

APPROVED MINUTES
WATKINS CITY COUNCIL
TUESDAY, DECEMBER 3, 2024

Mayor Rowan called the special work session to order at 7:02 p.m. at City Hall.

MEMBERS PRESENT: Mayor Chris Rowan, Tootz Tschumperlin, Sue Unterberger, Marc Wirz, Brenda Carlson

MEMBERS ABSENT: none

Others: City attorney Boe Piras, Paul Abdo, Deputy Clerk Sarah Jacobsen-Krone, Clerk Deb Kramer

The purpose of the work session was to consider regulation of small box discount stores.

Carlson asked if a population requirement could be implemented, i.e. small box stores prohibited until city hits a certain population, i.e. 1,500? Boe noted he hasn't seen any examples of that so he would need to check on it.

Mayor Rowan noted the Bird Island ordinance has distance parameters, etc. that Watkins could follow.

Deputy Clerk Sarah Jacobsen-Krone noted the purpose of tonight is to decide to allow or not, and if so, the need to regulate. Sarah read the permitted uses for the B-2 District. None have general retail as a use, they are specific retail uses. The city needs to set regulations if going to allow the industry, i.e. trash receptacles, crime, etc. Sarah noted the need to update the city's comprehensive plan and where the city would want this type of industry to locate. With Glenshire Estates housing development to the west could that property, now in the B2 District, be better used as a more residential/mixed use area. She asked if an autocentric highway facing business would be best for the B-2 Highway Commercial District or should it be permitted in a different district.

Wirz asked the attorney's opinion on general retail not being a use. Boe noted the city should be more specific in its ordinance to address industry-specific issues.

Carlson noted the research has determined this not something that works for our city.

Sarah felt M-1 would be a better fit for future use and the city should try to connect Glenshire Estates more with the rest of the city. That property may not be the best fit for the use.

Wirz asked what power the city had. Boe noted the city cannot act arbitrarily. It cannot play favorites. The city is well within its rights to regulate industry. The threat of litigation is the developer's reliance on what they are saying the city told them.

One option to regulate would be to allow as a use in a district and have conditions stated to address known issues such as garbage containment. Unterberger noted people have said they don't want it, so prohibition would be another option.

The conditions would be to address known concerns, they would be spelled out in the ordinance. The use could be regulated as a permitted use, or require a conditional use permit.

Carlson questioned a dispersal ordinance. Boe noted it doesn't have to be exclusive, regulations can be layered on.

Distance parameters were discussed. Including convenience stores, which are similar to small box stores, could be included in that. The Bird Island ordinance addresses that as well.

Carlson asked about using the city's police powers not to allow the industry. Boe noted legislative authority is granted to cities.

Carlson noted there was a store opened west of here, possibly Brooten, that went out of business. It's empty now and nothing can be done with it due to some kind of time conditions. Boe noted that most retailers, i.e. Target, Walmart, won't allow another retailer to backfill a vacated store. Boe wasn't aware of anything that could be done once they own the property.

Carlson asked about a doing a community benefits agreement to require funds be set aside in case the business vacates the property. Boe noted that is done probably more when a property is sold. He didn't think the city could make that a conditional use.

The consensus of the council was to regulate the small box discount store industry in the M-1 Industrial District with a conditional use permit. The city needs to have this clarification addressed before the moratorium ends January 11, 2025. Boe asked if the city wants to prohibit the industry in all districts but M-1, does the city want to use Bird Island's ordinance as a model using the distance parameters from residential areas and stores that dedicate 15% of shelf space to fresh meats, etc.

Council advised to address known concerns such as garbage, lighting, security cameras, landscaping and outdoor storage. Council also wants to regulate distances from other uses. The distance amounts do not have to be the same for all categories. Unterberger thought the small box discount store industry should be 1 mile from the others.

Carlson asked if the city has those conditions, does it need to do anything based on population, i.e. note it's in effect until Watkins hits a certain population.

Unterberger asked about a special use permit similar to what Plainview NE implemented.

Carlson noted future planning and how the council wants to see the city grow, but in a positive way.

Boe noted with both Plainview and Fate, TX, there is a need for the industry to prove it won't create certain things like a food desert.

The following are some of the options to regulate small box variety stores that will be drafted in ordinance format for the council to review.

1. Allowing in the M-1 Industrial District with distance regulations and 3 conditions – lighting, garbage and cameras. No studies would be required.
2. Add a few more options to #1. Require studies regarding food deserts and detrimental effects.
3. Outright ban the industry until city hits a certain population.

Boe will have the options available by December 12th for council review. A public hearing will need to be held. Earliest date would be 12/30.

Boe asked council if they had a population in mind for the outright ban option and if the city hits that number, does the council want to go with option 1 or 2.

Wirz asked who would be responsible for the studies – the city or developer. Boe noted the city would require the developer to prove those facts. Wirz noted their experts could provide biased information. Boe noted requiring the studies is an additional burden for them.

Unterberger asked if the city goes with 3,500 population, then do we go with option 1 or 2. Boe noted the city could go with 4 options. Boe noted the city has a lot of resources from studying over the past year.

Sarah noted the definitions page should include the small box variety store definition.

Council agreed to use 3,500 as the population benchmark. Boe noted the city would need to state what source would be used for population. If the ordinance springs by hitting that population mark, council agreed to go with option 1.

MOTION BY WIRZ TO ADJOURN, SECONDED BY CARLSON. MOTION CARRIED.

Adjourned at 8:23 p.m.

Submitted by

Deb Kramer, Clerk

ATTEST:

Chris Rowan, Mayor