



STAFF REPORT

DATE: 10/18/22

**REGULAR
MOTION**

TO: City Council
FROM: Ben Hetzel, Lake Elmo City Planner
AGENDA ITEM: Crossroads East CUP Request – Delwin Transfer

INTRODUCTION:

Delwin Transfer recently submitted a conditional use permit application for a motor freight and warehousing use at the northeast quadrant of intersection Hudson Boulevard N and Lake Elmo Avenue N (PID 3602921330020).

The proposed use would be located in the Crossroads East First Addition Business Park PUD development. City Council approved the Crossroads East First Addition final plat and final planned unit development (PUD) on November 3, 2021. As part of the PUD approval, there are specific uses that are readily permitted that would normally require conditional use permit approval. This approved Planned Unit Development has this use listed as a conditional use.

No additional buildings or structures are being proposed as part of this request. The request is to allow the use to operate and occupy space within the approximate 150,000 square foot Crossroads East Office Warehouse that has already been approved on Block 1 Lot 1 of the Crossroads East First Addition Plat.

ISSUE BEFORE THE CITY COUNCIL:

Should City Council approve the requested conditional use permit for a motor freight and warehousing use?

REQUEST DETAILS/ANALYSIS:

<i>Applicant:</i>	Delwin Transfer
<i>Property Owner:</i>	Crossroads East LLC
<i>Location:</i>	11160 Hudson Blvd N, Suite 345
<i>Request:</i>	Conditional Use Permit for motor freight and warehousing
<i>Site Area:</i>	12.9 acres
<i>Existing Land Use:</i>	Large commercial building under construction
<i>Existing Zoning:</i>	Business Park/ Light Manufacturing PUD
<i>Surrounding:</i>	North - Low Density Residential PUD South - NA East – Rural Transitional West – Rural Transitional
<i>Comprehensive Plan:</i>	Business Park

Deadline for Action: Application Complete – 8/25/22
 60 Day Deadline – 10/25/22
 Extension Letter - NA

Regulations: Article XV Commercial Districts
 LEC 105.12.110(b)(11)
 LEC 105.12.410 Off-Street Parking

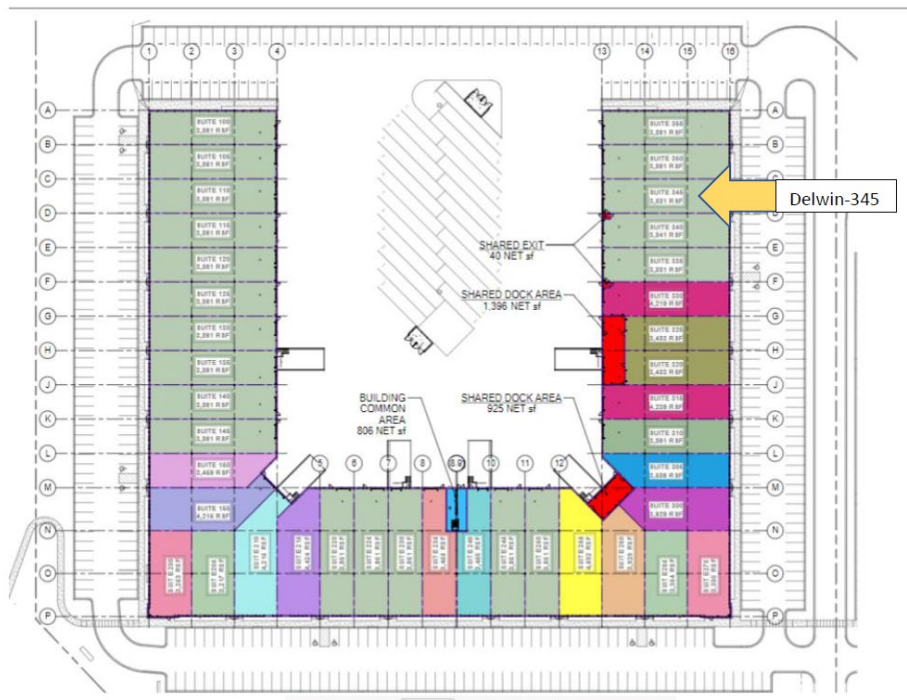
PROJECT ANALYSIS

Delwin Transfer is a contract trucking company that provides transportation for food grade commodities. The suite space would be used for office space and maintenance of company equipment. The office space is primarily for business support services, scheduling, and finance. The warehouse space would be used for maintenance work and storage of parts and equipment. Sixteen semi-trucks and trailers will be stored onsite and leave the location once in the morning and return once in the evening and park in the centrally located truck and trailer parking area shown in the figure below.

The proposed use would be located in suite 345 with 3,861 total square feet of floor space. 618 square feet would be dedicated to the office space while 3,243 square feet would be dedicated to warehouse space. There would be 3 office employees and up to 17 drivers. If approved, this and future motor freight and warehousing uses must comply with the adopted Conditions of Approval and intensification of the use would require approval by the City Council.

Parking

The final plat and planned unit development approval has a condition that there must be a breakdown of the types of uses and their floor spaces with a detailed parking calculation for each. The Lake Elmo City Code requires 1 space per 300 square feet of office or sales area and one space per 3,000 square feet of storage area. Based on number of employees and semi-trucks and trailers, 20 regular parking stalls and 16 semi-truck parking stalls would be needed.



REVIEW COMMENTS

Fire Department (Summary of Memo dated September 9, 2022)

1. Building address numbers and suite identification shall be plainly visible from the street and have contrasting color from the background. Size and placement shall be approved by the Fire Department.
2. The fire sprinkler system shall be installed compliant with code.
3. Dry chemical fire extinguishers shall be provided and installed.
4. Rooms containing controls for air-conditioning systems, roof access, elevator equipment, sprinkler risers and valves, or other fire detection/suppression equipment shall be identified for the use of the fire department.

Landscape Architect

The applicants would be tenants with the Crossroads east development with no additional exterior improvements/changes being proposed. These CUP applications do not require landscape or tree preservation review.

RECOMMENDED CONDITIONAL USE FINDINGS

Conditional use means a land use or development as defined by ordinance that would not be appropriate generally but may be allowed with appropriate restrictions as provided by official controls only upon a finding that all of the following provisions are met. Staff recommends the following findings:

1. The proposed use will not be detrimental to or endanger the public health, safety, comfort, convenience or general welfare of the neighborhood or the city. ***The use will not endanger the public health, safety, comfort, convenience or general welfare of the neighborhood or the City.***
2. The use or development conforms to the City of Lake Elmo Comprehensive Plan. ***The site has already been rezoned to the zoning guided by the 2040 Comprehensive Plan.***
3. The use or development is compatible with the existing neighborhood. ***The proposed use is within the Crossroads East First Addition development. The lot directly to the east is also within the Crossroads East First Addition development, which is allowed similar permitted or conditionally permitted uses. The property to the west is undeveloped, but is guided for Mixed-Use Commercial zoning which has the ability to incorporate vehicle related uses as well. The conditions of approval are designed to minimize any impacts on existing and future residential neighborhoods. The developer is also improving the screening along the residential development by placing a 6 foot high opaque fence on top of the existing berm and relocating trees by December 31, 2022 to negate negative impacts on the residential development to the north.***
4. The proposed use meets all specific development standards for such use listed in the Zoning Code. ***The use meets all the specific development standards for an automotive maintenance and repair use set forth in LEC 105.12.110(b)(11). Because the conditional use permit will run with the land, any future motor freight and warehousing use must also meet the standards.***
5. If the proposed use is in a flood plain management or shoreland area, the proposed use meets

all the specific standards for such use listed in Article XIX (Shoreland Management) and Title 100 (Flood Plain Management). ***The proposed use is not in a flood plain management or shoreland area.***

6. The proposed use will be designed, constructed, operated, and maintained so as to be compatible in appearance with the existing or intended character of the general vicinity and will not change the essential character of that area. ***The proposed use does not require the construction of any new buildings or change in appearance of the Crossroads East Office Warehouse. The building has already been approved and near completion. All maintenance and storage of equipment and parts will be done indoors. The planned improved screening will also help protect the essential character of the area.***

7. The proposed use will not be hazardous or create a nuisance as defined under this Chapter to existing or future neighboring structures. ***The proposed use is not of a hazardous nature, nor should it create a nuisance. In addition to the nuisance standards of the City Code, the conditions of approval were created in order to prevent negative impacts on existing or future neighboring structures.***

8. The proposed use will be served adequately by essential public facilities and services, including streets, police and fire protection, drainage structures, refuse disposal, water and sewer systems and schools or will be served adequately by such facilities and services provided by the persons or agencies responsible for the establishment of the proposed use. ***The proposed use will be served adequately by essential public facilities and services.***

9. The proposed use will not create excessive additional requirements at public cost for public facilities and services and will not be detrimental to the economic welfare of the community. ***The proposed use will not create excessive additional requirements at a public cost.***

10. The proposed use will not involve uses, activities, processes, materials, equipment, and conditions of operation that will be detrimental to any persons, property, or the general welfare because of excessive production of traffic, noise, smoke, fumes, glare, or odors. ***As proposed, the use will not produce excessive traffic, noise, fumes, glare, or odors due to the recommended conditions of approval. All maintenance and repair activities will be conducted indoors. Vehicles used for the shipment of goods and materials are not operating onsite the majority of the day, nor do all vehicles operate every day.***

11. Vehicular approaches to the property, where present, will not create traffic congestion or interfere with traffic on surrounding public thoroughfares. ***The proposed use should not create traffic congestion or interfere with traffic on the surrounding public thoroughfares. Approval of the Crossroads East development required the installation of turn lanes into the property entrance, minimizing the chances for traffic congestion.***

12. The proposed use will not result in the destruction, loss, or damage of a natural or scenic feature of major importance. ***The use will not result in the destruction, loss, or damage of a natural or scenic feature of major importance.***

FISCAL IMPACT:

None

CONDITIONS OF APPROVAL

1. The applicant must obtain all other necessary City, State, and other governing body permits and approvals before receiving an occupancy permit.
2. Intensification of the use beyond what is proposed and approved will require City approval of a Conditional Use Permit Amendment.
3. All conditions in the Fire Chief's memorandum dated September 9/9/22 must be met prior to receiving an occupancy permit.
4. This approval is for a motor freight and warehousing use in suite 345 only. Any expansion outside the designated suite space will require approval from the City of Lake Elmo.
5. Outdoor storage of transfer materials is not included in this approval.
6. Overhead doors shall remain closed unless a vehicle is entering or leaving the tenant space.
7. There shall be no more than 16 shipment vehicles and trailers onsite at any one time.
8. The hours of operation shall be limited to 6:30 AM-5:00 PM Monday through Friday.
9. No additional outdoor lighting shall be added without City approval.
10. Tractors and trailers may only park in the in the designated parking area located in the central northern area of the plans of Crossroads East First Addition of Lot 1, Block 1.

PUBLIC COMMENT:

A public hearing notice was sent to surrounding property owners on September 14, 2022 and published in the Stillwater Gazette on September 16, 2022. Staff has received two comments via email that were against the proposed use, citing concerns of an inadequate landscaping buffer for the homes to the north, and that the proposed use is not consistent with a light industrial business park.

The public hearing on September 26th produced comments and concerns mainly concerning the ongoing construction onsite such as inadequate screening, closed roads, fumes dust control and not following working hours. There were concerns that there would be an inability to control tenants.

OPTIONS:

The City Council may:

- Approve the request.
- Approve the request with conditions.
- Deny the request, citing findings of fact for denial.

RECOMMENDATION:

The Planning Commission recommended denial of the proposed use at the September 26, 2022 meeting. Findings for denial included inappropriate screening for the residential development to the north, increased traffic, and the hours of operation not being appropriate. The hours of operation identified in the conditions of approval have been adjusted since the Planning Commission meeting.

Staff recommends that the City council approve the conditional use permit request from Delwin Transfer to allow a motor freight and warehousing use with conditions in suite 345 at 11160 Hudson Blvd N.

“Motion to approve Resolution No. 2022-096 with conditions, approving the subject conditional use permit for a motor freight and warehousing use in suite 345 at 11160 Hudson Boulevard N.”

ATTACHMENTS:

- 1) Land Use Application
- 2) Written Statements
- 3) Location Map
- 4) Site Plan
- 5) Suite Location
- 6) Fire Department Memo dated September 9, 2022
- 7) Public Comments

Date Received: _____
Received By: _____
Permit #: _____

THE CITY OF
LAKE ELMO

651-747-3900
3880 Laverne Avenue North
Lake Elmo, MN 55042

LAND USE APPLICATION

- Comprehensive Plan Zoning District Amend Zoning Text Amend Variance*(see below) Zoning Appeal
- Conditional Use Permit (C.U.P.) Flood Plain C.U.P. Interim Use Permit (I.U.P.) Excavating/Grading
- Lot Line Adjustment Minor Subdivision Residential Subdivision Sketch/Concept Plan
- PUD Concept Plan PUD Preliminary Plan PUD Final Plan Wireless Communications

Applicant: Delwin Transfer
Address: 11160 Hudson Blvd N Suite 245 Lake Elmo MN 55042
Phone #: 651-731-0510
Email Address: delwintransfer@aol.com

Property Owner: Crossroads East, LLC
Address: 7200 Hudson Blvd N, Suite 230 Oakdale MN 55128
Phone #: 651-731-0708
Email Address: d.johnson@crossroadsproperties.net

Property Address: 11160 Hudson Blvd N Lake Elmo MN 55042
PID#: 36.029.21.33.0020

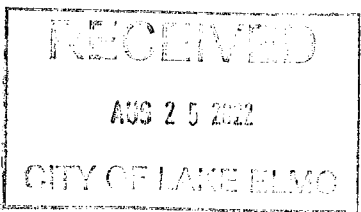
Detailed Reason for Request: Required Conditional Use permit per PUD

*Variance Requests: As outlined in Section 301.060 C. of the Lake Elmo Municipal Code, the applicant must demonstrate practical difficulties before a variance can be granted. The practical difficulties related to this application are as follows:

In signing this application, I hereby acknowledge that I have read and fully understand the applicable provisions of the Zoning ordinance and current administrative procedures. I further acknowledge the fee explanation as outlined in the application procedures and hereby agree to pay all statements received from the City pertaining to additional application expense.

Signature of applicant: Sherron White Date: 8/25/2022

Signature of property owner: David Johnson Date: 8/25/22



Land Use Application -Conditional Use Permit-
Section 2. Written Statement

a. Contact Information:

Crossroads East, LLC 7200 Hudson Blvd. Suite 230, Oakdale, MN 55128.
David Johnson (651)731-0708 d.johnson@crossroadsproperties.net

b. Site Data:

Address	11160 Hudson Blvd N, Lake Elmo MN 55042
Current Zoning	BP Business Park
Parcel Size	Total: 14.20 acres Land: Lot 12.91 acres 562,558 sq. ft. Outlot: 1.28 acres 55,898 sq. ft.
Property ID (PIN)	36.029.21.33.0020 and 36.029.21.33.0022
Legal Description	Lot 1, Block 1, and Outlot A, Crossroads East First Addition

c. Property History:

Past use	Agricultural
Current Use	Single level, 148,999 square foot multi-tenant office warehouse building under construction

d. Proposed use:

Tenant:	Delwin Transfer
Property:	11160 Hudson Blvd, Lake Elmo, MN
Suite(s):	345

Architecture Occupancy Code: Group B for Office and Group F-1 for Warehouse

Description: Contract trucking company providing transportation services for food grade commodities. Suite will be used for offices and maintenance of company equipment. They contract primarily with General Mills. In the morning their empty semi-trucks leave to go pick up materials, transfer materials to various inner-city locations and return at night empty to park in the secure parking area of the Crossroads East property. They have about 16 trailers that will be going in and out approx. one time per day – morning out and afternoon in. The office staff is primarily providing business support services like scheduling, finance, etc. Typical maintenance work is performed on the tractors and trailers as needed. Warehouse is storage for parts and tools.

Website:	None
No of Employees:	3 office employees and up to 17 drivers
Office SF	618 SF
Warehouse	3243 SF

Parking Requirements: They will have 16 semi-trailer secure parking spots in the middle of the secure lot. No other secure parking will be needed. Not all tractor trailers run every day. The trucks leave early morning and come back in the afternoon.

They have a need for between 3-17 daily parking spaces depending on business activity.

PUD Requirements

b. Services

xv) Transportation services

e. Justification of proposed use: This use meets all the requirements in this section.

Tenant: Delwin Transfer

Property: 11160 Hudson Blvd, Lake Elmo, MN

Suite(s): 345

Architecture Occupancy Code: Group B for Office and Group F-1 for Warehouse

Description: Contract trucking company providing transportation services for food grade commodities. Suite will be used for offices and maintenance of company equipment. There is no warehousing of goods on premise. They contract primarily with General Mills. In the morning their empty semi-trucks leave to go pick up materials, transfer materials to various inner-city locations and return at night empty to park in the secure parking area of the Crossroads East property. They have about 16 trailers that will be going in and out approx. one time per day – morning out and afternoon in. The office staff is primarily providing business support services like scheduling, finance, etc. Typical maintenance work is performed on the tractors and trailers as needed. Warehouse is storage for parts and tools.

Website: None

No of Employees: 3 office employees and up to 17 drivers

Office SF 618 SF

Warehouse 3243 SF

Parking Requirements: They will have 16 semi-trailer secure parking spots in the middle of the secure lot. No other secure parking will be needed. Not all tractor trailers run every day. The trucks leave early morning and come back in the afternoon.

They have a need for between 3-17 daily parking spaces depending on business activity.

Our buildings plans show a truck and trailer parking area with the fenced secured parking area. All trucks and trailers will be parked within this area.

Noise Concerns: All vehicle work is performed within their space. No loud noises are generated by the work.

Lighting Nothing beyond the stand exterior lighting that we have proposed for the project.

Public Health Concerns	There are no concerns related to endangering public health or welfare for the neighborhood or city.
Confirms to Comprehensive Plans	The development conforms to the city comprehensive plan
LEC 105.12, art IX	The proposed use meets all specific development standard for such use listed in LEC 105.12, art. IX
Floodplain	This is not applicable for this development.
Exterior Character of Project	The proposed use does not modify the current look and construction of the CR East project.
Hazard or Nuisance	The use of this tenant will not be hazardous or create a nuisance, as defined, to existing or future neighboring structures.
Public Facilities Service	The proposed use will be adequately supplied by the public facilities as per the CR East plan requirements
Add'l Public Costs	There are no additional requirements at public cost for public facilities and services and will not impact the economic welfare of the community.
Traffic, Noise, smoke, etc.	This business does not produce excessive traffic, noise, smoke, fumes, glare or odors. The trucks leave the premise between 5:30-7am Monday through Friday and return to the building mid-afternoon.
Vehicle Congestion	This business will not create any traffic congestion or interfere with traffic on the surrounding Hudson Blvd and Lake Elmo Ave roadways.
Destruction Nature	This business will not damage or remove any natural or scenic feature of major importance.
PUD Requirements	b. Services xv) Transportation service

**CITY OF LAKE ELMO
WASHINGTON COUNTY
STATE OF MINNESOTA**

RESOLUTION 2022-096

**A RESOLUTION APPROVING A CONDITIONAL USE PERMIT WITH
CONDITIONS FOR A MOTOR FREIGHT AND WAREHOUSING USE IN SUITE
345 AT 11160 HUDSON BOULEVARD N.**

WHEREAS, the City of Lake Elmo is a municipal corporation organized and existing under the laws of the State of Minnesota; and

WHEREAS, Delwin Transfer (the "Applicant") has submitted an application to the City of Lake Elmo (the "City") for a Conditional Use Permit for a motor freight and warehousing use in suites 345 at 11160 Hudson Blvd N (PID# 3602921330020) (the "Property"); and

WHEREAS, the Lake Elmo Planning Commission held a public hearing on said matter on September 26, 2022; and

WHEREAS, the Lake Elmo Planning Commission has submitted its report and recommendation to the City Council as part of a Staff Memorandum dated October 18, 2022; and

WHEREAS, the City Council considered said matter at its October 18, 2022 meeting; and

NOW, THEREFORE, based on the testimony elicited and information received, the City Council makes the following:

FINDINGS

- 1) That the procedures for obtaining said Conditional Use Permit are found in the Lake Elmo Zoning Ordinance, Section 105.12.290.
- 2) That all the submission requirements of said Section 105.12.290 have been met by the Applicant.
- 3) That the proposed Conditional Use Permit is for a motor freight and warehousing use.
- 4) The approved Planned Unit Development for Crossroads East First Addition lists a motor freight and warehousing use as a conditional use.
- 5) The proposed use will not be detrimental to or endanger the public health, safety, comfort, convenience or general welfare of the neighborhood or the city. ***The use will not endanger the public health, safety, comfort, convenience or general welfare of the neighborhood or the City.***
- 6) The use or development conforms to the City of Lake Elmo Comprehensive Plan. ***The site has already been rezoned to the zoning guided by the 2040 Comprehensive Plan.***

- 7) The use or development is compatible with the existing neighborhood. ***The proposed use is within the Crossroads East First Addition development. The lot directly to the east is also within the Crossroads East First Addition development, which is allowed similar permitted or conditionally permitted uses. The property to the west is undeveloped, but is guided for Mixed-Use Commercial zoning which has the ability to incorporate vehicle related uses as well. The conditions of approval are designed to minimize any impacts on existing and future residential neighborhoods. The developer is also improving the screening along the residential development by placing a 6 foot high opaque fence on top of the existing berm and relocating trees by December 31, 2022 to negate negative impacts on the residential development to the north.***
- 8) The proposed use meets all specific development standards for such use listed in the Zoning Code. ***The use meets all the specific development standards for an automotive maintenance and repair use set forth in LEC 105.12.110(b)(11). Because the conditional use permit will run with the land, any future motor freight and warehousing use must also meet the standards.***
- 9) If the proposed use is in a flood plain management or shoreland area, the proposed use meets all the specific standards for such use listed in Article XIX (Shoreland Management) and Title 100 (Flood Plain Management). ***The proposed use is not in a flood plain management or shoreland area.***
- 10) The proposed use will be designed, constructed, operated, and maintained so as to be compatible in appearance with the existing or intended character of the general vicinity and will not change the essential character of that area. ***The proposed use does not require the construction of any new buildings or change in appearance of the Crossroads East Office Warehouse. The building has already been approved and near completion. All maintenance and storage of equipment and parts will be done indoors. The planned improved screening will also help protect the essential character of the area.***
- 11) The proposed use will not be hazardous or create a nuisance as defined under this Chapter to existing or future neighboring structures. ***The proposed use is not of a hazardous nature, nor should it create a nuisance. In addition to the nuisance standards in the City Code, the conditions of approval were created in order to prevent negative impacts on existing or future neighboring structures.***
- 12) The proposed use will be served adequately by essential public facilities and services, including streets, police and fire protection, drainage structures, refuse disposal, water and sewer systems and schools or will be served adequately by such facilities and services provided by the persons or agencies responsible for the establishment of the proposed use. ***The proposed use will be served adequately by essential public facilities and services.***
- 13) The proposed use will not create excessive additional requirements at public cost for public facilities and services and will not be detrimental to the economic welfare of the community. ***The proposed use will not create excessive additional requirements at a public cost.***
- 14) The proposed use will not involve uses, activities, processes, materials, equipment, and

conditions of operation that will be detrimental to any persons, property, or the general welfare because of excessive production of traffic, noise, smoke, fumes, glare, or odors. *As proposed, the use will not produce excessive traffic, noise, fumes, glare, or odors due to the recommended conditions of approval. All maintenance and repair activities will be conducted indoors. Vehicles used for the shipment of goods and materials are not operating onsite the majority of the day, nor do all vehicles operate every day.*

- 15) Vehicular approaches to the property, where present, will not create traffic congestion or interfere with traffic on surrounding public thoroughfares. *The proposed use should not create traffic congestion or interfere with traffic on the surrounding public thoroughfares. Approval of the Crossroads East development required the installation of turn lanes into the property entrance, minimizing the chances for traffic congestion.*
- 16) The proposed use will not result in the destruction, loss, or damage of a natural or scenic feature of major importance. *The use will not result in the destruction, loss, or damage of a natural or scenic feature of major importance.*
- 17) That, in accordance with City Code Section 105.12.290, the commercial vehicle repair use is permissible under the Conditions 1-10 as provided in the decision below, and incorporated herein:

DECISION

NOW, THEREFORE, BE IT FURTHER RESOLVED, and based upon the information received and the above Findings, that the City Council of the City of Lake Elmo hereby approves the request by Delwin Transfer for a Conditional Use Permit for a motor freight and warehousing use in suite 345 on the property located at 11160 Hudson Blvd N, and grants the same, subject to the following conditions of approval:

1. The applicant must obtain all other necessary City, State, and other governing body permits and approvals before receiving an occupancy permit.
2. Intensification of the use beyond what is proposed and approved will require City approval of a Conditional Use Permit Amendment.
3. All conditions in the Fire Chief's memorandum dated September 9/9/22 must be met prior to receiving an occupancy permit.
4. This approval is for a motor freight and warehousing use in suite 345 only. Any expansion outside the designated suite space will require approval from the City of Lake Elmo.
5. Outdoor storage of transfer materials is not included in this approval.
6. Overhead doors shall remain closed unless a vehicle is entering or leaving the tenant space.
7. There shall be no more than 16 shipment vehicles and trailers onsite at any one time.
8. The hours of operation shall be limited to 6:30 AM-5:00 PM Monday through Friday.
9. No additional outdoor lighting shall be added without City approval.
10. Tractors and trailers may only park in the in the designated parking area located in the central northern area of the plans of Crossroads East First Addition of Lot 1, Block 1.

Passed and duly adopted this 18th day of October, 2022 by the City Council of the City of Lake Elmo, Minnesota.

Mayor Charles Cadenhead

ATTEST:

Julie Johnson, City Clerk