



**ITEM REPORT
PLANNING AND ZONING COMMISSION**

Agenda Date: 11/12/2025
Agenda Section: New Business

TO: Baxter Planning and Zoning Commission

FROM: Joshua Doty, Community Development Director

REQUEST: **PUBLIC HEARING.** Preliminary and Final Plat of “Costco Second Addition” and a Conditional Use Permits for a drive through and amended joint access for Panera located 13688 Elder Drive (city file 2025-037)

APPLICANT: CA Commercial Development

ZONING: C-2, Regional Commercial

1. Application Request

The applicant is requesting approval of the following items for the roughly .97-acre site:

- **Preliminary and Final Plat** to allow “Costco Second Addition” to create one lot from an outlet; and
- **Conditional Use Permits (CUPs)** to allow a restaurant drive through and amended joint access.

The applicant is proposing to develop the vacant site located between Costco and State Highway 210 with a 3,128-square foot Panera Restaurant with outdoor patio and drive through. Access to the site would be from Elder Drive and Forthun Road, via a private drive on the outer sides of the Costco parking lot which serves Costco and the outer commercial lots along the private drive.

2. Context

Adjacent Land Use and Zoning

	Adjacent Land Use	Zoning
North	Railroad & State Highway 210	N/A
East	Vacant Commercial Lot	C-2, Regional Commercial
South	Vacant Industrial Property	C-2, Regional Commercial
West	Vacant Commercial Lot	C-2, Regional Commercial

Natural Characteristics of the Site

The site has been pre-graded for development. The site is open grassland with no trees. There are no wetlands on the site and the site is not located in a shoreland overlay district and there is no FEMA floodplain on the property.

Utility Commission Review

The Utility Commission reviewed the application on November 5, 2025, and recommended approval of the plat and conditional use permit subject to the following:

1. Enter into an Escrow Agreement prior to issuing a building permit.
2. Enter into a Stormwater Facilities Maintenance Agreement prior to issuing a building permit.

3. Analysis of Request

Preliminary and Final Plat

Staff has reviewed the application for consistency with City Code requirements, as well as City policies.

The City's discretion in approving or denying a preliminary and final plat is limited to whether or not the proposed plat meets the standards outlined in the City Code. If it meets these standards, the City must approve the plat.

Lot Area/Width

The C-2 Regional Commercial zoning district requires a minimum lot area of 20,000 square feet and a minimum lot width of 100 feet for corner lots. The plat would include an interior lot that is approximately 42,253 square feet and approximately 180 feet wide along. Therefore, the lots meet the minimum requirements.

Right-of-Way

No additional right-of-way is required with the subject plat.

Access

The site plan shows one access location on the south side of the property, which connects to a private drive on the outer side of the Costco Parking lot. This private drive was designed to serve Costco and the outer commercial development lots. The private drive connects to Elder Drive and Forthun Road. Staff finds that the access proposed meets the city's requirements.

Park Dedication

Park dedication will be required to be paid prior to recording the plat, according to the most recent fee schedule at that time. This has been added as a condition of the draft resolution.

Conditional Use Permit for a Drive-through

The applicant is requesting a conditional use permit to allow a drive-through for Panera. The zoning ordinance states that drive through business is allowed subject to the following standards:

- The business shall be located on a site with direct access to a minor arterial street, collector, or service road.

The proposed drive-through site is located adjacent to the Burlington Northern Santa Fe Railroad and State Highway 210 rights-of-way and the site has direct access to Elder Drive, which is a Collector Road that has direct access to State Highway 210.

- Drive-Through Lanes: Drive-through or drive-in lanes are not allowed between the building and a lot line that faces a public street. This does not pertain to driveways.

The drive-through lanes are proposed on the south and east sides of the building and are not located between the building and State Highway 210.

- Drive-through facilities, including, but not limited to, the service windows and stacking spaces, shall be separated from residentially zoned or guided property by an arterial or collector street or shall be set back at least two hundred feet (200') from residentially zoned or guided property.

There is not a residentially zoned or guided property within 200 feet of the subject property.

- The public address or order system shall not be audible from any adjacent residentially zoned or guided property. Electronic speaker devices, if used, shall not be audible beyond the property being served and shall not be operated between the hours of ten o'clock (10:00) P.M. and seven o'clock (7:00) A.M., unless extended by the city council as part of the conditional use permit.

The applicant has requested an extension of hours to allow the drive-through operation from 6:00 a.m. to 9:00 p.m. Staff supports the extension request, as there is no residential use in proximity to the drive-through use. Staff has added a condition to the resolution for compliance with this standard.

- Adequate stacking distance shall be provided, which does not interfere with other driving areas, parking spaces, or sidewalks. Stacking spaces shall not interfere with parking spaces or traffic circulation.

The applicant is providing a stacking lane and adjacent escape lane adjacent to the stacking. The stacking does not interfere with parking or circulation of the site.

- Businesses with one drive-through lane shall provide stacking space for at least ten (10) vehicles, as measured from and including the last pick-up station, window, or the like.

The proposed drive-through has 10 stacking stalls in compliance with these ordinance requirements.

- The applicant shall demonstrate that such use will not significantly lower the existing level of service on streets and intersections. The city may require a traffic study to be prepared.

Staff finds this commercial area was designed for high-traffic commercial use and traffic has been previously studied.

- Screening shall be provided of automobile headlights in the drive-through lane to adjacent properties. Such screening shall be at least three feet (3') in height and fully opaque, consisting of a wall, fence, dense vegetation, berm, or grade change.

The applicant has submitted a landscape plan with trees around the perimeter of the drive through. A condition of approval has been added to the draft resolution that prior to issuance of a building permit city staff shall review and approve the specific tree species and locations to ensure compliance with the headlight screening requirements of the zoning ordinance.

- A bypass lane shall be provided for each drive-through use, allowing cars to leave the drive-through lane from the stacking area.

The drive through plans include a code compliant bypass lane.

Conditional Use Permit Amendment for Joint Access

The applicant is requesting a conditional use permit to update the existing joint/cross-access easement. The zoning ordinance permits the setback for parking and drive aisles to be reduced to zero to allow joint driveway and parking across lot lines with approval of a conditional use permit, provided that:

- Driveways and parking areas are designed to accommodate a safe traffic pattern
- Design requirements are met.
- An access master plan is submitted
- A cross-access easement be submitted for approval by the city attorney and recorded.

Staff notes that the attached plans for development serve as the master plan for joint access. Additionally, the joint access connection points on the shared property line are not changing. The CUP is to update easements as needed to reflect the new restaurant use and new traffic pattern. Staff finds that the joint access meets the city's design requirements for joint use and would include a safe traffic pattern. Staff has added a condition to the approving resolution that the applicant shall submit any required amendments to existing private joint access easements as required by the City Attorney. Said amended easement shall be reviewed and approved by the City Attorney and recorded with Crow Wing County.

CUP Standards

Staff has also reviewed the request against the general CUP standards. Section 10-7-4 of the Zoning Ordinance defines the criteria for reviewing and processing a conditional use permit (CUP). Specifically:

- A. Excessive Burden: The use shall not create an excessive burden on existing parks, schools, streets and other public facilities and utilities which serve or are proposed to serve the area.

The City finds that the drive-through business and joint access parking would not create an excessive burden on existing parks, schools, streets, and other public facilities because the use is existing and the surrounding road network has been designed to support the commercial development in the vicinity of the subject property.

- B. Compatibility: The use shall be compatible with adjacent land uses so that existing uses will not be depreciated in value and there will be no deterrence to development of vacant land.

The City finds that the adjacent property is currently developed with commercial use and that drive-throughs and joint access are allowed conditional uses in the C-2 district and therefore, would not depreciate adjacent properties.

- C. Appearance: The use shall have an appearance that will not have an adverse affect (sic) upon adjacent properties.

The City finds that the drive-through and joint access would not have an adverse effect on adjacent properties because the adjacent property is all commercial use and that the applicant will provide screening for the drive through headlights to adjacent properties.

- D. Overall Needs: The use, in the opinion of the planning and zoning commission shall be reasonably related to the overall needs of the city and to the existing land use.

The City finds that drive-throughs and joint access are commonly a part of commercial development.

E. Consistent With Purpose: The use shall be consistent with the purposes of this title and purposes of the zoning district in which the applicant intends to locate the proposed use.

The City finds that the drive-through use and joint access is consistent with the purposes of the zoning ordinance and the C-2 zoning district. Conditions have been added to the resolution addressing ordinance requirements for the conditional uses.

F. Comprehensive Plan: The use shall not be in conflict with the comprehensive plan of the city.

The drive-through use and joint access would not conflict with the comprehensive plan of the city.

G. Traffic: The use will not cause traffic hazard or congestion.

With the conditions in the resolution, the proposed uses would not cause a traffic hazard or congestion.

H. Facilities: The use shall have adequate utilities, access roads, drainage, and necessary facilities.

The site has adequate utilities, access roads, drainage, and necessary facilities.

Site Plan Review

A site plan review for the items listed in the table below is not part of the review for this application. The site plan review will occur prior to issuance of a building permit. However, staff has included the information to show that it appears that the site can be developed in compliance with ordinance requirements.

	Ordinance Requirement	Proposed	Meets/Exceed Requirements
Building Setbacks (principal structure)	35-foot front setback	>35 feet	Yes
	10-foot side setback	>10 feet	Yes
	30-foot rear setback	>30 feet	Yes
Parking & Drive Aisle Setbacks	10-foot setback	10+ feet	Yes
Parking	31 Spaces (One Stall Per 2.5 Seats – 77Seats)	37 spaces	Yes
Parking Stall Dimensions	10 feet by 18 or 20 feet	10 feet by 20 feet	Yes
Drive Aisle Dimensions	24 feet	24 feet	Yes
One Way Drive Aisle Dimensions	14 feet and 16 feet	14 feet and 16 feet	Yes
Parking Lot Sidewalks	Sidewalk Connections from Building to Commercial Sidewalk System	Sidewalk Connections	Yes

Building Height	45 feet	20-foot 4-inches	Yes
Structural Coverage	50 percent	7 percent	Yes
Impervious Surface	88 percent (non-shoreland)	65 percent	Yes
Architectural	Materials from Ordinance List for C-2 Properties	Include Brick, EIFS, & Nichiha	Yes
	Earth Tone Colors	Earth Tone Colors	Yes
Landscaping			
Number of Trees	6 trees	8 trees	Yes
Size of Trees	2-inch and 6 foot	2.5-inch and 6 foot	Yes
Priority Placement of Trees	Front Yard & Perimeter	Front Yard/Perimeter	Yes
Number of Shrubs	8 shrubs	10 shrubs & 122 flowers and grasses	Yes
Size of Shrubs	3 gallon	5 gallon	Yes
Tree Species	Approved Trees List	Approved Tree List	Yes
Percentage of Coniferous	30 % of required trees	30 % coniferous	Yes

*Condition added to resolution

4. Recommendation

Staff recommends approval of the preliminary and final plat of “Costco Second Addition” and a Conditional Use Permits for drive through and amended joint access, subject to the findings and conditions in the draft resolutions.

Attachments

1. Applicant Narrative
2. Site Location Map
3. Draft Resolution Approving Preliminary and Final Plat
4. Draft Resolution Approving the CUP
5. Preliminary Plat
6. Final Plat
7. Development Plans