

**CITY OF SANDSTONE
PLANNING COMMISSION
February 14, 2024**

CALL TO ORDER

Chair Riley called the meeting to order at 6:00 p.m.

ROLL CALL

Members present: Steve Palmer, Randy Riley, Bill Gaede, Rene Stadin
Members absent: None
Staff present: Administrator Kathy George
Others: Jon & Mary Lange, Alissa Clark, Rick & Carol Puissegur, Nicholas Roussopoulos, Steve Harrison, Sandy Sandwick, Meghan Elliott (via zoom)

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Motion Gaede, second Palmer, to approve the Agenda as presented. Motion passed 4-0.

APPROVAL OF MEETING MINUTES

Motion Palmer, second Riley, to approve the minutes of the December 13, 2023 Planning Commission meeting. Motion passed 4-0. The Commission did not meet in January.

PUBLIC HEARINGS

Tony Clark – Variance Request

Motion Gaede, second Stadin, to open the public hearing at 6:01 p.m. to consider the variance request of Tony Clark for 318 Main Avenue North. Motion passed 4-0.

Tony & Alissa Clark own Arlen Krantz Ford, located at 318 Main Avenue North. They are planning to tear down the existing garage on the property and replace it in the same footprint. City Code for the Historic Downtown District requires a 10-foot setback from the alley.

A Public Hearing Notice was placed in the 2/1 and 2/8 editions of the *North Pine County News*, and it was mailed to all properties located within 350 feet of the property. No comments from the public were received prior to the hearing.

Chair Riley called for comments from the public. Alissa Clark explained that the new building will have 4 overhead garage doors facing 4th Street. This will eliminate the current garage access from Main Avenue.

Motion Palmer, second Gaede to close the public hearing at 6:05 p.m. Motion passed 4-0.

Planning Commission members made the following considerations:

- The property owner proposes to use the property in a reasonable manner not permitted by the code;

- Unique circumstances apply to the property which do not apply generally to other properties in the same zone or vicinity and result from lot size or shape, topography or other circumstances over which the owner of the property has had no control. The unique circumstances do not result from the actions of the landowner;
- The variance, if granted, will not alter the essential character of the neighborhood; and
- Granting the variance is in harmony with the general purpose and intent of City Code and consistent with the comprehensive plan.

Motion Palmer, second Gaede to recommend the City Council approve the variance request of Tony Clark to replace the existing garage located at 318 Main Avenue North with a zero lot line setback from the alley. Motion passed 4-0.

Zoning Amendments – Apartments as Accessory Use

Motion Palmer, second Gaede to open the public hearing at 6:08 p.m. to discuss zoning amendments regarding apartments as an accessory use. Motion passed 4-0.

The City has been receiving inquiries from property owners in the Historic Downtown District and in the Highway Mixed Use District to create living spaces/apartments as an accessory use in their existing buildings.

Historic Downtown District

Currently, the Historic Downtown District allows, as a Conditional Use: Apartments provided they are located above the first floor, behind the storefront, or in the basement.

In order to provide more flexibility, but not detract from the commercial aspect of the Historic Downtown District, the following amendment is proposed (additions are underlined):

Apartments as an Accessory Use, provided they are located above the first floor, behind the storefront, or in the basement; or other appropriate configuration that does not detract from the appearance of the Permitted Use of the property.

A Conditional Use Permit would still be required.

Highway Mixed Use District

Currently, Multi-Family Residential (4-units or more) is allowed in the Highway Mixed Use District with a Conditional Use Permit.

For consistency, the Planning Commission is asked to consider the same language as used in the Historic Downtown District, with the amendment proposed above, for the Highway Mixed Use District, as a Conditional Use.

A Public Hearing Notice was placed in the 2/1 and 2/8 editions of the *North Pine County News*. One comment was received prior to the hearing in support of the amendment in the Highway Mixed Use District.

Chair Riley called for comments from the public. Clarifications were made regarding parking,

as this and other items would be addressed during the Conditional Use Permit process.

Motion Palmer, second Gaede to close the public hearing at 6:14 p.m. Motion passed 4-0.

Motion Palmer, second Gaede to recommend the City Council adopt Ordinance No. 20240221-01 (amending the Historic Downtown District) and Ordinance No. 20240221-02 (amending the Highway Mixed Use District) regarding regulating apartments as an accessory use. Motion passed 4-0.

Jonathan Lange – Conditional Use Permit

Motion Palmer, second Riley to open the public hearing at 6:15 p.m. to consider Jonathan Lange’s request for a Conditional Use Permit regarding 413 Commercial Avenue North. Motion passed 4-0.

Jonathan Lange is in the process of purchasing the Ben Franklin building, 413 Commercial Avenue North. If the Planning Commission is in favor of recommending an amendment to the Conditional Uses allowed in the Historic Downtown District, allowing apartments as an accessory use located in an appropriate configuration that does not detract from the appearance of the permitted use of the property, and if the City Council approves such amendment, then Lange would like to receive a Conditional Use Permit to create one single-family residential apartment unit in the building.

A Public Hearing Notice was placed in the 2/1 and 2/8 editions of the *North Pine County News*, and it was mailed to all properties located within 350 feet of the property. No comments were received prior to the hearing.

Chair Riley called for comments from the public. Lange explained that the building is split up into four units. He would like to create living space in the southern-most unit. Eventually, he would like to lease out the other units for other businesses. In the interim, he plans to use the middle two units for storage. The property has a parking lot on the west side of the building and back door access. It was noted that egress will be required for any living quarters.

Motion Gaede, second Palmer to close the public hearing at 6:20 p.m. Motion passed 4-0.

During review of the request, the Planning Commission considered the following:

1. The use **will not** create an excessive burden on existing parks, schools, streets and other public facilities that serve or are proposed to serve the area.
2. The use **is sufficiently** compatible or separated by distance or screened from adjacent residentially zoned or used land so that existing homes will not depreciate in value and there will be no deterrence to development of vacant land.
3. The structure and site **will have** an appearance that **will not** have an adverse effect upon adjacent residential properties.
4. The **use is**, in the opinion of the Planning Commission, reasonably related to the overall needs of the city and to the existing land use.
5. The **use is** consistent with the purposes of the zoning ordinance and the purposes of the zoning district in which the applicant intends to locate the proposed use.
6. The use **is not** in conflict with the comprehensive plan.

7. The use **will not** cause traffic hazards or congestion.
8. Adequate utilities, access roads, drainage, and necessary facilities **are being** provided.

The Planning Commission further recommends a condition that all household activities (parking, patio, BBQ grilling, etc.) be conducted behind the building (on the alley side).

Motion Riley, second Palmer to recommend the City Council approve the Conditional Use Permit for Jonathan Lange to create one single-family residential apartment unit at 413 Commercial Avenue North, with the condition that all household activities (parking, patio, BBQ grilling, etc.) be conducted behind the building (on the alley side). Motion passed 4-0.

Steve Harrison – Conditional Use Permit

Motion Gaede, second Palmer to open the public hearing at 6:22 p.m. to consider Steve Harrison’s request for a Conditional Use Permit regarding 813 State Highway 23 North. Motion passed 4-0.

Steve Harrison purchased the former Arco property, 813 State Hwy 23 North. If the Planning Commission is in favor of recommending an amendment to the Conditional Uses allowed in the Highway Mixed Use District, allowing apartments as an accessory use, and if the City Council approves such amendment, then Harrison would like to receive a Conditional Use Permit to create one single-family residential apartment unit in the building, behind the storefront.

A Public Hearing Notice was placed in the 2/1 and 2/8 editions of the *North Pine County News*, and it was mailed to all properties located within 350 feet of the property.

Chair Riley called for comments from the public. Harrison stated that he is creating a secured area around the property (fencing) and plans to rent out the conex boxes on the property (for storage use on the property). The area will be locked to the public, and will be monitored with security cameras. He would like to create an apartment in the building for a caretaker of the property/business. The apartment would be located in the southwest portion of the building. The front of the building will be a customer service area. The rest of the building is used as a warehouse supporting Harrison’s contracting business. It was noted that egress will be required for any living quarters. Access to the apartment will be available from the back of the building.

Motion Gaede, second Palmer to close the public hearing at 6:27 p.m. Motion passed 4-0.

During review of the request, the Planning Commission considered the following:

1. The use **will not** create an excessive burden on existing parks, schools, streets and other public facilities that serve or are proposed to serve the area.
2. The use **is sufficiently** compatible or separated by distance or screened from adjacent residentially zoned or used land so that existing homes will not depreciate in value and there will be no deterrence to development of vacant land.
3. The structure and site **will have** an appearance that **will not** have an adverse effect upon adjacent residential properties.
4. The **use is**, in the opinion of the Planning Commission, reasonably related to the overall needs of the city and to the existing land use.

5. The **use is** consistent with the purposes of the zoning ordinance and the purposes of the zoning district in which the applicant intends to locate the proposed use.
6. The use **is not** in conflict with the comprehensive plan.
7. The use **will not** cause traffic hazards or congestion.
8. Adequate utilities, access roads, drainage, and necessary facilities **are being** provided.

The Planning Commission further recommends a condition that all household activities (parking, patio, BBQ grilling, etc.) be conducted behind the building (on the alley side).

Motion Palmer, second Riley to recommend the City Council approve the Conditional Use Permit for Steve Harrison to create one single-family residential apartment unit at 813 State Highway 23 North, with the condition that all household activities (parking, patio, BBQ grilling, etc.) be conducted behind the building. Motion passed 4-0.

Historic Sandstone School Property – Variance Request

Motion Gaede, second Palmer to open the public hearing at 6:30 p.m. to consider a variance request regarding the Historic Sandstone School Property. Motion passed 4-0.

The Historic Sandstone School property, located at 501 Court Avenue North, (parcels 45.5408.000 and 45.5444.000) was recently rezoned Traditional Residential District. The City EDA is working with developer Meghan Elliott to redevelop the 3-story original portion of the school and the 2-story north addition into 31 units of workforce housing (rental housing).

The auditorium addition (on the south end) will be split from the historic school building and the City/EDA will retain ownership of it. Plans include redeveloping the auditorium addition for use by the Sandstone History and Art Center, pending funding.

Once the auditorium is split, it will still share a wall with the historic sandstone school building. A concern has arisen regarding setbacks for both the auditorium and for the historic school.

- With regard to the auditorium, a new legal description will be created just for the building itself; therefore, once split, it will have zero lot line setbacks on all four sides. Easements will be granted for access/shared uses (parking).
- With regard to the historic school, once split, the southern wall of the school building (shared with the auditorium) will have a zero lot line setback.

The Planning Commission is asked to consider a variance to allow for zero lot line setbacks on all four sides of the auditorium AND to consider a variance to allow for a zero lot line setback on the south wall of the historic sandstone school building.

The Historic Sandstone School was constructed in 1901 and rebuilt in 1909. The auditorium addition was constructed in 1938. The footprint of these structures is not being expanded.

A Public Hearing Notice was placed in the 2/1 and 2/8 editions of the *North Pine County News*, and it was mailed to all properties located within 350 feet of the property. No comments from the public were received prior to the hearing.

Chair Riley called for comments from the public. A question/suggestion arose regarding a lot split that would allow green space for the auditorium. Developer Meghan Elliott stated that all aspects of the redevelopment are being considered, including geothermal and solar options, which will require the green spaces. Additionally, she stated, maintenance of the property (lawn mowing, snow removal, etc.) will be easier to manage if those areas are under one management system.

A question arose regarding parking for tenants/residents. Elliott explained that the two uses (housing and history center) are ideal neighbors, as the history center is likely to utilize parking spaces during the day, and residents are more likely to need the parking during the evenings and weekends.

Motion Gaede, second Stadin to close the public hearing at 6:43 p.m. Motion passed 4-0.

Planning Commission members made the following considerations:

- The property owner proposes to use the property in a reasonable manner not permitted by the code;
- Unique circumstances apply to the property which do not apply generally to other properties in the same zone or vicinity and result from lot size or shape, topography or other circumstances over which the owner of the property has had no control. The unique circumstances do not result from the actions of the landowner;
- The variance, if granted, will not alter the essential character of the neighborhood; and
- Granting the variance is in harmony with the general purpose and intent of City Code and consistent with the comprehensive plan.

The Planning Commission further considered special conditions that a perpetual easement be granted for access to the auditorium and that developer will work with the City/EDA regarding parking.

Motion Riley, second Gaede to recommend the City Council approve the variance requests for the Historic Sandstone School regarding zero lot lines for the auditorium and a zero lot line for the south side of the Historic Sandstone School, with the special conditions that a perpetual easement be granted for access to the auditorium and that developer will work with the City/EDA regarding parking. Motion passed 4-0.

Meghan Elliott/New Rock – Conditional Use Permit

Motion Gaede, second Palmer to open the public hearing at 6:45 p.m. to consider a Conditional Use Permit request concerning the redevelopment of the Historic Sandstone School. Motion passed 4-0.

The Historic Sandstone School property, located at 501 Court Avenue North, (parcels 45.5408.000 and 45.5444.000) is currently zoned Traditional Residential District. The City EDA is working with developer Meghan Elliott to redevelop the 3-story original portion of the school and the 2-story north addition into 31 units of workforce housing (rental housing).

In December, the property was rezoned from Historic Downtown District to Traditional Residential District. Also in December, City Code 163.024 was amended to allow Mult-Family

Residential (4 units or more) in the Traditional Residential District with a Conditional Use Permit. A Conditional Use Permit is now requested to create 31 residential units in the sandstone school portion of the property, and the north addition; not including the auditorium.

A Public Hearing Notice was placed in the 2/1 and 2/8 editions of the *North Pine County News*, and it was mailed to all properties located within 350 feet of the property. No comments were received prior to the hearing.

Chair Riley called for comments from the public. Developer Elliott explained that the north addition, constructed in 1962, will be developed for 1-bedroom apartment units. The 1-story addition on the east side of the building will be demolished (very soon). It has been determined unusable due to the condition of the roof and the hazardous materials located in the building.

Motion Gaede, second Palmer to close the public hearing at 6:48 p.m. Motion passed 4-0.

During review of the request, the Planning Commission considered the following:

1. The use **will not** create an excessive burden on existing parks, schools, streets and other public facilities that serve or are proposed to serve the area.
2. The use **is sufficiently** compatible or separated by distance or screened from adjacent residentially zoned or used land so that existing homes will not depreciate in value and there will be no deterrence to development of vacant land.
3. The structure and site **will have** an appearance that **will not** have an adverse effect upon adjacent residential properties.
4. The **use is**, in the opinion of the Planning Commission, reasonably related to the overall needs of the city and to the existing land use.
5. The **use is** consistent with the purposes of the zoning ordinance and the purposes of the zoning district in which the applicant intends to locate the proposed use.
6. The use **is not** in conflict with the comprehensive plan.
7. The use **will not** cause traffic hazards or congestion.
8. Adequate utilities, access roads, drainage, and necessary facilities **are being** provided.

Motion Palmer, second Gaede to recommend the City Council approve the Conditional Use Permit for Meghan Elliott/New Rock for the redevelopment of the Historic Sandstone School into 31 units of workforce housing. Motion passed 4-0.

Rezoning Request – Five Parcels

Motion Gaede, second Palmer to open the public hearing at 6:52 p.m. to consider a request to rezone five parcels located north of and adjacent to the Historic Sandstone School property. Motion passed 4-0.

The Historic Sandstone School property, located at 501 Court Avenue North, (parcels 45.5408.000 and 45.5444.000) was rezoned from Historic Downtown District to Traditional Residential District in December.

The Planning Commission is asked to consider rezoning the rest of the block to Traditional Residential District as well. Parcel 45.5445.000 is owned by the City/EDA. Parcels 45.5440.000, 45.5441.000, 45.5442.000 and 45.5443.000 are owned by the school district (who

has been notified of the proposed rezoning). These parcels are better suited for residential development. Rezoning them would also eliminate the “spot zoning” situation that has now occurred by rezoning the Historic Sandstone School property.

A Public Hearing Notice was placed in the 2/1 and 2/8 editions of the *North Pine County News*, and it was mailed to all properties located within 350 feet of the property. No comments were received prior to the hearing.

Chair Riley called for comments from the public. There was a question regarding ownership of the properties to be rezoned, which was clarified.

Motion Gaede, second Palmer to close the public hearing at 6:55 p.m. Motion passed 4-0.

Motion Palmer, second Riley to recommend the City Council adopt Ordinance No. 20240221-03 rezoning parcels 45.5440.000, 45.5441.000, 45.5442.000, 45.5443.000 and 45.5445.000. Motion passed 4-0.

OLD & CONTINUING BUSINESS None

NEW BUSINESS

City Purchase of Basswood Court Lots

The City Council is negotiating the purchase of the 12 lots platted as Basswood Court, located adjacent to Eagle Drive, the City softball field (Eagle Field) and the Mary Thorvig Memorial Tree Garden. It is anticipated that the Council will formalize the purchase at the February 21st Council meeting. A public hearing is not required for the purchase.

MN Statutes 462.356 states that if the City has adopted a Comprehensive Plan, then no publicly owned interest in real property within the City can be acquired or disposed of until after the Planning Commission has reviewed the proposed acquisition or disposal and reported its findings to the City Council as to compliance with the Comp Plan.

The Basswood Court lots are zoned Traditional Residential. It is the City’s intention to redevelop these lots into single-family homes, in the future.

Consensus of the Planning Commission members was to concur that the City’s acquisition of the Basswood Court lots and subsequent planned use is in compliance with the City’s Comprehensive Plan.

Commissioner Terms

Planning Commissioners serve 3-year terms. Due to the resignation of Commissioner Andy Spartz, a vacancy exists for the 2024-2026 term. The vacancy was advertised in the *North Pine County News*, on social media, and on the digital display sign located by the Fire Department. Two applications have been received: Rick Puissegur and Tonya Johnson. Both applicants were invited to tonight’s meeting.

No action was taken at the meeting. The item will be placed on the next Planning Commission meeting agenda.

OTHER None

ADJOURN: Motion Gaede, second Stadin, to adjourn at 7:08 p.m. Motion passed 4-0.

Respectfully Submitted,
Kathy George, City Administrator