Inc. becomes part of these minutes by reference.

The redevelopment map would be a strategic plan to take on foreclosed properties. Although the City would not facilitate. The City would work with ALEDA, HRA and other stakeholders to develop this map and bring back a draft plan. The City would have this map available to provide to a developer to attempt to start a conversation regarding identifying areas for potential redevelopment.

Breanne reviewed the nine areas that staff had identified so far.

Comments included;

IV. East Main Street- Rail line?

V. Eberhart Street Look at properties as businesses close and want to sell

VI. Bridge Ave-Road expansion

VII. South Broadway - Home adjacent to industrial tend to lose value and there are foreclosures in the area.

VIII. Blazing Star Site - Comprehensive Plan shows would like to see mixed use and public uses in this area including public/private partnership.

IX. I-35 Gateway - Pizza Hut is a recent example of a business closing in this area in need of redevelopment. If these areas can be identified grant funding may be available to help repurpose buildings. This may make the areas more inciting to if there was grant money available to apply for.

John Severtson though it would be a good idea to add flood plain to the identified areas.

David Gross mentioned adding the old Walmart building that has been sitting empty for several years.

Rick Mummert brought up the ideas of prioritizing the areas and ranking them all. He believes South Broadway should be priority.

Larry brought up the Broadway-Ridge grant renewal, he has had citizens approach him about having similar grants available to businesses located on South Broadway.

Larry Baker brought up Fountain Street. The Mayo Clinic owns lakefront property and is concerned they may want to use this property at a parking lot. Jon Murray brought up the possibility of Mayo gifting the Leland house back to the City, especially if they go ahead with the Fountain Centers project.

Doug Olson would like to highlight waterfront areas and asked about railroad funds and brought up the trail from Blazing Star landing to Hartland. May be a good idea to add trail corridor to the map.

Larry Baker also commented on the area of Clark St, there could be a trail where the old railroad tracks went through between Clark St W and Fountain (parallel with Ermina). He though a restaurant on Clark St would be a good idea in this area.

Commissioner Communications:-None

Staff Communications -

Adjournment -The meeting was adjourned at 7:03 p.m. on May 20, 2014 motion by Thayne Nordland and seconded by Rick Mummert.

Respectfully submitted,



Breanne Rothstein, Planner

Approved:



Thayne Nordland
Planning Commission Secretary