Southwest Minnesota Redwood County

REDWOOD COUNTY ENVIRONMENTAL OFFICE

Planning & Zoning ● Parks & Trails ● GIS
Aquatic Invasive Species ● Septic Inspector
Drainage Inspector ● Agricultural Inspector

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REDWOOD COUNTY PLANNING COMMISSION

MINUTES Meeting Date: January 26, 2021

A meeting of the Redwood County Planning Commission convened on Tuesday, the 26th day of January, 2021, at the Redwood County Government Center.

The following members of the Redwood County Planning Commission were present: Mike Scheffler, Mark Madsen, Mike Kaufenberg, DeVonna Zeug, and County Commissioner Dennis Groebner. Jeff Huseby was absent. Also present were the following individuals: Paul Sobocinski, Joe Zscheyzsche, Jerry Huiras, Beke Krenz, Sarah Seifert, Arliss Becker, Judy Huiras, Perry Becker, Daryl Seifert, Holden Salfer, Dan Tauer, Mary Tauer, Jill Haala-Helget, Ralph Heiling, Jamie Kerkhoff, Lisa Steffl, Scott Welter, Tom Heiling, Josh Lueck, Carla Klawitter, Keith Klawitter, Ken Larsen, Bob Van Hee, Adam Bickhardt, Jim Lux, Roger Kettner, Dwight Bluhm, Corey Reding, Bob Welch, Mark Senkyr, Andrei Bortnov, Technology Coordinator Paul Parsons, Zoning Administrator Scott Wold, and Land Use & Zoning Supervisor Nick Brozek. Additionally, Dan Purvis, Michelle Simms, and Cullen Kobayashi attended via zoom.

At 1:08 p.m. the regularly scheduled January 26th, 2021 Redwood County Planning Commission meeting was called to order by Chair Scheffler.

Chair Scheffler then directed Brozek to read the Planning Commission rules and procedures. Printed copies were available to the public. Brozek noted that a summary of the State Statutes, County Code, and Comprehensive Land Use Plan provisions dealing with rezoning was available for review.

After reading the rules and procedures, Scheffler called for nominations for 2021 Planning Commission Chair and Vice-chair. Chair Scheffler noted that, per the rotating schedule, Jeff Huseby was scheduled to be Chair and DeVonna Zeug Vice-chair.

Zeug made a motion, seconded by Madsen, to nominate Huseby for 2021 Planning Commission Chair. The motion was passed unanimously.

Kaufenberg made a motion, seconded by Madsen, to nominate Zeug for 2021 Planning Commission Vice-chair. The motion was passed unanimously.

Scheffler then handed over control of the meeting to Vice-chair Zeug.

At 1:14 p.m. Vice-chair Zeug called to order a public hearing on Application for Rezoning #3-20r, submitted by Dan Purvis of Ratcliff Development, o/b/o Dollar General and landowner Dan Tauer.

Prior to the Planning Commission meeting, the Planning Commission members were provided an informational packet, which included the following information regarding the matter:

- 1. Dollar General is interested in building a retail store near the City of Morgan. The proposed site is located on the north side of State Hwy 68, just southeast of the city limits.
- 2. The site is on property currently owned by Dan Tauer. The land is now a tilled field used for agricultural purposes. Dollar General plans to purchase about two and a half acres of land from Mr. Tauer, on which the build their retail store.
- 3. The proposed project site is located in the Urban Expansion zoning district. The Urban Expansion District does not allow for retail store use. Consequently, Dollar General has submitted an application to rezone the project site to B-1 Highway Service Business District, in which retail stores are a permitted use.
- 4. The Urban Expansion District was created as a zoning district to be used on the outskirts of incorporated municipalities, to serve a variety of purposes, including the following:
 - a. Economically provide basic municipal services
 - b. Promote orderly development
 - c. Preserve farmland and open space
 - d. Match the extension of municipal utilities to the population growth of the area
 - e. Preserve and enhance livability
- 5. The B-1 Highway Service Business District ordinance (Redwood County Code of Ordinances Sections 153.200 through 153.204) lists "retail use" as a permitted use. Consequently, if the land is rezoned to B-1, any retail use would be permitted there without the need for additional public hearings. However, in this particular case, Dollar General and the landowner are splitting up a larger farm parcel to create the approximately 2.5 acre retail site.
- 6. Said parcel split is considered a major subdivision and does require a public hearing. Therefore, an additional public hearing will be held in the future to consider the parcel split, in the event the rezoning application is approved.
- 7. Rezoning, or changing zoning district boundaries, is governed by Redwood County Code of Ordinances Section 153.008, which allows for rezoning "whenever public necessity, convenience, general welfare, or good land use require such amendment" so long as the rezoning is "compatible with the Comprehensive Plan." If so, the County Board of Commissioners may make changes "as it deems advisable."
- 8. When considering whether to create a B-1 District, page 52 of the Comprehensive Plan states that such districts must be "closely related to existing urban areas, as the trade area population served by highway-oriented businesses requires easy access; therefore it is desirable to group the uses at locations along major traffic routes providing for appropriate and adequate access ways. These uses should be designed to standards that will not impair the traffic carrying capabilities of abutting roads and highways."
- 9. Additional considerations are found in the land use "Objectives" found on pages 88 through 96 of the Comprehensive Plan. These include, but are not limited to, the following:
 - a. Ensure that land use and development decisions are made with the maximum advice of the County, cities, and townships with full opportunity for public participation.
 - b. Identify and zone areas that are along major transportation corridors to be designated for commercial/industrial development.
 - c. Require site planning and building design that results in adequate site buffering, screening, landscaping, traffic circulation, access, parking, and traffic safety.
 - d. Encourage commercial development that is locally based or compatible with local commercial needs.

- e. Concentrate growth to reduce required services.
- f. Ensure planned commercial areas can support future growth scenarios.
- g. Reinforce town centers of existing cities in the county.
- h. Encourage small business development.
- 10. County zoning power comes from state laws. Accordingly, Minnesota Statutes Section 394.25, Subd. 2 states that "the board may divide the county into districts of such number, shape, and area as may be deemed best suited to carry out the comprehensive plan.
- 11. Dollar General will need to apply to MNDOT for, and receive, a permit to construct an access driveway to and from State Highway 68. Per emails received from MNDOT, MNDOT District 7 staff have already reviewed the preliminary plans for the Morgan Dollar General and have declined to approve access on Hwy 68. The denial email, from Angela Piltaver, Senior Planner, MnDOT District 7, states that "the property owner owns property immediately adjacent to CSAH-3, from which access could be obtained. This would place the access in a lower speed environment where less automobile and heavy commercial traffic exists than what is found on
- 12. Hwy. 68. Additionally, it would seem advantageous to site the store in a way that provides those without vehicles or who choose to walk or bike to the store with a lower speed, and therefore, safer access environment."
- 13. The nearest dwelling to the area to be rezoned is a 6-acre residential home site located in the City of Morgan, at 100 State Hwy 68. The 6-acre property borders on the area to be rezoned and the house is about 200 feet from the area to be rezoned. This part of Morgan is residential in character. Consequently, the proposed area to be rezoned is also within 230 feet of Eastwood Addition, 350 feet of Tempel's Addition and Welter 1st Addition, and 450 feet of Schroeder's Addition. The closest rural residence to the proposed site is 43554 CSAH 3, 1300 feet east of the site.
- 14. There is no public drainage tile or open ditch located near the properties.

Andrei Bortnov and Dan Purvis were present at the meeting to explain the project. They made the following statements to the Commission:

- Mr. Purvis works with Ratcliff Development, which has Dollar General as a client. Mr. Bortnov works for Purvis, doing site selection.
- Purvis is requesting to rezone a parcel that will be subdivided off of a larger parcel adjacent to city limits.
- Purvis will continue to work with MnDOT to get safe access to the property. He is not sure at this time what the access will look like. That will ultimately depend on MnDOT.
- Dollar General is an essential business during the pandemic.
- Items to be sold at the Dollar General store are not available at other stores in the area.
- This project will provide an affordable retail option to the community.
- Ratcliff selects and obtains permits for sites, builds the stores, and leases them to Dollar General. Ratcliff does not control what Dollar General does in the stores.

Vice-chair Zeug asked if anyone was present to speak in support of the project. No one came forward.

Vice-chair Zeug asked if anyone was present to speak in opposition to the project. The following individuals made statements:

Judy Huiras:

- Ms. Huiras lives in Morgan.

- She does all her shopping at the Morgan Supervalu grocery store, and she doesn't want the town to lose the grocery store.
- The Catholic Church and Methodist Church in Morgan get all their supplies for annual meal events from Morgan Supervalu, which the store is kind enough to deliver.

Beke Krenz:

- Ms. Krenz lives 8 miles outside of Morgan. She does her shopping in Morgan.
- There are a lot of dollar stores and Dollar Generals.
- She doesn't want existing stores to be impacted by a new dollar store.
- She called other towns that have seen Dollar Generals go in, and was told that Dollar General does not get involved in the community, doesn't join the local Chamber of Commerce.
- Dollar Generals create few local jobs and all employees must be over 18 years old.
- Dollar Generals do have longer hours of operation, and will have some products that are not available at other stores. However, the available food products are all prepackaged and not healthy.
- Money to build the store will go to non-local contractors.
- The Dollar General investors are not local.
- If the store doesn't work out, Dollar General will simply abandon it after 5 or 10 years, and leave an empty building behind.
- Because the project is outside of the city limits, no tax revenue will go to the City of Morgan.

Lisa Steffl:

- Ms. Steffl is the City Clerk/Treasurer for the City of Morgan.
- The city has concerns about the proposed rezoning.
- Rezoning to B-1 will take away from the current Urban Expansion District set aside for Morgan.
- The city is concerned about traffic safety traffic is speeding up and slowing down on this section of Hwy 68 and Morgan doesn't have the resources to put more emergency services in that area.
- The city's Rural Service District will be impacted in the event Ratcliff can only get street access for the site to the north, to CSAH 3. A driveway to the north would run into the city limits, and platting is not allowed there in the Rural Service District.
- The part of Morgan adjacent to the rezoning site are residential, and the homeowners there purchased their homes without the proposed high-traffic use being there.
- Access to CSAH 3 would not have good visibility, due to an existing fence and standing corn.

Jerry Huiras:

- Mr. Huiras is the Mayor of Morgan. He was inaugurated 20 days ago.
- Mr. Huiras asked what happens to the project if it can't get street access.
- Huiras went to the Fairfax Dollar General store, and spoke with local contractors.
- The Fairfax store was built with minimal local labor.
- The Fairfax store is poorly constructed, has cracked concrete, and is not square. It can't possibly last much longer than 15 years.
- A petition collected signatures of those opposed to the project. 119 people signed the petition, mostly from Morgan and the Morgan area, along with some Franklin residents who shop in Morgan.
- The Morgan Supervalu is a very good store, seems to be solid financially right now, and he doesn't want to see a situation where the Supervalu will be "pecked away at."
- The Morgan City Council wants its opposition to the project to be considered very seriously by the County.
- The part of Morgan adjacent to the rezoning site is residential. The west side of Morgan is commercial in nature. The north side has the school athletic fields. The area where the Dollar General is proposed is the only area where the City can reasonably expand its residential development, and the neighboring developments have seen 3 new homes built in the last couple of years. Morgan is not growing fast, but the residences it is adding are in this part of town.

Sarah Seifert:

- Ms. Seifert is from Morgan.
- She and her husband Daryl run the Morgan Supervalu grocery store.
- It is a full-service grocery store, since 1942.
- Their store has made countless donations and volunteered hours to the community over the years.
- They take care of their elderly customers, picking and delivering groceries to those who can't leave their house.
- She has contacted a number of small grocery stores in the region that have been impacted by Dollar General stores opening in their towns, and has found the following:
 - o Dollar General makes no donations to the community.
 - o Dollar General is not good for the community.
 - She should expect to lose 15 to 20% of her revenue in the first 2 years after a Dollar General opens in Morgan.
 - o Profit margins in grocery are not high.
 - o The local convenience store will also take a hit.
 - The Morgan population of 800 is already a fragile market, especially when a large number of older residents go south for the winter, and won't support another store.
 - o Dollar stores are already available in the nearby towns of Springfield, Sleepy Eye, Fairfax, and Redwood Falls. Also, there are Walmart stores in Redwood Falls and New Ulm.
 - o The Fairfax grocery store had to close after the Dollar General opened.

Holden Salfer:

- Salfer Foods in Wabasso is his family's grocery store.
- Dollar General has no place in small towns. They have an unfair competitive advantage over locally owned stores.
- Redwood County should set an example for other small towns, and should deny the rezoning request.
- This should be a decision for the City of Morgan, not the county.

Paul Sobocinksi:

- Mr. Sobocinski is a Wabasso area resident, and is the Vice-president of the Redwood County Farmers Union.
- Redwood County should reject this request to rezone.
- The main goal of zoning, per the Redwood County Environmental Office website, is to protect the health, safety and welfare of the people of Redwood County.
- Loss of the local grocery store would have a negative impact on the Morgan community health.
- Redwood County Code of Ordinances section 153.008 states that rezoning must be compatible with the
 County Comprehensive Plan. The Comprehensive Plan encourages commercial development that is
 compatible with local commercial needs. Page 91 of the Comp Plan states that development should
 reinforce existing town centers. Therefore the Comp Plan provides the reasons for the County to deny
 the rezoning.
- Most businesses in Morgan are locally and independently owned.
- Page 63-65 gives the Planning Commission authority to find the rezoning is not compatible.
- The bar should be high to allow rezoning, in light of the Comp Plan requirements.
- Morgan has a culture of independent farmers and strong independent businesses.

Tom Heiling:

- Mr. Heiling is a lifelong resident of the Morgan area.
- Small businesses are important in Morgan.
- Bigger companies can take advantage of lower prices and lower quality. Some people like that, but the people of Morgan do not.

Jill Haala-Helget:

- Ms. Haala-Helget is a business owner in Morgan.
- She started her business in 2004.
- Morgan residents are very loyal and very welcoming of a business if it is a good fit for the community.
- Dollar General is not a good fit for Morgan.

Keith Klawitter:

- Mr. Klawitter is a resident of Morgan.
- He is an English teacher and grew up in nearby Hector, MN.
- Hector had two grocery stores when he was a kid, and now does not have a grocery store.
- There are enough people who will want to save 35 cents to affect local business if the Dollar General is built.
- He doesn't want to have to travel to get groceries.

Bob Welch:

- Mr. Welch owns at lives at the property right next door to where the rezoning is proposed.
- He has plans to build a new house on his property.
- He doesn't want parking lot lights next to his house.
- He is concerned that people walking to the Dollar General will walk across his yard.
- Hwy 68 is a high-speed road.
- He owns 6 acres and bought it because it is on the edge of town.
- He opposes the project.

The Planning Commission asked Purvis and Bortnov to respond to the statements of the opposition before hearing additional public testimony. Bortnov and Purvis gave the following responses:

- Dollar General does have many stores, but each is a little different.
- Ratcliff has signed a 15-year lease of the site to Dollar General, so the store will operate at least that long. Generally after the initial 15 years, Dollar General stores are rebuilt and expanded.
- Local grant opportunities are available from the Dollar General corporation, but the process does take longer than going to a local store owner.
- Ratcliff works with a Minnesota contractor, who will hire the same workers as anyone else in the area.
- Ratcliff's general contractor for this area is from Cambridge, MN.
- If MnDOT doesn't allow access to Hwy 68, then the project will not proceed. Purvis is willing to make rezoning contingent on MnDOT approval of access to Hwy 68.

The Planning Commissioners asked the following questions:

- What criteria does Bortnov use to select sites to develop for Dollar General?
- How do does Ratcliff choose which cities to look at putting a store in?
- Does Ratcliff try to get stores inside city limits?
- What will Dollar General do for sewer and water outside of town?

Purvis and Bortnov gave the following responses to the Planning Commissioners questions:

- Sites are selected primarily for visibility, which is very important for retail businesses. They also look at access, distance to residences (has to be convenient for customers), buildability of the site.
- Dollar General uses an algorithm to produce a list of cities it wants stores in, and Ratcliff uses this to start its site selection process.
- Most Dollar Generals are inside city limits.
- Building outside of town, the site will have a well and septic system. Dollar General stores use less water than an average residence.
- Purvis thanked the Commission for the opportunity to present the request for rezoning.

Vice-chair Zeug closed the public meeting at 2:14 p.m.

Madsen stated that the rules require the County to allow maximum advice from the city, and that today "we listened to the city," and Morgan shouldn't be reduced to an algorithm.

County Commissioner Groebner stated that the County is in the position of being the "big brother" to the city, and if the city doesn't want this project, then he will not vote for it.

Scheffler stated that he is a business owner himself, and is pro-business. He is from Sanborn, which had a population of 800 when he was a kid, which has been reduced to 200 currently. There is no grocery store. His kids go to Springfield for school, because there is no school in Sanborn anymore. He wants Dollar General to succeed, but Morgan is the wrong spot.

Scheffler made a motion to deny Application for Rezoning #3-20r. The motion was seconded by Groebner and passed unanimously.

At 2:22 p.m. Vice-chair Zeug called to order a public hearing on Conditional Use Permit Application #11-20, submitted by Michelle Simms of US Solar o/b/o USS Rosebud Solar LLC and landowner Todd & Jody Rose.

Prior to the Planning Commission meeting, the Planning Commission members were provided an informational packet, which included the following information regarding the matter:

- 1. Michelle Simms of US Solar is requesting to construct a community solar garden on an agricultural property located on County Hwy 2, about 3 miles north of the City of Morgan. The property is owned by Todd & Jody Rose. Todd Rose signed off on the Conditional Use Permit application. The land will be leased from the landowner. The project will be owned by USS Rosebud Solar LLC.
- 2. The proposed site is located on the east side of County Hwy 2, on the north edge of the south half of the Southwest Quarter of Section 27, Sherman Township, parcel number 65-027-3040. The site is in the Agriculture District.
- 3. The facility will consist of a one (1) megawatt solar array, on approximately 7.84 acres, that will be connected directly to the power grid for the benefit of subscribers to the solar garden. Subscribers will save on their energy bills over the 25-year term of the interconnection agreement with Xcel Energy. The site will generate enough electricity to power approximately 225 homes annually.
- 4. Solar panels will be installed on single-axis tracker racking. The panels are about 6 to 8 feet tall depending on the tilt angle. The racking sits on steel I-beams driven into the ground, without concrete footings. Total height will be approximately 12 feet. Inverters are set up between sections of solar panels. Electrical line on site will be buried 4' deep in conduit.
- 5. A "farm style" perimeter fence, up to 8 feet tall, without barbed wire, will surround the site.
- 6. A 15-foot wide unpaved road will be constructed to access the site from CSAH 2.A temporary parking and loading area will be provided during the construction phase. The bulk of construction is estimated to occur over a 7-week period.
- 7. The ground underneath and between the solar panels will be seeded with a mix of and native grasses and pollinator friendly habitat. Routine maintenance of the site will occur at least four times annually, including maintaining the vegetation and landscaping.

- 8. There is no county drain tile or open ditch located on or near the project site.
- 9. The three nearest rural dwellings to the proposed solar garden are as follows: (1) 29069 CSAH 2, about 450 feet east of the site; (2) 29408 CSAH 2, about 1115 feet northwest of the site; and (3) 28730 CSAH 2, about 1890 feet southwest of the site. Additionally, a farm grove site which appears to be abandoned is located 1840 southeast of the site.
- 10. This is the tenth solar garden application in Redwood County since 2015. Of the other nine, six are operational or under construction, one has yet to begin construction, and two have expired permits which have not been renewed. One site is a 3 MW site and the other sites are 1 MW each, for a total of 10 MW currently permitted. The proposed project would raise the total permitted MW in the Xcel service area to 11 MW.
- 11. The applicant has submitted a decommissioning plan addressing the disposition of the facility when it reaches the end of its useful life. At that time the solar garden components will be dismantled and removed and safely recycled or disposed of.
- 12. A copy of the Conditional Use Permit application, maps, plans, and proposed permit conditions are enclosed.

Michelle Simms and Cullen Kobayashi were present at the meeting to explain the project. They made the following statements to the Commission:

- US Solar is a Minnesota company that develops and operates solar projects.
- The proposed project will be located in the northwest corner of the Rose property.
- The project will meet the required 67' setback from CSAH 2.
- The project will interconnect with the grid via the power line along CSAH 2.
- Local landowners from Redwood County and surrounding counties will be eligible to sign up and benefit from the project.
- For construction, steel I-beams will be driven into the ground to support the racking and panels. There will be no permanent structure.
- Pile driving will take about 1.5 days and the entire project will be completed in about 7 weeks.
- After completion, traffic to the site will consist of one truck each quarter.
- The project will use single-axis trackers.
- An 8' tall farm-style fence, without barbed wire, will surround the site.
- The solar garden will be 450 feet from the nearest residence and will be screened by an existing row of trees.
- There will be no impact to neighbors or public roadways.
- The panels are shorter than other panels the county may have seen before.
- The panels are constructed with the same materials as cell phones and do not contain hazardous materials.
- The site will produce no odor, glare, dust, light, or noise.
- Past experience with other solar gardens shows they do not impact neighboring property values.
- Pollinator friendly plants will be planted between the rows of panels.
- The project will pay for upgrades to local electric infrastructure.

The Planning Commissioners asked the following questions:

- When does US Solar want to start construction?
- Did the applicant review the proposed permit conditions?

Simms and Kobayashi gave the following responses to the Planning Commissioners questions:

- Construction should start in mid-spring and be complete by the end of 2021.
- They reviewed the proposed permit conditions and are agreeable to all of them.

Vice-chair Zeug asked if anyone was present to speak in support of the project. No one came forward.

Vice-chair Zeug asked if anyone was present to speak in opposition to the project. Dwight Bluhm came forward and made the following comments:

- Mr. Bluhm lives closest to the project site.
- He is not necessarily opposed to the project, but he wants to know why we need solar farms.
- Solar farms are subsidized. Without the subsidy, what do solar farms add to the system?
- Is 25 years the lifespan of the project?
- Solar power hasn't worked out in Europe.

County Commissioner Groebner stated that he serves on the Southwest Regional Energy Board and that the state wants to be free of coal burning by 2040. The federal government is subsidizing solar power.

Simms and Kobayashi gave the following responses to Mr. Bluhm's statements and questions:

- This location is ideal for interconnection.
- The benefits will be available to people in the area.
- They are willing to do additional screening of the site.
- The state of Minnesota has required a certain amount of renewable energy. This project is part of a program that has been ongoing for 6 years, and has not created any issues.
- This project is a small part of the total energy grid and will not change the existing infrastructure. It is merely adding additional electric power into the grid via an existing substation that can handle more supply.
- Without the state program, this project would not be operational.
- The project allows the creation of local energy.
- The interconnection agreement with Xcel is for 25 years, and at the end of that time the solar panels are warrantied to still produce 80% of their original capacity, so they can be used for longer, but the agreement is for 25 years.

Madsen stated that renewable energy will continue to expand over the next 25 years, and Redwood County should do its part. The applicant presented a good plan. There is no hazardous material. There should be no impact to neighbors, other than that they will be able to see it.

At 2:41 Vice-chair Zeug closed the public hearing. She then directed Brozek to lead the commission through the findings of fact worksheet, which Brozek did.

The Commissioners discussed the following:

- The solar array is low to the ground and surrounded by a perimeter fence.
- No impacts to neighboring property uses were raised.
- The project will benefit Xcel customers in the county.
- The project site is currently a farm field, and it will return to being a farm field after the project is decommissioned in the future.
- The site will have an access road, interconnection with the grid, and parking for employees.
- The applicant will need to get an access permit from the County Highway Dept.
- The Comprehensive Plan calls for development of alternative energy sources and local energy sources. The CUP process is required for solar arrays over 1-acre in area.

After going through the findings of fact worksheet, Madsen moved to recommend approval of Conditional Use Permit #11-20, subject to the conditions proposed by staff.

The motion was seconded by Kaufenberg and passed unanimously.

The Commissioners reviewed and discussed the minutes from the December 28, 2020 Planning Commission meeting.

Madsen made a motion to approve the December 28, 2020 Planning Commission minutes as presented. Kaufenberg seconded the motion and it passed unanimously.

Kaufenberg made a motion to adjourn. The motion was seconded by Madsen, and passed unanimously.

Nick Brozek

Land Use & Zoning Supervisor

Redwood County Environmental Office

DeVonna Zeug, Vice-chair

Redwood County Planning Commission