

CITY OF COLUMBUS
PUBLIC HEARING IN INTERACTIVE TECHNOLOGY MEETING FORMAT
STATUTES SECTION 13D.021
PRELIMINARY PLAT-BONFIRE FARMSTEAD
12-07-2022

The 12-07-2022 Public Hearing to consider an update to the 2023 Fee Schedule for the City of Columbus. The meeting was called to order at 8:43 PM by Chair Ron Hanegraaf at the City Hall. Present were Planning Commission members Ron Hanegraaf, Barb Bobick, Kris King, Bob Berens, and Frank Ramisch, City Administrator Elizabeth Mursko, Associate Planner Frank Koenen, Planning and Zoning Permit Tech Ella Giefer, and City Planner Dean Johnson.

In attendance via interactive technology were Shelly Logren, Sue Wagamon, and Rob Busch.

Also, in attendance in person were Curt Strandlund, Tucker Dally, Dean Dally, Spencer Dally, Orman Anafarta, Janet Hegland, and Jesse Preiner.

The meeting was held in an interactive technology meeting format.

Hanegraaf: Is everybody comfortable with going onto item number 8, the public hearing and discussion on the 2023 fee schedule, pages 33-50? Ella, would you like to read the notice as published in the Forest Lake Times?

Notice was read at this time by the recording secretary.

Hanegraaf: Thank you Ella. I gather Frank you're going to handle this?

Koenen: That is correct. Good evening everyone, tonight we are going to talk about our fee schedule. However, just to be clear, this is just for the planning and zoning parts of the fee schedule, just because we're Planning Commission, this is strictly a public hearing for that, to make a recommendation. So if I could go ahead and get started, I'll kind of walk everyone through my memo. To start, I took a look at our fees and escrow for both regular variances as well as administrative variances. And I did a few different things to kind of try and gauge where we should be going as a city, and to start what I did is I took a look at different fees and escrows from cities throughout the metro, and just to be clear the planning and zoning fees that we're looking at that's going to be on page 41 of your packet. My memo was kind of basically about the why and how I got there. As I was saying, I compared fees and escrows. I used cities in Anoka County, other ones nearby and adjacent and kind of the ones that are on the edge of the Twin Cities metro that I feel are pretty clear to Columbus. Elizabeth right now has page 44 up, that's table one. This is where I also looked at averages with the highest and lowest value removed. Because if you look at the table, particularly with the escrow, there's some extremes at the low and the high and I just kind of wanted to see what things would look like when you took out those extreme values. I also looked at the fee and escrow combined just to see how that would look because I think that's ultimately what we're kind of getting compared to with other cities, is how much gets put down in in one way. I think the one that really kind of jumped out at me and the reason why I wanted to point out the variances combined, I did do the averages with the highest and lowest values removed. When you look at the variances combined, that's only a \$10 difference, as opposed to just the variance fee average at the bottom of the screen here, you see that there's about \$50 to \$100 differences in these. When you look at the two combined, it's about \$10.00, so I think those two numbers the average is about \$7.50. The average with the highest and lowest value removed is 7:40 for both the fee and the escrow, so those are kind of the big two numbers for me that jumped out. And I also, besides just taking a look at other cities, I did a review of city staff and consultants time. I broke down my time in table 2

which is on page 45, and I was able to do that just to kind of give everyone an example of what I'm doing and how I got to that total. And since I'm the one that's doing the most work on it, I think it was important to kind of see how I got to 7.5 hours. Also on page 45 is all labor costs from not only the entire staff, but our consulting fees as well, and what I ended up coming up with our billable rate for city staff, we end up at about \$436.02 on average. Then our consulting fees end up being about \$320 to review these the regular variances. In addition to staff time, I also took into consideration different non-labor fees. So legal notices, postage recording fees, and on average you know we send out about 10 to 15 letters. The legal notices range in cost from about \$30 to \$35, and putting all that together with the recording fees, I ended up coming up with a \$86 per variance average. When we look at all this together, the staff time, the supplies, and the recording, that amounts to \$522. The consultant fees on average are \$320 per variance and I'm splitting those two out just because the escrow will go towards the consulting fees and the staff time, the recording fees, all that's going to come out of our variance fee. My suggestion is adjusting the variance fee from \$150 to \$300 and I'm also going to suggest not adjusting the \$500 escrow that we currently charge. The new variance fee would help cover our costs better. I don't think it's that much of a leap considering how much we are still spending. We're not going to be covering all costs, but it would help us get there a little bit more. This would result, with the \$300.00 variance fee as well as the \$500.00 escrow combined, an applicant would be putting down \$700.00 per variance as a combined fee and escrow, which if you remember from earlier is still going to be lower on the average of the cities that I studied. Leaving the escrow as-is even though it's a \$320 consulting fee, that's going to still give us a little bit of breathing room in case there's things with the variance where something gets prolonged for whatever reason because with the escrow if it's only \$320 they're still going to get the remaining money out of that \$500 back so they're not going to be spending the full \$320 if it sticks to about the average time we use our city attorney. That is what I have for just the regular variants. Now I'm going to go a little bit into the administrative variance. These don't take as much time and aren't as common in the Twin Cities, so I only was able to compare to a couple other cities, that includes White Bear Lake and Maplewood. Just to be clear, both of these cities are developed. We use our administrative variances for septic variances, so if septic locations don't meet our code. White Bear Lake and Maplewood, they're both developed so that they're not using it for that purpose. Maplewood uses it for garage setback variances. White Bear Lake uses it for different nonconforming setbacks, ground mounted solar energy systems, it's a little bit different there, and you'll notice that Maplewood is \$500.00. White Bear Lake is \$25 so big gap there. And like I said, there's less staff time taken, as you can see on table four of page 46. The staff time between me, the planning and zoning tech, our permit coordinator, and our city administrator is about 3 1/2 hours that ends up being about \$141 as a billable rate. There is also a \$46 recording fee per variance. In addition to that, we also have a \$105.00. Typically we'll have to use that for our septic inspector. So what the staff suggests is adjusting the administrative variance fee to \$200.00, which will help cover the average \$141.00 in staff time and \$46 recording fee. This is going to be lower than Maplewood's \$500.00 fee. Staff would also suggest adding a \$250 escrow per variance to cover consultant costs. Again, this will give us a little bit of cushion in case something weird happens. Since my time working here, I think all of them have taken probably about an hour, but there was one that took quite a bit more so and I'll remind that we're not going to just take this \$250 and then if we only use \$105 pocket the rest. They'll get a refund if we don't use the entire \$250 escrow. Those are my suggestions as to what the Planning Commission should recommend to the City Council and I'm more than happy to answer any questions you might have and any comments.

Berens: This is Bob. I have a question here. It doesn't really distinguish between a residential variance and a business variance, but yet the fees are the same. It seems like it's a burden for an individual resident to have to pay additional monies for permitting fees where a business might be able to

accommodate that a little bit better than an individual residence. So I'm just curious why you lump it all into one and just say this is our general fee for any variance. I recognize that there's labor costs and different things like that, consulting fees. Everything's like that for both. But it seems like the residential people probably need a break versus a business. I can see raising the fees on the businesses, but I can't see trying to burden the residential people who are just trying to get a variance for putting in a garage, for example. I don't understand why we would burden our residents with additional fees the same that we would a business.

King: I just have a question with that. The cost to the city based on a residential variance or a business, is there much difference? Because personally I think it comes down to, I don't know if I want to carry the burden for my tax dollars to pay for residents to get a variance.

Berens: It's allowed in our ordinances.

King: Well, they can get it, but they pay for it.

Berens: Yeah, but why? Why penalize them when it's just a residence over a business?

King: Because it still takes up city time.

Berens: But does it take up as much time?

King: That was my question.

Giefer: I can tell you that it takes me the exact same amount of time to do a residential versus commercial variance when I work on them.

Berens: So it's the same.

Giefer: Yes, it's the same.

King: And I get where you're going, because I think you said that based on the amount of time- I mean, the permit fee is the permit fee, correct? It's the escrow part for the consultant that is kind of up and down, correct? Based on what they actually work.

Mursko: Yes.

King: OK.

Koenen: A couple things, I did notice some cities did divide between residential and commercial and industrial, but overall it was typically just a flat fee either way. Additionally in regards to my time, it is probably about the same between residential and commercial. Full disclosure, probably the biggest difference is how complete they do their application is and if the resident doesn't have everything put together it's going to take me a while, if a commercial has everything put together its not going to take me as much time. So by and large from my experience so far it's not huge difference.

Berens: All right, good discussion.

Hanegraaf: Any other comments? You're looking for a recommendation from us, so we have to take a vote, right?

Mursko: Yes, you'll be making a recommendation to the Council, and just so everyone is clear, we are bringing the planning and zoning fees to the Planning Commission and we are required to do a public hearing. You don't do this every year, it's only when we're doing planning and zoning, so that's why we have a public hearing tonight, so we put the public on notice because, as Bob Berens says, it does impact

residents and this was their opportunity to voice their opinion on the fees. So again, we don't do it every year, but the Council has given us direction that we want to start looking at fees and we want to make sure that we are charging appropriately, and as Kris had indicated sometimes it's not quite fair to have permit fees ad valorem when it's on individual properties that they're applying for.

Hanegraaf: OK, so if it's a public hearing I have to open it up to the public. Does anybody have any testimony or comments who'd like to come forward inside the building, give their name and address on this issue. I don't see anyone, we'll open it up via zoom, anybody up there like to make a comment? Are they just all on mute OK? Anybody want to come forward? Nobody came forward. We're closed the public hearing.

At this time Chair Hanegraaf closed the Public Hearing. Hearing closed at 9:05 PM.

Ella Giefer

Respectfully submitted: Ella Giefer, Recording Secretary