



Watertown City Council
Work Session

Mayor Michael Walters
Kay Thul
Adam Pawelk
Fred McGuire
Dan Schuette

1/24/2023 - Minutes

1. Call To Order And Roll Call

Mayor Walters called the Watertown City Council work session to order at 5:30 p.m. on January 24, 2023, in the council chambers of City Hall.

Council Members Present: Michael Walters, Adam Pawelk, and Fred McGuire.

Council Members Absent: Dan Schuette and Kay Thul.

Staff Present: City Administrator Jake Foster, Administrative Services Director Maggie Reisdorf, City Planner Mark Kaltsas, and Public Utilities Superintendent Doug Kammerer.

Others Present: Jeff Muonio – Elk Development and Rylan Rosenberg – Elk Development.

2. New Business

2.1. 1 - Potential Developments Discussion

Spring Mills

City Planner Kaltsas introduced this item to the City Council. He started with a proposal from Jeff Muonio with Elk Development for a project called the "Spring Mill Multi-Family Project Proposal". He stated that the proposal is for the new construction of a multifamily development on a parcel of property located at the northwest corner of Paul Avenue and CR 24. He explained that the site is approximately 7.4 acres and that the proposal would include the building of eight (8) buildings with twelve (12) units per building for a total of 96 units.

Kaltsas explained that the Elk Development had come to the City Council in the past for this site that provided a layout for single-family housing as a Single-Family Planned Unit Development (PUD). He explained that the final plat was approved in 2022 and was in line with the City's 2040 Comprehensive Plan.

Kaltsas explained that this plan would essentially replace that previous plan and require a rezone from

single-family housing to a multi-family designation. He reviewed a concept plan provided by the developer that showed the building height at three stories, tentative layouts, parking, road access and more. Kaltsas explained that the information at the moment is purely at the concept level and that staff has not reviewed at a "deeper level" for code adherence.

Kaltsas stated that if the project were to move forward for consideration, one step in the process would include a comprehensive plan amendment that would change the land designation from low density to high density. Kaltsas reviewed neighboring land use as a way to help the City Council visualize what is nearby and the transitions between zoning areas. Kaltsas stated that staff is looking for some guidance on how to move forward.

McGuire asked if apartments were required to include units that accommodated a specific percentage of demographics.

Kaltsas said that requirements are only sometimes included when government funding or programs are being used to support a project.

Muonio said that at one point the city expressed desire for more senior apartment units.

McGuire explained that communities are currently struggling with housing in general. He said that people are regularly shifting between different housing needs depending on their stage in life. He stated that the city needs more housing options. McGuire asked what the size of the units would be.

Muonio explained that there would be a combination of 1, 2 and 3 units within the buildings. Muonio referenced Councilmember Schuette previously expressing concerns about the single-family planned development on the site that was approved in 2022. Muonio stated they are coming back with another plan that would provide a better use for the land and address some of the concerns expressed.

Pawelk stated that he is intrigued by the concept and that he expressed appreciation for Muonio coming back with a concept that addresses previously stated concerns. Pawelk said that additional information would be nice. Pawelk referenced a housing study that the city conducted about 10 years ago. He expressed interest in the city doing another study to see what the demand for housing types is.

Walters agreed that a study could be beneficial.

Kaltsas explained that the current housing market supports senior housing units and market rate units as they are currently deficient. He said that the City of Watertown has not had new apartment stock created in a long time. Kaltsas agreed that a new housing study would be helpful.

Foster informed that he reached out to company, Maxfield Research, for a proposal explained what the cost of a housing market study would tentatively cost.

Walters asked if the Planning Commission had reviewed the new concept plan yet.

Kaltsas explained that the Planning Commission had not seen the new concept plan yet because he wanted to bring it to the City Council first because of the need for a potential amendment to the 2040 Comprehensive Plan.

Walters expressed potential concern about high-density housing next to single-family developments as in the past owners of these properties criticized other projects with similar plans. Walters stated however that he thought there would be a lot of demand for these units and if the city wants to continue to grow, it needs to have a variety of housing types.

Muonio highlighted the location of the buildings being so close to the Regional Trail that connects to the downtown area.

Kaltsas explained that next steps would include bringing the concept to the Planning Commission for review and discussion.

Misc. Development

Kaltsas introduced another currently vacant property owned by developers wanting to develop the land at some point. He reviewed the parcel of land's location and the size being about 33.97 acres. He explained that it is currently zoned for low-density residential.

He stated that the land has had development proposals in the past that have never gone to completion.

Kaltsas stated that part of the property (PID – 10-0091800) has been requested in the past to be purchased by the City of Watertown for a potential site for a second water tower.

The current property owner/developer has expressed desire to eventually place apartment complexes on this parcel. He explained that they bought the land about a year and a half ago knowing that the land use designation was zoned as single-family.

Kaltsas asked the owners to provide a concept plan for a multi-family use on the land. Kaltsas reviewed the concept plan with the City Council that included two (2) three-story apartment buildings with a total for 125 units and eight separate townhome buildings with a total of 42 units for a total of 167 units on the parcel. He explained other concept items such as access points, parking garages, parking lots, storm ponds and more. Kaltsas explained that large portions of the site were wetland or needed to be designated for ponding.

Pawelk questioned that with all of the wetland and ponding designations, if the land could ever support a single-family development. He said that maybe the site is better for a high-density use designation. He explained that it is a tough lot for planning something.

There was additional discussion on the city water tower location, working with the owner to obtain land for the water tower, the idea of high-density at this location in comparison to other neighboring land uses, and the overall uniqueness of the property.

Kaltsas recommended continuing to work with the land owner, but recommended that the city not do a land use designation change at this time. He stated that it should be done when more concrete plans are presented.

3. Adjournment

The meeting was adjourned at 6:27 pm.

309 Lewis Avenue South; P.O. Box 279, Watertown, MN 55388

Michael Walters,

Mayor

ATTEST: _____

DRAFT