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Commission Members Present: Brandvold, Davis, Erickson, Helgeson, Holzman, Obaid, Werthmann, Wolfgram

Commission Members Absent: Felton

Staff Members Present: Baumgartner, Ness, Noel, Tietz

1. Call to Order – Chairperson Helgeson called the Plan Commission meeting to order at 7:00 p.m.
2. Roll Call – Chairperson Helgeson called roll for the meeting.
3. Open public comment period for items not on the agenda noted as public hearings. None.

#### Consent Agenda

4. A. Approval of the July 17, 2023 Plan Commission minutes  
Motion by Commissioner Wolfgram to approve the consent agenda, seconded by Commissioner Davis, and the motion carried unanimously.

#### Regular Agenda

5. Public Hearing – Rezoning Request (Z-1730-23) at 2712 Mercantile Drive – TC-2 to C-2P and a Site Plan Approval for (SP-2321) – Hope Gospel School

Noel presented the request for rezoning property from TC-2 to C-2P and approval of a new school site plan. Noel covered various aspects of project, including zoning, parking, and the future phasing of the structure and the necessity of a shared access easement and development agreement. The request will be heard by the City Council at their August 7<sup>th</sup> meeting.

Chris Hedlund, program director for Hope Gospel Mission, spoke in favor of the project. Commissioner Werthmann asked how things are going in the current building. Hedlund responded that things were going well.

No one from the public came forward to speak on the project.

Commissioner Werthmann moved to approve the recommendation for rezoning, second by Commissioner Obaid. Motioned carried unanimously with Commissioner Davis abstaining.

6. Public Hearing – Rezoning Request (Z-1731-23) at 1631 & 1709 Harding Avenue and 1731 Royal Court – R-2 & C-2P to C-3

Noel presented the request for the recommendation of approval of the rezoning of property from R-2 & C-2P to C-3. He covered the purpose and location of the rezoning, the topography, the CSM, the preliminary site plan, and the purpose of the proposed structure. The request will be heard by the City Council at their August 7<sup>th</sup> meeting. A site plan will be submitted later.

Commissioner Werthmann asked for clarification on staff's recommendation and the considerations that they should have when evaluating a rezoning. Noel responded they should be evaluating the existing use against the proposed zoning district, the Comprehensive Plan, and the classification of the adjacent street.

Commissioner Helgeson asked if the rezoning would result in a change in driveway access to the property.

Amy Wolfe, property owner and applicant, stated that they wouldn't be adding additional access points to the property.

Leonard Schreiber, the applicant representative, noted that he is working with City staff on the site plan details and that the building may move slightly from the preliminary location depending on the slopes and an existing easement. They will submit a site plan when ready.

Keith Lillis, a neighbor at 1749 Rudolph Ct., gave his, and other neighbor's concerns on paint fumes, the loss of buffer trees behind his property, and asked about installing a higher fence in his backyard.

Commissioner Werthmann asked for clarification on if screening and fencing should be addressed at the time of site plan submission. Noel responded that staff will work with the applicant on addressing the concerns.

Commissioner Wolfgram asked about the applicant's plans to mitigate the paint fume issue. Ms. Wolfe stated that the proposed building will not have the paint department, just vehicle calibration, and that they've never had a regulatory issue with the fumes, which go through the filtration system.

Chair Helgeson asked if the site plan will be going before the Plan Commission with an opportunity for public comment. Noel responded that it may only need staff approval as the proposal does not trigger general development plan (GDP) or major site plan standards.

Mr. Lillis asked if there is a special permit for a higher fence in residential. Noel responded that there is not.

Mr. Schreiber noted that there is a required 20' setback on the rear of the property and that very little of the vegetation abutting Mr. Lillis's property will be touched as a result.

Matthew Sayles, a neighboring property owner at 1718 Royal Court, noted his concerns on the paint fumes and asked for clarification on the typical rezoning/site plan process, the impetus of the rezoning itself, the 20' setback requirement, and future uses of the land. Chair Helgeson responded that that is the typical process. Noel replied that the R-2 zoning doesn't allow for an autobody, which necessitated that they needed to bring the entire property into compliance and that they are allowed to do any use that that is permitted in the district.

Cheryl Jimenez Frei, also at 1718 Royal Court, expressed her concerns and asked if the applicant plans to cut down the trees on the hill. Mr. Schreiber responded by noting that the 20' setback is from the property line and his client is trying to minimize the disturbance in that area.

Commissioner Wolfgram asked if the neighbors can be informed about what will happen with the trees and ask questions at that time. Ms. Wolfe agreed and responded that they are trying to disrupt as little of the hill as possible.

Chair Helgeson asked for clarification on whether the concerns generated by the existing building would be relevant to the rezoning. Noel responded that they are not and that the applicant stated they work with the neighbors on the fumes and other site conditions.

Commissioner Brandvold moved to approve the recommendation for rezoning, second by Commissioner Holzman. Motion carried unanimously.

7. Public Hearing – Conditional Use Permit Request (CZ-2307) – Conditional Use Permit for a Bed and Breakfast at 3719 Rudolph

Baumgartner presented the request for approval of a conditional use permit for a bed and breakfast at 3719 Rudolph. Baumgartner noted various details on the project, went over the site plan, and mentioned that the neighbors had concerns.

Commissioner Wolfgram asked what the neighbor's concerns were and how they've been addressed. Baumgartner responded that they were concerned with the reduction of their property values due to the incorporation of rental properties into their neighborhood, and that their concerns have only been heard by staff up to this point.

Chair Helgeson asked if bed and breakfasts are supposed to have a historic nature to them. Baumgartner responded that that is correct, but due to lack of clarity in the ordinance, staff uses the state historic requirement for the eligibility which is at least 50 years in age.

Commissioner Erickson asked if, to his knowledge, there are any other short term rentals like this in the area. Baumgartner responded that to his knowledge, there are not.

Barbara Hood, property owner and applicant, stood and described her proposed short-term vacation rental.

Commissioner Wolfgram asked if Evolve Vacation Rentals, the property management company that the applicant hired, is local. Ms. Hood responded no, but their cleaning company is. Wolfgram then asked if there would be local contact person to deal with complaints; Hood responded that there would be.

Jeff Statz, neighboring property owner with Statz Real Estate Partnership, spoke to his concerns regarding the potential subdivision of the property, the proliferation of rentals in the area, and his concerns on the proposal reducing property values in the area.

Tom Ludwikoski, a nearby property owner at 1614 Pine Park Drive, gave his concerns on the property on the maintenance of the property, and that it will impact neighboring property values.

Paul Caillier, a nearby property owner at 1602 Pine Park Drive, gave his concerns on the applicant having possibly two extra lots with unstated potential land uses, that the property has not been maintained, and that the proposal will impact neighboring property values.

Disa Wahlstrand, a property owner at 3784 Hester Street, shared her concerns on locating a business in the residential neighborhood, and that, due to the timing, it will impact how Mr. Statz sells his lots.

David Fitzgerald, owner of Kleven Real Estate and representative of the Statz family in selling the lots, also noted his concerns that the approval of the bed and breakfast will diminish the values of the neighboring properties.

Commissioner Erickson asked staff if anything will prevent the property owner from having a long-term rental on the property. Mr. Baumgartner responded that there was not, the use was allowed by right if conditions are continued to be met.

Chair Helgeson asked for clarification on whether the conditional use permit would apply to any new lots after a hypothetical lot subdivision. Baumgartner responded that the conditional use would pertain to the structure itself and any future lot subdivisions would have to go back through the process for a conditional use permit to have a bed and breakfast.

Commissioner Wolfgram asked for clarification on how long the permit is good for. Baumgartner responded that it runs with the land it is good for one year of inactivity.

Commissioner Werthmann moved to approve, second by Commissioner Davis. Commissioners Wolfgram, Davis, Werthmann, Holzman, Obaid, and Brandvold voted yes and the motion passed. Commissioners Erickson and Helgeson voted no.

8. Public Hearing – Conditional Use Permit Request (CZ-2308) – Conditional Use Permit for a Bed and Breakfast at 431 North Farwell Street

Baumgartner presented the request for approval of a conditional use permit for a bed and breakfast at 431 North Farwell Street. He noted the age of the structure and number of beds.

Commissioner Wolfgram asked if staff could confirm that the item was owner occupied.

Rachel Gage, gave an additional narrative, which included that only one bedroom will be rented out at a time, that she is living there with her son, and that her family will not be in the home while it is in use as an Airbnb.

Commissioner Wolfgram asked the applicant to clarify if she will be available for phone calls regarding property issues if she will not be there. Ms. Gage confirmed that she will be and that the cleaning staff lives three minutes away.

Commissioner Wolfgram moved to approve the conditional use permit, seconded by Commissioner Obaid. The motion carried unanimously.

9. Public Hearing – Conditional Use Permit Request (CZ-2309) – Conditional Use Permit for a Vehicle Sales and Services Business at 1037 Starr Ave

Baumgartner presented the request for approval of a conditional use permit the vehicle sales and services business. In his presentation, Baumgartner explained the background of the business, the requirements for parking, and that applicant was unable to attend the meeting.

Commissioner Erickson asked about the uses of the other buildings on the site. Baumgartner replied that one was an office type use and that he wasn't sure about the others.

Commissioner Werthmann moved to approve the conditional use permit, second by Commissioner Holzman, and the motion carried unanimously.

10. Future Agenda Items and Announcements

Commissioner Wolfgram requested to discuss placing a moratorium on short term rentals at the next meeting, citing Red Wing's moratorium. Noel responded that staff will discuss it with legal.

Commissioner Wolfgram also asked staff to update them on the changes in state law for housing approvals.

11. Adjournment - The meeting adjourned at 8:38 p.m.

  
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Zina Obaid, Secretary