



STAFF REPORT

DATE: 12/9/2019

REGULAR

ITEM #: 4a

TO: Planning Commission
FROM: Ben Prchal, City Planner
AGENDA ITEM: Stillwater School District Conditional Use Permit Amendment
REVIEWED BY: Ken Roberts, Planning Director
Kristina Handt, City Administrator
Sarah Sonsalla, City Attorney

BACKGROUND:

The Stillwater School District is requesting an amendment to its conditional use permit (“CUP”) to operate a school district transportation center (bus terminal) on its property located at 11530 Hudson Boulevard North. The CUP was issued by the City to the School District on July 17, 2019 through Resolution #2018-077. One of the conditions in the CUP is that “[t]he property shall be connected to City sewer and water prior to the operation of the bus terminal.” The School District’s property is part of the Four Corners 1st Addition plat that was approved by the City Council in 2018. A condition of the plat approval was that the developer (who is not the School District) was to construct sanitary sewer and water facilities which would have brought sanitary sewer and water service to the School District’s property. The developer was to complete these improvements no later than October 31, 2019. As of this date, construction has not yet commenced. The School District has made all of the improvements on the property that were required by the CUP conditions with the exception of connecting the property to sanitary sewer and water services.

ISSUE BEFORE THE COMMISSION:

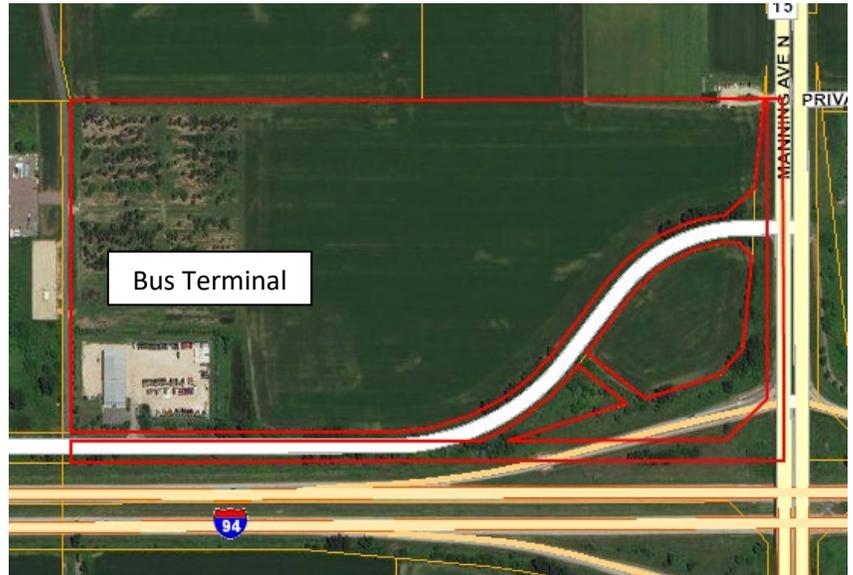
The School District is requesting an amendment to the CUP to amend Condition #9 of the CUP from “*the property shall be connected to City Sewer and Water prior to operation of the bus terminal*” to “*[t]he School District may operate its bus terminal at the property using the well and septic system (septic tank and temporary toilets) either until the School District connects to City sewer and water or until December 31, 2020, whichever comes first. The School District agrees to connect to City sewer and water within 30 days after it becomes available.*” The Planning Commission is being asked to hold a public hearing and make a recommendation to the City Council on this requested amendment to the CUP.

PROPOSAL DETAILS/ANALYSIS:

Applicants: Stillwater Area Public Schools (Kristen Hoheisel), 1875 Greeley Street South, Stillwater,
Property Owners: Stillwater School District
Location: 11530 Hudson Boulevard North (PID# 36.029.21.43.0001)
Request: Conditional Use Permit – Amendment
Existing Land Use: School Bus Terminal
Existing Zoning: BP – Business Park
Surrounding Land Use / Zoning: South – I-94 and Woodbury; West – Outdoor Storage (RT – Rural Development Transitional); East – Vacant land (RT – Rural Development Transitional); North – Vacant land (RT – Rural Development Transitional)
Comprehensive Plan Guidance: BP – Business Park
Deadline(s) for Action: Application Complete – 11/5/2019
60 Day Deadline – 1/4/2019
120 Day Deadline – N/A
Applicable Regulations: Article V: Zoning Administration and Enforcement
Article XIV: Commercial Districts

CONDITIONAL USE PERMIT

Previous Interim Use Permit. The School District's property previously operated with an interim use permit which was granted by City Council Resolution No. 2014-095, which was for a bus/truck terminal. The use was similar but focused more on the maintenance of larger trucks. This interim use permit would have expired on December 2, 2019. In this instance, the interim use permit was terminated upon the rezoning of the School District property which was affiliated with the Four Corners First Addition development. Another condition of the IUP was that a portion of the property would need to be used for agricultural purposes or left available for agriculture. Development discussions lead to the realization that this might not be practical; and so, the School District also no longer wanted to operate under the interim use permit for this reason.



Existing Conditions. The School District received an approved CUP on July 17th, 2018 and since has moved into the building/site and have been operating there since October/November of this year (see School District's narrative). The School District has completed all of the on-site improvements that were required by the CUP with the exception of the connection of the property to sanitary sewer and water, along with other various improvements in the amount of more than two million dollars. For sewage disposal, the School District has installed a temporary septic tank that is supplemented by temporary toilets (this has been approved by the County). For water, the School District has been using the existing well on the property (the well was approved by the Minnesota Department of Health for use). Currently, the School District is in violation of the CUP because Condition # 9 states that City sewer and water shall be connected to the building/site prior to the commencement of formal operations.

Current Building. The current building was constructed in the 1990s and was used for office space by E&H Earthmovers and also provided bus storage for the School District. It was then used by Kenworth Diesel Trucks for sales, repairs and service of diesel trucks. As mentioned earlier, the building and site has received a two-million-dollar investment by the School District over the course of the past year.

Previous Bus Terminal Operation. The previous location for the School District's bus terminal was in Oak Park Heights in the Old Junker Landfill.

Bus Washing. The School District indicated on its application that the property use will include washing buses. The School District has indicated that the buses will be washed at the facility's wash bay and that waste water from the wash bay will run in to an oil separator with all of the shop drains, which will go in to a holding tank, which is then disposed of by a sewer transport service. The oil separator is then emptied and maintained by a licensed transporter. The School District indicates that once the property is connected to the City's sanitary sewer system that the wastewater will go directly to the treatment plant after passing through the oil separator, and the oil separator will be emptied and maintained by a licensed transporter. The disposal of this water is addressed in the engineering comments.

City Engineer Review. Engineering concerns were finalized during the preliminary and final plat of Four Corners 1st Addition and the initial approval of the School District's CUP.

Fire Chief and Building Official Review. The Fire Chief and Building Official are concerned that that the building is sprinklered yet not connected to City water. Therefore, if there was a fire in the building, the sprinkler system would not function.

FINDINGS: Staff is recommending denial of the amendment to the CUP for the transportation center at 11530 Hudson Blvd N based on the following findings:

1. The developer of Four Corners 1st Addition has had more than one year to construct the sanitary sewer and water facilities that are needed for the School District's bus facility and has not done so. In fact, the developer has not even started the project. To date, there has been no written assurances given to the City by the developer of the Four Corners project that the sanitary sewer and water facilities that are needed for the operation of the bus terminal will be constructed at any time in the near future.
2. Properties that are within a MUSA district are required to connect to City water and sanitary sewer when they are developed. The School District's property is located within a MUSA district. Since it is not connected to City water and sanitary sewer services, it is in conflict with the requirements of the MUSA district, as outlined by the Comprehensive Plan and the use should not be allowed to continue due to this conflict.
3. The building on the property is sprinklered yet not connected to City water. There is a safety hazard to the occupants of the building if the building is allowed to operate without the sprinkler system functioning, even if it is for a limited amount of time.

Recommended Conditions of Approval.

- 1) None – All conditions from Resolution 2018-77 shall remain in place.

FISCAL IMPACT:

When the School District connects to City water and sanitary sewer, it will be required to pay the City sewer and water availability charges and will be responsible at its sole cost for bringing sewer and water into the site. The City will collect Sewer Accessibility Charges (SAC) and Water Accessibility Charges (WAC) and building permit fees.

OPTIONS:

The Commission may:

- ❖ Recommend approval of the amendment to the CUP as proposed by the School District.
- ❖ Recommend approval of the amendment to the CUP with changes.
- ❖ Recommend denial of the amendment to the CUP.

If the request is denied by the City Council would mean that the School District would be in violation of Condition #9 of its CUP. The City Council could then take separate action to revoke the CUP by holding a public hearing on the revocation. If the City Council revokes the CUP, the School District would no longer be able to operate its bus terminal on the property.

RECOMMENDATION:

Staff suggests that the Planning Commission recommend to the City Council denial of the CUP amendment request.

ATTACHMENTS:

- Narrative
- Resolution 2018-77
- Site Plan