

**CITY OF GRANT  
MINUTES**

**DATE** : February 4, 2025  
**TIME STARTED** : 6:31 p.m.  
**TIME ENDED** : 8:15 p.m.  
**MEMBERS PRESENT** : Councilmember Rog, Cornett,  
Cremona and Mayor Giefer  
**MEMBERS ABSENT** : None

Staff members present: City Attorney, Nick Vivian; City Planner, Jennifer Haskamp; City Treasurer, Sharon Schwarze; and Administrator/Clerk

**CALL TO ORDER**

The meeting was called to order at 6:31 p.m.

**PUBLIC INPUT**

Mr. Greg Anderson, 8660 Kimbro Avenue, came forward and stated he has an interest in the open Council seat. He provided his background information noting he supports the rural aspect of Grant and keeping it that way. He stated he feels like he has a strong “application” and the experience to be effective on the City Council.

Mr. Loren Sederstrom, 9330 107<sup>th</sup> St N, came forward and provided his background and experience noting he has been civically active for many years. He highlighted his City experience and other organizations. He stated he has lived in Grant since 19193 and was on the Planning Commission and City Council.

Mr. Jeff Schafer, 8688 Jamaca, came forward and stated he served on the Planning Commission for four years and City Council for three years. He did resign from the City Council due to the previous Mayor. He stated he is excited about the new leadership and wants to be a part of that. He provided his background relating to experience and advised he does not feel the density requirements in Grant should change but there are improvements that can be made within the City.

Mr. Sam Scott, 9250 Dellwood Road, came forward and stated he has lived in communities like Grant for many years. He stated he believes he can help the community and certainly make people feel more connected and make Grant even better. He stated he would like the opportunity to serve on the City Council.

Mr. Wayne Sarrapo, 8770 105<sup>th</sup> Street, came forward and stated he has lived in Grant for 37 years. He provided his background in terms of job experience and within federal agencies as well as County experience. He stated his experience would help in working with people and he appreciates the Council’s consideration of him to vacant Council seat.

**PLEDGE OF ALLEGIANCE****SETTING THE AGENDA**

**Council Member Cornett moved to approve the agenda, as presented. Council Member Cremona seconded the motion. Motion carried unanimously.**

**CONSENT AGENDA**

January 7, 2025 City Council Meeting Minutes

Approved

January 2025 Bill List, \$62,223.27

Approved

Bremer Bank, 2019/2020 Road Project, \$82,824.00

Approved

**Council Member Rog moved to approve the consent agenda, as presented. Council Member Cornett seconded the motion. Motion carried unanimously.**

**STAFF AGENDA ITEMS****City Engineer, Brad Reifsteck**

**Approval of Ten-Year Capital Improvement Plan Update** – City Engineer Reifsteck advised the previous 10-year capital improvement plan (CIP) for paved roadway maintenance ended in 2024.

Since 2015, the city's paved roads have increased by 2.7 miles, from 33.5 miles to 36.2 miles. This growth includes developments and the paving of aprons over existing gravel roads. Additionally, during this period, many existing paved roads have been reconstructed, either through special road projects directed by the council or petitioned by residents. The total amount of roads reconstructed since 2015 is approximately 10.5 miles.

The current road policy enables residents living on a paved street scheduled for maintenance in any given year to utilize allocated city-planned roadway maintenance funds for a more extensive roadway reconstruction project. Subsequently, residents are assessed for the remaining costs of street reconstruction, historically ranging from \$7,700 to \$25,000 per buildable lot, according to the city's current policy.

The proposed 10-year capital improvement plan, which includes a map, is attached. The city is divided into 4 regions, each containing approximately 8 miles of paved roads, except for the northeast region, which spans approximately 11 miles and has seen the most paved roadways reconstructed over the last 10 years.

Maintenance recommendations for each street segment outlined in the proposed 10-year CIP are categorized into three types:

- Preventative: These are newly reconstructed or paved roads.
- Monitor: These are paved roads where strategic patching will be used or until a petition is received from residents.

City Engineer Reifsteck noted the plan can change based on budget adjustments.

**Council Member Cornett made a motion to approve the Ten-Year Capital Improvement Plan, as presented. Council Member Cremona seconded the motion. Motion carried unanimously.**

**City Planner, Jennifer Haskamp**

**PUBLIC HEARING, Consideration of Resolution No. 2025-04, Request for Minor Subdivision, 11154 60<sup>th</sup> Street N** – City Planner Haskamp advised Cozzie’s Holding LLC (“Applicant”) is requesting a Minor Subdivision (Lot Split) for the property located at 11154 60th Street North. The property was recently purchased by CT Land LLC & J & S Stillwater LLC (“Owner”). The subject property’s septic system is currently located on the neighboring property at 11130 60th Street North under a private easement agreement with the current owner, R-Two Holdings, LLC dba David Rustad. The requested Minor Subdivision (Lot Split) will detach the portion of land where the septic system is located (sending parcel) and adjoin it to the subject property (receiving parcel) so that the septic system and the subject property are under the same ownership. R-Two Holdings, LLC has agreed to this transfer. No new buildable lots will be created as a result of the proposed subdivision.

A duly noticed public hearing has been published, and letters were sent to adjacent property owners within a ¼-mile (1,320 ft) of the property. The public hearing has been scheduled for the regular City Council meeting on February 4, 2025.

The following staff report summarizes the requested Minor Subdivision (Lot Split), existing conditions, draft findings, and conditions of approval.

#### APPLICATION SUMMARY

<p><b>Applicant:</b> Cozzie’s Holding, LLC</p> <p><b>Owner:</b> CT Land LLC &amp; J &amp; S Stillwater LLC</p>	<p><b>Location:</b> 11154 60<sup>th</sup> Street North, Grant, MN 55082</p> <p><b>PID:</b> 3603021330006</p> <p><b>Lot Size:</b> 1.1 Acres</p> <p><b>Land Use:</b> General Business (GB)</p> <p><b>Zoning:</b> General Business (GB)</p>
<p><b>Request:</b> The Applicant is requesting a Minor Subdivision (Lot Split). The subject property’s septic system is currently located on the adjacent property at 11130 60th Street North under a private easement agreement. If approved, the Minor Subdivision will detach the sending parcel and adjoin it to the receiving parcel so that the septic system and the subject property are under the same ownership.</p>	

City Planner Haskamp stated the City’s subdivision ordinance allows for minor subdivisions and lot line adjustments as defined in Section 30-9 and 30-10. Section 32-246 governs dimensional standards and other zoning considerations. The following analysis provides an overview of the Minor Subdivision request and any relevant established standards.

#### EXISTING SITE CONDITIONS

The subject property is located at 11154 60th Street North. The 1.1-acre parcel is bordered by commercial uses to the north and east and has frontage along 60<sup>th</sup> Street North along its southerly border.



In 2016, the subject property was issued a Conditional Use Permit (CUP), which allows for the operation of a Restaurant, Bar, or Tavern as defined in Section 32-1 of the City's Zoning Ordinance. The primary structure is located on the southern half of the property, while the northern portion of the site is predominately utilized as parking space.

The existing septic system for the subject property is located on the neighboring parcel (11130 60<sup>th</sup> Street North) under a private easement agreement. The subdivision request will detach that portion of land where the septic system is located (Parcel A in Figure 2) and adjoin it to the subject property (Parcel B in Figure 2) so that the septic system and the subject property are under the same ownership. No new buildable lots will be created as a result of the proposed subdivision.

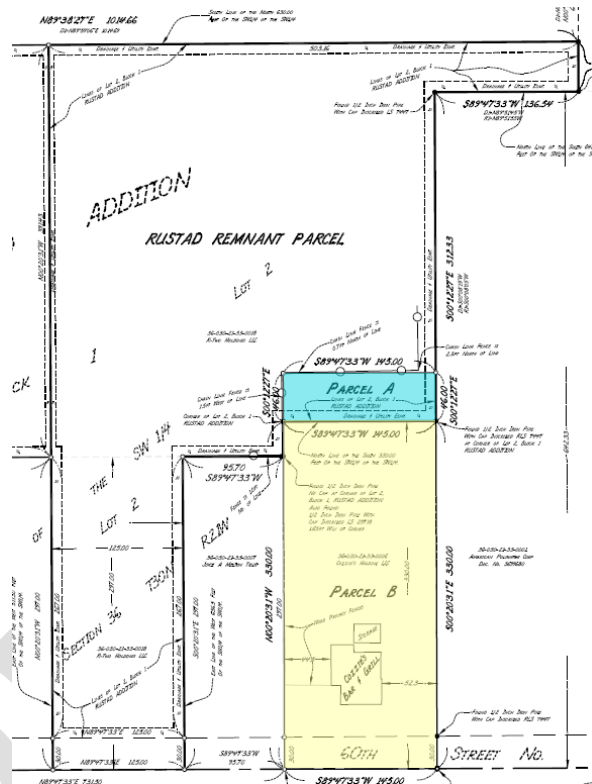


Figure 2. Proposed minor subdivision (lot split) configuration

The site is guided General Business (GB) in the City's adopted Comprehensive Plan. The proposed Minor Subdivision will not change the use of the site, nor will it expand the amount of land in the City with commercial and general business uses. The proposed Minor Subdivision will also enable the property owners to own the land that contains their existing septic system, which supports the operation of their permitted commercial business.

City Planner Haskamp advised the Applicant submitted a survey exhibit as part of their application (Attachment A). The proposed configuration will detach approximately 6,670-squarefeet of land where the subject property's septic system is located (Parcel A) and adjoin it to the subject property (Parcel B). If the proposed Minor Subdivision (Lot Split) is approved, Parcels A and B will total approximately 1.25-acres.

Currently, the subject property does not meet the 2.5-acre minimum lot size standard for properties within the General Business (GB) zoning district, per Section 32-246 of the Zoning Ordinance.

However, the subject property was created prior to the adoption of the minimum lot size standards. While it does not meet the standard, the lot size is deemed to be a legal non-conforming lot.

**Table 1. Lot dimensions**

Dimensional Standards (Section 32-246)		Parcel A	Parcel B	Combined Parcel A & B
Minimum Lot Area per non-residential structure (acres)	2.5	0.15	1.1	1.25
Minimum Lot Depth (feet)	150	46	330	376
Minimum Lot Width (feet)	300	145	145	145
Frontage on an Improved Public Road	300	N/A	145	145
Setbacks				
Front Yard	65	N/A, no structure proposed	65	65
Side Yard	20		52.3/44.5	52.3/44.5
Rear Yard	30		205	251

As previously stated, the proposed Minor Subdivision and subsequent adjoining of Parcels A and B will ensure that the owners of the subject property will own the land that contains their existing septic system, which will support the operation of the restaurant/bar.

**Staff recommends including a condition for approval that Parcel A and Parcel B must be combined.**

The City Engineer did not have any comments regarding the proposed Minor Subdivision since there are no site or physical improvements proposed.

**Staff recommends including a condition that the Applicant is responsible for filing the lot/parcel combination deeds with Washington County Recorder consistent with the exhibit dated 12/22/2024 showing the new lot configuration.**

Staff has prepared a draft resolution of approval with conditions, which is attached for your review and consideration.

**Council Member Rog moved to open the public hearing at 7:03 p.m. Council Member Cremona seconded the motion. Motion carried unanimously.**

**Council Member Cremona moved to close the public hearing at 7:04 p.m. Council Member Cornett seconded the motion. Motion carried unanimously.**

**Council Member Cremona moved to adopt Resolution No. 2025-04, as presented. Council Member Cornett seconded the motion. Motion carried unanimously.**

**PUBLIC HEARING, Consideration of Amended Conditional Use Permit, Two Silo Farmhouse Resort, 7040 117<sup>th</sup> St N** – City Planner Haskamp stated on November 2, 2020, Keith Dehnert (“Applicant”) on behalf of the Two Silo Farmhouse Resort, was granted a Conditional Use Permit (CUP) to operate a Farm Winery and Resort on the subject property consistent with the City’s ordinances. The CUP was executed on November 12, 2020, and it identified 38 conditions. On August 5, 2021, the Applicant applied for an Amendment to the 2020 CUP to allow for the demolition of an existing 4,250 SF accessory building and a Building Permit to construct a new 6,000 SF building to be used for winery operations. The CUP Amendment was executed on November 1, 2021, with two (2) additional conditions.

Condition #34 of the Amended 2021 CUP (Condition #32 of the 2020 CUP) states the following:

*Any future expansion or intensification of the Two Silo Farmhouse Resort operations shall require an amendment to the Permit. Intensification shall include, but not be limited to: additional facilities/accessory buildings (not sheds) beyond those identified on the site plan, expansion of the parking lot beyond 22 stalls, substantial increase to the number of guests identified in the addendum to the narrative, etc.*

Condition #36 of the Amended 2021 CUP (Condition #34 of the 2020 CUP) states the following:

*No signage is approved as part of this permit. Any future signage shall be subject to the sign ordinance in place at time of application and may require an amendment to the CUP.*

Pursuant to Conditions #34 and #36, the Applicant applied for a second Amendment to the CUP on December 10, 2024. Per the submitted narrative (Attachment A), the Applicant is requesting increased occupancy, expansion of the parking lot, installation of an illuminated wall-mounted “WINERY” sign (after-the-fact), use of the east end concrete apron, and request to install an ambient surround sound system.

The application for the requested CUP amendment was deemed complete on December 10, 2024. A duly noticed public hearing was published, and letters were sent to adjacent property owners within a ¼-mile (1,320 ft) of the property. The public hearing is scheduled for the regular City Council meeting on February 4, 2025.

The following staff report summarizes the requested CUP Amendment, existing conditions, draft findings, and conditions of approval.

#### APPLICATION SUMMARY

<b>Applicant/Owner:</b> Keith Dehnert on behalf of Two Silos Farmhouse Resort, LLC	<b>Location:</b> 7040 117th Street N <b>Lot Size:</b> 21.01 Acres <b>PID:</b> 0503021220001 <b>Zoning &amp; Land Use:</b> A1 – Agricultural Large Scale RR/AG - Rural Residential/Agricultural
<b>Request:</b> Amended Conditional Use Permit (CUP)	

The Applicant is requesting an amendment to the Amended 2021 CUP, which was issued on November 1, 2021. A summary of the proposed amendment is as follows:

1. Occupancy

- The Applicant is requesting to increase on-site occupancy from 75 to 140 guests.

2. Parking

- The Applicant is requesting to increase parking capacity to 56 stalls. The Amended 2021 CUP permits 22 stalls with overflow parking to be used on a limited basis. The Applicant is proposing to add 26 permanent stalls to the overflow parking area, and 8 stalls to the areas in front of the garages to accommodate additional guest occupancy.

3. Signage

- The Applicant is requesting to install an illuminated, wall-mounted “WINERY” sign on the east elevation of the tasting/production building. The sign has already been installed, so the Applicant is seeking an after-the-fact permit. The sign is 55-squarefeet in size and is mounted approximately 15’ from the ground elevation on the east facade of the building. The Applicant is proposing to put the sign on a timer that will turn off the illumination after 10:00pm.

4. Crush Pad

- The Applicant is requesting to use the concrete apron on the east side of the tasting/production building as a “Crush Pad.” This area will be used for deliveries and processing.

5. Ambient Surround Sound System

- The Applicant is requesting to install an indoor and outdoor ambient amplified surround sound system to the operation.

6. Future Operations

- The Applicant includes several future operation options such as expanding the types of crops grown on site, animal husbandry, and a greenhouse.
- The future operation options are not evaluated as part of the following analysis because they are not included in the current amendment request.

City Planner Haskamp stated the City Code addresses amendments to existing CUPs in Section 32-152, which states that, “[a]n amended conditional use permit application may be administered in a manner similar to that required for a new conditional use permit . . .” As such, the Application to amend the CUP is processed accordingly, and the requested amendment is to consider only those portions of the operations and/or facility that are proposed to change. Section 32-141(d - e) of the City Code states the following when reviewing a Conditional Use Permit:

*(d) In determining whether or not a conditional use may be allowed, the City will consider the nature of the nearby lands or buildings, the effect upon traffic into and from the premises and on adjoining roads, and all other relevant factors as the City shall deem reasonable prerequisite of consideration in determining the effect of the use on the general welfare, public health and safety.*

1 *(e) If a use is deemed suitable, reasonable conditions may be applied to issuance of a conditional use*  
2 *permit, and a periodic review of said permit may be required.*

3 The purpose of this amendment is not to consider the use of the property as a Farm Winery, since the  
4 determination that the use is consistent with the City's regulations was approved during both the 2020  
5 CUP and the 2021 CUP Amendment process. This amendment is specifically for the requested  
6 occupancy increase, parking expansion, illuminated wall-mounted sign, use of the east end concrete  
7 apron, and the ambient surround sound system. These items relate to conditions 2, 3, 14, 19, 26, 34,  
8 and 36 of the 2021 Amended CUP. Other conditions within the CUP may be affected by this  
9 amendment, but the intent and conditions will remain valid and enforceable.

10 The subject property is located in the far northwestern corner of the City, which is surrounded by the  
11 City of Hugo to the north and the City of Dellwood to the south. The approximately 21-acre site  
12 includes an existing farmhouse (principal structure), a grainery building, a tasting/production  
13 building, five accessory structures, a windmill, and two silos. The Applicant has planted rows of  
14 grape vines on either side of the entry driveway and adjacent to the eastern property line. The site is  
15 accessed from an existing driveway that is connected to 117th Street North on the southerly border of  
16 the parcel.

17 It should be noted that the Applicant has already installed the proposed illuminated signage on the  
18 east elevation of the tasting/production building. The City received a complaint regarding the sign  
19 and its illumination which was investigated by the Zoning Administrator/Building Official. It was  
20 determined that the sign was in violation of the ordinance and CUP and an enforcement letter was  
21 sent to the Property Owner (Applicant) indicating that an amendment to the CUP was required. After  
22 several attempts to get the Applicant to comply, the sign illumination was turned off and this  
23 Application for CUP Amendment was submitted. The sign itself remains on the building, and Staff  
24 confirmed on a recent site visit that it was not illuminated on the evening of the visit.

25 As stated, the Applicant is requesting to increase on-site occupancy from 75 to 140 guests. Conditions  
26 #2 and #3 of the Amended 2021 CUP note the following regarding occupancy:

- 27       2. *The occupancy of the site shall be restricted to no more than 75 guests at any one time. Such*  
28 *occupancy shall include the number of guests staying in the overnight accommodations at the*  
29 *Farmhouse.*
- 30       3. *The Farmhouse occupancy, which shall be described as the overnight accommodations, shall*  
31 *be limited to no more than 12 guests.*

32 The requested occupancy increase will nearly double the current limit established by the CUP. While  
33 permitting higher occupancy may support the operation of the business, it will also increase the  
34 potential adverse impacts to neighboring properties. Higher occupancy may produce additional traffic  
35 and noise, among other environmental impacts and disturbances.

36 Operating in compliance with the existing conditions and limitations established by the CUP  
37 demonstrates consideration of the neighboring properties. Recent violations have adversely affected  
38 the surrounding area. Staff finds that expansion of the permitted occupancy at this time is  
39 unreasonable given violations of the existing CUP over the past year.



1 **Staff Recommendation:** Staff recommends denial of the request to amend the CUP to allow for an  
2 increase in permitted occupancy.

3 City Planner Haskamp advised the Applicant is requesting to increase parking capacity from 22 to 56  
4 stalls. Conditions #7, #8, and #19 state the following regarding parking:

5 7. *Overflow parking shall be reserved onsite as shown on the Amended Site Plan and shall*  
6 *remain unobstructed. The overflow parking shall be used on a limited basis and is intended to*  
7 *ensure adequate parking onsite, not to allow for additional guests or patrons in excess of the*  
8 *maximum occupancy identified.*

9 8. *All parking shall be accommodated onsite, and no visitor parking shall be permitted on 117<sup>th</sup>*  
10 *Street North.*

11 19. *The Applicant shall fully design a parking lot to support a minimum of 22-vehicles to*  
12 *supplement existing parking areas on the subject site. The parking lot design shall include*  
13 *proposed materials (which shall be dustless), grading, and full specifications for review and*  
14 *approval by the City Engineer prior to the issuance of a Grading Permit or Building Permit.*

15 The Applicant is proposing to add 26 parking stalls to the overflow parking area, and 8 stalls to the  
16 areas in front of the garages to accommodate additional guest occupancy. A parking plan was not  
17 submitted with the application materials. The overflow parking area is not an improved dustless  
18 surface, is currently grass (pervious) and is not designed as a permanent parking lot for the business.  
19 Any expansion of the parking lot will require full design plans including additional stormwater  
20 calculations that must be reviewed by the Rice Creek Watershed District (RCWD) and the City  
21 Engineer. As submitted no details regarding the parking lot were submitted with the Application.

22 As previously noted, staff recommends denial of the increase in occupancy requested and therefore  
23 expanding the parking lot at this time is unnecessary since current site improvements support the  
24 current CUP occupancy loads.

25 **Staff Recommendation:** Staff recommends denial of the request to amend the CUP to expand the  
26 parking lot into the Overflow Parking area. All existing conditions of the CUP remain valid and in  
27 effect.

28 The Applicant is requesting an after-the-fact permit for an illuminated, wall-mounted “WINERY”  
29 sign on the east façade of the tasting/production building. The sign area is approximately 55-square  
30 feet and is mounted approximately 15’ – 16’ from the ground elevation of the tasting/production  
31 building (See Figure 1). The Applicant is proposing to put the sign on a timer that will turn off the  
32 LED-illumination between 10:00pm and daylight. The dimensions and design of the sign are included  
33 in the submitted application materials (Attachment A). The following analysis evaluates the sign with  
34 respect to the City’s signage standards.

35 Section 32-420 governs permitted signs for uses that require a conditional use permit. It states the  
36 following:

37  
38 (b.) *To the extent feasible and practicable, signs shall be regulated in a manner similar to that in*  
39 *the use district most appropriate to the principal use involved.*

The Two Silo Farm and Winery is located in an A-1 zoning district, so it is appropriate to evaluate the proposed sign according to the signage standards established for agricultural districts.

Section 32-417 governs signage in agricultural districts. The following analysis considers each of the six (6) standards as they relate to the sign:

*(a.) Types of Signs Allowed. No signs shall be permitted in an agricultural district except the following enumerated signs, if authorized by sign permit or other permit as provided in this division: nameplates, real estate sales, ground, political, temporary, wall, identification and business signs.*

Pursuant to this standard, the “WINERY” sign is a wall sign which is a permitted sign type, provided that the appropriate permit is obtained. As stated, the Applicant installed the sign prior to obtaining a permit and is now seeking an after-the-fact permit. Note that the description implies that the purpose of the sign is for identification purposes.

*(b.) Maximum surfaces allowed. No sign shall be constructed as to have more than two surfaces.*

The wall sign is installed flat/parallel to the façade of the structure and is only visible from one side. **The proposed sign has one surface and meets this standard.**

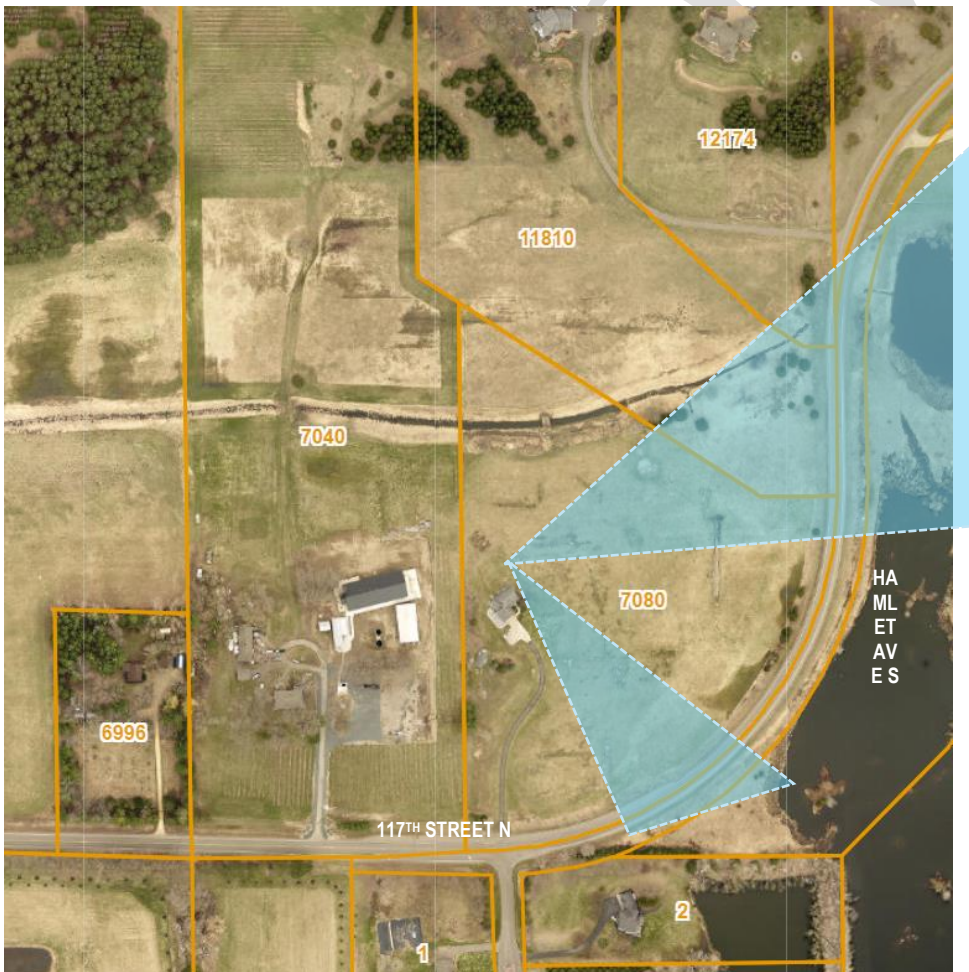
*(c.) Number of each type of sign allowed per lot frontage. One of each of the permitted type of signs, except temporary signs where two will be permitted and political signs where once for each candidate will be permitted.*

The proposed sign is not located in or near the frontage of the subject property which faces south towards 117<sup>th</sup> Street N. As stated, the sign has been installed on the east façade of the tasting/production building, which faces away from the front of the property on 117<sup>th</sup> Street North (Figures 1 and 2). However, the sign is visible from 117<sup>th</sup> Street N., as it curves north approximately 1,400 feet east of the subject property (See Figure 2). Due to topography and lack of vegetation, the sign is visible across the rear, front and side yards of adjacent properties creating a quasi-corner condition. While it is visible from the side and rear yard, the sign is not on the frontage of the lot which is inconsistent with the intent and purpose of the identification sign. **Staff believe that this requirement is not met since the requested sign is not located in the lot frontage, does not identify the business name, and is visible across the yards of adjacent rural residential properties.**



**Figure 1.** View of the subject property from 117<sup>th</sup> Street North/Hamlet Avenue North

Source: Google Maps



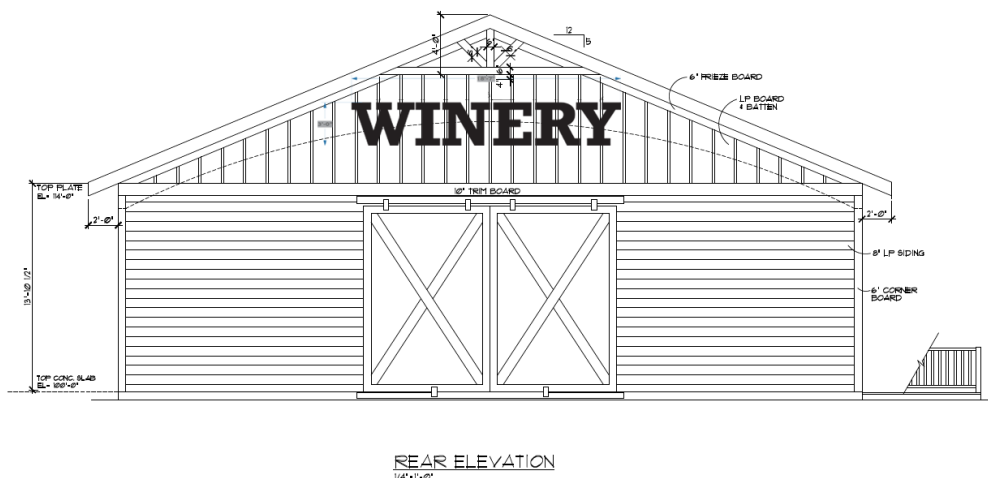
Source: Washington County GIS

(d). Size restrictions. Not more than a total of 32 square feet with an eight-foot maximum for any dimension, except as otherwise restricted in this section. Total square feet of permitted signs per lot or parcel shall not exceed 100 square feet.

Per the submitted application materials, the sign is 3' in height and 18'-7" in width. It is therefore approximately 55-square feet in size, which exceeds the 32-square foot maximum. It also exceeds the 8' length maximum. While the total square feet of signage on the subject property does not exceed the 100-square foot maximum, **the sign does not meet the area or length requirements and therefore does not meet the intent of this regulation.**

(e.) *Height restrictions.* The top of the display shall not exceed ten feet above grade.

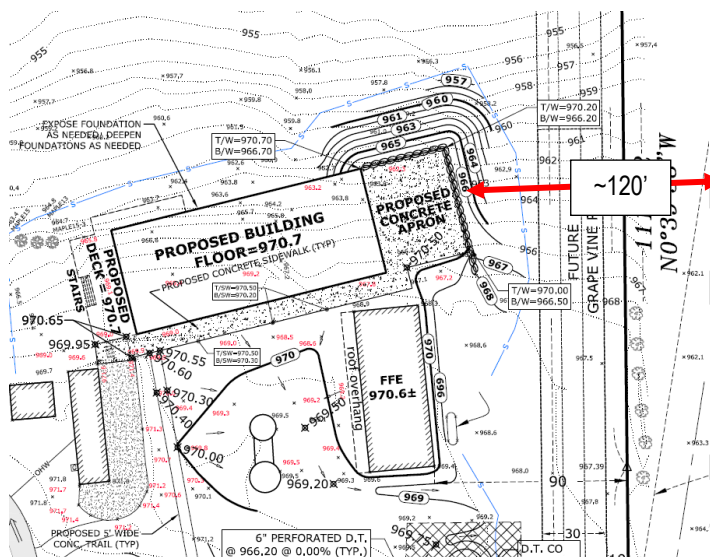
As part of the 2021 CUP Amendment process, the Applicant was required to submit architectural plans for the proposed tasting/production building. Figure 3 contains the dimensions of the structure, along with the approximate size and location of the sign based on the Applicant's submitted imagery. As shown, the Winery sign is located approximately 15-16' from the ground plane. Staff assumes that height of the sign is intended to be high enough to be visible from across the adjacent properties from the roadway. The purpose of the regulations established in (d) and (e) of the sign code is to minimize the visual impact of signage in the agricultural/rural residential areas, and the sign as designed is intended to maximize the visual impact. **The sign location is approximately 15-16' above the ground plane which exceeds the requirement by 50-60%. Staff determines that this standard is not met.**



**Figure 3.** East/rear elevation of tasting/production building with approximate size and location of proposed signage (Note Staff superimposed the Winery Sign on the architectural elevation at the approximate location based on the images submitted.)

*(f.) Setback.* Any sign over two square feet shall be setback at least ten feet from any lot line.

Per the submitted plan set, the east façade of the tasting/production building is approximately 120' from the easterly property line (Figure 4). **Staff determines that this requirement is met.**



**Figure 4.** Site plan and approximate signage setback from easterly property line

Section 32-413 further establishes requirements for electrical (illuminated) signs and states the following:

*All signs and displays using electric power shall have a cutoff switch on the outside of the sign and on the outside of the building or structure to which the sign is attached. No electrically illuminated signs shall be permitted in a residential or agricultural district.*

The proposed sign is electrically illuminated with LED lights. As stated within the requirement, no illuminated signs (or backlit) are permitted within residential or agricultural district. Previous Councils have documented that the purpose of prohibiting such signs is to minimize potential adverse impact to surrounding properties, to maintain dark skies, and to protect rural residential uses. The subject property is in an agricultural zoning district with predominant rural residential uses and the illuminated sign is visible from adjacent residential rear yards and front yards. **Staff finds that this standard is not met.**

**Staff Recommendation:** Staff finds that the “WINERY” sign only meets three (3) of the six (6) standards established in Section 32-417 for signs in the A-1 zoning district and it does not meet the standard established in Section 32-413 for electrical (illuminated) signs. Staff recommends denial of the request to amend the CUP to allow for the installation of the illuminated, wall-mounted “WINERY” sign. Since the sign has already been installed, staff further recommends removal of the sign and all electrical components associated with the sign.

The Applicant is requesting to use the concrete apron on the east side of the tasting/production building as a “Crush Pad.” Per the Applicant’s narrative, this area will be used for deliveries and processing. Condition #14 of the Amended 2021 CUP notes the following regarding the concrete apron:

1. *The concrete apron shown extending from the east elevation and barn doors shall not be used for any formal or informal gathering space. The apron shall only be used for access to the storage area and associated staging of materials/crops.*

The concrete apron is approximately 100-feet from the easterly property line and 150-feet from the principal structure on the adjacent residential property. Given the existing topography, vegetation, and proximity to the neighboring lot, exterior activities on the concrete apron will not be adequately screened. Any deliveries and processing are likely to generate sounds and disturbances that will negatively impact the adjacent residential property.

As stated, operating in compliance with the existing conditions and limitations established by the CUP demonstrates consideration of the neighboring property. Recent violations have adversely affected the surrounding area. Staff finds that the proposed use of the concrete apron or “crush pad” is unreasonable given violations of the existing CUP over the past year.

**Staff Recommendation:** Staff recommends denial of the request to amend the CUP to allow for use of the “crush pad” for deliveries and processing.

The Applicant is requesting to install an indoor and outdoor ambient surround sound system. Condition #26 of the Amended 2021 CUP states the following regarding music amplification:

26. *No amplification of music shall be permitted outdoors, including within the outdoor gathering spaces. Amplification of music shall be permitted inside the facilities only. All sound and noise shall be regulated by the MPCA’s noise standards for decibels and use.*

The subject Property and winery use is adjacent to rural residential uses on the east and west side of the property. During the initial CUP processes in 2020 and 2021, discussion regarding noise and intensity of activity on the site was discussed extensively. Concerns regarding the activity level and potential adverse impacts on adjacent residential uses and enjoyment of their properties were identified. As a result, the condition regarding sound amplification was included to mitigate the potential effects of the winery operation on adjacent residential uses.



1 The request to amend this condition is unreasonable given that the operator has been in violation of  
2 the current CUP conditions. The City typically considers amendments to existing CUPs when the  
3 operator/owner is in full compliance with the terms of their issued CUP.

4 ***Staff Recommendation:*** Staff recommends denial of the request to amend the CUP to allow for the  
5 installation of an amplified sound system and recommends that the existing CUP condition remain in  
6 place.

7 As provided in the analysis above, given that the owner/operator is in violation of the current CUP,  
8 Staff recommends that no further intensification of the use be permitted until the property is brought  
9 into full compliance. In similar past situations, the City has determined that a conditional use must be  
10 in good standing for a minimum of a year before additional flexibility or further intensification of use  
11 be considered for amendment.

12 Given that this CUP amendment was primarily initiated due to a violation related to the installation of  
13 the “WINERY” wall sign without proper permits, the following CUP Amendment analysis  
14 specifically addresses the proposed after-the-fact sign present on the property.

15 Section 32-146(a) governs standards for Conditional Use Permits. The following analysis considers  
16 each relevant standard for the proposed CUP amendment requests:

- 17  
18 *1) The proposed use is designated in section 32-245 as a conditional use for the appropriate*  
19 *zoning district.*

20 The existing Two Silo operation is a permitted condition use within the A-1 zoning district. The  
21 City’s ordinance further permits the installation of a sign for conditionally permitted businesses  
22 provided the appropriate permits are obtained. As previously noted, the ordinance guides the review  
23 of conditionally permitted signs to align with the spirit and intent of the zoning district in which the  
24 property is located.

25 As provided in the prior analysis, the requested wall-mounted, illuminated “WINERY” sign does not  
26 meet the requirements established for signage within the agricultural zoning districts.

27 A business wall sign may be permitted to identify the Two Silos operation, but the installed sign does  
28 not meet the general guidance for business signs as stated. The purpose and intent of using the  
29 agricultural/rural residential district sign standards as guidance is to minimize potential adverse  
30 impact to adjacent agricultural and rural residential uses. The existing sign fails to meet the purpose  
31 as it exceeds the area, height and is illuminated which are all inconsistent with the ordinance  
32 requirements.

- 33  
34 *2) The proposed use conforms to the city's comprehensive plan.*  
35

36 The site is guided Rural Residential/Agricultural (RR/AG) in the City’s adopted Comprehensive Plan.  
37 Properties within the RR/AG land use designation are generally described as supporting rural,  
38 agricultural, and rural residential uses. Hobby farms, horse boarding and training facilities, and other  
39 rural accessory uses are also encouraged in this land use designation. The City’s ordinances

1 conditionally permit resorts, seasonal businesses, and rural event facilities provided certain  
2 performance standards are met. Agricultural production, such as that associated with the  
3 grapes/vineyard, are a permitted use. The City Council determined that the Two Silo Farmhouse and  
4 Resort was consistent with the stated objectives in the Comprehensive Plan during both the 2020 and  
5 2021 CUP application processes. The proposed amendment to the 2021 Amended CUP does not  
6 change the intended use for a Farm Winery and Resort.

7 The Comprehensive Plan also identifies the following relevant goals:

8 *Preserve and protect the City's rural residential character and quiet quality of life.*

9 *Support uses and development that protects the **night sky**, minimizes traffic and maintains the City's*  
10 *open space and scenic views.*

11 *Preserve and protect agricultural land and facilities, agricultural lifestyles, and encourage hobby*  
12 *farms and commercial agricultural uses within the City.*

13 Supporting and encouraging agricultural uses like the Two Silos Farmhouse aligns with the City's  
14 goals and objectives. Therefore, some flexibility is warranted; however, the issued CUP provides the  
15 conditions under which the business can operate compatibly with adjacent residential uses. While it  
16 may be reasonable to amend certain conditions in the future, the operator must demonstrate  
17 compliance with the conditions and demonstrate they are a good neighbor before such additional  
18 flexibility should be permitted.

19 Staff finds that the illuminated "WINERY" sign is in conflict with the City's goal to protect the rural  
20 residential character, quiet quality of life, and night sky. As stated, the sign as proposed would be out-  
21 of-character for the area, given that it would be the only internally lit, wall mounted sign in the  
22 neighborhood and zoning district. Furthermore, uses in the surrounding area are largely characterized  
23 by hooded or downcast lights, which limit the amount of light pollution produced.

24  
25 3) *The proposed use will not be detrimental to or endanger the public health, safety or general*  
26 *welfare of the city, its residents, or the existing neighborhood.*

27 The City received a complaint regarding the sign and its illumination which is visible from adjacent  
28 properties rear, side and front yards. Code enforcement determined that the light produced by the  
29 illuminated sign did not comply with the ordinance standards and was in violation of the existing  
30 CUP. The lit sign is clearly visible from adjacent residential structures adversely affecting their right  
31 to enjoyment of their property. Furthermore, given that the sign is visible from 117<sup>th</sup> Street N at the  
32 curve a significant distance from the operations, the illumination could cause a distraction to drivers  
33 and impact the general safety and welfare of travelers on the nearby road since the access into the site  
34 is more than 1,400 feet from where the sign is visible.

35  
36 4) *The proposed use is compatible with the existing neighborhood.*  
37

38 Staff conducted an analysis of the surrounding neighborhood and similar uses within the agricultural  
39 zoning district. It was determined that the proposed illuminated wall-mounted sign is not in character



with the existing neighborhood and that no other businesses in the zoning district have similar signage to promote their business. Comparable businesses generally have wooden ground signs that are either unlit or have landscape (ground) lighting pointed directly at the surface of the sign, as opposed to being self-illuminated or back-lit (Figure 5). **Staff determines that the proposed wall-mounted internally lit/back lit sign is not compatible with the existing neighborhood.**



**Figure 5.** Signs for comparable businesses in agricultural zoning districts

Photo Source: Google Maps

- 5) *The proposed use meets conditions or standards adopted by the city through resolutions or other ordinances.*

As stated, the illuminated wall sign only meets three (3) of the six (6) standards established in Section 32-417 for signs in agricultural districts. It also does not meet the requirements for electrical (illuminated) signs established in Section 32-413. **Staff determines that this standard is not met.**

- 6) *The proposed use will not create additional requirements for facilities and services at public cost beyond the city's normal low-density residential and agricultural uses.*

The proposed sign will not create additional requirements for facilities and services. **Staff finds that this standard is met.**

- 7) *The proposed use will not involve uses, activities, processes, materials, equipment or conditions of operation that will be detrimental to people, property, or the general welfare because of production of traffic, noise, smoke, fumes, glare, odors or any other nuisances.*

Given the existing topography and vegetation, exterior lights and sounds produced on the subject property will not be adequately screened from adjacent residential uses. The proposed illuminated wall sign will impact the general welfare of the surrounding neighborhood because it will generate glare and disrupt the night sky. **Staff determines that this standard is not met.**

- 8) *The proposed use will not result in the destruction, loss or damage of natural, scenic or historic features of importance.*

As stated, the illuminated “WINERY” sign conflicts with the City’s goal to protect the rural residential character, quiet quality of life, night sky and scenic views of the area. The illuminated sign will disrupt the natural, scenic quality of the area and be out-of-place with the agricultural/rural residential character of the surrounding neighborhood. **Staff determines that this standard is not met.**

9) *The proposed use will not increase flood potential or create additional water runoff onto surrounding properties.*

The proposed sign is wall-mounted and will not increase the amount of impervious area on the site or create additional water runoff. **Staff finds that this standard is met.**

The City Engineer is reviewing the attached submitted materials. Staff will provide a verbal update at the City Council meeting if any additional concerns are identified.

The proposed amendment does not require review by any other agency unless the City Council determines that intensification of the use is appropriate. If the Council determines that the increase in occupancy is acceptable, additional review by the Rice Creek Watershed District may be required related to the expansion of the impervious surface for the parking lot. However, if the Council determines that the intensification of use is denied then no site improvements are permitted and no other agency review is needed.

The City Council may consider the following actions:

- Approve the request to amend the CUP with conditions; or,
- Deny the request with findings; or,
- Table the request and ask for additional information from the Applicant.

Staff recommends denial of the request to amend the Conditional Use Permit to: 1) install a “WINERY” wall sign (after the fact); 2) illuminate the wall sign on the property (after-the-fact); 3) increase the business occupancy; 4) increase the parking lot to accommodate the increased occupancy; 5) utilize the crush pad for additional activities; and 6) install a sound system. Staff requests direction from the City Council to prepare a resolution of denial with findings. The following draft findings are provided for your review and consideration:

- The “WINERY” wall sign was installed without a permit and in violation of the existing Conditional Use Permit for the Two Silo business operation.
- The illumination of the wall sign is out of character with the surrounding area and does not comply with the adopted goals and objectives of the 2040 Comprehensive Plan.
- The illuminated wall sign adversely impacts the surrounding neighborhood and adjacent residential uses.
- The illuminated wall sign could cause a distraction to drivers and impact the general safety and welfare of travelers on the nearby road.

- 1       • The wall sign does not comply with the adopted zoning ordinance.
- 2       • Increasing occupancy is unreasonable given that the operator has been in violation of the
- 3       current CUP conditions.
- 4       • Expansion of parking is unreasonable given that the operator has been in violation of the
- 5       current CUP conditions.
- 6       • The overflow parking area is not an improved dustless surface and is not designed as a
- 7       permanent parking lot for the business. As submitted, no details regarding the parking lot
- 8       were included with the Application.
- 9       • Expanding the parking lot at this time is unnecessary since current site improvements support
- 10      the current CUP occupancy loads.
- 11      • Use of the concrete apron or “crush pad” is unreasonable given that the operator has been in
- 12      violation of the current CUP conditions.
- 13      • Installation of an ambient sound is unreasonable given that the operator has been in violation
- 14      of the current CUP conditions.
- 15      • In similar past situations, the City has determined that a conditional use must be in good
- 16      standing for a minimum of a year before additional flexibility or further intensification of use
- 17      be considered for amendment.
- 18

19      City Attorney Vivian stated the Planner did a very thorough analysis of the application. The City is  
20      also going through litigation with the property in question. He stated he supports the  
21      recommendation of denial of the application as they are not in compliance.

22  
23      **Council Member Rog made a motion to open the public hearing at 7:34 p.m. Council Member**  
24      **Cremona seconded the motion. Motion carried unanimously.**

25  
26      Mr. Jeff Schafer, 8688 Jamaca, came forward and thanked the City Planner for the thorough report.  
27      He stated he agrees with the denial as it is a very narrow property and activities are on the east and  
28      west end of the property.

29  
30      Mr. Ken Kramer, 11810 Hamlet Ave. N, came forward and stated his property is adjacent to this  
31      property. He stated he supports full denial of the application due to the behavior of the property  
32      owners. He stated he does not want to see any expansion of the business and music is currently  
33      already too loud.

34  
35      Ms. Chris Lamarka, 12174 Upper Heather Ave. N, came forward and stated she shares a property line  
36      with Two Silos and it was very upsetting to see that sign installed. She stated she can see the sign all  
37      time and it illuminates her entire house. She noted she has accepted the winery there and the property  
38      itself does look better.

39  
40      Staff advised Mr. Steve Brown, 7080 117<sup>th</sup> St. N, submitted comments advising they are adamantly  
41      opposed to the application as they are not in compliance with several issues.

Staff advised McGraw Law Firm, on behalf of the residents Charles and Tami Lucious, agree with the recommended denial of the application and fully support denial of all the requested amendments to the CUP.

**Council Member Rog made a motion to close the public hearing at 7:45 p.m. Council Member Cremona seconded the motion. Motion carried unanimously.**

**Council Member Rog made a motion to deny the application based on the findings and direct staff to draft Resolution of denial. Council Member Cornett seconded the motion. Motion carried unanimously.**

**City Attorney, Nick Vivian (no action items)**

### **NEW BUSINESS**

**Consideration of Resolution No. 2025-05, Appointment of Council Vacancy – Mayor Giefer provided the background regarding the process of appointing to a vacant Council seat. He asked the Council Members for recommendations.**

**Council Member Cornet made a motion to adopt Resolution No. 2025-05 with the appointment of Mr. Greg Anderson to the vacant Council seat. Council Member Rog seconded the motion. Motion carried unanimously.**

### **UNFINISHED BUSINESS**

#### **DISCUSSION ITEMS (no action taken)**

**Staff Updates (updates from Staff, no action taken)**

**City Council Reports/Future Agenda Items**

It was the consensus of the Council to include on a future meeting agenda 2025 Appointment List, Public Comment and Planning Commission.

**Stillwater Public Schools Board Meeting, Thursday, February 13<sup>th</sup>, Stillwater City Hall, 7:00 p.m.**

**Washington County Commissioners Meeting, Tuesdays, Government Center, 9:00 a.m.**

**President's Day, Monday, February 17<sup>th</sup>, 2025**

### **ADJOURNMENT**

**Council Member Cornett moved to adjourn at 8:15 p.m. Council Member Cremona seconded the motion. Motion carried unanimously.**

These minutes were considered and approved at the regular Council Meeting March 4<sup>th</sup>, 2025.

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Kim Points, Administrator/Clerk

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Jeff Giefer, Mayor

APPROVED