

Attachment #1



PLANNING AND DEVELOPMENT SERVICES

City Office Building
333 SW 6th Street, Box 755
Willmar, MN 56201

GENERAL DEPARTMENT & INFORMATION	320-235-8311
DIRECTOR	320-214-5184
PLANNER	320-214-5195
BUILDING OFFICIAL	320-214-5185
BUILDING INSPECTION TECH	320-214-5187

FAX: 320-235-4917

MEMO

TO: Bruce D. Peterson, Director of Planning and Development

FROM: Randy Kardell, Building Official *RK*

Date: January 22, 2014

RE: **309 & 313 Litchfield Avenue Southwest**

On December 16, 2013 correspondence was sent to UMEC USA, Inc. informing them of the conditions that exist on the above reference property. The south side of the building where the demolition occurred has not been repaired to resist weather elements. There is exposed interior drywall and several wall penetrations to the interior. A building permit was issued April 19, 2007 for the remodel and restoration of the building for an office use. The basement has several concrete roof supporting beams that have deteriorated to the extent that a major structural collapse could occur. The signage and barriers that were required to prevent vehicle traffic have been removed and not replaced.

This structure has several issues that would warrant an "unsafe building" declaration. Currently the structure is vacant and has major structural issues. The structure has been dilapidated to the extent that a removal permit should be issued and completely removed within 30 days.





December 16, 2013

UMEC USA, Inc.
720 West Cheyenne Ave
Las Vegas, NV 89030

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To whom it may concern:

The City of Willmar has received several complaints regarding the conditions that exist at 309 & 313 Litchfield Avenue Southwest in Willmar, Minnesota. The south side of the building where the demolition occurred has not been repaired to resist weather elements. There is exposed interior drywall and several wall penetrations to the interior. The exterior wall needs to be constructed with approved weather resistive coverings as per IBC Section 1405.

On April 19, 2007 a building permit was issued for the remodel and restoration of the building for an office use. At that time, the building also received an NFPA #13 compliant fire sprinkler system. Another part of this permit was to address a services structure concern. The area behind the building at the loading dock has a basement which has a parking surface over the top. This basement has several concrete roof supporting beams that have deteriorated to the extent that a major structural collapse could occur. Nothing has been done to correct this problem. The only action taken was to place signage to prevent any vehicle traffic; however these signs and barriers have been removed and not replaced. This area constitutes a major structural concern that will classify the structure as an "Unsafe Building". Under Minnesota Rules Chapter 1300.0180 the code states, "A building or structure regulated by the code is unsafe, for purposes of this part, if it is structurally unsafe, not provided with adequate egress, a fire hazard, or otherwise dangerous to human life. Building service equipment that is regulated by code is unsafe, for purpose of this part, if it is a fire, electrical, or health hazard; an unsanitary condition; or otherwise dangerous to human life. Use of a building, structure, or building service equipment constituting a hazard to safety, health, or public welfare by reason of inadequate maintenance, dilapidation, obsolescence, fire hazard, disaster, damage, or abandonment is, for the purpose of this part, an unsafe use. Parapet walls, cornices, spires, towers, tanks, statuary, and other appendages or structural members that are supported by, attached to, or a part of a building and that are in deteriorated condition or otherwise unable to sustain

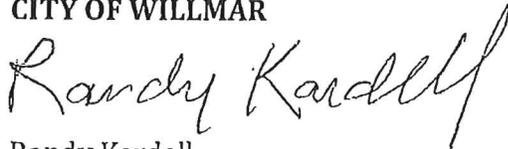


the design loads that are specified in the code are unsafe building appendages. The building official may order any building or portion of a building to be vacated if continued use is dangerous to life, health, or safety of the occupants. The order shall be writing and state the reasons for the action. All unsafe buildings, structures, or appendages are public nuisances and must be abated by repair, rehabilitation, demolition, or removal according to Minnesota Statutes, sections 463.15 to 463.26." The exterior conditions will also classify the structure as an unsafe building because of the lack of inadequate maintenance and dilapidation.

You are hereby ordered to properly repair the exterior and abate the structural deficiencies by not later than **January 20, 2014**. Any failure to comply with this order shall result in the matter being referred to the City Attorney to initiate the formal removal process as allowed by Minnesota State Statutes, Sections 463.15 to 463.26. If you have any questions, feel free to call me at 320-214-5185.

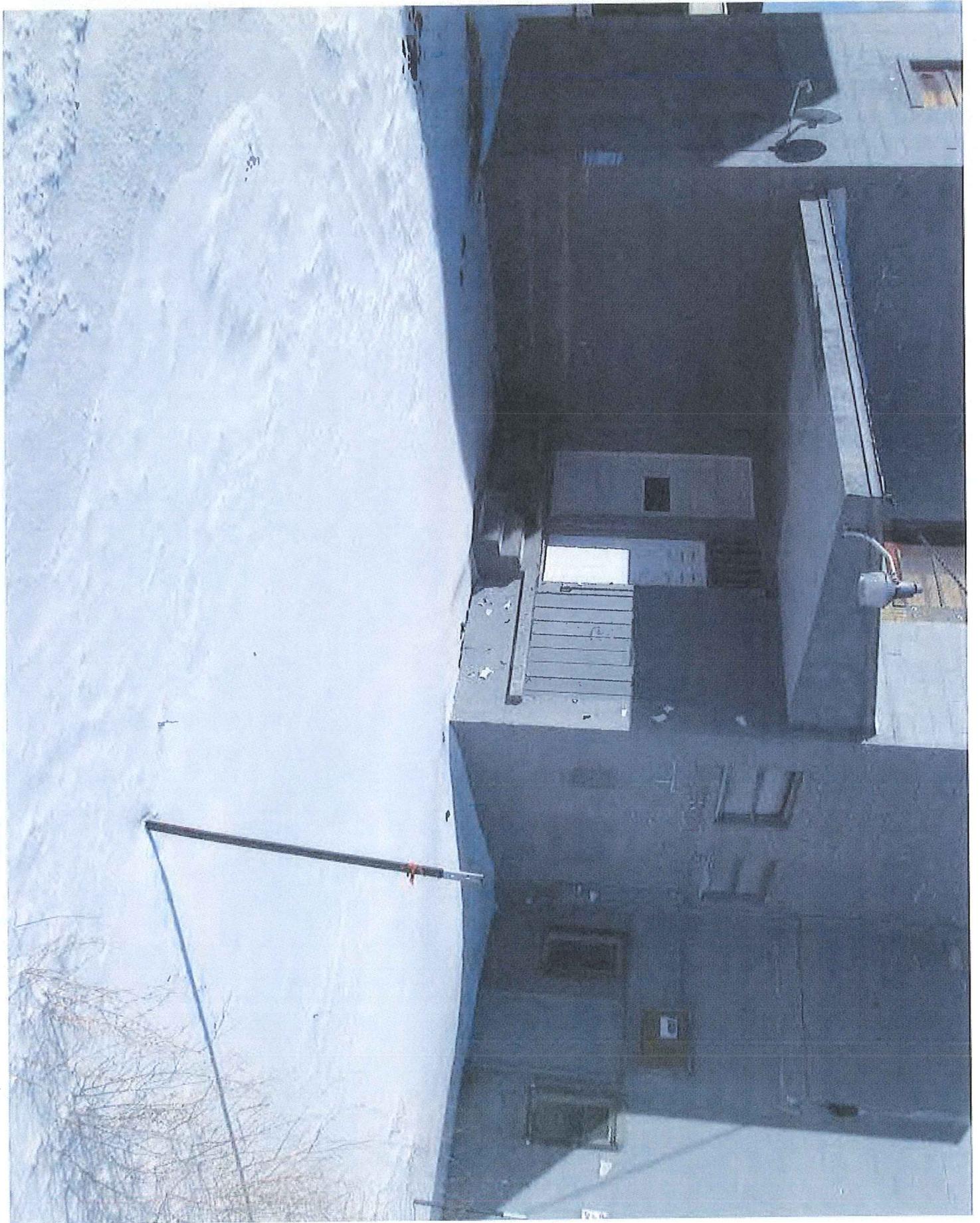
Sincerely,

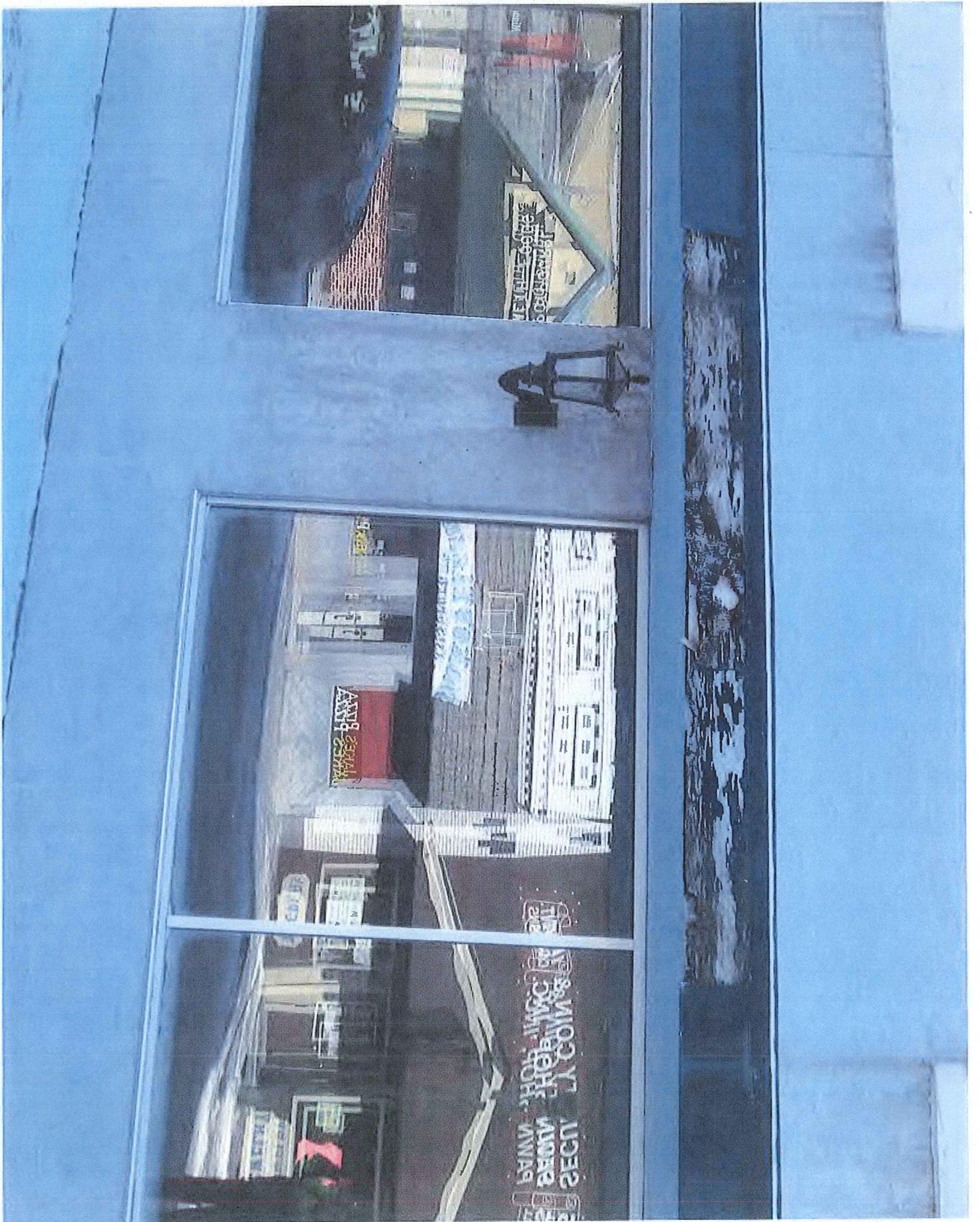
CITY OF WILLMAR

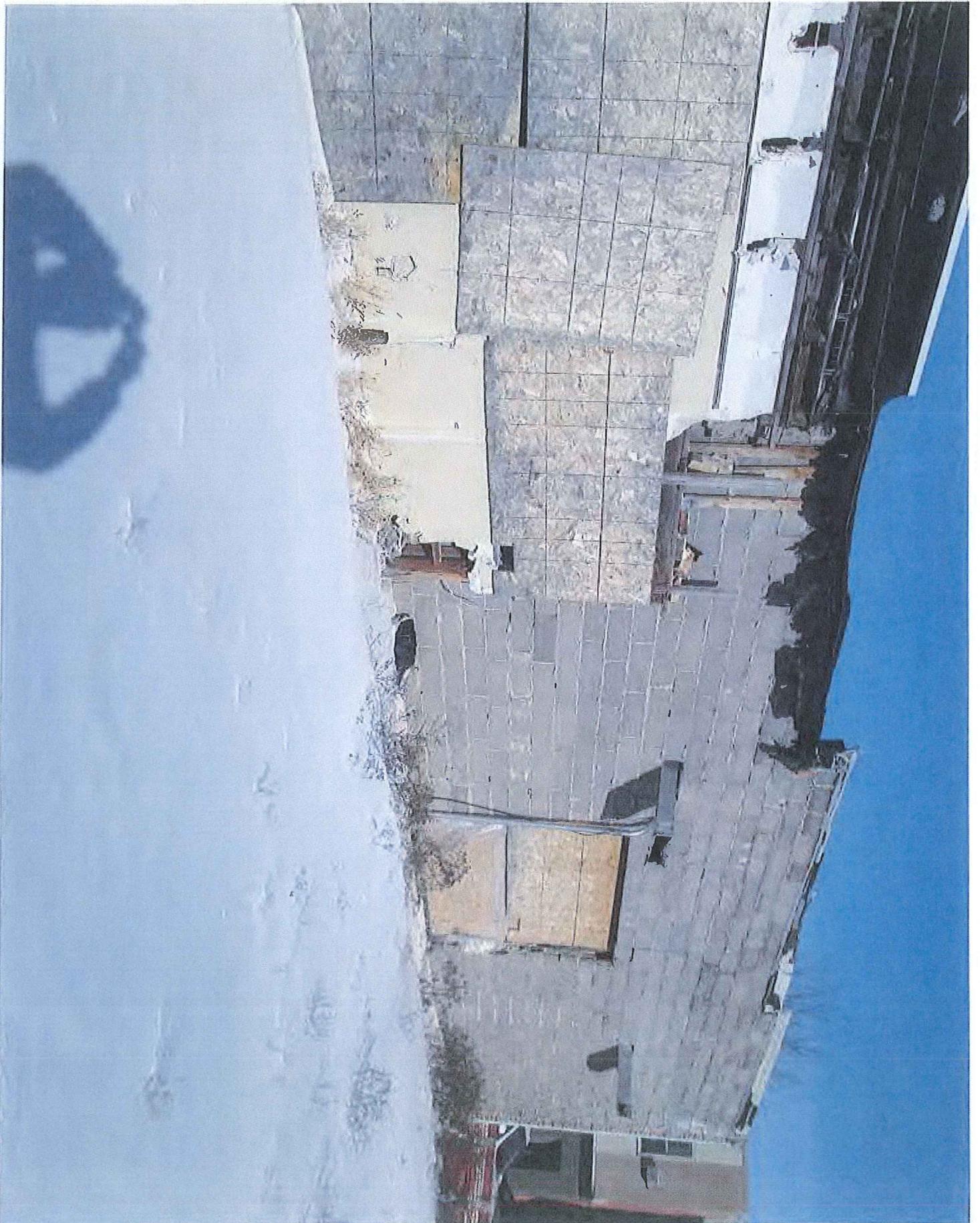
A handwritten signature in cursive script that reads "Randy Kardell". The signature is written in black ink and is positioned to the right of the typed name.

Randy Kardell
Building Official















WILLMAR



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TO: Bruce D. Peterson, AICP, Director of Planning & Development Services

FROM: Megan M. DeSchepper, AICP, Planner/Airport Manager *MMD*

DATE: January 16, 2014

RE: Fee Schedule

When considering the City of Willmar current fee schedule various aspects were considered. What is the cost of a land use application and process? For example, a conditional use permit, which as required by State Statute includes a public hearing notice to be published in the paper and property owners within 350' to receive public hearing mailed notice. The cost of the public hearing notice in the paper ranges from \$66.00 to \$99.00 based on the length of notice. The mailing and printing costs averaged \$21.08 for conditional use permits in 2013. And then there is staff time in compiling the mailings and notices as well as the review of the request. Certain applications also require staff review by other departments such as Municipal Utilities, Engineering (contracted Engineering), Fire Chief and City Assessor. A \$225 fee for the conditional use permit and \$46.00 recording fee (paid to the Kandiyohi County Recorder) is a minimal cost for a project.

Another aspect to consider is the fee schedules of other communities of comparable size. I've reviewed a mixture of outstate communities as well as metro communities to take into account varying cost of living etc. in the various communities. See fee schedule comparisons in Attachment A, different cities have varying regulations and review processes which makes it more difficult to do an apples to apples comparison.

Willmar's current planning and zoning fees haven't changed since 2009. And since the development boom and subsequent recession certain aspects in the industry have changed. For example, many mortgage companies and financial institutions require a zoning verification letter from a municipality to refinance a property. The zoning verification letter requires detailed information such as current zoning, history of land use actions on the property, copies of zoning approvals, copies of certificate of occupancies, and copies of building permits. Gathering the information on a twenty year old facility takes staff time, five of the eleven attached communities require a fee for zoning verification letters.



Another area that requires more review is stormwater, drainage, and ponding requirements. Many development projects require engineering review, calculations, and multiple revisions to meet the required Stormwater guidelines. This staff or consultant time is costly. Many of the communities listed on Attachment A require escrow along with the regular land use fee to cover these additional review costs which depend on the complexity of the projects and the number of revisions and subsequent reviews that are warranted.

Several of the communities that are attached have a base minimum fee and then a dollar amount for each lot involved in the project (listed as the fee plus (+) subsequent per lot fee). This method allows for a simple one or two lot project to be of minimal costs as review is not as intense, whereas with a large 30 lot project the development fee will meet its review encumbrance.

Another area that Willmar does not collect a fee is final plat submittals. There is an initial fee for a preliminary plat application; however there is no fee for the subsequent required final plat and the review that goes along with it. Willmar does not charge a fee for plan review either, which is required by the Zoning Ordinance to have Planning Commission review. A public hearing is not required, but staff review time can be extensive depending on the project.

And finally sign permit fees are very minimal; the electronic reader boards that some businesses are installing cost thousands of dollars whereas the permit fee is \$30. Some of the communities listed on Attachment A base the costs of the permit off of the value of the sign similar to a building permit.

Staff's recommendation would be to increase all the land use fees by \$50.00 (\$225 to \$275) to cover the publishing costs, engineering/consulting costs, legal, and staff review time. This increase is in keeping with the communities on Attachment A. Sign permits should be increased \$20.00 each (\$40 to \$70). Final plats should have a fee the same as preliminary plats (\$75). All land use permits should require an escrow fee of \$700, to be used to cover possible engineering, consultants, legal, and staff review costs. Plan Reviews should have a \$100 fee. And finally, Willmar should charge a zoning verification letter fee of \$50 as it's a burdensome requirement being placed on the city by financial institutions.

Attachment A

Land Use Fees Comparison

Land Use	City	Population			Rezoning	CUP's	PUD	Variance	Signs	Zoning Verification
		Plats								
	Willmar	19,610	\$225	\$225	\$225 \$	\$ 225 \$	\$225.00 \$	\$20-\$50 based on size	no charge	
	Farmington	21,086	Pre \$750 +/Final\$300	\$450	\$200	\$500	\$200 \$	\$20-\$80 based on value	\$25	
	Stillwater	18,225	\$500 + minimum	\$500 + escrow	\$200-\$500	\$3,000 + escrow	\$200-\$500	\$50.00	\$100	
	Sartell	15,876	\$800 + minimum	\$775	\$425	\$900 min	\$375	\$80 perm \$200-\$800 temp		
	Hutchinson	14,178	\$600 + minimum	\$375	\$300	\$500	\$300	\$1 per sq. ft., \$60 minimum	\$30	
	Brainerd	13,590	\$210	\$250	\$190		\$220	\$10		
	Alexandria	11,070	\$350 plus \$10/lot	\$250	\$250	\$450 + \$10/lot	\$250	\$15-\$25, 101 sq. ft. + \$25 = \$.20/sq. ft.		
	Albert Lea	18,016	\$1,000 + \$700 escrow	\$500+\$700	\$500+\$700 escrow	\$500 + \$700 e	\$500 + escrow	\$.50 a sq. ft.- maximum \$100	no charge	
	New Hope	20,339	\$400 + \$900 deposit	\$400+\$900 deposit	\$325+\$900 deposit	\$800+\$1000 deposit	\$325+\$900 depos	\$50-\$100		
	Faribault	23,352	\$400 + \$15/lot escrow	\$300	\$250-\$550	\$600 + escrow	\$250-\$350	\$60-\$85	\$30	
	Elk River	22,974	\$275+ \$1,000 escrow	\$275+\$1,000 escrow	\$275+\$1000 escrow	\$275+\$1000 escrow	\$275+\$1000 escrow	\$30, \$100 deposit for temporary	\$50	

A \$ signifies \$45.00 recording fee

A plus sign signifies that there is additional escrow (deposit) or consultant fees for legal, engineering, and in some cities planning staff.

Minimum means that depending on the number lots in the application an additional fee is added per lot

Proposed Rental Fees Increase

Mobile Home, Renter-Occupied:	Two Years
Single Family Rental Property:	Three Years
Duplex or Triplex:	Three Years
Four-Plex:	Three Years
Five to Eight Unit Structure:	Three Years
More than Eight Unit Structure:	Four Years

To begin the inspection process, each owner of the properties must register that property with the City of Willmar. At the time of registration a fee shall be paid in accordance with the following fee schedule:

\$50 per building plus \$10 per unit
(fee will cover the initial inspection, and one re-inspection)
Example – Single Family Home = \$60.00 for 3 year license

First notification of failure to register property = \$50.00

Second notification of failure to register property = \$75.00

Third notification of failure to register property = \$100.00

After the expiration of the third written notification of failure to register property, the matter shall be referred to the City Attorney of the City of Willmar for appropriate legal action.

Re-inspections:

First Re-Inspection – No fine, covered in registration cost

Second Re-Inspection - \$50.00 fine

Third Re-Inspection - \$100.00 fine, plus \$10.00 per day beginning on the day that alleged violation continues after expiration of the specified reasonable consideration period and extending until alleged violations are corrected.

Penalties:

No show inspections - \$50.00 fee

Current Rental Fees Increase

Mobile Home, Renter-Occupied:	Two Years
Single Family Rental Property:	Three Years
Duplex or Triplex:	Three Years
Four-Plex:	Three Years
Five to Eight Unit Structure:	Three Years
More than Eight Unit Structure:	Four Years

To begin the inspection process, each owner of the properties must register that property with the City of Willmar. At the time of registration a fee shall be paid in accordance with the following fee schedule:

\$25 per building plus \$5 per unit
example – Single Family Home = \$30.00 for 3 year license

First notification of failure to register property = \$25.00

Second notification of failure to register property = \$50.00

Third notification of failure to register property = \$100.00

After the expiration of the third written notification of failure to register property, the matter shall be referred to the City Attorney of the City of Willmar for appropriate legal action.

Re-inspections:

First Re-Inspection – No fine, covered in registration cost

Second Re-Inspection – No fee

Third Re-Inspection - \$50.00 fine, plus \$5.00 per day beginning on the day that alleged violation continues after expiration of the specified reasonable consideration period and extending until alleged violations are corrected.

Penalties:

No show inspections - \$30.00 fee

JOTS Project (s)--Anticipated Timeline

- 1) JOTS letter proposing project and requesting City participation
*Received January 15, 2014
- 2) Vacate portion of former Hwy 40 Right-of-Way
*Public Hearing on February 3, 2014
*Vacation effective after February 10, 2014, or when utility easements are provided and Willmar Avenue is completed
- 3) JOTS submittal of site, construction and utility plans
*February – March 2014
- 4) JOTS TIF request and land conveyance request
*February 2014
- 5) Structure TIF program; amend development district, create TIF district, draft TIF plan and development agreement
*February – April 2014
- 6) Conveyance of land for Phase I and option for Phase II
*March 2014
- 7) Plan review and permitting
*April 2014
- 8) Construction
*Spring 2014

Previous City Action to Foster Industrial Development

- 1) Hwy. 40 turn-back
*2007
- 2) Airport land releases
*2012 - 2014
- 3) L.O.S.T
*2006 - 2012
- 4) Adoption of Business subsidy and TIF policies
*May 2013
- 5) Adoption of industrial land write-down policy
*October 2013