

**APPROVED MINUTES
CITY COUNCIL AND PLANNING COMMISSION CONCURRENT SPECIAL MEETING
THURSDAY, DECEMBER 26, 2024**

Mayor Rowan called the City Council and Planning Commission to order in a concurrent special meeting at 7:27 p.m. at City Hall.

CITY COUNCIL MEMBERS PRESENT: Mayor Chris Rowan, Marc Wirz, Brenda Carlson, Sue Unterberger

CITY COUNCIL MEMBERS ABSENT: Tootz Tschumperlin

PLANNING COMMISSION MEMBERS PRESENT: Chris Rowan, Frank Eder, Michelle Garmon, Marc Wirz, Mitch Moe

Others: Randy Kramer, Duane Peterson, Megan Blonigen, Deputy Clerk Sarah Jacobsen Krone, Clerk Deb Kramer

The purpose of the concurrent special meeting was to review public testimony from the 12/26/24 public hearing on the proposed amendments to the Zoning Ordinance adding Small Box Variety Stores as a use requiring a Conditional Use Permit and defining, restricting, and regulating Small Box Variety Stores.

Brenda Carlson responded to Randy, she understands competition, but when a Small Box Variety Store comes into a town and drives out the other businesses, then leaves, that town is left in a food desert. Dollar General has gone into numerous cities, driven the grocery store out, and then left. Carlson asked Dollar General to come to Watkins when Stein was trying to sell his grocery store, and was told that Watkins was not a viable option at that time. Carlson noted that she tries to shop local as much as possible. She also stated that it has been proven in states all over that crime becomes a problem, and they are trying to protect the town. Carlson also noted she was for competition, but in a way not to hurt what's here.

Kramer stated that you can't blame crime in Watkins on Dollar General, and any empty building in Watkins has been filled right away. He stated that Dollar General is not going to go broke, and questioned how much the city has spent on getting J & R Family Market into town.

Sue Unterberger noted that J & R took out a loan, like everybody else.

Carlson also noted that Dollar General has contracts that require their buildings to sit empty for ten years if they were to close a store.

Unterberger stated that Kramer is only talking about J & R Family Market, but these regulations are about all businesses, and they are doing this as part of their duties as the council. Unterberger noted small box variety stores are not a listed use in the B-2 District.

Marc Wirz clarified to Kramer that current city zoning ordinance does not allow general retail anywhere in the town, and that this ordinance is adding them as a use.

Frank Eder noted that he used Faber to repair his house after the tornado, he buys his groceries at J & R, and gas at local stations. He noted not everybody goes out of town to buy.

Kramer stated that he can get everything cheaper at Costco, and people are crazy not to do that.

Eder noted that when EV-W school was asking for donations, Dollar General in Eden Valley did not contribute anything to the town. Eder noted local businesses are being part of the community, but Dollar General doesn't.

Kramer asked about what's right and what's legal?

Carlson noted it's all legal.

Wirz requested that the group look over the options for an amendment one more time.

Deputy Clerk Krone noted the differences between the three options being presented.

Mayor Rowan stated that he was not opposed to Option 3, there had been studies on this, and felt that a town the size of Annandale could support a Small Box Variety Store.

Unterberger noted that she spoke with some people from Kimball, and the Dollar General there was not consistently open for the advertised hours.

Wirz stated that their open hours are very hit and miss due to trouble with staffing.

Carlson noted that while it is not a primary concern of the council, a Small Box Variety Store could leave the town without a grocery store.

Kramer stated the council's job was to keep the city safe and economical and they are not doing that at this point. He stated the council is not trying to lower taxes. He noted Watkins needs the commercial property tax that Dollar General would pay.

Eder noted that he talked to Gohmann in Kimball, and things were tight but he was able to stay in business until Dollar General moved in, and they closed three months later.

Kramer stated that they have a Dollar General in Richmond that hasn't affected their grocery store, they are about the same size.

Mitch Moe stated that he appreciates that everyone wants a quality of life for Watkins, and the question is whether to keep the status quo or carefully craft something for the future. He has built commercial buildings in the past, and thinks that too much regulation can drive businesses away.

Wirz noted to keep in mind the use is not allowed anywhere right now.

Unterberger stated that they are also guarding against market saturation.

Garmon stated that she liked Option 2. It gives Small Box Variety Stores a place to be, and she liked that studies would be done specifically to address the issues in Watkins.

Wirz stated that he also liked Option 2.

Eder noted that he wants studies done, and is good with Option 2.

Moe stated that he would be abstaining, as he had not seen the options before tonight.

MOTION BY EDER TO RECOMMEND OPTION 2 TO CITY COUNCIL, SECONDED BY GARMON, MOTION CARRIED.

MOTION BY MOE TO ADJOURN PLANNING COMMISSION MEETING, SECONDED BY EDER, MOTION CARRIED.

Planning Commission meeting adjourned at 8:12 pm.

MOTION BY CARLSON TO ADJOURN CITY COUNCIL MEETING, SECONDED BY UNTERBERGER, MOTION CARRIED.

City Council meeting adjourned at 8:13 pm.

Submitted by

Deb Kramer, Clerk

ATTEST:

Chris Rowan, Mayor/Planning Commission Chairman