

To: Honorable Mayor and Spring Lake Park City Council From: Evan Monson, AICP

Project/File: 193805540 Date: March 24, 2026

REQUEST: Conditional Use Permit (CUP) request for 8421 Center Drive NE for an “Retail and service establishments essential to the operation of an I-1 district and providing goods and services primarily for the use of persons employed in the district” use

APPLICANTS: Ronda Disch - Alpha Human Services / Alpha Emergence Behavioral Health

PROPERTY OWNER: Center Drive Holdings, LLC

PROPERTY LOCATION: 8421 Center Drive NE, Suite B (Parcel ID 01-30-24-12-0081)

ZONING CLASSIFICATION: Light Industrial District (I-1)

REVIEW PERIOD: 60-day review period ends 5/8/2026.

ITEMS REVIEWED: Application and materials received on 3/3/2026 and 3/9/2026.

INTRODUCTION

8421 Center Drive NE is owned by Center Drive Holdings, LLC, and consists of two units/suites for use – Unit A and Unit B. Unit B is being proposed as a space for a warehousing and retail business operated by Alpha Emergence Behavioral Health, a non-profit mental health services company. The proposed use would support a workforce development program called The Come Up, that according to the applicant's submittal would provide *“training and employment skills to individuals who face significant barriers to employment, particularly individuals with criminal justice system involvement. Participants receive hands-on training in operating an e-commerce business, including inventory management, shipping logistics, point-of-sale systems, retail merchandising, and customer service. The retail component allows trainees to practice these skills in a structured environment while selling merchandise produced by the program’s affiliated e-commerce business.*

In discussions with the applicant, the items that would be available for retail would be overstock items and returned items from large ‘big box’ retail establishments. If the CUP is approved, approximately 60% of Unit B would be retail space, with the rest being storage and warehousing of products. The applicant estimates that one to two employees would typically be on-site. Up to eight (8) will be present at one time during training sessions, for two to four hours of the day. Training sessions would, per the applicant, likely occur once a month.

For the I-1 zone, “Retail and service establishments essential to the operation of an I-1 district and providing goods and services primarily for the use of persons employed in the district” is permitted as an conditional use as per [16.64.040 Appendix D: Schedule Of Permitted Uses By District](#).

CUPs require review by the city’s Planning Commission, and are approved or denied by the City Council. The process and procedures the city follows for conditional use requests are outlined in Section 16.56 of the zoning ordinance.

PROPERTY INFORMATION

Parcel Description: The property at 8421 Center Drive NE is approximately 0.24 acres in size and is located on the northeast side of the city. The County Highway 10/Central Avenue NE interchange is southwest of the property. The property contains a multi-tenant commercial building that is approximately 6,900 square feet (SF) in size. Unit B is approximately 3,500 SF in size. There is limited space for parking and loading on the rear / east side of the property, as well as parking on the front / west side of the property along Center Drive NE.

Surrounding properties include a variety of commercial and industrial businesses along Center Drive NE. The property owner of 8421 Center Drive NE also owns the 8409, 8413, 8415, and 8419 Center Drive NE properties. There are some multifamily uses nearby, while areas further east consist primarily of single-family detached houses.



Figure 1: Aerial of the site, per Anoka County GIS. Parcel lines are shown in yellow. Subject property is outlined in red, with the suites/units labeled.

EVALUATION OF REQUEST

Comprehensive Plan

The city's 2040 [Comprehensive Plan](#) designates the subject property as "Commercial/Industrial" on the Future Land Use Map (see Figure 2-2 within the Plan). The proposed use is an allowed use in the city's I-1 zone and is therefore consistent with, and compatible with, the property's future land use designation.

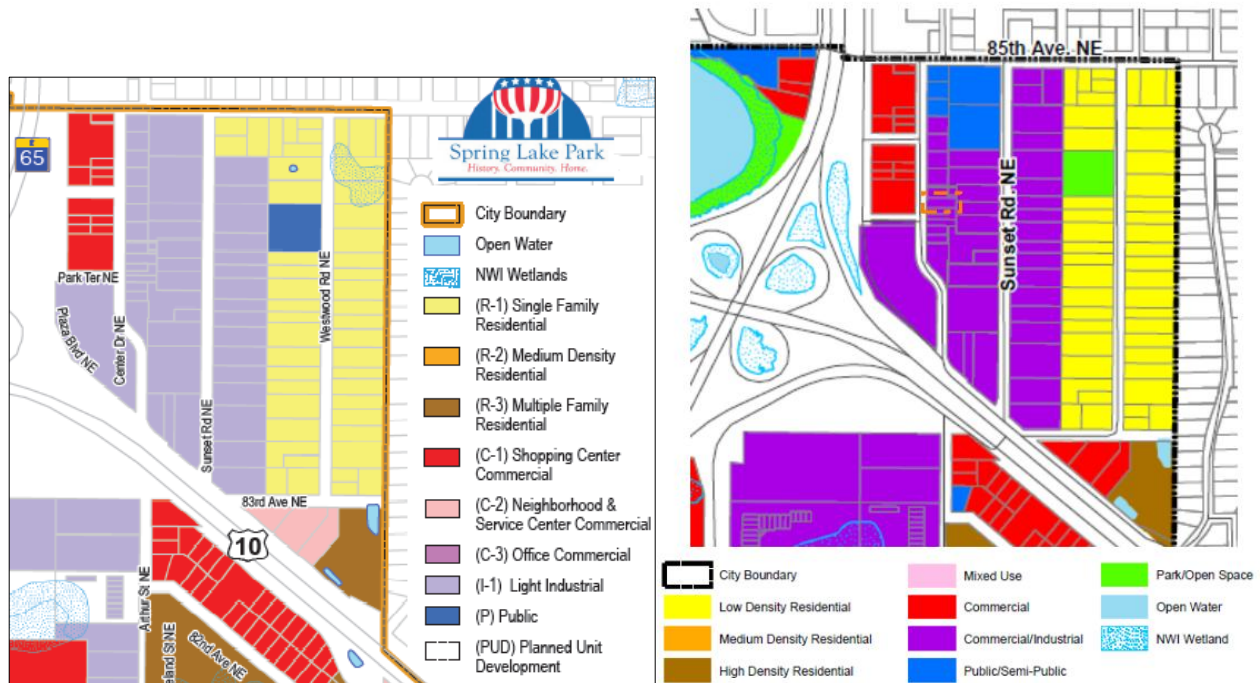


Figure 2 (Left): Excerpt of city's zoning map. Figure 3 (Right): Excerpt of city's 2040 Future Land Use Map. Subject property outlined in orange.

Zoning Code

There are no building additions being proposed to the property as a part of this request. Section 16.64.050 lists the dimensional standards for the city's zones, while Section 16.64.010 lists the minimum off-street parking requirements based on use. The existing building and parking areas on the property predate the city's current zoning code, which makes the property legally nonconforming to today's standards.

The city's off-street parking requirements are based on the type of use; a "Retail store, department store" would be required to have ten spaces per each 1,000 square feet of gross floor area. This is the only retail type of use listed in Section 16.64.010. This off-street parking requirement may make sense for a department store, which would typically be quite large and attract a significant amount of customers, though it is a high bar to require for a business that would have 2,000 SF or less of retail space.

The city has previously allowed 'retail' uses on the site with the same limitations on parking and loading as the current applicant would have. A previous retail use on the site – Sashe Market – [received a CUP](#) for a retail use in this unit of the property in 2021. Staff noted at that time that the off-street parking requirements varied widely by use, and that the property would meet code if applying the same parking requirement as an industrial use. The low number of staff and employees that are proposed to be on-site at a time, combined with retail business becoming more focused on online than in-person sales, results in less

demand being generated for parking, which makes the current parking arrangements sufficient for this proposed use.

As previously noted, the property owner owns the 8409, 8413, 8415, and 8419 Center Drive NE properties. There are 40 total parking spaces (22 parking stalls in front along Center Drive NE, and 18 in the rear) split between the five properties owned by Center Drive Holdings, LLC. There are access easements that allow for access to the rear of the properties. The subject parcel has seven stalls in front, and four in the rear; previous tenants of Unit B have been allocated seven (7) of the 40 parking spaces. CUPs for past and current tenants in these properties have been limited to these existing loading and parking spaces.



Figure 4: Aerial of site, with accesses to rear parking/loading areas identified in white.

Criteria for Review

The criteria in Section 16.56.030(E)(1) of the Zoning Code related to Conditional Uses are as follows in *italics*:

- a. *The proposed use at the particular location requested is necessary or desirable to provide a service or a facility which is in the interest of public convenience and will contribute to the general welfare of the neighborhood or community;*

The proposed use “Retail and service establishments essential to the operation of an I-1 district and providing goods and services primarily for the use of persons employed in the district” would result in

sales of products and goods that are overstocked or returned items from larger retailers. Retail of such goods would provide a convenient option for those working in the nearby area, and the city at large.

- b. *The use will not, under the circumstances of the particular case, be detrimental to the health, safety, morals, or general welfare of persons residing or working in the vicinity or injurious to property values or improvements in the vicinity;*

The proposed use, if adhering to city code, will not be detrimental to people in the vicinity. The site has most recently been used for a small grocery store, while other customer-facing retail and service uses have and are currently operating in the neighborhood.

- c. *The proposed use will comply with the regulations specified in this title for the district in which the proposed use is to be located;*

The property is legally nonconforming to the city's zoning code; the development of this parcel predates the current zoning requirements. The proposed business will not make any changes to the existing building, and the applicant will have to adhere to limit parking to spaces that are located on the property or other spaces that are owned by the property owner.

- d. *The use is one of the conditional uses specifically listed for the district in which it is to be located;*

The proposed use "Retail and service establishments essential to the operation of an I-1 district and providing goods and services primarily for the use of persons employed in the district" is a conditional use in the I-1 zone.

- e. *The proposed use shall not have a detrimental effect on the use and enjoyment of other property in the immediate vicinity;*

The proposed business does not include any additions to the existing building. The proposed use does not appear to be creating any impacts or limitations to the use and enjoyment of other nearby and adjacent properties.

- f. *The use will not lower property values or impact scenic views in the surrounding area;*

Based on the applicant's submittal, the proposed use does not appear to impact any scenic views or property values. Adherence to city code requirements regarding noise, exterior storage, and nuisances would ensure that property values are not negatively impacted.

- g. *Existing streets and highways and proposed access roads will be adequate to accommodate anticipated traffic;*

The existing street system is sufficient to serve the proposed use.

- h. *Sufficient off-street parking and loading space will be provided to serve the proposed use;*

The property is nonconforming to today's zoning code, and does not have space to add additional parking beyond what is existing. The property owner owns multiple parcels on the block, with each tenant limited to a set number of stalls per suite/unit. There are 40 stalls total split among the five lots.

The property has sufficient parking and loading/unloading space. Previous and current tenants have been able to utilize the existing available space for parking and loading/unloading. The proposed use

does not appear to demand/generate more loading/unloading than previous permitted and conditional uses allowed on the site.

- i. The use includes adequate protection for the natural drainage system and natural topography;*

There are no changes to the site being proposed that would impact drainage.

- j. The proposed use includes adequate measures to prevent or control offensive odor, fumes, dust, noise, or vibration so that none of these will constitute a nuisance; and*

The proposed use will have to adhere to requirements under city code regarding odor, fumes, dust, noise, and vibration.

- k. The proposed use will not stimulate growth incompatible with prevailing density standards.*

Not applicable.

Based on the findings above, the proposed use meets the criteria for approval of a CUP.

OTHER REVIEW

- Engineering: No comments.
- Building Department: a certificate of occupancy will be required prior to the business moving in.

The Planning Commission held a public hearing on this request at their March 23rd meeting. A representative of the applicant provided details of the workforce development program, noting that the business focuses on internet sales currently but would be able to accommodate in-person retail sales at this location if the CUP is approved. He also explained the types of goods and products that would be sold and stored on the property, the number of employees, and how many people would be on-site at a time. The commissioners discussed with the representative the parking situation on the property, and how deliveries would work. The representative noted that their operation would not send or receive deliveries via semi-trucks. Most trainees of the development program do not own personal vehicles and would get to the site via transit or other means of travel, so the limited amount of parking is not anticipated to be an issue. The commissioners recommended approval of the request, with the findings and conditions as presented by staff.

OPTIONS

The City Council can do one of the following:

1. Approve of the request, with findings for approval and with or without conditions.
2. Deny the request, with findings for denial.
3. Table the request for further review and/or study.

RECOMMENDATION

The Planning Commission recommended the City Council approve of the requested Conditional Use Permit (CUP) request for an "Retail and service establishments essential to the operation of an I-1 district and providing goods and services primarily for the use of persons employed in the district" use at 8421 Center Drive NE Suite B (Parcel ID 01-30-24-12-0081), with the following conditions and findings of fact:

Findings of Fact:

1. The applicant proposes operating a retail and warehousing business within the existing Unit/Suite B space on the property. Said business would be part of a workforce development program operated by Alpha Emergence Behavioral Health.
2. "Retail and service establishments essential to the operation of an I-1 district and providing goods and services primarily for the use of persons employed in the district" is allowed as a conditional use within the Light Industrial (I-1) zoning district in which the subject property is located.
3. The existing lot, building, and parking areas predate the current city code – the property is legally nonconforming.
4. The applicant's proposed use meets the criteria in Section 16.56.030(E)(1) of the city's zoning code for approval of a conditional use permit (CUP).

Conditions of Approval:

1. The applicant is allowed to operate a "Retail and service establishments essential to the operation of an I-1 district and providing goods and services primarily for the use of persons employed in the district" use within Unit/Suite B of 8421 Center Drive NE, per the submittal received by the city and reviewed with this request.
 - a. An amendment to this permit will be required for any expansion of the proposed use on the site.
2. Off-street parking shall be limited to spots designated for use by the property owner.
3. The applicant shall acquire all applicable local, County, State, and Federal permits for this project.
4. The applicant shall adhere to all applicable local, County, State, and Federal requirements for this project.
5. The applicant shall pay any fees and escrows associated with this request.