

**CITY OF EAGLE LAKE**  
**February 28, 2022**  
**PLANNING COMMISSION MEETING**

**Call to Order**

- Meeting was called to order at 6:02 p.m. by Chairman Talle.  
Present: Chairman Talle, Commissioners Beckel, Hughes, and Scheurer.  
Absent: Commissioners Norton, Rose, McCarty, and Miller.  
Staff Present: City Administrator Bromeland and Administrative Clerk Mandy Auringer.  
Others Present: Mark Venem, Ken Reichel, Gary Hansen, Mary Hess, Logan Diaz, Beth Rohrich, Troy Schrom, Justin Bauer, Amanda Bruender, Jason Hammond, and Cody and Madeline Eckhardt.

**Approval of Agenda**

- Commissioner Beckel moved, seconded by Commissioner Hughes to approve the agenda. A roll call was taken with all in favor. Motion carried.

**Approval of Minutes**

- Commissioner Beckel moved, seconded by Commissioner Scheurer to approve the Planning Commission meeting minutes from January 24, 2022. A roll call vote was taken with all in favor. Motion carried.

**New Business**

1. Prospective Housing Development and Creation of TIF District for R12.10.18.400.013.

- Administrator Bromeland gave the Planning Commission background on a prospective housing development. Troy Schrom with Schrom Construction is proposing a 104-unit multi-family housing project in Eagle Lake. The proposed project would include parcel R12.10.18.400.013 (38.70 acres of ag land located within Eagle Lake city limits). Included with the overall proposed housing development would be parcel R39.10.18.400.005 (40 acres of ag land located in LeRay Township). The part of the development for which TIF would be sought is currently located entirely within city limits. Phase 1 would include 56 units – (28) 3-bedroom units and (28) 2-bedroom units. Phase 2 would consist of 48 units – (24) 3-bedroom units and (24) 2-bedroom units. See attached site and building layout for an illustration. Shannon Sweeney, a professional

tax increment financing (TIF) consultant with David Drown Associates, is assisting the City with the TIF process. A public hearing for the purpose of approving a new TIF District and subsidy plan will take place at the April 5<sup>th</sup> City Council meeting. At the March 21<sup>st</sup> Planning Commission meeting, a resolution will be included with the meeting packet requiring a finding by the Planning Commission that the TIF District/Development District is consistent with the development goals of the City and plans for future growth. The TIF project assumes that Phase 1 would be mostly constructed in 2023 which would generate the first tax increment in 2025; Phase 2 would be mostly constructed in 2025 which would add to the increment generated in 2027; the project would assume a tax capacity rate for a market rate project; and the actual duration for a potential subsidy would likely be less than the full duration provided for in statute. The developer would be required to make units available to people of specific income levels if TIF were provided – 20% of units made available to families at 50% of the area median income or 40% of the units made available to families at 60% of the area median income. Mr. Schrom has indicated that the proposed development will not occur but-for the use of TIF. TIF is a method of stimulating economic development. It uses additional property taxes paid as a result of the new development to pay for development. As the property increases because of the new development, the increases above the original tax capacity are captured. The taxes paid on the captured value are called increments. The result of a TIF project is an increased tax base that benefits all local taxing jurisdictions.

- Troy Schrom stated while at the last council meeting they talked about connectivity with sidewalks, roads and water looping being part of Phase 1. He shared that the single family and twin homes would be slab on grade 1 level homes. They would be sold to individuals and would not be rentals. These homes would be in an association with a professional management company supplying maintenance.
- Chairman Talle asked if all roads would be completed in Phase 1. Mr Schrom stated only the roads in Phase 1 would be completed first.
- Commissioner McCarty was absent but sent an inquiry of verifying environmental reviews. Administrator Bromeland stated that an EAW may be mandatory based on the number of units and that both the developer and Bolton and Menk were looking into thresholds triggering environmental review.
- Commissioner Hughes asked Mr. Schrom if he has used TIF in other communities. Mr. Schrom stated he has used TIF in Freeborn, Scott, and Dodge counties in multiple cities. Administrator Bromeland stated she has reached out to a few of the cities that Mr. Schrom has other completed projects in. It was noted that Mr. Schrom could ask for up to 26 years but was only asking for a term of 13 years. Commissioner Hughes asked if the city currently has any TIF projects. Administrator Bromeland indicated there is currently a TIF project in Eagle Lake for which increments are paid. It was noted that an applicant for TIF must provide financials and has to go through a review by the TIF consultants to prove but for TIF the project would not be possible.
- Administrator Bromeland asked Mr. Schrom to review his proposed timeline. Mr. Schrom stated he would like to hit the ground running with a wetland delineation by the end of April for a clarification on any wetlands, submit a concept plan, pre-plat, and final plat.

## 2. Preliminary Concept Plan and Overview of Rezoning and Platting Needed for R.12.10.18.18.022.

- Administrator Bromeland gave an overview of a proposed project at 404 South Agency St. Justin Bauer, owner of 404 S. Agency Street, would like to subdivide his parcel and create separate lots for duplexes. The parcel is currently zoned B-1. Mr. Bauer has engaged Bolton and Menk to assist with the concept design, rezoning, and platting process. Dwellings cannot be constructed on the property with it being zoned B-1.
- Mr. Bauer stated he has Bolton and Menk helping with the rezoning. It has been zoned B-1 for as long as he can remember and thinks it will be good to rezone it to R-2 to fit into the neighborhood better. He stated he would like to divide the lot into 3 separate lots. The twin homes he is proposing will be single level. One will face South Agency Street and two will face Linda Drive. He has changed the current plans to reduce the size and eliminate 6 feet. Bolton and Menk will be coming up with the concept plan. These homes will be rented out.
- Commissioner Hughes asked what the properties around it zoned. Administrator Bromeland stated the property is surrounded by residential and passed around a zoning map showing areas where R-2 is zoned. If Mr. Bauer's property would be zoned R-1 he would need to obtain a conditional use permit. Commissioner Scheuer stated there is another R-2 on the block on the northwest corner.

## 3. Review Proposed Placement of New Building and Code Requirements for R12.09.12.479.001.

1. Administrator Bromeland gave background on a proposed new building. Chad Ragan, owner of the parcel, is proposing to put up a 6,000 square foot commercial building to house his wrap and detail-oriented decal business. Mr. Ragan indicated that there will not be any noise or fumes or exterior storage and that the printing that he would do at his business is eco-solvent and eco-friendly. Mr. Ragan was asked to attend tonight's meeting to discuss his plans with the Planning Commission as it relates to use of the parcel, proposed layout of the building and alignment with the neighboring building (the front of the building proposed to face CSAH 56 versus Parkway Avenue), height of building next to the Eagle Lake Center building, exterior wall finish on the side of building facing Parkway Avenue, etc. Mr. Ragan would be responsible for obtaining any necessary right of way permits to extend utilities to the property. Per an inquiry to Blue Earth County, access would not be allowed off Parkway Avenue and instead access would be off CSAH 56.
- There was discussion about brick face on the front, height of the building, parking, and maximum lot coverage. Administrator Bromeland stated she thought the building was 18 feet at the sidewalls and that Mr. Ragan would only want to do brick face on the front facing 598<sup>th</sup> Ave. She stated that in a commercial district, the property could not exceed 75% lot coverage and the building would only cover 30%. Chairman Talle asked if the coverage amount included the parking lot.

- Chairman Talle asked to look into if Mr. Ragan would be required to put in a sidewalk being it's a new development or if that was for residential developments only.

### **Other**

1. **Building and Zoning Permit Activity:** Permit activity was presented for the months of January and February.
  2. **Chapter 6 Update and Next Steps.** We will take a pause this month and resume in the coming month or two. Given the level of activity related to planning and zoning, City staff has not had sufficient time to devote to completing legwork needed to be able to bring back to the Planning Commission for continued review. Administrator Bromeland reached out to the MN Valley Council of Governments to ask that they help facilitate the process as part of the current agreement with the city. It was noted that this would not result in any additional cost to the city.
  3. **Motorsports Park Project and Supplemental EAW.** Bradford Development will be presenting a supplemental EAW for the Mankato Motorsports Park Project. Administrator Bromeland explained that the appeals process required a new determination on the need for an EIS on specific environmental items and to use substantial evidence to determine whether the project would have potential for significant effects on wildlife and address agency and county concerns about the potential for cumulative effects from greenhouse gas emissions.
- The next regular scheduled Planning Commission meeting is March 21, 2022, at 6:00 p.m. in City Hall Council Chambers, 705 Parkway Avenue.

### **Adjournment**

- Commissioner Scheurer moved, seconded by Commissioner Hughes to adjourn. A roll call vote was taken with all voting in favor. Meeting adjourned at 7:06 p.m.

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**Trent Talle, Chairman**

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**Mandy Auringer, Administrative Clerk**