CITY OF
WINONA™
MINNESOTA

COMMUNITY DEVELOPMENT

207 Lafayette Street
P.O. Box 378
Winona, MN 55987-0378
FAX 507-457-8212

April 7, 2020

Planning Commissioners
Winona, Minnesota 55987

Dear Commissioner:

The next meeting of the Planning Commission will be held on **Monday, April 13, 2020, at 4:30 p.m. electronically via Zoom. Instructions for access to Zoom are attached to this meeting notice**.

1. **Call to Order**
2. **Approval of Minutes – March 23, 2020**
3. **Public Hearing – 701 Wilson Street Tourist Home Interim Use Permit**
4. **Public Hearing – Main Square Annex Final Plat at 166 West 6th Street**
5. **Public Hearing – Comprehensive Plan Amendment Request – Low Density to Urban Residential at 22839 County Road 17**
6. **Other Business**
7. **Adjournment**

Sincerely,

Luke Sims
Assistant City Planner

Zoom Procedures for Planning Commission

All interested parties are invited to participate via electronic means. This meeting is open to the public via web or phone. This meeting begins at 4:30 pm; please log in prior to the start of the meeting. You may exit the meeting at any time.

Planning Commission and Staff:

- To join the Zoom Meeting via web, go to: https://zoom.us/j/575007967
  and enter Meeting ID: 575 007 967

- To join via phone, dial either phone number:
  +1 312 626 6799 US (Primary)
  +1 646 558 8656 US (Backup)
  When prompted, enter the following Meeting ID: 575 007 967
  Then enter your participant ID if you have one; if not, enter #

For participants:

- Only use one audio source; audio from computer is preferred if available.
- Be aware of background noise from your location.
- If using phone, do not use the speaker function.
- If using a web cam, be aware of what is in your background.
- If you have headphones, please use them as that will limit background noise
- Please mute your audio until you wish to speak. Then unmute your audio, and ask the Chairman for permission to talk.
- If using web access, note the options for you to view the meeting (gallery shows all participants same size)

Other notes:

- Staff will "host" the meeting on a city computer and will manage when participants' audio is muted / unmuted.

- The public hearing notices included the Zoom meeting information, and also indicated that written comments could be submitted to staff by a set date prior to the Planning Commission meeting. These written comments will be provided to the Commissioners either in advance or at the public hearing.

PLANNING COMMISSION MINUTES

DATE: March 23, 2020

TIME: 4:30 p.m.

PRESENT: Chairman Buelow, Commissioners Hahn, Boettcher, Hall, Olson, and Shortridge

ABSENT: Commissioners Marks, Ballard and Paddock

STAFF PRESENT: Assistant City Planner Luke Sims, City Planner Carlos Espinosa, and Director of Community Development Lucy McMartin

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The meeting was called to order at 4:33 p.m. by Chairman Buelow.

Approval of Minutes – March 9, 2020

The minutes from the Planning Commission meeting of March 9, 2020 were reviewed. Commissioner Hahn moved to approve the minutes. Commissioner Shortridge seconded the motion. All members present voted aye by voice vote.

Public Hearing – 701 Wilson Street Tourist Home Interim Use Permit

Applicants Jo and Susan Koo provided background of their proposal to convert their existing long-term rental to a short-term rental to facilitate more flexible use by them as owners.

Mr. Sims provided an overview of the proposed short-term rental at the property noting that the applicants are meeting the IUP requirements, including having an agent nearby to respond to emergencies when the owners are not available. Mr. Sims also mentioned that additional comment from surrounding property owners coordinated by Mr. Ron Regan of 663 Grand Street was forwarded to the Commission.

Commissioner Hall raised concern over the outreach to neighbors in advance of the shift to making the meeting online due to the ongoing Coronavirus pandemic. Mr. Sims noted that there are extenuating circumstances in this instance and City staff did receive other calls aside from the forwarded correspondence from Mr. Regan but there was no written opposition or support and they were predominantly curious in nature.

Commissioner Hahn asked if there was a sense of support or opposition or simply curiosity from inquiries to City staff. Mr. Sims responded that he would not speak speculatively as to the intent of the callers to support or oppose the proposal but that the calls appeared to be predominantly curiosity.

Commissioner Shortridge asked if the 30% Rule was a concern in this instance. Mr. Sims responded that this is a block in which the 30% Rule does apply but it is an

existing rental property that fills a slot on the block and will not have an additional impact toward 30%. Commissioner Shortridge echoed Commissioner Hall's concerns about adequate access for a public hearing. Commissioner Shortridge also raised concern about the broad conversion of long-term rentals to short-term rentals but noted that he doesn't have a solution but only that the codes should potentially be looked at in the future. Chairman Buelow noted that at this point in time there is not a mechanism to create that limitation.

Chairman Buelow asked if there were any problems with short-term rentals to this point. Mr. Sims noted that the same mechanisms to address problems with long-term rentals exist for short-term rentals and that there has not been an uptick in a need for enforcement to this point.

Commissioner Hahn asked about trailers, boats, and how much off-street parking was available. Chairman Buelow noted that there are two spaces on the property. Ms. Koo mentioned that there are two garage spaces and two spots on the driveway.

Commissioner Hahn asked if this was a situation where tabling until the next meeting to allow area residents more time to submit concerns and comments could be done. Chairman Buelow mentioned that such a motion could be in order but that the appropriate notice was given, the public hearing notice was reissued, and there is a posting on the door of City Hall and some response has been given to City Hall reflecting that word is getting out. Ms. Koo mentioned that from a relational standpoint, the people on Wilson Street know their family well and it may be that people on the Wilson Street side are not speaking up because the applicants were clear about their intention for the property since they bought it. General discussion of the location of the objection from Mr. Regan being on the other wise of a block over ensued.

Commissioner Olson mentioned that there are parking spaces on the block. Due to technical difficulties, Commissioner Olson left the meeting. Discussion of technical difficulties ensued.

Chairman Buelow opened the public hearing.

No members of the public coming forward to speak, the public hearing was closed.

Commissioner Boettcher moved to approve the application. Commissioner Hahn seconded the motion.

Commissioner Hall mentioned that the public input hasn't been optimized for this shift to an electronic meeting and still has that concern, even though he does not have particular opposition for application in question. He noted there does not appear to be a big downside to delaying this until a traditional public hearing can be held. Chairman

Buelow mentioned that this could be some time and there is a quorum present to consider business.

Commissioner Hahn mentioned that he shares concerns about the venue but that the request is for a new use for an existing rental but not a new rental property in the neighborhood. He noted he would have stronger feelings about potentially tabling until a future meeting date if that were the case.

Chairman Buelow mentioned that the traditional notice of the public hearing went out, property owners in the surrounding area were notified, and the updated notice went out on Friday for the changed venue. He mentioned that the message seems to have been received by some neighbors and the Commission.

Commissioner Shortridge echoed Commissioner Hall's concern. He noted that it could be like this for some time but until something changes there probably won't be many short term rentals or a rush to use them and even though there is technically legal compliance a delay would not be harmful.

Commissioner Hall mentioned that a delay would be prudent and it is unlikely that it would create an undue hardship on the applicants, either. Commissioner Hall asked if there were currently renters at the property. Ms. Koo responded that there were renters from July 15 to March 15 and the owners are currently staying there. They have updated the house, fixed it as if they were going to be there forever, and it has passed its rental inspection. Ms. Koo raised a concern that the family does not live in Winona any longer though Jo Koo does come into town monthly and would not be available for a future meeting. Chairman Buelow mentioned that usually people cannot call into meetings but that may be different in the future due to the extenuating circumstances. Commissioner Shortridge mentioned that one person representing the applicants would be fine in the future.

Commissioner Hahn mentioned that he had been swayed by his colleague's comments.

No further comments forthcoming, the Commission voted on the motion at hand.

By roll call vote, the Commission voted unanimously against the motion to approve.

Commissioner Hall moved to table the item to the next regularly scheduled meeting to allow for more time for adequate response from the public. Commissioner Hahn seconded the motion.

No comments forthcoming, the Commission voted on the motion at hand.

By roll call vote, the Commission voted unanimously to table the item to the next regularly scheduled meeting.

Mr. Koo asked what would be considered adequate response at what the process would look like. Director of Community Development McMartin mentioned that mailings could be reissued with appropriate process for response either through email or call or to a public hearing via Zoom could be done to provide for more advance notice for the electronic meeting. Commissioner Hall mentioned that this seemed adequate and didn't want to leave the applicants hanging too long. General assent from Commissioners was expressed.

Public Hearing – Main Square Annex Final Plat at 166 West 6th Street

Commissioner Shortridge mentioned there is still an issue with the process just as the before item. Commissioner Shortridge asked to clarify that the petitioner making the request is not the owner of the property. Mr. Espinosa noted that the petitioner can make the request with the appropriate sign off from the owner which is on file.

Chairman Buelow asked if a representative from the petitioner was on the call. Cindy Telstad, representing the petitioner, mentioned that she was available.

Chairman Buelow asked to confirm that the same process was followed to notice the surrounding area. Mr. Sims mentioned that the same process was followed. Commissioner Hall noted that this should be treated the same as the previous item. Chairman Buelow mentioned that this seems to be appropriate and asked Ms. Telstad if she would like to address the Commission.

Ms. Telstad mentioned that she views this application as considerably different from the prior application and that the previous application involved circumstances that could directly affect the neighbors but a minor plat approval is quite different and a different application and determination. She also mentioned that it is simply a question of whether the subdivision plat should be approved, subdividing one lot into two lots. She noted that this is the first in a multi-step process that will provide additional opportunities for public comment, including more opportunities in which the public will be more apt to respond, for example before the Heritage Preservation Commission. She also mentioned that delay would have significant impact on the developer.

Commissioner Boettcher asked if there were comments submitted yet. Mr. Sims noted that there has not been specific comment for or against submitted to this point. Chairman Buelow noted that this has been in the paper and notice has been given to surrounding property owners. Commissioner Shortridge mentioned that there are not a lot of property owners in that vicinity.

Chairman Buelow asked Ms. Telstad if there were additional points of discussion she would like to add. Ms. Telstad noted that it is a straightforward application for a lot split. She noted that the property owner has signed the application. Ms. Telstad mentioned that the staff report indicates that the application complies with the subdivision requirements with two exceptions that are clearly spelled out regarding the lot area of

the parcel on which the Washington Crossings building sits and the variance for the parking required for that building.

Mr. Espinosa provided an overview of the application, highlighting that there is a zoning district line running along the middle of the property where the northerly portion is Mixed Use-Downtown Core while the southerly portion is zoned R-3, Multifamily Residential. Due to this, City staff is recommending approval with conditions that require variances for the lot area and the parking requirements to be addressed through parking used on the proposed Lot 1. Mr. Espinosa also noted the different steps for the project, which would involve Heritage Preservation Commission review, a Conditional Use Permit review before the Planning Commission, and a variance review before the Board of Adjustment. Overall, Mr. Espinosa mentioned that this meets the requirements in staff's review.

Commissioner Shortridge asked if there would be other variances to be requested in the future as there were for the initial Main Square project for the form based standards and whether there would be variances requested. Ms. Telstad mentioned that there is not an answer to that question at this point because the proposed ramp design process is not far enough along. Mr. Espinosa mentioned there are a lot of moving parts at this point based on the context, the neighborhood, and the split zoning. He mentioned that at this point in time, staff's report reflects review to this point but something could arise in the future.

Commissioner Boettcher mentioned that this is something that the City of Winona needs but must be done correctly.

Chairman Buelow asked whether the 40 off-street parking spaces are required as part of Washington Crossings. Ms. Telstad responded that this was correct and the 40 off-street parking spaces come from a parking agreement for use of the proposed ramp. Chairman Buelow asked how many spaces would be in the ramp. Ms. Telstad mentioned that there was no answer at this time.

Commissioner Olson reconnected to the call and mentioned he has no concern regarding the parking.

Chairman Buelow opened the public hearing.

No member of the public coming forward to speak, the public hearing was closed.

Commissioner Hahn mentioned that he has trepidation moving forward with the item at this time.

Commissioner Boettcher mentioned that the application should be seen together and it should be moved forward but maybe not agreed to today. He recommended that it be looked at again when the Commission is together. Chairman Buelow noted that this

may not be for some time and that there is an allowance by state statute for electronic meetings and that the state also requires action within 60 days. General discussion of the 60 Day Rule ensued. Mr. Sims noted that City staff would have to review the application date to ensure the Commission is still taking action within 60 days should it be tabled. Chairman Buelow re-confirmed that the meeting notice was appropriately issued, surrounding property owners were notified, and a reissued notice was given to the media on Friday regarding the change to an electronic meeting.

Commissioner Hahn moved to table the motion to the next regularly scheduled meeting on April 13th. Commissioner Shortridge seconded the motion.

Due to technical difficulties, Commissioner Olson left the meeting.

No further discussion forthcoming, the Commission voted on the motion at hand. By roll call vote, the Commission voted unanimously to table the item to the next regularly scheduled meeting.

Other Business

Chairman Buelow noted there has been a letter drafted regarding the Corps of Engineer's Pool 6 Dredging Plan. Commissioner Hall moved to send the letter onto City Council. Commissioner Shortridge seconded the motion.

Commissioner Hahn asked if the wording was too vague. Commissioner Shortridge suggested that it be wordsmithed before being sent on.

No further discussion forthcoming, the Commission voted on the motion at hand. By roll call vote, the Commission voted unanimously to send the letter forward to City Council.

Adjournment

On a motion from Commissioner Boettcher and second by Commissioner Shortridge, the Commission unanimously voted in favor of adjournment at 5:38 p.m.

_____

Luke Sims
Assistant City Planner

PLANNING COMMISSION

AGENDA ITEM: 3. 701 Wilson Street Tourist Home IUP

PREPARED BY: Luke Sims

DATE: April 13, 2020

Summary

The owner of the property at 701 Wilson Street is applying for an Interim Use Permit to rent a single family home for a non-owner occupied Tourist Home.

701 Wilson Street- Zoned R-1

The applicant has stated in their application that the unit will meet ordinance requirements. The applicant is proposing to use the property as a tourist home for periods of time in which they are not present. When not present, applicant's agent located at 259 Mill Street will be present to address any concerns from those renting the property and in case of emergency.

Staff's review of the use indicates that it will conform to applicable zoning regulations provided in Attachment C of the attached resolution. Given this, staff recommends approval of the attached resolution.

Attachments:

A. Resolution
B. Application Materials Submitted March 5, 2020

CERTIFICATION OF RESOLUTION

I, Carlos Espinosa, Secretary for the Winona City Planning Commission, do hereby certify that I have compared the annexed paper writing with the original Order of the Winona City Planning Commission RE: Resolution **#20-3** and Petitioner(s) **Joseph and Susan Koo** now remaining of record in my office, and that the same is a true and correct copy of said original.

WITNESS, my hand in Winona, Minnesota, this 13th day of April, 2020.

_____
Carlos Espinosa, Secretary
Planning Commission

CITY OF WINONA, MINNESOTA
PLANNING COMMISSION RESOLUTION 20-3

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF WINONA, MINNESOTA APPROVING THE REQUEST FOR AN INTERIM USE PERMIT FOR A NON-OWNER OCCUPIED TOURIST HOME UNIT AT 701 WILSON STREET

WHEREAS, the applicant, Joseph and Susan Koo, seek an Interim Use Permit (IUP) pursuant to Winona City Code 43.02.22 B) to use a dwelling unit at 701 Wilson Street for a Tourist Home, which property is zoned R-1 and is legally described on the attached Exhibit A; and

WHEREAS, the Planning Commission conducted a public hearing on March 23, 2020 and on April 13, 2020 and received public testimony regarding the requested Interim Use Permit; and

WHEREAS, all required notices regarding the public hearing were properly made; and

WHEREAS, the Planning Commission subsequently reviewed the requested Interim Use Permit at its meeting on April 13, 2020.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF WINONA, MINNESOTA, that it adopts the following finding of fact related to the requested Interim Use Permit:

1) Use of the dwelling unit shown on Exhibit A as a short-term rental for a maximum of five (5) persons complies with all general and specific criteria for non-owner occupied Tourist Home units provided in Exhibit C.

BE IT RESOLVED that the requested Interim Use Permit is hereby granted subject to the following conditions:

(1) The provisions of Winona City Code, Section 43.06.24 C), Cancellation of Conditional and Interim Use Permits, are incorporated herein and made a part hereof by reference

Passed by the Planning Commission of the City of Winona, Minnesota this 13th day of April, 2020.

VOTE: __ HAHN __ SHORTRIDGE __ BALLARD __ BUELOW
__ L. OLSON __ MARKS __ HALL __ BOETTCHER __ PADDOCK

ATTEST:

_____ _____
Secretary Chair

EXHIBIT A

Legal Description of 701 Wilson Street

Lot One (1), in Block Thirty-two (32), Jenkins and Johnstons Second Addition to Winona, located upon a part of Government Lot Six (6), Section Twenty-seven (27), Township One Hundred Seven (107) North, of Range Seven (7), West of the Fifth Principal Meridian, Winona County, Minnesota.

EXHIBIT B

Reference Map

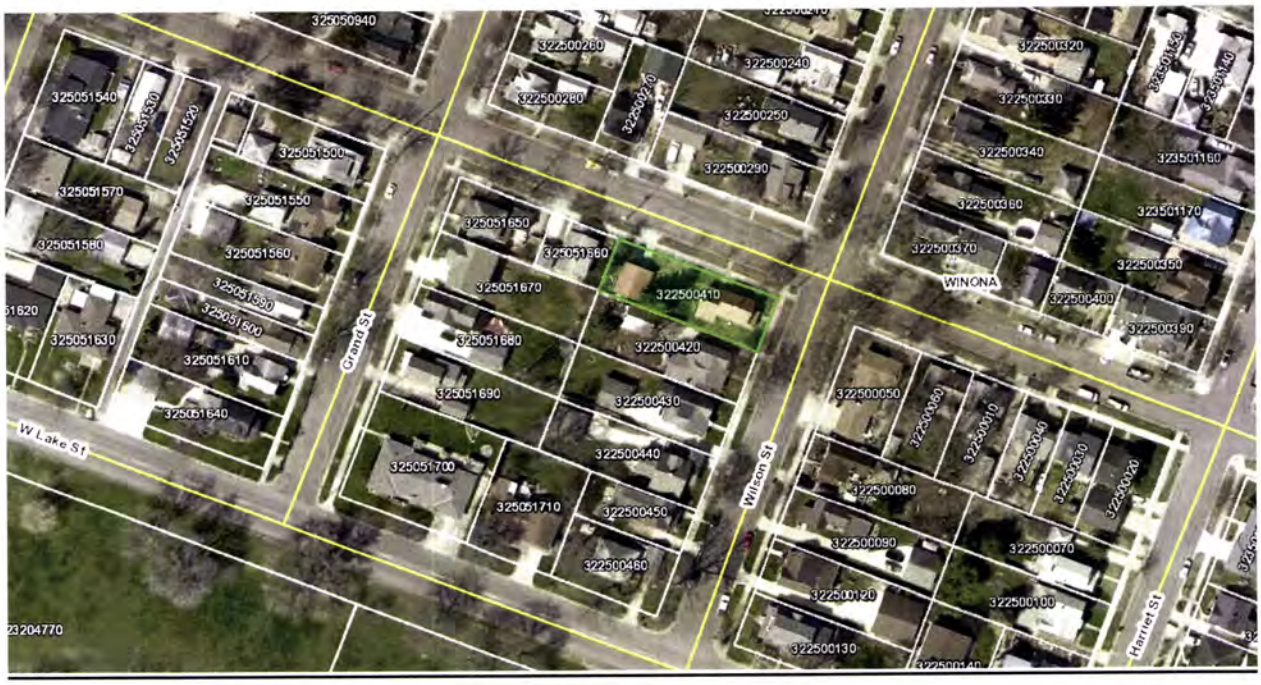


EXHIBIT C

General and Specific Criteria for Non-Owner Occupied Tourist Homes

General Criteria

(1) The extent, location and intensity of the interim use will be in substantial compliance with the Winona Comprehensive Plan.

(2) The interim use will conform to all applicable zoning regulations for the district in which the property is located.

(3) Considering existing circumstances and potential uses under existing zoning, the interim use will not substantially impair the use and enjoyment of other property in the neighborhood.

(4) The interim use will not impede the normal and orderly development and improvement of the surrounding property.

(5) Considering existing circumstances and potential uses under existing zoning, the interim use will not be detrimental to the existing character of the development in the immediate neighborhood or be incompatible with or endanger the public health, safety and general welfare.

(6) The interim use will not create an excessive burden on existing parks, schools, streets/roads and other public facilities, which serve or are proposed to serve the area.

(7) The interim use will not adversely affect neighboring property and dwellings because of excessive traffic generation, glare, noise or other nuisance characteristics.

(8) A interim use located on property having significant historical and architectural resources shall preserve such resources, and a interim use shall not substantially diminish other neighboring property having significant historical and architectural resources.

(9) The interim use shall either preserve or not significantly negatively affect natural and environmental resources.

(10) The interim use will comply with other applicable city, county, state, and federal regulations, as applicable.

Specific Criteria

1) The owner shall not occupy the premises during the rental period.

2) No meals shall be catered.

3) In MU-N, B-1, and residential zoning districts, the number of guests limited to a maximum of twelve (12) at one time or 1 per 1,500 square foot of lot area, whichever is smaller. This computation shall include any other dwelling units on the

property. Provided that properties with valid rental certificates as of 6/21/17 shall be permitted to convert one existing rental unit to a Tourist Home and rent to the number of guests listed on the rental certificate. Any additional Tourist Home units on the same lot must comply with the lot area standard.

4) The use shall be subject to the 30% Rental Housing Rule.

5) The use shall be subject to the city's hotel/motel tax as defined in Chapter 64 as of 7/1/2018 and be operated in accordance with state law notwithstanding conforming or non-conforming use status.

6) Parking – One off-street parking space per two guests. Provided that properties with valid rental certificates as of 6/21/17 shall be permitted to convert one existing rental unit into a Tourist Home without providing additional parking.

7) Guest stay per person shall be limited to a maximum of twenty-nine (29) continuous days within a sixty (60) day period.

8) One unlighted exterior sign shall be permitted. The sign shall not exceed two square feet in area and be attached flat to the wall of the principal structure.

9) A home must be inspected and licensed pursuant to City Code Chapter 33A and all other applicable city, county and state housing, building, fire and environmental health codes and ordinances. Proof of such licensing must be submitted to the Community Development Department. Initial City licensing for properties in the R-R, R-S, R-1, R-1.5, R-2, R-3, MU-N, B-1 and AG/NR districts shall be subject to the Interim Use Permit (IUP) process. Properties shall be inspected prior to application for the IUP. The Interim Use Permit shall be valid for the same term period as a rental housing license. Thereafter, properties shall be licensed administratively by the Community Development Department in the same manner as rental housing pursuant to Chapter 33A.

10) An owner or local agent for the premises shall reside within 30 miles of the unit. Such representative shall be available 24 hours a day during the rental period. A contact number for the representative shall be provided to the City of Winona Community Development Department.

2019
INTERIM USE PERMIT (IUP) APPLICATION
COMMUNITY DEVELOPMENT, CITY OF WINONA, MINNESOTA 55987
P.O. BOX 378 507/457-8250 FAX: 507/457-8212

SITE ADDRESS: 701 WILSON ST, WINONA

Property Owner:			
Company/Individual	Joseph & Susan Koo		
Contact Person	same ↗	*E-Mail*	jkoo10@yahoo.com
Mailing Address	33 YORK CT	*Office Phone*	N/A
City/State/Zip	Staunton VA 24401	*Mobile Phone*	423-309-6797 (JO)
			540-849-7603 (SUSAN)
Applicant:			
Company/Individual	Same as property owner		
Contact Person		*E-Mail*	
Mailing Address		*Office Phone*	
City/State/Zip		*Mobile Phone*	

IUP Applications will not be processed without payment of the $215.00 fee.

Additional information required for the IUP application is on following pages. A letter will be sent within 15 business days if more information is required to declare the IUP application complete.

Note that any project which will generate 200+ semi-truck trips per day is required to complete a Transportation Impact Analysis prior to submitting this application. An analysis is also required if semis from the proposed use will increase the amount of traffic on any non-truck route by more than 20%. If potentially applicable, contact the Community Development Department to set up a pre-application meeting.

Zoning of Property: _____

Signature of Applicant Susan J Koo

Signature of Land Owner
(If different from applicant)

For Staff Use Only
Date Received: _____ IUP #_____ Receipt #_____
Parcel #: _____ Zoning _____

LEGAL DESCRIPTION OF PROPERTY: _____

IUP Application Requirements

An IUP application requires the following information to be complete. Provide attachments as necessary.

1) Project narrative. Briefly describe the proposed use of the property. Short term vacation rental

2) Conceptual site plan. Provide a general layout of proposed use on the subject property. Note that a formal site plan application may be required after IUP approval. See reverse side of this paper

3) Respond to the specific criteria for the proposed interim use. Staff will provide this information.

4) Respond to the following general criteria:

(1) The extent, location and intensity of the interim use will be in substantial compliance with the Winona Comprehensive Plan. Property can be rented a minimum of 3 days and up to, but not exceeding 1 month. Location - one block from West Lake on the corner of Wilson & Mill. Intensity - continual bookings.

(2) The interim use will conform to all applicable zoning regulations for the district in which the property is located. yes, we are already approved for a long term rental and been found in compliance

(3) Considering existing circumstances and potential uses under existing zoning, the interim use will not substantially impair the use and enjoyment of other property in the neighborhood. It will not. We currently have long term renters and there have been no reported concerns.

(4) The interim use will not impede the normal and orderly development and improvement of the surrounding property. No.

(5) Considering existing circumstances and potential uses under existing zoning, the interim use will not be detrimental to the existing character of the development in the immediate neighborhood or be incompatible with or endanger the public health, safety and general welfare.
We have already renovated the property and it is of adequate and at least comparable character and integrity of surrounding properties.

(6) The interim use will not create an excessive burden on existing parks, schools, streets/roads and other public facilities, which serve or are proposed to serve the area. No

(7) The interim use will not adversely affect neighboring property and dwellings because of excessive traffic generation, glare, noise or other nuisance characteristics. No. We plan to not be the cheapest place to rent. We want to attract responsible families and travelers looking for a quality experience. We also want to minimize potential damage to our property.

(8) A interim use located on property having significant historical and architectural resources shall preserve such resources, and a interim use shall not substantially diminish other neighboring property having significant historical and architectural resources.
While not on the historic register, our property was built in the late 1800s. When we rennovated we preserved much of the original character.

(9) The interim use shall either preserve or not significantly negatively affect natural and environmental resources. We will have a property manager who keeps a continual watch on lawn care, trash, etc.

(10) The interim use will comply with other applicable city, county, state, and federal regulations, as applicable. Yes.

In addition to the above mandatory criteria that must be met to grant an IUP, the Planning Commission will also consider whether the proposed use will substantially diminish property values in the neighborhood. While this criterion is not mandatory, the Planning Commission may impose additional conditions on interim uses as it deems reasonable and necessary to mitigate negative effects on neighboring property values through screening, fencing, buffer zones, etc.

We plan to list the property on a Short term rental website (ie - VRBO, airBnB, etc) I believe for our lot size and city codes we are permitted 5 guests?

Luke Sims

From: Jo Koo <jkoo10@yahoo.com>
Sent: Monday, March 09, 2020 4:45 AM
To: Luke Sims
Subject: update on our 701 Wilson St.

Here is my friend Mark Loeffler (608) 780-9989. His address is: 259 Mill St. Winona, MN 55987. He will take care our property while we are out of town. Please let me know if you need any other information

Thank you

Jo and Susan Koo

PLANNING COMMISSION

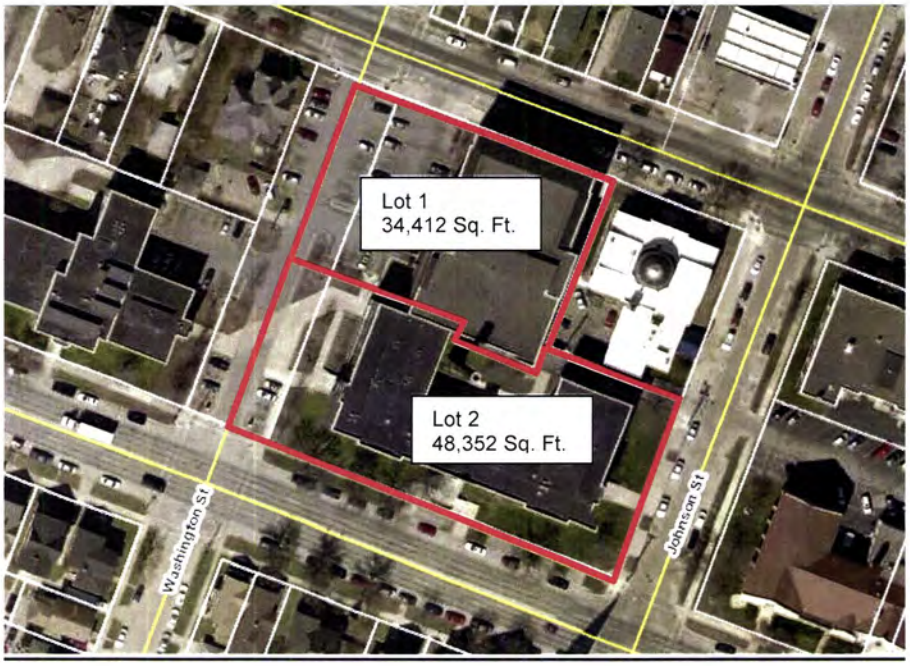
AGENDA ITEM: 4. Public Hearing – Main Square Annex Subdivision

PREPARED BY: Carlos Espinosa

DATE: April 13, 2020

BASE DATA

Petitioner:	Main Square Development LLC
Location:	166 W. 6th St.
Existing Zoning:	Lot 1 – MU-DC (Mixed Use Downtown Core) Lot 2 – R-3 (High Density Residence)
Lot Area:	82,764 Sq. Ft.
Lot Area Requirements:	MU-DC – None R-3 – 74,000 Sq. Ft. (1,500 sq. ft. X 11 One Bedroom units; 2,500 sq. ft. X 23 Two Bedroom Units in East Washington Crossings Building)
Lot Frontage Requirements:	Lot 1 – None Lot 2 – 75 ft.
Existing Number of Lots:	One
Proposed Number of Lots:	Two
Proposed Lot Areas:	Lot 1 – 34,412 sq. ft. Lot 2 – 48,352 sq. ft.
Proposed Lot Frontage:	Lot 1 – 215 ft. Lot 2 – 335 ft.


Lot 1
34,412 Sq. Ft.
Lot 2
48,352 Sq. Ft.
Washington St
Johnson St

Lot 1:
MU-DC
Lot 2:
R-3
Washington St
Johnson St

DISCUSSION

The subdivision is proposed to facilitate construction of a structured parking facility on the "auditorium" lot (Lot 1). This project will require the following approvals:

1. Heritage Preservation Commission review of auditorium demolition
2. Conditional Use Permit (CUP) for structured parking in the MU-DC zoning district
3. Variance for a parking structure within 50 feet of a residential (R-3) zoning district
4. Site Plan (design standards will apply to a new parking structure)

Thus, splitting the property though this plat is the beginning of a multi-step public review process for the overall project. At this time, the role of the Commission is simply related to the lot split. Staff's review indicates that the plat meets subdivision and zoning standards with the following exceptions:

1. Per Code, the existing East Washington Crossings building requires a lot area of 74,000 square feet. Lot 2 (which will house the building) is proposed to be only 48,352 square feet.
2. Forty (40) off-street parking spaces related to the East Washington Crossings building are required to be on the same lot as the structure. However, the plat will create a separate standalone parking area on Lot 1.

To address these exceptions, staff would recommend that approval of the Main Square Annex subdivision contain the following conditions:

1. A lot size variance for Lot 2 shall be obtained.
2. A variance shall be obtained for 40 off-site parking spaces related to the East Washington Crossings building.

Attachment:

- Final Plat Copy

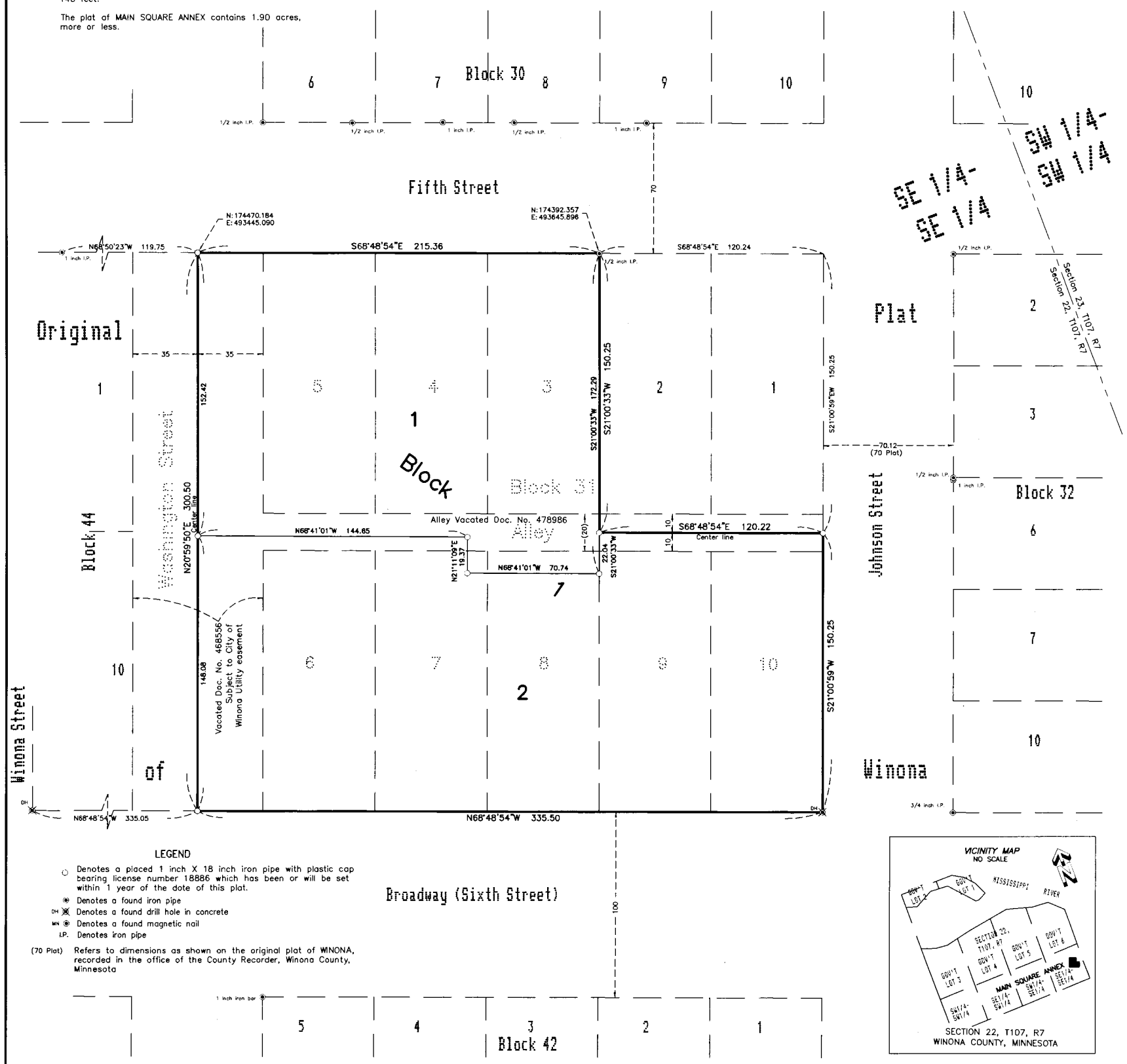
MAIN SQUARE ANNEX

NOTES:

BASIS OF BEARINGS: Bearings and coordinates shown are based on the Winona County Coordinate System, NAD 1983 (1996 adjustment).

Record Lot size for lots in Block 31 is 60 feet by 140 feet.

The plat of MAIN SQUARE ANNEX contains 1.90 acres, more or less.



LEGEND

- ○ Denotes a placed 1 inch X 18 inch iron pipe with plastic cap bearing license number 18886 which has been or will be set within 1 year of the date of this plat.
- ⊛ Denotes a found iron pipe
- DH ⊗ Denotes a found drill hole in concrete
- MN ⊛ Denotes a found magnetic nail
- I.P. Denotes iron pipe
- (70 Plat) Refers to dimensions as shown on the original plat of WINONA, recorded in the office of the County Recorder, Winona County, Minnesota

DEDICATION

KNOW ALL PERSONS BY THESE PRESENTS: that MDI Limited Partnership #78, A Minnesota limited partnership, owner of the following described property:

Lots 3 through 10, Block 31, Together with that part of vacated Washington Street appurtenant to said Block 31 and together with that portion of the vacated alley in said Block 31 appurtenant to said Lots 3 through 10, all in the Original Plat of Winona, according to the recorded plat thereof, Winona County, Minnesota.

Has caused the same to be surveyed and platted as MAIN SQUARE ANNEX.

In witness whereof said MDI Limited Partnership #78, A Minnesota limited partnership, has caused these presents to be signed by its proper partner this ___ day of _____, 20___.

Signed: MDI Limited Partnership #78
By: GLS Properties, LLC, a Florida limited liability company

_____
Gary L. Stenson, Chief Manager

STATE OF _____
COUNTY OF _____

This instrument was acknowledged before me on _____, 20__, by Gary L. Stenson, Chief Manager of GLS Properties, LLC, a Florida limited liability company, General Partner of MDI Limited Partnership #78, A Minnesota limited partnership, on behalf of the partnership.

Notary signature: _____

Print Notary's name_____
Notary Public, _____ County, _____
My commission expires_____

SURVEYOR'S CERIFICATE AND ACKNOWLEDGEMENT

I, Tony A. Blumentritt do hereby certify that this plat was prepared by me or under my direct supervision; that I am a duly Licensed Land Surveyor in the State of Minnesota; that this plat is a correct representation of the boundary survey; that all mathematical data and labels are correctly designated on this plat; that all monuments depicted on this plat have been or will be correctly set within one year; that all water boundaries and wet lands, as defined in Minnesota Statutes, Section 505.01, Subd. 3, as of the date of this certificate are shown and labeled on this plat; and that all public ways are shown and labeled on this plat.

Dated this _____ day of _____, 20___.

_____
Tony A. Blumentritt, Licensed Land Surveyor
Minnesota License Number 18886

STATE OF _____
COUNTY OF _____

This instrument was acknowledged before me on _____, 20____, by Tony A. Blumentritt.

Notary signature:_____

Print notary's name_____
Notary Public, _____ County, Minnesota
My Commission expires_____

CITY COUNCIL

City Council, City of Winona, Minnesota

This plat of MAIN SQUARE ANNEX was approved and accepted by the City Council of the City of Winona, Minnesota at a regular meeting thereof held this ____ day of _____, 20____, and said plat is in compliance with the provisions of Minnesota Statutes, Section 505.03, Subd. 2.

City Council, City of Winona, Minnesota

By _____
Monica Hennessey Mohan, City Clerk

COUNTY SURVEYOR

I hereby certify that in accordance with Minnesota Statutes, Section 505.021, Subd. 11, this plat has been reviewed and approved this ____ day of _____, 20____.

_____
Brian K. Wodele, Winona County Surveyor
Minnesota License No. 46559

COUNTY AUDITOR/TREASURER

Pursuant to Minnesota Statutes, Section 505.021, Subd. 9, taxes payable in the year 20____ on the land hereinbefore described have been paid. Also, pursuant to Minnesota Statutes, Section 272.12, there are no delinquent taxes and transfer entered this _____ day of _____, 20_____.

_____
Sandra J. Suchla, Winona County Auditor/Treasurer

COUNTY RECORDER, COUNTY OF WINONA, STATE OF MINNESOTA

I herby certify that this plat of MAIN SQUARE ANNEX was filed in the office of the County Recorder for public record on this ____day of _____, 20____, at ___o'clock ___.M. and was duly filed as Document No. _____

_____
Robert J. Bambenek, Winona County Recorder

By _____, Deputy

Scale 1 inch=30 feet
0 30 60 90
Scale in feet

JOHNSON & SCOFIELD INC.
SURVEYING AND ENGINEERING
4240 West 5th Street, Winona, MN 55987
(507)454-4134, FAX(507)454-2544
briarw@jslsmail.com

X:PLATS\MAIN SQUARE ANNEX\19-1095 MAIN SQUARE ANNEX .dwg

PLANNING COMMISSION

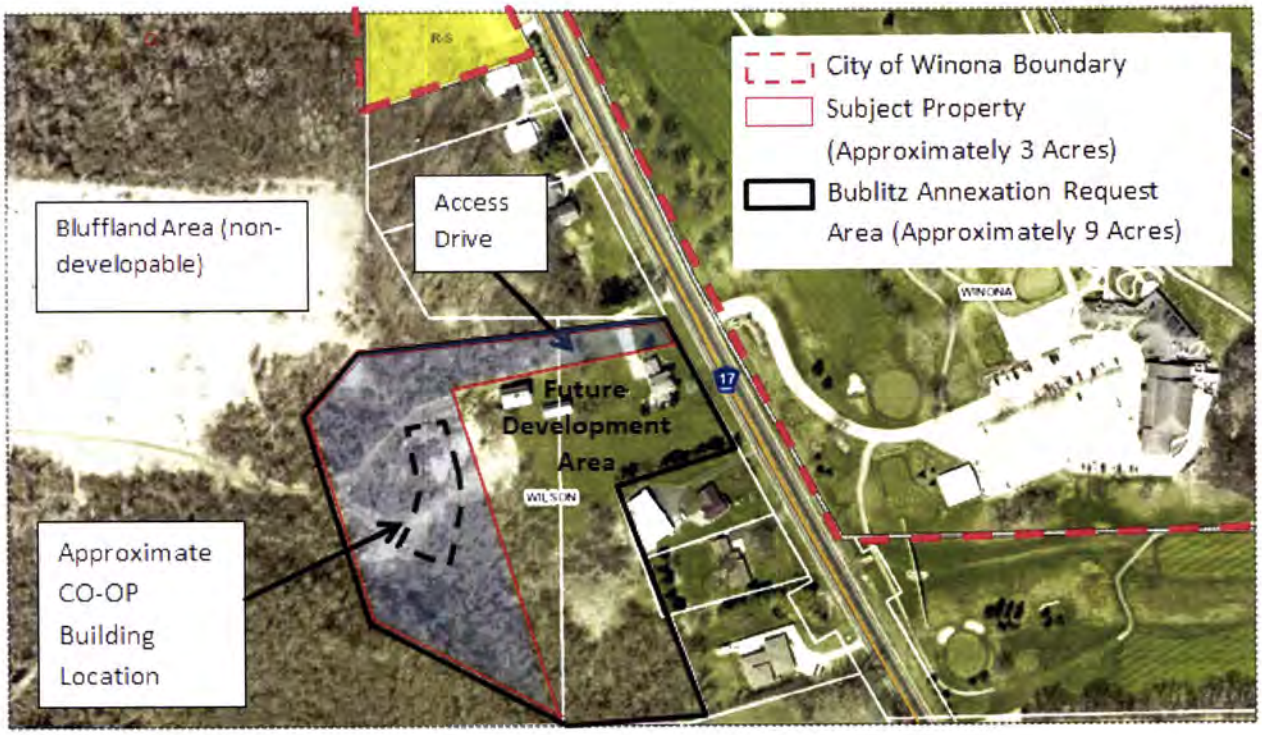
AGENDA ITEM: 5. Public Hearing – Comprehensive Plan Amendment Request – Low Density to Urban Residential at 22839 County Road 17

PREPARED BY: Carlos Espinosa

DATE: April 13, 2020

INTRODUCTION

Bradford Development is proposing to develop a 36 unit CO-OP senior living (Age 62+) facility at 22839 County Road 17. The three acre subject property is across County Road 17 from the main entrance to the Bridges Golf Course. The property is currently in Wilson Township. In order to proceed, Bradford Development is seeking to re-designate the subject property from Low Density to Urban Residential.



The owner of the property is Mitchell Bublitz. Mr. Bublitz has submitted a petition to annex the subject property along with an additional six acres of land into the City of Winona. The annexation request is scheduled to be heard by Council on May 4th. On November 4th, 2019 a Pre-Council meeting was held to review this request with the City Council. In addition to a staff memo (Attachment B), Council was provided with a letter from Bradford Development and an analysis of the demand for the proposed senior CO-OP (Attachment C). The letter noted that 32 of the 36 proposed units had been

reserved (currently there are 42 reservations for 36 units). At the meeting in November, there was general Council support to proceed.

In addition to annexation and this agenda item, the proposed development will require the following approvals:

1. Zoning – application of the R-3 zoning district
2. Variance – to building height requirements
3. Preliminary Plat
4. Final Plat
5. Site Plan

In accordance, this request is just one of the first steps in the public review process. At this time, the role of the Commission is to review the proposal in consideration of the Comprehensive Plan amendment criteria discussed on pages 4-7. Staff would recommend the following conditions for any approval action:

Recommended Conditions:

1. All land use; zoning, subdivision, and site plan approvals to construct a 36 unit CO-OP senior living facility with underground parking shall be obtained by May 2021.
2. If the above condition is not met, the Comprehensive Plan Change shall be null and void.

Bradford Development's application is provided in Attachment A. Bradford is the developer of the existing Willowbrook Senior CO-OP at 1420 Burns Valley Road. Currently, this building is at capacity and has a waiting list with 48 names on it.

The format for this item is the following:

A. Chair shall state the case to be heard.
B. Chair shall ask the applicant to present his/her case.
C. Chair shall call on the City Planner, to present staff comments.
D. The hearing shall be opened and interested persons, upon giving their name and address, are invited to speak to the Commission. Following recognition by the Chair, Commission members may ask questions of persons addressing the Commission in order to clarify facts. Any statement by a member, other than to question, may be ruled out of order.
E. After all new facts and information have been brought forth, the hearing shall be closed, and interested persons shall not be heard again unless the hearing is reopened and unless all interested parties shall be allowed to be heard again. Upon completion of the hearing, the Commission shall discuss the item at hand and render a decision or recommendation.

BASE DATA

Petitioner: Bradford Development

Property Owner: Mitchell Bublitz

Location: 22839 County Road 17

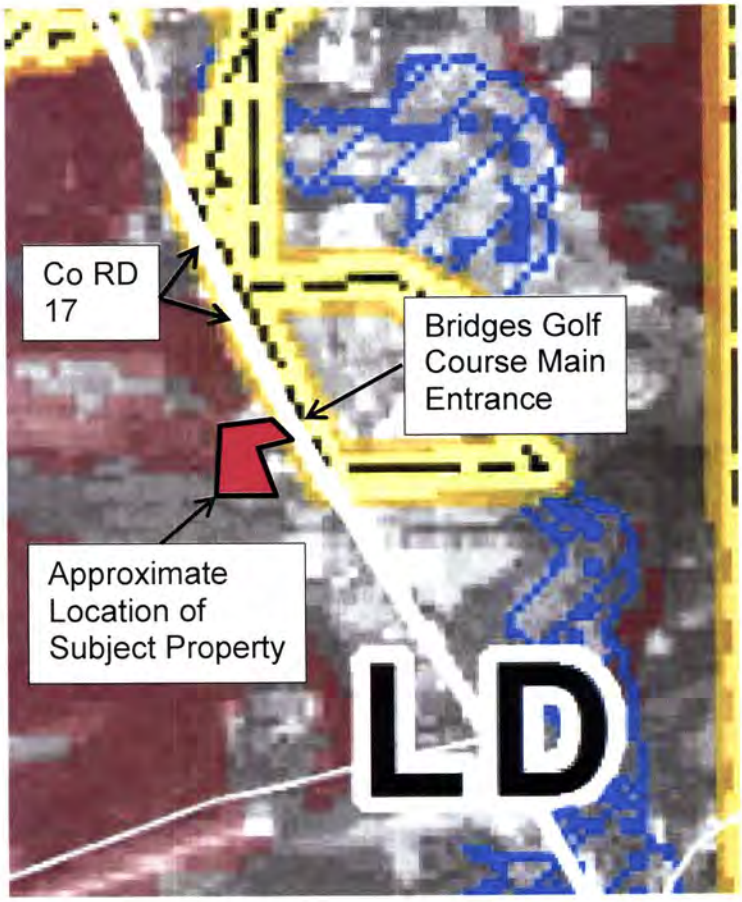
Area: Approximately 3 acres

Existing Land Use Designation: Low Density

LD - Low Density	
Will be located in the City's Urban Expansion area as well as many existing hilltop and valley locations in the southern part of the City where steep slopes and other constraints limit densities.	May require conservation development in areas with steep slopes and other sensitive natural resources. Densities will be determined based on buildable land, not parcel size.

Requested Designation: Urban Residential

Urban Residential (High Density)	
Existing and potential high-density residential buildings, including student housing areas, live-work development, and limited retail and service. Housing types include: • Multi-family • Senior housing (typically hi-rise) • Attached housing	• Should be well-connected to parks, open space, shopping and services • Design appropriate transitions to existing neighborhoods



ANALYSIS

The following criteria should serve as guidance for assessing the request to amend the Comprehensive Plan.

1) The amendment is consistent with the policies and objectives of the Comprehensive Plan.

Land Use Section

As noted above, the Comprehensive Plan designates the subject property as Low Density. However, the subject property is located in what the Comprehensive Plan defines as the "Urban Expansion Area." According to the Plan, the Future Land Use Plan "depicts proposed land uses within city boundaries," while the Urban Expansion Area "presents a more conceptual plan for long-range growth outside those boundaries" (See Attachments D and E). Thus, although the requested Urban Residential Land Use designation is a significant departure from the "Low Density" category, it would appear the plan intends for more flexibility in the Urban Expansion Area (where the subject property is located).

Housing Section

The Housing Section of the Comprehensive Plan establishes a goal of a "balanced housing supply" through "Plan[ing] for a housing supply that meets the current and future needs of all demographic and socioeconomic sectors of the population." The Plan continues with an objective to "Assess the future needs for housing in Winona, including the large "baby boom" population segment." In accordance, the proposed senior CO-OP fulfills this objective. As noted above, there is a demonstrated need for this type of housing given the development's over-booked reservation list.

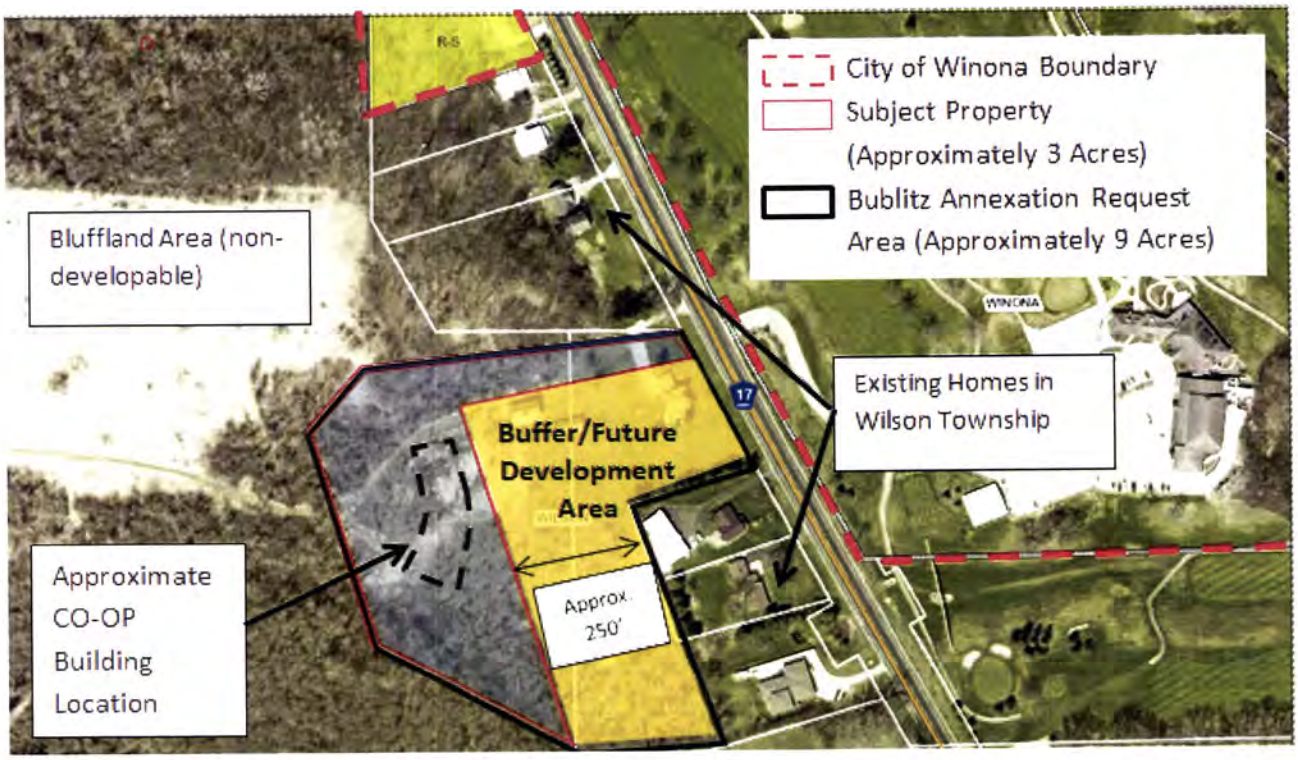
2) **The amendments are being requested due to changes which have occurred since adoption of the 2007 Comprehensive Plan.**

Since adoption of the Comprehensive Plan in 2007, sewer and water utilities were extended past the subject property in 2008. The lines were extended from the Treetops area south along County Road 17 to reach the Cobblestone Subdivision. In addition to providing City sewer and water service for Cobblestone, it was anticipated that the mains could provide service for existing properties and help facilitate new development.

In addition, the City completed its most recent housing study in 2016. The study projected an unmet demand of 42 "Active Adult Owner Occupied" housing units in 2016, and 44 units in 2031. The Bradford/Viewpoint Consulting analysis also projected unmet demand for this housing type (see Attachment C). Importantly, recent multifamily housing developments (e.g. Main Square; Bluffview Estates on Mankato Ave, etc) are *rental* units that are not in the same category as Owner-Occupied/Cooperative Housing units. As a result, despite recent multi-family housing developments, it appears that demand will continue to be strong into the future for the CO-OP units proposed by Bradford Development.

3) **The amendment will not have an undue impact on the health, safety, or welfare of the community**.

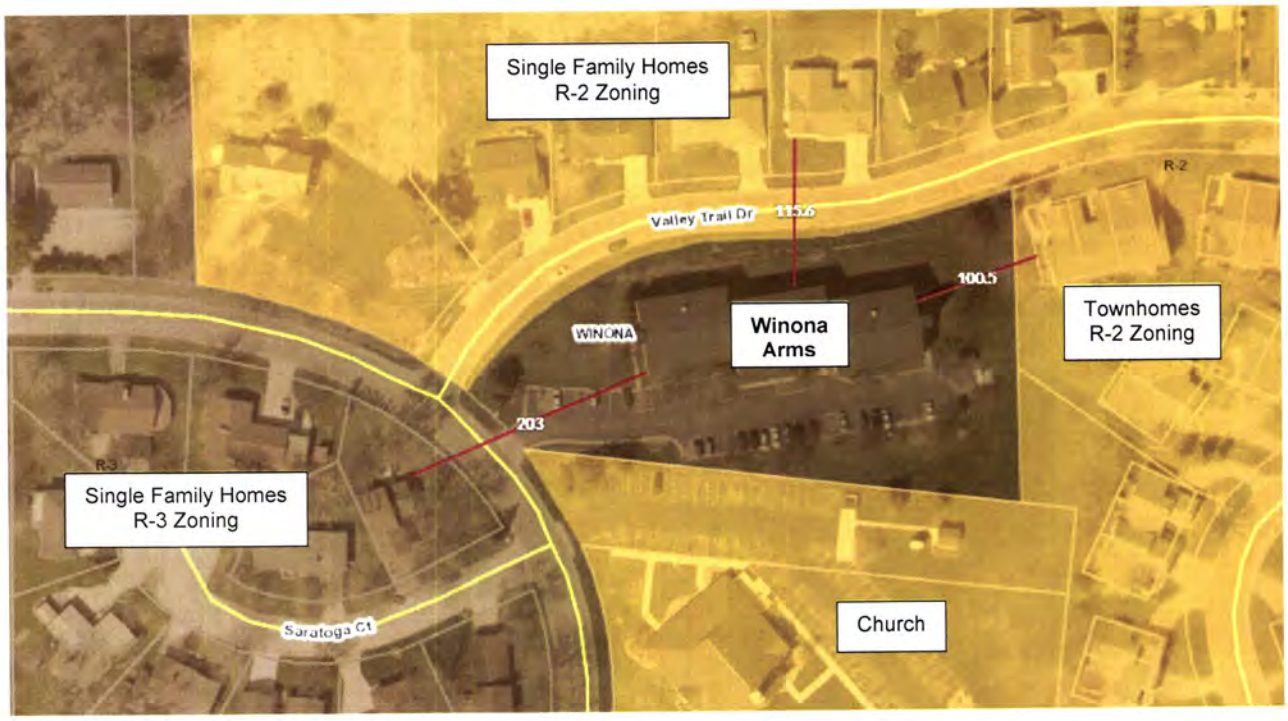
The urban residential land use designation is surrounded by existing low density or undeveloped properties. In accordance, the proposed multi-unit residential building is not in character with the density of surrounding area. However, the impact of the use will be buffered in the short term by an undeveloped area between the subject property and existing houses on County Road 17 (see next page).



As shown above, there is approximately 250' between the CO-OP property and the adjacent residential properties in Wilson Township. This buffer area will remain designated Low Density. This designation would support future rezoning to a "maximum" R-1.5 zoning district which, in concept, would allow new low density residential homes to be built between the existing structures on County Road 17 and the proposed senior CO-OP.

On other side of the subject property is undeveloped land with relatively steep slopes which makes future development unlikely.

Overall, staff sees the setting for proposed CO-OP development as somewhat similar to the 49 unit Winona Arms apartment building in Knopp Valley. Although the building is high density, it is part of a surrounding neighborhood which includes single-family homes, townhomes, and a church (see next page).



ACTIONS

In consideration of this matter, the following actions are available:

1. Recommend approval of the request. As noted previously, staff recommends that approval action contain the following conditions:

    i. All land use, zoning, subdivision, and site plan approvals to construct a 36 unit CO-OP senior living facility with underground parking shall be obtained by May 2021.
    ii. If the above condition is not met, the Comprehensive Plan Change shall be null and void.

    In this case, a motion to approve the conditions and adopt the analysis above as the findings of the Commission would be in order.

2. Recommend denial of the request. If denial is recommended, specific reasons should be given. These reasons should relate to the analysis above or the general public health, safety, and welfare. In this case, a motion should be made to direct staff to bring a resolution of denial to the next meeting.

3. Recommend tabling the request.

ATTACHMENTS

A. Bradford Application
B. Planning Staff Memo to Council for November 2019 meeting
C. Bradford Letter and Analysis for November 2019 meeting
D. Future Land Use Plan
E. Urban Expansion Area

A)

2020
COMPREHENSIVE PLAN FUTURE LAND USE
MAP AMENDMENT APPLICATION
COMMUNITY DEVELOPMENT, CITY OF WINONA, MINNESOTA 55987
P.O. BOX 378 507/457-8250 FAX: 507/457-8212

SITE ADDRESS: 22839 Cty. Rd 17, Winona MN 55987

Property Owner:
Company/Individual: Mitchell Bublitz
Contact Person: Mitchell Bublitz
Mailing Address: PO Box 955
City/State/Zip: Houston, MN 55947
E-Mail: mitch@bestway.biz
Office Phone: 507-896-4824
Mobile Phone: 507-459-1572

Applicant:
Company/Individual: Cedar Brook Cooperative
Contact Person: Brad Bass
Mailing Address: 501 N. Riverfront Drive
City/State/Zip: Mankato MN 56001
E-Mail: mdwill lowbrook@hrkonyfeebnet
Office Phone: 507-388-0644
Mobile Phone: 507-382-0006

This application will not be processed without payment of the $215.00 fee.

Additional information required for the application is on following page.

Current Land Use Designation of Property: Low Density

Proposed Land Use Designation of Property: Urban residential

Signature of Applicant

Mitchell Bublitz
Signature of Land Owner
(If different from applicant)

For Staff Use Only EG INV-2269
Date Received: 4/1/2020 Comp Plan Change # 107-2020 Receipt # 583001
Parcel #: 18.000.0320 Zoning LOW Density
LEGAL DESCRIPTION OF PROPERTY:
18.000.0350

CEDAR BROOK
A WILLOW BROOK COOPERATIVE

Additional Information Requested - Comprehensive Plan Map Amendment Application
Site Address: 22839 County Road 17, Winona, MN 55987

We believe the amendment is consistent with the policies and objectives of the Comprehensive Plan. Wilson Township has been identified as the most logical location for long-term future expansion, with this site having direct access to city water and sewer. This request also supports the Housing Task Force and Housing Study in a number of ways. Affordable homeownership, multifamily dwellings help meet the need for the large "baby boom" population segment which in turn creates the additional housing needed for single-family homeownership; all goals of the Housing Task Force and Comprehensive Plan.

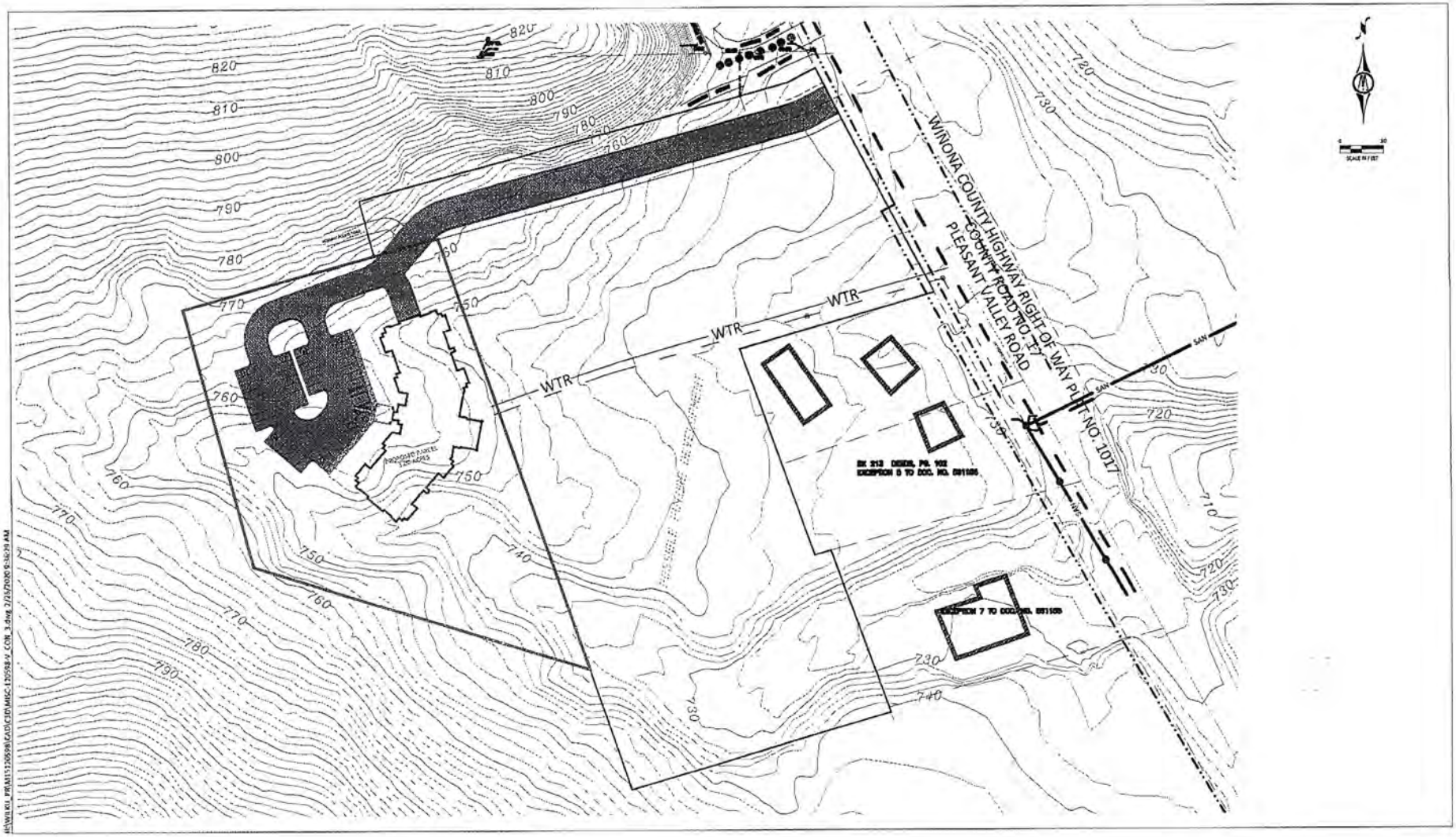
The amendment is being requested due to changes which have occurred since the adoption of the Comprehensive Plan with the need for additional housing to keep up with economic growth. The amendment will not have undue impact on the health, safety, or welfare of the community.

It is our intent to reach out to the neighboring property owners to fully communicate the plan for the property and to address any questions or concerns they may have. We have also presented the cooperative concept to the Wilson Township board at a public meeting last fall.

Bradford Development
Winona, Minnesota

Concept Plan 3
February, 2020

BOLTON & MENK



B)

MEMORANDUM

DEPARTMENT OF COMMUNITY DEVELOPMENT/PLANNING DIVISION

TO: City Council

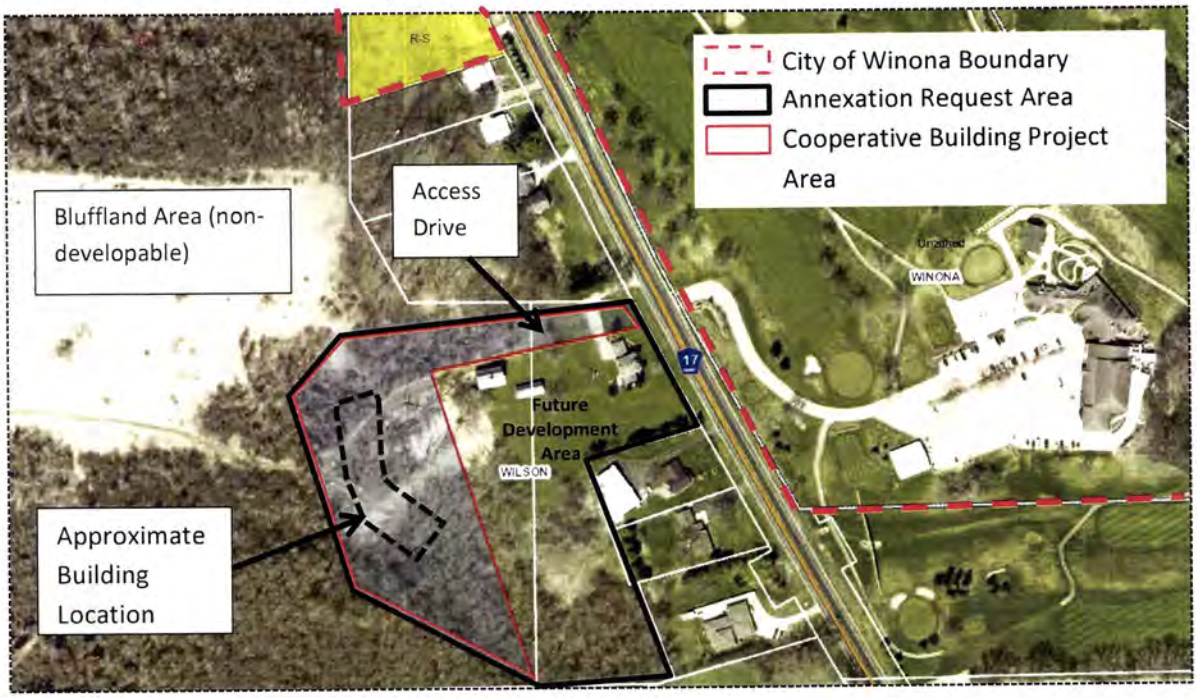
FROM: Carlos Espinosa, City Planner

DATE: November 1, 2019

SUBJECT: 11/4/19 Pre-council: Bradford Development Annexation Request

---

Staff has received the attached annexation petition for 9.37 acres of land at 22839 County Road 17. This property is situated across County Road 17 from the main entrance to the Bridges Golf Course. The petition was submitted by Bradford Development of Mankato, MN and Mitch Bublitz (property owner). Bradford Development proposes a 36 unit Senior Cooperative multi-unit building on the portion of the property shown below:



The pre-council meeting is to discuss the proposal and potential next steps. A summary of development considerations is on the next page. Staff will review these considerations at the pre-council meeting.

Bradford "Cedar Brook" Development Concept

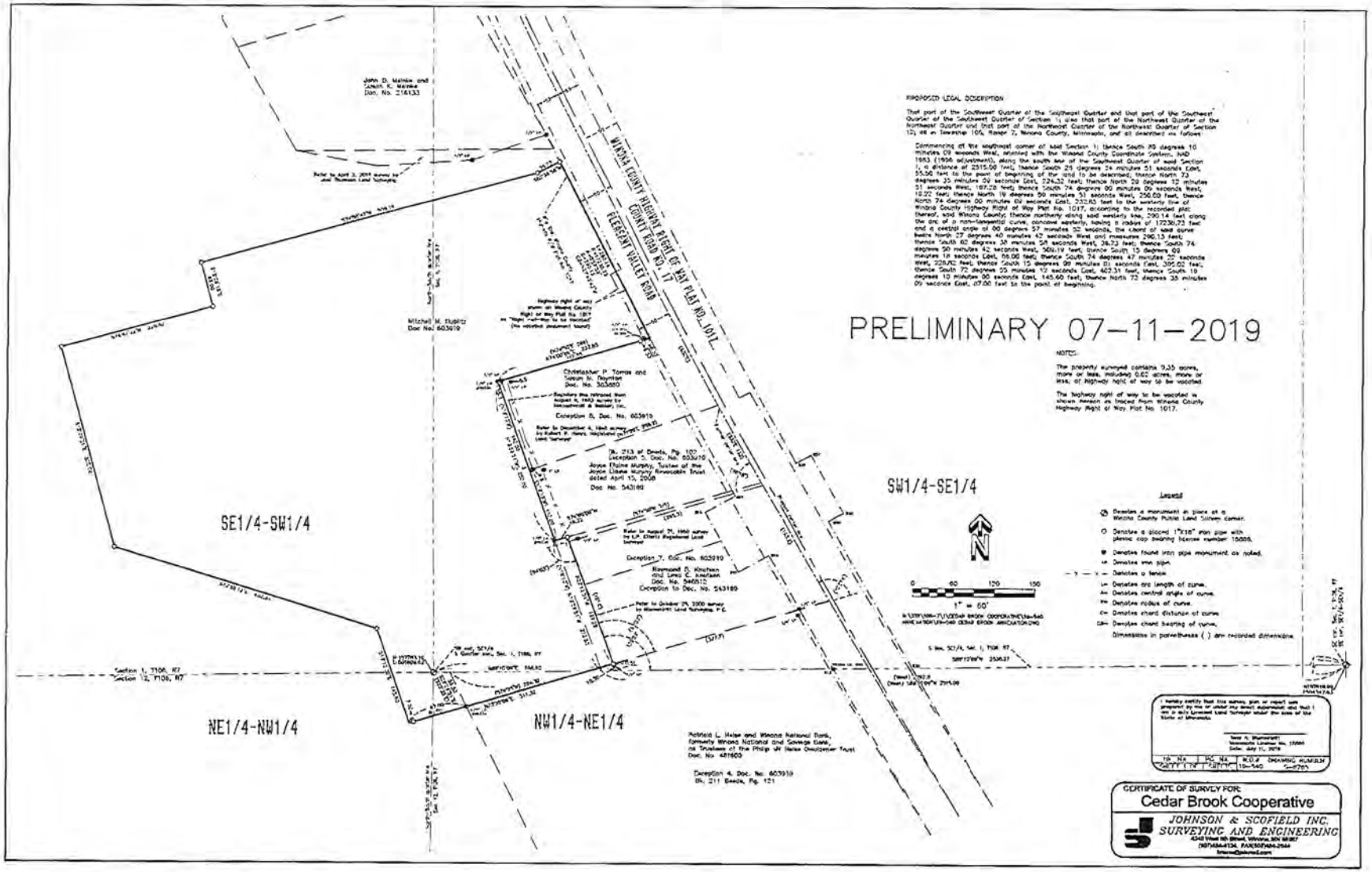
1. 36 Unit Senior Cooperative – Similar to WillowBrook Project at 1420 E. Burns Valley Road
2. Requires:
    1) Annexation
    2) Comp plan Change (Currently Designated Low Density; must be changed to Urban Residential)
    3) Zoning (Currently un-zoned; R-3 zoning required)
    4) Preliminary and Final Plat
    5) Site Plan
    6) Building Permit

3. Market need:
    1) City Housing Study (Active Adult Owner-Occupied):
        i. 2016 unmet demand = 42 units
        ii. 2031 unmet demand = 44 units
    2) Bradford/Viewpoint:
        i. 2018 unmet demand = 82 units
        ii. 2023 unmet demand = 91 units

    Recent multifamily housing developments (e.g. Main Square; Bluffview Estates on Mankato Ave, etc) are rental units that do not "count" toward the unmet demand for Owner-Occupied/Cooperative Housing units.

    Willowbrook = 43 households on Waiting List
    Cedar Brook = 32 households on reservation list

4. Other considerations:
    - Approximate Tax Impact = $18,900 per year to City (36 units X $525 – based on WillowBrook)
    - Approximate Fees to connect to City Utilities = $63,750 ($17,000 X 3.75 Acres)
    - Park Dedication = $19,620 (36 Units X $545)
    - Housing Study Recommendations:
        - When annexation is occurring, where appropriate allow for zoning changes to allow for multi-family and mixed-use developments
        - Encourage staff to collaborate with the political subdivisions within the Winona Primary Market Area to attract multi-family developers to create the housing needed to fulfill the demand levels stated within the housing study.


PRELIMINARY 07-11-2019
PROPOSED LEGAL DESCRIPTION
That part of the Southwest Quarter of the Southwest Quarter and that part of the Southeast Quarter of the Southwest Quarter of Section 1; also that part of the Northwest Quarter of the Northwest Quarter and that part of the Northeast Quarter of the Northwest Quarter of Section 12; all in Township 106, Range 7, Winona County, Minnesota, and all described as follows:
Commencing at the southwest corner of said Section 1; thence South 89 degrees 10 minutes 09 seconds West, assuming with the Winona County Coordinate System, NAD 1983 (1996 adjustment), along the south line of the Southwest Quarter of said Section 1, a distance of 2515.08 feet; thence South 25 degrees 24 minutes 51 seconds East, 55.50 feet to the point of beginning of the land to be described; thence North 73 degrees 35 minutes 09 seconds East, 224.32 feet; thence North 29 degrees 12 minutes 51 seconds West, 187.28 feet; thence South 74 degrees 00 minutes 09 seconds West, 10.22 feet; thence North 19 degrees 09 minutes 51 seconds West, 250.00 feet; thence North 74 degrees 00 minutes 09 seconds East, 232.83 feet to the westerly line of Winona County Highway Right of Way Plat No. 1017, according to the recorded plat thereof, said Winona County; thence northerly along said westerly line, 290.14 feet along the arc of a non-tangential curve, concave westerly, having a radius of 17236.73 feet and a central angle of 00 degrees 57 minutes 32 seconds, the chord of said curve bears North 27 degrees 40 minutes 42 seconds West and measures 290.13 feet; thence South 62 degrees 38 minutes 58 seconds West, 26.73 feet; thence South 74 degrees 50 minutes 42 seconds West, 509.19 feet; thence South 15 degrees 09 minutes 18 seconds East, 56.00 feet; thence South 74 degrees 47 minutes 32 seconds West, 225.82 feet; thence South 15 degrees 09 minutes 01 seconds East, 395.02 feet; thence South 72 degrees 25 minutes 12 seconds East, 402.31 feet; thence South 18 degrees 10 minutes 00 seconds East, 145.60 feet; thence North 73 degrees 35 minutes 09 seconds East, 67.00 feet to the point of beginning.
NOTES:
The property surveyed contains 9.35 acres, more or less, including 0.02 acres, more or less, of highway right of way to be vacated.
The highway right of way to be vacated is shown hereon as traced from Winona County Highway Right of Way Plat No. 1017.
Legend
Denotes a monument in place at a Winona County Public Land Survey corner.
Denotes a placed 1"X18" iron pipe with plastic cap bearing license number 15088.
Denotes found iron pipe monument as noted.
Denotes iron pipe.
Denotes a fence.
Denotes arc length of curve.
Denotes central angle of curve.
Denotes radius of curve.
Denotes chord distance of curve.
Denotes chord bearing of curve.
Dimensions in parentheses ( ) are recorded dimensions.
WINONA COUNTY HIGHWAY RIGHT OF WAY PLAT NO. 1017
CLEARY VALLEY ROAD
COUNTY ROAD NO. 17
SE1/4-SW1/4
NE1/4-NW1/4
NW1/4-NE1/4
SW1/4-SE1/4
1" = 60'
CERTIFICATE OF SURVEY FOR:
Cedar Brook Cooperative
JOHNSON & SCOFIELD INC.
SURVEYING AND ENGINEERING

C)

October 14, 2019

WINONA CITY COUNCIL

207 LAFAYETTE STREET I WINONA MN 55987

Dear Council,

Based upon strong demand and the remarkable success of Willow Brook Senior Cooperative (43 on waiting list), HUD has given us the go ahead to sponsor a second senior cooperative in your community. Winona has economic growth that supports a new housing cooperative which will provide affordable senior housing options overtime keeping seniors living in your community. A strong senior population keeps money staying in local banks and being spent at local businesses. The shifting of seniors into new living opportunities, opens up housing inventory for new young families. Overall, this stimulates the economy and meets many of the recommendations provided by the Mayor's Housing Taskforce, Comprehensive Plan and Housing Study.

We are requesting the annexation of +/- 9.37 acres, across from Bridges Golf Course off of highway 17. Cedar Brook Senior Housing Cooperative is a multifamily dwelling ownership model. With very limited building sites available in Winona, the Bublitz property (22839 Country Road 17) is in an ideal location. It is a desirable location where seniors want to live and has direct access to city water and sewer, which runs along county highway 17.

Cedar Brook Senior Cooperative will establish a strong affordable housing component as an anchor for this development, this will attract desirable housing opportunities for developers and residents alike for this growing market in Winona.

The demand for housing in Winona is high and continuing to increase. Based on our most recent market demand study conducted by Viewpoint Consulting in May 2019, results show an unmet demand for 82 cooperative units in the primary market area based on 2018 factors, see Exhibit A. More importantly, with very little marketing efforts, we have a growing list of 32 reservationists (Exhibit B) with money down in anticipation of purchasing their new home this spring 2020. 19 of the 32 households are from right here in Winona, which will increase single family home availability and inventory for future home sales.

Cedar Brook Cooperative will have 4 stories plus heated underground parking for 36-units (90% reserved, pending approval). Cooperatives are owned and operated by the members who live in them. They offer an affordable homeownership option that allows folks 62+ a maintenance-free home, while downsizing with the ability to age in place.

Cedar Brook Cooperative is a HUD approved project for Winona. It will be financed through Section 213 of the National Housing Act, and FHA regulated. HUD inspections of the Bublitz Property have been completed and have been approved for a second senior housing cooperative upon annexation by the City of Winona.

We look forward to meeting with you to assist in bringing this great opportunity to the City of Winona.

Sincerely,

Brad Bass & Melissa Nelson

Bradford Development
501 N. Riverfront Drive
Mankato MN 56001

(Exhibit A)

Initial Demand Assessment for Cedar Brook Cooperative in Winona, Minnesota

Subject site Location:

22839 County Road 17, Winona, MN

Prepared for:

Bradford Development

Prepared by:

Viewpoint Consulting Group

Date:

May 15, 2019

Viewpoint Consulting Group, Inc. / 6931 87th Lane / Greenfield, MN 55373
P. 763-273-4303 / www.viewpointconsult.com

May 15, 2019

To: Melissa Nelson
Bradford Development

From: Jay Thompson
Viewpoint Consulting Group, Inc.

RE: Initial Demand Assessment for Senior Cooperative Housing in Winona, Minnesota

Introduction

This memorandum provides an initial assessment of the demand for cooperative senior housing in Winona, Minnesota. As we understand, the proposed development is called Cedar Brook and it would have 37 units located at 22839 County Road 17. The proposed Cedar Brook Cooperative would be age-restricted to seniors ages 62 and over.

The purpose of this initial assessment is to broadly assess the depth of demand for cooperative senior living in the local area to determine if potential exists to support a new development. A calculation is presented for demand based on analysis of the income/asset-qualified target market for senior cooperative housing and the supply of competitive units serving the primary market area. The ability of the subject development to capture excess market area demand is also discussed in this assessment.

Primary Market Area Definition

The subject site ("Site") for the proposed senior cooperative housing development is in Winona, Minnesota, on a parcel at 22839 County Road 17, about a mile and a half south of Highway 14/61. Winona is a regional center of 27,847 people (2018 estimate) along the Mississippi River in southeastern Minnesota.

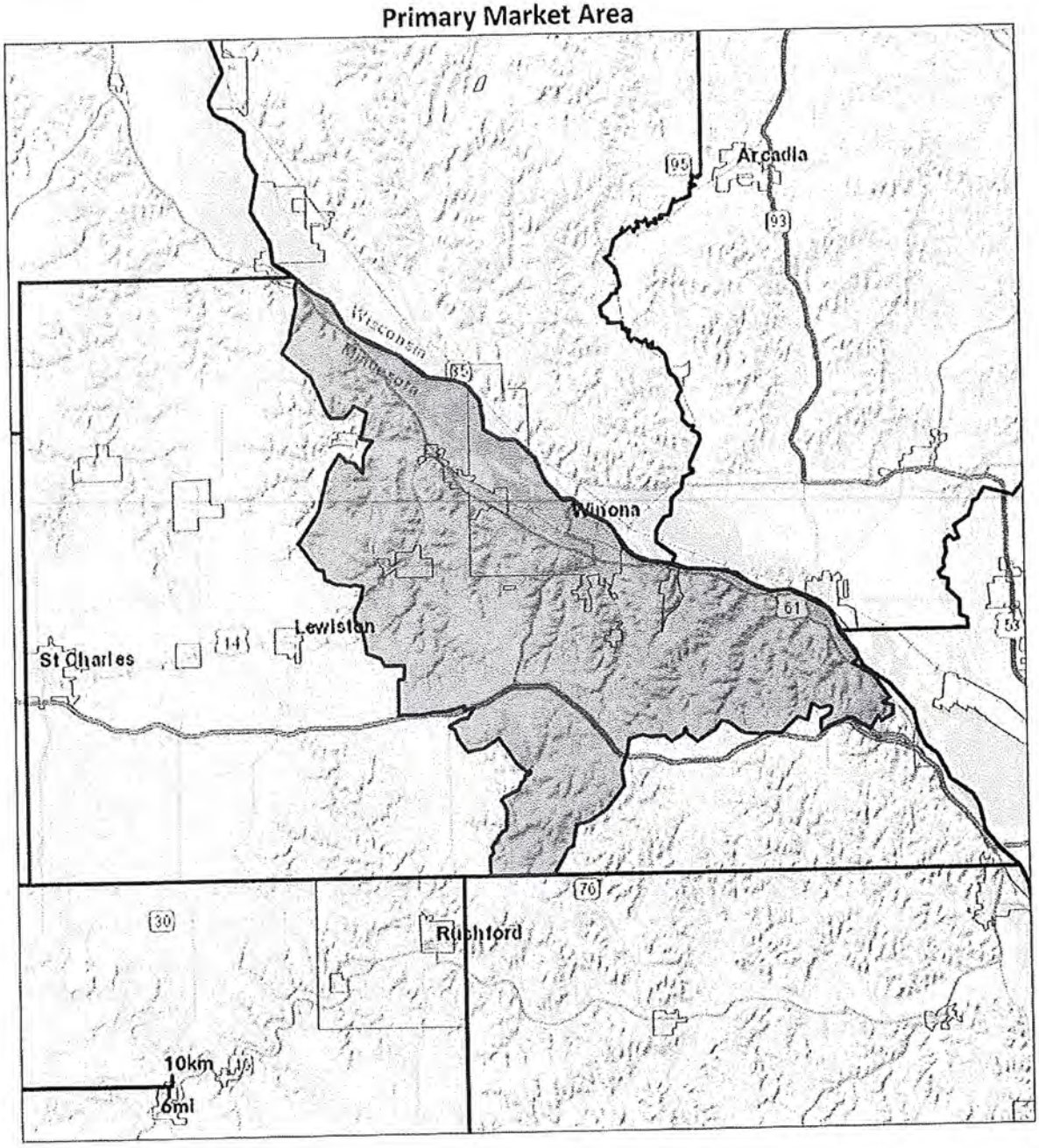
Based on Winona's location, characteristics of its surrounding rural area, geographic barriers (Mississippi River), the resident draw pattern of an existing cooperative in Winona (Willow Brook Cooperative), the reservation list of Cedar Brook (15 of 23 reservations are from Winona and Minnesota City and the remainder are widely scattered among several communities), and our knowledge of senior housing draw areas, it is estimated that Cedar Brook would draw approximately 75% of its residents from a draw area (Primary Market Area, or "PMA") that includes the following two zip codes:

55959	Minnesota City
55987	Winona

The remaining portion of demand (25%) would come from outside the PMA. This demand would include some seniors currently living in smaller communities outside the PMA as well as other seniors who would travel from farther away to live close to their adult children.

A map of the PMA is shown on the following page.

Primary Market Area



Senior Demographic Analysis

Tables 1 through 6 show key economic and demographic variables related to the demand for senior housing in the PMA (age distribution of the senior population and household base, senior household income, senior homeownership rates, home values, and net worth). The demographic and home value data is from ESRI, a national demographics firm.

The key senior demographic and economic findings are summarized on the following pages.

Senior Population and Household Trends

- The total population in the PMA in 2010 was 37,944. This was up 2.7% from 2000 as 477 households were added during the decade. Population growth is projected to continue with the PMA reaching an estimated 39,126 in 2023.

- While the PMA's overall population grew by 2.7% last decade, the senior population (age 65+) grew by 4.5% (+220 seniors).

- Between 2018 and 2023, all senior age groups above 65 in the PMA are projected to experience growth. The population ages 70 to 74 is projected for the greatest numerical growth as the first baby boomers began turning 70 in 2016. Overall, the PMA's 65+ population is projected to grow by 17.0% between 2018 and 2023. This growth should lead to additional demand for senior housing in the PMA, including cooperatives.

Senior Household Incomes

- Incomes in the PMA are below average when compared to Greater Minnesota (Minnesota minus the seven-county Twin Cities Metro Area). The estimated median income of age 75+ households in the PMA in 2018 was $27,612; lower than Greater Minnesota's median of $29,217 for this age group.

- A target market for senior cooperative housing is senior households age 75 and older with incomes of at least $50,000 (plus some lower-income senior homeowners). In 2018, an estimated 390 households age 75 and older had incomes of at least $50,000. When factoring in inflation, households would generally need incomes of at least $55,000 to afford senior cooperative housing. The number of households age 75+ with incomes over $55,000 in 2023 is projected to be about 450. Households age 65 to 74 also comprise a portion of the demand for senior cooperative housing. The number of households in this age group with qualifying incomes is projected to grow from 990 in 2018 to 1,120 in 2023.

Senior Household Tenure

- Seniors who own their homes have an additional source of income through the sale of their home that can be utilized for alternative housing. Upon the sale of their home, the proceeds can be used dollar for dollar to purchase shares in cooperative housing. Some proceeds can also be invested and used as supplemental income to pay for monthly fees. As Table 4 illustrates, as of 2010, about an average percentage of seniors in the PMA are homeowners compared to Greater Minnesota.

Home Value Trends

- Seniors often use the proceeds from the sale of their existing home to off-set the cost of purchasing cooperative housing. Table 5 shows that as of 2018, the median home value in the PMA was estimated at $161,455. This was lower than the estimated median in Greater Minnesota ($184,211).

Net Worth Profile

- Net worth is total household wealth minus debt. Net worth includes home equity, equity in pension plans, net equity in vehicles, IRAs, business equity, stocks, etc. Seniors in the PMA have incomes slightly below the Greater Minnesota average and home values are also below average. Thus, senior households in the PMA also have a lower than average net worth. The average net worth of age 75+ households in the PMA in 2018 was estimated at $648,018, or lower than Greater Minnesota's average of $873,551 for this age group. The average net worth among senior households in the PMA indicates that an above average proportion of seniors in the PMA should be able to afford cooperative senior housing when compared to Minnesota as a whole.

Table 1
Senior Population Growth Trends and Projections
Primary Market Area
2000 to 2023

Age	2000	2010	2018	2023	Change, 2018 to 2023 No.	Change, 2018 to 2023 Pct.
55 to 59	1,569	2,384	2,439	2,158	-281	-11.5%
60 to 64	1,316	1,977	2,343	2,334	-9	-0.4%
65 to 69	1,133	1,415	1,966	2,105	139	7.1%
70 to 74	1,053	1,142	1,556	1,869	313	20.1%
75 to 79	1,001	894	1,106	1,410	304	27.5%
80 to 84	796	747	743	902	159	21.4%
85+	883	888	995	1,015	20	2.0%
Total 65+	4,866	5,086	6,366	7,301	935	14.7%
Total 75+	2,680	2,529	2,844	3,327	483	17.0%
Total Population	36,962	37,944	38,628	39,126	498	1.3%
Winona	*27,069*	*27,592*	*27,847*	*28,106*	*259*	*0.9%*
Winona County	*49,985*	*51,461*	*52,492*	*53,199*	*707*	*1.3%*
Greater Minnesota	*2,277,423*	*2,454,358*	*2,563,584*	*2,642,625*	*79,041*	*3.1%*

Sources: ESRI; Census Bureau; Viewpoint Consulting Group, Inc.

Table 2
Senior Household Growth Trends and Projections
Primary Market Area
2000 to 2023

Age	2000	2010	2018	2023	Change, 2018 to 2023 No.	Change, 2018 to 2023 Pct.
55 to 64	1,724	2,651	2,781	2,575	-206	-7.4%
65 to 74	1,402	1,613	2,132	2,361	229	10.7%
75+	1,643	1,714	1,863	2,149	286	15.4%
Total 65+	3,045	3,327	3,995	4,510	515	12.9%
Total Households	14,107	14,584	14,886	15,067	181	1.2%
Winona	*10,301*	*10,449*	*10,575*	*10,663*	*88*	*0.8%*
Winona County	*18,744*	*19,554*	*19,968*	*20,219*	*251*	*1.3%*
Greater Minnesota	*873,673*	*969,478*	*1,010,155*	*1,039,723*	*29,568*	*2.9%*

Sources: ESRI; Census Bureau; Viewpoint Consulting Group, Inc.

Table 3
Household Incomes by Age of Householder
Primary Market Area
2018 and 2023

2018 Households by Age			
Income	55 - 64	65-74	75+
<$15,000	314	253	368
$15,000 to $24,999	208	266	450
$25,000 to $34,999	204	269	337
$35,000 to $49,999	331	355	320
$50,000 to $74,999	512	376	224
$75,000 to $99,999	455	261	89
$100,000 to $149,999	430	249	56
$150,000+	327	103	19
Total	2,781	2,132	1,863
Median Household Income	$64,033	$45,825	$27,612
Winona Median HH Income	*$56,910*	*$41,584*	*$25,983*
Winona County Median HH Income	*$67,714*	*$47,975*	*$28,292*
Greater Minnesota Median HH Income	*$64,909*	*$50,185*	*$29,217*
2023 Households by Age			
Income	55 - 64	65-74	75+
<$15,000	266	252	402
$15,000 to $24,999	179	254	493
$25,000 to $34,999	166	287	382
$35,000 to $49,999	281	369	370
$50,000 to $74,999	426	400	262
$75,000 to $99,999	429	299	117
$100,000 to $149,999	491	361	93
$150,000+	337	139	30
Total	2,575	2,361	2,149
Median HH Income	$72,543	$50,783	$28,845
Winona Median HH Income	*$61,308*	*$43,902*	*$26,757*
Winona County Median HH Income	*$77,480*	*$54,051*	*$29,822*
Greater Minnesota Median HH Income	*$76,500*	*$56,823*	*$32,644*

Sources: ESRI; Viewpoint Consulting Group, Inc.

Table 4
Tenure by Age of Householder
Primary Market Area
2010

	Owners		Renters	
Households	No.	Pct.	No.	Pct.
Age 55 to 64	2,233	84.2%	418	15.8%
Age 65 to 74	1,380	85.6%	233	14.4%
Age 75 to 84	856	75.0%	286	25.0%
Age 85+	345	60.3%	227	39.7%
Total	4,814	80.5%	1,164	19.5%
Total Age 65+	2,581	77.6%	746	22.4%
Total Age 75+	1,201	70.1%	513	29.9%
Greater Minnesota				
Age 65+		*78.7%*		*21.3%*
Age 75+		*71.1%*		*28.9%*

Sources: ESRI; Viewpoint Consulting Group, Inc.

Table 5
Estimated Home Values
Primary Market Area
2018

	Median Home Value	Average Home Value
PMA	$161,455	$196,463
Winona	*$148,039*	*$181,176*
Winona County	*$174,201*	*$220,036*
Greater Minnesota	*$184,211*	*$223,843*

Sources: ESRI; Viewpoint Consulting Group, Inc.

Table 6
Net Worth Profile
Primary Market Area
2018

	--- Age of Householder ---		
Income	55 - 64	65-74	75+
<$15,000	441	267	288
$15,000 to $34,999	116	98	79
$35,000 to $49,999	100	54	36
$50,000 to $99,999	184	160	227
$100,000 to $149,999	223	168	142
$150,000 to $249,999	349	349	257
$250,000+	1,368	1,036	834
Total	2,781	2,132	1,863
Average Net Worth	$1,158,941	$903,576	$648,018
Greater Minnesota Average Net Worth	*$1,259,046*	*$1,064,911*	*$873,551*

Sources: ESRI; Viewpoint Consulting Group, Inc.

Senior Housing Supply

Senior Cooperative Housing Defined

Senior housing encompasses a wide variety of product types, from adult properties for active seniors to assisted living and memory care properties that offer a high level of services to frail residents. Cooperative housing generally falls into the category of adult properties. Adult properties offer virtually no support services or health care, but restrict tenancy to those age 55 and over. Adult properties can be rental or owner-occupied (attached or detached townhomes, condominiums and cooperatives).

In a cooperative, the building and land is owned by a corporation. The stock in the corporation is owned by the residents ("members") prorated in value to the size of their homes. The stock may be sold and equity returned to members of their family. Appreciation is often limited by the cooperative to ensure that units remain affordable. This practice is referred to as "limited equity" and experience demonstrates that as units become more affordable over time, the waiting list builds, thereby encouraging timely resale.

Members of a cooperative have occupancy rights to a specific unit as long as they own their stock and make their monthly dues payments. The monthly payments typically pay for operating expenses, real estate taxes, and debt service on any master mortgage. Most cooperatives limit all units to households with one member age 62 or older, although under the law, only 80% of the homes must be occupied by households with one member age 62 or older. Members living in a cooperative run the cooperative. They set the by-laws for the cooperative and also elect, from among themselves, a board of directors which makes all policy decisions for the cooperative.

Building a sense of community with fellow residents is a significant benefit of cooperative housing. Among the other benefits are pride of ownership, including tax benefits (real estate taxes and mortgage interest deductions), freedom from lawn care, snow shoveling and general upkeep, building security, social activities, and home equity. According to the Senior Cooperative Foundation, the age range of residents in cooperatives is 56 to 92, with the median age being 73 to 74. Residents are independent and mobile, with most moving out of single-family homes located within five miles of their cooperative. Most residents use the equity from the single-family home they had lived in for many years to pay the cooperative's share price.

Competitive Senior Housing Properties

Table 7 shows the inventory of senior cooperative properties that would provide competition to a new development on the Site in Winona. For each competitive property, Table 7 provides information on location, year built, its distance from the Site, and total number of units. The following is a summary of the competitive supply.

- One competitive senior housing cooperative was identified in the PMA. Willow Brook Cooperative, which was also developed by Bradford Development, is a 38-unit cooperative that opened in 2011. Willow Brook Cooperative is fully occupied with a 35-name waiting list.

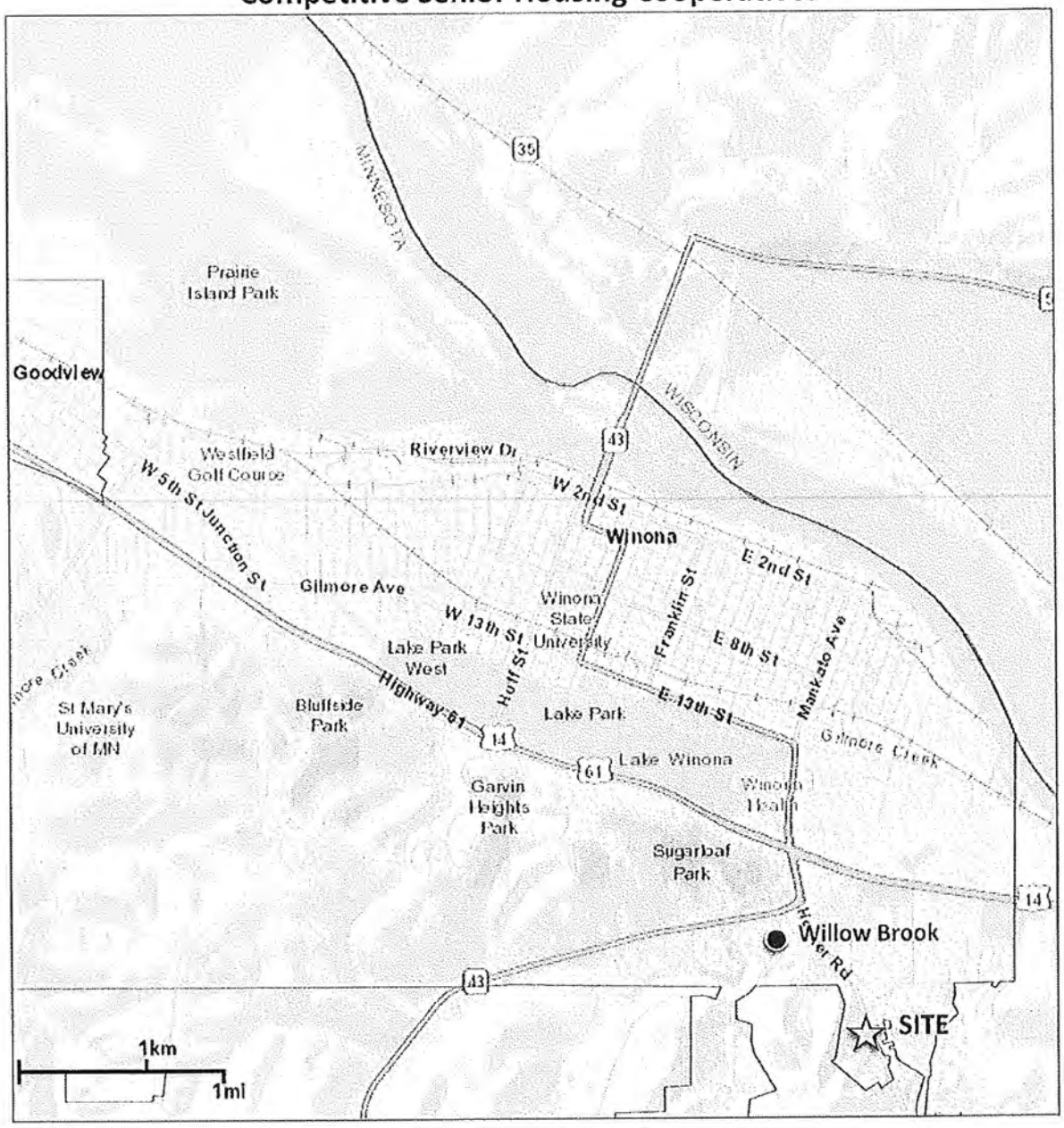
Table 7
Competitive Senior Cooperative Housing Supply
Primary Market Area
May 2019

Property Name	Location	Year Built	In the PMA	Miles from Site	Number of Units
Willow Brook Cooperative	Winona	2011	Yes	1.0	38
Total					38

Source: Viewpoint Consulting Group, Inc.

- Besides Willow Brook cooperative shown in Table 7, the housing options for active seniors is limited in the PMA. There are two market rate senior rental properties in Winona – Burns Valley Apartments has 45 units and Kensington Senior Apartments has 48 units. Because they are rental, they would not be directly competitive. There are several subsidized senior rental properties, but they too would not be competitive as they serve low-income seniors who would not income-qualify for market rate cooperative housing. Other senior housing in Winona consists of properties that offer meals and personal care services, such as Brookdale Winona, Sugar Loaf Senior living, and Saint Anne of Winona. These housing-with-services properties are not competitive with cooperative housing as they cater to seniors who are generally older and frailer and require care not available in cooperative housing.

Competitive Senior Housing Cooperatives



Senior Housing Development Construction Pipeline

No pending senior cooperatives that would add to the PMA's competitive supply were identified. A 76-unit independent rental property called Bluff View Estates is under construction in Winona. Bluff View Estates is the second phases to Sugar Loaf Senior Living and although independent, it would not be directly competitive with Cedar Brook since it is rental and on a campus with assisted living housing. Construction is projected to be completed in 2020.

Senior Cooperative Housing Demand Calculations

Table 8 provides a demand calculation for the number of senior cooperative housing units that can be supported in the PMA in 2018 and 2023. As shown in Table 8, unmet demand for cooperative housing is calculated for 91 units in the PMA in 2023. The following points summarize the demand methodology.

The target market for senior cooperative housing is senior households age 65+ with incomes of $50,000 or more plus households with incomes between $35,000 and $50,000 who would qualify with the proceeds from a home sale. There would also be some limited demand from seniors ages 62 to 65. These seniors are the "age/income-qualified base." A capture rate – or "penetration rate" – is applied to the income-qualified base of younger and older seniors. The penetration rates are based on the current penetration rates of cooperative senior housing in the local area and other similar markets. Applying the penetration rates to the age/income-qualified base results in demand for 89 cooperative units in 2018, growing to 95 units in 2023.

Winona, nestled along the Mississippi River, is an appealing residential location. It is estimated that 25% of the total demand for cooperative senior housing in Winona would come from seniors currently residing outside the PMA. This demand from outside the PMA increases total demand to 118 units in 2018 and 127 units in 2023.

Next, the competitive supply is subtracted from total PMA demand. There are 38 units in one competitive property in the PMA (Willow Brook). Subtracting the competitive units, minus a 5% vacancy factor, results in unmet demand for 82 units in the PMA in 2018. No other pending developments were identified in the PMA that would increase the competitive supply by 2023. Unmet demand in the PMA was calculated for 91 units in 2023.

No single location or development can capture all the demand in a PMA. At 37 units, the subject development (Cedar Brook), would need to capture 45% of the unmet demand in the PMA in 2018 to reach full occupancy. With growth in demand, the capture rate needed to reach full occupancy decreases to 41% in 2023. Among the PMA's total age 65+ household base, the capture rate need for the 37-unit development to reach full occupancy would be 0.8% in 2023. Given the limited choices in the PMA, it is reasonable for Cedar Brook to achieve these capture rates.

Table 8
Senior Cooperative Housing Demand Calculation
Primary Market Area
2018 and 2023

		2018	2023
A	Age 62 to 64 Households in the PMA	834	773
B	Percent income-qualified*	67%	66%
C	Potential capture rate of cooperative housing	1.0%	1.0%
D	Potential demand from 62-64 households in the PMA (A x B x C)	6	5
E	Age 65 to 74 Households in the PMA	2,132	2,361
F	Percent income-qualified*	54%	52%
G	Potential capture rate of cooperative housing	4.0%	4.0%
H	Potential demand from 65-74 households in the PMA (E x F x G)	46	49
I	Age 75+ Households in the PMA	1,863	2,149
J	Percent income-qualified*	27%	25%
K	Potential capture rate of cooperative housing	7.5%	7.5%
L	Potential demand from75+ households in the PMA (I x J x K)	38	41
M	Total potential market in the PMA (D + H + L)	89	95
N	Estimated percent of demand from outside the PMA	25%	25%
O	Total demand for cooperative units in the PMA (M /(1- N))	118	127
P	Competitive cooperative housing supply**	36	36
Q	**Unmet cooperative housing demand in the PMA (O - P)**	**82**	**91**
R	Number of units at Cedar Brook Cooperative	37	37
S	Capture rate of unmet demand to reach full occupancy (R / Q)	45%	41%

* Income-qualified households are those with incomes above $50,000 plus homeowners with incomes between $35,000 and $50,000.

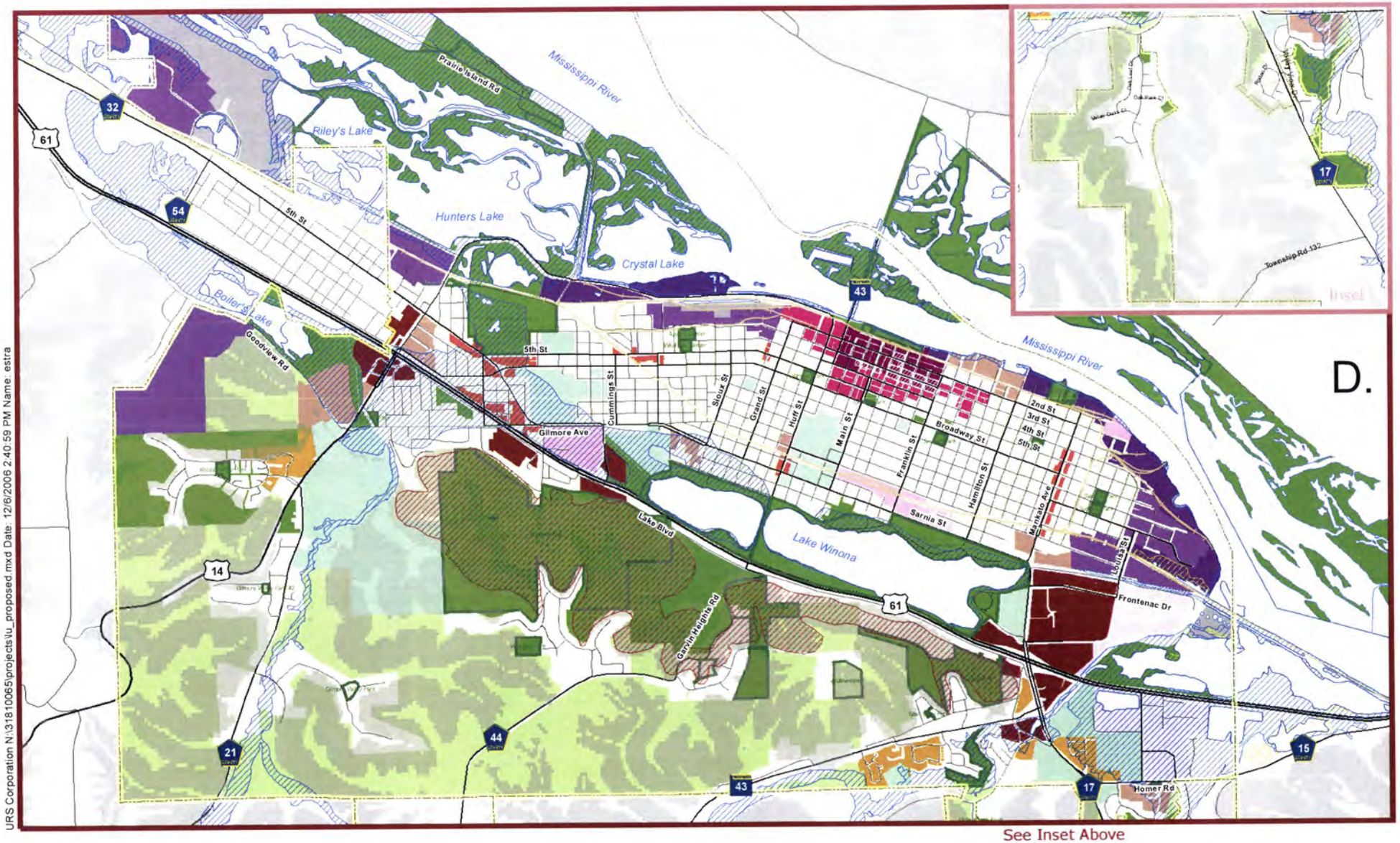
** Competitive units minus a 5% vacancy factor

Source: Viewpoint Consulting Group, Inc.

As noted in the introduction of this report, the purpose of this initial assessment is to broadly assess the depth of demand for senior cooperative housing in the local area to determine if potential exists to support a new development. Thus, the findings are preliminary and should be viewed in that light.

Cedar Brook Reservation List - Exhibit B

#	Last	First	Address	City	Zip
1	Koscianski	John & Jackie	656 Winona Street	Winona	55987
2	Ianfolla	Barb & Ralph	3825 Cedar Grove Parkway Unit 242	Eagan	55122
3	Jarvinen	Kathryn	1750 Gilmore Avenue	Winona	55987
4	Strand	Gavin & Connie	916 Fountain Street	Fountain City, WI	54629
5	Drier	Jim & Ann	W674 State Road 35	Fountain City	54629
6	Gross	George & Jean	211 Janet Marie Lane	Winona	55987
7	Lambert	Margaret	1463 Gilmore Valley Road	Winona	55987
8	Bass	Barbara	1640 Gilmore Valley Road	Winona	55987
9	Thrune	Eugene & Bonnie	275 McBride Street	Winona	55987
10	Burk/Frey	Gene & Barb	41415 Big Trout Drive	Winona	55987
11	Fedor	Sue	1426 W. Broadway Apt. 205	Winona	55987
12	Meska	Sue & Michael	53 Forest Oak Court	Winona	55987
13	Haugland	John & Melanie (Lynn)	1420 E Burns Valley Road #112	Winona	55987
14	Newman	Eric & Pam	1585 Homer Road Apt. 307	Winona	55987
15	Kooyman	Florinus & Shirley	4520 Terraceview Lane N.	Plymouth	55446
16	Barker	Bill & Linda	8050 E. 34th Street	Yuma, AZ	85365
17	Woodward	Carol	122 Dakota Street	Minnesota City	55959
18	Seales	Shirley	611 Fawn Avenue	Tiffin, IA	52340
19	Custer	Cristeen	N18585 Hammond Lane	Galesville WI	54630
20	Palecek	Glen & Denise	23797 Highway 43	Winona	55987
21	Ezdon	Marilyn & Tom	820 River Street	Dakota, MN	55925
22	Birkeland	Paul & Barbara	1420 Highland Avenue	Cloquet, MN	55720
23	Davis	Bill & Judy	22559 County Road 15	Winona	55987
24	Venus	Ken & Penny	1650 Clubview Road	Winona	55987
25	Nelson	Jeanne & Barry	36009 Homer Lane	Winona	55987
26	Dillow	Dave	1506 Crockett Drive	Holmen, WI	54636
27	Edel	Sue & Bob	178 Tree Tops Lane	Winona	55987
28	Smith	Mary Sorenson & Steve	N11818 Whispering Pines Lane	Trempealeau	54661
29	Ramer	Barb	313 Wilson Street	Winona	55987
30	Kowles	Richard	1293 County Drive	Winona	55987
31	Shirk-Heath	Sandy	2304 Viola View Lane NE	Rochester	55906
32	Warnke	Darrell & Sandy	1928 Gilmore Avenue	Winona	55987



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See Inset Above

CITY OF WINONA MINNESOTA

URS

Map Location

Land Uses

- Downtown Mixed Use
- Downtown Fringe
- Neighborhood Commercial
- General Commercial
- Limited Industrial
- General Industrial
- Industrial Riverfront
- General Mixed Use
- Transportation and Utilities
- Limited Residential
- Low Density Residential
- Traditional Neighborhood
- Mixed Residential
- Urban Residential
- Public and Open Space
- Semi-Public/Institutional/Education
- Recreational Riverfront
- Park

Sensitive Resources Overlay

- Wetlands
- High Quality Native Plant Communities
- 100 year floodplain
- Slopes > 30%

Historic Resources Overlay

- Historic District

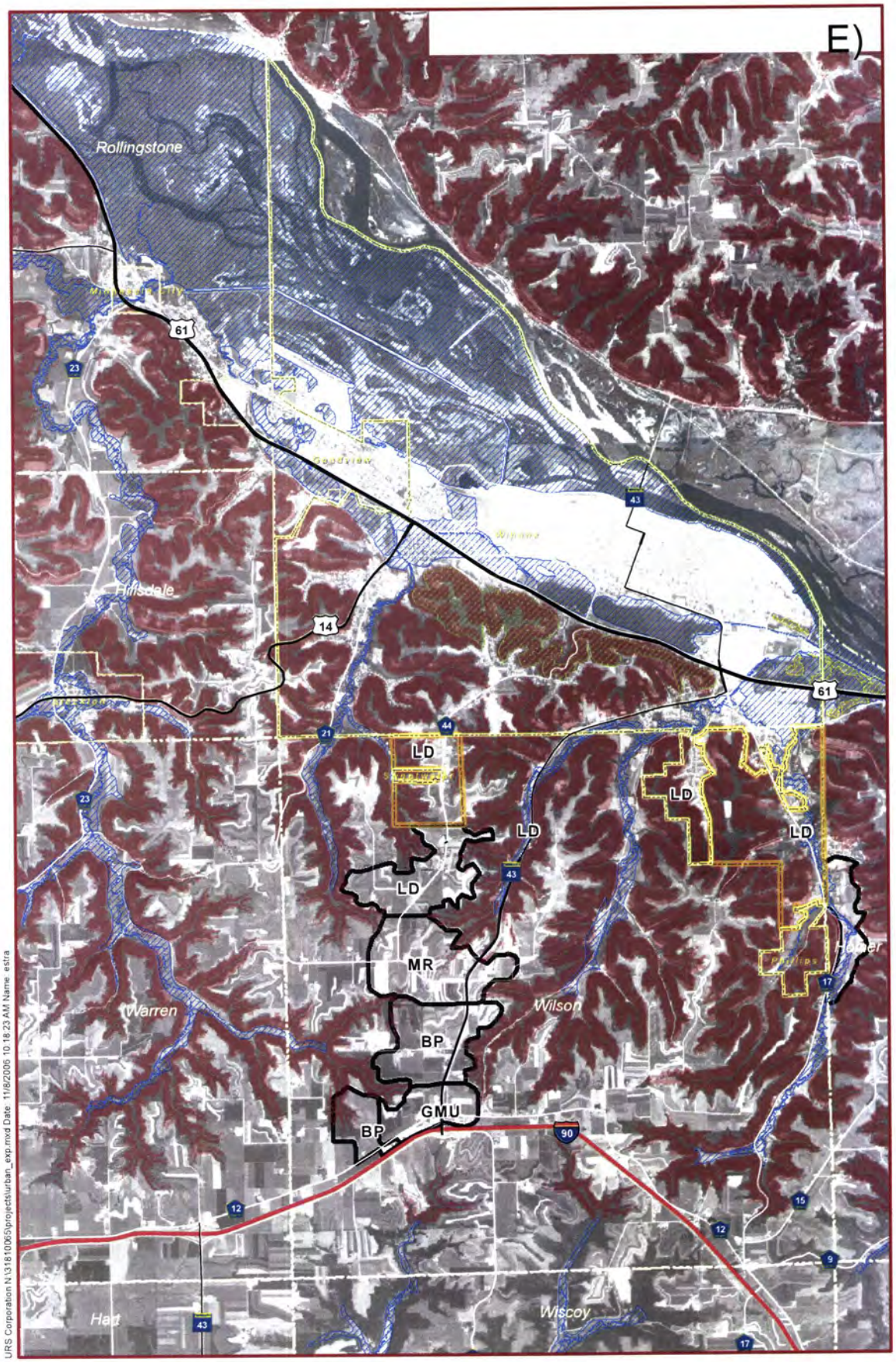
Miles 0 0.5

Figure 2

Future Land Use Plan

June 2007

Data Sources: URS



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CITY OF WINONA MINNESOTA

URS

Proposed Land Use

- LD Low Density Residential
- MR Mixed Residential
- BP Business Park
- GMU General Mixed Use

- Orderly Annexation Areas
- Slope > 30
- Wetlands
- High Quality Native Plant Communities
- 100 year floodplain

Figure 3

Proposed Land Use Plan, Urban Expansion Area

June 2007

40 Acres 0 1 Miles

Data Sources: City of Winona, MnDOT, MnDNR