



BOARD OF TRUSTEES STAFF MEMORANDUM

DATE: October 13, 2025
TO: Mayor and Board of Trustees
FROM: Josh Olhava, AICP, Contract Staff - Planning Department
SUBJECT: **QUASI JUDICIAL (PUBLIC HEARING)** – Resolution 46-2025 – Preliminary Plat and Preliminary Development Application for a new mixed-use commercial and residential development located at 1016 Grand Avenue and 1001, 1005, and 1007 Lake Avenue (commonly referred to as the Leatherwood Development).

Overview

- **Property Owner and Applicant:** Spirit Lake Condos, LLC
- **Applicant's Representative:** Jim Kreutzer
- **Consultant:** Gabe Bellow, MA Studios
- **Location:** 1016 Grand Avenue and 1001, 1005, and 1007 Lake Avenue
- **Zoning:** Commercial Zone District (C)
- **Attachments:**
 - Application
 - Preliminary Development Plan and Plat

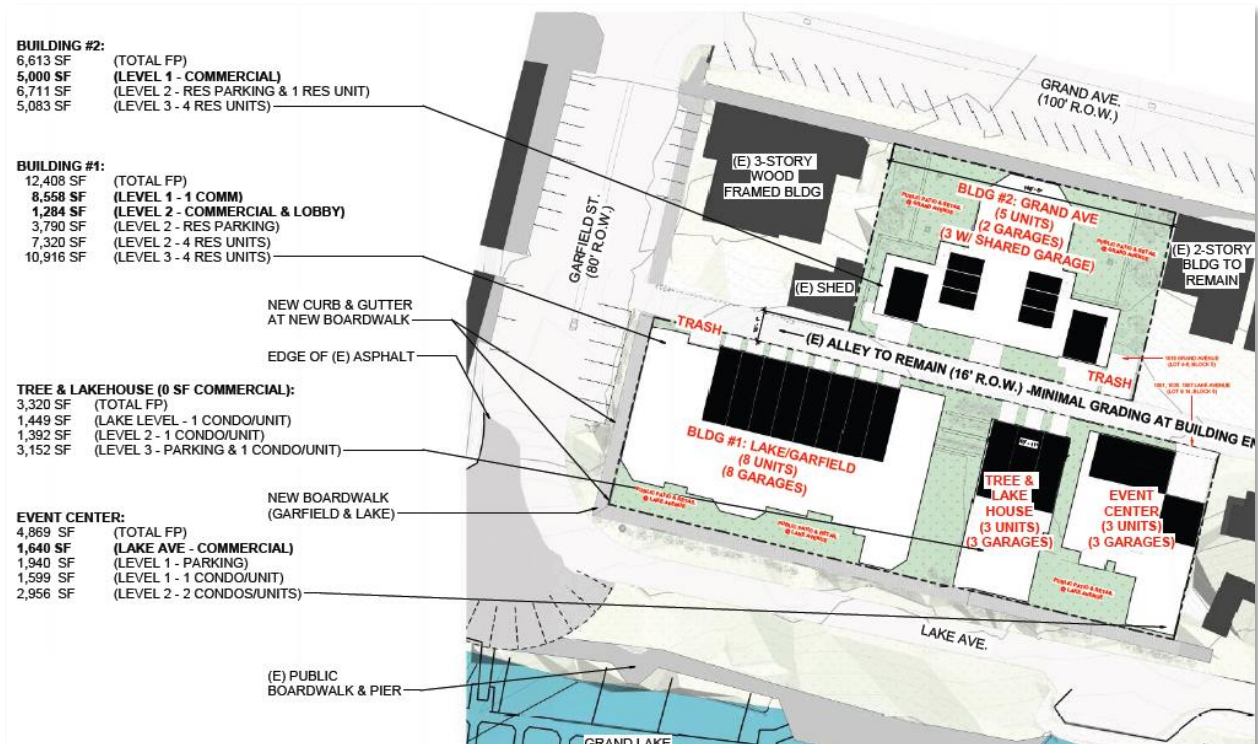


The applicant is proposing to develop a new multistory mixed-use development comprised of three new



buildings and the renovation of two existing buildings along Lake Avenue. The proposal includes 16,482 square feet of new ground floor commercial space and 19 residential units, with a mix of 1, 2, and 3-bedroom units. Parking is provided on-site for the residential units and utilize the on-street parking credit allowance in code for the commercial areas. Open space is also provided on-site following current code requirements.

Excerpt from the Preliminary Development Plan (attached)



Excerpt of Grand Avenue Rendering from the Preliminary Development Plan (attached)



Excerpt of Lake Avenue Rendering from the Preliminary Development Plan (attached)



Background

The Planning Commission and Town Board of Trustees have held different meetings with the applicant over the past year and a half regarding the project. The applicant has continued to revise the plans to meet the current code requirements and the requests of the Planning Commission and Board of Trustees.

The formal meetings documented by staff include the following.

- Summer 2024 – Town Board and Planning Commission concept plan review
- December 4, 2024 – Planning Commission sketch plan review
- January 8, 2025, and February 2, 2025 – Planning Commission recommendation on early variance requests for the site.
- February 10, 2025 – Board of Trustees action on early variance requests for the site.
- August 20, 2025 – Planning Commission recommendation on a variance request for first floor residential for the site.
- August 25, 2025 – Board of Trustees action on a variance request for first floor residential for the site.
- October 08, 2025 – Planning Commission recommendation on the preliminary plat and preliminary development plan.

The applicant submitted the initial preliminary application materials on June 30, 2025, along with a variance request that was presented to the Commission and Trustees for consideration in August 2025 (as noted above). During that time, the preliminary plans were sent to referral agencies to review. Staff and the applicant received a few comments regarding utility easements and coordination with utility providers that will be addressed prior to the final development plans being presented to the Planning Commission and Board of Trustees, pending action on this preliminary plan review.

Pages 18-20 of the attached Preliminary Development Plan show prior iterations of the architecture that were presented to the Commission and Trustees. These show the evolution of changes that were requested and required based on denial of certain variance requests.

Staff Analysis

Public notices were completed following Municipal Code requirements for Preliminary Plan applications. Notices included both the Planning Commission and Board of Trustees meeting details.

The applicant revised their plans to meet existing code requirements, and the requests of the



Commission and Trustees. Staff were able to review these updates at a high level and will continue to review further as the applicant works towards the final development plan submittal. The following key observations capture critical code requirements and prior discussions by the Commission and Trustees.

- Preliminary Plat: Staff will continue to collaborate with the applicant to refine the preliminary plat application to combine necessary lots for buildings that overlap existing lot lines.
- Building Height: Based on the drawing provided, it appears the maximum allowed height of 40 feet (35 feet, plus five feet due to site topography for each building) has been met by the applicant.
 - Sec. 12-2-6 – Definitions for Height, Building
 - Sec. 12-2-18(C) – Commercial District Zoning Standards
- Parking: The plans accurately calculate on-site parking for residential units with the applicant providing more than required by code. Additionally, the applicant has accurately calculated the on-street parking credit for the site.
 - Sec. 12-2-28(B) – Parking Requirements
 - Sec. 12-2-28(B)3. – On-Street Parking Credits
 - Please note parking is one of the elements staff is evaluating and working at the direction of the Trustees to review and clarify as part of our efforts to develop a Downtown Zoning Overlay to preserve the downtown character of the community. We don't anticipate the changes to impact the final development plans for this project.
- Open Space: The applicant revised their plans to show adequate on-site open space under current code requirements.
 - Sec. 12-2-26 – Mixed Use Developments
 - Please note that as part of staff's work on the Downtown Zoning Overlay, the on-site open space requirements are anticipated to be drastically reduced or removed to preserve the downtown character of the community. The applicant may choose to modify their plans before final review and action by the Trustees for the final development plan if the updated ordinance is adopted by the Trustees. This work is anticipated for Commission review and Trustee action within the next two months.
- Architecture: Plans have been revised by the applicant following the Sketch Plan review and earlier discussions with the Trustees. The included architectural details and materials align with current code requirements based on staff's high-level review of the revised plan set provided at the end of September 2025. A couple of core elements staff will continue to collaborate with the applicant on including the following.
 - The distribution of windows and wainscoting along the bottom of the windows on the ground floor to preserve the existing architectural characteristics of the community.
 - Roof pitches and forms to maintain the height but also add variation, particularly along Grand Avenue.
 - Separation of materials to distinguish building entrances and unit variations.

Staff reviewed the preliminary plans and reports and find no deficiencies at this time. The applicant noted they will continue to work with utility providers and final approval from such providers will be required prior to a final development plan being presented to the Commission and Trustees. Final plans and reports will be reviewed in greater detail with the final development plan submission.

Staff Recommendation

Based on the plans as presented, and discussions and feedback received from the Commission and



Trustees during prior meetings, staff recommends approval of the preliminary plat and development plan.

Planning Commission Recommendation

The Planning Commission held a public hearing on the preliminary plat and preliminary development plan request during their regularly scheduled meeting on October 08, 2025. Following presentations by staff and the application, public comment, and discussion by the Commission, the Commission forwarded a recommendation for approval of the preliminary plat and preliminary development plan by a 6-0 vote.

Sample Motions

Approval with or without conditions

I move to approve Resolution 46-2025, a resolution approving a preliminary plat and preliminary development plan for a new mixed-use commercial and residential development located at 1016 Grand Avenue and 1001, 1005, and 1007 Lake Avenue (commonly referred to as the Leatherwood Development)

OR... with the following conditions:

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Denial

I move to approve Resolution 46-2025, a resolution denying a preliminary plat and preliminary development plan for a new mixed-use commercial and residential development located at 1016 Grand Avenue and 1001, 1005, and 1007 Lake Avenue (commonly referred to as the Leatherwood Development), based on the following findings of fact:

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