



**MONTROSE
PLANNING AND ZONING COMMISSION MEETING
AGENDA**

**Wednesday, November 8, 2023
7:00 PM**

**Montrose Community Center
200 Center Avenue South
Montrose, Minnesota 55363**

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. Approval of Agenda

5. Approval of Minutes

A. October 11, 2023 Planning and Zoning Commission Meeting Minutes

6. Public Hearing

A. To Consider an Ordinance Amendment to Chapter 1031 of the Montrose Zoning Ordinance, Related to Provisions for Sacred Settlements and Micro-Units by Conditional Use Permit

7. Old Business

A. No Old Business

8. New Business

A. No New Business

9. Next Meeting

A. Wednesday, December 13, 2023 to be held at the Montrose Community Center – 7:00 p.m.

10. Adjournment

*** * Please note that a quorum of the City Council may be present at the Planning and Zoning Commission Meeting. * ***

City of Montrose
 Planning and Zoning Commission Meeting
 Montrose Community Center
 200 Center Avenue South
 Wednesday, October 11, 2023
 7:00 P.M.

1. CALL TO ORDER

Pursuant to call and notice the Montrose Planning and Zoning Commission met in Regular Session on Wednesday, October 11, 2023 at 7:00pm.

Planning and Zoning Commission Chair, Mr. Charles Smallwood, called the meeting to order at 7:00 p.m.

2. ROLL CALL

Present: Commissioner Charles Smallwood
 Commissioner Catherine Neiberger
 Commissioner Roger Fraumann
 Commissioner Shawn Cuff
 Commissioner Sylvia Henry
 City Council Liaison Sam Solarz

Staff Present: Ms. Jessica Bonniwell, City Administrator
 Mr. Steve Grittman, City Planner

3. PLEDGE OF ALLEGIENCE

The Pledge of Allegiance was taken.

4. APPROVAL OF THE AGENDA

Commissioner Henry motioned to approve the October 11, 2023 Planning and Zoning Meeting Agenda as presented. Commissioner Cuff seconded the motion. Motion carried 5-0.

5. APPROVAL OF THE MINUTES

A. July 12, 2023 Planning and Zoning Commission Meeting Minutes

Commissioner Henry motioned to approve the July 12, 2023 Planning and Zoning Commission Meeting Minutes as presented. Commissioner Cuff seconded the motion. Motion carried 5-0.

6. OLD BUSINESS

A. Update on Preserve Developer and Progress

Ms. Bonniwell stated that since Planning and Zoning has not had a meeting since July, she wanted to update them that the City Council ended up selecting JP Brooks as the developer for the Preserve, which was the recommendation of the commission. Ms. Bonniwell stated staff is currently working with the developer on a sale agreement and will likely be starting the TIF process soon if the developer applies for

that.

7. NEW BUSINESS

A. “Sacred Settlements” Zoning Amendment Discussion

Mr. Grittmann reviewed his meeting report regarding Sacred Settlements legislation that was passed this year.

Background and Analysis:

During the 2023 legislative session, the Legislature passed a bill authorizing religious institutions beginning Jan.1, 2024, to site micro-unit dwellings on religious institution property. It also requires cities to permit sacred settlements of micro units either via a permitted use or conditional use. This legislation was a part of the State’s efforts to address homelessness and affordability for the target populations.

As written, cities are required to accommodate these “sacred settlements”, although as noted, the City can do so by Conditional Use.

Currently in Montrose, religious institutions are allowed in specific zoning districts, including the following:

- R-B: Residential Business (by Conditional Use Permit)
- B-2: Highway Business (in the form of the permitted use “Theater”)
- INS: Institutional District (as a permitted use)

The city has churches located in a variety of zoning districts. The operation of the statute relates to “faith communities”, not zoning specifically. Therefore, it is presumed that the allowance of these settlements would be allowed as an accessory use to any existing religious institution, and would not constitute an expansion of a non-conforming use if the church were located in a district where the church is otherwise not allowed.

The state’s legislation specifies the following aspects of these uses:

Individuals Qualifying for Micro Unit Eligibility

Micro-unit dwellings within sacred settlements are intended to provide an additional means for faith communities to serve chronically homeless individuals, designated volunteers, and extremely low-income individuals in accordance with their religious vocations.

- An individual who meets the definition of being chronically homeless is someone who is unhoused and lives or resides in a place not meant for human habitation, a safe haven, or in an emergency shelter for at least one year, or on at least four separate occasions in the last three years.
- An individual who meets the definition of being extremely low income has an income that is equal to or less than 30% of the area median income.
- A designated volunteer is an individual who has not experienced homelessness and is approved by the religious institution to live in the sacred settlement as their sole form of housing.
- The language defines a religious institution to include a church, synagogue, mosque, or religious organization organized under Minnesota Statutes Chapter 315.

Micro-Unit Structure Requirements

There are myriad of requirements and minimum standards in the statutory language that address both the standards for the micro units themselves as well as requirements and restrictions for faith communities that chose to establish a sacred settlement of micro units on their religious property.

- Under the new law, micro-units must meet certain building requirements and standards to be allowed for placement in a sacred settlement on religious property.
- All micro units must be built to the requirements of the American National Standards Institute (ANSI) Code 119.5, which includes standards for heating, electrical, fire, and life safety.
- Additionally, micro units are subject to inspection for compliance with statutory standards and must meet the following minimum requirements:
 - Be no more than 400 gross square feet.
 - Be built on a permanent chassis and anchored to pin foundations with engineered fasteners.
 - Have exterior material compatible in composition, appearance, and durability to materials used in standard residential construction.
 - Meet minimum framing standards and insulation ratings for doors and windows and include a dry, compostable, or plumbed toilet meeting Minnesota Pollution Control Agency rules.
 - Include smoke and carbon monoxide detectors and comply with municipal setback requirements if established by ordinance or be set back on all sides by at least 10 feet if no ordinance exists.
 - Have access to water and electric utilities either by connecting the units to the principal building or by providing access to permanent common kitchen facilities and common facilities for toilet, bathing, and laundry consistent with boarding house requirements under Minnesota Rules, part 1305.2902.

Minimum Standards for Settlements

In addition to the requirements for individual units, the law establishes minimum standards for the religious institution's operation of the settlement itself, which will be important to reference if a city chooses to permit settlements and units via a conditional use permit to ensure compliance.

Minimum standards for settlements include:

- Appropriate level of insurance and have between one-third and 40% of the micro units occupied by designated volunteers.
- Adherence to all laws governing landlord and tenants under Minnesota Statutes Chapter 504B.
- A written plan provided to the city in which the settlement is approved by the religious institution's governing board that includes:
 - Plans for disposal of water and sewage if not plumbed and septic tank drainage if plumbed units are not connected to the primary worship location's system.
 - Adequate parking, lighting, and access to units by emergency vehicles.
 - Protocols for security and addressing conduct within the settlement as well as safety protocols for severe weather.
 - Authorization by a municipality as either a permitted use or conditional use without the application of additional standards not included in the bill.

The legislation is codified in MN State Section 327.30. It is presumed to be permitted, unless the City establishes the use as a Conditional Use. Thus, if the City passed no regulations, the use could be added to any existing faith community location as an accessory use, presuming that it complies with the regulations in the State law.

Because certain such religious uses can be located in places where the introduction of residential uses could create new land use conflicts that are not anticipated by the zoning district in which the religious use exists, staff recommends the accompanying ordinance amendment to require that such uses are allowed only by Conditional Use

Permit. While Conditional Uses are presumed to be allowed in the district, there is a degree of discretion over that of a permitted use that gives the City some opportunity to ensure that the residential uses are reasonably compatible with the site and the neighborhood.

The following additional standards are recommended for the Conditional Use Permit Review:

1. The proposed settlement meets all conditions and requirements of MN Stat. Section 320.30.
2. Settlements established under this provision shall only be allowed on the property of the principal sponsoring faith community, and shall be an accessory use, not the principal use of the property.
3. Setbacks for the micro-units are equal to the required setback of that of the zoning district on the adjoining parcel.
4. Where such uses are located adjacent to any single family residential use, a landscape buffer providing reasonable screening between such uses is provided.
5. Where such uses are located adjacent to any Business or Industrial property, a landscape buffer and a solid maintenance-free fence shall be provided to both screen the uses and provide a physical separation.
6. Access to the micro-units in a community created under this provision shall be only through the internal private access of the sponsoring faith community, and not through other properties nor directly to the public street.
7. Parking supplies for the property shall be adequate to serve both the residential use established under this provision, and for all other principal uses of the property, including the primary religious institutional use. As the residential use is a round-the-clock use of the property, each unit shall be afforded one parking space in addition to the other parking requirements of the site use.
8. Other requirements of the City as deemed necessary to ensure health and safety of the proposed community, and compatibility with the neighborhood in which the use is located.

With these conditions, staff believes that the City can comply with the requirements of the legislation, and where the facilities are proposed, the residential uses introduced will be compatible with the areas in which they may be constructed.

Staff Recommendation:

Planning staff recommends adoption of a zoning ordinance amendment incorporating the requirements of State law, and provide the City the opportunity to ensure that the use is introduced and operated in areas that can reasonably accommodate the impacts of the use on the neighborhood, and the those impacts of the surrounding area that may impact the residential use as proposed.

Discussion was held amongst the Planning and Zoning Commission regarding the proposed ordinance to implement additional zoning restrictions and conditional use permit conditions to the Sacred Settlement legislation.

Commissioner Fraumann asked if the commission could see the original language in the legislation that was passed – Mr. Gritman stated that staff will be able to provide that. Mr. Gritman stated that he recommends passing the new zoning ordinance in order to protect the city and give the city some authority over something like this and ensuring that each request for a sacred settlement would have to go through the CUP approval process. The commission agreed that they would like to place additional restrictions and ensure the requests have to go through the CUP approval process. Ms. Bonniwell stated that since this would be a zoning change, a public hearing will have to be held at the November Planning and Zoning meeting, and then will move to Council for final approval. Ms. Bonniwell stated she would schedule a public hearing for November 8th.

****Ms. Bonniwell stated that two more items needed to be added to the agenda if the commission agreed****

Commissioner Henry motioned to approve the addition under New Business Item B. 231 Center Ave S House Relocation, and Item C. Mayor Moynagh Regarding Meeting Etiquette. Commissioner Cuff seconded the motion. Motion carried 5-0.

B. 231 Center Ave S – House Relocation

Mr. Travis Helkamp requested to speak with Planning and Zoning regarding the relocation of an existing house to the empty lot at 231 Center Ave S. Mr. Helkamp stated that he has had discussions with the County and building officials regarding moving a building and that his building is structurally sound enough to move. Mr. Helkamp stated that one thing that may be an issue depends on how they plan to place the house on the lot, and if they place it one way versus the other, it might require a variance to be closer than ten feet (10') to the property line. Mr. Grittmann stated that in order to be granted a variance several factors will be looked at, including how close other homes in the area are to the property line. Mr. Grittmann stated that it looked like the neighboring property also had a smaller five-foot (5') setback, and things like that would be taken into consideration. Mr. Helkamp stated that they would not require a setback variance just for the house itself, but they wanted to be able to expand the driveway area a bit, which would push the house closer to the property line. Mr. Helkamp stated that he was just looking for a general consensus for approval to move the house to the property and will determine later if a variance will need to be applied for. Mr. Helkamp stated that his family would like to put an offer on the vacant property, and wanted to have initial approval from Planning and Zoning so they would feel comfortable moving forward with the property purchase. The commission stated they are okay with him moving forward with the property purchase since it sounded like besides maybe needing a variance, there are not any other issues that appear to exist.

C. Meeting Etiquette

Mayor Moynagh addressed the commission regarding cell phone use and meeting etiquette.

8. NEXT MEETING

A. Wednesday, November 8, 2023 to be held at the Montrose Community Center – 7:00 p.m.

9. ADJOURNMENT

Commissioner Henry motioned to adjourn the meeting at 7:38 p.m. Commissioner Neiberger seconded the motion. Motion carried 5-0.

ATTEST:

Charles Smallwood
Planning and Zoning Chair
City of Montrose

Jessica Bonniwell
City Administrator
City of Montrose

MEMORANDUM

TO: Montrose Mayor and City Council
Montrose Planning Commission

FROM: Stephen Gritman

RE: Montrose – “Sacred Settlements” Zoning Amendment

GC FILE NO: 130.02 – 23.02

DATE: November 1, 2023

MEETING DATE: November 8, 2023 (PC) – Public Hearing

PID: NA

BACKGROUND AND ANALYSIS

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- B-2, Highway Business (in the form of the permitted use “Theater”)*
- INS, Institutional District (as a permitted use)

* The notation relating to the B-2 District (Theater) is based on a series of both Federal law and Court interpretations that require an allowance for religious land use in areas where similar commercial land uses are allowed. Theaters are the most commonly applied example of this type. Thus, it is presumed that the allowance of Theaters in the B-2 District would compel the City to also allow a religious institution.

The city has churches located in a variety of zoning districts. The operation of the statute relates to “faith communities”, not zoning specifically. Therefore, it is presumed that the allowance of these settlements would be allowed as an accessory use to any existing religious institution, and would not constitute an expansion of a non-conforming use if the church were located in a district where the church is otherwise not allowed.

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STAFF RECOMMENDATION

Planning staff recommends adoption of a zoning ordinance amendment incorporating the requirements of State law, and provide the City the opportunity to ensure that the use is introduced and operated in areas that can reasonably accommodate the impacts of the use on the neighborhood, and the those impacts of the surrounding area that may impact the residential use as proposed.

ORDINANCE NO. 2023 _____
CITY OF MONTROSE
COUNTY OF WRIGHT
STATE OF MINNESOTA

**AN ORDINANCE AMENDMENT TO CHAPTER 1031 OF THE ZONING ORDINANCE
OF THE CITY OF MONTROSE, RELATED TO PROVISIONS FOR SACRED
SETTLEMENTS AND MICRO-UNITS BY CONDITIONAL USE PERMIT**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MONTROSE THAT
THE FOLLOWING CHAPTER AND SECTIONS OF THE ZONING ORDINANCE ARE
AMENDED AS FOLLOWS:**

Section 1. Chapter 1031 is amended to read as follows:

Section 1031. Sacred Settlements and Micro-Units. Pursuant to MN Stat. Section 327.30, the City hereby establishes such land uses as Accessory Uses by Conditional Use Permit in any district in which the principal use of Religious Institution is located. The use shall comply with the following conditions:

1. The proposed settlement meets all conditions and requirements of MN Stat. Section 327.30.
2. Settlements established under this provision shall only be allowed on the property of the principal sponsoring faith community, and shall be an accessory use, not the principal use of the property.
3. Setbacks for the micro-units are equal to the required setback of that of the zoning district on the adjoining parcel.
4. Where such uses are located adjacent to any single-family residential use, a landscape buffer providing reasonable screening between such uses is provided.
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8. Other requirements of the City as deemed necessary to ensure health and safety of the proposed community, and compatibility with the neighborhood in which the use is located.

Section 2. This ordinance shall be published by summary publication, and the original kept on file with the City Clerk for public view.

Section 3. This ordinance shall be effective immediately upon its passage and publication.

ADOPTED this ____ day of _____ 2023, by the City Council of the City of Montrose.

Kirby Moynagh, Mayor

Moved by:
Seconded by:

ATTEST:

Jessica Bonniwell, City
Clerk/Administrator