

**City of Cottage Grove
Planning Commission
December 18, 2023**

The Regular Meeting of the Planning Commission was held at Cottage Grove City Hall, 12800 Ravine Parkway South, Cottage Grove, Minnesota, on Monday, December 18, 2023, in the Council Chamber and telecast on Local Government Cable Channel 16.

Call to Order

Chair Frazier called the Planning Commission meeting to order at 7:00 p.m.

Roll Call

Members Present: Pradeep Bhat, Ken Brittain, Jessica Fisher, Evan Frazier, Eric Knable, Derek Rasmussen, Emily Stephens

Members Absent: None

Staff Present: Emily Schmitz, Community Development Director; Mike Mroska, Senior Planner; Conner Jakes, Associate Planner; Amanda Meyer, City Engineer; Crystal Raleigh, Project Engineer; Tony Khambata, City Council Liaison

Approval of Agenda

Rasmussen made a motion to approve the agenda. Fisher seconded. The motion was approved unanimously (7-to-0 vote).

Open Forum

Frazier opened the Open Forum and asked if anyone wished to address the Planning Commission on any non-agenda item. No one spoke. Frazier closed the Open Forum.

Chair's Explanation of the Public Hearing Process

Frazier explained the purpose of the Planning Commission, which serves in an advisory capacity to the City Council, and that the City Council makes all final decisions. In addition, he explained the process of conducting a public hearing and requested that any person wishing to speak should go to the microphone and state their full name and address for the public record.

Public Hearings and Applications

6.1 Lumbermen's Outdoor Storage – Case CUP2023-021

Lumbermen's, Inc., with approval from NorthPoint Development, has applied for a Conditional Use Permit to allow for the outdoor storage of materials incidental to the principal use at 7601 100th Street South. The materials will be fully screened by a 6-foot tall privacy fence that will enclose 25,000 square feet of the southwest parking area to be used for material storage.

Jakes summarized the staff report and recommended approval subject to the conditions stipulated in the staff report.

Rasmussen said we got an email referencing a five-story building; he asked is there any new planned development to the immediate south or something. He's not sure what they were talking about, what's visible from this five-story building. Jakes replied that email was referring to the Norhart development, a five-story apartment building to the west of the building site. This was something that was discussed through the development application, thinking about site lines. The industrial development and outdoor storage, if approved, would already be in place prior to tenants moving into that building. So, they would be aware of onsite activities prior to renting the units. As part of NorthPoint's original approvals, they submitted a detailed landscape plan and they've planted numerous trees on the western property line. Other trees have the potential to be removed as part of the Norhart project, but as these trees mature it's staff's understanding that those would also screen.

Frazier stated if the applicant has anything to add, they can step to the podium.

Tom Hysong stated he's the Operations/Transportation Manager for this location. He stated they're based in West Michigan, we sell building supplies, and we're very excited to be moving into this market, as it's a new market for them, and they're excited for the opportunities here.

Fisher asked, you're leasing this space; when and if you ever decide to not lease anymore, would you take the fence down and take it with you. Ryan Zickel, Development Manager, NorthPoint Development, 3315 North Oak Trafficway, Kansas City, Missouri, replied typically through our re-leasing process, hopefully we push for the renewal and get them to stay for 20 years. In the off chance that they don't, that will be considered as a re-leasing opportunity, which increases marketability to future tenants. We will potentially remove it, just depending on market conditions at that time.

Fisher asked staff if somebody else takes it over, would another Conditional Use Permit (CUP) have to be issued for the use of that storage area. Jakes replied the CUP runs with that land, so that would allow for that storage area. However, he noted in the conditions of approval, there is a condition that states if that storage area isn't utilized for more than 12 months, upon written notification of the City, we could require that fence to be removed.

Bhat asked what would happen if it wasn't used and the fence was removed, would it go back to being a parking lot or what would be the status of that area. Zickel stated that's correct, it would just go back to being a standard parking lot. Any holes that would be left from fenceposts would be filled, asphalt repair would be completed, and it would be in like-new condition so that we could re-lease it.

Rasmussen stated he's curious with the large pallets of material that you're getting in there, how do you get them in there with two eight-foot gates. Hysong replied if the gate's like this, we take the forklift and swing the pallets in, or we lift them and just go up and over the top of the fence; the forklifts will go higher than the fence.

Frazier stated that might have answered one of his questions. The letter we referenced talked about maybe a covered storage area. He's assuming one of their concerns would be being able to get the forklifts in there then, if they go over, but he asked if there were other concerns about

if it was going to be required to be a covered storage area, from your point of view. Hysong replied he didn't think so.

Fisher asked with the building that it is in, are there walls already kind of sectioning off each space, as this one has three separate spaces. Zickel stated absolutely, that's a great question. Fisher asked, so, there was a wall already there; Zickel replied it's currently being built in place, within the building. Fisher stated her only thought, when she was reading through this, was that seems like a really large outdoor storage space. So, why would somebody just not lease more of the building, but if there's already a wall constructed in there, then that answers that question. Zickel stated that wall kind of lines up on the previous plan with the edge of the outdoor storage to maximize the space that they can use.

Frazier opened the public hearing. No one spoke. Frazier closed the public hearing.

Frazier stated he had another question. Two of the requirements that we look for in a CUP are that the use won't be detrimental to the public comfort and that it won't impair the enjoyment of nearby property or diminish values within the neighborhood. So, with a concern noted in an email that's going to be made part of the record of this, a resident was concerned about people having an apartment that's facing this open storage area. How do we kind of weigh that, then, as part of diminishing the use or enjoyment of a nearby property. Jakes replied when we talk about the full picture of enjoyment, part of that relates to noise, and there are noise standards in place. It is an industrial use, so there would be trailer parking. Weighing that vs. outdoor storage is somewhat similar, they're still storing, whether it's trailers vs. materials on site. It doesn't necessarily change how we refer to the CUP, taking that into account; he noted that generally we have an industrial site and then we stage down through residential Zoning Districts. He would say it's something quite standard where we have an R-6 butting up to an industrial use, throughout the City, in the past.

Rasmussen asked previous to this fence, where its currently going is currently designated and approved for tractor-trailer parking, correct. Jakes replied, yes, that's correct.

Frazier stated he has some concerns, especially with the resident pointing out that this is going to be right next to an apartment complex, where presumably some of these apartments will overlook the storage area. He thought it was a good point that Rasmussen made that if it wasn't going to be a storage area, it would be tractor-trailer parking. So, what's the difference between those two uses; in his point of view a CUP would be appropriate for outdoor storage at this time.

Fisher asked do we know if this apartment building is actually being constructed because it would not be shocking to see an application come through and it never comes to fruition. So, here we are trying to decide a hypothetical person renting a hypothetical apartment in a hypothetical building that's not yet been built. Here we have people who are following the law and asking a reasonable ask. She feels considering all the hypotheticals, it seems a little strange to her. Schmitz stated the Norhart project has its approvals; they are still working to continue to move forward, so we very well might see that construction happening in 2024. Regardless, the site is zoned R-6 for that high density; so whether or not it's the Norhart project, of course we would hope that another project comes to fruition and would be that same density. Fisher stated right, and she's not implying that she doesn't want the apartments there, that's not what she's saying. She's just saying that that's in the future, and who know what will actually start happen-

ing there. She stated, personally, she'd rather look at shingles than a bunch of trucks, but that's just her thought.

Fisher made a motion to approve the Conditional Use Permit subject to the conditions stipulated in the staff report. Rasmussen seconded. Motion passed unanimously (7-to-0 vote).

6.2 Roers Companies Apartments – Case PP2023-020, SP2023-020, PUD2023-020

Roers Companies has applied for a Site Plan Review, Planned Unit Development (PUD), and Preliminary Plat for a proposed 144-unit mixed-income apartment building to be located at 6850 East Point Douglas Road.

Mrosia summarized the staff report and recommended approval subject to the conditions stipulated in the staff report. He asked Assistant City Engineer, Crystal Raleigh, to speak further about traffic, a major talking point at the Neighborhood Meeting; she spoke about the site access and traffic study.

Fisher said Raleigh mentioned that the intersection didn't warrant a change; she asked what is the threshold and what would warrant a change there. We've had discussions about that particular spot, and O2B Kids is theoretically going in there; that intersection is not a nice spot and wondered when it would be addressed. Raleigh stated there are many different factors that contribute to those intersection warrants, such as traffic volumes, but also sight distance and elements like that. We took the O2B Kids' traffic study, which was a significant study for that intersection, which had incorporated a multifamily development on this parcel. The development that's being proposed is a bit bigger, so we had an addendum to the traffic study from the O2B Kids; even with the additional traffic that's generated by this development, those various warrants still were not met. Fisher asked what the warrants are, though, what are the thresholds; is it close, is it like a hair under. To her, that's the biggest thing she's worried about; obviously, that road can handle it, but with that little bitty intersection, she already thinks that road is a little bit of a nightmare. She doesn't know if she's the only one who thinks that, but that's her biggest concern with it. She doesn't know if anyone can answer that question, what the threshold is. Meyer stated there's a variety of criteria that needs to be evaluated, whether or not an all-way stop is considered. If it would be warranted for a signal, we could do an all-way stop as a temporary measure. There are other things revolving around five or more crashes reported in a 12-month period, susceptible to correction by an all-way stop. There are also items related to vehicular volume, so, the number of vehicles per hour in an eight-hour timeframe. It's also about the speed, the approach speed of vehicles; if traffic is exceeding 40 MPH for the 85th percentile, so the majority of traffic exceeding a specific speed limit approaching an intersection. There are four different criteria that we would analyze; it's really about the number of vehicles within a specific timeframe, definitely the crashes, and just if speeds are increasing and really having to evaluate that intersection from a safety perspective. Meyer stated unfortunately it's not a black-and-white answer.

Brittain asked about the pipeline easement. Is the parking lot over the pipeline easement; if so, how does that work. Is it because its not necessarily building a permanent structure, that they can dig it up if they need to; how does that play into things. Mrosia replied that is exactly correct. There is absolutely no build within that easement, that's clear. They cannot go past this line, so they cannot build, but they can build a parking lot in there. However, the biggest thing that the

applicant is working with them on is grading in there. The pipeline owner wants a specific depth between the pipeline and the surface; so, the applicant is working closely with them on that. With conversations he's had with the applicant, the primary area that they're working on with the pipeline owner is circled on the screen; that's the area where they're trying to get that depth to the right area. Brittain asked if that depth is intended to be such that the weight of the car traffic and parking, etc. doesn't interfere with the pipeline's operation or determine feasibility. Mroska replied no, the depth is for maintenance; they want to make sure they have easy access for maintenance. They don't want to dig too deep so if something happens, they can get in there and resolve the matter quickly. It's worth noting, too, that there is going to be a permanent easement in here to allow for access into that site. Also, they can access off of Highway 61 if there ever comes a time they have to access the pipeline. The applicant has been working really closely with the pipeline on this because it kind of hinges on that; so far, they have identified Flint Hills' support of it, however, they're still working on some minor aspects of that.

Stephens stated it said due to site constraints, the applicant is unable to plant the required amount of trees in a practical way. However, they're proposing to plant over 400 shrubs; she thinks everybody knows that trees have different benefits than shrubs. What are the site constraints, and what happens when they cannot meet the tree requirement. Mroska replied part of the constraints on site is the pipeline easement itself. They don't want roots going into that. He won't be shocked as the planning gets to the process that the number of trees near the parking lot will probably be removed, as he can imagine they will not want those going in that area. So, he can see modifications there. The shrubs go lower into the soil; however, he's not a landscape architect. He doesn't know if the applicant is able to address that a little bit better. He asked the applicant to address the landscaping, on why some of the plantings are proposed in the areas on the plan. Stephens stated let's say they aren't able to meet the requirements; didn't we recently update our Code that they have to pay some sort of fee so we can plant the trees elsewhere. Mroska stated that's something he has discussed with the applicant. If they're unable to plant those trees on site, they have brought up the possibility if there is a fund they can pay into in order to meet that number. That's something we're working on. As a condition of approval, we require seeing a final landscaping plan prior to the issuance of a building permit; however, the applicant realizes that is a standard, we addressed that with him, that we like to see that number come up. However, we understand the site constraints with the pipeline. Mroska stated he'd let the applicant talk more about where they are in revising the plan.

Frazier stated he made a note of the applicant speaking, but before we get to that, we'll finish questions from the commissioners.

Fisher stated back to the parking lot, let's say that Flint Hills has to access the pipeline; is there going to be some sort of written document saying who tears it up, who puts it back together, all of those different things. Mroska replied that the applicant will have to enter into an encroachment agreement with Flint Hills; that agreement will specify in case of an emergency how cars will be moved, etc. He knows the applicant has to work with the tenants to notify them in case an emergency happens that they can move cars. That's the worst-case scenario, as there are easements all over the place. It's the applicant's responsibility to work with their tenants on that.

Bhat asked regarding their request for increasing the height of the building. He wasn't sure who should answer this question, maybe the applicant, but can't they change the footprint of the building. They have the horseshoe shape, they can maybe take out the sides or maybe the bottom U there, and thereby decrease the height. Mroska stated he'd let the applicant address

that question, as he believed they had their architect here. They can talk about the site plan and how they reconfigured it.

Rasmussen stated just to clarify, The Legends of Cottage Grove is two buildings, it's not the White Pine, it's the one next to it. Mrosia replied White Pine are the two buildings adjacent to the property; The Legends is a larger facility a little bit down the road. Rasmussen stated all right, so from an elevation standpoint, The Legends is the tallest building in that grouping, and this one will be slightly below that. Mrosia replied yes, and it's also worth noting that we have contacted White Pine, with emails, phone calls, we've knocked on doors; we've done everything we can to try to get input, but we have not heard anything. So, we followed the normal procedures with every application, but to this point, we have not heard any comments or any concerns. He knows the applicant has reached out as well, trying to get their input.

Frazier asked if the applicant would like to step to the podium.

Travis Fauchald, Development Associate, Roers Companies, 2 Carlson Parkway, Plymouth, Minnesota, 55447, stated they're a multifamily developer and have been around for just about 11 years. They predominantly do affordable housing and new construction projects in and around the Twin Cities and all over the country. Here, we're proposing a workforce project, with a number of units being unrestricted, at market-rate rents, 20 percent of units at 60 percent AMI, and 5 percent of units at 50 percent AMI. We're really excited to present this project, as we think it meets a lot of the City's goals in the Comprehensive Plan. It is quite a challenging site, which is why we're seeking some flexibility here. With our landscaping plan and tree count, the site is constrained; on the north part of the site, over by White Pine and the park land to the north, there's a really sharp hill. What we're ultimately doing to get to the 144 units is having to carve out a little bit, so, we're proposing a retaining wall that is just north of our building that will run alongside the trail. That is kind of the site constraint to the north, and we want to plant trees and conserve trees on that hill, but also plant trees in a place that they're going to survive. The site constraints on the south part of the site are an access easement he believes that's granted to the City to allow access to the stormwater on the northwest part of the site; he doesn't believe a meaningful number of trees can be planted there. In the stormwater, we are unable to plant there, and are unable to plant a certain type of tree that is in that gas pipeline easement. Mrosia has provided feedback to our design team, and we'll certainly be working to get as many trees as we can to set them up for long-term success. Otherwise, we'll find a way that will be satisfactory to the City to make sure we're paying our fair share to meet Code with the trees. So, there will be some revisions made to the landscaping plan, and we'll make sure that's in a spot that works for everyone, prior to formal approval.

Fauchald addressed comments on the gas pipeline easement. If something were to go wrong, we would obviously preserve the right to have Flint Hills' repair team into the site. We'll preserve and record an easement that will provide them access to make sure nothing is ever going to be in the way of their access to the pipeline. If something were to go wrong, they would need their excavators to come in and repair it; ultimately, that would be our expense. Once the pipeline is fixed, we would as a long-term owner operator, repair that and redo the parking lot if anything were to happen, God forbid it doesn't.

Fauchald stated they're long-term owner operators; they have an inhouse property management company that will manage this site so we're not going anywhere. We're hoping to be really good partners, neighbors, and really good members of the community.

Fauchald stated on the building height, they're seeking a height variance due to the site constraints mentioned earlier. Ultimately, we are unable to expand our building footprint and increase the parking garage horizontally as we are constrained by the site boundary and the hill; we would have to dig out a lot more of the site, which is really expensive, and we're really unable to go south or west with our site line. With that gas pipeline easement, we are unable to go further down to get more underground parking as there is bedrock underneath the surface. Those are the site constraints we're working with to ultimately get to 144 units. If we were to remove a floor from our building and go a story shorter, the project, unfortunately, wouldn't be financially feasible. So, that's the background as to why we are building it at that height.

Fauchald stated he'd be happy to answer any other questions. Our local architects, Kass-Wilson are here, they've done other projects in Cottage Grove. Loucks is our civil engineer and landscape architect. So, if there are any questions he can't answer, he'll defer to the experts. Fauchald stated he appreciated their time and thanked them for their consideration.

Frazier asked if there were any questions for the applicant.

Rasmussen said with Fauchald's experience with this development type, is it worth giving a little flexibility to 1.5 cars per unit; he asked if he's pretty comfortable with that, that you're going to be able to handle all of your parking at peak times. Fauchald replied yes, as across our other projects in the State of Minnesota, at this market rate or workforce project type, we see fewer drivers with those affordable units. Oftentimes, with one-or-two bedrooms, we see a single parent or parents with children; so, there might be only one driver or no drivers. Ultimately, there are some site constraints, but we have done projects at a lower parking count. We're trying to get 1.5 and we will not provide anything less than that. As a long-term owner operator, we want to set this project up for success. Our property management team and the neighbors are not going to tolerate on-street parking. We feel comfortable there, we would like to propose something that's going to work for us as well as the community. We've done projects at lower parking ratios, but ultimately feel comfortable at 1.5.

Frazier opened the public hearing. No one spoke. Frazier closed the public hearing.

Rasmussen stated he knew this was a pretty challenging site, kind of a specialty site with high visibility, so it's very important to our community. It seems like this fits in there pretty well, and they've done a pretty good job working with the site constraints, so he thinks it will be a good fit.

Stephens stated she'd just add with all of her tree questions that it's nice to see that you're also asking for reduced parking. Many times we see tons of extra parking, but then there's not enough room for trees or stormwater. So, she thinks it's nice to see that in general you are actually constrained, and it seems like you're doing what you can to fit in what you can.

Frazier stated when he was reviewing this, the thing that jumped into his head was it's interesting that some of these things that they're asking for, they're not just asking for a variance, because he thinks there's probably the factor there to get a variance. Instead of that, the applicant worked with the City to do a PDO so it benefits everybody; the City's getting some of the things that we would like to see out of this project and you're getting some flexibility. So, he thinks that's also a good sign for a continuing relationship with the City and the community is that this

isn't a we just need help, it's a how can we make this work for everybody. He appreciates that, too. Stephens asked if he meant a PUD; Frazier said yes, maybe he said PDO.

Brittain made a motion to approve the preliminary plat, site plan review, and planned unit development for a proposed 144-unit mixed-income apartment building subject to the conditions stipulated in the staff report. Rasmussen seconded. Motion passed unanimously (7-to-0 vote).

Approval of Planning Commission Minutes of October 23, 2023

Knable made a motion to approve the minutes of the October 23, 2023, Planning Commission meeting. Fisher seconded. Motion passed unanimously (7-to-0 vote).

Reports

8.1 Recap of November and December 2023 City Council Meetings

Schmitz provided a summary of actions taken at the City Council meetings on November 1, November 15, and December 6, 2023.

Director Schmitz wished the Planning Commissioners a happy holiday season and stated she was glad we were able to get back together before the end of the year. Before we know it, we'll be in 2024, and we look forward to more big things.

Khambata thanked Schmitz. stated Frazier had said PDO but that shows his length of tenure, because we don't use that term anymore. PUD and PDO are kind of synonymous, Planned Development Overlay vs. Planned Unit Development. He caught that and it's okay. He announced there is a new Council Member, Monique Garza, who was sworn in at our last meeting. She's lived in our community for nearly ten years, she's got a husband and kids in the community. She's responsible for Movies with Mo, the outdoor movies that we host in Highlands Park in the summertime, so she's been active in volunteering in our community. She's really looking forward to being able to help make a difference on the Council as well. He thanked the Planning Commissioners again for their time; he knows December especially gets to be busy for a lot of people, and he's glad that he got to see all of their lovely faces again. With that, he said he'd stand for any questions that they might have.

Frazier thanked Council Member Khambata, and said PDO is etched into his brain, and so it will never change. He will try, but he can't make any promises. He asked if there were any questions for Council Member Khambata, but none were asked.

8.2 Response to Planning Commission Inquiries

Frazier stated we had some inquiries from our October meeting. We received an email approximately a week later with those responses, so he'll consider that filled.

8.3 Planning Commission Requests

None.

Adjournment

Rasmussen made a motion to adjourn the meeting. Brittain seconded. Motion passed unanimously (7-to-0 vote). The meeting was adjourned at 8:04 p.m.