

OWATONNA PLANNING COMMISSION MINUTES FOR AUGUST 13, 2024

The Owatonna Planning Commission met in regular session at 5:00 p.m. in the Owatonna Arts Center at West Hills with Vice Chairperson Rachel Springer-Gasner conducting the meeting. Present at roll call were Commissioners Mark Meier, Rachel Springer-Gasner, John Eickhoff, Nick Peake, and David Effertz. Commissioners Kelly Rooks and Mark Wilson were absent. Community Development Manager Greg Kruschke, Planning Specialist Ashley Zidon, and Administrative Technician Kristen Kopp were also present.

A motion was made by Effertz and seconded by Meier to approve the minutes of the regular meeting of July 9, 2024. All Commissioners voting Aye, the motion carried.

Application No. RZ-8, by Jolayne Mohs, on behalf of Owatonna Hope Center, Inc., a request for a zone change from B-2, Community Business District, to PUD, Planned Unit Development, for the purposes of opening a multi-use facility including shelters, clinics, offices, and other spaces for the property located at 134 Southview Street SW, was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) Public hearing opened at 5:07 pm. John Oberstein, 1013 Cedar Avenue South, said that he lives in the first house south of the Mayo Clinic ambulance services on the same side of the road. He said that he's not against this project at all—it's something that is needed in this community and he commended Jolayne on taking this responsibility on. He said he had a couple of things he'd like to comment on. First, Block 1, Lot 1 is the parking lot. There is nothing mention in the zoning for a change to the parking lot. He said it looks like it would be wide open for a multi-level apartment building. He said he doesn't want that in their neighborhood and doesn't feel it would fit in their neighborhood. He said he'd be totally against that. Second, he is wondering, because this is a nonprofit organization, whether this property will be tax exempt from property taxes payable to the City of Owatonna. He's gotten two or three different answers on that and would like clarification. Jolayne Mohs said they had a neighborhood meeting last week. Overall, it went well. Neighbors had typical and realistic concerns and questions about how it will be run and organized. John Oberstein added that Jolayne handled that meeting very well. Public hearing closed at 5:11 pm. Kruschke said, starting with the first comment regarding the parking lot, the next request it to plat this into one lot. What the Planned Unit Development (PUD) zoning does is allow for this nonprofit use. Anything else outside of that use—apartment, addition, gas station, etc.—would require that to come back through this process as an amendment. This PUD allows for this conglomeration of uses but makes it more difficult to change things long term. As far as the tax situation, this middle area was a portion of the Fareway Tax Increment Financing (TIF) district. When the old hospital was demolished, there were incentives given by the City, and a portion was given to Mayo Clinic. As part of this transfer of this property to the Hope Center group, Mayo Clinic rescinded the TIF and put everything back on the tax rolls knowing that when this comes forward, it would be a nonprofit group. The intent is that there would be no taxes generated on this property, thus the TIF wouldn't be able to work. The City Council approved the transfer of property about six months ago. Eickhoff asked if any of the uses that, had they been separate, wouldn't have been allowed. Kruschke said shelter uses in a business district are difficult as they are essentially dormitories with shared kitchen and bath facilities. Those were a little difficult with the ordinance. There were some things legislatively that were happening in the session that would have exempted shelters in business districts, but that wasn't included in any of the bills that went forward. We still have the clinic and warehouse uses that are more difficult to blend in. This unique combination of uses, although it works in this situation, is difficult with our ordinances. This PUD solves all of that. Eickhoff said that he appreciates reusing old buildings. A motion was made by Eickhoff and seconded by Effertz to recommend City Council approval of the rezoning property from B-2, Community Business District, to PUD, Planned Unit Development, for the purposes of providing a multi-use facility including shelters, clinics, offices, and other

spaces for the property located at 134 Southview Street SW. All Commissioners voting Aye, the motion carried.

Preliminary Plat of Oak Hill Addition, which is a 2.05± acre tract of land requested to be rezoned PUD by Jolayne Mohs / Owatonna Hope Center Inc. and located at 134 Southview Street SW, was presented by Community Development Manager Greg Kruschke. (Refer to report on file.) Public hearing opened at 5:19 pm. No comments were made regarding this request. Public hearing closed at 5:20 pm. A motion was made by Meier and seconded by Peake to recommend City Council approval of this preliminary plat of Oak Hill Addition with the following conditions:

- 1) The final plat shall be approved within one year of the date of approval of the preliminary plat.
- 2) The title opinion shall be approved by the City Attorney prior to recording of the final plat.
- 3) The easement OPU has requested shall be designated on the final plat.

All Commissioners voting Aye, the motion carried.

Community Development Manager Greg Kruschke said that the Vine Street Parking Lot will be on the agenda for the August 27 meeting. They will probably be making a formal recommendation on what the hour designation should be with that project.

Kruschke said that they will be talking about implementation steps for the Comprehensive Plan at the August 27 meeting. There is a notice going out, probably Friday, for the 30-day notice to comment on the Comp Plan for a September 24 public hearing at Planning Commission. It will go to Council on October 16 for adoption.

A motion was made by Meier to adjourn and seconded by Effertz at 5:21 p.m. All Commissioners voting Aye, the motion carried.

Respectfully Submitted,

Greg Kruschke
Community Development Manager