

DRAFT

MINUTES
SPECIAL JOINT CITY COUNCIL, PLANNING COMMISSION, PARC MEETING
TUESDAY, JANUARY 6, 2026 – 5 P.M.
MISSISSIPPI ROOM – MONTICELLO COMMUNITY CENTER

City Councilmembers: Mayor Lloyd Hilgart, Kip Christianson, Charlotte Gabler, Tracy Hinz, Lee Martie

Planning Commissioners: Chair Andrew Tapper, Vice-Chair Melissa Robeck, Rick Kothenbeutel, Teri Lehner, Rob Stark

PAR Commissioners: Chair Julie Jelen, Vice-Chair Janine Kopff, Adam Leiferman, Danielle Murdoff, Maria Onnen, Stephen Peterka

Staff: Rachel Leonard, Angela Schumann, Steve Grittman, Tom Pawelk, Bob Ferguson, Tyler Bevier, Beth Green

1. Call to Order

Mayor Hilgart called the meeting to order at 5:00 p.m.

2. Review Park Dedication Analysis and Discussion of Policy Direction

Community Development Director Angela Schumann introduced the item, noting that the City's subdivision ordinance and park dedication requirements are governed by state statute and require periodic review. She stated that the City last updated the park dedication ordinance in 2009 and that, with the City currently working with a consultant to develop an updated Park Master Plan, it is an appropriate time to reexamine park dedication policies.

Schumann explained that the City has contracted with Grittman Consulting to conduct a study of the park dedication ordinance. Steve Grittman stated that the purpose of the current discussion is to obtain policy feedback from the City Council and Planning & Parks Commissions on four key topic areas, which will guide the development of potential ordinance amendments.

- **Park Dedication in Planned Unit Developments.**

The City Council and Planning & Parks Commissions discussed proposed ordinance language changes to require park dedication from Planned Unit Developments (PUDs), whether or not they involve a formal subdivision. The intent is to close a loophole in the current code and better align park dedication requirements with the statutory purpose of assigning park demand to increased development intensity.

Steve Grittman explained that the current ordinance requires an 11% park dedication, either as land or cash, generally tied to subdivision activity. He noted

that increasing development density—such as smaller lots or higher unit counts—results in greater park demand, and park dedication can also be calculated on a per-unit basis consistent with the City’s master park plan. Mayor Hilgart commented that under the current system the City is not addressing development intensity increase without a subdivision.

Discussion included comparisons to park dedication practices in other cities. Grittmann stated that while comparative data exists, legal justification must be based on the City’s own comprehensive and park plans, not on what neighboring communities charge. Angela Schumann emphasized that the purpose of the discussion was to gather policy direction, which would later inform specific calculations and fee structures.

Commissioners and Council members discussed fairness and demand, noting that higher-density developments, such as apartments, generate significant park use. Staff estimated that Monticello’s park master plan draft illustrates approximately 12% of total land area devoted to parkland. It was also noted that developers have not recently challenged the City’s park dedication requirements, though the proposed change would increase obligations for some developments.

The key policy change discussed was adding PUDs to the ordinance language so that park dedication applies when land is developed without subdivision. Grittmann confirmed this would close the existing loophole by treating PUDs similarly to subdivisions for park dedication purposes. An example was provided comparing Block 52, which was subdivided and subject to park dedication, to non-subdivided developments that currently avoid dedication but would be covered under the proposed amendment.

- **Park Dedication for Multi-family Development.**

Steve Grittmann explained that under the current ordinance, multi-family development on land already zoned for multi-family use can occur without subdivision and therefore is not subject to park dedication. The question was raised whether park dedication could be imposed through rezoning; while this is legally possible, the City Attorney expressed discomfort with that approach. Requiring multi-family developments to obtain a Conditional Use Permit (CUP) was also discussed, but staff noted this remains a zoning-based approach.

Grittmann stated that most defensible approach is to require all multi-family developments to obtain Planned Unit Development (PUD) approval, which would trigger park dedication requirements. As an example, a five-acre lot zoned R-4 could currently be developed as multi-family without paying park dedication. Questions regarding older lots of record were discussed, with staff explaining that such lots are presumed to have already contributed to the park system for one

unit. Developments requiring subdivision and PUD approval, such as Twin Pines, would continue to be subject to park dedication.

Mayor Hilgart asked about remaining developable parcels, including a lot on Chelsea to the west, and staff confirmed that under current rules such a development could be exempt from park dedication if it met zoning requirements without subdivision or PUD.

Grittmann further explained that the proposal would shift all multi-family developments into a PUD classification. He noted that many multi-family projects already seek PUD approval due to unique design features that do not fit standard zoning. Grittmann stated that requiring PUD approval provides the City with the strongest legal position. He also noted that zoning code amendments would be needed to reinforce the PUD requirements within zoning districts, and that closing these gaps is a prudent step.

- **Park Dedication for Commercial/Industrial Development.**

The City Council and Planning & Parks Commission discussed the potential application of park dedication requirements to commercial and industrial (C/I) development, focusing on legal standards of nexus and proportionality as well as economic development considerations.

Steve Grittmann explained that a defensible mechanism would be needed to measure how commercial and industrial development creates demand on the park system and to rationally connect demand to an appropriate level of park dedication. He noted that while staff believe such a model can be developed, Monticello has historically chosen not to charge park dedication for C/I development as an economic development strategy, effectively shifting those costs to residential development.

Mayor Hilgart suggested that park demand from C/I uses should consider not only employees but also customers, noting that some businesses generate significantly more customer traffic than employee presence. He encouraged staff to explore available data sources to better capture this demand. Maria Onnen suggested that using parking area as a metric could account for both employees and customers and would align Monticello with a broader group of communities that assess C/I park dedication. She noted the importance of being comfortable communicating additional fees to developers.

Mayor Hilgart also raised the issue of park demand generated during construction phases, including contractors and construction workers, and questioned whether and how that temporary demand could be factored into calculations.

In response to questions about regional practices, Grittmann noted that the City of St. Michael charges park dedication for C/I development, typically as a percentage of land area, generally at a lower rate than residential development—often in the range of 3–5% less. Danielle Murdoff expressed support for St. Michael’s land-area-based model, noting that a straightforward percentage approach would be simpler to administer and reflect lower park demand. Angela Schumann added that the City could continue to collect data and periodically reassess the policy, such as every five years.

Grittmann emphasized that while specific calculations have not yet been finalized, there is a reasonable legal defense for pursuing park dedication for C/I development and building a local model to support it. He also noted that developers commonly inquire about park dedication fees for planning purposes and that such questions are typically informational rather than adversarial.

- **Park Dedication and Trail Development.**

The City Council and Planning & Parks Commission discussed proposed ordinance amendments related to trail construction and how trails are classified for purposes of park dedication. Staff explained that historically, trails have often been credited against park dedication requirements, which has contributed to park dedication funds being depleted by trail construction rather than being available for parkland acquisition and park amenities. It was noted that trails running parallel to roadways have sometimes been treated differently, despite non-motorized trails serving a transportation function.

Steve Grittmann explained that the proposed amendment would redefine trails as part of the City’s transportation and roadway dedication requirements, rather than as park improvements. This change would help preserve park dedication funds for acquiring parkland, natural areas, and recreational amenities, rather than primarily funding trail construction. A key challenge identified was determining the threshold at which a facility is considered a transportation trail versus a park trail.

Mayor Hilgart questioned whether trails could continue to be required as part of a PUD approval and noted that the City has historically taken a conservative approach to trail funding. Angela Schumann emphasized the importance of clearly defining the transportation component and questioned the rationale for offsetting park dedication for infrastructure that functions primarily as transportation. It was noted that while the City Attorney has expressed concerns, staff believes there is support for this classification from MnDOT’s complete streets policies.

Kip Christianson expressed concern about potential unintended consequences and suggested exploring a credit system for developers who construct trail connections that link into the broader trail network and improve park accessibility. Maria Onnen raised concerns that developers might build isolated or unnecessary trail segments solely to receive credit. Gritman responded that the City would retain discretion over trail location and design to ensure alignment with City plans.

No consensus or final direction was reached on this particular issue. The Council and Commissions agreed that additional review of options and best practices is needed.

3. **Adjournment**

Mayor Hilgart announced meeting adjournment at 6:01 p.m.

Adjournment

RECORDED BY: Beth Green

DATE APPROVED:

ATTEST: Tom Pawelk