

**CITY OF HANOVER
PLANNING COMMISSION MEETING
OCTOBER 22, 2018
OFFICIAL MINUTES**

Call to Order/Pledge of Allegiance

Stan Kolasa called the October 22, 2018, Planning Commission Meeting to order at 7:00 pm. Members present were Stan Kolasa, Jim Schendel, Michelle Armstrong, Dean Kuitunen and Mike Christenson. Also present City Planner Cindy Nash and Administrative Assistant Amy Biren. Absent: Council Liaison Doug Hammerseng. Several guests were present.

Approval of Agenda

MOTION by Schendel to approve the agenda, seconded by Armstrong.
Motion carried unanimously.

Approval of Minutes from the September 24, 2018 Regular Meeting

MOTION by Armstrong to approve the September 24, 2018, minutes, seconded by Kuitunen.
Motion carried unanimously.

Citizen's Forum

None

Public Hearing

Comprehensive Plan Review and Public Comment

Kolasa closed the Planning Commission meeting at 7:02 pm and opened the Public Hearing for the Comprehensive Plan 2040 review and to receive public comment.

Nash directed the Board's attention to the draft section of the packet and reviewed the information. She pointed out the goals established and the planning principles that corresponded with each goal.

At the Land Use section of the draft, Nash stated that this section looks out 20 years with some portions of the map looking further into the future in order to plan ahead for potential development. She went on to focus on several of the land use categories:

Rural Residential: Properties included in this category tend to be rural in nature with the intent to further subdivide them into categories of those anticipating having water and sewer extended to them and others which are more agricultural in nature that would remain on well and septic and have larger lots of 2.5 acres or more.

Neighborhood Residential: Properties that may or may not be developed into moderately-dense residential uses dependent on location to services. Some properties may need to wait until water and sewer is provided to properties located before them and as services move outward.

Multi-family Residential: Properties that will have a higher density than those located in the single family home areas. This would allow apartments, twin homes, or quads. Typically, this category includes dwellings of four or more.

Commercial: Properties are more vehicle related, meaning that a person has to drive to them, and are typically located near a main thoroughfare.

Downtown River District Commercial: Properties that are more mixed use in nature with the intent of being pedestrian-friendly.

The land use map guides how properties can be zoned and indicated on the zoning map. For example, some properties may be guided a certain way, but will not be zoned differently from what they are currently

zoned. Nash gave the example of a farm that is zoned Residential Agriculture, but guided as Neighborhood Residential. If the farm land is sold to a developer, the developer would need to apply to rezone the land in order to develop it. The zoning map is a current document and deals with what is allowed within each zoning district.

In the Transportation portion of the Comprehensive Plan, Nash showed the classification of the roads within the Hanover city limits along with proposed roads. This portion of the plan is the same as what was presented for the 2030 Plan.

Nash showed the proposed parks and trails indicating that the proposed parks are for a general area, not a specific location. She also pointed out the proposed Crow River Regional Trail system. Nash reminded the members that some of the trails are sidewalk connections or share-the-road portions.

Kolasa asked for public comments.

Nash read an email from Greg Willhite, 10528 Rosedale Avenue North, stating he is opposed to the rezoning of his property. Nash responded that in the current zoning map, his property is zoned Residential Agriculture and in the proposed land use map, it is guided as Neighborhood Residential. This does not mean that any changes for the use of the property is planned. The land use map allows the property owner the opportunity to develop in the future if they choose to do so.

MaryAnn Hallstein, 339 Jandel Avenue NE: I am speaking for my parents, the Willhites, who are not in favor of the density that is being proposed for their property. They would like it to remain rural in nature and have larger lot development.

Nick Bovee-Gazett, 780 Kayla Lane: He had a prepared statement that is included as part of the minutes (see attached) and can be summarized as follows: Bovee-Gazett is running for one of the open Council seats in November and recently moved to Hanover. He believes that a development such as the Hanover Cove could do a better job in following the Comprehensive Plan and mentions the EAW and the traffic study and that the density planned needs to be lowered. More businesses need to be encouraged and the trail/park system needs expansion.

Claudia Pingree, 11711 Riverview Road: She doesn't see much for mixed use in the Comprehensive Plan draft. The City needs to increase businesses and the tax base. She thinks that Hanover Cove would be a great place for mixed use, such as two-story building that has housing on the top floor and a business on the first floor. There needs to be something for seniors and mentioned a proposed development in St. Michael that would have "carriage homes".

Jim Zajicek, 10595 Prairie Lane: He just came from a Joint Powers Meeting (as Council representative) and had talked to the St. Michael mayor about this development. The proposed development is very similar to what the patio homes will be like in the Hanover Cove.

Joyce Paullin, 10620 Rosedale Avenue North: She had called City Hall and asked about how taxes would be affected by the proposed land use changes. Nash replied that the assessor sets how a property is taxed and it is based on its use, not how it is guided. Paullin explained that her house is about a quarter of a mile off of Rosedale and that it would a long way for water and sewer to be installed. Their property is also farmed. Nash responded that she did not see why the County would change how it is taxed.

Paullin continued with a concern about the amount of traffic on CSAH 19 and how it has become a through route for many people that do not live in Hanover. Nash said that both counties are looking at their long-

range transportation plans and are aware of the traffic issues in Hanover. Unfortunately, changes in transportation routes often happen after development occurs and the people are living in the area.

DeAnne Jarvis, 10584 Rosedale Avenue North: She is a realtor and is selling her house and would like to know how to disclose this information to a potential buyer. Nash responded that it can be difficult to anticipate housing trends and that a good way to disclose this information would be to state that it is proposed to be guided as Neighborhood Residential, it is zoned Residential Agriculture and that there are no plans at this time to develop the area.

Sara Bechtold, 10560 Rosedale Avenue North: My husband and I farm the Bechtold Farm. I realize that the land use map is just a guide, but it feels like there is an expiration date on the property and that we can only farm it so long. With the land use map determining the zoning map, there is concern about the impact will be on the property. Nash referred to the text part of the Comprehensive Plan draft where it states that this area may have agricultural uses and would be zoned as such until a time when the property would be proposed to be developed. Nash went on to say that the land use map also helps guide the engineer when determining the size of pipes for water and sewer—while the services may not reach a far southern parcel in Hanover, planning ahead for future services will save time and money. She also said that a city cannot stop you from farming the land.

Bovee-Gazett restated Nash's comment about transportation routes being improved after people live in the new developments and asked if there was a way to move up a timeline for improvements. Nash said that every city experiences that lag between road improvements and development. There really is no way to move up a road improvement timeline unless a city pays for it themselves.

Zajicek commented that there is competing development going on in neighboring cities and that traffic increases will not happen all at one time, but gradually.

Paullin commented that she is worried about where all of the added children will go to school. Hallstein responded that she has been working with the Buffalo Hanover Montrose School District and asked that same question, particularly about Hanover Elementary. She said that about 140 more students can be added to the school.

Rob Pruess, 11702 8th Street NE: The traffic is already here and then asked about the referendum that is on the ballot for those in the BHM school district. Hallstein stated that is a funding issue and not a space issue.

Bovee-Gazett asked about diversifying and what kind of risk does the City take with residential development versus commercial? Nash pointed out the area to the far west on the land use map that is currently Rockford Township and stated that area is guided for annexation into the City. She also showed where the added commercial areas are along Beebe Lake Road and River Road/CSAH 20 and the industrial area north of the current Industrial Park. Bovee-Gazett clarified his question with the risk of another housing market crisis. Nash said that cities with infrastructure extended farther out tended to have a more difficult time and were affected more than cities that had not practiced that policy.

Hallstein asked Nash to speak to the Downtown River Commercial District. Nash explained that this area is meant to be a downtown commercial space of mixed business, retail and even housing.

Kolasa closed the Public Hearing at 7:55 pm and reopened the Planning Commission.

Armstrong asked for clarification about a point listed on page 3, Goal 5, Number 2: "Utilize an access management program for properties adjacent to county roads with new residential, commercial and industrial development. Nash explained that the county will not allow new connections to the county roads

and gave the example of LaBeaux Avenue/CSAH 19 where there is a residential driveway, two access points for Tom Thumb and then access to the Hanover Fire Hall. This would not be configured this way today. She also spoke of how the new Hanover Dental has an address on LaBeaux Avenue, but the access to the property is off of Fifth Street. Connections to the county roads will have to have minimal impact from now on.

Kuitunen thanked the members of the audience for coming and giving their feedback. He stated that their comments were the same ones that were discussed during the meetings.

MOTION by Kuitunen to send the 2040 Comprehensive Plan Draft forward to the City Council for approval and to include the comments that were received, seconded by Armstrong.

Motion carried unanimously.

Unfinished Business

Allowing Home Occupations in Accessory Buildings

Nash reviewed the current Home Occupation ordinance with the Board. She then directed them to a draft of an addition that would allow home occupations not meeting this standard to operate under the use of an interim use permit (IUP). The home occupation would have to be in the Residential Agricultural zoning district and be 2.5 acres or greater. Commercial vehicles would not be allowed and she drafted the traffic flow and parking requirements to be the same as what it is currently. Nash explained that she drafted two options for outdoor storage: one that did not allow outdoor storage and another that would allow outdoor storage based on screening. Allowing the building to be used for displaying goods or storage of equipment or materials was added.

Nash said that the Planning Commission members can make suggestions, but cautioned that each will have a different impact or impacts on what is allowed. Conditions will need to be worded to control what is allowed.

Members brought up that the acreage drafted would not include the property in question, and that it needed to be reduced to two acres in size.

Armstrong asked about having only one additional car being allowed and if the employee's car would then be that car. Nash said that was correct and asked if the members wanted to allow for more cars keeping in mind that this would apply to anyone that applied for and was granted an IUP. Armstrong said that it didn't make sense to allow just one car and would be comfortable with two cars being allowed.

Schendel said that if more cars are allowed, how many will actually follow it and only have two cars? Christenson added his comment about who would enforce this provision?

Christenson asked how long is an IUP good? Nash responded that an IUP has a set time limit and will sunset. It will not run with the land as a conditional use permit does.

Kuitunen said that it appears that Nash went back to the previous ordinance that allowed such home occupations before it was changed a couple of years ago. Nash affirmed that.

Elroy Grambart, 10467 Beebe Lake Road: He wanted to make it known that the property had been a farm in the past and there would have been farm equipment and vehicles stored outdoors and sitting around.

Hallstein asked if the outdoor storage can be a site condition rather than be part of the ordinance. Nash replied that the limitation is outlined in the ordinance and the IUP will call out specifics to a particular property.

Ganfield asked if it was possible to make it a one-year term and if issues arise, then change it at that time. Nash replied that if there is something negative about the use, it might not be possible for the business to meet the terms imposed after a year and then keep operating. Enforcement after the fact is very difficult. Biren also pointed out that in the past, home occupations with an IUP or special use permit had to come before Council yearly to get a renewal.

Christenson would like to limit it to a reasonable use, but no go to big so that the neighborhood surrounding it is negatively impacted.

Ganfield asked is that not what is happening here—the person is being penalized for running a business that was there before the neighborhood was?

Schendel replied that this is incorrect and that the neighborhood was in place prior to the business being started. Kolasa added that the person chose to start a business when it wasn't allowed at that location.

Christenson said that he would be fine with two cars being allowed and that hours of operation need to be defined.

Kolasa asked what the acreage of the property in question actually was. Nash replied that the County has it listed as 2.24 acres with 1.91 being deemed usable, so it may fall under the two acre requirement depending on how the acreage is determined.

Christenson added that outdoor storage does need to be limited. Armstrong asked how most cities break down the amount of outdoor storage allowed. Nash replied that most cities do not allow outdoor storage even in their industrial parks and definitely not for home occupations. She went on to say that if this was desired, language would have to be crafted so that outdoor storage would be fair to both the business and the neighbors and that it would apply to any property meeting the requirements of the ordinance.

Kuitunen said that the size requirement is even less than it was in the prior ordinance allowing this type of home occupation and the buffer between properties would not be there as in the past.

Schendel stated that he would prefer not to have any home occupations such as this as there is a place for such business and it is not in the neighborhoods. It is also unfair that the business gets taxed at a residential rate when similar businesses located in a nonresidential zoning district are taxed differently.

Kolasa said that the more development happens, the more the residents will not like what is going on around them and that cities write ordinances to be followed. He did say that not all businesses are like Joel's and if the next person that doesn't follow the ordinance will have to appear before Planning Commission.

Schendel responded than there should be a roomful of people at every meeting that are not following ordinances.

Armstrong asked if a variance can be given. Nash replied that she would have to consult with the city attorney, but did not think that was possible because it would be a use variance and that is not allowed under Minnesota State statute.

Armstrong went on to inquire if Hanover is a haven for this type of business and do we want to be such a haven? She is sympathetic to the situation.

Kolasa said that the members need to take into consideration Schendel's comments.

Armstrong wanted to know if taxes would increase if there was a home occupation on the property. Nash said they would not increase and the person would be taxed as a residential property. Kolasa said that there was a property in St. Michael located in a residential area that was taxed as a business, but didn't know the particulars.

Hallstein asked Armstrong what people are looking for when buying property and what would be the impact of having a business on the property. Armstrong said that she has seen properties in which home occupations were allowed where it was junky looking and others that were not junky looking. She currently has a client that is looking for a property where he can work on cars more as a hobby than a business, but still do some business, and that it is very difficult to find as it is not allowed in most cities.

Kuitunen asked whether all home occupations would have to follow this process of having an IUP. Nash responded that it would be a dual process and a home occupation would either follow the typical home occupation section (as it does currently) or it would have to have an IUP. If the home occupation follows the IUP tract, they would need to apply for the IUP and submit all of the required materials as well as pay the fees and escrows involved. The property in question would still have to apply for an IUP and would not be considered grandfathered. Each IUP would have a list of conditions that would need to be met with possible staff inspections and investigations of any complaints.

Kuitunen said that it then becomes a police action for the Council.

Nash asked members what needs to be included in the draft for the next meeting and they responded:

- Size of property needs to be lowered to two acres.
- Two vehicles would be allowed. Nash said that others can be inside out of site.
- No outdoor storage allowed. Members did not want to compute the size or area of storage allowed since that could get into height, items, etc. The alternate language will be stricken.
- The section on sewage and solid waste is fine. There was some discussion regarding whether or not dumpsters were allowed versus regular garbage carts. MS4 regulations prohibiting leaking dumpsters was mentioned.
- Allowing operations, display of goods and equipment storage was acceptable.
- Definition of commercial vehicle needed to be included. Nash did mention that there is a trucking business that does have semis and trailers.

Nash said that the next steps would be to draft the amendment, advertise for a public hearing that would take place at the November meeting, and bring it to the November meeting.

New Business

December Meeting Date

Biren reminded the members that the December meeting falls on December 24th which is Christmas Eve. Members decided that December 17th would be a suitable alternate date for the meeting.

Reports and Announcements

Nash said that she has received a partial preliminary plat from Paxmar, but that there are other items still incomplete so there is a very slim chance it will be at the November meeting. Paxmar would have to satisfactorily submit the items by the end of the week.

Biren said that Regency Homes has officially joined the builders in Crow River Heights West Third Addition.

Schendel said that the downtown parking lot has been completed.

Adjournment

MOTION by Schendel to adjourn, seconded by Armstrong.

Motion carried unanimously.

Meeting adjourned at 9:04 pm.

ATTEST:

Amy L. Biren
Administrative Assistant

Public comments are attached as a separate pdf.