



## PLANNING COMMISSION

City Hall—Council Chambers, 3989 Central Ave NE

Wednesday, February 04, 2026

6:00 PM

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### MINUTES

The meeting was called to order at 6:00 pm by Chair (Wolfe) Christopherson.

#### CALL TO ORDER/ROLL CALL

Commissioners present: Jeffrey Johnson, Dirk Schmitz, Karl Rehfuss, Paul Moses, Clara (Wolfe) Christopherson, Ahmed Maameri, John Gianoulis, and Kyannah McKinney (Youth Commissioner)

Also present: Ursula Brandt, City Planner; Sarah LaVoie, Administrative Assistant; Mitch Forney, Community Development Director; Connie Buesgens, Council Liaison.

#### APPROVAL OF MINUTES

##### 1. Approval of October 07, 2025, Planning Commission Meeting Minutes

*Motion by Rehfuss, seconded by Schmitz, to approve the minutes from the meeting of October 07, 2025. All ayes. MOTION PASSED.*

#### OTHER BUSINESS

##### 2. Zoning Code Text Updates Discussion

Introduction: Brandt stated that staff are tracking potential updates to City Zoning Code Chapter 9 (Land Use) based on observations, feedback, and recommendations from staff and community members, with the goal of adjusting the Zoning Code to better reflect community needs while promoting consistency in future development and being in compliance with State and Federal laws.

Brandt noted that the items for discussion include:

##### Places of Worship

Brandt stated the Religious Land Use and Institutionalized Persons Act (RLUIPA), passed in 2000, mandates that religious assemblies and institutions be treated at least as well as non-religious assemblies and institutions. The City's zoning code restricts "religious facilities/places of worship" to residential zones with a conditional use permit, while allowing "auditorium/places of assembly", "banquet hall", "club or lodge", "theater-live performance", and "theater – movie" in commercial zones. This creates a conflict with RLUIPA.

Brandt stated that staff is recommending the code be updated to add "religious facilities/places of worship" as permitted with a conditional use permit in General Business (GB) and Central Business District (CBD), with the same specific development standards as required in the residential zones. This would make the use consistent with a "banquet hall" in the City zoning code.

Johnson mentioned that on Sundays, the high school is open for a church. He wondered how that would fit into the zoning code. Brandt replied that schools are technically in residential zones. She mentioned that some churches are businesses, such as Heights Coffee Bar. She added that a dance studio reached out to the City wanting to do dance classes for most of the week, and have a church service on Sundays. She explained that staff's recommendation would allow businesses to operate normally, and then get a conditional use permit if they are hosting a religious service on another day.

Forney asked the Commission if there were any conditions that should be discussed with applicants. He mentioned that an option could be to include parking in the conditions.

(Wolfe) Christopherson added that traffic considerations could be included. Moses asked if the code would include religious facilities being used as businesses or if it was simply allowing services in the commercial business district. Brandt replied that it was allowing services in the commercial business district with a conditional use permit.

(Wolfe) Christopherson asked if signage would be included in the business district guidelines. Brandt agreed.

Johnson asked if Heights Theater could host a service. Brandt replied that currently, Heights Theater could not, but if the Planning Commission approved the changes, then Heights Theater could do that. Johnson asked if Heights Theater could charge churches to rent out the space. Brandt replied that Heights Theater would be allowed to do that.

### **Non – Conformities**

Brandt noted that State Statute 462.357 Subdivision 1e states: “Except as otherwise provided by law, any nonconformity, including the lawful use or occupation of land or premises existing at the time of the adoption of an additional control under this chapter, may be continued, including through repair, replacement, restoration, maintenance, or improvement, but not including expansion”. The City’s zoning code does not allow for “replacement” and is therefore in conflict with the State Statute.

Brandt noted that staff is recommending amending 9.105 Nonconformities (C) Nonconforming Structures (4) Repair and maintenance to include replacement that does not increase the nonconformity in any way.

### **Multiple-family dwelling, when above a first-floor commercial use**

Brandt stated the City’s zoning code permits “multiple-family dwelling, when above a first-floor commercial use” in the Central Business District (CBD), but restricts “Single family dwelling, when accessory to a commercial use” to the Limited Business (LB) district with a conditional use permit.

Brandt explained that staff is recommending changing the allowed use to “single and multiple family dwelling, when above a first-floor commercial use” in the Central Business District (CBD) to allow single apartments above commercial uses.

Brandt asked the Commission if they saw any potential issues with the proposed change. Schmitz asked what would be considered a residential area. He gave an example of a business being in front of the building, with the kitchen or living room area in the back, with bedrooms. Wolfe added that there could be a single-level commercial building, but there is room in the back for a dwelling unit. She wondered how that would be treated. Forney explained that staff generally follow the definition of a dwelling unit based on the building code. The definition requires a place for sanitation, a living facility, a bedroom, and a kitchen. If the kitchen were off the back and the dwelling units were above, it would not be allowed under the current code.

Moses asked if the Code was for new construction or if it would be grandfathered in for existing dwelling units. Forney replied that it would be for new construction and existing.

Gianoulis explained a situation where there is a walkout and access to the basement level of a commercial business. He added that he has seen a building where there are two stories, but the access is on the basement level. He wondered if that situation should be considered. Forney asked the Commission if they would want to allow for a situation like Gianoulis described. He added that the at-grade-level floor commercial space would not be allowed. Schmitz suggested having language that said street level or address level instead of the second floor.

Schmitz asked if there would be a difference in taxes if it were owner-occupied or if it were a rental unit. Forney replied that he did not think it mattered because the tax classification of the primary commercial property would be considered.

### **Smoke Shops**

Brandt noted that on November 24, 2025, the City Council adopted Ordinance 1720 regarding Chapter 5.3 Tobacco Regulations. 9.103, 9.106, and 9.107 in the Zoning Code need to be updated to reflect the changes.

Staff Recommends the following changes:

#### 9.103 Definitions

~~SMOKE TOBACCO PRODUCT SHOP~~. A retail establishment that has obtained an appropriate license, in which greater than 90% of the business's gross revenue must be from the sale of tobacco, tobacco products, or smoking related accessories, and prohibits persons under 21 from being present or enter at all times. ~~ACCESSORY TOBACCO RETAILER~~. A retail establishment that has obtained an appropriate license from the City and that derives no more than 45% of its gross revenues from the sale of licensed products.

9.106 General Development Standards. Add the Accessory Tobacco Retailer use to the table as permitted in all commercial districts.

#### 9.107 Specific Development Standards

(43) ~~Smoke~~ Tobacco Product shops.

- a) ~~The smoke shop~~ Must have an entrance door opening directly to the outdoors.
- b) Share no wall with, and has no part of its structure adjoined to any other business or

- retailer, unless the wall is permanent, completely opaque and without doors, windows and pass-throughs to the other business or retailer
- c) Shall share no walls with, and has no part of its structure directly adjoined to, another tobacco retailer
  - ~~b) Greater than 90% of the business's gross revenue must be from the sale of tobacco, tobacco products or smoking related accessories.~~
  - ~~c) A tobacco department or section of any individual business establishment with any type of liquor, food or restaurant license shall not be considered a smoke shop.~~
  - ~~d) The total number of city issued smoke shop licenses shall at no time exceed five.~~
  - d) Any existing ~~smoke~~ tobacco product shops at the time of the passage of Ord. ~~1570~~ 1720 shall comply fully with the ordinance by ~~December 31, 2010~~ January 1, 2026.

Recommendation: Staff is recommending the following amendments to the Zoning Code:

1. 9.103 Definitions update Smoke Shop to Tobacco Product Shop and add the definition of Accessory Tobacco Retailer.
2. 9.105 Nonconformities to include replace in Repair and Maintenance of a Nonconforming structure but does not allow for an increase in nonconformity with the replacement.
3. 9.106 General Development Standards (S) Table of Uses
  - a. Add Single Family Dwelling Unit when accessory to commercial as permitted in the Central Business District
  - b. Change Smoke Shops to Tobacco Product Shops
  - c. Add Accessory Tobacco Retailer as permitted in all Commercial Districts
  - d. Add Religious facility/place of worship as a Conditional Use in General Business and Central Business District
4. 9.107 Specific Development Standards
  - a. Amend (43) Smoke Shops to be in alignment with Ordinance 1720 as presented above.

Johnson asked to clarify that THC products sold in liquor stores were not included in the Code being presented. Brandt agreed that the Code was specifically for tobacco. Wolfe mentioned that the City is phasing out the strict tobacco product shop. If there is an existing license, it can be passed down to someone else if the regulations are followed. Forney clarified that the license can be transferred once within two years. He added that the City cannot regulate cannabis, which is why it is not included in the Code. Wolfe noted that an existing tobacco product shop could continue on as long as it is in compliance.

Schmitz asked how a situation would be handled if an older adult had an underage child with them at a tobacco product shop. Forney replied that the same rules for liquor stores would apply to the situation.

### 3. Comprehensive Plan Update Review Committee

Brandt explained that staff are putting together a review committee for the Comprehensive Plan process. The committee will include Planning Commission Commissioners and residents. The committee will have contact with the consultant and the public engagement process, and will provide input throughout the process. The Council would like to see a representative from the Commission on the review committee. She asked for volunteers who would like to serve on the review committee. Forney noted that Gianoulis is the only Commissioner whose term would end during the Comprehensive Plan process, but believed Gianoulis was going to apply to be on the Commission again.

Brandt noted that Gianoulis was on the review committee during the last Comprehensive Plan and asked what his experience was. Gianoulis replied that it was informative, and the consultant did a good job.

Schmitz volunteered to be on the review committee. Wolfe volunteered for the review committee and noted that she had one more year on the Commission, and suggested representing the committee as a resident for the second year of the Comprehensive Plan development. Forney asked Councilmember Buesgens if the Council would be comfortable with having two Planning Commissioners on the review committee. Councilmember Buesgens confirmed that it would be suitable to have both commissioners on the review committee.

Forney provided the Commission with general business updates.

Forney stated that the developer who was working on the Medtronic site backed out of the project. The developer could not find a developer to take on the market-rate portion of the project. Medtronic relisted the property, and there have been a couple of developers who have been in contact with the City with similar ideas to the original proposed project.

Forney noted that there has been movement on the 4300 Central Avenue site. The City bonded for Alatus to purchase the property. The City remortgaged the property at the end of the year and reissued permanent bonds. The City has a set three-year window where the project has to move forward; otherwise, it has to go to someone else. The City has begun the Comprehensive Plan amendment process for the site, and the site will be rezoned as Transit-Oriented Development. The first neighborhood meeting for the project will take place on February 18<sup>th</sup>. The developer cannot apply for a PUD or any of the approvals until the City has completed the Comprehensive Plan amendment. The original plan included putting in residential and commercial buildings above a

giant platform of underground parking, which means every phase of the plan needs to be built at the same time, which can be expensive. The project has shifted into a phased approach. The first phase will include high-density residential. Each phase will include its own parking built in.

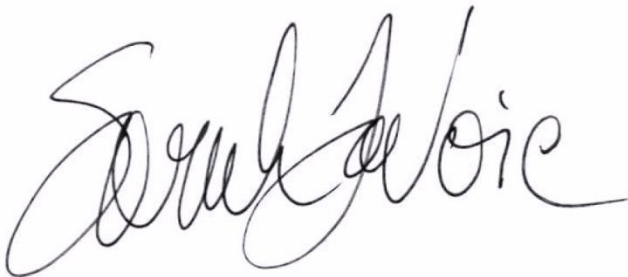
Reh fuss mentioned that the Commission voted to change some watershed zoning for the Medtronic site because of the zoning. He wondered if that was still in place since the developer backed out. Forney replied that it is not in place, and it is back to square one. He explained that the City is working with MWMO and MnDOT to figure out how to treat the water before it enters the lake.

Forney stated that the Park Master Plan has started. The plan will help identify what parks are needed and what amenities the public wants to see in parks. The Planning Commission will not have much of a role in the Parks Master Plan. Forney encouraged the Commissioners to be engaged with the Parks Master Plan process as residents.

#### **ADJOURNMENT**

*Motion by Reh fuss, seconded by Schmitz, to adjourn the meeting at 6:40 pm. All ayes. MOTION PASSED*

Respectfully submitted,



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Sarah LaVoie, Administrative Assistant