

**PLANNING & ZONING COMMITTEE  
MEETING AGENDA  
THURSDAY, JANUARY 8, 2015 @ 7:00 PM  
ARLINGTON COMMUNITY CENTER**

1. Call to Order.
2. Pledge of Allegiance.
3. Oath Of Office.
  - A. Jim Carlson
  - B. Janet Deno
  - C. Jim Kreft
4. Election of Officers: Chairperson, Vice Chairperson, Secretary.
5. Approve Agenda.
6. Approve the Minutes.
  - A. Special City Council & Joint PZ November 24, 2014
  - B. November 24, 2014
7. Public Hearings.
  - A. Conditional Use Permit Amendment: Interstate Fuel and Energy
  - B. Central Business District Design Standards: Draft Ordinance
  - C. Temporary Structures: Ordinance Update
8. Unfinished Business.
  - A. None.
9. New Business.
  - A. None.
10. Planning Commission Roles/Responsibilities (Presentation, for information)
11. Review Building Permit Reports.
  - A. November 2014
  - B. December 2014
  - C. 2014 Year End
12. Other Business.
13. Adjourn.

**ARLINGTON PLANNING & ZONING BOARD  
MEETING MINUTES  
JANUARY 8, 2015**

The meeting was called to order at 7:00 p.m. by member Dwight Grabitske.

Members Present: Jim Carlson, Janet Deno, Dwight Grabitske, Mark Pauly, Bob Pichelmann,  
Councilmember Battcher

Members Absent: None

Also Present: PZ Adm. Smith-Strack, Wayne & Susan Schmidtbauer, Jerry & Cheyenne Bernstein,  
Richard Thomes, Phone Conference: Nate Holmgren & Tom Berling of Interstate Fuel & Energy

PZ Adm. Smith-Strack administered the Official Oath of Office to new members Jim Carlson and Janet Deno. She noted that there was still a vacancy on the Committee.

Motion by Battcher, seconded by Deno, and carried (Pauly abstained) to elect Mark Pauly as the Chairperson.

Motion by Battcher, seconded by Deno, and carried (Pichelmann abstained) to elect Bob Pichelmann as the Vice Chairperson.

Motion by Pauly, seconded by Pichelmann, and carried (Battcher abstained) to elect Battcher as the Secretary.

Newly appointed Chairperson Pauly took over the meeting from member Grabitske.

Motion by Pichelmann, seconded by Grabitske, and passed by unanimous vote to approve the agenda as presented.

Motion by Pichelmann, seconded by Grabitske, and passed by unanimous vote to approve the Special City Council & Joint Planning & Zoning November 24, 2014 meeting minutes as presented.

Motion by Grabitske, seconded by Battcher, and passed by unanimous vote to approve the Special November 24, 2014 meeting minutes as presented.

Chairperson Pauly recessed the regular meeting to hold a public hearing.

**Conditional Use Permit Amendment – Dressen/Interstate Fuel & Energy, 39625 230<sup>th</sup> Street:**

Chairperson Pauly called the public hearing to order regarding the application for a Conditional Use Permit Amendment from Bill Frothinger, d/b/a Interstate Fuel & Energy (property lessee) and Warren Dressen (property owner). Smith-Strack stated that the purpose of the amendment was to allow direct transloading of any type of natural gas liquid from rail cars to tanker trucks, not just propane as had been approved under the original CUP. Due to weather conditions, members from Interstate Fuel could not be present, so a conference call was held with them at this point. Interstate Representatives were Nate Holmgren and Tom Berling. Smith-Strack presented the following representations by the applicant:

- The use is limited to the direct transloading of natural gas liquids from rail cars to mobile tanker trucks.
- The use will not under any circumstance involve the transfer of more than 200,000 gallons/day of liquid propane from rail cars to tanker trucks.
- The use will not under any circumstances involve the loading of more than 20 tanker trucks on site per day.
- The use will not under any circumstances occupy greater than 100,000 square feet of the subject property.
- The equipment stored on site will be limited to one (1) transloader and one (1) one-ton pickup truck. The storage of both items shall occur outdoors.
- Semi tractors and/or tankers will not be stored on site.
- Rail cars may be stored on the rail spur located on the subject site.
- There are no structures on the site currently. There are no structures proposed.

- The Applicants certify up to three employees may be at the site at one time.
- The property lessee will be responsible for maintaining the site, weed control, lawn care and snow removal on the property.
- Hours of operations may be up to twenty-four (24) hours per day, seven (7) days per week.
- No storage of hazardous materials shall occur on site, other than within rail cars and/or tankers as they are being transloaded.

She noted that the applicant and/or site were currently in compliance with the CUP issued last fall, along with the Fire Department and Fire Marshall.

Neighboring property owners (Wayne & Susan Schmidbauer, Jerry & Cheyenne Bernstein) expressed various concerns, mainly about safety if something goes wrong. Berling talked about Interstate's safety procedures/policies in place. It was noted that in the event of a fire, the response objective is to keep the tank cool and shut off the flow, not fight the fire. Holmgren commented that the railcars are insulated. It was projected that seven (7) railcars could be on site at one time. Holmgren also talked about the safety equipment they use – automatic/emergency shutoff valves and 'smart hose'. Concern was expressed about the number of trucks on site at one time, loading or waiting to be loaded. Holmgren commented that one truck is loaded at a time and the remaining trucks are scheduled so far apart so there is not a lineup of trucks waiting. Concern was expressed about ground contamination in the event of a spill. Berling stated that natural gas liquids vaporize into the air and are not a groundwater contamination issue. He added that there are emergency evacuation steps in place in the event of a leak. There were various other questions asked about the operation/site/noise and were answered.

Chairperson Pauly adjourned the public hearing and reconvened the regular meeting.

It was noted that there was very good feedback from the Fire Department about the transloading operation after their training session with Interstate.

Grabitske introduced the following resolution and moved for its adoption:

**RESOLUTION NO. 1-2015**

**A RESOLUTION APPROVING A CONDITIONAL USE PERMIT AMENDMENT TO ALLOW A NATURAL GAS LIQUID DIRECT TRANSLOADING FACILITY AT 39625 230<sup>TH</sup> STREET**

**WHEREAS**, Bill Frothinger, d.b.a. Interstate Fuel and Energy, Property Lessee, and Warren Dressen, (Fee Owner) previously submitted a request to operate a direct liquid propane transloading from rail car to tanker truck use at 39625 230<sup>th</sup> Street; and,

**WHEREAS**, the request was approved under a Conditional Use Permit (City Council Resolution 57-2014), and,

**WHEREAS**, the Property Lessee and Fee Owner have now submitted a Conditional Use Permit amendment request to allow the transloading of any natural gas liquid at the subject site as opposed to just liquid propane; and,

**WHEREAS**, the property is legally defined in Exhibit A attached hereto; and,

**WHEREAS**, the property identification number is 31.0843.000; and,

**WHEREAS**, the Applicants represent:

- The use is limited to the direct transloading of natural gas liquids from rail cars to mobile tanker trucks.
- The use will not under any circumstance involve the transfer of more than 200,000 gallons/day of liquid propane from rail cars to tanker trucks.
- The use will not under any circumstances involve the loading of more than 20 tanker trucks on site per day.
- The use will not under any circumstances occupy greater than 100,000 square feet of the subject property.
- The equipment stored on site will be limited to one (1) transloader and one (1) one-ton pickup truck. The storage of both items shall occur outdoors.
- Semi tractors and/or tankers will not be stored on site.
- Rail cars may be stored on the rail spur located on the subject site.
- There are no structures on the site currently. There are no structures proposed.
- The Applicants certify up to three employees may be at the site at one time.

- The property lessee will be responsible for maintaining the site, weed control, lawn care and snow removal on the property.
- Hours of operations may be up to twenty-four (24) hours per day, seven (7) days per week.
- No storage of hazardous materials shall occur on site, other than within rail cars and/or tankers as they are being transloaded.

**WHEREAS**, the proposed use is a conditional use under Section 9, Subdivision 3(A) of Ordinance 169, the Arlington Zoning Ordinance; and

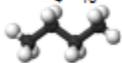
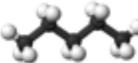
**WHEREAS**, notice of a public hearing to accept input on the CUP request was published in the official newspaper on December 25, 2014 and sent to property owners within 350 feet of the subject property; and

**WHEREAS**, the Planning and Zoning Committee conducted a public hearing on the CUP request on January 8, 2015 and accepted input on the CUP request; and

**WHEREAS**, the Planning Committee has reviewed the CUP request and the associated staff memo relating to the project.

**NOW, THEREFORE, BE IT RESOLVED BY THE ARLINGTON PLANNING AND ZONING COMMISSION THAT:** The Planning and Zoning Commission hereby recommends approval of a conditional use permit to provide for the direct transloading of natural gas liquids as defined below from rail car to tanker truck at 39625 230<sup>th</sup> Street subject to the following:

1. The 'Use' is defined as and limited to the direct transloading of the following types of natural gas liquids propane from rail cars to tanker trucks.

NGL Attribute Summary				
Natural Gas Liquid	Chemical Formula	Applications	End Use Products	Primary Sectors
Ethane	$C_2H_6$ 	Ethylene for plastics production; petrochemical feedstock	Plastic bags; plastics; anti-freeze; detergent	Industrial
Propane	$C_3H_8$ 	Residential and commercial heating; cooking fuel; petrochemical feedstock	Home heating; small stoves and barbeques; LPG	Industrial, Residential, Commercial
Butane	$C_4H_{10}$ 	Petrochemical feedstock; blending with propane or gasoline	Synthetic rubber for tires; LPG; lighter fuel	Industrial, Transportation
Isobutane	$C_4H_{10}$ 	Refinery feedstock; petrochemical feedstock	Alkylate for gasoline; aerosols; refrigerant	Industrial
Pentane	$C_5H_{12}$ 	Natural gasoline; blowing agent for polystyrene foam	Gasoline; polystyrene; solvent	Transportation
Pentanes Plus*	Mix of $C_5H_{12}$ and heavier	Blending with vehicle fuel; exported for bitumen production in oil sands	Gasoline; ethanol blends; oil sands production	Transportation

C indicates carbon, H indicates hydrogen; Ethane contains two carbon atoms and six hydrogen atoms

\*Pentanes plus is also known as "natural gasoline." Contains pentane and heavier hydrocarbons.

2. The 'Site' is defined as and strictly limited to Lot 5 and part of lots 4 & 6, Arlington Industrial Park, City of Arlington, Sibley County MN (full legal description attached) property identification number: 31.0843.000 as existing on August 14, 2014 the date of Application submittal.
3. The approved Use is limited to the Site defined above and at all times shall meet the conditions set forth herein.

4. The Use shall at no time exceed the transloading of 200,000 gallons per day nor occupy greater than 100,000 square feet of the Site.
5. Equipment allowed to be stored at the Site is defined as and strictly limited to one (1) transloader and one (1) one (1) ton pickup truck.
6. The Property Owner/Lessee hereby agree to store the aforementioned equipment allowed to be stored at the Site in a fashion that is safe, neat, and orderly.
7. The Property Owner/Lessee shall at all times keep the property weed free, control dust on the property, prevent soil erosion, prevent tracking of debris onto public rights of way, prevent contamination of soil, prevent infestation of rodents, prevent infestation by insects, and retain items in specific storage areas. It is noted the site is currently not in compliance with this standard due to lack of weed control.
8. The Property Owner/Lessee shall ensure each and every day that any material/debris tracked from the site on to County Road 12 is swept off the public right of way.
9. The construction of any structure (structure is defined as anything constructed or erected, the use of which requires location on the ground or attachment to something having a location on the ground) shall necessitate a review of the use of the property, including the potential for requiring a conditional use permit (CUP) amendment as defined within the Limited Industrial District and zoning standards relating to conditional uses.
10. The construction of a structure, regardless of structure square footage and/or need for service connection, shall necessitate extension of municipal water and sewer service to the property.
11. All truck traffic maneuvers and parking, staging, or stacking shall occur on site on private property.
12. The Use shall be conducted in compliance with applicable state and federal rules, including but not limited to, 49 CFR 174.67 (as may be amended), 49 CFR 172.800 (as may be amended), 29 CFR 1910.199 (as may be amended), 29 CFR 1910.120 (as may be amended), and NFPA 58 (as may be amended).
13. The Use is subject to review and approval by the Fire Chief prior to establishment.
14. The Applicant shall supply a portable restroom at the site until such time as extension of municipal utilities is required.
15. The use shall at all times meet the requirements of Section 9, Subdivision 5 of the Zoning Ordinance (as may be amended) relating to noise, vibration, smoke, particulate matter, odor, sewer and water discharge, exterior lighting, and glare.
16. Any proposed signage will require the issuance of a sign/building permit.
17. This approval shall expire one year after date of approval unless the Applicant has commenced operation of the Use on-site.
18. This permit is subject to all applicable codes, regulations and ordinances, and violation thereof shall be grounds for revocation.
19. The City may revoke the CUP upon violation of the conditional use permit standards in the Zoning Ordinance or violation of the conditions of this resolution.
20. The conditional use permitted under this Resolution shall be revoked if the Use ceases for more than 12 consecutive months.
21. The Use permitted under this Resolution may change to a permitted use in the I-1 District without further action by the City Council; however the Use may not change to another conditional use without a new application and approval by the City Council.

The motion for the adoption of the foregoing resolution was duly seconded by Battcher and upon poll being taken thereon the following voted in favor thereof: Carlson, Deno, Battcher, Grabitske, Pauly, Pichelmann, Councilmember Battcher; and the following against the same: None; and the following abstained from voting: None; and the following were absent: None.

Adopted by the Planning & Zoning Committee of the City of Arlington this 8<sup>th</sup> day of January, 2015.

Signed: /s/ Mark Pauly  
Chairperson Mark Pauly

Attested: Cynthia Smith-Strack  
Planning/Zoning Adm. Cynthia Smith-Strack

Whereupon the resolution was declared duly passed and executed.

Chairperson Pauly recessed the regular meeting to hold a public hearing.

**Proposed Ordinance - Central Business District Design Standards:**

Chairperson Pauly called the public hearing to order regarding a proposed ordinance for Central Business District Design Standards. Smith-Strack provided an overview of the discussions held in the last year by the previous Planning Committee with regards to addressing historic appreciation/preservation mechanisms for the central business district. She stated that the 2008 Comprehensive Plan Update

included several policies and goals relating to the preservation of the Downtown as the City's traditional, pedestrian-friendly, commercial core. She stated that draft language had been put together; the EDA reviewed it and provided their input/suggestions. The Planning Committee then considered simplified and more flexible language based on the EDA's concerns; but felt it was important to retain building positioning on lots and exterior material standards. Exterior standards relate to attempting to keep larger windows in place and encouraging retaining brick where feasible. Flammable siding materials and non-traditional materials such as metal and vinyl are suggested to be prohibited; however, metal will be allowed if it is on the non-street side of a building. The proposed ordinance was reviewed in detail.

Dick Thomes was present to express his opposition to the proposed ordinance. He commented that there were no 'stakeholders' on the Committee that drafted the ordinance. It was written from a historical perspective, not a business one, which was wrong. Thomes opined that he would not or could not build under the proposed ordinance and gave several reasons:

- Doesn't want 2-story building, no need for it, plus it's a waste of space;
- No display space outside if has to build to lot line/corner;
- Very cost prohibitive;
- Large windows are not retail friendly – sun damage occurs to inventory & carpet, reduce display space, etc.
- The use of metal siding should be allowed.

Thomes went on to say that Arlington has a vibrant downtown; many other communities can't say that. Arlington needs to encourage business, not discourage it.

Smith-Strack noted that she had not received any written or oral comments either for or against the proposed ordinance.

Chairperson Pauly adjourned the public hearing and reconvened the regular meeting.

Discussion continued on the proposed ordinance related to the central business district design standards. Battcher expressed her thoughts that she felt the ordinance was fair. Pauly commented he understands the cost effectiveness side of things being required also. He doesn't want to drive away or prohibit business growth. Battcher suggested taking some more time with this and get input from the businesses in the downtown.

Motion by Battcher, seconded by Grabitske, and passed by unanimous vote to table the discussion and/or action on the proposed ordinance related to the Central Business District Design Standards in order to obtain more information for future consideration.

Chairperson Pauly recessed the regular meeting to hold a public hearing.

#### **Proposed Ordinance – Temporary Structures:**

Chairperson Pauly called the public hearing to order regarding a proposed ordinance related to Temporary Structures. Smith-Strack explained that the purpose of the ordinance was to amend a previous ordinance to more specifically address cargo containers, storage pods, storage bins and the like and make them subject to restrictions regarding temporary structures. It was noted that such structures were allowed for up to 180 days within the original ordinance. The proposed/amended ordinance had been submitted to the Council for consideration of a first reading. The Council discussed the 180 day limit and felt it was too long; therefore suggested that it be reduced to 90 days. Smith-Strack stated that she had not received any written or oral comment either for or against the proposed ordinance.

Chairperson Pauly adjourned the public hearing and reconvened the regular meeting.

Battcher introduced the following resolution and moved for its adoption:

**RESOLUTION NO. 2-2015**

**A RESOLUTION RECOMMENDING APPROVAL OF AN ORDINANCE ENTITLED “AN ORDINANCE AMENDING SECTION 13, SUBDIVISION 9 OF ORDINANCE 169, THE ARLINGTON ZONING ORDINANCE RELATING TO TEMPORARY STRUCTURES”**

**WHEREAS**, the City of Arlington placed Ordinance 279 relating to temporary structures into effect several years ago; and,

**WHEREAS**, the Arlington City Council directed the Planning Commission to develop language regulating storage ‘pods’, cargo containers, and storage bins; and,

**WHEREAS**, the Planning Commission initiated an amendment to Ordinance 279 relating to temporary structures which include such items as storage pods, cargo containers, and storage bins; and,

**WHEREAS**, the Arlington Planning Commission has reviewed and studied the issue and developed text to be included in an Ordinance entitled, “An Ordinance Amending Section 13, Subdivision, 9 of Ordinance 169, the Zoning Ordinance, Relating to Temporary Structures”; and,

**WHEREAS**, a public hearing was properly noticed and held on November 24, 2014 by the City of Arlington Planning Commission; and,

**WHEREAS**, the Planning Commission recommended approval of the Ordinance to the City Council; and,

**WHEREAS**, on December 1, 2014 the Ordinance came before the City Council for first reading and the City Council returned the Ordinance to the Planning Commission for consideration of lowering the approved period for temporary structures from 180 days to 90 days, a significant change; and,

**WHEREAS**, the Ordinance amendment was re-advertised for public hearing due to consideration of a requested significant change;

**WHEREAS**, a public hearing was properly noticed and held on January 8, 2015 by the City of Arlington Planning Commission; and,

**WHEREAS**, the proposed ordinance is itemized in Exhibit A which is attached to this resolution;

**NOW, THEREFORE, BE IT RESOLVED**, that the Arlington Planning Commission recommends the City Council approve an Ordinance entitled: “An Ordinance Amending Section 13, Subdivision, 9 of Ordinance 169, the Zoning Ordinance, Relating to Temporary Structures”, a copy of which is attached as Exhibit A.

The motion for the adoption of the foregoing resolution was duly seconded by Grabitske and upon poll being taken thereon the following voted in favor thereof: Carlson, Deno, Grabitske, Pauly, Pichelmann, Councilmember Battcher; and the following against the same: None; and the following abstained from voting: None; and the following were absent: None.

Adopted by the Planning & Zoning Committee of the City of Arlington this 8<sup>th</sup> day of January, 2015.

Signed: /s/ Mark Pauly  
Chairperson Mark Pauly

Attested: Cynthia Smith-Strack  
Planning/Zoning Adm. Cynthia Smith-Strack

Whereupon the resolution was declared duly passed and executed.

Smith-Strack suggested moving item 10 (Planning Commission Roles/Responsibilities) on the agenda to the next meeting due to the lateness of the evening. It was the consensus to do so.

The November, December and 2014 Year End Building Permit Reports were reviewed.

Motion by Grabitske, seconded by Battcher, and passed by unanimous vote to adjourn the meeting at 8:35 p.m.

\_\_\_\_\_  
PZ Adm. Cynthia Smith-Strack

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Chairperson Mark Pauly