



# City of Pine City

## Agenda

Planning Commission Meeting  
Monday, September 25, 2023 @ 5:00 PM  
City Hall Council Chambers  
<https://v.ringcentral.com/join/568575313>

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### 1. CALL TO ORDER

### 2. APPROVAL OF MINUTES

2.1. [28 September 2023 Minutes](#) 3 - 4

### 3. PUBLIC HEARINGS

None this month.

### 4. OLD BUSINESS

- 4.1. Review Draft 2023 Comprehensive Plan
- 4.2. Discuss Lakeside Student Housing pedestrian transit
- 4.3. Discuss adding new category to Planning Commission awards

### 5. NEW BUSINESS

5.1. [Discuss International Existing Building Code \(IEBC\)](#)

### 6. COMMISSIONERS' CONCERNS

### 7. STAFF COMMENTS

- 7.1. [Development Update](#) 5 - 6
- 7.2. BNSF property rental update

**8. MISCELLANEOUS**

**9. ADJOURN**



# MINUTES

## Planning Commission Meeting

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5:00 PM - Monday, August 28, 2023

City Hall Council Chambers

The City of Pine City Council met in Planning Commission Meeting on Monday, August 28, 2023 at 5:00 PM in the City Hall Council Chambers.

### CALL TO ORDER

**Members Present:** Chair Loren Skluzacek, Cathy Clune, Councilor Gina Pettie, and Daniel Swanson

**Members Absent:** Councilor Kyle Palmer, Mark Clark, and Brent Jahnz

**Staff Present:** Community Development Director Mike Gainor, Administrative Assistant Tabitha Pickett

### APPROVAL OF MINUTES

#### a) JULY 24, 2023 PLANNING COMMISSION MINUTES

*Motion to approve July 24, 2023 Meeting Minutes by Pettie, second by Swanson. Motion carried.*

### OLD BUSINESS

#### a) DRAFT 2023 COMPREHENSIVE PLAN

Gainor stated it has not fully been updated. He is hoping to have the final draft done by the September 25, 2023 meeting. If anyone has any more information or input, please provide it to him as soon as possible.

#### b) DISCUSS LAKESIDE STUDENT HOUSING PEDESTRIAN TRANSIT

Gainor and Swanson did a walking tour and identified a few spots with issues that need to be addressed as soon as possible. Swanson is currently reviewing the BSNF manual and from the information gathered, there needs to be a Traffic Study done to get things in motion for potential crosswalk over the tracks at 8th Ave and 2nd St. There also needs to be more adequate lighting. A "Project Sponsor" can request this Traffic Study to be done, but the Committee thinks they should get in touch with the County Engineer and Planner, City Engineer, and MN/DOT to get everyone on the same page for this study to be done. *Motion to approve to reach out to City, County, Railroad, Public Works to recommend to proceed with traffic study by Clune, second by Pettie. Motion carried.*

#### c) DISCUSS LAKESIDE STUDENT HOUSING MANAGEMENT PLAN

A letter is drafted to send to Stelter with potential changes and to get his management plan finalized.

**NEW BUSINESS**

Gainor showed Commissioners the Citizen Planner and Business Site Improvement Award that will be going out. Skluzacek requested that Gainor look into the rules for winning. It was brought to the attention that in prior years Government agencies couldn't win. If there are no rules regarding this, Gainor will post out to recommendations.

**COMMISSIONERS' CONCERNS**

Snow plowing: Commissioners suggested that the City prioritize their road plowing - main roads and school roads should be first. There is thoughts to when the City use to plow everything to the middle of the roads and haul it off from there. Safety before money.

There was mention of all of the ATVs and UTVs not following the rules while riding in town and should be addressed.

**STAFF COMMENTS**

Staff noted that Development Report was available for review.

**MISCELLANEOUS**

None.

**ADJOURN**

Meeting adjourned at 6:35 pm

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CAO

\_\_\_\_\_  
Mayor



## Pine City Development Update

September 19, 2023

1. Small Cities Development Program - Administered through Lakes & Pines, the City received an award in the amount of \$770,500 to rehabilitate 7 commercial buildings and 15 owner-occupied homes. Lakes & Pines applied for an extension on the program, which was set to end on 12/31/2022, in order to give Pine City the opportunity to put the unused funds to work. The new deadline for the SCDP was set for 9/30/2023. In June, Nicole Klosner of Lakes & Pines reported that had 8 completed commercial projects with 1 in the bidding phase and 1 in the inspection phase. They had also completed 8 completed owner-occupied projects, with 1 under construction and 1 with bids due.

SEPTEMBER UPDATE: This program is set to end Sept. 30.

2. Timber Pines - Senior living community consisting of 103-units of independent living, assisted living and memory care with underground parking, a restaurant and health and fitness amenities in the Northridge neighborhood (west of Welia). The EDA has \$50,000 in RLF funds invested in this project. Public Open House held on June 28, and a grand opening event on Sept. 14.

SEPTEMBER UPDATE: The HRA is working to complete a \$50,000 loan to Timber Pines. Residents are moving into units (more than a dozen rented at last count).

3. Mill Site - The City owned a 0.9 acre lot in downtown Pine City which was the former site of the Pine City Feed Mill. The buildings were demolished in 2019. Remediation of the site is complete, overseen by MPCA. One testing well remains. A housing study showed demand for 20+ units of housing downtown.

The Village Apartments LLC submitted plans to build a 25-unit housing on the site. Pine City was awarded \$56,655 for cleanup in December 2021; staff will track related expenditures and request reimbursement. With Lezlie's help, the developers applied for a \$1,000,000 Workforce Grant, which was unfortunately not approved. On Jan. 5, the City Council passed a parking variance amendment to allow the 25-unit, 31-bedroom project to have 34 parking spaces.

The City Council approved \$200,000 in tax abatement for Village Apartments LLC on April 6. The project will receive another \$200,000 tax abatement from Pine County. The MPCA finished testing on the site in May. A groundbreaking ceremony was held on Friday, Sept. 16.

SEPTEMBER UPDATE: Construction has wrapped up on development. Building is fully occupied. .

4. Former Lakeside Nursing Home - The site went on sale in spring of 2022. Potential developer has shelved plans. Staff worked with Pine County and realtor to expand the site's potential for development. Pyramid Healthcare, Inc. has dropped out of its purchase agreement for the Lakeside Medical Center buildings. City Council voted to rezone the two parcels on the site from R-2 (One- and Two-Family Residential District) to MXU (Mixed Use District) on behalf of Adam Price, Inc. who wished to create dormitory-style housing in the building. Adam Price Inc. dropped out of the project in May, when staff began working with a new developer. Fred Stelter. He plans to put in 82 units, with up to 150 beds of dorm-style housing for PTCC students. PTCC President Joe Mulford has given strong support for this project. A parking variance for the project was passed by the City Council on Aug. 5. expressed interest in the site with a very similar plan for creating dormitory-style student housing.

SEPTEMBER UPDATE: Staff is working with Stelter on TIF/Tax Abatement options. The EDA and HRA are both considering making RLF loans for the project.

The following development projects are in the planning stages:

1. Fawn Meadows & Technology Park Expansion - The City owns Outlot A, which is an undeveloped 30 acre lot to the north of the Fawn Meadows housing development. In 2020, the City also purchased 45 acres to the north

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of Outlot A, referred to as the Orvis property and considered the site of a future expansion of the Technology Park. The title work on this project ended Jan. 21. MSA's ALTA survey (valuable to become "shovel ready"), wetland delineation, geotechnical investigation, environmental site assessment (Phase I), and archeological review has been completed. MSA delivered its final report in May. Staff met with MSA to discuss the Shovel Ready Certification process. Staff submitted the Shovel Ready application, which was accepted contingent on inspection. \$3,800 payment has been submitted to DEED for Shovel Ready, with site inspection to follow before final approval. Inspection of the site took place in January.

SEPTEMBER UPDATE: Staff continues to work with MSA to follow up with DEED's list of updates required for final Shovel Ready approval.

3. Anderson Fourplex - In October 2022, the City Council changed the Pine City Municipal Code to allow construction of fourplexes in the R-2 District (One- and Two-Family Residential District), the district which makes up most of the residential neighborhoods in Pine City. Luke Anderson intends to build a fourplex on his corner lot at 5th Ave SW and 9th Street SW.

SEPTEMBER UPDATE: Construction has begun on the project.

4. Move MnDOT Sand/Salt Facility - An action item for the City's Community Action Plan was to move the site of the 4.53 acre MnDOT facility at 905 Hillside Avenue SW to another site within or outside of the City limits. MnDOT officials stated that they are receptive to the plan, and have met to discuss possible sites. Staff asked them to consider a 6-acre portion of PID 420042000, the site of the old gun range in Pine City on Airport Road. In October, MnDOT staff reported that they are in negotiations with a landowner near the Highway 23 exit to obtain at least 10 acres for a new facility. Mayor Pederson has been in contact with MnDOT officials on this matter. Council members and staff met with MnDOT on March 30 and discussed the project.

SEPTEMBER UPDATE: No developments this month.

5. Grandstay Hotel - Council members and staff met with Grandstay Hotel officials on March 21 to discuss renewing the previous hotel project. Grandstay proposed a 6-month exclusivity agreement, during which time they will seek funding for the proposed 51-room hotel.

SEPTEMBER UPDATE: George Janssen of MarketPointe met with Carl and Mike on August 29. He reported that they have been in contact with two banks, and have had some contact with the owners of the two properties under consideration at the north Pine City exit. He stated that the success of the project depends on local investors.

## COMPLETED PROJECTS AND PROGRAMS

2nd & 3rd Apartments - Private development consisting of 3 apartment buildings with 4 2-bedroom units per building in the mixed-used district of the City (same block as the former Pine City Feed Mill). Staff put together a [list of grants and programs](#) for Mr. Haug from the state to the local level that might work for this development or another associated business. As of February, Pine City has issued addresses to all three buildings in this development. Final building department inspections on this project were completed in March. Mr. Haug signed a site completion agreement to complete curbs, sidewalk, planting etc. on the project in April. As of July, site completion work agreement work appears to be finished.

Federal Home Loan Bank - Administered by Lezlie Sauter, the City received an award in the amount of \$336,000 to rehabilitate 12 owner-occupied homes. In June 2022, the deadline was extended until December 12, 2022. Because of supply chain issues etc. several applicants failed to complete the program. Overall, nine homes were rehabbed, with a total of \$226,145.28 in FHLB funds invested into the community. The [final report on this project](#) was delivered in December 2022.

*Prepared by Mike Gainor, Community Development Director*