# Cambridge Planning Commission Meeting Minutes Tuesday, March 7, 2023

Pursuant to due call and notice thereof, a regular meeting of the Cambridge Planning Commission was held at Cambridge City Hall, 300 3rd Avenue NE, Cambridge, Minnesota.

Members Present: Commissioners Jessica Kluck (Chair), Robert Boese (Vice Chair), Joe Morin, Michael Liddy,

Amanda Latsch, David Redfield, and Aaron Berg (City Council Representative).

Staff Present: Community Development Director Marcia Westover, City Planner Jacob Nosbush

# Call to Order and Pledge of Allegiance

Kluck called the meeting to order at 7:00 pm and led the Commissioners in the Pledge of Allegiance.

# Approval of Agenda

Boese moved, seconded by Morin, to approve the agenda. All voted aye, no nays. Motion carried unanimously.

#### Approval of Minutes

Liddy moved, seconded by Boese, to approve the February 7, 2023 meeting minutes. All voted aye, no nays. Motion passed unanimously.

#### **Public Comment**

No public comment

#### **Unfinished Business**

No unfinished business

#### **New Business**

# A PUBLIC HEARING- Easement Vacation at 1115 Deer Run SW

Nosbush said the subject property is a bit less than 3/4 of an acre total. The landowner wishes to build a detached garage but, per City Code section 156.080 B6, a detached garage cannot be built without a dwelling first being constructed. The requested easement vacation would remove the previously existing standard easements on the property line between the two lots.

Nosbush continued, the area around the proposed plat is entirely residential, with R-2 Zoning to the east and R-1 Zoning surrounding the remainder of the property. Rather than an administrative lot combination, a plat is required due to the lots being in different plats. The plat, East Oaks 9th Addition, was approved in November by both the Planning Commission and City Council.

#### Public hearing

Kluck opened the public hearing. No one approached the podium. Kluck closed the public hearing.

Boese motioned, seconded by Morin, to recommend approval of the easement vacation request at 1105 and 1115 Deer Run SW with no conditions. All voted aye, no nays. Motion passed unanimously.

#### Overview of the Oak Meadows 2 project

Westover said developer, BJ Baas, is proposing to build a 148-unit apartment building. Requests for this project include removing Outlot B from the Planned Unit Development (PUD), rezoning from PUD to R-3 Multiple Family Residence district, vacating existing easements, preliminary and final plat that will reinstate the vacated easements in new locations, and variance for building height and less than the required number of garages and open space parking stalls.

Westover continued, removal from PUD and rezoning is requested because Outlot B, Oak Meadows, was identified as a PUD in 2004 or 2005, and planned for townhomes to be built. Prior to 2004, the property was zoned R-3 Multiple Family Residence district. The City can amend a PUD due to a lack of development within a reasonable time after the PUD zoning district was established, it has been 19 years with no development on this parcel and the change is warranted.

Westover outlined, the density allowed for the 6.78 acre site is 148 units. With an amendment request to the PUD an additional 15% allowance can be given, up to 170 units. The developer is requesting to remove the property from the PUD and will conform to R-3 density standards of 148 units.

The property is encumbered by existing drainage and utility easements, Westover reported. There is a north-south easement with public sewer and water lines that serve the existing townhomes. The developer has requested to move the utilities and the easement to allow for on-site parking. The east-west easement holds an existing public sanitary sewer main, which was not installed in the center of the easement. This easement needs to be corrected so the main is centered in the easement; the main will not be relocated.

Westover stated the preliminary and final plat are proposed. The property is an outlot, and all outlots must be platted into lots and blocks prior to any development.

Westover said the variance request is for the overall height of the building at 49'-6" where only 45' is allowed in the R-3 zoning district. The builder is also requesting a variance for 121 garage stalls, which is less than the 148 required, and for 152 open parking spaces, less than the 185 required. The height variance is due the first level being garages with three stories of units above. Staff find main level parking desirable for residents compared to detached garages, this also opens up green space around the building. The developer is also requesting a garage and open space parking variance. They have submitted a pro-forma report showing all required parking on site, but request to build only 121 garages and 152 spaces at this time. The city can exercise its right to require all garages in the future if needed.

Westover reported that a neighbor had a concern regarding traffic. The City Engineer has confirmed that Old Main Street South has been built to handle heavy equipment, along with the addition of this apartment building, the Cambridge Family Apartments, existing single-family homes, and the school in the area. If there becomes an issue with the intersection at 16th Avenue SE, a traffic study may be required to determine what can be done.

Westover stated another common concern of neighboring property owners is the effect an apartment will have on property values. The Isanti County Assessor said that the idea of property values decreasing due to multi-family housing is not supported by research. Studies have shown that dense populations have minimal or even sometimes positive effects on surrounding home values. There was no evidence that apartment developments created any negative influence or adverse conditions to surrounding home values.

Westover said another common concern is crime. Police Chief Schuster stated the city does not have any statistics on apartment buildings, nor have they identified any particular residential area where crime is higher than other

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neighborhoods. However, as population increases, the chance of crime also increases. Historically, calls for service at multi-family housing are determined by the management company, if they screen potential residents the chance for problems are reduced.

Westover reported according to our most recent housing study done in 2019, the city had a vacancy rate of 1.2%, only seven out of 579 units were vacant. Since then, there have been a total of 349 units planned or constructed. While numerous multi-family units have been constructed, staff has not heard of any shift in vacancy. As soon as the multi-family units are built they are full. Housing studies should be done about every five years, staff plans to update the study in 2023.

# <u>B & C</u> <u>PUBLIC HEARING - Removing Oak Meadows Outlot B from PUD designation and Ordinance 766 Rezoning from PUD to R-3</u>

Westover presented the request from Baas Properties, LLC, to remove Outlot B, Oak Meadows from its PUD designation and to rezone the property to an R-3 Multiple Family Residence district. Prior to 2004, the property was zoned R-3, therefore the request is reverting the property back to its original zoning.

Liddy asked the purpose of having a separate ordinance for rezoning, and asked if the outlot was removed from the PUD designation what would happen if there wasn't an ordinance rezoning request, Westover replied that it was the formal way to handle this situation to ensure it was done correctly and legally.

# Public hearing

Kluck opened the public hearing to remove Outlot B from PUD designation.

Brian Baas, owner of BJ Baas, approached the podium. He said when they finished The Emerald Apartments in October, it was fully occupied within a week of opening. They are excited to bring this much needed opportunity to the community.

No one else rose to speak, Kluck closed the public hearing at 7:26 pm.

Morin motioned, seconded by Boese, to recommend approval of the draft Resolution to remove Outlot B from the PUD 1-05 designation as presented. Motion passed unanimously.

## Public hearing

Kluck opened the public hearing for Ordinance 766 to rezone Outlot B from PUD to R-3.

No one approached the podium.

Kluck closed the public hearing at 7:27 pm.

Latsch motioned, seconded by Liddy, to recommend approval of the Ordinance 766 rezoning Outlot B from PUD district 1-05 to R-3 Multiple Family Residence district. Motion passed unanimously.

# D. PUBLIC HEARING- Easement Vacation - Oak Meadows 2

Westover presented the request to vacate the existing east-west sanitary sewer easement, and also the north-south easement with sewer and water lines, for Oak Meadows 2.

## Public hearing

Kluck opened the public hearing at 7:29 pm.

Kluck read a letter submitted by Joe and Jody Foerester, 1955 Old Main St. S., expressing concerns regarding this project, including increased traffic, if the road can handle the extra strain, decreased property values, and if police staffing is adequate.

Being no one else present to speak, Kluck closed the public hearing at 7:32 pm.

Berg motioned, seconded by Boese, to approve the draft Resolution to vacate the drainage and utility easements as presented. Motion passed unanimously.

# E&F PUBLIC HEARING- Preliminary Plat and Final Plat - Oak Meadows 2

Westover described the property as 6.78 acres. The parcel is identified as an outlot and all outlots must be platted into lots and blocks prior to development. The preliminary and final plat identifies the parcel as Lot 1, Block 1, Oak Meadows 2. The plat conveys the drainage and utility easements in the new location. Due to the location of the proposed apartment building and to maximize the useable space of the site, the sewer and water line easement will be moved. The cost to relocate the utilities will be at the expense of the developer.

# Public hearing

Kluck opened the public hearing at 7:34 pm.

Boese expressed appreciation for the letter from the Foeresters, acknowledged that some of the concerns have been addressed by staff, and said commissioners still had concerns as well.

Morin asked what would warrant a traffic study at 16<sup>th</sup> Ave SE, including what getting approval from MnDOT entailed. Westover answered, any time there is a plat adjacent to a state highway it has to be submitted to MnDOT and this property is adjacent to Highway 65.

Morin motioned, seconded by Latsch, to recommend approval of the Preliminary and Final Plat of Oak Meadows 2 Addition as long as the listed conditions are met. Motion passed unanimously.

# G. PUBLIC HEARING- Variance for Height and Garage Parking Oak Meadows 2

Westover said the building height is planned at 49'-6", though on the proposed resolution the height has been requested at 50' to allow for any discrepancy. The project is planned to have main level parking with three floors of living space above. The existing grade level is lower than the street, therefore the end height result will be naturally less impactful on neighboring site lines. The developer has researched bringing in fill to raise the site and build underground garages to eliminate the need for a variance. However, doing so would be cost prohibitive, cause concern with water tables, and interfere with the existing utilities and easements. In addition, the developer considered a flat roof design to eliminate the need for a variance, but, according to the developer's experience, a flat roof is not practical in Minnesota due to leaking and maintenance issues.

Westover continued, the developer is requesting to build 121 main level garages where 148 garages are required per city code, and to build 152 open parking lot spaces where 185 would be required. The Emerald Apartments, a similar project, were approved through a PUD and currently has 128 out of the required 150 garages constructed, and only 121 of the garages are occupied. The Emerald has 210 open parking spaces constructed, and only 68 of those are occupied. Based on this information, the developer is requesting to initially build less than the required number of garages and open parking spaces.

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#### Public hearing

Kluck opened the public hearing at 7:41 pm. No one approached the podium. Kluck closed the public hearing at 7:42 pm.

Liddy asked Brian Baas to step up to the podium and thanked him for coming in. He asked if The Emerald Apartments had a height variance, Baas confirmed that it did at 48 feet. Boese stated many apartments in the area have flat roofs and asked if any research had been done to see if they had issues with leaking, etc. Baas said that many managers, including those from around the state, recommended against it. Looking at the parking diagram, Liddy said it looked like some of the garages on the plat extend into the easement and asked if that would be an issue. Westover said potentially, this will be addressed in the site plan review with the City Engineer.

Morin said a number of times this season The Emerald Apartments asked residents to park on the street and many were towed because of the snow emergency. He expressed concern that this project will have the same issue and is against the parking variance. He also has concerns with a lesser number of garages than needed due to the amount of snow we get in Minnesota. He was concerned about not seeing fire suppression sprinklers on the plat. Baas responded that they have more garages on The Emerald than were being occupied, even in the winter months. Based on this information, he would like to be conservative to start and build more if needed. Calculating stalls per bedroom versus stalls per unit this would be 1.4 stalls per bedroom and 1.85 stalls per unit, this is more than The Emeralds current parking. He also said fire suppression is a code requirement and the building will be sufficiently equipped.

Berg asked if the south approach to Old Main, directly across from 20<sup>th</sup> Ave SW, would be a 4-way intersection, Baas said it would be. It was discussed with the city engineer and a 4-way intersection offered a more attractive design and better traffic control.

Morin said math shows The Emerald apartments have 95% occupancy on their garages, but this proposed project is only planned at 81%. This leaves 14% people potentially needing garages right away. Baas said they would construct more garages if the demand is there. Morin asked for more information on building the additional structures overlapping into the easement per the current plat. Westover said by the looks of the plan there is room to restructure the southern part of the lot, and there is room to the south and west to move the planned garages. Staff would be sure this is changed before approving site plans. It was asked if garages were leased separately or included with the lease, Baas answered they were an additional charge and only outside spots were included in the lease.

Berg asked how they could enforce building additional spots if it was needed, Westover answered the City Attorney said the city can request this from the developer at any time, per the pro-forma agreement. Berg expressed support in this project and appreciated that BJ Baas is a local developer.

Redfield motioned, seconded by Boese, to recommend approval of the draft resolution allowing a variance for the apartment building height, not to exceed 50 feet, and to allow building 121 garages and 152 open parking spaces at this time. Motion passed unanimously.

H. PUBLIC HEARING- Ordinance 767 Amending Section 156.085 Outdoor Storage (Storage Pods)

Nosbush presented the request by the City of Cambridge to amend Title XV: Land Use, Chapter 156 Zoning, Sections 156.085 Outdoor Storage. The major changes include giving city staff the ability to allow pods for

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temporary use if the applicant has a permit or other proof of need with an approved site plan and timeline, instead of an Interim Use Permit (IUP).

Nosbush continued, the ordinance would allow a limited number of non-temporary pods in the B-2 and I-1 Districts for large sites of 10+ Acres, in the I-2 District for sites with more than 2 Acres, and in all I-3 Districts. The ordinance revises the conditions for non-temporary use of pods to keep them from becoming visual nuisances or safety risks, and also requires approval of a building permit to comply with the State Building Code.

Nosbush said on November 21st, 2022, staff brought the discussion to City Council to potentially alter the requirements for businesses to use storage pods. Council directed staff to prepare an ordinance to reflect the changes, bring to Planning Commission for discussion and recommendation, and back to City Council. While researching potential proposals, Staff reached out to over a dozen cities around Minnesota and found a wide range of answers on how they handle storage containers.

Nosbush noted staff also considered a wide range of solutions to best address the IUP process not conforming with State Building Code and staff concerns about the number of IUP requests for pods and the number of applicants who were requesting relief from the conditions set forth in code. If adopted, IUPs already issued would be allowed to continue use under the conditions of those permits, and once they expire will be required to conform with the conditions of this section. Staff hope that this ordinance strikes a balance between compliance with State Building Code and addressing potential safety and visual concerns, while allowing a small number of pods to benefit our businesses and making the process simpler.

Nosbush reported that storage pods were not always allowed within the city. In late 2021, the city implemented an IUP process for storage pods to be allowed temporarily under specific conditions.

# Public hearing

Kluck opened the public hearing. No one approached the podium. Kluck closed the public hearing at 8:09 pm.

Berg asked about the IUP that was issued to a storage facility, stating item 10 in the revision says "Pods for 3<sup>rd</sup> party storage not allowed," and asked if they will be required to remove them once their IUP expires. Nosbush said they would, though the business planned on having them removed before they expire. Berg then asked if applicant fails to comply how this would be enforced, Nosbush replied this was considered, the current IUP process and the proposed ordnance changes both present the same challenges with enforcing non-compliance, so nothing would be different on this point. Berg asked if staff were prepared to handle the upcoming extension requests, Nosbush said by making it easier to comply and the ordinance clearer, businesses would need a stronger case to request a variance, and by allowing some non-temporary pods enforcement should be easier. Berg said he appreciated that this takes the decision away from the Planning Commission and puts it on the zoning administration or building official to determine if it complies or not.

Redfield asked if staff cross referenced current IUPs with the proposed ordinance, Nosbush said of all the IUPs issued only three would not be compliant. A large majority would be able to keep what they have. Of the three, one has the option to rezone, another can remove some of their pods. Staff tried to be mindful of current IUPs when drafting this proposal. The biggest change is requiring a building permit instead of just the IUP. State Building Code considers what is stored inside and how near to existing buildings they can be stored.

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Boese motioned, seconded by Redfield, to approve the draft ordinance as presented. Motion passed unanimously.

# Other Business/Miscellaneous

Berg gave a City Council update. In the past two meetings City Council has heard annual reports for many departments, approved a contract for sanitary sewer liner for concrete pipe, amended TIF for Heritage Greens, accepted the resignation/retirement of Bobbi Mix the Northbound Liquor Store manager, listened to presentation from Isanti County Beyond the Yellow Ribbon, and approved bids for future Kwik Trip site and parking lot improvements for select city owned parking lots.

# Adjournment of Planning Commission Meeting

Being no further business before the Commission, Boese moved, seconded by Liddy, to adjourn the regular meeting at 8:25 pm. All voted aye, no nays. Motion carried unanimously.

Jessica Kluck, Chair Robert Bocz, Vice Chair

Cambridge Planning Commissioner

ATTEST:

Community Development Director