

PUBLIC HEARING – CONDITIONAL USE PERMIT

**Application:** Amend Conditional Use Permit for Exterior Storage

**Applicant:** Lonesome Real Estate, LLC

**Agenda Item:** 3 (e)



(2016 Imagery)

**Background Information:** The applicant is requesting to amend their Conditional Use Permit for exterior storage in the Light Industrial zoning classification.

The subject property is located at 4772 Morehouse Drive and is approximately 6.96 acres in size (Lots 2 – 5). There is currently a 30,560 square foot manufacturing building, a 3,000 square foot greenhouse structure, a 480 square foot 3-sided structure, a 660 square foot open-sided structure, a 1,580 square foot structure, and a 1,280 square foot 3-sided structure. The subject property is served by municipal water and wastewater.

The subject property is adjacent to Light Industrial property to the north, south and west, and State Highway 371 to the east.

The applicant proposes to amend the Conditional Use Permit that was approved in August, 2007. The Staff Report for that meeting stated *“the applicant seeks to use the southern portion of the four properties to store wood related to the*

*manufacturing operations. At peak times, the applicant proposes to store 300 to 500 cords of wood, with the largest piles being stacked 10 to 12 feet high at the most. This type of storage is classified as Exterior Storage, requiring a conditional use permit. Exterior Storage is defined as the storage of goods, materials, equipment, or manufactured products outside of a fully enclosed building.”*

The Land Use Matrix in our current City Code lists Exterior Storage as an “Accessory Use” in the Light Industrial zoning classification. A Conditional Use Permit would not be required.

The applicant requests to remove Conditions 2 and 3 from the Conditional Use Permit approved in 2007 which read:

2. The proposed trees to provide screening along the western property line shall be planted within one year of the date of permit approval.
3. The proposed alternate alignment will run adjacent to this property. To provide screening of the area as viewed from the proposed alternate alignment, the property owner shall install screening, consisting of trees and fencing or other similar materials, which would provide 100% screening of the property as viewed from the highway, within six (6) months of the road completion.

The proposed site plan dated August 1, 2007 indicates 20 trees to be planted along Morehouse Drive, the western property line. Currently there are 5 pine trees and 1 deciduous tree along Morehouse Drive. There were more pine trees planted that did not survive. The applicant states there are no other requirements for screening or tree planting for anyone else in the Industrial Park and these requirements are inconsistent with the way other property owners have been treated.

The Planning Commission directed Staff to review all Conditional Use Permits and Variances to verify all conditions had been met. During this review Staff determined that Condition Number 3 had not been satisfied. Staff does not believe the applicant intentionally ignored the Condition. With the ten years between the Conditional Use Permit approval and the completion of the alternate alignment, it is understandable this Condition was overlooked.

In a prepared statement at the April 18, 2019 Planning Commission meeting, the applicant stated there was no plan to have a bypass when they decided to build their new production facility in July, 2007. There was a Resolution adopted June 6, 2006 in support of the re-routing of State Highway 371 to a corridor east of town.

In that same statement, applicant stated screening the log yard would cut off visibility of signage directing people to his factory outlet showroom in downtown

Pequot Lakes. The banner placed on the side of a semi-trailer is in violation of Section 17-7.1 (6) of the City Code regulating Offsite Signs.

The applicant further asked the Planning Commission to address the following:

- A. Why would the City require Lonesome Cottage to comply with 100% screening of the exterior storage area as viewed from the highway when it will cause irreparable harm to his business?
- B. What was the purpose at the time the CUP was adopted in 2007 and is this requirement still serving the purpose that was intended at the time?
- C. When drafting and reviewing CUP conditions, ask yourselves is this going to make the business more or less likely to want to move here? Will this make people more or less likely to come shop and support our community?
- D. Is this condition consistent with the way other businesses are being treated in our community?
- E. Will having a precedent of 100% screening for a manufacturing facility operations make it more or less likely to attract other businesses to our community and specifically, the Heart of the Good Life Development, the 80 acres south of his property?

The Minutes from the August 16, 2007 Planning Commission meeting are attached, as well as the April 18, 2019 meeting.

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### **Applicable Regulations:**

#### **Section 17-5.13 LIGHT INDUSTRIAL (LI)**

- 1. Purpose and Intent: To provide a zoning classification for light industrial and commercial uses. Development in this zone requires high automobile accessibility, municipal water, sanitary sewer service, and municipal stormwater treatment facilities. Light Industrial zones should be clustered to control negative impacts of light industrial activities and to efficiently facilitate maximum interaction between light industrial and commercial enterprises.
- 2. Compatibility: The Light-Industrial zone is most compatible with and should be established adjacent to the Commercial zone, but in some circumstances may be compatible with the Downtown Mixed-Use, Urban Residential and Transition Residential zones. The zone may not be established in an area where it is completely surrounded by residential zones.
- 3. Lot, Use and Density Requirements.

Lot width– feet, minimum	50
Buildable lot area – square feet, minimum	10,000
Setback, right of way, City road- feet, minimum	30

Setback, right of way, County or State road, feet, minimum	30
Setback, between buildings – feet, minimum	10
Setback, side next to residential district – feet, minimum	30
Setback, side yard – feet, minimum	10
Setback, rear – feet, minimum	10
Setback, parking and driveways from lot line – feet, minimum	0
Setback, sign – feet, minimum	1
Setback, wetland – feet, minimum	30
Setback, unplatted cemetery or archeological site	50
Impervious surface – percent, maximum	90%
Building height, principal structure – feet, maximum	30
Building height, non-occupied accessory structure – feet, maximum	45
Building above highest groundwater level – feet, minimum	3

4. Performance Standards. The following performance standards apply to all development in this zone:

- A. Compatibility of Use. Use shall be compatible with the surrounding neighborhood. Uses shall not present noise, odor, light nuisances or any other nuisances.
- B. Parking. Adequate off-street parking shall be provided. On-street parking is not allowed under any circumstances. Additionally, suitable trees and shrubs shall be planted between parking lots and all adjacent sidewalks, roads, lots and buildings.
- C. Lighting. Lighting shall be minimal. Lighting shall be downward directional and shall be compatible with the surrounding development. Fire Lanes. Fire lanes shall remain unobstructed at all times.
- D. Fences. Fences not exceeding 84 inches in height may be constructed. Under no circumstances shall a fence be constructed closer than 10 feet from the surface of a public road and in all cases not within the public right-of-way. Materials shall consist of usual fencing materials with posts and fence of metal, wood, concrete, brick or smooth wire. Barbed or electrified wire is prohibited, except where specific approval has been given by the

Planning Commission.

- E. Landscaping. For new construction or additions/alterations, at least ten percent (10%) of the land area shall be landscaped with a combination of grass or other approved ground cover, shrubs, trees and ornamental landscaping. All landscaped areas shall be maintained and kept free of weeds and debris.
- F. Vegetation Removal, Intensive. The submittal requirements and procedures contained in Section 5.4 “Forest Management (FM)”, Subparts 4b and 4c shall be met and followed.

**Section 17-5.15 LAND USE MATRIX (current)**

A- allowed w/o a permit, P - permitted, C- conditional use, I - interim use, AC - accessory use, E - excluded

<u>USE</u>	<u>LI</u>
<u>Exterior Storage</u>	<u>AC</u>

**Section 17-11.6 CONDITIONAL USE PERMITS**

1. Conditional Use Permits shall be issued to the property for structures or other specified uses after a public hearing and approval by the Planning Commission. All applications for a Conditional Use Permit shall be submitted to the Zoning Administrator 30 days ahead of the hearing date, accompanied by a certificate of survey (unless waived by the Zoning Administrator) showing the details of the proposal and an accurate legal description, along with the appropriate fee. The fee or contract owner of the property shall sign the application. The Zoning Administrator shall notify all property owners within a minimum of 350 feet by regular mail and shall advertise the hearing once in the legal section of the official newspaper at least 10 days ahead of the public hearing. The Zoning Administrator shall send the same notice 10 days in advance of this hearing to the DNR if the proposed is in shoreland. At the applicant’s option, the applicant may request a sketch plan review with no action by the Planning Commission and omit by giving 14 days notice thereof to the Zoning Administrator, meeting time permitted.

2. Submissions for Conditional Use Permit. The applicant shall complete the Conditional Use Permit application approved by the City Council. The application shall contain submittal requirements, criteria for approval, procedure for consideration and City contact information. The City shall not accept applications where the applicant has past due fees or charges due to the City until the account is made current.

3. In permitting a new Conditional Use or alteration of an existing Conditional Use, the Planning Commission may impose, in addition to the

standards and requirements expressly specified by this Ordinance, additional conditions that the Planning Commission considers necessary to protect the best interest of the surrounding area or the City as a whole. These conditions may include, but are not limited to the following:

- A. Increasing the required lot size or yard dimension.
- B. Limiting the height, size or location of buildings.
- C. Controlling the location and number of vehicle access points.
- D. Increasing the street width.
- E. Increasing or decreasing the number of required off-street parking spaces.
- F. Limiting the number, size, location or lighting of signs.
- G. Requiring berming, fencing screening, landscaping or other facilities to protect adjacent or nearby property.
- H. Designating sites for open space.
- I. Stormwater runoff management.
- J. Reducing impervious surfaces.
- K. Increasing setbacks.
- L. Restoration of wetlands, vegetative buffers, sewage treatment and water supply capabilities, and other conservation-designed actions.

4. The Planning and Zoning Commission shall decide the issue with consideration to the following:

- A. The following must be met:
  - (1) The use or development is an appropriate conditional use in the land use zone.
  - (2) The use or development, with conditions, conforms to the comprehensive land use plan.
  - (3) The use with conditions is compatible with the existing neighborhood.

- (4) The use with conditions would not be injurious to the public health, safety, welfare, decency, order, comfort, convenience, appearance or prosperity of the City.
- (5) For Conventional Subdivisions, the property contains physical constraints which make it unable to be developed by the Conservation Subdivision method.

B. The following must be considered:

- (1) The conditional use should not be injurious to the use and enjoyment of other property in the immediate vicinity for the purpose permitted on that property, nor substantially diminish or impair values in the immediate vicinity.
- (2) The conditional use will not impede the normal and orderly development and improvement of surrounding vacant property for uses predominant in the area.
- (3) The conditional requirements at public cost for public facilities and services and will not be detrimental to the economic welfare of the community.
- (4) The conditional use will have vehicular approaches to the property which are so designed as not to create traffic congestion or an indifference with traffic on surrounding public thoroughfares.
- (5) Adequate measures have been taken to provide sufficient off-street parking and loading space to serve the proposed use.
- (6) Adequate measures have been taken or will be taken to prevent or control offensive odor, fumes, dust, noise, and vibration, so none of these will constitute a nuisance and to control lights and signs in such a manner, that no disturbance to neighboring properties will result.
- (7) The conditional use will not result in the destruction, loss or damage of a natural, scenic or historical feature of major significance.
- (8) The conditional use will promote the prevention and control of pollution of the ground and surface waters including sedimentation and control of nutrients.

5. When costs to the City involved in processing and reviewing an application exceeds the original application fees, the applicant shall reimburse the City for any additional costs. Such expenses may include, but are not limited to, payroll, mailing costs, consultant fees and other professional services the City may need to retain in reviewing permits.
6. Conditional Use Permits may be transferable where requested by an applicant and approved by the Planning Commission.
7. Violations of the conditions of a Conditional Use Permit shall automatically suspend the permit. A review of the violation shall be conducted by the Planning Commission. The Planning Commission shall determine conditions for reinstating the permit or revocation, if applicable.
8. Failure by the owner to act on a Conditional Use Permit within 12 months, or failure to complete the work under a Conditional Use Permit within 2 years, unless extended by the Planning Commission, shall void the permit. A second extension shall require a new public hearing. This provision shall apply to any Conditional Use Permit outstanding at the time of the Ordinance adoption.
9. Appeals from the action of the City shall be filed with District Court within 30 days after City Council action.
10. The Conditional Use Permit shall be filed with the County Recorder within 45 days of approval.

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**Staff Findings:** Staff provides the following Findings of Fact for consideration by the Planning Commission:

1. The conditional use permit request is to amend the screening requirements of the conditional use permit approved in 2007. The use of exterior storage is an appropriate use in the Light Industrial district, which allows exterior storage as an accessory use.
2. The subject property is a conforming parcel. The property contains a manufacturing facility and 5 accessory structures.
3. The subject property is served by municipal water and wastewater.
4. The subject property contains an adequate number of off-street parking spaces.
5. The use does not conflict with the Comprehensive Plan, which encourages a diversity of industrial uses.
6. The use would be compatible with the existing neighborhood which contains light industrial businesses and similar structures. Some businesses have been using portions of their property for outdoor storage for several years.
7. The use is unlikely to be injurious to the public health, safety, welfare, decency, order, comfort, convenience, appearance or prosperity of the

- City, as the storage of wood for a manufacturing business is unlikely to be harmful. The exterior storage area is visible from State Highway 371.
8. The use, with conditions, will not be injurious to the use and enjoyment of other property in the immediate vicinity as the properties to the west and north are also industrial in nature, with the lot to the south being vacant and State Highway 371 to the east.
  9. The use will not impede the normal and orderly development of surrounding vacant properties as the surrounding vacant properties are platted and proposed for industrial uses. The use will be entirely contained on the subject property.
  10. The use will not require any additional public services at a public cost, and so will not have a detrimental impact on the economic welfare of the community.
  11. The applicant accesses the property off of Morehouse Drive with one access point near the north lot line of the northernmost lot, a second access just to the north of the intersection of Morehouse Drive and Schmidt Way, and a third access just to the south of that intersection. These multiple accesses should not cause issues with traffic in the surrounding area.
  12. The use of exterior storage does not require any parking spaces, but the related manufacturing business on the same property provides sufficient parking onsite to serve the operation.
  13. The exterior storage of wood will not produce noise, dust, fumes, or vibration in a manner that would constitute a nuisance
  14. The use, with conditions, will not result in the damage or destruction of natural or historical features of major significance.
  15. The use will prevent and control the pollution of surface and groundwater through the use of retention basins around the norther property line and the eastern property lines in the north. A second retention basin is located on the west side of the property near the intersection of Morehouse Drive and Schmidt Way.

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**Planning Commission Direction:** The Planning Commission can approve the Conditional Use Permit, deny the application, or table the request if additional information is needed. If the motion is for approval or denial, Findings of Fact should be cited.

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**Staff Recommendation:** The subject property is suited well for the proposed use. We recommend the application be approved with the following conditions:

1. All conditions of the Conditional Use Permit # 07-71 shall remain in effect except conditions number two and three which are hereby removed from the permit.
2. The premises shall be kept in a neat and orderly condition at all times and all improvements shall be maintained in a condition of reasonable repair and appearance.

3. The applicant shall designate and utilize one area of the property for storage of scrap material. Scrap material may not be stored outside of the designated area. The storage area shall not be visible from the public right-of-way or adjacent property OR shall be screened from those areas with 6ft height evergreen trees or other screening approved by the planning commission

If the Planning Commission approves the Conditional Use application, the Planning Commission should adopt the attached Resolution by motion also.

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**CITY OF PEQUOT LAKES  
PLANNING COMMISSION RESOLUTION 19-\_\_**

**A RESOLUTION APPROVING THE REQUEST TO AMEND CONDITIONAL  
USE PERMIT TO ALLOW EXTERIOR STORAGE**

**WHEREAS**, the applicant, Lonesome Real Estate, LLC, seeks to amend Conditional Use Permit under City Code Section 17-11.6 for exterior storage at 4772 Morehouse Drive, legally described on the attached Exhibit A (the “Property”), which is zoned Light Industrial; and,

**WHEREAS**, the Planning Commission conducted a public hearing on June 20, 2019, and received public testimony regarding the proposed Conditional Use Permit; and

**WHEREAS**, all required notices regarding the public hearing were properly made; and

**WHEREAS**, the Planning Commission, having reviewed and considered the application, staff analysis and public testimony regarding the proposed Conditional Use Permit at its meeting of June 20, 2019, does hereby resolve the Conditional Use Permit application as set forth below.

**NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF PEQUOT LAKES, MINNESOTA**, that it adopts the following findings of fact related to the requested Conditional Use Permit.

A. Mandatory Criteria:

1. Criteria #1: The use or development is an appropriate conditional use in the land use zone.

Finding #A1: The conditional use permit request is to amend the screening requirements of the conditional use permit approved in 2007. The use of exterior storage is an appropriate use in the Light Industrial district, which allows exterior storage as an accessory use.

2. Criteria #2: The use or development, with conditions, conforms to the comprehensive land use plan.

Finding #A2: The use does not conflict with the Comprehensive Plan, which encourages a diversity of industrial uses.

3. Criteria #3: The use with conditions is compatible with the existing neighborhood.

Finding #A3: The use would be compatible with the existing neighborhood which contains light industrial businesses and similar structures. Some businesses have been using portions of their property for outdoor storage for several years.

4. Criteria #4: The use with conditions would not be injurious to the public health, safety, welfare, decency, order, comfort, convenience, appearance or prosperity of the City.

Finding #A4: The use is unlikely to be injurious to the public health, safety, welfare, decency, order, comfort, convenience, appearance or prosperity of the City, as the storage of wood for a manufacturing business is unlikely to be harmful. The exterior storage area is visible from State Highway 371.

B. Additional Criteria:

1. The conditional use should not be injurious to the use and enjoyment of other property in the immediate vicinity for the purpose permitted on that property, nor substantially diminish or impair values in the immediate vicinity.

Finding #B1: The use, with conditions, will not be injurious to the use and enjoyment of other property in the immediate vicinity as the properties to the west and north are also industrial in nature, with the lot to the south being vacant and State Highway 371 to the east.

2. The conditional uses will not impede the normal and orderly development and improvement of surrounding vacant property for uses predominant in the area.

Finding #B2: The use will not impede the normal and orderly development of surrounding vacant properties as the surrounding vacant properties are platted and proposed for industrial uses. The use will be entirely contained on the subject property.

3. The conditional requirements at public cost for public facilities and services will not be detrimental to the economic welfare of the community.

Finding #B3: The use will not require any additional public services at a public cost, and so will not have a detrimental impact on the economic welfare of the community.

4. The conditional use will have vehicular approaches to the property which are so designed as not to create traffic congestion or an indifference with traffic on surrounding public thoroughfares.

Finding #B4: The applicant accesses the property off of Morehouse Drive with one access point near the north lot line of the northernmost lot, a second access just to the north of the intersection of Morehouse Drive and Schmidt Way, and a third access just to the south of that intersection. These multiple accesses should not cause issues with traffic in the surrounding area.

5. Adequate measures have been taken to provide sufficient off-street parking and loading space to serve the proposed use.

Finding #B5: The use of exterior storage does not require any parking spaces, but the related manufacturing business on the same property provides sufficient parking onsite to serve the operation.

6. Adequate measures have been taken or will be taken to prevent or control offensive odor, fumes, dust, noise, and vibration, so none of these will constitute a nuisance and to control lights and signs in such a manner, that no disturbance to neighboring properties will result.

Finding #B6: The exterior storage of wood will not produce noise, dust, fumes, or vibration in a manner that would constitute a nuisance.

7. The conditional use will not result in the destruction, loss or damage of a natural, scenic or historical feature of major significance.

Finding #B7: The use, with conditions, will not result in the damage or destruction of natural or historical features of major significance.

8. The conditional use will promote the prevention and control of pollution of the ground and surface waters including sedimentation and control of nutrients.

Finding #B8: The use will prevent and control the pollution of surface and groundwater through the use of retention basins around the northern property line and the eastern property lines in the north. A second retention basin is located on the west side of the property near the intersection of Morehouse Drive and Schmidt Way.

**BE IT FURTHER RESOLVED** that, in accordance with the Planning Commission's findings of fact above, the Conditional Use Permit to allow exterior storage at the Property is hereby approved with the following conditions:

1. All conditions of the Conditional Use Permit # 07-71 shall remain in effect except conditions number two and three which are hereby removed from the permit.

2. The premises shall be kept in a neat and orderly condition at all times and all improvements shall be maintained in a condition of reasonable repair and appearance.
3. The applicant shall designate and utilize one area of the property for storage of scrap material. Scrap material may not be stored outside of the designated area. The storage area shall not be visible from the public right-of-way or adjacent property OR shall be screened from those areas with 6ft height evergreen trees or other screening approved by the planning commission

**BE IT FURTHER RESOLVED** that, in accordance with City Code Section 17-11.5, any person aggrieved by the Planning Commission's resolution of the Conditional Use Permit application herein may appeal such resolution to the City Council by filing written notice of intent to appeal with the City Administrator within fifteen (15) days of the date of this Resolution indicated below.

Passed by the Planning Commission of the City of Pequot Lakes, Minnesota this 20<sup>th</sup> day of June, 2019.

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Mark Hallan  
Chair

ATTEST:

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Dawn Bittner  
Zoning Specialist

**Exhibit "A"**

Lots 2 – 5, Block 2, Pequot Lakes Industrial Park.

**MINUTES**  
**PEQUOT LAKES PLANNING COMMISSION**  
**REGULAR MEETING**  
**August 16, 2007**

PRESENT: Bill Habein, Tom Adams, Mark Hallan, Scott Pederson, Dean Williams, Tom Woog, and John Derksen. ABSENT: Roger Varilek.

STAFF: Charles Marohn, City Planner and Dawn Bittner, Zoning Administrator.

COUNCIL LIAISON: Craig Nagel and Tom Ryan. (Councilman Oraskovich arrived at approximately 8:30 to replace Councilman Nagel who needed to leave.)

The meeting was called to order by Chairman Woog at 6:30 p.m.

**Applicant: Lonesome Cottage Furniture Company**  
**Applicant requests a Conditional Use Permit for Exterior Storage.**

Mr. Marohn explained the Staff Report. Applicant, Brandon Andersen, was present. The site plan indicates an 8-foot fence. The Ordinance restricts the fence to 84 inches. Finding of Fact No. 5 needs to have the word "Use" inserted. Mr. Andersen stated that the fence is for security and does not have a problem with a 7-foot fence.

There was no public comment.

Screening of the exterior storage from the proposed alternate alignment of the highway was discussed. The fence was not intended to be screening. The fence should be screened with trees, evergreen rather than leaf-on trees, to provide year round screening. The height of the trees should be determined by the height of highway, which is unknown at this time.

Mr. Woog reminded Mr. Andersen that the project disturbs over an acre and he will need to apply for an MPCA construction stormwater permit.

Mr. Pederson stated that the operation is in the Industrial Park and a 7-foot or 8-foot fence is not an issue. There is tree screening along Morehouse.

A motion was made by Tom Adams, seconded by Scott Pederson, to approve the Conditional Use Permit, based on the following Findings of Fact:

1. The proposed use of exterior storage is an appropriate use in the Light Industrial district, which allows exterior storage as a conditional use.
2. The proposed use does not conflict with the Comprehensive Plan, which encourages a diversity of industrial uses.

3. The proposed use, with conditions, would be compatible with the existing neighborhood which contains light industrial businesses and similar structures. Some businesses have been using portions of their property for outdoor storage for several years.
4. The use with conditions is unlikely to be injurious to the public health, safety, welfare, decency, order, comfort, convenience, appearance or prosperity of the City, as the storage of wood for a manufacturing business is unlikely to be harmful, especially when fenced in.
5. The conditional use is unlikely to be injurious to the use and enjoyment of other property in the immediate vicinity as the properties to the west and north are also industrial in nature, with properties to the south and east being used for city sewage treatment and private agriculture.
6. The proposed use will not impede the normal and orderly development of surrounding vacant properties as the surrounding vacant properties are platted and proposed for industrial uses. The proposed use will be entirely contained on the subject property.
7. The proposed use will not require any additional public services at a public cost, and so will not have a detrimental impact on the economic welfare of the community.
8. The applicant proposes to access the property off of Morehouse Drive with an access point near the north lot line of the northernmost lot, a second access just to the north of the intersection of Morehouse Drive and Schmidt Way, and a third access just to the south of that intersection. These multiple accesses should not cause issues with traffic in the surrounding area.
9. The proposed use of exterior storage does not require any parking spaces, but the related manufacturing business on the same property provides sufficient parking on-site to serve the operation. In addition, the southernmost access would allow closer access to the exterior storage, and the applicant proposes to maintain open driving space in the rear of the building, which should aid in accessing the storage area and moving materials between the area and the building.
10. The exterior storage of wood is unlikely to produce noise, dust, fumes, or vibration in a manner that would constitute a nuisance. To prevent any visual nuisance, the applicant has proposed to install an eight-foot chain-link fence around the perimeter of the property to the south and extending north to the rear and north of the associated industrial building. The applicant also proposes to install trees along the western property line to provide additional screening.
11. It is unlikely that the proposed use will result in the damage or destruction of natural or historical features of major significance. The property has been held by the City as part of the City's Business Park, and has remained undeveloped. The land is currently largely vegetated with grasses
12. The proposed use will prevent and control the pollution of surface and groundwater through the use of retention basins around the northern property line and the eastern property lines in the north. The applicant also proposes an additional retention pond on the west side of the property near the intersection of Morehouse Drive and Schmidt Way. In addition, this property is served by City sanitary and storm sewer.

subject to the following conditions:

1. To prevent unwanted visitors and for safety, the exterior storage area shall be fenced in with a fence not exceeding 7 or 8 feet in height. This fence shall be installed prior to any wood being stored in the area.

2. The proposed trees to provide screening along the western property line shall be planted within one year of the date of permit approval.
3. The proposed alternate alignment will run adjacent to this property. To provide screening of the outside storage as viewed from the proposed alternate alignment, the property owner shall install screening, consisting of evergreen trees and fencing or other similar materials, which would provide 100% screening of the exterior storage area as viewed from the highway, within six (6) months of the road completion.

One-hundred percent screening was discussed. That is a relative number and there cannot be 100% screening at all times. We could change Condition No. 3 to state “adequate” screening of exterior storage area.

Mr. Williams stated that this is not a Variance public hearing. We must keep the fence height at 84 inches. The Planning Commission also clarified that the screening on the east is for the wood piles, not the structure. They also agreed to leave Condition No. 3 at 100% screening.

Mr. Adams and Mr. Pederson amended Condition No. 1 of their motion to state a fence not exceeding 7 feet in height.

The Planning Commission was concerned that the materials stored were not indigenous to the area and there might possibly be contamination. Mr. Andersen stated that cedar is resistant to insects. All trees they would store have been down for 1 ½ years.

Mr. Andersen asked for a clarification on the screening on the east side. The Planning Commission stated the screening is due to visibility from the proposed highway. It should be as fully screened as possible. The trees can be within the 10-foot setback.

ROLL CALL VOTE: Mr. Habein: Aye; Mr. Adams: Aye; Mr. Williams: Aye; Mr. Hallan: Aye; Mr. Pederson: Aye. 5 Ayes. Motion carried.

**MINUTES**  
**PEQUOT LAKES PLANNING COMMISSION/  
BOARD OF ADJUSTMENT**  
**REGULAR MEETING**  
**April 18, 2019**

**NEW BUSINESS:**

**a. Brandon Andersen – Conditional Use Permit Discussion**

Mr. Burslie explained the Staff Report. Mr. Andersen was present.

Vice-Chair Birch asked if there was a process to amend a Conditional Use Permit. Mr. Burslie stated it is the same process as approving a CUP. It would require the application, application fee, notification, and the Public Hearing, but yes, you can certainly amend a CUP.

Mr. Andersen read from a prepared statement to stay on task:

“My overall objective is to work with the City to get more businesses and customers into Pequot Lakes to support my business which ultimately financially supports the families of my employees and supporting vendors in the area. A little background just to give you context what was going on 12 years ago. It’s all pretty much new faces, but Mark, I think you were here back then. (Planning Commission Hallan acknowledged that he was on the Planning Commission.) A lot has changed since we decided to build our new production facility in July, 2007. There was no plan at that time to have a bypass. There was talk and different things going on on the side, but there was no plan to have a bypass at that point. That all changed very quickly in the coming months right after that. The Industrial Park had not yet been rebranded a Business Park. It was preferable to have our type of business in the Industrial Park. Commercial real estate values in Pequot Lakes were 2 to 3 times higher than their current levels, as they are right now. In August, 2007 while in the middle of my construction project, we realized that a CUP was required due to the height of the dust collection system that we were purchasing. The project had already been started and any delays would have been extremely expensive. Certain members of the City Council and Planning and Zoning Commission took this opportunity to put in stipulations on this project that are not consistent, in my opinion, with the way other land owners in our community are treated. There is a whole back-story that I will steer clear of for the greater good of the community in general. Fast forward to the present day. Customer traffic counts in our showroom and the immediate surrounding businesses are down 25 to 60 percent with the loss of highway traffic. There is no way to screen my log yard without cutting off visibility of our production facility and signage directing people to our factory outlet showroom in downtown Pequot Lakes. Northbound traffic would not be able to see through the trees to our production facility. On a personal note, I have lost between 1.2 and 1.7 million dollars in commercial property investments and additional debt service costs on my commercial properties in Pequot Lakes over the past 12 years. The only positive that my

business has experienced from the bypass is people were introduced to our production facility and realized that we are not building furniture in a garage behind our showroom, but instead are a large operation. The activity in our production facility and yard creates curiosity and drives people into our showroom. The commercial property value declined in Pequot Lakes in the past 12 years has shifted property tax burden over to residential property owners. We must do whatever we can to revive commercial property values, in addition to supporting projects like Mr. Helbling just brought forward. We need to grow our tax base in our town. I've got a few questions. Most of these are rhetorical by nature, but I want you to consider them as we address this.

#1. Why would the City require that Lonesome Cottage comply with point number 3 of the Conditional Use Permit and require us to plant 100% screening of the exterior storage area as viewed from the highway when it will cause irreparable harm to my business. Side note: The bypass has a significantly higher elevation to my log yard so planting trees is not going to hide my log piles that are on the west side of the log yard.

#2. What was the purpose at the time the CUP was adopted in 2007 and is this requirement still serving the purpose that was intended at the time.

#3. Please ask yourselves when drafting and reviewing a Conditional Use Permit conditions, is this going to make the business more or less likely to want to move here. Will this make people more or less likely to come shop and support our community?

#4. Is this condition consistent with the way other businesses are being treated in our community? Selective enforcement of ordinances has been an issue in our community for years. Numerous other businesses in the Industrial Park have outside storage that doesn't require screening. That is why we build industrial parks in the first place. When I drove over here I drove through the Industrial Park and I counted at least 6 or 7, depending on the subjectivity of it, of what some might consider blighted outside storage in the Industrial Park.

#5. Will having a precedent of 100% screening for a manufacturing facility operations make it more or less likely to attract other businesses to our community and specifically, the Heart of the Good Life Development, the 80 acres south of this property.

Facts and circumstances change. There is a current State law that says you can't have Sunday dinner before you shovel the sidewalk. How many other state laws, city ordinances and conditional use requirements are there currently in place that should be removed? Many people live and move to rural Minnesota because they don't want people to tell them what they can and can't do with their property. Putting unreasonable restrictions on a person's property limits our personal freedom. It takes people with common sense and no personal political vendettas to make poor decisions. Please allow me to just focus on making my business better and take care of my customers rather than getting distracted further with our city's politics. I have tried to

steer clear for 10 plus years of the city politics that have been going on here. I have tried to serve by being the Chair of Crow Wing County HRA and on the School Board for 8 years.”

Planning Commission Member Hallan stated he will take exception to one statement.

Mr. Anderson stated only one? He felt pretty good about that.

Planning Commission Member Hallan stated he does not believe the City has selectively been enforcing certain ordinances. I have sat through hundreds, no, over a thousand meetings in my life here and in other cities. Has everything been done fairly? No. This is not a perfect group, but I don't believe the City, as a whole, has selectively tried to go around any ordinance with anyone. There is a long history, I don't think we need to get into that; I don't think we have burned any bridges. Brandon, from that stand point, I think your personality has changed in the last 15 years and you also matured a lot more from my stand point. I am just saying that now the bypass is in and now you see what it looks like. I have no idea, I was around then, but I don't know exactly why we said the screening requirement or what we were anticipating. We aren't screening our own spray irrigation field. Someone could object to the rainbows of color by our effluent being sprayed out there. Your comment is, I think, that some type of screening should be done. Should it be 100%? No. How do you define 100%? Leaf on? Leaf off? Where do you go with this?

Vice-Chair Birch stated we don't have an application in front of us to consider. His Conditional Use Permit does exist. He doesn't have an issue with the statements made by Mr. Andersen and the conditions on the site, the need for visibility, and all of the points made were excellent ones. But we are working off of what was done in 2007. There is a process to review this. If Mr. Andersen doesn't feel the CUP is relevant, we need to go through the application process to get it changed. Then we can have the conversation with an application that we can act upon.

Planning Commission Member Hallan stated we don't have the ability to aye or nay the condition. He asked Staff if there is a way for the fee to review the CUP to be waived. Staff stated the City Council can waive the fee. He suggested recommending the Council to allow the applicant to come back to discuss the one condition with no application fee.

When asked, Mr. Andersen said he would be fine with that.

Vice-Chair Birch asked Mr. Andersen if he had anything to add. Mr. Andersen stated he doesn't want to drag up old history, but in regards to maturing, he just needs to give it context. Planning Commission Hallan stated he is an engineer and is anal. Mr. Andersen stated that with the amount of money it has cost him, and he knew it was going to cost him at the time, you would have been pretty excited about the situation, too, that he was faced with and the hardship that was put on him and his family. Mr.

Hallan stated he doesn't know that history. Mr. Andersen stated there needs to be context to those comments.

**A motion was made by Planning Commission Member Wilson, seconded by Planning Commission Member Paulbeck, to recommend the City Council waive the application fee for Mr. Andersen to amend his Conditional Use Permit. All members voted "aye". Motion carried.**

APP # 19-45  
 SF # \_\_\_\_\_  
 Date 5-22-19  
 (for office use only)

**CITY OF PEQUOT LAKES  
 CONDITIONAL USE APPLICATION**

Name of Applicant Lonesome Recl Estate, LLC Phone (10) 568-2431

Mailing Address PO Box 665 Email brandon@lonesomecottage.com

City, State, Zip Pequot Lakes, MN 56470

Applicant is:  
 Legal Owner   
 Contract Buyer   
 Option Holder   
 Agent   
 Other \_\_\_\_\_

Title Holder of Property:  
 \_\_\_\_\_  
 (Name)  
 \_\_\_\_\_  
 (Address)  
 \_\_\_\_\_  
 (City, State, Zip)

Signature of Owner, authorizing application (required): DL & SL, General Partner  
 (By signing the owner is certifying that they have read and understood the instructions accompanying this application.)

Signature of Applicant (if different than owner): DL & SL  
 (By signing the applicant is certifying that they have read and understood the instructions accompanying this application.)

Location of property involved in this request:  
Lots 2-5 of Block 2 in industrial park  
4772 Warehouse Dr.

Parcel ID No. 291130020020009 Zoning District LI

Legal Description (if metes and bounds, attach sheet): \_\_\_\_\_

State nature of request in detail: (What are you proposing for the property?)  
I am requesting to have a Item #2 & Item #3 removed from our current Conditional Use Permit (i.e tree planting and screening requirements).

What changes (if any) are you proposing to make to this site?

Building: None  
 Landscaping: \_\_\_\_\_  
 Parking/Signs: \_\_\_\_\_

Pursuant to the Pequot Lakes City Ordinance, Section 170.050, the applicant should be prepared at the public hearing to discuss the following issues by explaining how the proposed Conditional Use will cause no significant adverse effects.

- (1) Describe the impact on the use and enjoyment of other property in the immediate vicinity. If there is no impact, explain why.

Nothing is changing from the way we've conducted  
business at this site for 11+ years.

- (2) Describe character of the area and the existing patterns and uses of development in the area. How is this proposal consistent with those patterns and uses?

There are no other requirements for screening  
or tree planting for anyone else in the  
industrial park. This requirement was inconsistent  
with the way other property owners have been treated.

- (3) Describe the impact on the capacity of existing or planned community facilities (sewer, drainage, other). Describe if additional facilities will be required.

No change

- (4) Describe the impact on the character of the neighborhood in which the property is located.

No change

- (5) Describe the impact to traffic on roads and highways in the vicinity, and expected traffic generated by this application. Is there adequate parking available to accommodate the proposal?

No change

- (6) Discuss any environmental limitations of the site or area.

N/A

CITY OF PEQUOT LAKES  
PLANNING AND ZONING COMMISSION  
NOTICE OF PUBLIC HEARING  
TO AMEND CONDITIONAL USE PERMIT FOR  
EXTERIOR STORAGE  
WITHIN THE LIGHT INDUSTRIAL  
ZONING CLASSIFICATION  
JUNE 20, 2019  
6:00 PM  
AT  
CITY HALL  
4638 MAIN STREET

TO WHOM IT MAY CONCERN:

The following will be the subject of a public hearing on June 20, 2019, beginning at 6:00 PM.

**Hearing:** Conditional Use Permit.

**Applicant:** Lonesome Real Estate, LLC.

**Property Description:** Property is located at 4772 Morehouse Drive. Parcel ID is: 291130020020009 – 291130020050009.

**Purpose:** Application is to Amend Conditional Use Permit for exterior storage in the Light Industrial zoning classification. Applicant requests the condition requiring tree planting along Morehouse Drive and the condition requiring 100% screening from State Highway 371 be removed. All interested persons are invited to attend these hearings and be heard or send written comments to City Hall. Copies of the permit, maps, drawings and staff report are available at City Hall at least one week prior to the hearing date. Copies of the Staff Report regarding this application are available at City Hall or on-line at [www.pequotlakes-mn.gov](http://www.pequotlakes-mn.gov).

**Property Owners Please Note:** Notice relative to the above listed request is sent to all property owners within 350' of the applicant's property. Please share this information with your neighbors in the event that any property owner has been overlooked or is not contained in our records.

Dawn Bittner  
Zoning Specialist

City of Pequot Lakes

*"This institution is an equal opportunity provider and employer"*



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June 10, 2019

Lonesome Real Estate, LLC  
Brandon Andersen  
PO Box 665  
Pequot Lakes, MN 56472

RE: Amend Conditional Use Permit for Exterior Storage in the Light Industrial District

Dear Mr. Andersen:

The City of Pequot Lakes has received your request to amend your Conditional Use Permit for exterior storage in the Light Industrial zoning district. We have determined that your application is complete. We have scheduled a public hearing for 6:00 P. M. June 20, 2019 at City Hall. You are the fifth public hearing on the Agenda.

To review, a conditional use is a use that is generally allowed, with conditions applied to address or mitigate potential problems. For a conditional use permit, the Planning Commission holds a public hearing and decides whether to approve or deny the application. The Planning Commission may attach conditions on approval of the permit to ensure that the proposed use meets other provisions of the Ordinance.

The City prepares a staff report for the Planning Commission prior to the meeting. The report will discuss the pertinent ordinances and an evaluation and recommendations on your application. A copy of the report will be available at City Hall for you to read no later than a week before the meeting or on-line at [www.pequotlakes-mn.gov](http://www.pequotlakes-mn.gov).

If you have any questions or concerns prior to the meeting, do not hesitate to contact us.

Sincerely,

Dawn Bittner  
Specialist

CC: Planning Commission