

**MEETING OF THE PEQUOT LAKES PLANNING COMMISSION  
MONDAY, MARCH 25, 2024 (DRAFT)  
PEQUOT LAKES CITY HALL**

Members Present: Commission Chair, Andrew Ellering; Commission Members Jenni Gonczy, Kent Johnson, Eric Larson, Paula Lang, Paul Luger

Members Absent: Commission Member Nathan Norton

Staff Present: Justin Burslie, City Planner; Traci Pederson, Zoning Administrator; Angie Duus (at 6:16), City Administrator; Laura Larson, City Council Liaison, Nick Roy (at 6:05), Public Works Lead; Tim Houle, City Engineer

Virtual attendance: Thomas Roloff, City Planner; Billy Zeits and Erich Geisler, Corner Lot Development Group

1. Call Meeting to Order

Commission Chair Ellering, called the meeting of the Pequot Lakes City Planning Commission to order at 6:00 p.m.

2. Consider Agenda

Due to the weather conditions, City Planner Burslie let the Commission know of an applicant that had emailed stating he'll be arriving about 10 minutes late to the meeting. He was set to be first on the agenda for the Public Hearing.

**COMMISSION MEMBER E.LARSON MOVED TO APPROVE THE AGENDA - BUT MOVING THE ORDER OF THE PUBLIC HEARINGS TO ACCOMMODATE THE APPLICANT ARRIVING LATE, COMMISSION MEMBER JOHNSON SECONDED THE MOTION. MOTION CARRIED 6-0.**

3. Public Hearing(s)

**COMMISSION MEMBER E.LARSON MOVED TO OPEN THE PUBLIC HEARING. COMMISSION MEMBER LANG SECONDED THE MOTION. MOTION CARRIED 6-0.**

Public Hearing opened at 6:00 p.m.

**3.1 Travis Maikke:** Variance request to construct an 816 sq ft guest cottage where 600 sq ft is maximum allowed in UR zone: PID 29150955/956/957.

Burslie completed an overview of this application and the process of what was done in advance and the order of the process during the meeting. Process during the meeting for 3.1: After the overview, Burslie will take questions by the Planning Commission first, followed by public comments, bringing it back to the Planning Commission for additional discussion and then a decision on this variance – to approve, deny or table. He reminded the Commission this decision is not a recommendation to the Council, but rather a final decision from the

Commission. Anyone could appeal the decision, which would then go to the Council.

Per City Ordinance, each property is allowed one primary dwelling, there's no maximum size for this, and one accessory dwelling for a guest cottage – which does have maximum sizes noted in the code. Burslie showed a rendering of the proposed buildings and where on the property they'll be located. The variance request is to exceed the maximum size allowance for the guest cottage (216 sq ft difference). Burslie stated there's staff findings for both approval and denial of the request.

Public comment, we received an opposition letter from Tammy Peterson via email, shared with all Commission members.

Burslie took questions from the Commission: E.Larson asked if they had three separate lots originally, why couldn't he have built a dwelling on each lot – which would have avoided this hearing. Burslie stated we looked at the lots and tried to configure a way in which the applicant could construct w/o the variance, the lot sizes in this Urban Residential area are unique and we couldn't make this work. Burslie also stated the applicant will be installing a private septic system which will be a shared septic for the primary dwelling and the guest cottage – which should be on the same parcel.

Commission Chair opened the floor for public comment. Travis Maikke was not in attendance, but his father-in-law was who spoke on his behalf. He asked why the lots were sold as they were if they weren't buildable. Burslie stated that is a question for the realtor, as we do not get into the listings of properties. These were pre-existing lots, and they need to be consolidated to be as conforming as possible. If one could meet the setbacks and get a septic in as well, they could have built – that wasn't the case here. Commission Goczy stated these particular lots are old, they were from the time when Pequot was a railroad town, the lots were intended for railroad housing.

Adjacent homeowner, Andrew Allison spoke. He stated he's for homeowners being able to build what they'd like on their property, but his concern here is the flooding this will create to the houses that are already there. The look of the neighborhood is no longer what it was, as the applicant has removed many mature trees for his project. He reiterated he's fine with the dwellings going in, but encouraged the Commission to keep a close eye on the elevation to help ensure flooding will not take place.

Adjacent homeowner, Dean Jacobs spoke. He's confused on the hardship portion of the application. He feels the staff report makes a strong case for denial of this application. The land doesn't create a hardship, the applicant wants a bigger guest house – in approving this, you're setting a precedent. This now becomes a small single-family home vs. a guest cottage. Intentions may be good, but ultimately the homes (guest cottage) turn into rentals. Dean went through our code and stated a guest quarters dwelling is defined as a structure that is not for sale or lease. He'd like clarification on this. Burslie stated that the

intent for guest quarters is as the term implies “a guest of”, it’s not intended to be a rental etc. Pequot does not have a short-term rental ordinance or policy regulations. They shouldn’t be rented. Dean thanked Burslie for the clarification. Dean then asked if this guest quarters is allowed, could it later be considered an accessory dwelling unit as defined in our code, section 17-7.16, which allows accessory dwelling units to be rented long term rentals. Travis’ father-in-law ensure those in the room its not meant for a rental, it’s for his grandmother.

Neighbor across the street Erica Schmid spoke. She was sad to see the trees go, stated the plan of the home and guest cottage look nice – she’s ok with this. Her concern is over time it will become a rental – what will this be used for down the road. She enjoys the private neighborhood and does not want to see extra traffic if a rental were to take place.

Commission Gonczy commented on the guest quarters, she’d like to see them get closer to the 600 sq ft size. Ordinances are set for a reason. Commission E.Larson stated the sq footage needs to be looked at as a whole. Chair Ellering agreed, stating we need to work towards some uniformity so all sides of town have the same sq.ft to work with on guest cottages etc. Commission Lang stated the concern today by those in attendance seems to be about possible rental more so than the sq footage of the guest cottage. Chair Ellering stated the porch/patio is a part of the sq ft, taking that off is 759 sq ft. (vs. 816), so it is less livable footage.

Burslie reiterated that the decision tonight is made by the Commission, it doesn’t go to the Council as a recommendation. The job by the Commission is to go through the staff findings and the applicant has to demonstrate that there are practical difficulties with the code, giving reasons why the code can’t be met. Burslie read through all findings for the Commission.

E.Larson asked what the process would be to look at amending the code for square footage going forward, for consistency in all areas of Pequot. Burslie stated he would have to initiate an ordinance amendment to modify that section of the code. This would go through a Public Hearing and would be decided on by Council. This process can be initiated through the Planning Commission.

For this request, the decision is based on what’s submitted and what the code/ordinance states today.

**COMMISSION MEMBER E.LARSON MOVED TO APPROVE VARIANCE BASED ON THE STAFF FINDINGS. COMMISSION MEMBER LANG SECONDED THE MOTION.**

***ROLL CALL TAKEN WITH THIS MOTION:***

**AYE:** E.LARSON, LANG, LUGER, ELLERING

**NAY:** GONCZY AND JOHNSON

**NOT PRESENT:** NORTON

**MOTION CARRIED 4-2.**

**3.2 PLAID LLC:** Rezone request for 11.09 acres from Forest Management to Commercial: PID 29110540.

Burslie went through the request/application. Same process of the meeting as Variance, the difference is this Rezone is a recommendation from the Planning Commission to the City Council. Justin stated this property does not have city sewer water at this time. This parcel touches six other properties. Surrounding properties have a variety of zoning: Transition Residential, Rural Residential, Agriculture, Commercial and Forest Management. Staff findings are provided for both approval and denial. We look at the Comprehensive Plan here, which does conflict with the Future Development Plan. It was asked for all maps to be reviewed, including the Land Use Matrix, which shows all types of businesses that are allowed in the Commercial area.

No questions from the Commission currently for Burslie. It was then opened for public comment.

Property owner next to proposed rezone area, Lisa Urseth: She talked about the Comprehensive Plan and how on each page it states the city will preserve the natural features of Pequot Lakes. Also read a page in which it stated 'the rural area of what was once Sibley Township (that's us), features low density residential development...' – everything she's reading is against the comprehensive plan if this rezone is approved. You'd have to rewrite the 32-page document. The purchasers knew it was Forest Management when they purchased it, now they want it rezoned. Everything about the developer's plan keeps people out of our small town, they're not bringing in business, they'll all stop in and bypass us. The trees on the property now are a barrier from her home to 371. The properties now that are zoned commercial aren't next to homes, the property you're looking to rezone is right next to homes, keep it as it is.

Craig Nagel, long term Pequot resident and was on Township Planning and Zoning and Council many years ago. He worked very hard with citizens to keep Pequot Lakes rural and not city like, they wanted to keep it green and safe. This will become uncontrollable with what is able to be put on this parcel if rezoned to commercial. Urges the Commission to deny the request as this is not what the citizens want, nor those that live next to the property – you'll erase the history and all the work that was done from those before you.

David Kennedy, family has neighboring property now, grew up in the area. He went through the history of the neighboring properties and how some of it came to be rezoned as commercial – likely when it was part of the township, before the highway was constructed where it is today. One of the homeowners from the 70's had a business on this farming property – nobody could imagine zoning that commercial then would lead us to where we are today. He was under the impression that the Comprehensive Plan was to keep that area undeveloped. Nothing we can do with the current zone of commercial, but we can stop the lot currently as FM from going to Commercial. Finding of Facts, he disagrees with

approval #1, as it goes against the Comprehensive Plan. Encourages all to read through the Comprehensive Plan, you'll see this rezone request is not inline. Having all this potential commercial property is now meant for the traveling public, these individuals will come in and get their gas and food from a C-store, and leave. Bypassing the whole town and not spending the money the developers speak of. In looking at the area where the heavy wooded trees are, it doesn't appear that this would be a great area for development no matter who comes in. He asked the Commission to think about this request – you could have 11 more acres of commercial development, or 11 more acres of forest management, which is what's currently there it serves a purpose for this community, and we can preserve it.

We did get an opposition email from Charlotte Greer on this topic as well, a property owner next to the parcel for rezone.

Chan, from PLAID LLC spoke to those in the room. He appreciated everyone's comments. When looking at purchasing these properties he spoke in advance to some of the Council and the Commission with his vision. He wants to bring in new money to the town, all while 'not looking like Nisswa'. He stated a C-store is going in the 5.5 acres, they're a family business and they're very community driven – they give back to the community. The other parcels in talk are a major medical and a hotel. They're working with the road access, city sewer - nothing is final yet. He's a local, from Nisswa and went to school in Brainerd. He's excited to bring economic growth to the area.

Commission members asked Chan questions. Commission Johnson asked if there were current plans for the most northern section of the property, Chan stated nothing at this time. The area that potential buyers are looking to actually use in the lower section of the property – leaving the most mature trees alone, taking out the 4-5 foot pine trees and moving them throughout the city. Leaving adequate buffer and not clear cutting is the idea. Chan is interested in hearing what others have to say. Commission Gonczy stated she's concerned about the buffering, but more concerned about Heart of the Good Life (HOTGL) as the city has put a lot of time, money and planning into that section of the city. That is where they wanted to see the commercial growth, and the properties aren't going in as they thought it was going to happen. She also stated in looking at the Comprehensive Plan, it was last updated in 2022 – she has a strong moral standing to uphold what they put into that plan and gave to Council. Commission E.Larson agreed with Gonczy.

Commission Johnson asked if there was a way for Chan to split the request or the land. Leaving the northern section alone and wooded with the 6.7 acres and then rezone and develop the southern section of the land which would be approximately 5 acres. Chair Ellering agreed, as did Commission Lang. Chan stated he would entertain the idea but needs to talk with a few others and could get back to us. He's open for additional discussion. He could table his request and work through a new plan potentially.

Chair Ellering stated he'd like to see the request tabled and have Chan come back with additional information. Burslie stated the applicant would need to amend the request, giving legal descriptions of both new potential areas for rezone, another public hearing would need to be held. Burslie stated there's three options: 1. Commission could make a recommendation right now to approve/deny the rezone request. 2. Table the request and the applicant then come back with a different proposal (public hearing). 3. Applicant can withdraw request and come back with a new request. Chan stated he'd prefer #2.

**COMMISSION MEMBER E.LARSON MOVED TO TABLE THE REZONE APPLICATION WAITING FOR PLAID LLC TO COME BACK WITH AN UPDATED PLAN. COMMISSION MEMBER JOHNSON SECONDED THE MOTION. MOTION CARRIED 6-0.**

**3.3 Corner Lot Development Group (CLDG):** CUP to construct an 82-unit multi-family workforce housing complex with on-site amenities for residents, covered parking and on-site climate-controlled storage. This apartment complex to be constructed in HOTGL, Patriot Development: PID 29230533.

Justin B. stated the applicants are attending virtually. Justin went through the application, and stated the Planning Commission decides to approve/deny the CUP – it's not a recommendation for the Council. Patriot Development has additional provisions for the Planning Commission to review. Burslie stated there's still information needed from CLDG, some of which is included in the conditions of the staff findings. Based on staff findings of fact, this application could be approved with the conditions noted.

No questions currently from the Commission. And no public comment.

We're still looking for impervious coverage and maximum height. Erich G. from CLDG took a moment to speak and answer any questions. He stated the height of the building is a 3-story building, 42 feet is approximate, depending on elevation etc. Erich and Billy to get final documents to staff as its needed.

Commission Gonczy asked if it was still planned to be managed by CLDG once built. Erich stated they'll likely use the same property management company they're using in Baxter, INH to take this on, once built/complete.

**COMMISSION MEMBER JOHNSON MOVED TO APPROVE THE CUP WITH THE STAFF FINDINGS AND THE 8 CONDITIONS OF APPROVAL NOTED. COMMISSION MEMBER LANG SECONDED THE MOTION. MOTION CARRIED 6-0.**

Burslie reminded the Commission they will have additional items to review before land use permits are approved, including the eight (8) conditions of approval on the staff findings from this CUP application.

**COMMISSION MEMBER GONCZY MOVED TO CLOSE THE PUBLIC HEARING. COMMISSION MEMBER JOHNSON SECONDED THE MOTION. MOTION CARRIED 6-0.**

Public Hearing closed at 7:21 p.m.

4. Open Forum

Community member/resident, Andrew Allison had a question on the Maikke variance approval. How much are they able to raise the property up, he's worried about the standing water and flooding. If he raises the property by bringing in fill and it then encroaches and water gets into the shop on Andrew's property, potentially ruining the exterior of or things inside the garage, who's responsible for that. The shop on Andrew's property was put up before he purchased it, in Travis Maikke having a survey done, it appears Andrew's shop is closer to the property line than thought, what does this mean/look like. Burslie stated the drainage has been as such for many years, its known as the natural or existing drainage patterns. The applicant needs to manage onsite; they're not allowed to put in a bunch of impervious and then drain the water to a different property, they need to manage it on their own property. Burslie stated the city doesn't have provisions in this particular zone as we do in Shoreline Residential etc. This is private property, the homeowner can cut the trees to get his home on the property. It was stated for Andrew to connect with Travis as a neighborly gesture and work through things in that manner.

5. New Business

Commission E.Larson would like for the Planning Commission to address the current Ordinance requirements regarding the square footage with guest cottages in all residential areas noted, ensuring that they're alike and uniform, as much as possible.

**COMMISSION MEMBER E.LARSON MOVED TO INITIATE AN ORDINANCE AMENDMENT TO MODIFY THE MAXIMUM SIZE FOR GUEST COTTAGES, COMMISSION MEMBER JOHNSON SECONDED THE MOTION. MOTION CARRIED 6-0.**

6. Old Business

Nothing at this time.

7. Approval of Minutes

**COMMISSION MEMBER GONCZY MOVED TO ACCEPT/APPROVE FEBRUARY 26, 2024 MINUTES AS IS. COMMISSION MEMBER JOHNSON SECONDED THE MOTION. MOTION CARRIED 6-0.**

8. Planning & Zoning Administrator's Updates

Commission Johnson asked Traci Pederson to investigate the ownership of the land regarding one of the violation letters sent. He believes it's in a Trust, and the person noted is deceased. Traci stated the letter sent has not been returned.

9. Adjournment

**THERE BEING NO FURTHER BUSINESS, COMMISSION MEMBER E.LARSON MOVED TO ADJOURN. COMMISSION MEMBER JOHNSON SECONDED THE MOTION. MOTION CARRIED 6-0.**

The meeting of the Planning Commission adjourned at 7:31 p.m.

Respectfully submitted,

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Traci Pederson  
Zoning Administrator