



Planning Commission 4-28-25
City Council Chambers, City Hall, 612 N. Main Street
April 28, 2025

1. Call to Order

Chairperson Genzlinger called the April 28, 2025 City Planning Commission Meeting to order at 12:00 P.M. noon in the Council Chambers, City Hall, 612 N Main Street.

2. Roll Call

Quorum is met, simple majority vote required for all items.

Present: Doescher, Genzlinger, Havlik, Jirsa, Osterloo, Schmitz, Schreurs, Sonne.

Absent: None

Staff Present: Dammann, Ellwein, Mayor Hanson, Hegg, Jenniges, J Johnson, Schroeder.

3. Declaration Of Conflicts Of Interests

Sonne items #8, #9 and #14.

4. Approve Agenda

Motion by Schmitz, seconded by Sonne to approve the proposed agenda. All present voting aye; motion carried.

5. Approval of Previous Minutes: April 14, 2025

Motion by Jirsa, seconded by Schreurs to approve the proposed minutes of the April 14, 2025 Planning Commission Meeting. All present voting aye; motion carried.

6. Schedule Next Meeting: May 12, 2025

Motion by Sonne, seconded by Havlik to set the date for the next Planning Commission Meeting for May 12, 2025. All present voting aye; motion carried.

7. Recommendation on Alley Vacation

Horseman's Sports, Inc; Rodeo Blues, LLC; L&R Anderson Ranch LLC; Cindy K. Krall Living Trust; Gerald W Johnson; Clifford R. & Becky Janene Jager; Gary & Monica Trabing; James D. & Susan M. Wright, John Krall Rev. Trust, Mary Krall Rev. Trust; Koupal Family Trust; Pamela J. Winegardner, Cynthia M. Dunlap, Marty Barington; have petitioned the City Council of the City of Mitchell, Davison County, South Dakota to vacate the following:

Petitioners request to vacate the 16 foot Alley as shown on the Plat of Bayside Overlook Subdivision (Phase I) in the SE ¼ of the SE ¼ of Section 4, T 103 N, R 60 W of the 5th P.M. in

the City of Mitchell, Davison County, South Dakota, as recorded with the Davison County Register of Deeds in Book PB 11, Page 13. Said Alley is located adjacent to Lots 1 through 10 in Block 1 and a parcel of land described as the SE Quarter of the SE Quarter (SE ¼ SE ¼) situated East of North Harmon Drive, except the South 300 feet of the East 150 feet, containing approximately 25 acres in Section 4, T 103 N, R 60 W of the 5th PM, less Blocks 1, 2 and 3 of Bayside Overlook Subdivision, as depicted on the plat recorded with the Davison County Register of Deeds in Book PB11, Page 13.

Jenniges gave an explanation of the petition and the location of the alley. Jenniges stated there are no city utilities in the alley and the road it abuts to on the west was vacated previously. Each abutting land owner would get 8' of the vacated alley. The applicants were not present to answer questions.

Genzlinger questioned why there was an alley platted in this location and staff could not answer because it was originally platted so long ago.

Motion by Jirsa, seconded by Schmitz to recommend approval of the vacation. All present voting aye; motion carried.

8. Plan Approval: Paul Groeneweg LLC

Jenniges gave an overview of the area of the 1800 block of East 1st Ave, which is zoned Neighborhood Shopping District. The applicant would like to build five buildings with six, three-bedroom apartments in each and one building with four, three-bedroom apartments, a coffee shop and a fitness center. There will also be 48 garages located on the north side of the property. These six buildings are in conjunction with the overall plan for TIF 41, which is the next agenda item. An applicant representative was present to answer any questions.

Schreurs questioned the drainage of the area to which Schroeder said they will be required to have a detention pond and there is a city storm sewer that goes through the property that they can tie into as well.

Genzlinger questioned whether there is enough parking for just the six buildings in this portion of the project and not include any parking to the south. Jenniges stated that because of the 48 garage stalls and a few parking spaces between a couple of buildings that there is enough parking.

Motion by Jirsa, seconded by Osterloo to approve the plan. Roll call vote: Genzlinger – aye, Havlik – aye, Jirsa – aye, Osterloo – aye, Schmitz – aye, Schreurs – aye, Sonne – abstain. 6 aye, 0 nay, 1 abstain; motion carried.

9. Hearing and Action on Establishing the Boundaries and Approval of the Project Plan for Tax Increment Financing District #41

Jenniges gave an overview of the area and boundaries of where TIF #41 would be located.

The north portion is zoned Neighborhood Shopping and the south portion is zoned High Density Residential. He noted there was a notice published in the official newspaper. This TIF by Paul Groeneweg LLC is to create affordable housing and would have to follow the rental requirements for 80% of the state medium income. This project will be completed in two phases for the buildings portion. Phase one will include six buildings consisting of 34 three-bedroom apartments, a coffee shop and a fitness center. Phase two will include six buildings

consisting of 36 two-bedroom apartments, an outdoor pool area, a park with fire pit and 48 garage stalls. After these two phases are completed, the City of Mitchell will look at the completion of portions of S Mattie St. The existing true value of the land is \$364,837. Paul Groeneweg LLC has \$2,281,866 eligible TIF expenses and the City of Mitchell has \$2,020,000 TIF eligible expenses for a total of \$4,301,866 TIF eligible expenses on the project. The projected cumulative amount to be paid by the TIF is \$2,713,005. By year three or year four, the city will know how much the developer has spent in TIF-eligible expenses and how the project is coming in for the projected cumulative amount to be paid back. The City of Mitchell will use the difference the developer will recoup and the projected cumulative amount and put in a portion of Mattie Street with those remaining funds. The developer will receive his reimbursement prior to the city receiving any reimbursements. The applicant was present to answer any questions.

Don Petersen of Morgan Theeler, representing the applicant, stated this developer requested a TIF a few years ago, and it is mostly built out already. The plan is to have phase one completed by November 2025. He also noted that they do not increase the anticipated new tax revenue from year to year and that allows TIF's to be paid off early or, in this case, the city to be able to use more funds for Mattie St.

Steve Sibson thanked the board for having the TIF application online for him to review. He found an error on pg 18 for the City of Mitchell tax levi of \$.042509, and it should have been \$.0042509 as calculated on page 19. On page 21 he referenced the "but for" clause but based on City of Mitchell TIF guidelines and the need for rigorous assessment and economic impact, which he does not see within the plan and therefore, because of that, does not see anything that shows this project would not be possible without the TIF. He calculates this TIF shorting the county \$28,000 a year. A legislative audit done in 2022 showed the county was shorted \$300,000. The city adding more TIF's will only make that number get bigger.

Motion by Schmitz, seconded by Havlik, to set the boundaries for TIF District #41 to include the following:

LOTS ONE (1), TWO (2), THREE (3), FOUR A (4A), FIVE (5), SIX (6), SEVEN (7) AND EIGHT (8), IN BLOCK ONE (1), AND LOTS THREE (3), FOUR (4), FIVE (5) AND SIX A (6A) IN BLOCK TWO (2), WOODS FIRST ADDITION TO THE CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA; AND

THAT PORTION OF SOUTH MATTIE STREET RIGHT OF WAY LOCATED BETWEEN EAST 1ST AVENUE ON THE NORTH AND EAST HAVENS AVENUE ON THE SOUTH, INCLUDING THE INTERSECTIONS AT SUCH LOCATIONS, TO THE EXTENT SUCH AREAS ARE SUBJECT TO THE CITY'S JURISDICTION;

Roll call vote: Genzlinger – aye, Havlik – aye, Jirsa – aye, Osterloo – aye, Schmitz – aye, Schreurs – aye, Sonne – abstain. 6 aye, 0 nay, 1 abstain; motion carried.

Motion by Schmitz, seconded by Osterloo to approve the project plan and recommend approval of TIF District #41. Roll call vote: Genzlinger – aye, Havlik – aye, Jirsa – aye, Osterloo – aye, Schmitz – aye, Schreurs – aye, Sonne – abstain. 6 aye, 0 nay, 1 abstain; motion carried.

10. Plan Approval: Long Brothers LLC

Jenniges gave an overview of the area of 1100 S Burr St, zoned Highway Oriented Business District. The applicant would like to add onto their existing building. This would include six new bays. The additions would be three buildings of 50' x 115', 14' x 95' and 34' x 9'. All of these additions meet setbacks. Drainage work for the area would be completed with the proposed TIF, which is the next item on the agenda. Plans and renderings were provided in the packet. The applicant was present to answer questions.

Motion by Jirsa, seconded by Schreurs to approve the plan. All present voting aye; motion carried.

11. Hearing and Action on Establishing the Boundaries and Approval of the Project Plan for Tax Increment Financing District #42

Jenniges gave an overview of the area and boundaries of where TIF #42 would be located.

This is an economic development TIF. The applicant would like to add onto their existing building. This would include six new bays. The additions would be three buildings of 50' x 115', 14' x 95' and 34' x 9'. There are 15 existing employees and this could add up to 10 more employees. The business has been in the community for 40 years and is a three-generation business. The true tax base value is \$473,350. They are requesting \$340,105 of the possible \$416,665 TIF-eligible expenses. This boundary includes the abutting ROW because they will have to tie into the existing infrastructure and replace them back to their current surfaces. The projected cumulative amount to be paid is \$340,108.86, which would be paid back over 20 years. The applicant was present to answer questions.

Don Petersen of Morgan Theeler, representing the applicant, stated that this project wouldn't move forward without the TIF. They need the funds for the project to happen. The taxes on the property would remain the same if the project didn't happen, so the county isn't losing any property taxes generated from the TIF.

Steve Sibson wanted some clarification on the economic development part of the TIF because it says "up to 10 jobs" and "minimum of 10 jobs." Petersen answered that it should be up to 10 jobs for now with the possibility of more in the future.

Motion by Havlik, seconded by Sonne, to set the boundaries for TIF District #42 to include the following:

NORTH ONE HUNDRED FEET (N.100') OF BLOCK THIRTEEN (13), LESS LOT H-1, AND INCLUDING LOT AB2, WEAVER'S SQUARES ADDITION TO THE CITY OF MITCHELL, DAVISON COUNTY, SOUTH DAKOTA; AND THOSE PORTIONS OF EAST IVY AVENUE AND SOUTH CAPITAL STREET ADJACENT THERETO;

All present voting aye; motion carried.

Motion by Schmitz, seconded by Havlik to approve the project plan and recommend approval of TIF District #41. All present voting aye; motion carried.

12. Plat: Bertha King

Plat of Lots A and B, a subdivision of Lot 1 of the SE 1/4 of Section 17, T 103 N, R 60 W of the 5th P.M., Davison County, South Dakota

Jenniges gave an overview of the plat. The applicant is platting this for estate planning purposes. There is an easement through the southwest corner of Lot A to get to Lot B. This plat is just outside the city limits and within the ETJ so therefore, it's the City of Mitchell's zoning jurisdiction. The county will hear this at their May meetings. The applicant was not present to answer questions.

Motion by Havlik, seconded by Schmitz to approve the plat. All present voting aye; motion carried.

13. Plat: CJM Consulting Inc

Plat of Lot 2, Block 6 of the Woods First Addition, a subdivision of the E 1/2 of the SW 1/4 of Section 23, T 103 N, R 60 W of the 5th P.M., City of Mitchell, Davison County, South Dakota

Jenniges gave an overview of the plat and the GIS location. This plat follows the master plan for the development and meets all zoning requirements. The applicant was not present to answer questions.

Schroeder noted a 10' drainage easement on the south side plat will be added prior to the council seeing it.

Motion by Osterloo, seconded by Jirsa to approve the plat with the 10' drainage easement on the south side. All present voting aye; motion carried.

14. Plat: JTZ Properties LLC

Plat of Lots 1 and 2 of Singapore Slab Tract 1, a subdivision of the East 1/2 of the SE 1/4 of Section 32, T 104 N, R 60 W of the 5th P.M., Davison County, South Dakota

Jenniges gave an overview of the plat and the GIS location. This plat is just outside the city limits and within the ETJ so therefore, it's the City of Mitchell's zoning jurisdiction. The county will hear this at their May meetings. This is the first step towards the future development of the area. The applicant was present to answer questions.

Motion by Jirsa, seconded by Havlik to approve the plat. Roll call vote: Genzlinger – aye, Havlik – aye, Jirsa – aye, Osterloo – aye, Schmitz – aye, Schreurs – aye, Sonne – abstain. 6 aye, 0 nay, 1 abstain; motion carried.

15. Other Business:

Jenniges announced that this would be Jirsa's last Planning Commission meeting. The mayor will be appointing someone to replace him at the next council meeting. Jenniges and Chairman Genzlinger thanked him for his years of service on the board.

16. Public Input:

None.

17. Adjourn

Chairperson Genzlinger adjourned the meeting at 12:36 P.M.



Kevin Genzlinger
Planning Commission Chairperson