

**MINUTES  
CITY OF ELKO NEW MARKET  
PLANNING COMMISSION MEETING  
FEBRUARY 27, 2024  
7:00 PM**

**1. CALL TO ORDER**

Chair Weber called the meeting of the Elko New Market Planning Commission to order at 7:02 p.m.

Commission members present: Weber, Pipo, and Heimerl

Members absent and excused: Smith, Hanson, and Ex-Officio Member Anderson

Staff Present: Senior Planner Renee Christianson, Planner Jake Skluzacek, Planner Brandon Malecha, and City Engineer Rich Revering

**2. PLEDGE OF ALLEGIANCE**

Chair Weber led the Planning Commission in the Pledge of Allegiance.

**3. APPROVAL OF AGENDA**

Chair Weber asked if there were any changes to the agenda. Senior Planner, Renee Christianson, informed her that there were no changes.

A motion was made by Pipo and seconded by Heimerl to approve the agenda as presented. Motion carried: (3-0).

**4. PUBLIC COMMENT**

None.

**5. ANNOUNCEMENTS**

None.

**6. APPROVAL OF MINUTES**

A. Consider Approval of the January 30, 2024, Meeting Minutes

A motion was made by Weber and seconded by Pipo to approve the minutes of the January 30<sup>th</sup>, 2024, meeting. Motion carried: (3-0).

## 7. PUBLIC HEARINGS

A. None.

## 8. GENERAL BUSINESS

### A. Direction Regarding Application for Comprehensive Plan Amendment, R & F Properties, LLC

Senior Planner, Renee Christianson, presented to the Planning Commission an application for a Comprehensive Plan Amendment from applicant, R & F Properties, LLC. The application involves re-guidance of the R & F property located south of Marketplace Boulevard, and also a request to create a new mixed-use land use district within the City and re-guide a portion of the R & F Property located north of Marketplace Boulevard to the new mixed-use land use district. Staff are seeking feedback regarding the application as submitted that will be forwarded to the City Council for consideration. Staff will seek direction from the City Council at an upcoming meeting.

Christianson displayed the City's 2040 Land Use Plan map that has been adopted by the City. She explained that the Comprehensive Plan is a document that presents the City's official goals and policies for future development of the community. The request to amend the City's 2040 Land Use Plan is at the full discretion of the Planning Commission and the City Council.

Next, Christianson shared a concept plan submitted by the applicant, R & F Properties. The applicant believes that the highest and best use of the property south of Marketplace Boulevard is single-family attached and detached housing. For the area north of Marketplace Boulevard, the applicant wishes to have the flexibility for high-density residential and / or commercial uses. In order to allow the applicant to achieve this, a Comprehensive Plan amendment is needed and has been filed for.

Christianson further broke down the property contained on the concept plan by separate, individual areas. The first area covered was the portion of the property south of Marketplace Boulevard. Currently this area is guided by the Comprehensive Plan to Commercial and Medium Density Residential land uses. The area is currently zoned under the Elko Speedway PUD which allows for use of the speedway, movie theater, offices, and storage.

The portion of the property south of Marketplace Boulevard is proposed to be re-guided to +/- 4.73 net acres for Medium Density Residential and +/- 34.57 net acres for Low Density Residential. Much of the overall property is encumbered by wetlands. Proposed adjacent land uses include a variety of residential and commercial land uses.

The property located north of Marketplace Boulevard is currently guided by the City's 2040 Comprehensive Plan for Commercial land use. The applicant has applied for a Comprehensive Plan amendment that would create and re-guide the property to a new, mixed-use land use district. Christianson explained that the property is currently zoned PUD

with the underlying zoning district being B5 – General Business. The B5 zoning district generally allows for the following uses:

- Retail
- Office
- Service
- Restaurants
- Fuel Stations

The applicant wishes to have the flexibility of allowing for high-density residential, commercial, or a mix of those two land uses within the new mixed-use district. This allows flexibility to develop the property for either commercial or high-density residential, depending on market interest. The City has no land use district available currently to meet this specific need, although the City does have limited mixed-use potential within the existing City's B2 – Neighborhood Business District which specifically covers the historic downtown New Market and Elko areas of the community.

Christianson provided background information related to the area north of Marketplace Boulevard. Previous concepts were presented to the Planning Commission on January 31 and April 25, 2023. The City Council was presented the previous concept on May 11, 2023. The concept presented included a standalone multi-family building, a mixed-use building, and two standalone commercial buildings with drive-thru components. Meeting minutes reflected support for the concept which included a mixed-use building. Discussions took place on compromises associated with the extra flexibility being proposed.

The previous concept presented in 2023 has now been revised. Building configurations have been modified slightly. The current application includes a request to allow for full flexibility to have the ability to create two multi-family buildings.

Christianson mentioned that mixed-use districts are common. Of the communities that Staff researched, all mixed-use districts require a certain amount of land area to remain commercial, while allowing for a percentage of residential. Christianson displayed a chart displaying other city's mixed-use district standards. The cities displayed included Belle Plaine, Jordan, New Germany, East Bethel, Shakopee, and Prior Lake.

Christianson highlighted the following items for Planning Commission consideration:

- The loss of commercially guided land in key locations of the City
- The loss of pad-ready commercial sites in the City
- The location and visibility of the subject property, being located adjacent to an arterial and collector roadway
- The availability of other high-density residential sites in the City
- As requested, a majority of the property north of Marketplace Boulevard could develop with purely high-density residential, commercial, or a mix of the two uses dependent on owner preference

Tom Ryan of R & F Properties, LLC was available via Zoom. Ryan thanked the Commission for allowing him to meet virtually. Ryan mentioned that Christianson did a great job explaining the topic. He stated that flexibility on the last piece of Elko Marketplace owned by Ryan is important as indicated by market studies.

Ryan planned to start the development of a 40–50-unit apartment building to the north of Marketplace Boulevard. Ryan stressed the importance of planning in advance to avoid any unneeded delays. The Planning Commission did not have any immediate questions for Ryan.

Christianson wished to finish the presentation by asking for Commissioner feedback on the requests one at a time. First, Christianson asked if the Planning Commission supported the re-guidance of the property located to the south of Marketplace Boulevard to a combination of low and medium density residential, and in the locations depicted on the application received from R & F Properties, LLC. This includes approximately 34.57 net acres to be re-guided for low density residential and approximately 4.73 net acres to medium density residential.

Commissioner Pipo stated he understands what is being proposed and for the most part supports it; however, Pipo stressed the importance of having commercial businesses and retaining commercially guided land to attract and retain employment. Chair Weber agreed with Pipo's concern. Christianson added that the concept plan could change and what the Planning Commission was really doing is deciding what type of land use would guide future development on the property.

Commissioner Pipo agreed that re-guidance of the most southern portion of the property from medium density residential to low density residential made total sense. Chair Weber agreed. Christianson mentioned that the wetlands were major barriers to density goals with attached single-family homes and roads. It would be almost impossible to achieve density requirements with medium density zoning, so the re-guidance makes logical sense.

Chair Weber was concerned with the visibility of the area where the townhomes were located on the submitted concept plan. Weber recalled at a previous meeting the discussion involved moving the townhomes directly south and adjacent to Marketplace Boulevard to provide a barrier to the high-density residential and commercial planned to the north.

Christianson asked if Ryan had any input regarding the decision to locate the townhomes where they were shown on the submitted concept plan. Ryan admitted they were trying to achieve density on the property for Met Council benefit. Ryan noted that "Lake Elko" is an important amenity for the single-family component of the development. Ryan also added that the submitted concept should not be criticized too much as not enough expense and engineering went into it for the purposes of the detailed discussion on the agenda.

Ryan asked the Commission if they believed townhomes belonged on this property or if they would like to see it all become single-family. Commissioner Pipo and Chair Weber were in favor of having the entire property become single-family but appreciated efforts at achieving more density. Pipo stated that it may be more marketable for the applicant if it was all

single-family as people may not want to buy a single-family home if it is located next to townhomes. Pipo admitted that he lives in a townhome, and townhomes have their place. Commissioner Heimerl agreed with Pipo and Weber's assertions that single-family makes the most sense for the area, but density should be considered as well.

The recommendation from the Commission regarding the entirety of the portion of property south of Marketplace Boulevard is to re-guide it all to single-family low density residential.

Christianson's next question for the Commission regarded support for creation of a mixed-use land use category in the City's Comprehensive Plan, and re-guidance of the property north of Marketplace Boulevard to this new mixed-use land category.

Chair Weber was in favor of creating a new mixed-use land use category to offer more flexibility the property. Discussion took place on minimum or maximum percentage shares of residential for these mixed-use districts. The current application would give the applicant full flexibility to make the two apartment buildings fully residential or a mix of commercial and residential at their discretion dependent on market forces.

Commissioner Pipo thought that allowing the ability to do fully residential for the two apartments made sense considering that the two smaller buildings to the north would remain commercial. Chair Weber brought up the previously mentioned concern about loss of pad-ready commercial sites within the City. The Commission members present were in general agreement that the City should have a mixed-use district without any parameters relating to a required percentage of commercial to allow for more flexibility in development. Weber added she may support a percentage of commercial be required but was unsure of what that percentage should be.

Senior Planner, Renee Christianson, read comments received from Commissioner Hanson regarding the topic. "I support re-guidance of the property south of Marketplace Boulevard to allow for low and medium density residential. I appreciate the strategic, thoughtful, future planning for the property. Secondly, I support the creation of a mixed-use land use category. From a planning standpoint, I support plans for a more walkable community. Having a mixed-use land use category that can have both residential and commercial retail components is desirable to many. I support a combination of residential and commercial, but I am not sure as to what the right percentage of each is."

The recommendation from the Commission regarding the portion of property north of Marketplace Boulevard is to re-guide to a new mixed-use land use. The Commission was split over allowing full flexibility as it related to the commercial component. Two Commissioners were in favor of full flexibility and two were in favor of requiring a commercial component but were unsure what percentage should be required.

Christianson informed the Commission that their recommendations would be provided to the City Council as they further consider the application to amend the Comprehensive Plan.

## **B. Detached Accessory Building Research**

Planner, Jake Skluzacek, presented background history and research associated with the City's Detached Accessory Structure Ordinance. Skluzacek mentioned that there was a recent resident inquiry to construct a new detached accessory structure for storage; however, this property already had an existing detached garage. The Current City Code does not allow more than one detached accessory building per lot in residential zones, except by conditional use permit. He noted that the current Code allows those with attached garages the ability to have between 250-1,000 more square footage space of storage than those with detached garages.

Skluzacek also informed the Commission of past complaints and comments received by City Staff from various residents over the years indicating that the City's standards are too strict regarding allowable detached accessory structure size. The City's current standards allow for only a 250 square foot building for lots 1 acre and under with no conditional use permit. For those lots over 1 acre, a maximum building size of 1,000 square feet would be allowed with no conditional use permit. If a conditional use permit is granted, those maximum sizes increase to 1,000 and 1,500 square feet respectively.

Next, Skluzacek displayed a chart displaying research of other city's standards relating to total number of structures allowed and maximum square footage of the structures. The cities included in the research are as follows:

- Lonsdale
- Belle Plaine
- Jordan
- Lakeville
- Savage
- Shakopee
- Prior Lake
- New Prague
- Burnsville

Of the cities researched, most allowed for multiple detached accessory structures in some form. Many cities provided flexibility in the number of structures by including a total square footage limit. This would allow for multiple smaller structures or a single large structure. Other cities determined the number of structures allowed based on if the property had an attached or detached garage. Typically, these cities allow for only one detached accessory structure unless a property has a detached garage, in that case two structures are allowed.

Staff's research also showed that Elko New Market is more restrictive than most cities when it comes to maximum square footage of detached accessory structures. Cities researched generally allowed maximum square footage of 800-1,000 square feet without any conditional use permit being needed. Some cities allow more than 1,000 square feet depending on the acreage of a property. The City of Elko New Market's maximum allowed square footage for a property 0-1 acre is 250 square feet. Skluzacek noted that this was the

smallest allowable structure in every city researched except for Burnsville which was 225 square feet but only for properties with attached garages.

Skluzacek also displayed a table displaying research of other city's standards relating to detached accessory structures in commercial and industrial zoning districts. Research showed that Elko New Market was consistent with other cities for allowing detached accessory structures in commercial and industrial zoning districts. The current size maximums are based on a percentage of the gross floor space of the principle use structure. Discussion took place on the current standards.

Staff recommended the Planning Commission consider amendments to the City's Accessory Structure Ordinance. If the Commission does recommend changes, Staff will draft an Ordinance Amendment for further review and discussion at a future meeting.

Commissioner Heimerl recommended that the total number of structures should be similar to how Jordan's Ordinance read, allowing for 1 structure but 2 if the property had a detached garage rather than an attached one. The Commission was in general agreement that changes should be recommended. Discussion took place on the maximum allowable square footage of the structures. Chair Weber was in favor of increasing the maximum allowable square footage but was not sure what would be an appropriate limit. Skluzacek informed the Commission that Staff can prepare examples of the different sizes on surveys for viewing by the Commission at the next meeting before any recommendations are made.

The Commission also discussed the current standards for detached accessory structures in commercial and industrial zones. The Commission was generally in agreement that they would like to still allow detached accessory structures in these zones but were unsure what percentage should be allowable. Skluzacek informed the Commission that Staff will bring examples illustrating the standards at the next meeting before any recommendations are made.

## **9. MISCELLANEOUS**

### **A. Cannabis Regulation Update**

Senior Planner, Renee Christianson, provided an update to the Planning Commission regarding cannabis regulation. There was a memorandum from the City Attorney's Office included with the packet which details cannabis regulation updates. Christianson added that no action is currently needed.

Planner, Brandon Malecha, added some more information for the Commission regarding licensing. Malecha mentioned that the State is still trying to fill the Office of Cannabis Management and provide City's with example Ordinances. Licenses may be available earlier in the second half of 2024 but were originally not planned to be granted until 2025.

### **B. Comprehensive Plan Overview**

- **Chapter 5 – Demographics**

Planner Brandon Malecha, presented an overview of Chapter 5 of the City’s Comprehensive Plan, Demographics. Staff and Commissioners mentioned that they were excited to see the updated demographics information for the upcoming Comprehensive Plan.

### **C. Community Development Updates**

- Senior Planner, Renee Christianson, informed the Commission that Ryan Companies, who were granted preliminary plat approval of Park I-35 in April of 2023, had requested an extension to their preliminary plat approval as they expire after a year. Similarly, Ryan Companies have also applied for an extension to an early grading permit that will also expire in April of this year. Those requests will be taken to the next City Council meeting on March 14<sup>th</sup>.
- City Engineer, Rich Revering, informed the Commission that there will be two bid openings next week for two projects within the City. The first for a reconstruction project in downtown New Market, and the second for an edge mill and overlay of approximately six miles of streets within the City.
- Planner, Jake Skluzacek, let the Commissioners know that the City had recently changed I.T. services. Skluzacek asked if the Commissioners in attendance could leave their laptops with Staff to have new support software installed. Senior Planner, Renee Christianson, informed the Commission that there were no additional updates.

### **D. Planning Commission Questions & Comments**

None.

## **10. ADJOURNMENT**

It was moved by Pipo and seconded by Heimerl to adjourn the meeting at 8:14 p.m.  
Motion carried: (3-0).

Respectively submitted by:



Jake Skluzacek  
Planner 1