

**CITY OF ISANTI  
PLANNING COMMISSION  
MEETING MINUTES  
OCTOBER 13, 2015**

**1. Meeting Opening.**

**A. Call to Order.**

Duncan called the meeting to order at 7:00 p.m.

**B. Pledge of Allegiance.**

Everyone rose for the pledge of allegiance.

**C. Roll Call.**

**Members Present:** Jeff Duncan, Steve Lundeen, Wayne Traver, Paul Bergley, Cindy Lind-Livingston, and Greg Cesafsky.

**Members Absent:** None

**Staff Present:** Community Development Director, Roxanne Achman

**Others Present:** None

**D. Agenda Modifications.**

Achman stated there were none.

**2. Approval of Minutes from September 8, 2015 Planning Commission Meeting.**

Duncan questioned if there were any comments or changes on the minutes.

Motion by Bergley second by Cesafsky to approve the September 8<sup>th</sup>, 2015 Planning Commission meeting minutes. Motion was unanimously approved.

**3. Public Hearings.**

**A. Request from Property Resource Group on behalf of Isanti Holdings, LLC for Site Plan and Building Appearance Approval for a Grocer and Approval of a Conditional Use Permit for a Gas Station, Car Wash, Drive-thru, Pharmacy and Garden Center on the property legally described as Outlot A, Isanti Commons, Isanti County, Isanti, Minnesota.**

Duncan read the item into the minutes.

Achman presented the staff memo. She approached the podium after presenting the staff memo to further describe the site plan on the overhead projection screen.

Bergley asked if the garden center would be similar to a greenhouse.

Achman explained that it would and it would be seasonal.

Duncan opened the public hearing.

Jeff Anlauf, owner of Isanti Sinclair, approached the podium to ask the distance from Highway 65 to where they access their property. Anlauf asked if it was going to be 900 feet like it is for his property.

Lundeen stated the access would be the same road as the bank accesses from.

Anlauf indicated that distance is quite a bit less and he wanted to know if a median would be put in on Heritage.

Achman clarified that the access in question was the northern access to the grocery store project. She further stated that there is already a bank with access near Heritage that did not require installation of a median.

Anlauf clarified that the bank is not a convenience store like he has. He indicated he wants it to be the same for the grocery store. If they are not required to install a 900 foot median, then he would like to have a cut in the median near his gas station.

Achman stated she would discuss this with the City Engineer.

Bergley asked if there were other access points and if they could come in off Highway 65 on the south side.

Achman stated that they could.

Bruce Yerigan, owner of 10 6<sup>th</sup> Ave SE, asked if the holding pond goes all the way to the southern end of the property.

Achman informed Mr. Yerigan that the pond does not go all the way to the southern end of the property. There is roughly a 2.7 acre parcel remaining south of the pond.

Discussion ensued regarding where the access is along Highway 65.

Bergley asked if the median was a disadvantage to Anlauf's business.

Anlauf stated that it was, but they were lucky McDonald's came in around the same time as the median was installed, which rescued them. He indicated they fought hard to get a median cut in but were unsuccessful.

Luke Merrill, 223 Broadway St SE, approached the podium to ask what this development will do not only for Riverside and other convenience stores around town, but for other businesses on the west side of town. He stated that everyone in town is trying to get traffic coming off Highway 65 to go west into old Isanti, but this development will counteract that. He asked what the practical or applied difference is.

Bergley stated he did not understand the question.

Traver clarified for Merrill by asking why the store is building on the east side of 65 rather than the west side.

Achman stated that the site for the grocery store was chosen by the developer.

Merrill again asked what the practical difference is if we already have everything they will have to offer. He asked if they will have to pay higher taxes.

Duncan stated that he didn't know that there was an answer that could be provided to that question tonight.

Achman stated that we have to provide the developer with an opportunity to provide the City with plans and development that meets code. If they meet code, they are allowed to construct. Achman indicated that the City cannot simply deny a project because it will affect another similar business. They have the right to build on their property assuming the requirements are met.

Lind-Livingston asked how many people would be employed at this store.

Achman stated that she did not have that number but would check with Economic Developer Director Sean Sullivan to see if he knew how many jobs would be created.

Bergley asked if there was anyone in the audience from the grocery store.

Achman stated she did not see anyone in the audience that was here representing the grocery store.

Lundeen stated that there are a lot of details being withheld even from staff because it's going to be a flagship building. So there is no name on who it is. It will be their flagship building for their future buildings. Lundeen further stated that he wasn't aware of any conversations on employment opportunities. He indicated that there are great things coming to Isanti that are going to bring more great things. Growth brings more growth. Lundeen continued by discussing the history of grocery stores in Isanti and the ability of two former grocery stores to survive when there were fewer people in Isanti.

Duncan stated that the question before the Planning Commission is whether the site plan before them meets the requirements for how that property is zoned and the specific requirements for the conditional use permit, not what the impact is to other city businesses.

Merrill asked if Isanti's long term goal is to become commercialized.

Lundeen stated that when you bring in commercial businesses, taxes go down. If businesses leave Isanti, then taxes are going to go up. These businesses are not going to be paying any more in taxes per square foot than anyone else, but they are going to cover some SAC and WAC fees that the City has been covering. We need to grow to keep everybody's taxes in check.

Anlauf asked whether the grocery store was receiving a tax abatement.

Achman stated that they were not.

Lind-Livingston asked whether a plan would be approved if it met all of the requirements, but didn't meet the vision of Isanti.

Achman stated that concern would be addressed through the Comprehensive Plan and the Zoning Ordinance. If the city wants an area to develop in a particular way, it would need to be outlined in the Comp Plan and Zoning Code. The current Comp Plan and Zoning Code support this development.

Bergley stated that his biggest concern is kids walking across Highway 65. He asked if that had been addressed. He stated that he remembered at one point discussing a pedestrian overpass. He wasn't sure if longer crosswalk times would help. Bergley indicated he thought there would be pedestrian traffic problems.

Traver stated there will be a lot more people crossing that road. Kids will be walking over there, and Highway 65 is a raceway. There's a chance someone going 75mph and on a cell phone won't stop.

Bergley stated that the Planning Commission should be addressing public safety.

Lundeen stated that Highway 65 is way out of the City's reach. That's the State. They aren't going to do anything on that road unless they want to do it. Lundeen touched on the pedestrian overpass stating that it was a very expensive project that would have went to nowhere at the time. He further stated that he didn't think the City was in a position to tell someone they couldn't do something because of Highway 65.

Traver stated he still thought something should be done at that intersection before someone gets hurt.

Lind-Livingston stated she thought people living south of Main Street would try to cross Hwy 65 south of the intersection rather than walking up to the lights.

Duncan stated that concern is far outside the scope of the project before us.

Bergley stated he understands the business competition conversation is outside the commission's scope, but public safety wouldn't be. He questioned whether a recommendation could be made to the state to do something.

Duncan stated they could make that recommendation, but it's out of the scope of this land owner getting approval. The safety of Hwy 65 is out of the developer's control.

Lind-Livingston agreed.

Merrill asked if there were any other sites in Isanti that would be able to hold this type of development.

Achman stated that there are likely other sites this development could have been placed.

Merrill indicated that he thought it was within the City's control to choose where the development occurs.

Lundeen and Duncan stated that is the private land owner and developers decision. Not the City's. Lundeen stated he understands everyone has concerns, but we need to address what's in front of the Commission at this moment.

Achman further clarified that when a development of this size decides to locate in a town, it's based on a lot of research. Other sites were explored. Why they choose a specific site is outside of our control.

Bergley asked about the competition due to the median on Heritage Blvd.

Lundeen clarified that it's not the City's doing, it's the County's. It was the State and the County that coordinated that project due to too many accidents. He agreed that the same stipulation should be put in place on the east side of 65. Lundeen stated that Community Development Director Achman would follow-up with the City Engineer.

Achman stated that at this time the City Engineer has not expressed concern and that MnDOT has seen the plans and approved them.

Lundeen stated that the Mayor has brought up the crosswalk to the state many times. It was just discussed at the last Council meeting again. An annual letter is sent to the State. These issues have been addressed.

Achman stated she wanted to let the Commission know that a comment was received on the project. Kathy Hansmann stopped at City Hall to review the plans and express her concern of the screening of the loading area. Staff reviewed the landscaping plans showing that seven pine trees would be located adjacent to the loading area.

Duncan asked if there were any further public comments. Seeing none, the public hearing was closed.

Lundeen and Bergley discussed the option of including a recommendation that the State be notified of the safety concerns.

Lundeen stated they could recommend that, but he didn't want to make approval contingent on speaking with the State as that could hold up the project.

Motion by Lundeen second by Bergley to recommend approval of the request from Property Resource Group on behalf of Isanti Holdings, LLC for Site Plan and Building Appearance Approval for a Grocer and Approval of a Conditional Use Permit for a Gas Station, Car Wash, Drive-thru, Pharmacy and Garden Center on the property legally described as Outlot A, Isanti Commons, Isanti County, Isanti, Minnesota based on the Findings of Fact and Conclusions and subject to the following conditions:

1. That the City Council address the City Engineer about the safety concerns on Highway 65 and that the City Engineer further address the State regarding such concerns.
2. Approval and recording of the Development Agreement.
3. Approval and completion of the vacation of several utility easements within Outlot A, Isanti Commons.

4. Recording of the plat of Isanti Commons First Addition.
5. Compliance with the regulations outlined in Section 13 and 21 of Zoning Ordinance No. 445 for each conditional use.
6. The City Engineers review comments from the memo dated 10.8.2015 must be addressed.

Motion carried (5-1) with Lind-Livingston voting Nay.

Discussion ensued regarding the pharmacy aspect of the project and its benefit to the community.

B. Request from MSP Commercial on behalf of Mille Lacs Oil Co. for Approval of a Minor Subdivision to join the property legally described as Lots 4 & 5, Block 1, Anlauf Commercial Park, Isanti County, Isanti, Minnesota.

Duncan read the item into the minutes.

Achman presented the staff memo stating she would present items 3.B and 3.C at the same time but would like for there to be a separate motion for each. Achman provided an overview of the site plan on the overhead projection screen.

Duncan opened the public hearing. There was no one to speak on the item and the public hearing was closed.

Motion by Lundeen second by Bergley to recommend approval of the request from MSP Commercial on behalf of Mille Lacs Oil Co. for Approval of a Minor Subdivision to join the property legally described as Lots 4 & 5, Block 1, Anlauf Commercial Park, Isanti County, Isanti, Minnesota based on the Findings of Fact and Conclusions and subject to the following conditions:

1. Completion of the vacation of a utility easement lying between Lots 4 & 5, Block 1, Anlauf Commercial Park. A public hearing for such vacation has been scheduled for November 17<sup>th</sup>, 2015.
2. Upon approval of the Final Plat by the City Council, the City Clerk or his/her designee shall record it with the County Recorder's Office within ninety (90) days after the date of approval; otherwise, failure of the applicant to comply and submit the necessary items and fees for the recording of the Final Plat by the City shall be cause for revoking the City's approval and the Final Plat shall be considered void, unless the developer or applicant requests an extension, in writing and receives approval from the City Council. The City Council may approve up to two (2) extensions for a term not to exceed one (1) additional year for each extension. Fees associated with the recording of the Final Plat will be charged back to the developer or subdivider.
3. The subdivider shall immediately upon approval, furnish the City Administrator or his/her designee with three (3) full size mylar transparencies of the Final Plat, two (2) for the County and one (1) for the City. Three (3) additional 11 inch by 17 inches mylar transparencies shall be given to the City Planner, the City Clerk, and Isanti County. No building permits shall be issued until these conditions have been complied with.

Motion carried unanimously.

C. Request from MSP Commercial on behalf of Mille Lacs Oil Co. for Site Plan and Building Appearance to construct a Medical Office on the property legally described as Lots 4 & 5, Block 1, Anlauf Commercial Park, Isanti County, Isanti, Minnesota.

Duncan read the item into the minutes.

Achman presented the staff memo in conjunction with item 3.B.

Bergley asked if the color was accurately portrayed on the rendering.

Achman stated that it would be a very similar color of brick.

Lundeen asked to clarify that the building is proposed to be 17,000sf and possibly up to 19,000sf.

Achman stated that was correct.

Bergley stated that the staff memo talks about the northeastern most corner of the building encroaching into the setback. He asked if that was a problem.

Achman approached the overhead projector to visually show the Commission and the audience the portion of the building encroaching into the setback. Achman explained that due to the lots unique shape in this corner because of the cul-de-sac, the building encroaches into the setback. Staff does not see this as an issue.

Bergley asked if it goes against code.

Achman stated that it does go against our setback requirements, but due to circumstances of the unique shape of the lot, staff does not have an issue with the encroachment.

Bergley asked if this was a variance.

Achman confirmed that it was.

Duncan opened the public hearing.

Kristine Yerigan, owner of 10 6<sup>th</sup> St NE, stated that as someone goes to McDonald's they go flying down Cherrywood St into the McDonald's parking lot, and with the accesses so close and traffic needing to cross each other, does the Planning Commission see this as a problem. People coming out of the clinic have to cross traffic coming from McDonald's in order to get into the proper lane. Couldn't the building have been designed differently so that access would have been further down on the lot.

Bergley stated that people will get used to the access.

Traver stated people will adjust to it over time.

Kristine Yerigan stated she didn't think that would occur.

Lundeen stated it may be beneficial to put a four-way stop in that cul-de-sac.

Bergley asked why the northern entry point was needed if there was a second one to the south.

Alex Young, MSP Commercial, stated the site has a number of challenges. Each side of the site has positives and negatives. This layout provided the best outcome for all the differing forces that were pushing and pulling on this site. The drive aisle to the north was designed more as a direct access point and was unencumbered, whereas the southern access is intended to be more of an employee access with adjacent parking.

Bergley asked what the issue would be if the northern access was closed off.

Young indicated that clinics are similar to retail and that ease of access is critical in the success of the project. This layout seemed to be the most logical. Traffic isn't as likely to use the southern access because 5<sup>th</sup> Ave NE doesn't flow through.

Bergley asked if Mr. Young understood Mrs. Yerigan's concern.

Young stated that he did and that they were in full support of the stop signs being installed.

Lundeen indicated it would be a huge improvement to have stop signs on Cherrywood and 5<sup>th</sup> Ave as well.

Mrs. Yerigan questioned traffic laws. Discussion ensued about traffic laws.

Lundeen asked if there was a way to combine the clinics entrance and the gas stations entrance into one. Combining the entrances would help eliminate the issue.

Young stated that situation would require one or the other to cross onto the others property. Someone might lose parking. It hasn't been studied enough to know if it could work. Young asked if they could receive approval with a condition that they look into that option with the City Engineer. If there was a mutual benefit to each property and it worked, he didn't see why there would be an issue.

Lundeen stated he thought that could solve a lot of issues.

Young stated there are entry points all over town that are similarly close.

Merrill asked if it would be ideal to join the parking lots to allow traffic flow between the lots to benefit both businesses.

Young stated they didn't want patients not coming into the clinic because they think they are driving into the gas station.

Duncan stated that the clinic property shouldn't be affected by the fact that the gas station was allowed to install an entrance as close to the southern point of their property as allowed.

Bruce Yerigan stated that the building is encroaching into the setback. If the building was moved then the driveway could move too.



Achman stated that the site layout is very tight and doesn't allow for much movement of anything on the site.

Lundeen stated that if the plan is approved with the stipulation that the developer sits down with the City Engineer and Anlauf's, a lot of the issues could be solved.

Young reiterated that they would prefer to have approval of the plan as present with the condition that they discuss other options to see if there is a better way to design the entrance. Right now they are conforming.

Mr. Yerigan asked how far the building is into the setback.

Achman stated that it was roughly seven feet.

Mr. Yerigan asked why there is a setback if the City isn't concerned about the setback.

Young pointed out the area that is encroaching.

Yerigan asked how far the building would have to come back in order to meet the setback.

Young stated they wouldn't move the building. They would cut the corner of the building off if it was an issue, but it shouldn't be.

Yerigan asked Traver to show him how street lines within the cul-de-sac could be painted to direct traffic.

Duncan stated that's not part of the site plan review.

Yerigan continued to ask about the street lines.

Merrill asked what kind of a medical building this would be.

Young stated it would be a mix of primary and specialty care.

Yerigan stated he had no issue with the building encroaching into the setback, but wanted staff to keep in mind that if he comes in to request to encroach within a setback because the setback is inconvenient...there are setbacks for a reason. What's the setback for? Why is it not important?

Achman stated that she never said it wasn't important. This site has a unique circumstance that warrants the encroachment.

Yerigan asked what the unique circumstance was.

Achman stated it was the shape of the lot and the way the cul-de-sac cuts into the corner of the lot.

Yerigan continued to ask what the purpose of a setback was if it's not important.

Achman stated that as part of the site plan we recognizing a variance on this project.

Yerigan didn't understand why a variance would be granted if it was as easy as having the developer cut the corner of the building off. He further stated to go ahead and grant the variance because the City would be setting a precedent for allowing variances.

Young stated that as they designed the site they had to work with the bulb of the cul-de-sac. They had to jog the building out at a point. They ended up with a pinch point where they couldn't jog the building out any further. In order to meet all the other requirements, they ended up having a small point that didn't fit within the setback. The building may have laid out better on the east side of the lot, but it's to the benefit of the City and the clinic to have the clinic facing Hwy 65 rather than 5<sup>th</sup> Ave NE. Young stated that out of the 30 sites he's developed, this was by far the most difficult.

Yerigan asked what the hardship was.

Young explained the hardship is the way the cul-de-sac curves out into the site.

Duncan stated it's based on the awkward shape of the northwest portion of the lot.

Yerigan said he thought hardship meant that you can't make the site work. What constitutes a hardship. Yerigan began to offer ways to avoid needing a variance. Discussion ensued between audience members.

Achman outlined the requirements for a variance, stating it must be a reasonable request, unique to the property, and won't alter the character of the neighborhood. The hardship requirement is an old term that is no longer part of the variance criteria.

Duncan stated that the site plan meets all of the criteria except for the small corner of the building which meets the criteria for a variance. Duncan asked if there has been a decision on the size of the building.

Young stated that has not been determined yet, but they wanted to get approval for both sizes ahead of time to be able to hit the ground running once the decision has been made.

Motion by Bergley second by Lind-Livingston to recommend approval of the request from MSP Commercial on behalf of Mille Lacs Oil Co. for Site Plan and Building Appearance to construct a Medical Office on the property legally described as Lots 4 & 5, Block 1, Anlauf Commercial Park, Isanti County, Isanti, Minnesota based on the Findings of Fact and Conclusions and subject to the following conditions:

1. Recommend the City Engineer work with the Developer and Anlauf's to determine whether a mutually beneficial access can be created.
2. Such plans and any appropriate permits shall be reviewed and approved by City staff prior to construction.
3. Approval and recording of the Minor Subdivision and successful vacation of the drainage and utility easement.
4. A master signage plan is approved by the Planning Commission and City Council prior to the installation of such signs.

Motion carried unanimously.

**4. Other Business.**

None

**5. Discussion Items.**

None

**6. Adjournment**

Motion by Lind-Livingston second by Bergley to adjourn the October 13<sup>th</sup>, 2015 meeting of the Planning Commission. Motion was unanimously approved.

The meeting adjourned at 8:16 p.m.

Dated at Isanti, Minnesota this 13<sup>th</sup> day of October 2015.

Respectfully submitted,

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Roxanne Achman  
Community Development Director