AGENDA

JOINT POWERS BOARD MEETING
WEDNESDAY, SEPTEMBER 25, 2019

4:00 p.m.

BIG LAKE CITY COUNCIL AND BIG LAKE TOWNSHIP BOARD

BIG LAKE CITY COUNCIL CHAMBERS
160 Lake Street North

1) Call to Order
2) Roll Call
3) Adopt Proposed Agenda
4) Business
   4A) Review Proposed Mixed-Use Commercial Industrial Zoning District
5) Adjourn

Disclaimer: This agenda has been prepared to provide information regarding an upcoming meeting of the Big Lake Joint Powers Board comprised of members of the Big Lake City Council and Big Lake Township Board. This document does not claim to be complete and is subject to change.
ACTION REQUESTED

City Staff is seeking the Joint Powers Board’s feedback regarding the draft ordinance for the proposed Mixed-Use Commercial Industrial zoning district. The JPB is asked to give Staff feedback regarding any changes that should be made to the draft ordinance.

If the JPB feels the ordinance is “ready” to move forward, the JPB should direct Staff to:

- **Hold a public hearing at a City Planning Commission meeting to add the new CI- Mixed Use Commercial Industrial zoning district to the City’s Code.**

- **Hold a public hearing at a City Planning Commission meeting to rezone the Big Lake Business Center (19922 Industrial Drive NW) and Paragon Plaza (19950 177th St NW) to the CI- Mixed Use Commercial Industrial zoning district.**

BACKGROUND/DISCUSSION

Background

The Joint Powers Board held a special meeting on May 8th, 2019 to discuss several outstanding zoning violations in the Big Lake Industrial Park East (Staff memo included as Attachment D). There are several businesses located within the Big Lake Business Center (19922 Industrial Drive NW) and Paragon Plaza (19950 177th St NW) which are not permitted in the I-1 Industrial Park business district. Most of the businesses are retail businesses although there is also a photography studio.

On the 8th, the Joint Powers Board discussed the issue and reached the following consensus:

- Staff was asked to draft rules for a “mixed use zoning district” that would allow for all industrial uses as well as some commercial uses, those deemed compatible with industrial.
- The JPB asked that it be made clear in the rules that industrial uses are preferred and that all performance standards in the area will be set at levels that support industrial users. The City should not create or enforce any standards which would benefit commercial businesses at the expense of industrial businesses.
- Staff should return to the JPB for further discussion once a draft ordinance has been created.
Draft Ordinance

Staff created a draft ordinance (Attachment C) using the following process:

1. The owners of the two buildings were asked to create a “wish list” of commercial uses that they wished to see allowed in the mixed-use district.

2. Staff created a draft ordinance by taking the existing “I-1 Industrial Park” rules and adding in the commercial uses off of the wish list, as well as several additional uses that Staff feels “make sense” if the JPB is going to allow commercial uses in the Industrial Park.

3. The new zoning district is tentatively titled the “CI- Mixed Use Commercial Industrial” zoning district. Staff wrote a statement of purpose for the zoning district that makes it clear that this is primarily an industrial zoning district but that compatible commercial uses shall be allowed. This is Staff’s draft statement of purpose:

**PURPOSE:** The purpose of the CI, Mixed Use Commercial Industrial District is to provide a zoning district where warehousing and light industrial development can thrive alongside compatible office and commercial uses. The overall character of the CI District is intended to be “office/warehouse” and commercial uses shall be designed to fit within that aesthetic. Buildings located in this district shall be built in a good and workman-like manner with high quality, first class building materials. The design and location of buildings shall be attractive and shall complement existing structures and surrounding natural features and topography with respect to height, design, finish, color, size and location. The chief priority in this zoning district shall be the success of industrial users. Any commercial users who choose to establish themselves in the CI district must be prepared to have neighbors that may generate noises and odors that are associated with industrial uses. The zoning district shall be considered an “Industrial” zoning district for the purposes of enforcement of the performance standards of the City’s nuisance code, zoning ordinance, sign ordinance, etc.

4. In the draft code (Attachment C), Staff has **highlighted in yellow** all of the uses allowed in the proposed new zoning district that are not allowed under the current I-1 zoning.

A few key items to note about the proposed new zoning district:

- All of the building and construction standards are still the same as they are in the I-1 district.
- All of the I-1 Industrial Park zoning district uses will still be allowed.
- The main new uses that would be allowed are:
  - Standalone offices without a warehousing component (previously required a CUP)
  - Retail
  - Medical and Dental offices
  - Personal services (barber shops, beauty salons, physical therapy, tattooing, acupuncture, etc.)
  - Live entertainment
  - Indoor commercial recreation (with a CUP)
  - Photo studios
o Service Businesses (off-site businesses such as delivery, catering, plumbing, HVAC repair & on-site businesses such as banks, copy centers, laundromats, dry cleaners, animal clinics, appliance repair, tailor shops, and travel bureaus)

- Some significant commercial/institutional uses that would not be allowed under the current draft rules are:
  - Anything with permanent outdoor sales or an outdoor storage component (temporary sidewalk sales are allowed)
  - Drive-through lanes
  - Gas stations
  - Auto sales
  - Restaurants
  - Hotels
  - Residential uses

**FINANCIAL IMPACT**
Staff’s memo from May 8, 2019 (Attachment D) contains an analysis of the potential economic impact of adding more flexibility in part of the industrial park.

**DIRECTION NEEDED**
The JPB is asked for feedback regarding the draft ordinance. The JPB is asked to look over the new uses (those highlighted in yellow) and direct Staff to remove any uses that are viewed as inappropriate for the new district. Additionally, the JPB can request the addition of other uses that are not in Staff’s draft ordinance.

The JPB is also asked to give a recommendation regarding “next steps.” If the JPB views the draft ordinance as “ready to move forward,” the next step is to direct Staff to hold a public hearing to amend the ordinance to create the new zoning district and to rezone the two subject properties to the new zoning district. The Planning Commission will need to hold the public hearings since they are used as a recommending body for legislative changes to the City’s zoning code. The JPB only acts as the Planning Commission for quasi-judicial decisions where a specific project is being reviewed.

**ATTACHMENTS**
A- Aerial Photograph of Paragon Plaza and the Big Lake Business Center
B- Photographs of Paragon Plaza and the Big Lake Business Center
C- Draft “CI-Mixed Use Commercial Industrial” Zoning District Rules
D- Staff Memo from May 8, 2019
ATTACHMENT A
AERIAL PHOTOGRAPH OF PARAGON PLAZA AND THE BIG LAKE BUSINESS CENTER
ATTACHMENT B
PHOTOGRAPHS OF PARAGON PLAZA AND THE BIG LAKE BUSINESS CENTER

65-505-0110

65-505-0105
ATTACHMENT C
I-1 INDUSTRIAL PARK ZONING DISTRICT ALLOWED USES

City of Big Lake

Chapter 10 Zoning
Section 1058 – CI District

SECTION 1058 – CI, MIXED USE COMMERCIAL INDUSTRIAL DISTRICT

SECTION

1058.01: Purpose
1058.02: Permitted Uses
1058.03: Accessory Uses
1058.04: Uses by Administrative Permit
1058.05: Conditional Uses
1058.06: Interim Uses
1058.07: Special Design and Performance Standards
1058.08: Shoreland Management Provisions
1058.09: Lot Area, Height and Setback Requirements

1058.01: PURPOSE: The purpose of the CI, Mixed Use Commercial Industrial District is to provide a zoning district where warehousing and light industrial development can thrive alongside compatible office and commercial uses. The overall character of the CI District is intended to be “office/warehouse” and commercial uses shall be designed to fit within that aesthetic. Buildings located in this district shall be built in a good and workman-like manner with high quality, first class building materials. The design and location of buildings shall be attractive and shall complement existing structures and surrounding natural features and topography with respect to height, design, finish, color, size and location. The chief priority in this zoning district shall be the success of industrial users. Any commercial users who choose to establish themselves in the CI district must be prepared to have neighbors that may generate noises and odors that are associated with industrial uses. The zoning district shall be considered an “industrial” zoning district for the purposes of enforcement of the performance standards of the City’s nuisance code, zoning ordinance, sign ordinance, etc.

1058.02: PERMITTED USES: Subject to the applicable provisions of this Ordinance the following are permitted uses in the CI District:

Subd. 1. Automobile repair, major, provided the operation is conducted within an enclosed building.

Subd. 2. Banks, credit unions, and other financial institutions provided that there is no drive-through service.

Subd. 3. Beer store, subject to license requirements of the City.

Subd. 4. Bicycle sales and repair, when conducted entirely within a building.

Subd. 5. Boat and Marine Sales, when conducted entirely within a building.

Subd. 6. Building material sales, provided it is conducted entirely within a building.
Subd. 7.  Breweries.

Subd. 8.  Chiropractic Clinic.

Subd. 9.  Dry cleaning, Laundromat, laundry service.

Subd. 10. Essential services, not including structures, except those requiring
administrative permits or conditional use permits pursuant to Section 1024 (Essential Services)
of this Ordinance.

Subd. 11.  Health Clubs.


Subd. 13.  Jewelry sales and repair, when conducted entirely within a building.

Subd. 14.  Garden Center, provided it is conducted entirely within a building.

Subd. 15.  Hobby store, including handicraft classes.

Subd. 16.  Interior design studio

Subd. 17.  Laboratories.

Subd. 18.  Live Entertainment, Indoor.


Subd. 20.  Manufacturing or assembly of a wide variety of products that produce no
exterior noise, glare, fumes, obnoxious products, byproducts or wastes, or creates other
objectionable effects on the environment.

Subd. 21.  Meat market, when conducted entirely within a building.

Subd. 22.  Medical and dental clinics, provided that:

1.  All structures, except fences, shall be located one hundred (100) feet or more from side and rear lot lines of abutting residential zoned or planned property.

2.  The architectural design of the structures shall be compatible to the neighborhood in which it is to be located.

Subd. 23.  Mill working.
Subd. 24. Newspaper Publishing Office

Subd. 25. Office business (general)


Subd. 27. Personal services. Subject to any licensing requirement of the City Code, County or State.

Subd. 28. Personal wireless service towers and antennas as regulated by Section 1022 (Antennas) of this Ordinance.

Subd. 29. Pet shop, provided the operation shall not include the boarding of pets on site, the maintaining of pens or cages outside the building, or the creation of an offensive odor or noise. Must be conducted entirely within a building.

Subd. 30. Photographic Studio, Supply and Processing Store, when conducted entirely within a building.

Subd. 31. Processing, fabricating, or providing a service provided the operations are conducted entirely within an enclosed building and that the operation complies with performance standards identified by Section 1032 (Performance Standards) of this Ordinance.

Subd. 32. Radio and television stations.

Subd. 33. Recreation, Public.

Subd. 34. Retail Business, when conducted entirely within a building.

Subd. 35. Service Business, when conducted entirely within a building aside from the lawful parking of related commercial vehicles in accordance with the provisions of this Ordinance.

Subd. 36. Shoe Sales and Repair, when conducted entirely within a building.

Subd. 37. Sexually Oriented Use-Principal, subject to the requirements of Section 1035 (Sexually Oriented Business) of this Ordinance and license requirements of the City.

Subd. 38. Small Appliance Repair, when conducted entirely within a building.

Subd. 39. Trade or business school, private.

Subd. 40. Warehousing and indoor storage excluding explosives and hazardous waste.

Subd. 41. Wholesale showrooms.
1058.03: ACCESSORY USES: Subject to the applicable provisions of this Ordinance the following are permitted accessory uses in the CI District:

Subd. 1. Accessory antennas. Accessory antennas in conformance with Section 1022 (Antennas) of this Ordinance.

Subd. 2. Accessory uses and structures incidental and customary to the uses allowed as permitted, conditional, interim, and administrative permit in this Section.

Subd. 3. Animal Keeping, subject to the provisions of Section 1021 (Animals) of this Ordinance.

Subd. 4. Garage, Private. Private garages and parking spaces for licensed and operable passenger cars and trucks not to exceed a gross weight of twelve thousand pounds, as regulated by Section 1030 (Off-Street Parking and Loading) of this Ordinance.

Subd. 5. Fences as regulated by Section 1025 (Fences) of this Ordinance.

Subd. 6. Incidental repair, processing or indoor storage necessary to conduct a permitted principal use so long as it does not occupy more than thirty (30) percent of the gross floor area of the principal use.

Subd. 7. Off-street Loading.

Subd. 8. Radio and television receiving antennas, including single satellite dish TVRO's three and one-half (3.5) meters or less in diameter, short wave radio dispatching antennas, or those necessary for the operation of household electronic equipment including radio receivers, federal licensed amateur radio stations and television receivers, as regulated by Section 1022 (Antennas) of this Ordinance.

Subd. 9. Sexually Oriented Use-Accessory, subject to the requirements of Section 1035 (Sexually Oriented Business) of this Ordinance and license requirements of the City.

Subd. 10. Signs as regulated by City Code Chapter 1300, (Signs).

1058.04: USES BY ADMINISTRATIVE PERMIT: Subject to the applicable provisions of this Section, performance standards established by this Ordinance, and processing requirements of Section 1003 (Administrative Permits) of this Ordinance, the following are uses allowed in a CI District by administrative permit as may be issued by the Zoning Administrator:

Subd. 1. Antennas located upon a public structure or existing tower as regulated by Section 1022 (Antennas) of this Ordinance.
Subd. 2. Essential services requiring a permit from the City Engineer as provided by Section 1024 (Essential Services) of this Ordinance.

Subd. 3. Land filling and land excavation/grading operations (50 to 250 cubic yards of material), except mining, as regulated by Section 1026 (Grading, Filling and Excavating) of this Ordinance.

Subd. 4. Signs as regulated by City Code Chapter 1300 (Signs).

Subd. 5. Temporary uses.

1. Temporary Seasonal Sales subject to permit requirements of Section 1012 (Temporary Uses) of this Ordinance.

2. Temporary mobile towers for personal wireless service antennas.

3. Temporary construction buildings, trailers and the like shall be permitted for construction purposes during the period of construction or alteration of a permanent building provided:

   a. The structure is placed as inconspicuously as practical on the lot.

   b. The structure shall cause no inconvenience to owners of occupants of other lots.

   c. The structure shall be removed no later than thirty (30) days after the date of completion for beneficial occupancy of the building.

4. Temporary structures and uses as identified by Section 1012 (Temporary Uses).

5. Temporary outdoor promotional events and sales including food vendors (hot dog, popcorn, ice cream, soda pop stands etc.), associated with a public, civic or promotion event.

Subd. 6. Outdoor dining, accessory. Outdoor dining as an accessory use for taprooms, subject to the following conditions:

1. The applicant is required to submit a site plan and other pertinent information demonstrating the location and type of all tables, refuse receptacles, and wait stations.

2. The size of the dining area is restricted to thirty (30) percent of the total customer floor area within the principal structure.

3. The dining area is screened from view from adjacent residential uses by a buffer yard and fence in accordance with Section 1027 (Landscape, Screening...
and Tree Preservation) and 1025 (Fences) of this Ordinance.

4. All lighting be hooded and directed away from adjacent residential uses in accordance with Section 1032 (Performance Standards) of this Ordinance.

5. The applicant demonstrates that pedestrian circulation is not disrupted as a result of the outdoor dining area by providing the following:

   a. Outdoor dining area shall be segregated from through pedestrian circulation by means of temporary fencing, bollards, ropes, plantings, or other methods, and shall be subject to review and approval by the Zoning Administrator.

   b. Minimum clear passage zone for pedestrians at the perimeter of the restaurant shall be at least five (5) feet without interference from parked motor vehicles, bollards, trees, tree gates, curbs, stairways, trash receptacles, street lights, parking meters, or the like.

   c. Overstory canopy of trees, umbrellas or other structures extending into the pedestrian clear passage zone or pedestrian aisle shall have a minimum clearance of eight (8) feet above the sidewalk.

6. The dining area is surfaced with concrete, bituminous or decorative pavers or may consist of a deck with wood or other flooring material that provides a clean, attractive, and functional surface.

7. A minimum width of thirty-six (36) inches shall be provided within aisles of the outdoor dining area.

8. Storage of furniture shall not be permitted on the sidewalk between November 1 and March 31. Sidewalk furniture that is immovable or permanently fixed or attached to the sidewalk shall not be subject to the storage prohibition of this Section. However, any immovable or permanently fixed or attached furniture must be approved as part of the administrative permit application.

9. Additional off-street parking shall be required pursuant to the requirements set forth in Section 1030 (Off-Street Parking and Loading) of this Ordinance, based upon the additional seating area provided by the outdoor dining area.

1058:05: CONDITIONAL USES: Subject to the applicable provisions of this Ordinance, the following are conditional uses in an CI District. (Requires a conditional use permit based upon the procedures set forth in and regulated by Section 1007 (Conditional Use Permits) and Section 1032 (Performance Standards) of this Ordinance.

   Subd. 1. Animal hospital, clinic or commercial kennel (indoor).
Subd. 2. Antennas not located on a public structure or existing tower, as regulated by Section 1022 (Antennas) of this Ordinance.

Subd. 3. Armory, conference center.

Subd. 4. Auction facility.

Subd. 5. Commercial and public ratio and television transmitting antennas and public utility microwave antennas, as regulated by Section 1022 (Antennas) of this Ordinance.

Subd. 6. Commercial and public satellite dish transmitting or receiving antennas in excess of three and one-half (3.5) meters in diameter as regulated by Section 1022 (Antennas) of this Ordinance.

Subd. 7. Commercial Recreation Indoor provided:

1. Principal structures shall be located one hundred (100) feet or more from any lot line abutting a residential district.

Subd. 8. Contractor’s operation when contained entirely within a building.

Subd. 9. Daycare as a conditional accessory use.

1. Accessory Use. The day care facility is an accessory use, located within the building of the principal permitted use and provided for employees of the principal use.

2. Outdoor Play Area. Outdoor play areas and parking areas are landscaped and screened from abutting residential properties in compliance with Section 1027 (Landscape, Screening and Tree Preservation) of this Ordinance.

3. State Regulations. The regulations and conditions of Minn. Rules Parts 9545.0510 through 9545.0678, as amended, are satisfactorily met. No facility shall begin operation without a State license.

6. Building and Fire Codes. That all applicable provisions of the Minnesota State Building Code and Fire Code have been met. The City Building Official and Fire Chief shall inspect the property prior to the issuance of the occupancy permit to determine if this Subsection has been complied with.

Subd. 10. Distribution Center.

Subd. 11. Essential service structures. Essential services requiring a conditional use permit pursuant to Section 1024 (Essential Services) of this Ordinance and including, but not limited to: buildings such as telephone exchange stations, publicly regulated communications,
electrical power substations and other structures utilized to provide essential services, provided that:

1. No building shall be located within fifty (50) feet from any lot line of an abutting lot in a residential zoning district.

2. The architectural design of the service structure shall be compatible to the neighborhood in which it is to be located.

Subd. 12. Food Service as an accessory use (cafeteria or delicatessen for employees)

Subd. 13. Funeral homes and mortuaries.

Subd. 14. Garage, public or private.

Subd. 15. Hospitals and medical use facilities.

1. All structures, except fences, shall be located one hundred (100) feet or more from side and rear lot lines of abutting residential zoned or planned property.

Subd. 16. Heliport.

Subd. 17. Incineration or reduction of waste material, other than customarily incidental to a principal use.

Subd. 18. Medical Campus.

Subd. 19. Municipal government buildings and uses. Municipal government utility stations, facilities, equipment, water towers, lift stations, booster or pressure regulating stations, wells and pumping stations, municipal utility buildings and structures necessary for the health, safety and general welfare of the community including the storage of fire fighting apparatus provided that:

1. Compatibility and Setbacks. Conformity with the surrounding neighborhood is maintained and required setbacks and side yard requirements are met.

2. Equipment Enclosed. Equipment is completely enclosed in a permanent structure or screened. Water towers are exempt from this provision.

3. Open storage of maintenance equipment and trucks over one and one-half (1 1/2) tons, stockpiling of aggregate or other materials and open storage of shall not be permitted.

Subd. 20. Office, business.

Subd. 22. Parking ramp.

Subd. 23. Personal wireless service antennas not located upon a public structure or existing tower as regulated by Section 1022 (Antennas) of this Ordinance.


Subd. 25. Public buildings.

Subd. 26. PUD, Industrial. Industrial planned unit developments as regulated by Section 1011 (PUD's) of this Ordinance.

Subd. 27. Radio and television studios.

Subd. 28. Recreation field structure or building.

Subd. 29. Restaurant (cafeteria) provided for the use of employees of the principal use only.

Subd. 30. Security structure. A dwelling unit for security accessory to the principal use of the site provided the dwelling unit is part of the principal structure and the dwelling unit complies with all applicable building and fire codes.

Subd. 31. Signs as regulated by City Code Chapter 1300 (Signs).

Subd. 32. Structures exceeding thirty-five (35) feet in height or three (3) stories or more in height (non-Shoreland areas).

Subd. 33. Transit stations.

Subd. 34. Taprooms.

1058.06: INTERIM USES: Subject to the applicable provisions of this Ordinance, the following are interim uses in the CI District and are further governed by Section 1010 (Interim Uses) of this Ordinance.

Subd. 1. Land filling and land excavation/grading operations (250 plus cubic yards of material), including mining as regulated by Section 1026 (Grading, Filling and Excavating) of this Ordinance.

1058.07: SPECIAL DESIGN AND PERFORMANCE STANDARDS. The following special design and performance standards shall be observed in the CI District subject to the additional standard requirements, exceptions and modifications set forth in this Ordinance:
Subd. 1. Load bearing structural components shall be steel or structural concrete; provided that materials of greater strength may be used if approved by conditional use permit.

Subd. 2. Screening of service facilities and storage areas.

1. Garbage and refuse containers shall be contained within buildings or shall be concealed by means of shrubbery or screening walls of materials similar to and compatible with that of the building and as required by Section 1032 (Performance Standards) and Section 1027 (Landscape, Screening and Tree Preservation) of this Ordinance.

2. Fuel and other storage tanks shall meet requirements of Section 1032 (Performance Standards) of this Ordinance, be integrated with the concept of the building plan, be designed so as not to attract attention, be inconspicuously located.

3. No materials, supplies or equipment shall be stored in any area on a lot except inside a closed building or behind a visual barrier which screens such areas so that they are not visible from the streets or from the front yard of adjoining lots, or from public waters within Shoreland Districts.

Subd. 3. Utilities.

1. All electrical, telephone, gas, cable, and other utility lines (excluding lines in excess of 12 kv) shall be placed underground.

2. All utility facilities and equipment shall be visually screened from view from streets and adjacent lots.

Subd. 4. Driveways, parking lots and loading areas.

1. All driveways and areas for parking, maneuvering, loading, and unloading shall be paved with asphalt, concrete or similar material as approved by the City Engineer and subject to the provisions of Section 1030 (Off-Street Parking and Loading) of this Ordinance.

2. Truck parking areas shall be screened as required by Section 1027 (Landscape, Screening and Tree Preservation) and Section 1030 (Off-Street Parking and Loading) of this Ordinance.

3. A reduction of up to ten (10) percent in the number of required off-street parking spaces may be approved by the Zoning Administrator in the case of shared parking areas between abutting uses.
4. No parking spaces shall be located on corner lots at the point of street intersections.

5. All external loading and service areas accessory to industrial buildings shall be screened from the ground level view from adjacent properties and streets except at access points.

6. Loading areas and docks, as required by Section 1030 (Off-Street Parking and Loading) of this Ordinance, shall not encroach into the front yard setback.

7. Special landscape screening or building design measures shall be required to minimize and limit the visual impact of loading docks and areas.

Subd. 5. Exterior Lighting. All exterior lighting shall be constructed and maintained in accordance with the provisions of Section 1032 (Performance Standards) of this Ordinance and as follows:

1. Lighting fixtures shall not be more than forty (40) feet in height.

2. Flood lighting of buildings shall be limited to concealed light sources.

3. Lighting shall be installed and maintained in such a manner as to minimize glare onto adjacent lots and streets.

4. Lighting shall be shielded from view of public waters within Shoreland Districts, assuming summer, leaf on conditions.


1. Not less than ten (10) percent of the area of a lot shall be landscaped by means of a lawn and/or other ground cover, combined with shrubbery, trees and the like, which may be complimented with earth berm, masonry or similar material, all harmoniously combined with themselves and with other improvements on the lot.

2. The periphery of all parking lots shall be landscaped and screened in compliance with Section 1027 (Landscape, Screening and Tree Preservation) of this Ordinance.

3. To the extent possible, water quality ponding areas shall be designed and landscaped in a park-like character, and in compliance with City engineering standards.

4. Existing trees shall be maintained and preserved to the extent possible.
5. A landscape plan for each lot shall be submitted and approved by the City Zoning Administrator as part of the site plan approval and prior to issuance of building permits for the lot.

6. The landscape materials shall be consistent with the species and size requirements of Section 1027 (Landscape, Screening and Tree Preservation) of this Ordinance.

7. All landscape areas shall be irrigated.

8. A landscape security shall be provided as required by Section 1027 (Landscape, Screening and Tree Preservation) of this Ordinance.

Subd. 7. Construction materials, dirt, mud, garbage, trash or other debris shall not be allowed to accumulate on the lot or upon adjacent parcels or streets. Suitable dust and erosion control measures shall be implemented at all times as required by the City Engineer and/or City Building Official.

Subd. 8. Mechanical equipment/structures.

1. All mechanical equipment shall be located or screened so as not to be visible from streets and in compliance with Section 1032 (Performance Standards) and Section 1027 (Landscape, Screening and Tree Preservation) of this Ordinance.

2. Penthouse and mechanical equipment screening shall be aesthetically incorporated with those of the building.

3. Mechanical equipment located on a roof may be painted to be compatible with the building, rather than screened if approved by conditional use permit.

4. No private water towers, water tanks, tents, elevator housing, equipment, signs, towers or gravity flow storage shall be permitted without approval of a conditional use permit.

Subd. 9. Pedestrian Circulation.

1. Each property shall be responsible for the installation and maintenance of a sidewalk pursuant to City standards from the front property line (if there is a sidewalk or trail located along the public street), and parking lot area to the main entrance of the principal structure.

1058.08: SHORELAND MANAGEMENT PROVISIONS: Shoreland Management Provisions. The following standards apply to industrial uses within Shoreland Overlay Districts:

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City of Big Lake

Chapter 10 Zoning
Section 1058 – CI District

1. Industrial uses without water-oriented needs must be located on parcels or lots or parcels without public waters frontage, or, if located on lots or parcels with public waters frontage, must be landscaped to obscure view of structures or buildings from the water by vegetation or topography, assuming summer, leaf-on conditions.

   a. Structures, parking areas, and other facilities shall be treated to reduce visibility as viewed from public waters and adjacent shorelands by vegetation, topography, increased setbacks, or color, assuming summer, leaf-on conditions. Vegetative and topographic screening shall be preserved, if existing, or may be required to be provided.

   b. Accessory structures and facilities shall meet the required principal structure setback and shall be centralized.

   c. Uses that require short-term watercraft mooring for patrons must centralize these facilities and design them to avoid obstructions of navigation and to be the minimum size necessary to meet the need.

1058.09: LOT AREA, HEIGHT AND SETBACK REQUIREMENTS: The following minimum requirements shall be observed in the CI District subject to additional requirements, exceptions and modifications set forth in this Ordinance:


<table>
<thead>
<tr>
<th>Description</th>
<th>Standard</th>
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<tbody>
<tr>
<td>Minimum Lot Area:</td>
<td>40,000 square feet</td>
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<tr>
<td>Minimum Lot Width:</td>
<td>150 feet</td>
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<tr>
<td>Accessory Structure Maximum Height</td>
<td>15 feet</td>
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<tr>
<td>Maximum Building Coverage</td>
<td>50%</td>
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</table>

<table>
<thead>
<tr>
<th>Setback Description</th>
<th>Principal Structure</th>
<th>Accessory Structure</th>
<th>Parking</th>
<th>Parking Adjacent to “R” District</th>
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</thead>
<tbody>
<tr>
<td>Front Yard:</td>
<td>40 feet</td>
<td>N/A w/o CUP</td>
<td>20 feet</td>
<td>20 feet</td>
</tr>
<tr>
<td>Side Yard:</td>
<td>20 feet</td>
<td>10 feet 20 feet of adjacent to “R” property</td>
<td>10 feet</td>
<td>20 feet</td>
</tr>
<tr>
<td>Rear Yard:</td>
<td>20 feet</td>
<td>10 feet 20 feet if adjacent to “R” property</td>
<td>15 feet</td>
<td>20 feet</td>
</tr>
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</table>
1. When located on a lot with lake or river frontage, a non-water orientated use or structure setback must be double the distance indicated above (see section 1065.04, subd. 2. General Zoning Provisions).

Subd. 4. Building Height. No structure shall exceed 35 feet, however building heights in excess of the prescribed standard may be permitted through a conditional use permit provided that:

1. The site is capable of accommodating any increased intensity of use.

2. Any increased intensity of use is not reasonably expected to cause an increase in traffic volume beyond the capacity of surrounding streets.

3. Public utilities and services are adequate.

Subd. 5. Impervious Surface Coverage Non-Shoreland Lots. All lots within the CI, Industrial Park District shall comply with the following standards:

1. The maximum amount of impervious surface coverage for non-shoreland lots shall be eighty-five (85) percent.

Subd. 6. Impervious Surface Coverage Shoreland Lots. All lots within the CI Industrial Park District and located within a Shoreland Management District shall comply with the following standards:

1. An existing site which is being altered, remodeled, or expanded without expanding the existing impervious surface may be allowed through the site plan review process established in Section 1013 (Site Plans) of this Ordinance.

2. New construction on conforming lots or an existing site being altered, remodeled, or expanded which expands the existing impervious surface coverage may be allowed through the plan review process established in Section 1013 (Site Plans) of this Ordinance, provided the impervious surface coverage does not exceed fifty (50) percent of the total lot and provided the following stipulations are met:
a. All structures, additions or expansions shall be setback double the required setback for the public water.

b. The lot shall be served by municipal sewer and water.

c. The lot shall provide for the collection and treatment of storm water in compliance with the City Stormwater Management Plan if determined that the site improvements will result in increased runoff directly entering a public water. All development plans shall require review and approval by the City Engineer.

d. Structures, parking areas, and other facilities shall be treated to reduce visibility as viewed from public waters and adjacent shorelands by vegetation, topography, color, assuming summer, leaf-on conditions. Vegetative and topographic screening shall be preserved, if existing, or may be required to be provided.

e. Accessory structure and facilities shall meet the required principal structure setback and shall be centralized.

f. A conservation easement, deed restriction or other protective measure shall be provided for and recorded with Sherburne County over the area of the lot located within the Shore Impact Zone.

3. Impervious surface coverage may be allowed to exceed fifty (50) percent of the total lot or exceed existing conditions of the lot which are over fifty (50) percent provided the following stipulations are met:

a. Improvements that will result in an increased rate of runoff directly entering a public water shall have all structures and practices in compliance with the City storm water management plan in place for the collection and treatment of storm water runoff or will be constructed in conjunction with a conditional use permit application.

b. A conditional use permit is submitted and approved as provided for in Section 1007 (Conditional Use Permits) of this Ordinance.

c. All the lot area, width and building height standards of the district are met.

d. Measures for the treatment of storm water runoff and/or prevention of storm water from directly entering a public water include such appurtenances as sediment basins (debris basins, desilting basins, or silt traps), installation of debris guards and microsilt basins on storm sewer inlets, oil skimming devices, etc.
The provisions of 2, a through f, are satisfied.
ATTACHMENT D
STAFF MEMO FROM MAY 8TH JOINT POWERS BOARD MEETING

AGENDA ITEM
Joint Powers Board

Prepared By: Michael Healy, City Planner  Meeting Date: 5/8/2019
☐ Regular Agenda Item  □ Consent Agenda Item  Item No. 4A

Reviewed By: Hanna Klimmek, Community Development Director

Reviewed By: Clay Wilfahrt, City Administrator

Item Description: Discussion on Zoning Issues in Big Lake Industrial Park East

ACTION REQUESTED
City Staff is seeking direction regarding how the Joint Powers Board would like to proceed with “next steps” in dealing with the zoning noncompliance issues in the Big Lake Industrial Park East.

The City Council discussed this issue at their April 24 workshop meeting and directed Staff that the “next step” was to hold a meeting of the Joint Powers Board. The Big Lake Industrial Park East is a jointly owned/operated industrial park and the Joint Powers agreement states that land use decisions will be made jointly by the City Council and Town Board acting as a Joint Powers Board.

BACKGROUND/DISCUSSION
Background

The “Big Lake Industrial Park East” is an industrial park along US Highway 10 which has been jointly developed by Big Lake Township and The City of Big Lake. The City and the Township have invested a significant amount of money in land acquisition, site development, and incentives/subsidies to encourage development. The original intent of the development and the public subsidies was to create an industrial employment base in Big Lake. Many of the development incentives that were given out in the early 2000’s to encourage the construction of new buildings had “strings attached” in terms of requiring the developers who received the incentives to commit to certain types of businesses being in the buildings they constructed, certain job numbers, etc. Most of those “strings” were in place for a set period of time which has now passed.

The original Industrial park, which is roughly 50 acres in size, was platted in 2000. It was fully “built out” by around 2006. The City and Township developed a 45 acre “Phase II” in 2007. The Great Recession began almost immediately after the roads were installed for Phase II and it is still completely vacant as of 2019.

The original intent of this industrial park was to foster manufacturing and industrial employment. However, the I-1 zoning district, which is in place over the entire park, allows for several other uses beyond manufacturing. It also allows, for instance “wholesale showrooms,” “offices (with a CUP),” “health clubs,” “warehousing,” and a handful of other non-manufacturing uses which are considered to be compatible with industrial uses. Most of the public subsidies that financed the initial development specified that only a small percentage of the space in this park could be dedicated to these “other uses” and that most of the space needed to be dedicated to industrial manufacturing uses. As previously mentioned, these “strings attached” were for a set period of time and, per Community Development Director Hanna Klimmek, that time period has elapsed.
Zoning Issues

The majority of the buildings in the Big Lake Industrial Park East are single-occupant or two-occupant buildings inhabited by industrial manufacturing companies. There are two buildings in the park, however, which are set up as multi-tenant buildings and broken up into a number of rental suites of various shapes and sizes. These two buildings are the Paragon Plaza (19950 177th St NW) and the Big Lake Business Center (19922 Industrial Drive NW).

The owners of the two multi-tenant buildings have not followed the City's zoning code when screening tenants for their buildings. As a result, both buildings now contain numerous businesses which are not allowed in the I-1 Industrial Park zoning district. The majority of these businesses are commercial-retail type businesses which are only allowed in the City's commercial zoning districts, the B-2 and the B-3 zoning districts. The City of Big Lake, like most cities in Minnesota, only requires business licenses for certain types of businesses that require extra regulation such as massage parlors, adult use businesses, tobacco sales, liquor sales, etc. The City does not require a license for other types of businesses, it only requires that the business be compliant with the zoning code. The City expects property owners and business owners to check with the City's planning and zoning department before moving a new business into city limits.

Most of the unauthorized businesses in the Big Lake Industrial Park East have been there for upwards of five (5) years and were already in the industrial park when the current generation of Big Lake City Staff who deal with zoning issues (Michael Healy, Hanna Klimmek, Clay Wilfahrt, and Mick Kaehler) began working for the City. There was a presumption that these businesses must have been “grandfathered” in some way. Staff has reviewed the property files, however, and it does not appear that any of these businesses was ever given permission to operate in the industrial park. They all appear to be in the industrial park illegally and in violation of the zoning code.

Staff is aware of the following businesses which are in violation of the I-1 Industrial Park Zoning District standards. Please note that there may be other unauthorized businesses which Staff is not aware of because they do not have signage:

**Big Lake Business Center (19922 Industrial Drive NW)**

1.) A retail clothing store
2.) A retail electronics store
3.) An IT Office (requires a Conditional Use Permit which they never obtained)

**Paragon Plaza (19950 177th St NW):**

1.) A photography studio
2.) A retail mattress store which moved into the building in late 2018.

Staff has been left in a very awkward position. Staff has attempted to enforce the zoning ordinance on the retail mattress store but the owner has repeatedly questioned why the City is “cracking down” on his business but allowing the other four (4) unauthorized businesses to continue to operate in violation of the zoning code.
Discussion

There are financial and land use considerations in play that the Joint Powers Board should be cognizant of as they discuss this issue.

Financial Considerations:

- The initial development of this industrial park involved a large amount of public money. The justification for this was two-pronged:
  - The industrial park was going to provide good jobs for the community
  - The high value tip-up concrete buildings would provide a good property tax base.

- Industrial jobs generally provide higher salaries than commercial-retail jobs. Allowing commercial retail type uses in the industrial park may “water down” the benefit of the jobs that these buildings were intended to provide.

- Now that Phase I of the industrial park is almost 20 years old, does the Joint Powers Board feel that it is appropriate to be “more open” in regards to what types of businesses and what types of jobs are allowed in this part of the park?

- Does the Joint Powers Board feel that the buildings will fail to find industrial tenants and will fall into disrepair or be abandoned if the owners are not allowed to fill the suites with commercial tenants? If this were to happen, it would have a negative effect on the tax base. As long as the buildings remain in good repair, the effect on the tax base should be negligible regardless of what types of businesses are in the buildings.

Land Use Compatibility:

- Most cities want commercial retail businesses to contribute to the vitality of their commercial areas. They don’t want their industrial areas, which often feature less architecturally attractive buildings and a non-pedestrian friendly environment, to “poach” retailers from the commercial areas.

- There can be traffic conflicts with mixing commercial and industrial uses (semi-trucks vs. families with children)

- There can be conflicts with noise, odors, etc. when commercial and industrial manufacturing businesses are neighbors. The retail businesses may start submitting complaints about the industrial businesses. This can make the industrial park less attractive to industrial business owners.

**FINANCIAL IMPACT**

As previously stated, this industrial park involved a large number of public subsidies which were intended to bolster the property tax base and to create good-paying jobs. Allowing commercial-retail businesses into the industrial park would deviate from the original vision but may be appropriate if the Joint Powers Board weighs the pros and cons and concludes that the changes are necessary to keep the industrial park viable.
DIRECTION NEEDED

The Joint Powers Agreement in place for this industrial park requires the City Council and the Town Board to make most land use decisions together. According to the City Attorney, there are essentially 3 policy options which the Joint Powers Board has the legal right to implement:

1.) Enforce the zoning code “as-is.” Require the owners of these two buildings to bring their properties into compliance. This would mean that the four (4) unauthorized businesses would be required to leave the industrial park and the IT Office would be required to obtain a Conditional Use Permit.

2.) Require the IT Office to obtain a CUP and find a way to lawfully “grandfather” the four existing (4) unauthorized businesses in their current size and shape but do not allow any additions or expansions and do not allow any new businesses to move into the industrial park that do not meet the I-1 Industrial Park zoning district standards. The goal with this policy would be to eventually phase out the four (4) nonconforming businesses as the owners retire or close their businesses.

3.) Create a new “mixed use” zoning district or overlay and place it over the two buildings. Within the mixed-use district, both industrial and commercial uses would be permitted. The Joint Powers Board should support this option if the goal is to allow additional commercial-retail uses to move into the two buildings and to allow the existing commercial-retail businesses to expand. The scope of “mixed use” could be controlled by only adding some specific commercial uses to the zoning code for the district. The mixed-use district would not need to allow all commercial uses. The Joint Powers Board would probably not want to see gas stations and car sales lots in the industrial park, for example.

The City Council discussed the three (3) options at their April 24th workshop and reached a preliminary consensus that they could potentially support either “OPTION 2” or “OPTION 3” but were leaning towards OPTION 3 and the creation of a mixed-use zoning district. The City Council did not view it as a viable option to expel the existing businesses from the Industrial Park.

The Joint Powers Board is asked to discuss the matter further. If the consensus is OPTION 3, Staff will work with the City Attorney to explore what the approval process needs to look like. The creation of a new zoning district is considered a “legislative” action as opposed to a “quasi-judicial” action like a site plan approval, conditional use permit, or variance. Generally, only the City Council has the authority to make a legislative change to the City’s zoning code since it is an official City document. The Joint Powers Agreement does state that the Township will be involved in zoning decisions, however. At a minimum, the Town Board will need to be involved in an advisory role. Staff will work with the City Attorney to clarify what the formal role of the Joint Powers Board needs to be if there is going to be a legislative change to the City’s zoning ordinance.

Staff would note that all three (3) of these options will require a substantial amount of planning/zoning Staff time and the City Attorney has advised that it probably is not realistic to expect the businesses to cover all of the costs.

ATTACHMENTS
A- Aerial Photograph of Paragon Plaza and the Big Lake Business Center
B- Photographs of Paragon Plaza and the Big Lake Business Center
C- I-1 Industrial Park zoning District Allowed Uses