

**CITY OF HANOVER
ECONOMIC DEVELOPMENT AUTHORITY MEETING
OCTOBER 14, 2021**

Call to Order

Chair Bartels called the regular EDA meeting of October 14, 2021 to order at 8:03 a.m. Present were members Todd Bartels, Jessica Johnson, Tony Ross, Brian Dismang, Ken Warpula, MaryAnn Hallstein and Ted Zrust. Also present were City Administrator Brian Hagen, Interim City Administrator Jennifer Nash and City Planner Cindy Nash.

Approval of Agenda for October 14, 2021

MOTION by Hallstein to approve agenda, seconded by Warpula. **Motion carried unanimously.**

Approval of Minutes from July 15, 2021 Regular Meeting

The minutes of the July 15, 2021 regular meeting were **approved as presented by unanimous consent.**

Approval of Accounts Payable and Financial Reports

Johnson noted two expenses from this report for the Wright County Economic Development Partnership Golf Event and the EDA Social.

MOTION by Johnson to approve the Accounts Payable and Financial Reports as presented, seconded by Dismang. **Motion carried unanimously.**

Citizen's Forum

None

Unfinished Business

None

New Business

a. Parking Regulations

Hagen noted that members of the EDA expressed interest in providing input to the Planning Commission on parking regulations for businesses. Planner Nash reviewed current ordinances and noted the bulk of the rules date back to 2007 when a larger update was completed.

EDA members discussed three restaurant locations within the community that currently are looking at updating site plans. Two of the restaurants added additional outdoor seating space during COVID restrictions under temporary patio agreements. With the Emergency Declaration from the State of Minnesota recently having expired, the City is working with these businesses to review site plans for both the outdoor expansions and proposed building expansions. These expansions require additional parking, bathroom improvements and payment of sewer and water access charges under City Code, building code and joint powers regulations. The third restaurant has been closed for some time but owners have noted their desire to make improvements to the property and open a business at the site location. Planner Nash stated that any proposed changes to the parking regulations would affect similar businesses under the City Code.

Ross expressed concerns with trying to predict parking needs for businesses. Bartels noted a need to plan for anticipated conditions through some reasonable regulation in order to avoid problems and burdens for others. Bartels also stated he believes Hanover is more lenient in parking requirements than most cities.

Planner Nash explained that regulations are written to attempt to balance individual benefits and public good, and Hanover's code is written so businesses provide for their parking needs instead of the public providing this resource. Existing conditions of non-conforming parking counts for businesses can remain as they were at the time of rule adoption until a change prompts need to review. In the case of the two operating restaurants, those changes prompting review were expansion of outdoor seating and proposal of additions onto the buildings. If a business is not able to meet a regulation within the zoning code such as the parking requirements, the business could apply for variance if they believe there are unique circumstances that would warrant variance approval. This application would be reviewed by the Planning Commission. Sometimes a change to the zoning code may be more appropriate if the rule change is proposed for similar types of businesses and there are not unique circumstances warranting variance.

Hallstein recommended a joint discussion could take place with EDA, Planning Commission and the City Council regarding parking regulations. In the meantime, EDA members could provide their input to Planning Commission on applying the reasonable standards in place to businesses seeking approvals of expansion plans.

Chad Brink of Big Bore noted that current parking regulations measure required parking spaces by seats available for dining. He suggested a calculation based on square footage may be more appropriate because seating layouts can be changed quickly and fluctuate. He also summarized Big Bore's actions to acquire adjacent property in order to provide additional parking and suggested rules for providing parking should be applied consistently for similar businesses such as the two restaurants currently proposing expansions. He also noted his desire to work with the City on timing of proposed parking improvements to prevent destruction of these improvements with the County 19 highway coming soon.

Bartels noted that the Planning Commission and City Council ultimately make decisions on the parking rules. A result of this EDA discussion would be providing input to those groups on the current questions relating to the restaurant expansion proposals, and the groups may also consider taking a broader look at the City's parking regulations as a whole. He suggested that each member give their opinions on restaurant parking as a member of the EDA to then be forwarded to the Planning Commission and City Council for further consideration.

Ross stated he believes regulations should be as unburdensome as possible and that River Inn should be allowed to move forward with expansion and solve any future parking concern that may arise later. He also suggested staff look into other pavement surfacing options to be considered as parking regulations are reviewed.

Warpula referred to a public parking lot that was installed by the City recently in order to help address safety issues. He also noted that River Inn has reduced their on-site parking availability with the patio use and addition plans would make non-compliance larger than it was. He believes the business should replace the stalls removed. He also suggested the City should work with Big Bore on the timing of their planned parking improvements to provide reasonable accommodations due to the upcoming road project.

Dismang noted that, although bathroom improvements are more important in his mind than additional parking installation, a business should at least replace parking stalls they plan to remove rather than bringing the business further away from meeting the parking rules.

Zrust noted that the EDA has programs available to assist businesses who are looking to expand. Hanover is not unique in having parking requirements for businesses. For businesses not meeting the required number of stalls, they should at least replace stalls they plan to remove when proposing a business expansion.

Johnson noted her agreement with comments made by Zrust and stated priority should be placed on equity of application of rules to similar businesses.

Hallstein noted she has been keeping the lines of communication open with businesses as the temporary patio agreements have expired and as expansions are being considered. Rules need to be equitable and updates need be made to bring properties further in compliance with rules as those properties look at expanding operations. The City can work to find options for businesses, but all businesses need to take steps forward. Hallstein suggested the City Attorney and Planner can help to form agreements on plans for progress and formalize expectations within those agreements.

Planner Nash stated she would bring review of parking regulations in front of the Planning Commission as a topic of conversation at a future meeting to include surfacing rules. The City Engineer would also provide input. Hagen noted staff can let EDA members know when Planning Commission is scheduled to have this discussion. Bartels noted he likes the idea of a joint workshop if possible.

b. 2022 Budget and Levy

Hagen presented the proposed 2022 final budget and levy. The levy is proposed again at \$49,000.

MOTION by Johnson to approve the budget and levy as presented, seconded by Dismang. **Motion carried unanimously.**

c. 2021 Year End Transfer

Hagen noted available operating funds that could be transferred to the business incentive fund. He suggested \$80,000 would be an appropriate transfer if the EDA agreed.

MOTION by Dismang to transfer \$80,000 of operating funds to the business incentive fund, seconded by Warpula. **Motion carried unanimously.**

EDA Board and Staff Reports

Ross

- His business may be looking at an expansion.

Hagen

- Noted his resignation to take a position with the City of Ramsey and thanked the EDA for working with him over the years.

Planner Nash

- 2021 has been a record year for new home permits. Additional development proposals are also in the works.

Interim Administrator Nash

- Noted Council's recent appointment of her to this position. She spent the past 6 years managing development for the City of Buffalo and was City Administrator for the City of Howard Lake prior to that. Looking forward to serving the City of Hanover.

Hallstein

- Spoke about upcoming Concerts in the Park events.

Adjournment

MOTION by Warpula to adjourn at 9:55 a.m., seconded by Hallstein. **Motion carried unanimously.**

ATTEST:

Jennifer Nash, Interim City Administrator