

**CITY OF CREDIT RIVER SCOTT
COUNTY
STATE OF MINNESOTA**

RESOLUTION NO. 2025-21

**A RESOLUTION DENYING A COMPREHENSIVE PLAN AMENDMENT TO RE-
GUIDE PARCELS FROM URBAN EXPANSION RESERVE TO COMMERCIAL**

WHEREAS, the City of Credit River is a Minnesota Municipal Corporation, duly organized and authorized to conduct its affairs under the laws of the State of Minnesota; and

WHEREAS, Mesenbrink Construction & Engineering Inc (“Owner 1”) is the owner of certain real property consisting of approximately 90.92 acres located in the City of Credit River, State of Minnesota, which has Property Tax ID No. 049080030 (“Property A”); and

WHEREAS, Suarez Living Trust (“Owner 2”) is the owner of certain real property consisting of approximately 10.00 acres located in the City of Credit River, State of Minnesota which has Property Tax ID No. 049080085 (“Property B2”); and

WHEREAS, Pee Development, LLC (“Owner 3”) is the owner of certain real property consisting of approximately 9.76 acres located in the City of Credit River, State of Minnesota, which has Property Tax ID No. 049080083 (“Property C”); and

WHEREAS, Paul and Eunice Doelz (“Owner 4”) is the owner of certain real property consisting of approximately 8.95 acres located in the City of Credit River, State of Minnesota, which has Property Tax ID No. 049080084 (“Property D”); and

WHEREAS, John and Mary Mesenbrink (“Owner 5”) is the owner of certain real property consisting of approximately 9.58 acres located in the City of Credit River, State of Minnesota, which has Property Tax ID No. 049080082 (“Property E”); and

WHEREAS, Marcos Gomez (“Owner 6”) is the owner of certain real property consisting of approximately 9.69 acres located in the City of Credit River, State of Minnesota which has Property Tax ID No. 049080070 (“Property F”); and

WHEREAS, Property A, Property B, Property C, Property D, Property E and Property F are collectively referred to herein as the “Subject Property”; and

WHEREAS, Owner 1, Owner 2, Owner 3, Owner 4, Owner 5, and Owner 6 are collectively referred to herein as the “Applicants”; and

WHEREAS, the Applicants have jointly submitted an application (“Application”) to request the re-guidance of the Subject Property from Urban Expansion Reserve to Commercial in the City of Credit River Comprehensive Plan; and

WHEREAS, the City previously denied the Application, the Applicants sued, and the district court remanded the Application back to the City with the following instruction:

“The Court hereby COMMANDS City to review Mesenbrink’s September 12, 2023, Application in accordance with its duty to apply the 2040 Plan Chapter 2 requirements, including the 2040 Plan Chapter 2 § G(6)’s requirement to ‘[r]eview ... land use changes in urban expansion areas for consistency with the [2040 Plan].’” (Underlining supplied by court)

WHEREAS, the Planning Commission of the City did on April 17, 2025, conduct a public hearing in relation to the Applicants’ request for a Comprehensive Plan Amendment; and

NOW, THEREFORE, BE IT RESOLVED, the City Council has considered the proposed application for a Comprehensive Plan Amendment and it makes the following *findings of fact*:

Review Process

1. Following appropriate published and mailed notice, a public hearing was held by the Planning Commission on April 17, 2025.
2. The Planning Commission, following receipt of public comments and deliberation on the Application, did not reach a consensus on the application, with two members voting to recommend approval, two members voting to recommend denial, and one member abstaining at their April 17, 2025, meeting.
3. These findings and resolutions are based upon the Staff Memo dated May 2, 2025, and all documents referenced in the Staff Memo, the recommendation of the City Planning Commission, and such additional information and documentation which is presented to the City Council on May 6, 2025, including the statements of the Mayor and Council Member Markert explaining why each believe Application is inconsistent with the Comprehensive Plan.

Comprehensive Plan

1. The City’s current Comprehensive Plan (“Comp Plan”) was adopted in 2020 pursuant to Minnesota Statutes Section 473.859 to be in conformance with the Metropolitan Council’s Thrive MSP 2040 plan and the systems statements issued by the Metropolitan Council.
2. The Comp Plan guides the Subject Property as Urban Expansion Reserve. The Application is inconsistent with the Future Land Use map, increasing the commercial or industrial land use by approximately 150%. Neither the City nor its residents

anticipated such an increase.

3. No part of the Subject Property has been previously guided for Commercial or Industrial uses in either the Credit River Comprehensive Plan or in the Scott County Comprehensive Plans.
4. The Subject Property has been guided Urban Expansion by Scott County since at least 2001.
5. The Application is inconsistent with the following goals and policies set forth in Chapter 2 - Land Use in the City's adopted Comprehensive Plan:
 - a. Goal A Policy 1c, 1e, 1f and 2c: The proposed re-guiding would allow commercial and light industrial development, but this could lead to significant infrastructure challenges and increased costs for future urban service extensions due to leap frog development. At this time, the City cannot demonstrate that all adequate facilities and services exist to support commercial development. The existing road infrastructure that would serve this development is not able to support the type of traffic that would serve a commercial guided property. The density implications of commercial and industrial development on the subject parcels (which would not contribute to the City's net density) have not been studied, making this request premature and inconsistent with Goal A Policy 2c.
 - b. Goal B Policy 3
 - c. Goal C Policy 1: The City's policy suggests reserving land for future commercial and industrial uses until urban services are extended. Reserving land ensures coordinated future development, preventing piecemeal growth that may not align with the Comprehensive Plan. The proposed re-guiding does not align with Policy 1, as it does not ensure compatibility with adjacent land uses and infrastructure.
 - d. Goal D Policy 2: Because the application is inconsistent with preventing undesirable development patterns, the application does not enhance the quality of life in the community or promote orderly growth. There has been no fiscal impact analysis prepared that provides the City a service plan for all areas proposed for urbanization.
 - e. Goal F Policy 6: The proposed commercial and industrial uses would have to access onto CSAH 21, which is a principal arterial through the City of Credit River and defined as a minor arterial in Scott County's Comprehensive Plan. The City does not have information from the Applicants as to how they would limit this access to ensure safety for travelers and limit congestion issues. If the Applicants were to comply with this policy, they would have to access on 175th Street East and 180th Street East, both of which are in need of improvement to meet the needs of the proposed development.
 - f. Goal G Policy 2, 3, and 5: The City does not have policies for interim

development uses to allow for conversion to sewer development, making this request premature. This policy discourages development that may obstruct future extension of utilities and roadways (which rural well and septic development in the Long Term Sewer Service Area would). The Applicants' request is inconsistent with this policy.

- g. Goal I Policy 1, 4, and 8: Because the proposed business center will not improve the environmental quality of the City, it will not preserve open space or enhance recreational and park facilities.
 - h. Goal K Policy 1 and 4: The guidance of the parcel to commercial could allow for uses that are not in harmony with the surrounding area particularly single family homeowners.
 - i. Goal L Policy 2 and 3: This proposal does not protect property values through the harmonious relationship of land uses, roads, natural features and the maintenance of properties.
 - j. Goal N Policy 2: The comprehensive plan encourages protection of valuable historical sites to preserve the City's sense of history. The proposed re-guiding would abut the Credit River Catholic Cemetery, which was founded in the mid-1800's and played a significant role in the early history of the City.
6. Development of properties within the LTSA (on well and septic) at this time may cause it to be both more challenging and potentially uneconomical to connect to municipal water and sanitary sewer service in the future. The Applicants has provided no information on how a proposed commercial or industrial development could be connected in the future in a manner that is both economical to connect and in a manner that does not either prohibit or result in significant additional cost to the future extension of these utilities to other parcels within the LTSA, which is inconsistent with the goals and policies in the City's adopted Comprehensive Plan.

Long Term Sewer Service Area (the "LTSA")

1. The Subject Property is within the LTSA as planned by the Metropolitan Council.
2. Within the LTSA, the City is required by the Metropolitan Council to stage sewer development through 2040 and to protect the remaining LTSA area for economical future sewer development past 2040.
3. Credit River has been coordinating with the Metropolitan Council and the City of Savage to prepare for and accommodate future sewer growth at urban densities in accordance with the Metropolitan Council's requirements. Credit River and Savage have executed a Joint Powers Agreement to provide water and sanitary sewer service to Credit River. In addition, the Metropolitan Council is preparing preliminary engineering studies and plans to acquire a sanitary sewer interceptor through the City of Savage to provide service to Credit River.

Subject Property Zoning

1. The Subject Property is currently zoned Urban Expansion Reserve.
2. The requested commercial and industrial uses are not an allowed use in the Urban Expansion Reserve zoning district except for those commercial or industrial uses that qualify as a “home occupation” or “home extended business” under the Zoning Ordinance and subject to restrictions related to the intensity of operations.
3. The Subject Property has been zoned Urban Expansion by Scott County since at least 2001 and has continued through 2020, when Credit River adopted its first Zoning Ordinance.
4. If re-guided to Commercial in the Comp Plan’s Future Land Use map, the Subject Property could then be rezoned to either the Commercial or Industrial zoning district under the City’s Zoning Ordinance. Once rezoned, this would then permit any use listed in Table 20-4 of the Zoning Ordinance for the respective zoning district to occur on these properties, with no consideration as to whether any given property is better suited long-term for commercial or industrial development and how that impacts the City’s ability to comply with the Metropolitan Council’s requirements, which is inconsistent with the City’s Comprehensive Plan goals and policies.

Property A

1. Property A consists of approximately 91 acres located on both the north and south sides of County State Aid Highway (CSAH) 21. There are no existing structures on the property, and it is currently used for agricultural purposes.
2. Property A is bordered primarily by residential and agricultural uses on all sides. In addition, the southern portion is bordered on the west by a cemetery. The northern portion shares a property line (approximately 200 feet in length) with a property that is zoned Industrial. All other adjacent properties are zoned either Urban Expansion Reserve or Urban Expansion Reserve Cluster.
3. An existing home (“Martell Property”) is located on a separate 1.22-acre parcel that is surrounded by Property A. This parcel currently accesses CSAH 27 via a driveway through Property A. The Applicants have not provided a proposal to either incorporate the Martell Property into the commercial/industrial development, nor have they provided information on how the proposed development of Property A as commercial or industrial uses could impact upon the residential use on the Martell Property. As the potential types of uses are both unknown at this time and also limited only by the uses in Table 20-4 of the Zoning Ordinance, it cannot be determined by the City as to what impacts the proposed re-guiding of the future land use to Commercial could potentially have on the Martell Property.

4. The portion of Property A that is on the north side of CSAH 21 does not currently have frontage on or access to any other roads except CSAH 21.
5. The portion of Property A that is on the south side of CSAH 21 has frontage on CSAH 27 and 180th Street East. Due to access spacing requirements of Scott County as well as Credit River's Subdivision Ordinance, access would not be permitted directly onto CSAH 27 and would instead be required to be accessed from 180th Street East and/or from CSAH 21.
6. 180th Street East is an old road primarily intended for residential traffic and is therefore not up to standard for industrial traffic. It would require improvements prior to the use of Property A for commercial or industrial purposes. The City has no plans to improve 180th Street East to a 10-ton road in its Capital Improvement Plan or Comprehensive Plan.
7. CSAH 21 is a four-lane highway owned by Scott County. Access management on the highway is controlled by Scott County, and permits for new roads, driveways and other highway improvements are subject to Scott County's jurisdiction. Property A is located between the intersections of CSAH 21 with CSAH 27 and Murphy Lake Boulevard, and there is approximately 3,800 feet between these intersections. Within that distance, Scott County would only permit one additional public street access location and may not permit full turning movements within the intersection of a new road with CSAH 21. It is not anticipated that Scott County would provide access permits for roads or driveways for both Parcel 1 and Parcel 6 onto CSAH 21, so one property would need to receive access through an internal road network from the other property.

Properties B through E

1. Properties B through E are located on the south side of 175th Street East. None of the properties have frontage on any other roads.
2. The properties are bordered primarily by residential and agricultural uses on east, west and north sides.
3. To the south of the properties is a property that is both zoned and used for Industrial purposes. All other adjacent properties are zoned Urban Expansion Reserve.
4. 175th Street East is a gravel road section that does not meet 10-ton road standards and would require improvement prior to the use of Properties B through E for commercial or industrial purposes. The City has no plans to improve 175th Street East to a 10-ton road in its Capital Improvement Plan or Comprehensive Plan.
5. 175th Street East ends in a cul-de-sac in front of Property B. Access to these properties from CSAH 21 is via Murphy Lake Boulevard. Murphy Lake Boulevard is a gravel road section between 175th Street East and 180th Street East that does not meet 10-ton road standards and would require improvement prior to the use of

Properties B through E for commercial or industrial purposes. The City has no plans to improve Murphy Lake Boulevard to a 10-ton road in its Capital Improvement Plan.

Property B

1. Property B is classified as Residential Non-Homestead for the 2023 taxes. It consists of a single-family home and two accessory buildings.
2. There are no known businesses operating on the property.

Property C

3. Property C is classified as Residential Non-Homestead and Commercial/Industrial for the 2023 taxes. It consists of a single-family home and two accessory buildings.
4. There are no records of a business in operation on this property other than the tax classification. A review of aerial photography indicates significant equipment and outside storage on the property, indicating that a business may be in operation.
5. Property C appears to contain a business that has not been permitted. It is unknown what the use of the business is and whether it is a use that could be permitted within the Urban Expansion Reserve zoning district if permits were sought by the property owner.

Property D

1. Property D is classified as Agricultural Homestead for the 2023 taxes and is enrolled in the Green Acres program. It consists of a single-family home and two accessory buildings.
2. There are no records of a business in operation on this property.

Property E

1. Property E is classified as Residential Non-Homestead and Commercial/Industrial for the 2023 taxes. There is not a home on the property, but there are two pole buildings.
2. Conditional Use Permit (CUP) 752-C-4 was issued by Scott County on January 9th, 1986 to allow a storage garage for trucks with an office. The Scott County Planning Commission's October 14, 1985 meeting minutes note that the proposed equipment to be stored in the proposed structure were "a gravel truck, grain hauler, 5th wheel trailer and possibly a school bus." This CUP has conditions including but not limited to the following:
 - a. Maximum number of employees shall be limited to one plus the owner. The unit shall contain restroom facilities.

- b. Hours of operation shall be 8:00 a.m. to 5:00 p.m. with extended hours during harvest season.

No amendments to CUP 752-C-4 are of record at the Scott County Recorder's Office.

3. Mesenbrink Construction and Engineering, Inc. is operating on Property E. No information has been provided related to the number of employees that work for this business, or if there are any other businesses operating on the site.
4. Mesenbrink Construction is a Contractor Yard that may only be permitted as a Conditional Use in the Industrial Zoning District per Table 20-4 of the Credit River Zoning Ordinance.
5. The property appears to have significant vehicles and materials stored outside of the two existing pole barns.

Property F

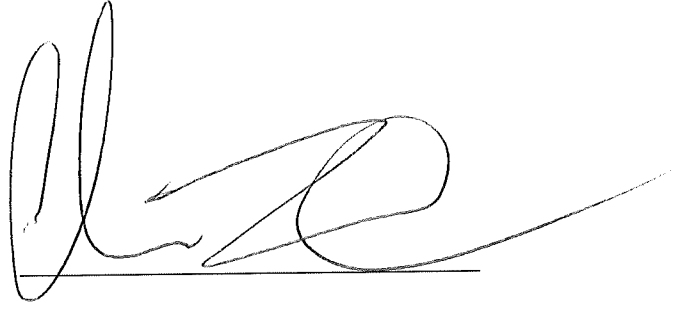
1. Property F consists of approximately 9.7 acres located on the north side of County State Aid Highway (CSAH) 21. There are two existing accessory structures on the property.
2. Property F is classified as Residential Non-Homestead for the 2023 taxes.
3. The property is bordered primarily by residential and agricultural uses on the north, west, and south sides. The east side is bordered partially by a property that is zoned for and used for industrial use. It is also partially bordered on the east by a single-family home that is also owned by Owner 6 (PID 049080060, the "Excluded Gomez Property"). The Excluded Gomez Property is zoned Urban Expansion Reserve and was not included by Owner 6 in this Application. Property F currently gains access via a driveway through the Excluded Gomez Property
4. The Applicants have not provided a proposal to either incorporate the Excluded Gomez Property into the commercial/industrial development, nor have they provided information on how the proposed re-guiding of Property F to Commercial could impact upon the Excluded Gomez Property that would be surrounded by Commercial and Industrial property. In addition, as the proposed uses for Property F are unknown, it cannot be determined by the City as to what impacts the uses could potentially have on the Excluded Gomez Property.
5. Property F is on the north side of CSAH 21 and does not currently have frontage on or access to any other roads except CSAH 21
6. CSAH 21 is a four-lane highway owned by Scott County. Access management on the highway is controlled by Scott County, and permits for new roads, driveways and other highway improvements are subject to Scott County's jurisdiction.

Property F is located between the intersections of CSAH 21 with CSAH 27 and Murphy Lake Boulevard, and there is approximately 3,800 feet between these intersections. Within that distance, Scott County would only permit one additional public street access location and may not permit full turning movements within the intersection of a new road with CSAH 21. It is not anticipated that Scott County would provide access permits for roads or driveways for both Parcel A and Parcel F onto CSAH 21, so one property would need to receive access through an internal road network from the other property.

NOW, THEREFORE, BE IT RESOLVED the Comprehensive Plan Amendment is hereby denied based on the findings recorded in this Resolution, and the following:

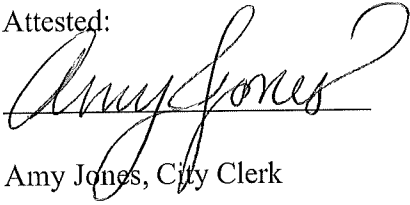
1. Developing the Subject Property on well and septic may have significant present and future impacts on the use of nearby parcels and the economical future extension of municipal water and sanitary sewer services.
2. It is unknown what impacts the guiding of these parcels would have on the need to guide other parcels for medium to high density residential uses to offset for the loss of housing units if commercial and industrial were to be developed, which does not help the City reach its net density goals.
3. It is premature to guide properties within the LTSA to allow for present development for rural commercial or industrial uses on well and septic rather than preserve them for future urbanized uses on municipal water and sewer.
4. The existing road network consisting of 180th Street East, 175th Street East, and Murphy Lake Boulevard are not suitable for use for Commercial or Industrial land uses until they are improved to 10-ton roads. Improving those roads in advance of the installation of water and sewer may make it less economical and may delay the future extension of water and sanitary sewer services.
5. The Applicants have not provided compelling evidence or plans for a specific development for consideration. Instead, the Applicants are requesting the Subject Property to be re-guided now to allow development at this time on well and septic, which opens the possibility for any Commercial or Industrial land use listed in Table 20-4 of the Zoning Ordinance to be developed at the present time.
6. The application is inconsistent with the goals and policies in the City's adopted Comprehensive Plan.

Adopted by the City Council of the City of Credit River on a vote of _____ ayes and _____ nays effective on the 19th day of May, 2025

A handwritten signature in black ink, appearing to read 'Chris Kostik', written over a horizontal line.

Chris Kostik, Mayor

Attested:

A handwritten signature in black ink, appearing to read 'Amy Jones', written over a horizontal line.

Amy Jones, City Clerk