



## STATED MINUTES

### City of Crosslake Planning Commission/Board of Adjustment

July 24, 2020  
9:00 A.M.

Crosslake City Hall  
13888 Daggett Bay Road  
Crosslake, MN 56442

1. Present: Chair Mark Wessels; Vice-Chair Mark Lindner; Randy Dymoke; Bill Schiltz; Jerome Volz; Kristin Graham, alternate and Liaison Council Member Aaron Herzog
2. Absent: None
3. Staff: Jon Kolstad, Planning & Zoning Administrator and Cheryl Stuckmayer, Planner-Zoning Coordinator
4. 6-26-2020 Minutes & Findings – **Motion by Schiltz; supported by Volz to approve the minutes & findings as written. All members voting “Aye”, Motion carried.**
5. Old Business-Variances are heard on their individual requests, past variances hold no precedents. Commissioners may table the request if needed and an applicant can withdraw their request. If the variance(s) is/are approved, all existing nonconformities will be eliminated and will hereafter be required to follow the variance decision. If a variance is denied the applicant can rebuild the nonconformity as is per the Crosslake Ordinance.
  - 5.1 Land Use Ordinance proposed changes  
Articles: 5, 10, 11, 12, 13, 26, 29, 36, and 43
6. New Business
  - 6.1 Paul E & Dixie R Hiniker – Variance for density and time extension
  - 6.2 Paul E & Dixie R Hiniker – CUP for Multi-family dwellings and Commercial storage building/storage unit rental
7. Other Business
  - 7.1 Staff report
8. Open Forum – No action will be taken on any of the issues raised. If appropriate, the issues will be placed on the agenda of a future PC/BOA meeting. Speakers must state their name and address. Each speaker is given a three-minute time limit.
9. Adjournment

**Land Use Ordinance proposed changes**

Article 5, Article 10, Article 11, Article 12, Article 13,  
Article 26, Article 29, Article 36, Article 43

Wessels asked Kolstad to state for the record the reasoning behind the delay in the recommendation of the proposed ordinance changes. Kolstad explained that in previous public hearing meetings it was decided to wait until we had the opportunity to have a face-to-face open meeting in order to give all concerned parties the opportunity to voice their opinions or concerns. Kolstad also stated that during the open comment period there were no comments submitted. A discussion was held on the length of time proposed for temporary structures in relation to those residence that are seasonal (gone during winter).

Lindner felt 180 days were not enough and a suggestion of rewording the Temporary Storage Structures time limit to 210 days was approved by a **motion by Lindner and supported by Volz with all members voting Aye, motion carried.**

Kolstad asked if there were any more comments. Herzog suggested that the wording for the Temporary Living Structures time length requirement be reworded to add the word calendar. The commissioners discussed it and decided against it and to leave it as currently proposed. Wessels opened the hearing up to the public with no response.

**Motion by Volz; supported by Lindner to recommend the land use ordinance with the one correction of 210 days instead of the 180 days for the temporary structure usage time, to the Crosslake City Council.**

**All members voting “Aye”, Motion carried.**

**Paul E & Dixie R Hiniker  
14160833**

Wessels announced the variance request. Kolstad read the variance request, project details, location, impervious percentage, stormwater management plan submitted, city sewer connection required, Development Review Team (DRT) meeting was attended, ordinance requirements, 24 +/- comments with two agency comments received and history of the parcel into the record. Kolstad explained that a revised survey was submitted which added garages for the proposed 11 units (remodeling the existing two buildings). Paulson of High Point Homes, the representative, stated he did some building for Sundance Ridge, but this is a separate project, the impervious being well under the 50% with enough of green space leftover. Paulson clarified that the units are to be built as needed with the rented units funding the building of the additional units. Paulson addressed some of the written comment concerns. Paulson stated that this project was putting the best use to renovating the old charter school building. Wessels questioned the length of time to rent each unit with Paulson stating that he wasn't sure, but he was not ruling out any length of time. Wessels asked if he was going to accommodate the county highway request of reconfiguring the existing south access to 66 and he felt the crosswalk would be better left for the use of the Sundance Ridge clientele to use with Paulson agreeing. Commissioners all agreed that the crosswalk should stay. Kolstad stated that it was up to the county highway department since it was their road. The question was asked on the width of the road to the proposed villas and what was the plan for the parking of recreational equipment and extra cars. Paulson stated the road was proposed at 20 foot wide. Schiltz asked about the quantity of garages that were added to the survey in red and Paulson replied that if fit that area. Discussion was held on the new personal garages, added asphalt, sand box area, garage height, setback from resident lots, recreation for units and the square footage of the new units. Lindner stated he felt the 27 units where 11 units are allowed and the 15 rental storage units is too much. Wessels opened the public hearing.

Graham of 14193 Tall Timbers Trail, stated that since buying in 1993 she has watched this area grow, she stated that her background is in housing development, she has seen projects like this before with this type of time line with the way things are today the success rate is questionable and what would happen if the economy would fail? Graham questioned: how many of the proposed 16 units would be 3 bedrooms units; how many and size of storage units for family housing; has the fair housing law been addressed; is the five-year extension a good idea?

Bair of 37131 Blacksmith Place for 6 years, stated he has been coming up here his entire life and can not believe this is even being considered, this is ridiculous. Bair stated the developer can take the money that is involved and go back to where they came from and not have to sit here and deal with this, I think this is horrible.

Johnson of 36949 Sundance Loop Unit 824, Sundance owner, had owned on Daggett Lake and has been here since 1987. He stated that he believed that the project should go through and he is offended that people believe that we are going to become a crim ridden place because of a few more housing developments. Chief Lee and his staff do an excellent job of policing our roads, which for a 100 days out of a year it is chaotic. When they developed Old Log Landing there was issues and that worked out. They will work out the issues.

Norgaard (Jerry) of 37104 Bunkhouse Rd, has lived here for 15 years and designs lake homes/retreats for 20 years in the area with a lot of them needing variances. Norgaard stated that he personally believe that rules are written for a reason and it is not unreasonable that everyone should play by the same rules. People have spent a lot of time revising and improving the rules. Norgaard explained that he is opposed

to part of the project, but in regards to the use of the school buildings with creating different usable spaces and a variety of apartment units is probably a very good use of the buildings, but the storage units to the far east he can not understand how that fits at all. He stated that as far as the villas are concerned, that may be a fine idea, but they should operate within the same rules as the rest of us have to operate in as far as the 2-year limitation. He stated that he is concern that the storage units will be built but not the villas and if they believe we have an immediate need for housing 5 years is a long time to wait.

Norgaard (Patty) of 37104 Bunkhouse Rd, stated that we here in Crosslake have worked hard for our citizens and there was work done for many years trying to get a crosswalk at Crafts and Cones with a virtual No, because of the county's regulation and rules. To think that Tim Bray will let us keep that crosswalk is not going to happen. It is 45 miles per hour in that section and if we were going to try to lower that it would not happen because the county is just trying to get traffic through the town.

Sens of 37052 Lumberjack Lane, don't agree to this. It seems like they are trying to shove a lot into a small area. He stated he owns the lot adjoining it and sees a lot of extra foot traffic, noise, and that is not why he bought into this area for.

Kelm of 36955 Sundance Loop Unit 836, Sundance owner, explained that things have gotten so bad in the last 2 months or so that we had to put our unit up for sale, but we love the community and town. Kelm stated that within the last 5 or 6 weeks since he has been here, there is an average of no less than 10 people staying in a unit, but on the weekends, I have seen no less than 54 people jammed in 3 units. Kelm also stated that there was no place to park, so they had to park on the street and if an emergency vehicle would have had to use the street they would have had to back up and use the other entrance. Kelm further stated that they are moving due to the noise and you can hear the noise a couple of buildings away. Kelm said he would like to see this move forward, but don't do to the new people what is being done to the people at Sundance Ridge. Kelm specified that he purchased at Sundance Ridge for a vacation home, but it is hard when all the people come up to just drink and party, there are no quiet hours, it can go until 4:00 AM, no one cares, no one controls anything, one day 18 people in the pool, where is the safety and another couple is putting up their home for sale also. Kelm stated he believes it is a good idea, but if you jam that many people into such a small area you are creating a problem for the area and the entire town; great idea-way too many people.

Herzog of 14083 Tall Timbers Trail stated that there are a few items he would like to list for the commissioners to consider: 1. county ordinance will need to be followed and will someone be close by to handle any difficulties or problems and relieve our public safety people of a lot of any potential issues; 2. on the last two apartment complexes we required the county to give us traffic counts, if you have three bedroom complexes you will have 4 trips in and out per unit you will have 108 trips per day per unit on the highway 66 which is a lot of added traffic; 3. the units directly behind this proposal will have an effect to the property value and that would be hard to argue, my property is 3 or 4 blocks away but it would also effect my property value; 4. it is a short turn around from notice time to organize to come to the public hearing to talk, it is expensive to find out what causes there may be and we should not have to pay to get that; 5. You would probably need the city council on this, but the crosswalk should go away if your approve anything and a no parking zone on both side of the street as well.

Wessels closed the public hearing.

Wessels asked Kolstad if we were ready for the questions with Kolstad asking if there were any more questions based on the comments from the public for the developer. Schiltz asked for clarification that each of the 16 units to be built were to be 3 bedrooms with Paulson replying the proposed is for 3 bedrooms up, but we might design it differently. Paulson said there would be a half bath on the main and two up, the square footage would be 545 main floor, 784 second floor with a total of 1329 square feet and a single garage. Volz asked Kolstad to clarify that 2 years allowed with the approval and that the

applicant could come back for an extension with Kolstad replying certainly they could come back for an amendment to their variance. Wessels replied that if it is ok now it should be ok in 5 years from now. Paulson stated that the project would be self-funded for additional buildings. Wessels stated that if the applicant does short-term rental that he would have to go by the county ordinance, which at this time is 4 people per bedroom and that does get to be a lot of people. Wessels stated that short-term rental is a concern of his, if someone signs a long-term lease than noise could be an issue for them. Wessels also stated that there is a need in Crosslake for long term rentals. A discussion was held by commissioners on the size of the project, concern on this becoming an extension of Sundance Ridge, the length of rental time possibilities and what conditions could be put in place. Paulson replied I don't see us going that way but we don't have a crystal ball. Paulson also said that we don't agree with the comments made from the owner of the Sundance Association. Kolstad said that if less then 30-day rental on more than 3 units the city ordinance would consider it a resort with a lot of other items needing to be covered and it would need a Conditional Use Permit, and also stated that in the ordinance a resort is only allowed in Waterfront Commercial Districts, this is a Limited Commercial District so they can't do the short-term rentals. Wessels asked if the developer new that. Kolstad stated that we did not discuss that at the DRT meeting, because it was presented with a hope for it to be more of a seasonal rent if a longer term of lease agreement was not signed. Lindner stated that he is 100% behind the idea of repurposing the existing buildings, but was concern that it would make a commercial parcel into a residential parcel and it would throw a lot more onto the neighborhood, but 2 of the proposed new 4-unit buildings make more sense than 4 new proposed buildings of 4 units. Wessels asked if the commissioners were ready for the questions. Wessels requested Kolstad to initiate the findings of fact procedure with the board members deliberating and responding to each question.

**July 24, 2020 Action:**

**Motion by Schiltz; supported by Dymoke to deny the Variance for:**

- **Density of 27 where 11 is allowed**
- **Time extension of 5 years where 2 years are allowed**

**To construct and allow:**

- **Residential units and accessory structures for storage**
- **Variances approved by the City of Crosslake have a time limit of 2 years; an extension of a total of 5 years is requested**

**Per the findings of fact as discussed, the on-site conducted on 7-23-2020 and as shown on the certificate of survey received at the Planning & Zoning office dated 6-8-2020 for property located at 36974 County Road 66, Sec 16, City of Crosslake**

**Findings: See attached**

**All members voting "Aye", Motion carried.**

**Paul E & Dixie R Hiniker  
14160833**

Kolstad clarified that this conditional use permit (CUP) request will be for the renovation of the current buildings into 11 rental units and the commercial storage garage rental proposed at the far east of the parcel, which will be answered separately in the findings of fact. Kolstad read the conditional use permit requests, project details, location, surrounding districts, stormwater management plan submitted, Development Review Team (DRT) was attended via telephone, 24 +/- comments with two agency comments received, history of the parcel and possible conditions into the record. Kolstad went thru the comments and requests by the agencies for the record. Kolstad displayed the survey dated 6-8-2020 to show the far east proposed commercial storage garages, which are the ones needing the CUP and not the garages in the middle depicted in red. Discussion was held on the agency comments/requests, setback increases/location, proposed storage unit design, conditions to be placed, Sundance Ridge usage of gym, no water/lake usage per our ordinance, possible relocation of the proposed rental storage units and buffer needs. Schiltz asked if there were any comments specifically on the storage units and if so were they positive or negative. Kolstad replied that there were comments and they were mostly negative. Schiltz asked for the far right proposed structures to be called storage units and the ones in red to be called the garages. Wessels opened the public hearing. Paulson, the representative, stated the rental storage units would be open to Sundance Ridge, the villas, and the neighboring community first. Paulson also stated that an application maybe submitted in the future for 2 buildings of 4 units each and that a plan would need to be made to use the additional property which may be additional storage rental units. Lindner stated that there are storage units behind this parcel, but they are not rental and would not have the activity that rental units would have. Lindner also stated that he felt the residential residence should not have to look at this and he considers this area residential. Schiltz stated he whole heartedly agreed with Lindner. Wessels closed the public hearing. Wessels asked if any of the commissioners had additional questions or comments, but none were forthcoming. Wessels requested Kolstad to initiate the findings of fact procedure with the board members deliberating and responding to each question.

**July 24, 2020 Action:**

**Motion by Lindner; supported by Schiltz to approve the Conditional Use Permit for:**

- **Multi-family dwellings**
- **Commercial storage building/storage unit rental**

**Per the findings of fact as discussed, the on-site conducted on 7-23-2020 and as shown on the certificate of survey received at the Planning & Zoning office dated 6-8-2020 for property located at 36974 County Road 66, Sec 16, City of Crosslake**

**Conditions:**

1. **Rental of units for less than 30-day increments (Short Term) will require compliance with the City's Land Use Ordinance. If more than 2 units are rented on the property short term - the owner must abide by the Resort requirements of the Land Use Ordinance.**
2. **Architectural matching of structures to existing buildings and must change in the future to match if other buildings change - including the roof.**

- 3. Requested that the developer ask the City Council look at 'No Parking' signs be installed along the street in both directions in front of the development on County Road 66.**
- 4. The Rental Storage Units setback is increased to a total of 60-feet from the north property line. The increase to the setback is to accommodate a 40-foot easement for sewer extension to the east boundary line and an additional 20-foot setback from the 40-foot easement.**
- 5. A 6-foot high visual barrier as per the Land Use Ordinance will be constructed (or Planted - must be evergreens to provide a year-round visual barrier)) within the additional 20-foot setback from the utility easement, prior to construction of the storage structures**
- 6. No outside storage allowed; inside storage only**
- 7. Hours of use of rental units are limited to the time frame of 8:00 AM to 9:00 PM**
- 8. 15-unit maximum for storage structures as proposed in the application and on the survey dated 6/8/2020.**

**Findings: See attached**

**All members voting “Aye” for the Multi-family dwellings; Wessels, Dymoke, Volz and Schiltz voting “Aye” and Lindner voting “Apposed”, 4 to1 for the Commercial storage buildings/storage unit rental; Motions carried.**

**Other Business:**

1. Staff report
  - a. Monthly city council report
  - b. Development Review Team (DRT) had five July monthly meetings
  - c. DRT meetings are still held for Lot Line Adjustments and Metes and Bounds Subdivisions to go over what is required. If an application were to be of a controversial nature than the staff has the option to bring it before the commissioners instead of doing the over-the-counter approval.
  - d. A lot more enforcement items/issues are being handled which may stem from the additional people in the community and the COVID-19 virus.
  - e. Short Term Rental Ordinance does not allow for a holding tank which may trigger more variances for drainfields on those properties
  - f. No public hearing applications were submitted for the August meeting
    - A heads up for the September meeting; we should have an after-the-fact water-oriented accessory structure and bluff work variance

**Open Forum:**

1. None

**Matters not on the Agenda:**

1. There were no matters not on the agenda

**Motion by Wessels; supported by Volz to adjourn at 12:00 A.M.**

**All members voting “Aye”, Motion carried.**

Respectfully submitted,

*Cheryl Stuckmayer*

Cheryl Stuckmayer  
Planner-Zoning Coordinator