

ORDINANCE NO. 2024-536

Motion By:
Seconded
By:

**AN ORDINANCE AMENDING THE TEXT OF TITLE IV OF THE CORCORAN CITY
CODE RELATED TO CONSTRUCTION REGULATIONS AND NEW HOME
CONSTRUCTION ESCROW (CITY FILE 24-036)**

THE CITY OF CORCORAN ORDAINS:

SECTION 1. Amendment of the City Code. The text of Title IV of the Corcoran City Code is hereby amended by adding the underlined material as follows:

TITLE I: TITLE IV: CONSTRUCTION REGULATIONS

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CHAPTER 40: BUILDING CODE

40.01: CODES ADOPTED BY REFERENCE.

The Minnesota State Building Code, as adopted by the Commissioner of Labor and Industry pursuant to Minnesota Statutes chapter 326B, including all the amendments, rules and regulations established, adopted and published from time to time by the Minnesota Commissioner of Labor and Industry, through the Building Codes and Standards Unit is hereby adopted by reference with the exception of the optional chapters, unless specifically adopted in this ordinance. The Minnesota State Building Code is hereby incorporated in this ordinance as if fully set out herein.

40.02: APPLICATION, ADMINISTRATION AND ENFORCEMENT.

The application, administration, and enforcement of the Code shall be in accordance with Minnesota State Building Code. The Code shall be enforced within the extraterritorial limits permitted by Minnesota Statutes, 326B.121, subdivision 2(d), when so established by this ordinance.

This Code shall be enforced by the Minnesota Certified Building Official designated by this

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Municipality to administer the Code pursuant to Minnesota Statute 326B.133, Subdivision 1.

40.03: PERMITS AND FEES.

The issuance of permits and the collection of fees shall be as authorized in Minnesota Rules Chapter 1300.

Permit fees shall be assessed for work governed by this Code in accordance with the fee schedule adopted by the municipality in Title III, Chapter 32. In addition, a surcharge fee shall be collected on all permits issued for work governed by this Code in accordance with Minnesota Statute 326B.148.

40.04: VIOLATIONS AND PENALTIES.

A violation of the Code is a misdemeanor (Minnesota Statutes 326B.082, Subd. 16).

Any person or entity that fails to obtain a permit under this section prior to performing work shall pay a penalty of two times the original permit fee and shall be required to pay to the city all costs associated with enforcement, including reasonable attorney's fees.

40.05: CERTIFICATE OF SURVEY REQUIRED

Subd. 1. Certificate of Survey Requirement. A certificate of survey shall be required with all building permit applications for new construction and building permits that enlarge or alter the footprint of an existing structure. A certificate of survey shall be required for all planning applications, including plats, land divisions, land consolidations, conditional use permits, variances, site plans, zoning amendments and any other type of planning application where the City Planner or City Administrator deems it necessary to process the application.

Subd. 2. Certificate of Survey Standards. The certificate of survey shall locate all existing permanent structures, as defined by the State, on the property with regard to size and location, including buildings, septic sites and wells. In addition, the survey shall include the size and locations of proposed structures, floodplain, wetlands and any recorded easements.

Subd. 3. Application for Exemption (Building Permits Only)

A. If the proposed structure meets all required setbacks from the property lines, floodplain, wetlands and easements by at least 2 times, then the applicant may request an exemption from the above-mentioned requirements as part of the building permit review. The Zoning Administrator may grant the exemption only if they find no potential negative impact, based on a review of the site-specific conditions.

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40.06: EMERGENCY COMMUNICATION SYSTEMS FEE.

- Subd. 1. Purpose.** This section is adopted to ensure that adequate emergency communication systems and early warning sirens are provided to meet the additional need created by new development within the city. It is believed by the City Council that emergency communication systems and early warning sirens are instrumental in providing for the health, safety and welfare of the community.
- Subd. 2. Definitions.** For the purposes of this section, the term "structure" means any newly constructed residential house or multiple residential complexes. Additions to previously built structures are not required to pay the fee required in this article.
- Subd. 3. General requirements.**
- A. Payment amount.** Any applicant for a residential building permit, single-family or multiple-family, for the construction of a new structure within the city shall pay a one-time emergency communication systems fee to be collected with the building permit; the fee shall be as established by ordinance.
 - B. Use of funds.** All payments made under this article shall be designated and used exclusively for the acquisition, development, expansion, upgrading or maintenance of emergency communication systems or emergency sirens within the city.

40.07: EROSION AND SEDIMENT CONTROL

- Subd. 1. General Requirements.** All grading and construction activity that results in disturbance of the ground shall comply with Minnesota Pollution Control Agency's General Stormwater Permit for Construction Activity No. MN R10001, the Minnesota Stormwater Manual, Chapter 54 of the City Code, and other applicable City Ordinances and may require a separate land disturbance permit.
- Subd. 2. Erosion Control Installation.** Satisfactory erosion control shall be installed prior to the initiation of any site grading or construction that will result in disturbing the soil. Noncompliance shall constitute grounds for a stop work order from the city to halt all construction. The city may require additional controls to correct specific site related problems as normal inspections are performed.

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40.08: NEW HOME CONSTRUCTION ESCROW

- Subd. 1. Purpose.** This section is adopted to ensure compliance with requirements related to construction and site work per applicable laws, ordinances, regulations, and policies as may be amended or updated from time to time and applies to all residential new construction. For the purposes of this Section 40.08, “residential new construction” shall include all construction activities which take place on a property used or intended for residential use, which require a building permit.
- Subd. 2. Responsible Party.** When a residential new construction permit is issued, the person or entity to whom the permit is issued shall be responsible for all site work from permit issuance to closure (the “Responsible Party”), unless the City approves a transfer of responsibility to a new owner or Responsible Party when the property is sold.
- Subd. 3. Financial Security Requirement.** All residential new construction shall require a financial security via cash escrow at building permit issuance and based on the most recent fee schedule adopted by City Council resolution and additional cash security shall be required prior to Certificate of Occupancy (C.O.) for any incomplete work. The City may also require additional cash security over that required in the fee schedule if the City reasonably anticipates its costs in reviewing the application and securing performance as to all requirements of this Chapter will exceed the amount listed in the fee schedule. The Responsible Party shall agree to pay the total cost of staff and consultant time spent exclusively in reviewing and inspecting the project and costs incurred related to enforcement, correcting deficiencies, and/or completing site work.
- Subd. 4. As-built Survey Requirement.** An as-built survey signed by a registered engineer or land surveyor shall be required and submitted to the City at final grading completion but prior to landscaping, seeding or sod installation and shall be reviewed and approved by staff to ensure conformance with the approved grading plan.
- Subd. 5. Inspection Requirements and Right of Entry.** The City may conduct site inspections to ensure compliance. The Responsible Party or representative shall request inspection from the City and allow the City to enter upon the site for the purpose of obtaining information, examination of records, conducting investigations, inspections, surveys, correcting deficiencies, and/or completing work.
- A. Final Grade Inspection.** After the as-built survey is approved, but prior to landscaping, seeding or sod installation, a final grading site inspection shall be completed. Depending on findings, corrections and follow-up inspections may be required. The city may require the Responsible Party to post additional escrow in the event the anticipated costs of securing the incomplete work exceed the escrow balance.

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B. Final Escrow Release Inspection. Once all site work has been completed and all corrections made per the City's standards, a final site inspection shall be required prior to release of the posted escrow.

Subd. 6. Enforcement Procedures. The responsible party shall notify the City of the status of the site and request inspections as required.

A. If upon inspection by the city, any nonconformities or compliance issues are found to exist, the city shall send notice with corrective measures and timeline(s) for compliance to the Responsible Party.

B. If the required site work is not completed in the timeline(s) prescribed, the site is abandoned prior to completion, or other law, regulation, or policy violations occur including, without limitation, sediment and erosion control violations, damage to city infrastructure or neighboring property, and/or unapproved grading, the work may be completed by the city, or its nominated contractor or agent and action may be taken against the financial security to recover the costs incurred by the city in enforcing and/or completing the work.

Subd. 7. Recovery of Costs. Should the financial security/escrow account carry a negative balance anytime during or after the project, or should the city determine that additional escrow is necessary to secure incomplete work, the City shall send notice stating the deficit and amount due, including any amounts anticipated to come due related to the project, as well as terms for payment. In the event the invoice is not paid, or the escrow is not replenished/supplemented per the provided terms, the City shall collect the amount due from the property owner or the property owner's designated Responsible Party. To recover these costs, and in addition to any other remedies contemplated within this division, City Code, or other remedies available to the City at law or in equity, the City may approve a special assessment against the property on which the activity was proposed, pursuant to the process outlined in Minnesota Statute §429. By signing the application and directing the City to review and enforce the same, the Applicant agrees that the City's review and enforcement of the provisions of the permit provide a benefit to the affected property which is difficult to quantify but vital to the functionality of the property and removal of nuisance conditions thereon. Correspondingly, by signing the application and directing the City to review and enforce the same, Applicant waives any appeal to such special assessment related exclusively to the recovery of City costs incurred related to review and enforcement of the provisions of the permit.

Subd. 8. Release of Security. The security/any unused escrow funds deposited with the City for faithful performance of the work shall be released at the time when all conditions have been met and no action against such security is active. There shall be no phased or partial release of escrow.

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SECTION 2. Effective Date

This Ordinance shall be in full force and effect as of 12:01 AM on January 1, 2025.

ADOPTED by the City Council on the 25th day November 2024.

VOTING AYE

- ☐ McKee, Tom
- ☐ Bottema, Jon
- ☐ Nichols, Jeremy
- ☐ Schultz, Alan
- ☐ Vehrenkamp, Dean

VOTING NAY

- ☐ McKee, Tom
- ☐ Bottema, Jon
- ☐ Nichols, Jeremy
- ☐ Schultz, Alan
- ☐ Vehrenkamp, Dean

Tom McKee - Mayor

ATTEST:

Deb Johnson – City Clerk

City Seal