

**WILLMAR PLANNING COMMISSION
CITY OF WILLMAR, MN
WEDNESDAY, NOVEMBER 4, 2020**

MINUTES

1. The Willmar Planning Commission met on Wednesday, November 4, 2020, at 7:00 p.m. virtually via GoTo Meeting.

**** Members Present:** Christina Nelson, Steve Gardner, Jeff Kimpling, Cletus Frank, Jonathan Marchand, and Stephanie Carlson.

**** Members Absent:** Khalif Ahmed Bashir, Rolf Standfuss, and Terry Sieck

**** Others Present:** Cecil Meyer – Willmar, MN, Sarah Swedburg – Planner, David Ramstad – Director of Planning & Development, Alex Rau – Planning & Development Intern, Robert Scott – City Attorney

2. MINUTES: Mr. Frank recommended an amendment to item 4, paragraph 5, amending 8% AMI to 80% AMI. Minutes of the October 21, 2020 meetings were approved with amendment.

3. MEYER'S ADDITION MINOR SUBDIVISION – FILE NO 20-02: Staff presented the minor subdivision on behalf of Cecil Meyer of Willmar for the subdivision of property described as follows: Lot 13 & 14 excluding the S 20' of E 50' of Lot 13, Block 52, Original Townsite of Willmar (611 & 615 Becker Ave SW), AND Lot 1 and N 30' of Lot 2, Block 52, Original Townsite of Willmar (402 6th St SW). This subdivision was approved by the Planning Commission in 2012. However, the plat was never recorded with Kandiyohi County & the Commission approval is no longer valid. Since 2012, the City of Willmar Subdivision Ordinance has been updated, allowing this request to be categorized as a Minor Subdivision. Additionally, these parcels have been rezoned from Limited Business (LB) to Central Business (CB) District since 2012. Because of this rezoning, all parcels meet setback and lot minimum standards.

Staff comments were reviewed and discussed (see Attachment A). Mr. Frank inquired if the staff recommendation for a joint parking agreement and access easement was agreeable to the applicant. Mr. Meyer confirmed that this document is already in progress and is intended to be recorded with the Plat.

Mr. Gardner made a motion, seconded by Mr. Frank to approve the Minor Subdivision as submitted with the following conditions:

- a. The use shall meet all applicable local, state, and federal rules and regulations at all times.

The Planning Commission reviewed and made affirmative findings of fact as per Subdivision Ordinance Section 14-102.(e).1-7.

The motion carried.

4. RENAISSANCE ZONE TEXT AMENDMENT – FILE NO 20-03: Mr. Gardner made a motion, seconded by Mr. Marchand to take the Renaissance Zone Text Amendment from the table. The motion carried.

Staff recapped the discussion from the previous Planning Commission Meeting (October 21) and reported on the changes that were made to this draft. Namely, the Affordable Housing standards have now been drafted as an amendment to Section 8 of the Zoning Ordinance (Performance Standards) rather than within Section 12 (Renaissance Zone Overlay District). This affordable housing component will only apply to the same area defined by the Renaissance Zone, but is not tied to the 5-year pilot program and would survive if the Renaissance Zone were to end.

The Commission reviewed staff comments (see Attachment A) and discussed Section 8.I.3. (Affordable Housing) at length. Mr. Frank requested minor edits for clarification to Section 8.I.3.b. & c.

Staff confirmed that the Fair Market Rents (FMR) is tied to the unit, regardless of changes to a family/individual's income during occupancy of the unit. Additionally, rental rates move with the market, as determined by FMR set by the US Department of Housing and Urban Development (HUD).

Mr. Scott noted that the light grey text is existing language and the black text in the Commission's packet is the proposed language. Staff further emphasized that by moving to this structure, future amendments (e.g. boundary, regulations, etc.) to the affordable housing standards can be easily accomplished.

Mr. Gardner made a motion, seconded by Mr. Marchand to approve the Renaissance Zone Text Amendment, including the above edits to Sections 8.I.3.b. & c., and forward to City Council.

The motion carried.

5. MISCELLANY: Dr. Ramstad reported next steps for the Renaissance Zone: Heritage district "fact sheets" will be drafted. The Heritage Designation will be a voluntary nomination & further be incentivized by giving preference for the Storefront Façade Forgivable Loan Program. Additionally, we will be developing an RFP for a boutique hotel to further support the downtown & hospital.

Mr. Gardner expressed his excitement for the Renaissance Zone, particularly the opportunity to incentivize the value of the historic building stock downtown.

Mr. Kimpling asked for further context to the Hotel RFP development. Dr. Ramstad explained that an RFP would likely require a market study. Additionally, staff will also be meeting with the hospital and EDC as we begin further drafting of this RFP. The hotel

would be privately owned & likely include some sort of skyway to the hospital. Additionally, public parking solutions will also be a creative, collaborative requirement of such a development.

Mr. Gardner inquired about Planning Commission member needs for 2021. At this time, Staff has two applications from interested Community Members to fill the two vacancies that are anticipated due to “retirement” at the end of 2020. We have an ongoing need for more Board of Zoning Appeals members.

6. There being no further business to come before the Commission, the meeting adjourned at 7:58 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sarah Swedburg". The signature is written in a cursive, flowing style.

Sarah Swedburg
Planner

PLANNING COMMISSION – NOVEMBER 4, 2020

STAFF COMMENTS

1. MEYER’S ADDITION MINOR SUBDIVISION -- FILE NO 20-02:

- The applicant is Cecil & Susan Meyer of Willmar, MN.
- The applicant is requesting a minor subdivision to reconfigure 2 existing parcels into 3 on property legally described as: Lot 13 & 14 excluding the S 20’ of E 50’ of Lot 13, Block 52, Original Townsite of Willmar (611 & 615 Becker Ave SW), AND Lot 1 and N 30’ of Lot 2, Block 52, Original Townsite of Willmar (402 6th St SW).
- 402 6th St SW is owned by Cela-James Investments, LLC and Mr. Meyer has purchased a portion of their parcel to enlarge proposed Lot 2.
- All parcels are zoned CBD (Central Business District).
- The property is surrounded by CBD (Central Business District) zoning on the North, East, and South. LB (Limited Business) zoning lies to the West of this area, across 7th St SW.
- This replat will allow for better functionality of proposed Lot 2.
- The parcels are oriented towards Becker Ave SW & 6th St SW. There are access points off of 7th St SW, Becker Ave SW, and 6th St SW.
- There are no proposed zoning, use, or access changes.
- Lot size, frontage, and setbacks standards for this zone are all met.

RECOMMENDATION: Approve the plan review permit with the following condition:

- A. A joint parking agreement and access easement shall be submitted to Staff & recorded with the plat to ensure access and parking for proposed Lot 3.

2. RENAISSANCE ZONE TEXT AMENDMENT -- FILE NO 20-03:

- The affordable housing policy is now drafted as a performance standard that applies only to the area defined as the Renaissance Zone. In this way, the affordable housing policy will survive the expiration of the Renaissance Zone, and yet that zone can initially be used as an incubator to test and refine the affordable housing policy before the Planning Commission considers to make it, or some form of it, apply city-wide.
- The affordable housing policy continues to only apply to multifamily housing projects of 4-units or more that receive Tax Abatement or Tax Increment Financing assistance.
- The minimum affordable housing requirement remains to be 5% or 1-unit, whichever is greater.
- To ensure that housing projects and entire neighborhoods, are not developed exclusively for one economic class, we have added a maximum limit of 25% affordable housing in each project, and likewise have required that the selected affordable units (and any ADA/HC units) need to be evenly dispersed across a project’s building and/or development – not segregated to one building in a multi-building development, all on one floor, or packaged into one wing of a building.
- After review of some AMI-based options for affordable rents, and some collaboration with the Kandiyohi HRA, staff are proposing that FHA Fair Market Rents be used, which

are posted on HUD's website. This greatly simplifies the process, makes its very transparent and evenly applied to all projects.

- As discussed, a restrictive covenant memorializing which units are affordable would be recorded against the property for a term of 15-years.
- As previously, the affordable units will be available to households making 80% or less of the Area's Median Income (AMI) for Kandiyohi County, as defined on FHA/HUD's website.
- The requirements remain that owners of redeveloped and renovated sites containing existing below-market rental housing, must relocate or provide temporary accommodations for those tenants displaced by the project's construction, and those tenants must have first right of refusal for the replacement units.
- A restatement of the requirement for landlords to comply with non-discrimination laws stipulated in Title VIII of the Civil Rights Act of 1968 was added.