

Minutes
of the
Regular Meeting Of
DETROIT LAKES DEVELOPMENT AUTHORITY
Tuesday, April 17th, 2007
4:30 PM
Conference Room
City Administration Building

MEMBERS PRESENT: Jim Anderson, Dixie Johnson, Matt Brenk, Mark Hagen, Greg Hildenbrand, Tom Klyve, Mary Beth Gilsdorf

MEMBERS ABSENT: None

OTHERS PRESENT: Larry Remmen, Community Development Director, Nancy Wichmann, Richard Grabow, Bob Bristlin, John Iverson, Walt Tollefson, James Hannon, Curt Punt, Roger Moltzan, Residents Of Tower Road Area

I. Call To Order:

Chairman Jim Anderson called the meeting of the Detroit Lakes Development Authority to order at 4:30 PM in the Conference Room of the City Administration Building, 1025 Roosevelt Avenue on Tuesday, April 17th, 2007. All members of the Authority have been duly notified of the meeting and the business to be transacted.

II. Minutes:

A motion was made by Dixie Johnson, seconded by Commissioner Matt Brenk and carried unanimously to approve the minutes of the regular meeting held April 3, 2007 as presented.

III. Financials:

A. A motion was made by Commissioner Mark Hagen, seconded by Commissioner Matt Brenk and carried to approve the financial report and payment of claims for the period ending March 31, 2007

IV. Old Business:

A. Discuss Tower Road Industrial Park Plat & Zoning Issues

Larry Remmen briefly reviewed the history of the Tower Road Industrial Park Plat, the former Ray J. Anderson property. One hundred and forty five acres were purchased by the Development Authority in 1999. The primary intended use for the property was for industrial park expansion with consideration to other uses. In 2004, the property was used for the City's leaf dump and a lot was given to the Humane Society for construction of their facility. A small portion of the property was sold to Don Lefebvre. Becker County denied the request for rezoning. The property was annexed into the City in 2006 through a public hearing with notification of the abutting land owners. The property is currently zoned I-2 Heavy Industrial.

Chairman Jim Anderson informed the attendees that the Development Authority will make a recommendation to the Planning Commission, which meets on Tuesday, May 1st at 7:00. The Planning Commission will then make their recommendation to the City Council which meets on May 8th at 5:00.

Chairman Anderson opened the floor for questions and comments:

Sarah Fritz, proxy for Charles Fritz, 18244 Park Drive, read a letter to the Development Authority (attached)

Fritz would like the Authority to reconsider heavy industrial zoning to light industrial.

Barbara Schmitz, 26324 North Tower Road. "The Industrial Park will highly impact the quality of life in a negative way, decrease property value, and does not support paying for industrial park with property assessments. She is concerned with a buffer.

Jim Schmitz 26394 North Tower Road

Mr. Schmitz is concerned with the proposed 9 ton road. "How much property will be torn up with road construction? How are the DNR issues handled putting a road through a wetland?"

Chairman Jim Anderson stated that at the April 10, 2007 City Council Meeting, the Council did adopt a plan presented by City Engineer, Gary Nansen. Mr. Nansen will be the person to answer the questions regarding the 9 ton road.

Larry Remmen reported that there has been discussion about zoning the six lots south of Tower Road multi-family or light industrial.

Christy Bellefeuille, County Road 131

Commented how the beautification of the neighborhood would be affected by an Industrial Park next to residential homes.

Bob Bristlin, developer of property that borders the North Industrial Park, feels the proposed site for the Tower Road Industrial Park is a good site if the plat is done right, referencing buffer zones. Bristlin feels Tower Road needs to have improvements.

LeRoy Baumgart, area resident, is concerned with the construction of the road.

Barbara Schmit is not opposed to City sewer and water, or paying for sewer and water, but does not want smell, hear or see an industrial park development and pay for it in assessments. She has concerns with the affect of the quality of life and property value.

An area resident questioned the location of the Industrial Park. Why was it located there? Larry Remmen read from the City's Comprehensive Plan that the use of the proposed park area was not determined in the plan, and was not specific in defining that area's use. The Development Authority, after searching for a spot for industrial development, felt this area could be used and the impact on residents would be relatively small in comparison to other areas considered by the City of Detroit Lakes.

Larry Remmen reported the Development Authority has purchased 20 acres from Gerald Cleveland and is in the process of negotiating to purchase more property for future development.

An area resident from 19211 Tower Road City Rd 131 was concerned with widening of Tower road and infringing on people's property. Chairman Anderson responded to the question that there is 66' right of way to allow widening.

Bob Bristlin commented that the Detroit Lakes North Industrial Park has been developed nicely and the City has done a good job on the design and construction of the park. He has not heard any complaints about the existing park. If the Tower Road Industrial Park is done as well, Bristlin thought there should be little affect on the area residents.

Larry Remmen was asked the difference between "I-1" Light Industrial and "I-2" Heavy Industrial. He reported that light industrial provides the establishment of ware-housing and businesses that are similar to what is currently located in the DL North Industrial Park. "I-2" Heavy Industrial provides establishment of heavy industrial and manufacturing development and use which, because of the nature of the product or character of activity, requires greater isolation. Heavy Industrial is larger manufacturers generally has more noise than light industrial and includes auto assembly and foundries.

An area resident would like to see the plat zoned "I-1" Light Industrial or "R-3" Multi-family and not "I-2".

Rick Haverkamp, Willow Springs, requested an example of heavy industrial industry in Detroit Lakes. Larry Remmen reported that Team Industries on Richwood Road is considered heavy industrial. Haverkamp reported there are electrical motors that are being run throughout the night from the current Detroit Lakes North Industrial Park, which is an impact on the neighborhood.

Chairman Anderson closed the hearing and discussion of the Tower Road Industrial Park plat.

Larry Remmen read a portion of the land use planning section of the Comprehensive Plan area specifically where Mud Lake is located: "This area encompasses Mud Lake and the City is the landowner in the northwest corner of this section. The land use plan has programmed all residential uses, but as growth of the City moves to the north, other uses may be programmed. The actual land use for this area has been undetermined at this time.

Commissioner Tom Klyve asked the area residents what they would like to see along Tower Road, "R-3" or "I-1"?

Commissioner Matt Brenk reported that at the last Development Authority meeting the Commissioners discussed making the area north of the plat, (the row of lots south of Tower Road) to be treated differently than the other remaining portion of the property, and include in this area such things as buffers, plantings of trees, or restrict the development to professional office buildings. Larry Remmen responded that currently this area on the plat is being proposed to include a 20' buffer strip. Public Utilities has planned around their electrical warehouse complex, a mound with large trees on top as a buffer, and suggests doing something similar to that area.

Bob Bristlin, as a local resident would prefer "I-1" versus "R-3".

Larry Remmen reported that there could be deed restrictions on the first tier of lots placing height restrictions on construction, which would soften the look of the development to adjacent landowners.

A motion was made by Commissioner Tom Klyve, seconded by Commissioner Matt Brenk and carried unanimously to make a recommendation to the Planning Commission that the Tower Road Industrial Park be zoned "I-1" Light Industrial, and the park be screened with a berm with tree plantings, and deed restrictions be placed on the adjacent lots to Tower Road (Lots 1, 2 & 3, Block One and Lots 1, 2, & 3, Block Two) and proceed with approval of the plat as proposed.

B. Other: None

V. New Business:

A. Consideration to the transferring ownership of tax increment District 8-15, PRH Investments to Fercho Development Company and amending the completion date in the Development Agreement to December 31, 2008

Larry Remmen reported that he received a request from Bob Bristlin and Fercho Development to transfer ownership of Tax Increment Financing District 8-15, Pelican River Heights, to Fercho Development Company. The district is a pay as

you go \$240,000 TIF district to construct 24 housing units. The initial plan was for owner/occupied units with completion of the 13 units by the end of 2007. The rest of the construction would take place by the end of 2008. The new owner is requesting that all of the units be completed by December 31st of 2008, along with the name change of the district in the Development Agreement.

John Iverson, Fercho Development, reported they plan on starting construction in mid-summer/early September. Additional land has been purchased by Fercho Development Co to allow total project construction to be 24 one two and three bedroom units.

A motion was made by Commissioner Matt Brenk, seconded by Commissioner Dixie Johnson and carried unanimously to approve the request to transfer Pelican River Heights Tax Increment District 8-15 to Fercho Development Company with an amendment to the Developer's Agreement that the final project completion date to be December 31, 2008.

C. Other:

Larry Remmen reported that on April 12th he attended the Becker County EDA meeting. They are working with CMH, a company that produces a fuel additive that reduces fuel emissions. The business plans to locate is in the former SJ Electro Systems facility. The City Council has passed a resolution to swap JOBZ land for this project. The project is proposing sales of 12 million per year.

The Authority agreed to repair the Detroit Lakes airport sign and Larry Remmen will obtain two outside quotes for the repair.

There will be no meeting on Tuesday, May 1st.

VI. Adjournment

There being no further business to bring before the Board, the meeting was adjourned.

Signed

Larry Remmen
Community Development Director