

Cambridge Planning Commission Meeting Minutes

Tuesday, July 2, 2024

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, Julie Immel, and Mark Ziebarth (City Council Representative)

Members Absent: Commissioner David Redfield

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 Pledge of Allegiance.

Approval of Agenda

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

Approval of Minutes

Immel moved, seconded by Morin, to approve the June 4, 2024 meeting minutes. All voted aye, no nays. Motion passed unanimously.

Public Comment

Kluck opened the public comment at 7:01 pm.

No one approached to speak.

Kluck closed the public comment at 7:02 pm.

New Business

A Variance- Storage Pods for Cambridge Medical Center

Nosbush presented a request from Cambridge Medical Center at 701 Dellwood St S, for a variance from City Code Section 156.085E Outdoor Storage to allow three storage pods in Professional/Medical Zoning, which does not allow storage pods.

Nosbush stated there has been discussions on a new medical center on the east side of Cambridge, which would render the existing site obsolete. In this case, staff find the storage pods are a reasonable variance request because of the relatively short-term planned use, size of the site, and placement of the pods. Staff recommend conditions to take effect only if the plans do not go through for the new medical center site. Denying the storage pod use would create the need for permanent storage, which would need to be removed if the site moves. The units would be used for salt storage and other outdoor maintenance storage.

Nosbush noted if, after five years, there is no active plans for a new hospital site, the pods would need to be removed or a building permit obtained and pods painted a neutral color. Another condition is the variance is non-transferrable should the site be re-developed.

Public hearing

Kluck opened the public hearing at 7:05 pm.

No one approached to speak.

Kluck closed the public comment at 7:06 pm.

Liddy noted the pods appeared on-site already and asked if a previous variance had been granted, Nosbush said this was a new request, due to a code enforcement case against the existing pods. Liddy asked why the requirement to paint the pods was not part of the variance requirement, Nosbush said that could be added if Commissioners requested.

Morin felt the pods should be uniform in color at minimum. He stated the new medical center could be years down the road, and felt that five years was too long and should be shortened to three or four years similar to other variance requests of this nature. Nosbush clarified the request is for a variance, the term of the variance is not what is being proposed, the five-year timeline is when the conditions would be required.

Kluck clarified it would be five years before painting and other conditions would take effect, Nosbush said that was correct, a variance is not allowed to have an expiration. The idea would be for status quo unless the plans change for the new site, at which point they need to obtain a building permit and paint the pods, or have them removed entirely.

Kluck opined other businesses are required to comply to the code and match units to the existing area with a surrounding fence, the hospital should not be allowed to do things differently. The last update she had heard was the new hospital was not happening. Requesting compliance now would prevent this needing to be re-visited again in five years. Kluck asked if the variance would allow pods to be placed anywhere on their property, Nosbush said a condition could be added stating they were allowed in a specific spot only, if requested.

Westover clarified that a variance can have an end date, so one could be added stating the pods would have to be removed by a specified date. She noted the hospital has communicated they were willing to paint the pods.

Liddy stated that he was in favor of the five-year term since construction would likely take two to three years to complete once the project started. He did request the resolution be amended to include painting the units a neutral color.

Kluck asked how long Target had requested their storage pods for, Morin answered three years with the requirements to be fenced and painted to match the existing building. Kluck asked if there was a quantity limit, Nosbush said the request was for three pods only. Kluck asked if there would be a need for more.

Nick Nehman, a representative of Cambridge Medical Center, approached to answer the Commissioner's questions. He stated there were no intentions for additional pods, and possibly only two units may be needed and one could be removed. He reiterated they would paint them if requested.

Liddy motioned, seconded by Morin, to recommend approval of the variance request with a five-year timeframe, and Resolution R24-048 amended to require the storage pods be painted a neutral color. All voted aye, no nays, motion passed unanimously.

B & C Variance for Chickens in Shoreland District

Nosbush presented two requests, one from Danielle Tierney, 3330 Ten Oaks St S; and another Heather Thonvold, 3225 Ten Oaks St S. Each have requested a variance from City Code Section 153.042- Scenic River 2 (SR-2) District. Subpart B1D of City Code Section 153.042 states that Agricultural uses are permitted, provided they do not have livestock associated with the use.

3330 Ten Oaks St S is 2.94 Acres and a riparian lot, 3225 Ten Oaks St S is 1.06 acres and a non-riparian lot. Both applicants are requesting to keep up to 15 chickens.

The underlying zoning on both sites is Rural Residence/Agricultural district (RA) and would be permitted to have 50 chickens per acre if not for the Scenic River overlay that prohibits livestock. If the properties were R-1 Zoning (single-family), they would be allowed to have six chickens for less than three acres and 12 for more than three acres. The character of the area is very low density residential, with a majority of the parcels being between one and five acres in size.

Craig Wills, DNR area Hydrologist, stated that the DNR would start to get concerned at a much higher number when the site qualifies as a feedlot, which is about 1,250 chickens.

Public hearing for 3330 Ten Oaks St S

Kluck opened the public hearing at 7:22 pm.

No one approached to speak.

Kluck closed the public comment at 7:23 pm.

Public hearing for 3225 Ten Oaks St S

Kluck opened the public hearing at 7:23 pm.

No one approached to speak.

Kluck closed the public comment at 7:24 pm.

Thonvold was present for questions. Immel asked why they were requesting 15 chickens, the applicant stated they thought they were requesting 12 chickens and did not want 15. She stated she has 10 chickens, though one may be a rooster which would be rehomed. Kluck clarified there are already chickens at the home, Thonvold confirmed there was. Kluck asked if staff had been out to conduct a site plan visit, Nosbush said not yet. Thonvold said they got chickens believing they were rural residential and did not know they were part of the scenic riverway.

Thonvold showed Commissioners photos of their coop and run, stating the run is 10 feet wide by 15 feet long, and the coop is 8.5 feet by almost four feet wide, with a run area below the coop. Kluck asked where the coop was currently set up, Thonvold pointed out where the coop is located on the aerial map. Noshush clarified the underlying zoning of the sites is RA and would be permitted to have 50 chickens per acre, the mention of having six or 12 chickens was a reference for R-1 zoning in the city. Thonvold pointed out the location Tierney's coop, but did not know the dimensions.

Immel motioned, seconded by Ziebarth, to recommend approval of the variance for 3330 Ten Oaks St S. for up to 15 chickens, as long as the conditions in § 156.067- Keeping of Fowl, except part 7, were met. All voted aye, no nays, motion passed unanimously.

Liddy motioned, seconded by Morin, to recommend approval of the variance for 3225 Ten Oaks St S. for up to 15 chickens, as long as the conditions in § 156.067- Keeping of Fowl, except part 7, were met. All voted aye, no nays, motion passed unanimously.

Other Business/Miscellaneous

A City Council Update

Ziebarth said that in August of 2023 the City Council commissioned a housing study, which cost \$19,000. The company started the study in the winter months of 2024 and reported the results to Council on July 1st. This was in part to get a better understanding of the housing needs for the city, with focus on what is working and what the challenges are. The results show there is a need for more active senior housing, first time homebuyer housing, and subsidized/affordable apartments. Cambridge Cove has helped with the need for single-family housing. More flexibility in different types of housing is gaining popularity, such as twin homes and townhomes. Cambridge has a larger than state-average for single-family rental homes. The city is the driver for the market area which includes surrounding townships, Isanti, and some of Braham, and is also an importer of jobs and people commute to the city for work.

Kluck said the study showed the vacancy rate at 1.7 percent, normal rates sit around 5 percent. Household income is increasing, telecommuting has changed the housing need, and there is an increase in population diversity.

Ziebarth felt the decrease in family size was interesting. Instead of families with two or three children and five people in the home, there is more single individuals or two-person households with larger homes than needed. Providing smaller homes for this demographic frees up larger homes suitable for larger families and first-time homebuyers.

Boese was surprised at the low vacancy rates as well, apartments and single-family homes were both recommended. Interestingly, in 2005 there was 7,089 employees in the city, in 2022 there was 6,534. Employment has gone down, partially due to hybrid workers not being considered employed in the city. Some cities have more jobs than they do people and employees commute into the city. Cambridge does not have as much of that, partially due to the proximity to the metro area. The number of medical employees in Cambridge has declined due to the Cambridge Medical Center

closing their obstetrics department. Also, GracePointe and other assisted living facilities are struggling to find enough employees to cover their needs.

Immel said the study reported there was not a way to differentiate split households where one member commutes and another works from home. She felt the income provided did not match the reports of the city being an importer of jobs. An example was \$90,000 to \$95,000 for college educated residents, but with employers such as Target, Walmart, and Fleet Farm she felt the data was skewed. Immel noted the study gave credit on the number of single-level homes available in the city, though they are in the lower price bracket and being bought by first-time home buyers. The study looked at just the housing market, but Immel felt more businesses will come to the city, creating the need for more infrastructure.

Morin said he lives in a single-story home he bought 12 years ago for \$155,000. He was offered \$390,000 a few weeks ago for the home, even though it is not listed for sale. His neighbor is listing his home for \$415,000, and it is 400 sq ft smaller than his own home. He asked a local realtor how far he would have to travel to buy a comparable home, the realtor replied he would have to look in Atkin. He also talked about the struggles of businesses finding employees, such as GracePointe with 62 open positions.

Kluck expressed interest in seeing the employment salary data broken down by type, considering first-time homebuyers are purchasing homes for \$300,000. Morin said a builder in his area has homes starting at \$390,000 for a 1,400 to 1,500 square foot home. Kluck noted the study mentioned the lot sizes are getting smaller as well, but also stated people were seeking private, quiet yards. This sent a mixed signal to her. Immel said people are coming north because the housing is more affordable and they may not want larger lot sizes.

Ziebarth said in the past two years, as a Councilmember, he has seen a number of housing units being purchased when the market is high. This has pushed demand and increased assessed values, and has caused people to feel their taxes have gone up. He said residents need to remember that higher taxes are partly driven by increasing home values assessed at the county level.

Boese said recently the federal reserved has been asked when the housing market will break, they predicted not until 2026. He has a friend that lives outside of town and would like to move into a one-level home in town, but they cannot afford the current prices. This year six doctors have retired from the medical center, the other doctors have been told they need to absorb the 7,000 patients into their schedule because they cannot find doctors to work. The city is not considered rural, so doctors are commuting to Mora where they will be paid more due to the rural status.

Boese noted the study only covered through 2022 for building permits and asked staff how that compared to permits issued in 2023. Westover said it was substantially less, though in 2024 the amount of permits issued increased due to Cambridge Cove. Liddy said the housing market was affected in 2008 when the prices of homes and gas went up. In 2006 there were 157 permits issued, 59 in 2007, and one in 2008. For the following two or three years the market was low in Cambridge. It slowly increased, but didn't hit double digits again until 2018. In 2021 there were 2,081 permits

issued, and dropped to 13 in 2022. Though it seems to be rebounding faster. Westover said the lack of buildable lots has been an issue, Cambridge Cove has been selling homes quickly.

Westover said staff have been talking with developers about building new homes, but they cannot make the numbers work with the current economy. This may lead to smaller lot sizes. Immel asked the current lot size requirement, Westover said R-1 is 80 feet. The market, combined with pressure from the state, may require future changes. Immel asked if this would lead into re-zoning some areas, possibly expanding the residential areas further out as available lots are used up. Morin suggested the city could annex land also. Westover said there will be a future work session with City Council to discuss growth strategies.

Ziebarth touched on how the lower assessed values on commercial businesses versus residential has been putting more tax burden on residential properties. This combined with the lack of housing is something Council has been monitoring and exploring ways to alleviate.

B Parks, Trails, and Recreation Commission (PTRC) update

Westover said the summer park series is in full swing and one-third of the way through. There has been a third Thursday concert event, concert in the park event, and a kid's event. Attendance is growing with about 300 people in attendance at the concerts, and at least 800 kids at the kid's event. The petting zoo is wildly popular.

Kluck asked if the street art contest was approved for the Art Fair, Westover said the Art Fair would be held on Saturday, August 17th and feature vendors, food carts, and a chalk art contest. This year Council approved a street art contest, where the panels on the city-owned parking lot will be lowered, and contestants can spray paint their art for the contest. Immel asked if this would be painted over and held annually, Westover replied it would. Kluck opined this will be a big hit with teenagers and young adults.

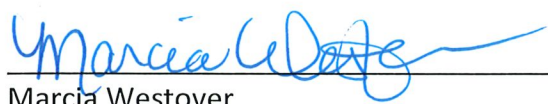
Adjournment of Planning Commission Meeting

Being no further business before the Commission, Boese moved, seconded by Immel, to adjourn the regular meeting at 8:13 pm. All voted aye, no nays. Motion carried unanimously.



Jessica Kluck, Chair
Cambridge Planning Commissioner

ATTEST:



Marcia Westover
City Planner