

Minutes – City of Delano
Planning Commission
Monday, December 8, 2025 7:00 PM

1. Call to Order

Jeff Demeules called the regular meeting of the Planning Commission of Monday, December 8, 2025, to order at 7:00 pm.

2. Roll Call and Approval of Agenda

Members Present: Chairperson, Jeff Demeules; Commission members, Josh Gehlen; Nancy Rowbatham; Bob Slipka; and Joe Tipka

Members Absent: Jon Krieg; Alex Aaron

Also Present: Peter Froehle, Council Liaison; Phil Kern, City Administrator; Kim Lindquist, City Planner; Scott Dornfeld, Building Official; Cassie Johnson, Deputy Clerk

Motion by Jeff Demeules, seconded by Nancy Rowbatham to approve agenda; motion carried.

3. Approval of Minutes

A. October 13, 2025 – Meeting Minutes

Motion by Jeff Demeules, seconded by Nancy Rowbatham to approve MINUTES A; motion carried.

4. Public Hearing

A. Conduct Public Hearing And Consider PUD Amendment For Granite Works 3 Project

Kim Lindquist presented a Planned Unit Development (PUD) amendment request for the Granite Works Phase 3 project. The site consists of approximately 1.89 acres and represents the northern parcel of the three-phase Granite Works PUD. Lindquist explained that staff reviewed the proposal against City ordinance requirements as well as the previously approved PUDs for Phases 1 and 2.

The proposal includes construction of a 72-unit residential rental apartment building, an increase from the previously approved 55 units. Lindquist stated that the building footprint remains generally consistent with the original approval, with changes resulting from the corners being squared off rather than the previously approved undulating design.

Parking was reviewed in detail. The updated site plan includes 63 surface parking stalls and 64 enclosed garage stalls. Lindquist stated that five surface parking stalls were removed as a result of shifting the parking area east to avoid impacts to the flood control area. Even with the reduction, the project maintains a parking ratio of approximately 1.69 parking spaces per unit, which is consistent with the 1.7 parking ratio established in the original parking study. Lindquist stated that cross-parking with adjacent Granite Works properties could be considered in the future if parking demand increases.

Landscaping was also reviewed. Lindquist stated that landscaping is proposed along the north side of the site. Staff recommended additional landscaping in the northeast corner where additional

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parking is being added. Additional landscaping along the south side of the building was discussed; however, Lindquist explained that available space is limited due to grading and drainage constraints.

Building materials were reviewed, including lap siding, panel siding, brick veneer, and concrete masonry block. Lindquist stated that while the south elevation was proposed to include only siding, staff recommended adding brick veneer to that elevation to maintain architectural quality consistent with more visible building facades, while still balancing affordability considerations.

Lindquist outlined nine conditions of approval associated with the PUD amendment. Conditions include approval of the increased unit count to 72 units, reduction of the north parking setback from 4.7 feet to 3 feet, and modifications to exterior building materials.

Phil Kern added that the land is currently owned by the City and would be sold to the developer as part of the project. Questions were raised regarding parking standards, whether parking would be included in rent, and consistency with the other Granite Works buildings. Lindquist explained that shared parking arrangements exist between the other Granite Works phases.

Commissioners asked questions related to snow storage, apartment size, market demand, and affordability. Shawn Louwagie discussed potential snow storage locations and hauling options. Josh Gehlen asked about market demand for the proposed unit size and quality.

Jake Budenski and Drew Rasmusson, Ebert Companies, addressed the Commission and expressed enthusiasm for moving forward with Phase 3 following the success of Phases 1 and 2. Budenski stated that there is strong demand for smaller apartment units, which influenced the decision to increase the total number of units rather than construct fewer, larger units.

Motion by Jeff Demeules, seconded by Josh Gehlen to open public hearing; motion carried.

Chris Brazelton, a Chamber member, spoke in support of the project and stated that limited access to affordable housing creates challenges for workforce recruitment. Brazelton stated that units priced at 60 percent of Area Median Income (AMI) represent a positive step and that many families wish to live in Delano but are unable to afford current rental rates.

Additional public comments raised concerns regarding affordability, unit pricing, exterior building costs, and clarification of interior alcove designs and storage features. Questions were also raised regarding the percentage of AMI-restricted units. Lindquist and Kern clarified that a minimum of 36 units must meet AMI requirements and that Delano is classified within the metropolitan area for AMI calculations. Budenski provided additional explanation regarding the alcove design features within the apartment units.

Demeules called three times for any additional public comment. Hearing none:

Motion by Jeff Demeules, seconded by Bob Slipka to close public hearing; motion carried.

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Commission discussion included interest in workforce housing and whether the project could revert to the originally approved 55-unit concept. Commissioners expressed support for the amended PUD while acknowledging the ongoing affordability considerations.

Motion by Bob Slipka, seconded by Nancy Rowbatham to recommend approving the PUD amendment for Granite Works 3 with staff recommendations; motion carried.

5. New Business

A. Update on Orderly Annexation Process

Phil Kern presented the current zoning map displaying the City's boundaries and explained that the City's irregular boundary pattern is the result of historical annexation by ordinance. Kern explained that annexation by ordinance occurs when a property owner requests annexation and the property abuts the City limits, allowing the City to annex the property without involvement from the Township. Kern stated that this method has historically resulted in piecemeal growth and staggered City boundaries.

Kern reviewed the three annexation methods allowed under state law. Annexation by ordinance is property owner initiated and requires agreement only between the property owner and the City. Orderly annexation is a negotiated agreement between a city and a township that establishes defined annexation areas and terms in advance, allowing properties within those areas to annex in a more predictable and coordinated manner. Contested annexation occurs when a city and township cannot agree, and the city petitions the State of Minnesota to annex property, with the State making the final determination.

Kern stated that the City has never pursued a contested annexation and has historically respected property owners' wishes to remain in Franklin Township, even when City infrastructure surrounds those properties. Kern explained that the City and Franklin Township have worked toward a draft orderly annexation agreement that would designate specific annexation areas where property owners could choose to annex without going through a formal application process, while not forcing annexation on any property owner. Kern stated that the intent of the agreement is to provide long-term planning certainty, allow for coordinated infrastructure planning, and avoid the irregular growth patterns that have resulted from annexation by ordinance.

Under the proposed agreement, the City would compensate the Township for lost tax revenue at a higher rate than under traditional annexation, with most compensation costs passed on to developers. Kern stated that a public hearing was held in Franklin Township for property owners within the proposed annexation area, with overwhelming support expressed. Kern stated that a second public meeting will be held for all Township residents.

Commission discussion included roadway improvements, prevention of "checkerboard" annexation patterns, and the economic feasibility of utility extensions. Kern stated that annexation would require participation from at least 60 percent of property owners within a

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subdivision and that the City would retain discretion to deny annexation requests that are not financially feasible.

6. Old Business

7. Updates And Future Land Use Development Applications

8. Other Business

9. Adjournment

There being no further business to discuss the Planning Commission meeting of Monday, December 8, 2025 was adjourned at 8:01 PM

Signed:

Jeff Demeules, Chair

Alisha Ely, City Clerk | HR Specialist

Attest: Cassie Johnson, Deputy Clerk