



ITEM REPORT PLANNING AND ZONING COMMISSION

Agenda Date: 10/13/2026
Agenda Section: New Business

TO: Baxter Planning and Zoning Commission

FROM: Josh Doty, Community Development Director

REQUEST: **PUBLIC HEARING.** Preliminary and Final Plat of “Frandsen Addition” and Conditional Use Permits and Variances to allow the development of Frandsen Bank for property located between State Highway 371, Novotny Road, and Dellwood Drive (city file 2026-037)

APPLICANT: Mohagen Hansen Architecture / Interiors

ZONING: C-2, Regional Commercial

1. Application Request

The applicant is requesting approval of the following items for the nearly 12-acre site:

- **Preliminary and Final Plat** to allow “Frandsen Addition” to create one lot and two outlots from three lots;
- **Conditional Use Permits (CUPs)** to allow a bank drive through and to allow multiple entrance signage; and
- **Variances** for drive through escape lane and building roof pitch.

The applicant is proposing to replat three existing lots into one buildable lot and two outlots. The buildable lot is proposed in the northwest corner of the property to allow development of a new 7,600-square-foot Frandsen Bank with a drive through. Access to the Frandsen Bank lot would be from Novotney Road. The remaining property would be comprised of two outlots for future development.

Previous Applications Affecting Property

In 2024, the City Council approve a Forest Land Conversion CUP that allowed tree clearing in the central portion of the site to complete approved wetland fill on the site.

In 2026, the City Council approved a second Forest Land Conversion CUP that allowed tree clearing in the north/northwest portion of the site to prepare for development of the property.

2. Context

Adjacent Land Use and Zoning

	Adjacent Land Use	Zoning
North	Commercial	C-2, Regional Commercial
East	Commercial	C-2, Regional Commercial
South	Commercial	C-2, Regional Commercial
West	State Highway 371	N/A

Natural Characteristics of the Site

The site is mostly flat with a slight grade-change toward Dellwood Drive. Portions of the property have been cleared for wetland fill and development, while other portions of the site remain wooded. There is wetland that remains on the west portion of the site. 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 October 7, 2026, and recommended approval, subject to the following:

1. Enter into a Development Agreement prior to issuing a building permit.
2. Enter into a Stormwater Facilities Maintenance Agreement prior to issuing a building permit.
3. Enter into a Permanent Access Easement prior to issuing a building permit.
4. Enter into a Construction Repair and Maintenance Agreement prior to issuing a building permit.
5. Landowner must meet the requirements of MnDOT Commissioner of Transportation or their designee as it relates to closing the access on Trunk Highway 371.

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 interior lots (not a corner lot). The plat would create an interior buildable lot that would be approximately 110,642 square feet and 100 feet wide fronting on Novotny Road and 428 feet wide fronting on State Highway 371. Therefore, staff finds that the lots meet the minimum requirements.

Access

The site plans shows one proposed access location to Novotny Road for the Frandsen Bank development. The property also includes a home with access to Novotny Road in the north portion of the site. Since the developer is

proposing to plat the north property into an outlot, the existing home on the property must be demolished because outlots are deemed undevelopable. Staff has added a condition to the resolution regarding the existing home.

Lastly, there is also direct access to State Highway 371 to the property in the southwest corner of the site. Staff has provided notice of this application and said access to MnDOT for their review. MnDOT has reviewed the proposed plat and is working on addressing the potential closure of the access. Staff has added a condition to the resolution that the landowner must meet the requirements of MnDOT Commissioner of Transportation or their designee as it relates to closing the access on Trunk Highway 371.

Park Dedication

City records indicate that park dedication has not been paid on this lot in the past. Therefore, a condition has been added to the draft resolution requiring park dedication to be paid at the current commercial rate for Lot 1, Block 1, Frandsen Addition prior to recording the plat.

Conditional Use Permit for a Drive-through

The applicant is requesting a conditional use permit to allow a drive-through for Frandsen Bank. 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 has frontage on State Highway 371 and access from Novotny, which functions as a service road from the Highway to the site.

- 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 side of the building and are not located between the building and a road.

- 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.

The nearest residentially zoned or guided property is over 1,500 feet away from the subject property and lies across Dellwood Drive which provides the required separation.

- 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.

There is no adjacent residentially zoned or guided property. This has been added as a condition of approval in the draft resolution.

- 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 stacking lanes which do not interfere with driving lanes, parking or sidewalks or circulation of the site.

- Banks with two (2) or more drive-through lanes shall provide stacking space for at least three (3) vehicles per lane, as measured from and including the last pick-up station, window, or the like.

The proposed drive-through has two lanes on the east side of the building. Each lane provides stacking for at least three vehicles.

- 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 commercial traffic and does not significantly lower the existing level of service on the existing street network.

- As regulated in the respective zoning districts, screening may be required 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 drive-through lanes are located on the interior commercial lot side of the property and there is no residential zoned or guided use near the property. Therefore, no screening is required.

- 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 do not include a bypass lane for the double stacking area. The applicant has requested a variance to this requirement, which is discussed later in this report.

Conditional Use Permit for Multiple Entrance Signage

The applicant is requesting a conditional use permit to allow multiple entrance signage. The sign ordinance states that property in the C-2 zoning district shall be permitted one freestanding sign not to exceed twenty-four 200 square feet. The ordinance also states that with a Conditional Use Permit, the owner may divide the allowable sign area into more than one sign at multiple entrances or multiple street frontages. Multiple entrance including more than one pylon, multi-tenant pylon or monument sign may only be approved with a conditional use permit when the signs are located along separate street frontages and provided that the signs are at least two hundred feet (200') apart. The aggregate sign square footage shall not exceed the maximums as set forth at subsection F of this section for the C2 district.

Frandsen is proposing two signs; one pylon sign to be located along Truck Highway 371, and a monument sign on Novotny Road. City Code allows for splitting of the allotted signage for a development between two signs with the approval of a CUP.

General 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 multiple entrance signage would not create an excessive burden on existing parks, schools, streets, and other public facilities because 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 proposed drive-through and multiple entrance sign use would be compatible with adjacent land uses because all adjacent properties are guided and zoned as Commercial. Drive-throughs 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 multiple entrance sign use would not have an adverse effect on adjacent properties because the adjacent property is all commercial use and the drive-through has been designed to minimize impacts on adjacent properties, including the placement of the drive-through lanes.

- 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 signs are commonly a part of commercial development and supports the banking function.

- 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 and multiple entrance sign use 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 and multiple entrance sign use would not conflict with the comprehensive plan of the city because drive-throughs and multiple entrance signage are allowed conditional uses in the C-2 district which corresponds with the commercial guiding of the property in the Comprehensive Plan.

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

The existing road network has been designed for commercial traffic. Therefore, with the conditions in the resolution, staff finds that 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.

Variances

Roof Pitch

The applicant is requesting a variance to allow 4:12 roof pitch. The zoning ordinance allows roof pitch at 6:12 and higher or flat roofs, which are 3:12 and lower. The applicant has submitted an architectural design showing a flat roof in the central area of the building and 4:12 roof pitched gables on each side of the flat roof. The architectural design is fully compliant with the architectural ordinance, except for roof pitch.

Drive-through bypass lane

The site design provides an escape lane at the beginning of the stacking lane. However, there is no escape land for the full stacking portion of the drive through, which requires a variance. In place of the escape lane, the applicant is proposing a parking island to support the foundation wall for the drive through canopy and eight parking spaces.

The variance standards are established by Minnesota Statute §462.357, Subd. 6.2. The burden of proof is on the applicant to show that the variance standards have been met. Specifically:

a) That there are practical difficulties in complying with the Zoning Ordinance.

Staff Finding: The practical difficulties in complying with the ordinance is that the building has a combination of a flat/shed roof and gable roof design. With a 6:12 pitch roof to comply with the ordinance the gables would extend over the flat/shed roof section. There are also practical difficulties in complying with the Zoning ordinance with the drive through. The property design includes parking for the bank use in the location of the escape lane. Additionally, there is an escape lane prior to the three cars of stacking and a secondary stacking lane could be used for a bypass if the other stacking lane is not in use.

b) That the conditions upon which a petition for a variation is based are unique to the parcel of land for which the variance is sought and were not created by the landowner.

Staff Finding: The conditions are unique to the parcel of the land and were not created by the applicant. The bank development is designed to fit in the corner of the property around a wetland in the southwest corner of the property. To fit the bank and the parking for the bank, there is not sufficient space to add the escape lane and meet setbacks. The design allows a building height that is not excessive for the neighborhood.

c) That the granting of the variation will not alter the essential character of the locality.

Staff Finding: the proposed variations would not alter the essential character of the locality because the variances would allow required parking and a lower height to the building. Other nearby properties are zoned C-2 and developed uses allowed in the C-2, Regional Commercial district.

d) The proposed variance would be in harmony with the general purposes and intent of the Ordinance.

Staff Finding: the variances would be in harmony with the general purposes and intent of the ordinance because would allow an improved site and building design that meets the other aspects of the ordinance.

e) The variance is consistent with the Comprehensive Plan.

Staff Finding: The variances would be consistent with the Comprehensive Plan because banks and their related drive throughs are an allowed commercial use.

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	44 spaces	Yes
Parking Stall Dimensions	10 feet by 18 or 20 feet	10 feet by 20 feet	Yes
Drive Aisle Dimensions (two way)	24 feet	24 feet	Yes
Drive Through Stacking Lane Width (one way)	10 feet	10 feet	Yes
Parking Lot Sidewalks	Sidewalk Connections from Building to transportation network	Sidewalk Connections Proposed	Yes
Building Height	45 feet	36 feet	Yes
Structural Coverage	50 percent	14.5 percent	Yes
Impervious Surface	88 percent (non-shoreland)	58 percent	Yes
Architectural	Materials from Ordinance List for C-2 Properties	Metal flashing, stone, brick, architectural metal panels, architectural glazed glass	Yes
	Earth Tone Colors	Earth tone	Yes
	Articulation every 50 feet	Articulated	Yes

Landscaping			
Number of Trees	13 trees	11	No*
Size of Trees	2-inch and 6 foot	Unknown	Unknown*
Priority Placement of Trees	Front Yard & Perimeter	No	No*
Number of Shrubs	17 shrubs	32	Yes
Size of Shrubs	3 gallon	Unknown	Unknown*
Tree Species	Approved Trees List	Unknown	Unknown*
Percentage of Coniferous	30 % of required trees (6)	Unknown	Unknown*

*Condition added to resolution

4. Recommendation

Staff recommends approval of the preliminary and final plat of “Frandsen Addition” and a Conditional Use Permits and variances, subject to the findings and conditions in the draft resolutions.

Attachments

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