



NORTH BRANCH

—Minnesota—

Nathan Ehalt
Chair

Steve Cich
Commissioner

Ross Otto
Commissioner

Kelly Maurer
Commissioner

PLANNING COMMISSION REGULAR AGENDA

TUESDAY, AUGUST 4, 2026 @ 6:30 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PUBLIC COMMENT

Provides an opportunity for the public to address the Council on items that are not on the Agenda. Please raise your hand to be recognized. Please state your name and address for the record. This section is for the express purpose of addressing concerns of City services and operations. It shall not be used to clarify individual's views for political purposes.

5. AGENDA APPROVAL

a. Approve Agenda

ACTION

6. CONSENT AGENDA

All matters listed under Consent Agenda are considered routine and/or non-controversial and will be approved by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.

a. Approval of July 7, 2026 Planning Commission minutes

ACTION

7. PUBLIC HEARINGS

a. Accessory Dwelling Units (ADU's)

ACTION

b. Townhomes - Central Business District

ACTION

c. Design Standards - Text and Map Amendment

ACTION

8. REPORTS

a. High Utility Users

INFO

b. Residential Side Setbacks

INFO

c. R-3 Maximum Density

INFO

d. Comprehensive Plan Update

INFO

9. NEXT MEETING - September 1, 2026 - 6:30 PM
10. ADJOURNMENT



Prepared By: Tonya Kostuch, City Clerk

Presenter: Nathan Sondrol, Community Development Director

Date: 06/09/2026

Board & Commission: Planning Commission

Subject: Approval of July 7, 2026 Planning Commission minutes

Voting Requirements:

Voting Options Simple Majority Super Majority



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PLANNING COMMISSION REGULAR AGENDA

TUESDAY, JULY 7, 2026 @ 6:30 PM
CITY HALL, 6408 ELM STREET, NORTH
BRANCH, MN 55056

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL OF THE CITY OF NORTH BRANCH IN THE COUNTY OF CHISAGO AND IN THE STATE OF MINNESOTA

REGULAR MEETING

Tuesday, July 7, 2026

1. CALL TO ORDER

Chair Nate Ehalt called the Planning Commission Meeting to order at 6:30 PM.

2. PLEDGE OF ALLEGIANCE

Chair Nate Ehalt led the Pledge of Allegiance.

3. ROLL CALL

Present: Commissioner Steve Cich, Commissioner Ross Otto, Commissioner Nate Ehalt,
Commissioner Kelly Maurer

Absent:

Remote:

Others Present:

Notes:

4. PUBLIC COMMENT

Provides an opportunity for the public to address the Council on items that are not on the Agenda. Please raise your hand to be recognized. Please state your name and address for the record. This section is for the express purpose of addressing concerns of City services and operations. It shall not be used to clarify individual's views for political purposes.

5. AGENDA APPROVAL

a. Approve Agenda

ACTION

RESULT: Passed

MOVER: Ross Otto

SECONDER: Steve Cich

AYES: Steve Cich, Ross Otto, Nate Ehalt, Kelly Maurer

ABSENT:

NOTES:

6. **CONSENT AGENDA**

All matters listed under Consent Agenda are considered routine and/or non-controversial and will be approved by one motion. There will be no separate discussion of these items unless a Councilmember or citizen so requests, in which case the item will be removed from the Consent Agenda and considered in its normal sequence on the Agenda.

a. Approval of June 2, 2026 Planning Commission Meeting Minutes

ACTION

RESULT: Passed

MOVER: Steve Cich

SECONDER: Ross Otto

AYES: Steve Cich, Ross Otto, Nate Ehalt, Kelly Maurer

ABSENT:

NOTES:

7. **PUBLIC HEARINGS**

a. Westside Commons 3rd Addition - Preliminary Plat

ACTION

City Planner Ryan Saltis presented the Westside Commons 3rd Addition - Preliminary Plat Public Hearing.

Overview / Background

AIM Holdings, LLC, with Westwood Professional Services acting as the applicant, has submitted a revised Preliminary Plat request for Westside Commons 3rd Addition. The subject property is legally described as Outlot A, Westside Commons 2nd Addition and is located south-west of the intersection of Falcon Avenue and St. Croix Trail (TH 95).

The Planning Commission reviewed and recommended approval of a Preliminary Plat for this development at the May 5, 2026, meeting. Since that review, the applicant has revised the layout to incorporate an updated roadway alignment and revised outlot configuration. Because these revisions modify the previously approved layout, the Preliminary Plat is being returned to the Planning Commission for an updated recommendation.

The applicant has also submitted a separate request to the City seeking Tax Increment Financing (TIF) assistance to help finance certain eligible public infrastructure improvements associated with the development. The TIF request is being reviewed through a separate process by the Economic Development Authority and City Council and is not part of the Planning Commission's review of the Preliminary Plat. The Planning Commission's review is limited to determining whether the revised plat complies with the City's Comprehensive Plan, subdivision regulations, zoning ordinance, and applicable engineering standards.

The Preliminary Plat represents the first phase of a larger master planned development. The overall concept includes construction of a senior living campus on the southern portion of the property while preserving land for future commercial development that supports continued growth within the Westside Commons area.

Issue(s) to Consider

1. Land Use and Zoning
2. Revised Preliminary Plat
3. Master Development Concept
4. Transportation & Future Connectivity
5. Plat Standards

Analysis of Issue(s)

1. Land Use & Zoning

The Subject Property is guided LUB – Land Use Business north of 386th Street and LUR-3 – High Density Residential to the South of 386th Street per the Comprehensive Plan, and zoned B – Business.

Senior Communities for Independent or Assisted Living are a Permitted Use in the B-Business Zoning District. The proposed preliminary plat continues to support the planned senior housing development while preserving additional land for future commercial development. Staff finds the revised plat remains consistent with both the Comprehensive Plan and the intent of the B-Business zoning district.

Staff finds the proposed plat to be generally consistent with the City's land use guidance and development objectives for this area.

2. Revised Preliminary Plat

The Preliminary Plat for Westside Commons 3rd Addition proposes the following:

- Creation of Lot 1, Block 1 (4.71 acres) for the proposed senior living development
- Creation of Outlot A (6.16 acres) for future expansion of the senior housing campus
- Creation of Outlot B (1.49) to accommodate future roadway, utility, and public infrastructure needs
- Creation of Outlot C (0.64 acres) for stormwater ponding
- Creation of Outlot D (12.68 acres) to accommodate future commercial development
- Dedication of public right-of-way for the extension of 386th Street together with associated drainage and utility easements

The revised plat provides a logical subdivision of the property while maintaining flexibility for future development phases. Staff finds the layout appropriately balances current development with future expansion opportunities and public infrastructure needs.

3. Master Development Concept

The Preliminary Plat has been designed around a long-term master plan for the property.

The first phase includes development of a senior living facility on Lot 1, Block 1. Outlot A has been retained to allow future expansion of the senior housing campus should additional residential facilities or amenities be constructed in the future.

The northern portion of the property, identified as Outlot D, has been preserved for future commercial development. This configuration provides flexibility for future businesses while ensuring compatibility with the existing and planned commercial development occurring throughout the Westside Commons area.

By separating future residential and commercial development into distinct development areas, the

Preliminary Plat establishes a framework that can accommodate phased growth while minimizing future subdivision modifications.

4. Transportation & Future Connectivity

A significant component of the revised Preliminary Plat is the extension of 386th Street.

The roadway extension establishes the first phase of the proposed internal street network for the Westside Commons development. The proposed roadway alignment is intended to ultimately complete the 386th Street loop by connecting Falcon Avenue with St. Croix Trail (TH 95). This future roadway connection will improve traffic circulation, provide additional emergency access, distribute traffic more efficiently throughout the development area, and improve access to future commercial development.

The revised roadway alignment also allows municipal water, sanitary sewer, storm sewer, and other public utilities to be extended in conjunction with future roadway construction, supporting the orderly development of the remaining property. Staff finds the revised roadway alignment supports the overall functionality of the Westside Commons development and provides an efficient framework for future phases of development.

5. Plat Standards

Lots created by plat are required to meet minimum lot area, width, and depth requirements as established by City Code for the applicable zoning district. The lots created through this platting process are required to meet the following:

Staff finds the proposed lot dimensions of Lot 1, Block 1 exceed City requirements, and the outlots are appropriately configured to support future phases of development, public infrastructure, drainage, and transportation improvements. Outlots A, B, C, and D are not proposed as buildable lots through this Preliminary Plat. These outlots are intended to accommodate future development, roadway, drainage, and other public infrastructure improvements as identified in the master development plan. Prior to development, any outlot intended to become a buildable lot shall be replatted or otherwise subdivided in accordance with the City's subdivision regulations and shall be required to comply with all applicable zoning district dimensional standards in effect at that time.

Staff Recommendation

The revised Preliminary Plat continues to implement the City's vision for orderly commercial growth while establishing the first phase of a master planned development consisting of senior housing, future commercial development, and long-term transportation improvements.

Although the Planning Commission previously reviewed this project, the updated roadway alignment and revised subdivision configuration warrant additional review. Staff finds the revised Preliminary Plat remains consistent with the Comprehensive Plan, subdivision regulations, and the B-Business zoning district, while improving opportunities for future development and public connectivity. Accordingly, staff recommends approval of the Preliminary Plat for Westside Commons 3rd Addition.

Recommended Planning Commission Action

Motion to recommend approval to the City Council of the Preliminary Plat for Westside Commons 3rd Addition, subject to the following conditions:

1. The applicant shall submit a Final Plat consistent with the approved Preliminary Plat, City Code, and Minnesota Statutes.
2. All engineering, grading, utility, stormwater, and erosion control plans shall be reviewed and approved by the City Engineer.
3. Minor modifications to the roadway alignment may be approved administratively by the City Administrator and City Engineer, provided such modifications are consistent with the approved Preliminary Plat and applicable City standards
4. A Development Agreement shall be executed addressing construction of all required public improvements, including roadway, utilities, stormwater infrastructure, and associated public facilities.
5. All required easements and public right-of-way shall be dedicated as shown on the approved Preliminary Plat.
6. All required permits, fees, and financial obligations shall be satisfied prior to recording the Final Plat.
7. All comments from the City Engineer shall be addressed prior to Final Plat approval.

Public Hearing opened at 6:36 PM

Public Hearing closed at 6:39 PM

Motion to recommend to the City Council for Approval.

RESULT: **Passed**
MOVER: **Ross Otto**
SECONDER: **Kelly Maurer**
AYES: **Steve Cich, Ross Otto, Nate Ehalt, Kelly Maurer**
ABSENT:
NOTES:

8. REPORTS

- a. Accessory Dwelling Units (ADU's) INFO

City Planner Ryan Saltis presented Accessory Dwelling Units (ADU's).

At the April 7th, 2026 Planning Commission meeting, a resident requested that the City evaluate the possibility of allowing Accessory Dwelling Units (ADU's) as an additional housing option within North Branch. The topic was subsequently discussed at the May 5th and June 2nd, 2026 Planning Commission meetings to evaluate potential benefits, development standards, and regulatory considerations associated with permitting ADU's within the City.

Following discussion at the June 2nd meeting, the Planning Commission provided policy direction to City staff regarding the development standards that should be incorporated into a potential ADU ordinance. Based upon that direction, staff has prepared the attached draft ordinance for Planning Commission review and discussion. The purpose of this meeting is to obtain feedback on the draft ordinance, identify any additional revisions, and determine whether the ordinance is ready to proceed toward a future public hearing.

Summary of Draft Ordinance

The attached draft ordinance would establish regulations for Accessory Dwelling Units within Chapter 66 of the North Branch City Code. The ordinance would permit ADU's as a Conditional Use within the

AG, RR, and R-1 zoning districts while establishing development standards intended to maintain neighborhood character and ensure compatibility with surrounding residential properties.

Key Components of the Draft Ordinance

The draft ordinance currently proposes the following standards:

- Accessory Dwelling Units permitted only within the AG, RR, and R-1 zoning districts.
- Conditional Use Permit required for all ADUs.
- Separate provisions for attached and detached ADUs.
- Maximum floor area of 750 square feet for both attached and detached ADUs.
- Maximum of one (1) ADU permitted per property.
- Property owner must occupy either the principal dwelling or the ADU.
- The principal dwelling shall remain the primary residential use of the property.
- Detached ADUs shall be located entirely within the required rear yard.
- Setbacks shall comply with the principal structure setbacks of the underlying zoning district.
- Exterior building materials shall be compatible with the principal dwelling.
- Minimum of one (1) additional off-street parking space required.
- Compliance with applicable Building and Fire Codes.
- Connection to approved public water and sanitary sewer systems, or demonstration of adequate private well and septic capacity.
- Manufactured homes, recreational vehicles, campers, shipping containers, and tiny homes on wheels shall not be permitted as detached ADUs.
- Short-term rentals shall be prohibited.
- Failure to maintain owner occupancy or comply with ordinance requirements may result in revocation of the Conditional Use Permit.

Staff Analysis

Staff believes the draft ordinance establishes a balanced approach to allowing Accessory Dwelling Units while preserving the character of existing residential neighborhoods. The proposed standards provide clear expectations regarding building size, placement, parking, owner occupancy, and architectural compatibility while allowing flexibility for homeowners seeking additional long-term housing opportunities.

Requiring a Conditional Use Permit also allows each proposal to be evaluated individually to ensure site-specific issues such as parking, utilities, lot layout, and neighborhood compatibility are appropriately addressed.

Staff is requesting that the Planning Commission review the draft ordinance and provide feedback regarding any additional revisions before preparation of a final ordinance for a future public hearing.

Additional Research / Analysis

Staff reviewed ADU regulations from several Minnesota communities and counties to compare common ordinance standards with the draft North Branch ordinance. Overall, the draft ordinance is generally consistent with other Minnesota ADU regulations, particularly regarding owner occupancy, one ADU per parcel, building code compliance, utility review, parking, and compatibility with the principal dwelling.

Comparison to Other Minnesota Communities

Chisago County: Permits accessory dwelling units in the AG and RR zoning districts and requires

compatibility in materials and appearance with the principal dwelling. Chisago County also requires dedicated on-site parking and requires ADU's to meet residential standards. This generally aligns with North Branch's draft ordinance, which would allow ADU's in AG, RR, and R-1, require compatible exterior materials, and require additional parking.

Isanti County: Has also evaluated ADU's as a form of second dwelling or guest house housing option. Isanti County's process identified ADU's as a tool for multi-generational housing, caregiver housing, and additional long-term rental housing. This is consistent with the general purpose of the North Branch ordinance, which is intended to provide additional housing opportunities while preserving residential character.

Forest Lake: Requires an ADU to meet building code requirements and requires a building permit for the change of use or construction activity. Forest Lake also requires parking for the accessory dwelling. North Branch's draft ordinance is consistent with this approach by requiring Building Code and Fire Code compliance and one additional off-street parking space.

Lindstrom: Allows only one ADU per property, requires ADU's to meet principal structure setbacks, and requires compliance with zoning district height standards. These standards are similar to North Branch's draft ordinance, which limits properties to one ADU, requires principal structure setbacks, and requires height compliance with the underlying zoning district.

Stacy: Defines ADU's as subordinate to a single-family dwelling and allows ADUs to be internal, attached, or detached. Stacy's ordinance includes a 500-square-foot size limit, which is more restrictive than North Branch's proposed 750-square-foot maximum.

The primary areas where the North Branch draft ordinance is more restrictive than some communities include:

- Requiring a Conditional Use Permit rather than administrative approval.
- Limiting ADU's to AG, RR, and R-1 zoning districts.
- Requiring ADU's to be located in the rear yard only.
- Applying a fixed 750-square-foot maximum size to both attached and detached ADU's.

Staff believes these more restrictive provisions are appropriate for an initial ADU ordinance because they allow the City to evaluate proposals on a case-by-case basis while the ordinance is new.

Municipal Water and Sewer Connection Analysis

ADU's function as independent dwelling units and therefore require adequate utility service. Based on other Minnesota city examples, there are generally two ways an ADU may be served by municipal water and sanitary sewer:

1. The ADU may connect to the existing private water and sanitary sewer service lines serving the principal dwelling, subject to review and approval by the City Engineer, Public Works Department, and Building Official.
2. The ADU may be required to install separate utility service connections if necessary due to building code, plumbing code, utility capacity, metering, maintenance, or site-specific conditions.

The Minnesota State Plumbing Code generally requires every building to have its own independent water and sewer connection, though guidance recognizes that exceptions may apply where site conditions make separate connections impractical.

Because of this, staff recommends that the North Branch ordinance not automatically require either shared or separate utility connections in every case. Instead, the ordinance should require ADUs to connect to approved water and sanitary sewer systems in a manner approved by the City Engineer, Public Works Director, Building Official, and applicable utility provider. This gives the City flexibility to determine whether shared or separate connections are appropriate based on the site plan, building type, utility capacity, and applicable code requirements.

Suggested Utility Language:

“Accessory dwelling units shall be connected to approved public water and sanitary sewer systems where available. Utility connections may be provided through the existing service lines serving the principal dwelling or through separate service connections, subject to review and approval by the City Engineer, Public Works Director, Building Official, and applicable utility provider. Where private well and septic systems are utilized, the applicant shall demonstrate that the existing or proposed systems have adequate capacity to serve both the principal dwelling and the accessory dwelling unit, subject to approval by the applicable reviewing authority.”

Discussion Items

Staff is requesting Planning Commission feedback on the following items:

- Does the draft ordinance accurately reflect the policy direction previously provided by the Planning Commission?
- Are there additional development standards the Planning Commission would like staff to consider?
- Are there provisions within the draft ordinance that should be modified before scheduling a future public hearing?
- Is the Planning Commission comfortable with the proposed zoning districts, approval process, dimensional standards, parking requirements, and operational standards?

Commissioner Otto suggested that we update the ADU to be for detached dwelling units.

Consensus to move forward with a Public Hearing.

b. High Utility Users

INFO

City Planner Ryan Saltis presented High Utility Users to the Planning Commission.

The City's Permitted Use Table currently identifies Data Centers as a permitted use within the B-Business Zoning District. However, the North Branch City Code does not currently contain a definition for "Data Center" nor does it establish development standards, operational requirements, or performance criteria specific to this type of use.

As data center development continues to expand nationally due to increased cloud computing, artificial intelligence (AI), and digital storage demands, many communities are reviewing their zoning regulations to determine whether existing code adequately addresses these facilities.

Because the City currently lacks regulations specific to data centers, staff believes it would be appropriate to evaluate whether this use should remain a permitted use in the B-Business District until appropriate ordinance language can be developed.

Discussion

Data centers are significantly different from traditional office, commercial, or industrial uses. While they generally generate limited traffic and employment once operational, they can require substantial infrastructure investments and place unique demands on municipal utility systems.

Potential impacts include:

- Significant electrical demand and the need for redundant power infrastructure.
- High water consumption for cooling systems, depending on facility design.
- Increased wastewater generation where water-cooled systems are utilized.
- Backup generators and fuel storage that may generate noise and require additional safety standards.
- Limited employment opportunities relative to the amount of land and infrastructure consumed.
- Large building footprints that may affect community character and future redevelopment opportunities.

Because these facilities can vary greatly in size and operational characteristics, staff believes additional review of zoning standards would be beneficial before allowing future development proposals.

Potential Ordinance Amendments

If the Planning Commission wishes to continue allowing data centers within North Branch, staff recommends developing ordinance language that would include:

- A formal definition of “Data Center” within Chapter 66.
- Development and operational standards specific to data center facilities.
- Performance standards addressing noise, backup power systems, mechanical equipment screening, lighting and security.
- Utility and infrastructure requirements, including coordination with municipal utility providers.
- Site design requirements for building placement, landscaping, and buffering from residential properties.

High Utility User Considerations

Due to the substantial electrical and water demands associated with many modern data centers, the City may also wish to establish regulations for High Utility Users.

Potential ordinance provisions could include:

- Defining a threshold for facilities classified as High Utility Users based on electrical demand, water usage, wastewater generation, or other measurable criteria.
- Requiring applicants to submit utility demand analyses prepared by qualified professionals.
- Demonstrating that adequate municipal water, sanitary sewer, and electrical capacity exists prior to project approval.
- Allowing the City to require infrastructure improvements or developer-funded system upgrades when necessary to maintain adequate service levels.
- Requiring coordination with utility providers early in the development review process.

These provisions could apply not only to data centers but also to other future uses with exceptionally high utility demands.

Planning Commission Discussion

Staff is requesting feedback from the Planning Commission regarding the following policy questions:

- Should Data Centers remain a permitted use in the B-Business Zoning District?
- Should Data Centers instead require a Conditional Use Permit or be limited to industrial zoning districts?
- Should the City establish definitions and development standards specific to data centers?
- Should the City create regulations for High Utility Users to ensure future developments do not negatively impact municipal utility infrastructure?

Consensus to move forward with the process and possibly a 6-month order.

c. Townhomes - Central Business District

INFO

City Planner Ryan Saltis presented Townhomes-Central Business District to the Commission.

The purpose of this discussion item is to consider a text amendment to the City's Permitted Uses Table to allow Dwelling, Twin Homes and Dwelling, Quad & Townhome as Permitted Uses ("P") within the CBD – Central Business District zoning district.

If adopted, the amendment would add a "P" in the CBD column for the following residential uses:

- Dwelling, Twin Homes
- Dwelling, Quad & Townhome

Overview / Background

The Central Business District (CBD) is intended to serve as the City's traditional downtown area by supporting a mix of commercial, residential, civic, and pedestrian-oriented development. Historically, the district has accommodated a variety of residential housing types that contribute to a mixed-use environment.

Under the current Permitted Uses Table, the CBD zoning district already allows several higher-density residential uses, including:

- Two-Family Dwellings (Duplex and Triplex)
- Multi-Family Dwellings (3-6 units)
- Multi-Family Dwellings (7-16 units)
- Apartments
- Apartments above commercial

However, Townhomes and Townhomes, which generally represent lower-intensity forms of attached housing, are not currently permitted within the district. Staff believes this omission may be unintended given the broader range of higher-density housing already allowed.

Analysis

Consistency with Existing Residential Uses

The proposed amendment would create a more logical progression of residential housing types within the

CBD zoning district.

Currently, the City permits residential developments with significantly greater density than either Townhomes or Twinhomes. In many cases:

- Twinhomes consist of only two attached dwelling units
- Townhomes typically range from 4 to 8 units and often resemble traditional neighborhood-scale development.
- Apartments and larger multi-family developments generally produce greater density, building mass, traffic generation, and parking demand than townhome developments.

Because these more intensive residential uses are already permitted, allowing Twinhomes and Townhomes would provide additional housing options without substantially changing the character or intent of the zoning district.

Housing Diversity

Allowing these housing types would expand the City's available housing choices by providing:

- Owner-Occupied attached housing opportunities
- Missing middle housing between single-family homes and apartments
- Housing options for first-time homebuyers, young professionals, and empty nesters
- Opportunities for smaller-scale residential redevelopment

Townhomes and Twinhomes can also provide ownership opportunities that require less maintenance while utilizing existing municipal infrastructure efficiently.

Downtown Redevelopment Opportunities

The CBD contains several parcels that may not be large enough to support apartment-style developments but could accommodate small-scale attached housing.

Allowing Townhomes and Twinhomes may:

- Encourage redevelopment of underutilized properties
- Increase investment in the downtown area
- Support additional residents within walking distance of businesses and services
- Strengthen the mixed-use character envisioned for the CBD

Because these housing types generally have smaller building footprints than apartment buildings, they may also provide additional flexibility on constrained redevelopment sites.

Consistency with Comprehensive Planning Goals

One of the City's ongoing planning objectives is to encourage a variety of housing types that meet the needs of residents throughout different stages of life.

This amendment would support that objective by:

- Increasing housing diversity
- Providing additional ownership housing options

- Encouraging efficient use of existing infrastructure
- Supporting infill development within established areas of the community

Comparison of Existing Permitted Uses

The Central Business District (CBD) currently permits several higher-density residential uses, including duplexes, triplexes, multi-family dwellings, and apartments, but does not permit Twinhomes or Townhomes. Staff believes these housing types are compatible with the existing residential uses already allowed in the district and would provide additional ownership housing opportunities while supporting downtown residential growth. Therefore, staff recommends amending the Permitted Uses Table to designate Twinhomes and Quad & Townhomes as permitted ("P") uses within the CBD zoning district.

Staff Recommendation

Staff believes allowing Twinhomes and Townhomes within the CBD District is consistent with the purpose and intent of the district.

The amendment would introduce housing types that are generally less intensive than several residential uses already permitted in the CBD, while expanding housing choices and encouraging redevelopment opportunities within the City's downtown.

From a land use perspective, staff finds this to be a logical modification to the Permitted Uses Table that better aligns the permitted housing types with the mixed use character envisioned for the Central Business District.

Staff requests Planning Commission discussion and direction on the following questions:

1. Should Twinhomes be permitted in the CBD zoning district?
2. Should Quad & Townhomes be permitted in the CBD zoning district?
3. Should staff prepare a formal ordinance amendment and schedule a public hearing for consideration of the proposed text amendment?

Consensus to move forward with a Public Hearing.

d. Design Standards

INFO

City Planner Ryan Saltis presented Design Standards to the Commission.

At the June 17, 2026 Joint Planning Commission/City Council Work Session, City Council members, Planning Commission members, and City staff discussed potential modifications to the City's Design Standards regulations contained in Section 66-943 of City Code. The discussion focused on balancing the City's long-standing commitment to quality architectural design with the need to improve development flexibility, reduce construction costs, and remain competitive in attracting commercial and industrial investment.

Following discussion, the Planning Commission and City Council reached consensus on several policy changes that staff has incorporated into the proposed ordinance amendments. These amendments are intended to simplify the Design Standards Map, better align design requirements with existing land use patterns, and modernize the City's list of approved exterior building materials while maintaining the overall character of North Branch's primary gateway corridors. The proposed amendments do not substantially alter the intent of the Design Standards Ordinance but instead refine where the highest standards should apply and expand material options to better reflect current construction practices.

Proposed Design Standards Map Amendments

As directed during the Work Session, staff has prepared an updated Design Standards Map for consideration. The proposed map revises several Design Zone boundaries to better correspond with existing development patterns, visibility from major transportation corridors, and anticipated future land uses. The revised map generally maintains Design Zone 1 within the City's primary gateway corridors while expanding Design Zone 2 into areas where greater flexibility is appropriate for commercial and employment-oriented development.

Map revisions include the following:

Flink Avenue Corridor:

Several commercially guided properties along Flink Ave have been transitioned from Design Zone 1 to Design Zone 2, recognizing the corridor's evolving employment and business development pattern and providing additional flexibility for future projects.

Interstate 35 Corridor:

Portions of the Interstate 35 corridor that are less visible from the freeway or are anticipated for industrial and business park development have been reclassified from Zone 1 to Zone 2, while maintaining Zone 1 standards for highly visible gateway locations surrounding the Highway 95 interchange and downtown area.

Commercial Transition Areas:

Select commercial properties adjacent to industrial or employment areas have been incorporated into Zone 2 to create a more consistent transition between commercial gateway areas and industrial development.

Downtown/HWY 95 Corridor:

Design Zone 1 has been retained throughout the downtown core and along the Highway 95 corridor where buildings have the greatest visual impact on the community and serve as primary gateways into North Branch.

Overall, the proposed Draft Map better aligns architectural expectations with development intensity and visibility while preserving enhanced design standards in the City's most prominent commercial corridors. City staff has attached both the existing Design Standards Map and the proposed draft Design Standards Map for review and comparison. Planning Commission members are encouraged to review the proposed revisions and provide any additional comments or suggested modifications prior to the August Planning Commission meeting. Staff will incorporate any final direction received and prepare the official ordinance amendments to Section 66-943 of the North Branch City Code, along with a finalized Design Standards Map, for formal consideration at the August Planning Commission meeting.

Proposed Building Material Amendments

During the Work Session, the Planning Commission and City Council also discussed updating the City's list of permitted exterior building materials to better reflect modern construction practices. Based upon that discussion, staff is proposing amendments that expand the list of approved materials while continuing to require durable, high-quality exterior finishes.

Proposed building material amendments include adding:

- LP SmartSide Engineered Wood Siding
- Engineered wood siding products meeting City design standards

These materials have become increasingly common in commercial and mixed-use construction due to their durability, appearance, lower maintenance requirements, and ability to replicate the appearance of traditional wood products. Expanding the list of approved materials provides additional flexibility for developers while maintaining architectural quality throughout the community.

The proposed amendments build upon the City's previous approval of insulated metal panels as a permitted Class II material and continue the City's effort to modernize its Design Standards without reducing overall expectations for building appearance.

Potential Discussion Item

As staff prepared the draft Design Standards Map, one area was identified that may warrant additional discussion prior to finalizing the map. Along the south side of the Interstate 35 interchange, the proposed Design Zone 1 boundary generally follows the intended corridor rather than existing parcel boundaries. As a result, several larger commercial parcels would be divided between Design Zone 1 and Design Zone 2.

Splitting individual parcels between two Design Standards Zones could create administrative and design challenges when future development occurs. Depending on the location of proposed buildings, a single development may be subject to multiple design standards, creating uncertainty regarding which material requirements apply and where those standards transition across the site.

Staff is requesting feedback from the Planning Commission regarding whether the Design Standards boundary in this area should continue to follow the proposed corridor or whether the boundary should instead be adjusted to include the entirety of these parcels within a single Design Standards Zone. Aligning the boundary with parcel lines could simplify ordinance administration, provide greater certainty for future applicants, and eliminate situations where a single development is subject to multiple design districts.

If the Planning Commission supports modifying the boundary, staff can revise the draft Design Standards Map prior to preparing the final ordinance amendments for the August 4th Planning Commission Meeting.

Staff Recommendation

Staff recommends that the Planning Commission review the proposed Design Standards Map revisions and updated building material standards to confirm that the proposed amendments accurately reflect the policy direction provided during the June 17, 2026, Joint Planning Commission/City Council Work Session. Staff intends to provide analysis of specific map changes as PowerPoint slides during the PC Meeting. Following Planning Commission review, staff intends to prepare the formal ordinance amendments and revised Design Standards Map for future public hearing and adoption by the City Council.

Consensus to proceed forward to a Public Hearing.

City Planner Ryan Saltis presented R-3 Maximum Density to the Commission.

The proposed amendment to establish a maximum residential density within the R-3 High Density Residential zoning district was discussed during the June 17, 2026 Joint Planning Commission/City Council Work Session. Rather than focusing on a specific maximum density number, discussion centered on the need for additional analysis to support any future amendment to the City's density standards.

Planning Commission members and City Council members discussed the importance of establishing a density standard that is supported by objective data rather than selecting an arbitrary maximum density. Members expressed interest in understanding how different density thresholds would affect future residential development, housing opportunities, infrastructure planning, and the City's long-term growth objectives.

Staff was directed to conduct additional analysis of vacant R-3 zoned properties throughout the community, including identifying the total acreage of undeveloped R-3 land, evaluating representative development sites of varying sizes, and preparing build-out scenarios illustrating how different maximum density standards would impact potential residential unit counts. Discussion also included the importance of evaluating the rationale behind any proposed density cap and developing findings that clearly support the selected density threshold.

Rather than proceeding with a text amendment at this time, the Planning Commission and City Council agreed that additional research and analysis would provide a stronger foundation for future policy decisions. Staff will prepare updated maps, site-specific development analysis, build-out comparisons, and supporting findings to assist the Planning Commission and City Council in determining whether a maximum density should be established within the R-3 zoning district and, if so, what density standard would best align with the City's long-term planning, housing, and development objectives.

This additional information will be presented at the August Planning Commission meeting for further discussion and consideration before any recommendation is forwarded to the City Council.

Chair Nate Ehalt asked for more direction from the City Council regarding the location of the current zoning and the potential addition of other areas to meet housing needs and specific zoning requirements.

f. Residential Side Setbacks

INFO

City Planner Ryan Saltis presented Residential Side Setbacks to the Commission.

The proposed amendment to increase residential interior side yard setbacks from six (6) feet to ten (10) feet was discussed during the June 17, 2026 Joint Planning Commission/City Council Work Session. During the discussion, Planning Commission members, City Council members, and City staff reviewed the potential implementation challenges associated with modifying the City's current setback standards, including impacts to existing neighborhoods, approved developments, redevelopment opportunities, and future housing types.

After reviewing the implementation options and surrounding community research, the Planning Commission and City Council requested additional analysis before determining whether to proceed with a zoning ordinance amendment. Specifically, members requested that City staff prepare a citywide map and supporting analysis identifying existing residential homes that are currently located within six (6)

feet of an interior side property line. The purpose of this analysis is to better understand the number and geographic distribution of homes that could be affected by a future increase in side yard setbacks and to provide additional context regarding the potential impacts of any ordinance change.

City staff will prepare the requested mapping and analysis for a future Planning Commission meeting. The information will assist the Planning Commission and City Council in evaluating the practical implications of increasing minimum interior side yard setbacks and determining whether additional ordinance amendments or alternative implementation strategies should be considered before moving forward with a proposed text amendment. City staff is still continuing to work on gathering information on how many houses would be affected by changing to a 6-foot setback. Staff will bring back more information at the next Planning Commission meeting.

g. Comprehensive Plan Update

INFO

The City Council will be discussing the Comprehensive Plan following the work session next Wednesday, July 15, at 6:00 p.m. We're planning to bring the updated land use maps, and tonight I wanted to highlight a few of the proposed changes.

Starting with the current map, we've identified several areas where updates make sense. First, following the farm winery Comprehensive Plan amendment approved a couple of months ago, we're proposing to extend that land use designation to the adjacent parcel. That parcel is currently used for ATV salvage, which is a use permitted only in agricultural districts, so keeping the area consistent makes sense. There is also a home associated with that parcel, so we'll need to discuss whether it should remain Rural Residential or be included in the agricultural designation.

We also have the former school property, which presents an opportunity for discussion about the most appropriate future land use.

There are a couple of minor housekeeping updates as well. The DNR has acquired two parcels, so we're proposing to designate those as public land. We also identified a parcel that's currently split between different land use designations. Since it's one continuous property, it would be more practical to apply a single designation across the entire parcel for consistency and ease of administration.

Another request came from the landowner east of Kwik Trip near Maple and Grand, along Highway 95. That property is currently guided for commercial/business use, but the owner has requested a change to allow smaller apartment development. From a staff perspective, this would provide a good transition between the commercial area and nearby residential neighborhoods, while also being close to schools.

Finally, we've identified another split parcel where the northern portion is outside the urban service area and the southern portion is inside. That split creates unnecessary administrative challenges, so staff recommends bringing the entire parcel into the same designation for consistency.

9. NEXT MEETING - AUGUST 4, 2026 - 6:30 P.M

10. ADJOURNMENT

The Planning Commission Meeting adjourned at 7:45 PM.



Report

1. Public Hearing for Proposed Ordinance – Accessory Dwelling Units (ADU's)
2. Text Amendment to Section 66-8 Definitions to include Accessory Dwelling Unit Definition
3. Text Amendment to the Zoning District Use Table in Section 66-6 to include Accessory Dwelling Units as a Conditional ("C") Use in the R-1, RR, and AG zoning districts

Overview / Background

Since April 2026, the Planning Commission has discussed the potential adoption of regulations allowing Accessory Dwelling Units (ADU's) within the City of North Branch. The topic has been reviewed over multiple Planning Commission meetings, including discussions regarding appropriate zoning districts, approval procedures, dimensional standards, parking requirements, owner occupancy, utility connections, and architectural compatibility.

At the July 7, 2026 Planning Commission meeting, City staff presented the draft ADU ordinance for review. Following discussion, the Planning Commission expressed general support for the proposed ordinance language and directed staff to proceed with scheduling a public hearing to consider adoption of the ordinance.

The purpose of this public hearing is to receive comments from the Planning Commission and members of the public regarding the proposed ordinance prior to making a recommendation to the City Council.

Public Comment Prior to Hearing

Since publication of the public hearing notice, City staff has received one inquiry regarding the proposed ordinance.

The resident requested that the City consider allowing detached Accessory Dwelling Units within front or side yards, rather than limiting detached ADU's exclusively to the required rear yard. The resident indicated that certain lots throughout the City may contain unique layouts, existing structures, wetlands, topography, or other physical constraints that could make rear yard placement difficult while allowing an ADU to be appropriately located elsewhere on the property.

The current draft ordinance limits detached ADU's to the required rear yard.

Summary of Proposed Ordinance

The draft ordinance currently proposes the following standards:

- Accessory Dwelling Units permitted only within the AG, RR, and R-1 zoning districts.
- Conditional Use Permit required for all ADUs.
- Separate provisions for attached and detached ADUs.
- Maximum floor area of 750 square feet for both attached and detached ADUs.
- Maximum of one (1) ADU permitted per property.
- Property owner must occupy either the principal dwelling or the ADU.
- The principal dwelling shall remain the primary residential use of the property.
- Detached ADUs shall be located entirely within the required rear yard.
- Setbacks shall comply with the principal structure setbacks of the underlying zoning district.
- Exterior building materials shall be compatible with the principal dwelling.
- Minimum of one (1) additional off-street parking space required.

- Compliance with applicable Building and Fire Codes.
- Connection to approved public water and sanitary sewer systems, or demonstration of adequate private well and septic capacity.
- Manufactured homes, recreational vehicles, campers, shipping containers, and tiny homes on wheels shall not be permitted as detached ADUs.
- Short-term rentals shall be prohibited.
- Failure to maintain owner occupancy or comply with ordinance requirements may result in revocation of the Conditional Use Permit.

Staff Analysis

City staff believes the proposed ordinance establishes a balanced approach to introducing Accessory Dwelling Units (ADU's) while preserving the character of existing residential neighborhoods. The proposed standards establish clear expectations for building size, location, parking, owner occupancy, architectural compatibility, and utility connections while providing homeowners with an additional long-term housing option. Requiring a Conditional Use Permit also allows each proposal to be evaluated on a case-by-case basis to ensure compatibility with surrounding properties and to address site-specific considerations such as parking, lot configuration, utilities, drainage, and neighborhood impacts.

During the public hearing process, staff received one inquiry requesting that detached ADU's be permitted within front or side yards rather than being limited to the required rear yard. The resident noted that some properties may contain unique layouts, wetlands, topography, or existing structures that make rear yard placement difficult. Staff recognizes that these circumstances may exist on certain parcels and that additional flexibility could benefit those properties.

The current draft ordinance limits detached ADU's to the required rear yard in order to:

- Maintain the appearance of single-family neighborhoods
- Preserve the principal dwelling as the dominant structure visible from the street
- Reduce visual impacts on adjacent properties
- Minimize potential conflicts related to parking, building placement, and neighborhood character

Staff also notes that the City's existing accessory structure regulations allow certain accessory structures to be located within the front yard on properties that are five (5) acres or larger within the AG Agricultural and RR Rural Residential zoning districts. If the Planning Commission wishes to provide similar flexibility for ADU's, the ordinance could be modified to allow detached ADU's within the front yard on qualifying AG and RR properties while retaining the rear yard requirement for the majority of residential lots. This approach would provide additional flexibility for larger rural parcels while maintaining the intent of the ordinance for traditional residential neighborhoods.

Text Amendment – Section 66-8 Definitions

As part of the proposed ordinance, staff recommends amending Section 66-8 Definitions to establish a formal definition for Accessory Dwelling Unit (ADU). Because ADU's are not currently defined within the North Branch City Code, adding a definition provides consistency throughout Chapter 66 and clearly distinguishes an ADU from other accessory structures that are not intended for human habitation.

The existing City Code defines an Accessory Structure as a structure that is incidental and subordinate to the principal use or structure and specifically excludes structures used for human habitation. Since an Accessory Dwelling Unit is intended to provide independent living accommodations, a separate definition is necessary to clearly identify this type of residential use and avoid conflicts with the existing accessory structure definition.

Proposed Definition:

Accessory Dwelling Unit (ADU): A subordinate dwelling unit located on the same lot as a legally established principal single-family dwelling that provides complete, independent living facilities. An Accessory Dwelling Unit shall not be considered the principal use of the property.

Text Amendment – Zoning District Use Table within Section 66-6

As part of the proposed ADU ordinance, staff recommends amending Section 66-6 Uses Within Zoning Districts by updating the Zoning Use Table to include Accessory Dwelling Units (ADU's) as an accessory use.

The proposed amendment would add a new row titled "Accessory Dwelling Unit (ADU)" within the Accessory Uses section of the Zoning Use Table and designate the use as Conditional ("C") within the R-1 Single-Family Residential, RR Rural Residential, and AG Agricultural zoning districts. This amendment is consistent with the proposed ordinance, which requires approval of a Conditional Use Permit for all Accessory Dwelling Units and establishes the applicable development standards in proposed Section 66-950 Accessory Dwelling Units.

This amendment ensures the Zoning Use Table accurately reflects where Accessory Dwelling Units may be considered and is consistent with the proposed approval process established in the ordinance.

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
F. ACCESSORY USES															
Permitted Accessory Uses															
Accessory Dwelling Unit (ADU)			C			C	C								
Accessory Structure, Agriculture Building			P			P	P								
Accessory Structure, Detached Residential Garage ¹⁴	See Footnotes		P	P	P	P	P				P				
Accessory Structure, Pool House ¹⁴	See Footnotes		P	P	P	P	P				P				
Accessory Structure w/Plumbing						C	C	P							

Discussion Item

Staff is requesting Planning Commission discussion on the following policy question:

Should detached Accessory Dwelling Units remain limited to the required rear yard, or should the ordinance be modified to allow detached ADU's within the front yard on properties five (5) acres or larger in the AG Agricultural and RR Rural Residential zoning districts, consistent with the City's existing accessory structure regulations?

Planning Commission Action

1. Recommend approval/denial to the City Council for the proposed Section 66-950 Accessory Dwelling Units (ADU's)
2. Recommend approval to the City Council for the proposed Section 66-950 Accessory Dwelling Units (ADU's) with modifications
3. Recommend approval of the Text Amendment to City Code Section 66-8 Definitions to add the "Accessory Dwelling Unit (ADU)" definition
4. Recommend approval of the Text Amendment to the Zoning District Use Table in Section 66-6 to include Accessory Dwelling Units as a Conditional ("C") Use in the R-1, RR, and AG zoning districts

ORDINANCE NO. ____-26

AN ORDINANCE ADDING CITY CODE SECTION §66-950 ACCESSORY DWELLING UNITS (ADU'S), REGARDING ACCESSORY DWELLING UNIT REGULATIONS

The North Branch City Council hereby ordains as follows:

Section 1. Adding Language Regarding Accessory Dwelling Units

City Code Chapter 66 is hereby amended by adding Section §66-950 Accessory Dwelling Units (ADU's) as follows:

§66-950 ACCESSORY DWELLING UNITS (ADU'S)

- (a) *Purpose.* The purpose of this section is to provide standards for accessory dwelling units (ADU's) that offer additional housing opportunities while preserving the character of existing residential neighborhoods. These standards are intended to ensure that ADU's remain subordinate to the principal dwelling and are compatible with surrounding residential development.
- (b) *Applicability.* Accessory dwelling units may be permitted as a Conditional Use in the AG Agricultural, RR Rural Residential, and R-1 Single-Family Residential zoning districts. ADU's shall comply with all provisions of this section in addition to the regulations of the underlying zoning district.
- (c) *Types of Accessory Dwelling Units.*
 - (1) Attached ADU: Located within or physically attached to the principal dwelling.
 - (2) Detached ADU: Located in a detached accessory structure subordinate to the principal dwelling.
- (d) *Conditional Use Permit Required.* Accessory dwelling units require approval of a Conditional Use Permit in accordance with Sections 66-64 through 66-66.
- (e) *General Standards.*
 - (1) Only one (1) accessory dwelling unit shall be permitted per property.
 - (2) A legally established principal single-family dwelling shall exist on the property prior to approval of an accessory dwelling unit.
 - (3) The owner of the property shall occupy either the principal dwelling or the accessory dwelling unit as their primary residence.
 - (4) The principal dwelling shall remain the primary residential use of the property. The accessory dwelling unit shall remain subordinate and incidental to the principal dwelling.

- (5) The maximum floor area of an accessory dwelling unit shall not exceed 750 square feet.
 - (6) Accessory dwelling units shall not be subdivided or sold separately from the principal dwelling.
 - (7) Short-term rental use of an accessory dwelling unit or the principal dwelling is prohibited. Rental periods shall be no less than thirty (30) consecutive days.
 - (8) All accessory dwelling units shall comply with all applicable Building Code, Fire Code, Plumbing Code, Electrical Code, Mechanical Code, and other applicable federal, state, and local regulations.
 - (9) Manufactured homes, recreational vehicles (RV's), travel trailers, campers, shipping containers, and tiny homes constructed on chassis or wheels shall not be permitted as detached accessory dwelling units unless expressly authorized elsewhere in this chapter.
 - (10) Accessory dwelling units shall be connected to approved public water and sanitary sewer systems where available. Utility connections may be provided through the existing service lines serving the principal dwelling or through separate service connections, subject to review and approval by the City Engineer, Public Works Director, Building Official, and applicable utility provider. Where private well and septic systems are utilized, the applicant shall demonstrate that the existing or proposed systems have adequate capacity to serve both the principal dwelling and the accessory dwelling unit, subject to approval by the applicable reviewing authority.
 - (11) Failure to maintain owner occupancy or comply with this section or any Conditional Use Permit condition may constitute grounds for revocation of the Conditional Use Permit.
- (f) *Location Standards.* Detached accessory dwelling units shall be located entirely within the rear yard.
- (g) *Dimensional Standards.*
- (1) Setbacks shall comply with those required for principal structures in the underlying zoning district in City Code Section 66-210.
 - (2) Maximum size shall be 750 square feet.
 - (3) Height shall comply with the underlying zoning district.
- (h) *Parking.*
- (1) A minimum of one (1) additional off-street parking space shall be provided for each accessory dwelling unit.

- (2) The required parking space shall be shown on the site plan submitted with the Conditional Use Permit application and shall comply with all applicable parking, driveway, and surfacing requirements of this chapter.
- (3) The location and design of the required parking space shall be subject to review and approval by the City through the Conditional Use Permit process.
- (i) *Architectural Standards.* Exterior building materials shall match or be substantially similar to the principal dwelling. Roof pitch, siding, trim, colors, and architectural details shall maintain compatibility with the principal dwelling.
- (j) Utilities and Addressing.
 - (1) All accessory dwelling units shall obtain all required building, plumbing, mechanical, electrical, and utility permits prior to occupancy.
 - (2) Utility connections shall be installed in accordance with all applicable City standards, State Building Code, State Plumbing Code, and the requirements of the applicable utility provider.
 - (3) The City Engineer, Public Works Director, Building Official, and applicable utility provider shall determine the appropriate method of water and sanitary sewer service based on the proposed site plan, utility capacity, applicable codes, and site conditions.
 - (4) Separate addressing shall be provided when required by the Building Official, Fire Department, Chisago County, or emergency service providers.

Section 2. Effective Date.

This Ordinance shall have full force and effect upon its passage and publication.

Passed by the City Council of the City of North Branch, Chisago County, Minnesota, this 26th day of August , 2026.

Kevin Schieber, Mayor

Attested:

Tonya Kostuch, City Clerk

ORDINANCE NO. ____-26

**AN ORDINANCE AMENDING CITY CODE SECTION §66-8 DEFINITIONS, REGARDING
ACCESSORY DWELLING UNIT (ADU) DEFINITIONS**

The North Branch City Council hereby ordains as follows:

Section 1. Amending Language Regarding Definitions

City Code Section §66-8 Definitions, is hereby amended by adding the following underlined language.

§66-855 DEFINITIONS

Accessory Dwelling Unit (ADU) means a subordinate dwelling unit located on the same lot as a legally established principal single-family dwelling that provides complete, independent living facilities. An Accessory Dwelling Unit shall not be considered the principal use of the property.

Section 2. Effective Date.

This Ordinance shall have full force and effect upon its passage and publication.

Passed by the City Council of the City of North Branch, Chisago County, Minnesota, this 26th day of August, 2026.

Kevin Schieber, Mayor

Attested:

Tonya Kostuch, City Clerk

ORDINANCE NO. ____-26

AN ORDINANCE AMENDING CITY CODE SECTION §66-6 USES WITHIN ZONING DISTRICTS, REGARDING ACCESSORY DWELLING UNITS (ADU'S)

The North Branch City Council hereby ordains as follows:

Section 1. Amending Language Regarding Uses Within Zoning Districts

City Code Section §66-6 Uses Within Zoning Districts, is hereby amended by adding the following underlined language to the Zoning Use Table.

§66-6 USES WITHIN ZONING DISTRICTS

Within Section F. Accessory Uses of the Zoning Use Table, add the following use:

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
F. ACCESSORY USES															
Permitted Accessory Uses															
<u>Accessory Dwelling Unit (ADU)</u>			C				C	C							

Section 2. Effective Date.

This Ordinance shall have full force and effect upon its passage and publication.

Passed by the City Council of the City of North Branch, Chisago County, Minnesota, this 26th day of August, 2026.

Kevin Schieber, Mayor

Attested:

Tonya Kostuch, City Clerk



Report

Public Hearing – Text Amendment to Chapter 66, Permitted Uses Table – Allow Twinhomes and Quad & Townhomes within the CBD (Central Business District) Zoning District.

Request

The purpose of this public hearing is to consider a text amendment to Chapter 66 of the North Branch City Code by amending the Permitted Uses Table to allow *Dwelling, Twin Homes* and *Dwelling, Quad & Townhome* as Permitted Uses (“P”) within the CBD – Central Business District zoning district.

If adopted, the amendment would add a “P” in the CBD column for the following residential uses:

- Dwelling, Twin Homes
- Dwelling, Quad & Townhome

Overview / Background

At the July 7, 2026 Planning Commission meeting, staff presented this proposed text amendment for discussion. Commissioners discussed the compatibility of twinhomes and quad/townhomes within the Central Business District and were generally supportive of the proposed amendment. Staff was directed to prepare a formal ordinance amendment and schedule a public hearing for Planning Commission consideration.

The Central Business District is intended to support a mixture of commercial, residential, civic, and pedestrian-oriented development. The district already permits several higher-density residential housing types, including duplexes, triplexes, multi-family dwellings, and apartments. Staff believes allowing twinhomes and quad/townhomes is consistent with the overall intent of the district and fills a gap within the existing Permitted Uses Table.

Analysis

Consistency with Existing Residential Uses

The proposed amendment would create a more logical progression of residential housing types within the CBD zoning district.

Currently, the City permits residential developments with significantly greater density than either Twinhomes or Townhomes. In many cases:

- Twinhomes consist of only two attached dwelling units
- Townhomes typically range from 4 to 8 units and often resemble traditional neighborhood-scale development.
- Apartments and larger multi-family developments generally produce greater density, building mass, traffic generation, and parking demand than townhome developments.

Because these more intensive residential uses are already permitted, allowing Twinhomes and Townhomes would provide additional housing options without substantially changing the character or intent of the zoning district.

Housing Diversity

Allowing these housing types would expand the City's available housing choices by providing:

- Owner-Occupied attached housing opportunities
- Missing middle housing between single-family homes and apartments
- Housing options for first-time homebuyers, young professionals, and empty nesters
- Opportunities for smaller-scale residential redevelopment

Townhomes and Twinhomes can also provide ownership opportunities that require less maintenance while utilizing existing municipal infrastructure efficiently.

Downtown Redevelopment Opportunities

The CBD contains several parcels that may not be large enough to support apartment-style developments but could accommodate small-scale attached housing.

Allowing Townhomes and Twinhomes may:

- Encourage redevelopment of underutilized properties
- Increase investment in the downtown area
- Support additional residents within walking distance of businesses and services
- Strengthen the mixed-use character envisioned for the CBD

Because these housing types generally have smaller building footprints than apartment buildings, they may also provide additional flexibility on constrained redevelopment sites.

Consistency with Comprehensive Planning Goals

One of the City's ongoing planning objectives is to encourage a variety of housing types that meet the needs of residents throughout different stages of life.

This amendment would support that objective by:

- Increasing housing diversity
- Providing additional ownership housing options
- Encouraging efficient use of existing infrastructure
- Supporting infill development within established areas of the community

Comparison of Existing Permitted Uses

Zoning District Permitted Use Table Excerpt:

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD
A. RESIDENTIAL USES										
Household Living										
Dwelling, Single-Family			P	P		P	P			
Dwelling, Single-Family (Prior to December 31, 2022)										P
Dwelling, Two-Family (Duplex) & Triplex				P	P					P
Dwelling, Twin Homes			P	P	P					
Dwelling, Quad & Townhome				P	P					
Dwelling, Multi-Family (3 to 6 units)				P	P					P
Dwelling, Multi-Family (7 to 16 units)					P					P
Dwelling, Apartments					P					P
Dwelling, Apartments Above Commercial										P
Dwelling, Prefabricated Home				C	C					

The Central Business District (CBD) currently permits several higher-density residential uses, including duplexes, triplexes, multi-family dwellings, and apartments, but does not permit Twinhomes or Townhomes. Staff believes these housing types are compatible with the existing residential uses already allowed in the district and would provide additional ownership housing opportunities while supporting downtown residential growth. Therefore, staff recommends amending the Permitted Uses Table to designate Twinhomes and Quad & Townhomes as permitted ("P") uses within the CBD zoning district.

Staff Recommendation

Staff finds that the proposed amendment is consistent with the purpose and intent of the Central Business District and represents a logical update to the City's Permitted Uses Table. Twinhomes and Quad & Townhomes are generally less intensive than several residential uses already permitted within the CBD and provide additional ownership housing opportunities while supporting downtown redevelopment and housing diversity.

Therefore, staff recommends that the Planning Commission recommend approval of the proposed ordinance amendment to the City Council.

Planning Commission Action

Recommended Motion:

Motion to recommend approval to the City Council of the proposed text amendment to Chapter 66 of the North Branch City Code, amending the Permitted Uses Table to designate Dwelling, Twin Homes and Dwelling, Quad & Townhome as Permitted ("P") uses within the CBD zoning district, based on the findings presented in this report.

ORDINANCE NO. ____-26

AN ORDINANCE AMENDING CITY CODE SECTION §66-6 USES WITHIN ZONING DISTRICTS, TO ALLOW TWINHOMES AND QUAD & TOWNHOMES AS PERMITTED USES WITHIN THE CENTRAL BUSINESS DISTRICT (CBD)

The North Branch City Council hereby ordains as follows:

Section 1. Amending Language Regarding Uses Within Zoning Districts

City Code Section §66-6 Uses Within Zoning Districts, is hereby amended by adding the following underlined language to the Zoning Use Table.

§66-6 USES WITHIN ZONING DISTRICTS

Within Section A. Residential Uses of the Zoning Use Table, amend the CBD (Central Business District) column as follows:

District Uses	Notes	Standards	R1	R2	R3	RR	AG	PUB	OSP	CBD	B	BN	I1	I2	SO
A. RESIDENTIAL USES															
Household Living															
Dwelling, Single-Family			P	P		P	P								
Dwelling, Single-Family (Prior to December 31, 2022)										P					
Dwelling, Duplex & Triplex				P	P					P					
Dwelling, Twin Homes			P	P	P					P					
Dwelling, Quad & Townhome				P	P					P					
Dwelling, Multi-Family (3 to 6 units)				P	P					P					
Dwelling, Multi-Family (7 to 16 units)					P					P					
Dwelling, Apartments					P					P	P				
Dwelling, Apartments Above Commercial										P	P	P			
Dwelling, Prefabricated Home				C	C										

Section 2. Effective Date.

This Ordinance shall have full force and effect upon its passage and publication.

Passed by the City Council of the City of North Branch, Chisago County, Minnesota, this 26th day of August, 2026.

Kevin Schieber, Mayor

Attested:

Tonya Kostuch, City Clerk



Report

Public Hearing – Design Standards Ordinance Amendments (Section 66-943)

Overview / Background

The City of North Branch has been evaluating updates to its Design Standards Ordinance over the past several months as part of a broader effort to ensure the City's architectural standards remain consistent with current building materials and future development goals.

The Planning Commission first discussed potential amendments to the Design Standards Ordinance during the May 5, 2026 Planning Commission Meeting, where staff introduced revisions to the Design Standards Map and identified several areas where the existing map could be improved to better align with commercial corridors, development patterns, and future growth areas. Since that meeting, the Planning Commission has held additional discussions regarding the proposed map revisions, appropriate design standard zones, and potential updates to the permitted exterior building materials.

At the June 17, 2026 Joint City Council and Planning Commission Work Session, City Staff presented the proposed Design Standards amendments for further discussion. During the work session, City Council and Planning Commission Members reviewed the proposed map revisions, discussed adjustments to several Design Standards Zones, and expressed support for adding “Engineered Wood Siding” to the list of permitted Class 1 exterior building materials. Staff was directed to prepare the necessary ordinance amendments and revised Design Standards Map for a formal public hearing.

The proposed amendments before the Planning Commission include:

- Addition of “Engineered Wood Siding” as a permitted Class 1 Exterior Building Material.
- Adoption of a revised Design Standards Zone Map to better align the City's design standards with existing development patterns, major transportation corridors, commercial growth areas, and future land use planning.

These amendments are intended to provide additional flexibility in building materials while improving consistency, predictability, and long-term implementation of the City's design standards throughout North Branch.

Analysis

Proposed Text Amendment – Engineered Wood Siding

Section 66-943 currently establishes three classes of exterior building materials, with Class 1 materials representing the highest quality and durability.

Staff is proposing the addition of **Engineered Wood Siding** to the Class 1 materials list.

Engineered wood products have become increasingly common in residential and commercial construction and offer several advantages, including:

- Improved durability and resistance to moisture, insects, and weather.
- A high-quality appearance that closely resembles traditional wood siding.

- Compatibility with existing architectural styles found throughout North Branch.
- Greater flexibility for builders while maintaining the City's desired aesthetic standards.

Staff believes engineered wood siding meets the overall intent of the Design Standards Ordinance by providing a durable, attractive exterior material consistent with other Class 1 building materials.

Proposed Design Standards Map – Map Revisions

The second amendment updates the City's Design Standards Zone Map.

The current map has been in place for several years and generally follows major transportation corridors and commercial areas. During review, Staff identified several locations where the existing boundaries could create inconsistent design requirements or unnecessarily split similarly situated properties.

The proposed map reorganizes several Design Standards Zones while maintaining the City's overall intent of requiring higher-quality building materials in the most visible and commercially significant areas.

Staff recommends adoption of the revised Design Standards Map with the following general changes:

- Expands portions of **Design Standards Zone 1** to include additional commercially significant properties and areas surrounding the Interstate 35 corridor.
- Adjusts **Zone 2** boundaries to provide more logical transitions between Zones 1 and 3.
- Revises several boundaries so that design standard lines better follow parcel configurations rather than dividing large development sites.
- Updates several commercial and future development areas to better reflect current land use planning objectives.
- Improves consistency along the Flink Avenue and Interstate 35 corridor where significant future commercial and mixed-use development is anticipated.

Overall, Staff believes the revised map creates a more logical and administratively efficient zoning framework while maintaining the intent of emphasizing high-quality architecture in the City's most visible development corridors.

Consistency with Comprehensive Plan

The proposed amendments are consistent with the goals and policies of the North Branch Comprehensive Plan by:

- Encouraging high-quality architectural design.
- Promoting attractive commercial development.
- Supporting investment along major transportation corridors.
- Providing flexibility through modern building materials while maintaining community character.
- Creating clear and predictable development standards for future growth.

Staff Recommendation

1. Recommend approval/denial to the City Council for the proposed Text Amendment to Section 66-943 Design Standards to include "Engineered Wood Siding" to the Class 1 building materials list.
2. Recommend approval/denial to the City Council for the proposed Design Standards Zone Map

ORDINANCE NO. ____-26

**AN ORDINANCE AMENDING CITY CODE SECTION §66-943 DESIGN STANDARDS
REGARDING CLASS 1 BUILDING MATERIALS AND THE DESIGN STANDARDS ZONE
MAP**

The North Branch City Council hereby ordains as follows:

Section 1. Amending Class 1 Exterior Building Materials

City Code Section §66-943 Design Standards, is hereby amended by adding the following underlined language to the list of Class 1 Exterior Building Materials.

§66-943 DESIGN STANDARDS

Within the Class 1 Exterior Building Materials list, add the following material:

- vii. Engineered Wood Siding

Section 2. Amending the Design Standards Zone Map

City Code Section §66-943 Design Standards is hereby amended by replacing the existing Design Standards Zone Map with the attached Design Standards Zone Map, which shall become the official Design Standards Zone Map of the City of North Branch and is incorporated herein by reference.

Section 3. Effective Date.

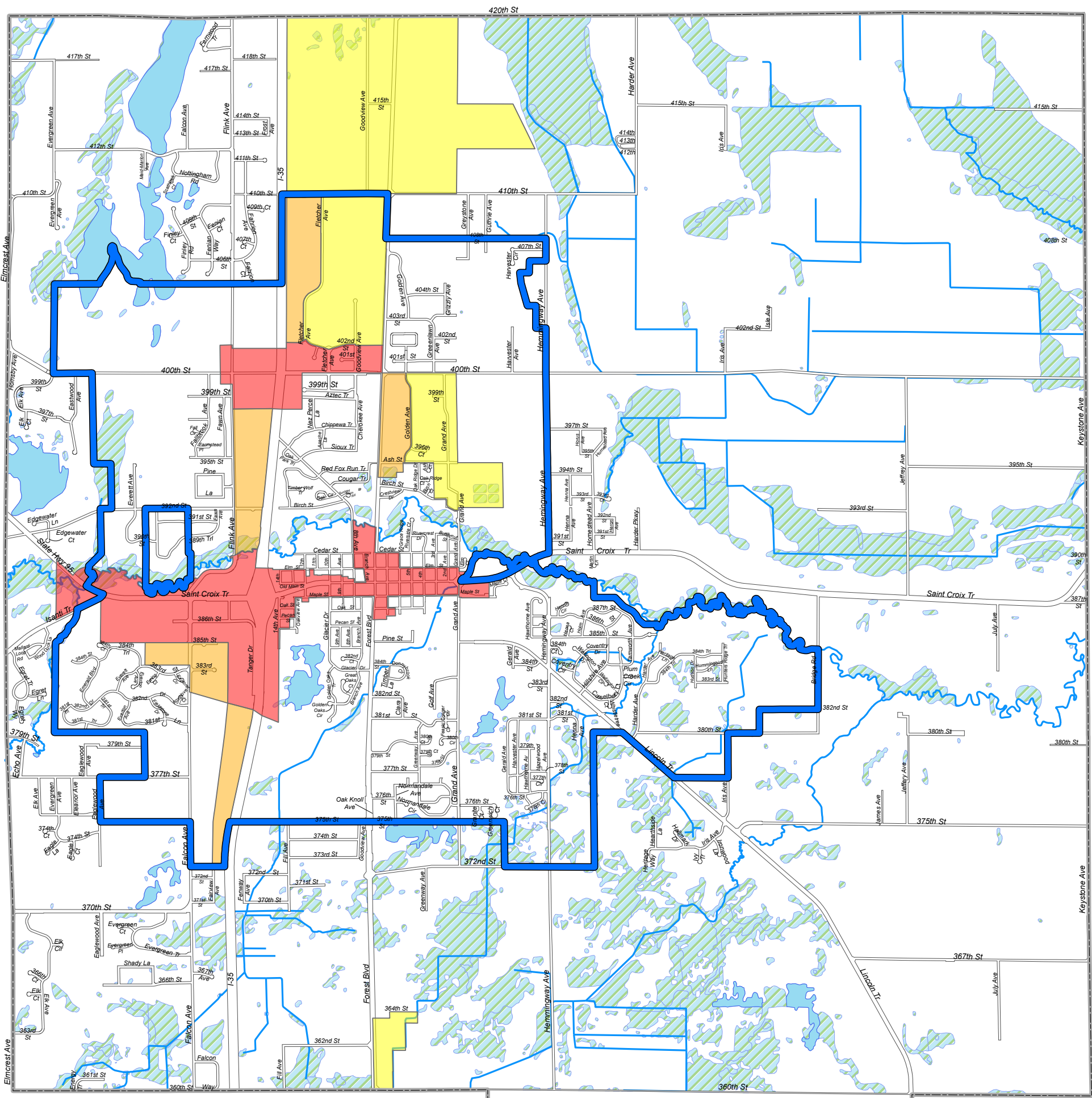
This Ordinance shall have full force and effect upon its passage and publication.

Passed by the City Council of the City of North Branch, Chisago County, Minnesota, this 26th day of August, 2026.

Kevin Schieber, Mayor

Attested:

Tonya Kostuch, City Clerk



Design Standards Zones

- ZONE
- 1
 - 2
 - 3





Report

Discussion Item – High Utility Demand Uses (Data Centers and High Energy Users)

Overview / Background

On July 22, 2026, the North Branch City Council adopted Interim Ordinance No. 413-26, establishing a six (6) month moratorium on High Utility Demand Uses while authorizing City Staff, the Planning Commission, and consultants to study appropriate zoning regulations for these emerging land uses. The purpose of the moratorium is to allow the City adequate time to evaluate potential impacts on municipal infrastructure, land use compatibility, public services, and community character before accepting or approving new development proposals.

The Interim Ordinance establishes temporary definitions for High Utility Demand Uses solely for purposes of the moratorium. These uses generally include:

- Facilities with an electrical demand of 25 megawatts (MW) or greater, but less than 50 MW;
- Facilities with an average projected water demand of 50,000 gallons per day or greater; or
- Facilities exceeding 450,000 square feet in gross floor area.

The study also specifically identifies data centers, cryptocurrency mining facilities, hydrogen production facilities, and artificial intelligence computing facilities as examples of uses requiring additional review. Battery Energy Storage Systems (BESS) are specifically exempt from the moratorium because they are regulated separately by the Minnesota Public Utilities Commission.

The purpose of this discussion item is to begin the Planning Commission's review of these land uses and receive initial policy direction regarding future zoning regulations.

Discussion

Modern data centers and other High Utility Demand Uses differ substantially from traditional commercial and industrial development. While these facilities often generate limited traffic and employment after construction, they can require significant public infrastructure and utility capacity.

Potential planning considerations include:

- Significant electrical demand and potential need for new substations or transmission infrastructure.
- High water consumption for cooling systems depending on facility design.
- Increased sanitary sewer demand associated with water-cooled facilities.
- Large building footprints that may limit redevelopment opportunities or affect community character.
- Backup generators, fuel storage, and mechanical equipment that may generate noise.
- Security fencing, lighting, and operational characteristics unique to these facilities.
- Limited employment opportunities relative to the amount of land and municipal infrastructure utilized.

Because these facilities are rapidly evolving, many communities throughout Minnesota and across the country are developing specific zoning regulations rather than relying on traditional commercial or industrial standards.

Purpose of the Study

The adopted moratorium provides the City with an opportunity to proactively establish local regulations before receiving development applications.

Over the next six months, staff intends to evaluate:

- Appropriate definitions for Data Centers and High Utility Demand Users
- Whether these uses should be permitted, conditional, or prohibited within specific zoning districts
- Development standards related to building design, setbacks, buffering, landscaping, lighting, and screening.
- Utility capacity requirements and coordination with electric, water, and wastewater providers.
- Noise, backup power systems, and mechanical equipment standards.
- Whether utility demand thresholds should trigger additional review requirements.
- Regulations adopted by surrounding Minnesota communities and best practices from other jurisdictions.

Recommendations developed during the study period will be presented to the Planning Commission for review before any ordinance amendments are considered by the City Council.

Initial Discussion Questions

Staff is requesting feedback from the Planning Commission regarding the following policy questions:

- Should Data Centers and High Utility Demand Uses be permitted in North Branch?
- If allowed, which zoning districts would be most appropriate?
- Should these uses require a Conditional Use Permit or another discretionary approval process?
- What community impacts are of greatest concern when evaluating these facilities?
- Should the City establish minimum utility capacity requirements before approving these developments?
- Are there additional performance standards the Planning Commission would like staff to research during the moratorium?

Staff Analysis

Staff recommends that the Planning Commission begin the study of High Utility Demand Uses by providing preliminary policy direction regarding the future regulation of these land uses within North Branch. Staff will continue researching zoning regulations, utility standards, and best practices from comparable communities throughout the moratorium period and return with draft ordinance language and recommendations for Planning Commission review prior to the expiration of the interim ordinance.

CITY OF NORTH BRANCH
CHISAGO COUNTY, MINNESOTA

ORDINANCE NO. 413-26

AN INTERIM ORDINANCE AUTHORIZING STUDY AND IMPOSING A MORATORIUM ON HIGH UTILITY
DEMAND USES

Section 1: Purpose and Intent. The purpose and intent of this interim ordinance ("Ordinance") is to protect the planning process and the health, safety, and welfare of the citizens of the city of North Branch (the "City") by (i) imposing, pursuant to Minnesota Statutes, section 462.355, subdivision 4, a moratorium on High Utility Demand Use, as that term is defined herein, during the term of this Ordinance; and (ii) authorizing a study related to the local regulation of High Utility Demand Uses.

Section 2. Legislative Findings. The City Council of the City of North Branch hereby finds and determines as follows:

(a) The City is a governing body for the purposes of the Municipal Planning Act, Minnesota Statutes, chapter 462 (the "Act"), and it has previously exercised its authority pursuant to the Act to adopt North Branch City Code, Chapter 66, entitled the Zoning and Subdivision Code of the City of North Branch, which contains the City's official codified land use controls (hereinafter, the "Zoning Ordinance");

(b) Section 462.355, subdivision 4 of the Act authorizes the City to adopt interim ordinances to regulate, restrict, or prohibit any use, development, or subdivision within the City, the purpose of which are to protect the planning process and the health, safety, and welfare of the residents within the City;

(d) The City recently determined that although the Zoning Ordinance imposes express regulations on numerous types of uses in its respective zoning districts, it does not impose any express rules or regulations specifically related to High Utility Demand Uses;

(e) The City will benefit from establishing its own local rules and regulations related to High Utility Demand Uses within the Zoning Ordinance; and

(f) It is in the best interests of the public to place a City-wide moratorium on High Utility Demand Use facilities to provide City staff, consultants, and the City's planning commission with a meaningful opportunity to study whether and how the City should amend its official controls to effectively regulate High Utility Demand Uses moving forward.

(g) That Battery Energy Storage Systems shall be exempted from the moratorium established in interim ordinance, finding that these systems are separately regulated and approved by the Minnesota Public Utilities Commission, and do not pose the same level zoning and planning impacts as opposed to other High Utility Demand Uses. Battery Energy Storage Systems are defined as facilities that use battery technology to capture and store electrical energy from generation facilities, including solar panels and other renewable energy sources, for future use and release into the energy grid system.

Section 3. Definitions. For purposes of this Interim Ordinance, High Utility Demand Use means a principal land use that, because of its operational characteristics, requires substantial electrical transmission, distribution, or utility infrastructure beyond that typically associated with commercial or

industrial development within the City. Examples of High Utility Demand Uses may include, but are not limited to: Cryptocurrency mining facilities; Data centers; Hydrogen production facilities; Artificial intelligence computing facilities.

For the purpose of this definition, High Utility Demand Uses include any use, whether new or expanded, classified as commercial, industrial, or agricultural, that meets any of the following criteria:

1. A facility and its connected associated facilities designed for and capable of operating at a capacity of 25 megawatts or more but less than 50 megawatts.
2. A facility and its connected associated facilities with a projected average water use of 50,000 Gallons Per Day (GPD) or more.
3. Development of any facilities and its connected associated facilities in excess of 450,000 gross floor square feet.

This definition does not include Battery Energy Storage Systems, which are explicitly carved out from the regulations of this interim ordinance.

This definition shall not constitute a permanent zoning definition and is intended solely for purposes of this Interim Ordinance.

Section 4. Study Authorized. City staff, consultants, and the City's planning commission are hereby authorized and directed to conduct a study of High Utility Demand Uses, including but not limited to: cryptocurrency mining facilities; data centers; hydrogen production facilities; artificial intelligence computing facilities data centers. Such study shall include an analysis of their relevant localized impacts and how other communities regulate them, and provide the city council with recommendations on whether and how the Zoning Ordinance should be amended to better address the aforementioned void. The planning commission may make such recommendations on this issue as it deems appropriate.

Section 5. Moratorium Imposed A moratorium is hereby imposed throughout the City on High Utility Demand Uses, which during the term of this Ordinance shall be considered a prohibited use within the City. During the period of the moratorium, all property in the City is subject to the following as it pertains to High Utility Demand Uses:

1. No building permits shall be issued for the construction, reconstruction, alteration, or expansion of any structure or improvements except for (i) necessary repairs of existing structures; (ii) tenant improvements made to existing structures for commercial, industrial or business park use; (iii) expansion of a structure for commercial, industrial or business park use.; or (iv) construction or expansion of structures or installation of equipment for an existing or approved data center project.
2. No proposal for rezoning (which includes planned development amendments and planned development concepts) or comprehensive plan amendment shall be recommended for approval or approved by the planning commission or the city council.
3. No conditional use permit or variance shall be recommended for approval or be approved by the planning commission or the city council.
4. No portion of any property in the City shall be replatted or subdivided, except for the purpose of consolidation of parcels of land into single ownership.

5. No application for the establishment or expansion of a data center shall be accepted, processed or approved.

Applications submitted after the effective date of this Interim Ordinance shall be subject to this moratorium.

Section 6. Exemptions. The following shall not be subject to this Interim Ordinance:

1. Projects that have received all required local land use approvals prior to the effective date of this Interim Ordinance.
2. Building permits associated with projects previously approved by the City.
3. Routine building permits, tenant improvements, maintenance, repairs, remodeling, or expansions that do not establish a new High Utility Demand Use.
4. Public utility maintenance, repair, replacement, or emergency work.
5. Battery Energy Storage Systems, as defined above, that:
 - a. Have previously received all required approvals from the City; or
 - b. Are currently subject to the permitting and regulatory authority of the Minnesota Public Utilities Commission, including projects for which an application has been filed or a permit has been issued under applicable state law prior to the effective date of this Interim Ordinance.

Nothing in this Interim Ordinance shall be interpreted to interfere with or regulate facilities subject to the exclusive jurisdiction of the Minnesota Public Utilities Commission.

Section 7. Duration This Interim Ordinance shall remain in effect for six (6) months from its effective date unless repealed earlier by the City Council.

Section 8. Penalty and Enforcement. The City may enforce this Ordinance through criminal prosecution or by undertaking such civil actions or proceedings, including, without limitation, injunctive relief, as it determines appropriate to prevent, restrain, correct, or abate any violation or threatened violation of this Ordinance. The initiation of one type of enforcement action shall not preclude the City from instituting any other action or proceeding available to it under law to enforce this Ordinance. Any person, firm, partnership, corporation, or other entity violating any provision of this Ordinance shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to imprisonment for up to 90 days, a fine of up to \$1,000, or both, plus the costs of prosecution. Each day that a violation occurs shall be considered a separate offense.

Section 9. Severability. Every section, provision and part of this Ordinance is declared severable from every other section, provision and part thereof. If any section, provision or part of this Ordinance is held to be invalid by a court of competent jurisdiction, such judgment shall not invalidate any other section, provision or part of this Ordinance.

Section 10. Effective Date. This Ordinance shall take effect immediately upon its adoption and publication.

Adopted by the North Branch City Council this 22nd day of July 2026.

Kevin Schieber
Kevin Schieber, Mayor

Attested:

Tonya Kostuch
Tonya Kostuch, City Clerk





Report

Discussion of Potential Text Amendment – Residential Side Yard Setbacks

Overview / Background

The City has been evaluating whether residential interior side yard setbacks should be increased from six (6) feet to ten (10) feet for future residential development. This topic has been discussed during previous Planning Commission meetings, a public hearing, and the June 17, 2026 Joint Planning Commission/City Council Work Session.

Throughout those discussions, Planning Commission members, City Council members, City staff, residents, and members of the development community identified several concerns with applying a citywide setback increase. Those concerns included the creation of legal nonconforming homes, impacts to existing neighborhoods, previously approved subdivisions, redevelopment opportunities, and residential developments designed utilizing the current six-foot setback standard.

During previous discussions, Planning Commission members generally expressed support for maintaining the City's existing six-foot side yard setback requirements. However, the City Council requested additional discussion regarding potential implementation methods should the City ultimately determine that ten-foot side yard setbacks are desirable for future residential development.

After evaluating several implementation alternatives, City staff believes that if the City wishes to require larger side yard setbacks, the most practical approach would be the creation of a new R-10 Residential Zoning District rather than modifying the setback requirements within the City's existing residential zoning districts.

Staff Analysis

City staff continues to believe that increasing side yard setbacks within the existing R-1, R-2, and R-3 zoning districts would create significant implementation challenges. Existing homes, subdivisions, and developments were approved based upon the current six-foot setback standard. Amending those districts would result in numerous legal nonconformities and could complicate future additions, reconstruction, redevelopment, and subdivision activity.

The creation of an **R-10 Residential Zoning District** would avoid those concerns by leaving the City's existing residential districts unchanged while establishing a new zoning district for future residential growth areas.

Under this approach:

- Existing residential neighborhoods would remain subject to their current development standards.
- Existing homes would not become legal nonconforming structures.
- Previously approved subdivisions and developments could continue under the standards in place at the time of approval, subject to City review.
- Future residential developments could be rezoned to the R-10 District if the City Council desired neighborhoods with increased separation between homes.

Staff believes this approach provides the greatest flexibility by allowing the City to accommodate future residential development with larger setbacks while preserving the development expectations of existing property owners.

GIS Analysis of Potential R-10 Areas

To assist the Planning Commission and City Council in evaluating the potential creation of an R-10 Residential Zoning District, City Staff has drafted a Geographic Information System (GIS) analysis identifying residentially guided properties that are currently vacant and do not have approved concept plans, preliminary plats, or future planned phases of development.

The purpose of this analysis is to visually identify areas of the community that could be considered for future rezoning to the proposed R-10 Residential Zoning District should the City choose to move forward with this approach. By focusing on vacant properties that have not yet been planned for development, the analysis helps illustrate where increased side yard setback requirements could be implemented while minimizing impacts to existing neighborhoods and developments that have already been designed or approved under the current six-foot setback standards.

The GIS map is currently being finalized and is anticipated to be available for review and discussion at the August 4, 2026 Planning Commission meeting. Due to the timing of agenda packet publication, the draft map was not available for inclusion in the meeting packet and will instead be presented as part of the staff presentation.

The map is intended as a discussion tool only and does not represent a proposed rezoning map or formal recommendation for any specific parcel at this time.

Discussion Items

Should the Planning Commission recommend moving forward with an R-10 Residential Zoning District, staff will prepare draft ordinance language for review by the Planning Commission and City Council.

Staff is requesting discussion regarding the following:

1. Does the Planning Commission support maintaining the existing six-foot side yard setback requirements?
2. If the City Council wishes to pursue larger side yard setbacks for future residential development, does the Planning Commission support creation of an R-10 Residential Zoning District rather than modifying the City's existing residential zoning districts?
3. Should staff proceed with preparing draft ordinance language for an R-10 Residential District for future consideration?



Report

Discussion of Potential Text Amendment – R-3 Zoning District Maximum Density

Overview / Background

The proposed amendment to establish a maximum residential density within the R-3 High Density Residential zoning district has been discussed by both the Planning Commission and City Council over the past several months. Previous discussions focused on whether the City should establish a maximum density within the zoning district and, if so, what density would best balance future housing opportunities, infrastructure capacity, neighborhood compatibility, and long-term growth objectives.

During the June 17, 2026 Joint Planning Commission/City Council Work Session, both bodies concluded that additional factual analysis was necessary before selecting a specific maximum density. Rather than establishing an arbitrary units-per-acre limitation, the Planning Commission and City Council directed Staff to evaluate representative vacant R-3 properties throughout the community and develop objective information to assist in determining an appropriate maximum density standard.

The intent of this analysis is to better understand the practical development capacity of the R-3 zoning district under the City's existing development regulations. This information will provide additional context regarding how current zoning standards influence residential density and whether an additional density cap would provide meaningful public benefit.

Development Capacity Analysis

As directed by the Planning Commission and City Council, City Staff has evaluated several representative vacant parcels currently zoned R-3 throughout North Branch. Each parcel has been reviewed to estimate the number of residential units that may reasonably be accommodated while complying with existing City Code requirements.

Rather than applying a simple units-per-acre calculation, Staff evaluated each site using the City's existing development standards that naturally regulate development intensity. These considerations include, but are not limited to:

- Maximum building height
- Minimum setbacks
- Parking requirements
- Internal drive aisles and circulation
- Stormwater ponding requirements
- Landscaping and open space requirements
- Impervious surface limitations
- Utility access
- Building footprints and site configuration

These development standards already influence the number of dwelling units that may reasonably fit on a property regardless of whether a maximum density standard exists. The representative site analyses are intended to illustrate how these regulations affect build-out potential across a variety of parcel sizes and configurations.

The estimated unit counts provided for each parcel should be viewed as planning-level estimates only. They are intended to assist the Planning Commission and City Council in evaluating potential density standards and should not be interpreted as official development capacities or approved site layouts.

Planning Staff is responsible for reviewing development proposals for compliance with City Code rather than designing residential developments. Actual development capacity can only be determined through the developer's due diligence process, which includes detailed engineering, architectural design, grading plans, utility design, stormwater calculations, traffic circulation, market analysis, and compliance with all applicable City, State, and regulatory agency requirements.

Because numerous site design approaches may exist for any individual property, different developers and design professionals may produce varying unit counts while remaining compliant with City Code. Accordingly, the examples included within this report represent reasonable planning scenarios intended to provide objective policy guidance rather than identify the absolute maximum number of units that could ultimately be developed.

Existing Development Standards

While the R-3 zoning district currently establishes a minimum density of six units per acre and does not specify a maximum density, residential development is already regulated through numerous provisions within the City's zoning ordinance. These regulations collectively establish practical limitations on development intensity and include:

- Maximum building height of three stories (50 feet)
- Minimum front, side, and rear setbacks
- Maximum impervious surface coverage
- Minimum apartment unit sizes
- Parking requirements
- Landscaping requirements
- Stormwater management requirements
- Utility availability and infrastructure requirements

These standards must be satisfied for every proposed development regardless of any future maximum density requirement.

Site Examples

The site analyses illustrate estimated development scenarios for several vacant R-3 properties located throughout North Branch. Each example evaluates how many dwelling units could potentially be accommodated while accounting for the City's existing zoning regulations and typical site design constraints.

The examples are intended to:

- Illustrate practical development capacity under existing regulations.
- Compare how different parcel sizes and configurations influence potential density.
- Demonstrate how existing zoning standards naturally regulate residential intensity.
- Provide objective data to assist in selecting an appropriate maximum density, if one is ultimately established.

Staff notes that these examples are not intended to promote a specific density threshold. Rather, they provide factual information for discussion prior to considering any future text amendment.

Discussion

One of the primary questions before the Planning Commission is whether establishing a maximum residential density within the R-3 zoning district would provide additional public benefit beyond the development standards already contained within City Code.

If the Planning Commission determines that a maximum density is appropriate, the representative parcel analyses may assist in identifying a density threshold that reflects realistic development potential while continuing to support housing opportunities within North Branch.

Conversely, if the analyses demonstrate that existing zoning regulations already provide adequate controls on development intensity, the Planning Commission may determine that a numerical maximum density is unnecessary.

Staff Recommendation

This item is presented for discussion only.

Staff recommends that the Planning Commission review the representative parcel analyses, discuss the estimated development capacities, and provide feedback regarding whether additional information is necessary before considering a future text amendment establishing a maximum residential density within the R-3 High Density Residential zoning district.

EXHIBIT 1 – PARCEL ANALYSIS

R-3 Zoning District – Development Capacity Estimate

PARCEL INFORMATION

PIN:	110107232
Owner:	North Branch Economic Development Authority
Acreage (GIS):	5.88 acres
Zoning:	R-3 High Density Residential
Comprehensive Plan:	High Density Residential
Location:	Southwest corner of Forest Blvd (Highway 30) and Goodview Ave
Access:	Goodview Ave
Utilities:	Municipal water and sanitary sewer available in adjacent streets



SITE CONSIDERATIONS

- Generally level site with minimal slopes
- No mapped wetlands within the site
- No floodplain mapped on site
- Railroad located east of Forest Blvd may require design buffers for sensitive uses
- Conceptual access from Goodview Ave
- Stormwater ponding assumed within site based on City standards

ASSUMPTIONS & EXISTING REGULATIONS CONSIDERED

	Max Building Height	3 stories / 50 feet
	Setbacks	Front: 30' Side: 10' Rear: 20'
	Parking	2 stalls per dwelling unit
	Impervious Surface	Maximum 70%
	Stormwater	Ponding and treatment required per City standards
	Landscaping / Open Space	Per Chapter 66 requirements
	Minimum Unit Size	Apartment units: 750 sq. ft. minimum

DEVELOPMENT CAPACITY SCENARIOS

SCENARIO	Estimated Buildable Acres (after setbacks, pndng., R/W, etc.)	Assumed Building Types / Stories	Estimated Number of Units	Units per Acre (Gross Parcel)	Notes / Key Factors
CONSERVATIVE SCENARIO	3.6 – 4.0	Predominantly 2-story apartment buildings with greater setbacks and open space	60 – 70 units	10 – 12 units/acre	• Larger building setbacks • More open space/landscaping • Larger stormwater facility • Internal circulation minimized
REASONABLE SCENARIO	4.2 – 4.6	Mixed 2- and 3-story apartment buildings typical of similar developments	80 – 90 units	14 – 15 units/acre	• Balanced setbacks and open space • Efficient parking and circulation • Typical stormwater design • Provides functional site layout
UPPER-RANGE SCENARIO	4.6 – 5.0	Predominantly 3-story apartment buildings with reduced setbacks where allowed	100 – 115 units	17 – 20 units/acre	• Reduced setbacks (where permitted) • More compact building footprints • Efficient parking and circulation • Smaller open space areas

NOTES

These development capacity estimates are planning-level analyses prepared for policy discussion purposes only. They are based on existing North Branch City Code requirements and typical site planning assumptions. Actual unit counts and site designs will vary and can only be determined through a developer's due diligence process, including detailed engineering, architectural design, grading, stormwater management, utility design, market analysis, and compliance with all City, State, and regulatory requirements.

EXHIBIT 2 – PARCEL ANALYSIS

R-3 Zoning District (7+ Attached Units / Apartments) – Development Capacity Estimate

PARCEL INFORMATION

PIN:	11.001070.57
Owner:	Private
Acreage (GIS):	19.22 acres
Zoning:	R-3 High Density Residential (7+ Attached Units / Apartments)
Comprehensive Plan:	High Density Residential
Location:	North side of 383rd St, west of Falcon Ave
Access:	383rd St and Falcon Ave
Utilities:	Municipal water and sanitary sewer available in adjacent streets



SITE CONSIDERATIONS

- Generally level site with minimal slopes
- No mapped wetlands on site
- No floodplain mapped on site
- Dual street frontage provides multiple access points
- Railroad located east of Falcon Ave may require design buffers for sensitive uses
- Conceptual access from 383rd St and Falcon Ave
- Stormwater ponding assumed within site based on City standards

ASSUMPTIONS & EXISTING REGULATIONS CONSIDERED

	Zoning District	R-3: 7+ Attached Units / Apartments
	Max Building Height	3 stories / 50 feet
	Front Yard Setback	30 feet
	Rear Yard Setback	30 feet
	Side Yard Setback (Interior)	10 feet
	Side Yard Setback (Corner)	30 feet
	Parking Requirement	2 stalls per dwelling unit
	Maximum Impervious Surface	75%
	Stormwater	Ponding and treatment required per City standards
	Landscaping / Open Space	Per Chapter 66 landscaping requirements
	Minimum Unit Sizes (Apartments)	Studio (Efficiency): 400 sq. ft. 1 Bedroom: 650 sq. ft. 2 Bedroom: 750 sq. ft. 3 Bedroom: 850 sq. ft.

DEVELOPMENT CAPACITY SCENARIOS

SCENARIO	Estimated Buildable Acres (after setbacks, ponding, R/W, etc.)	Assumed Building Types / Stories	Estimated Number of Units	Units per Acre (Gross Parcel)	Notes / Key Factors
 SCENARIO A – LOWER DENSITY LAYOUT	14.5 – 15.5	Predominantly 2-story apartment buildings with larger setbacks, more open space, and larger stormwater area	200 – 230 units	10 – 12 units/acre	• Larger building setbacks • More open space / landscaping • Larger stormwater facility • Internal circulation minimized
 SCENARIO B – TYPICAL APARTMENT DEVELOPMENT	15.8 – 16.8	Mixed 2- and 3-story apartment buildings; typical parking and circulation layout	240 – 290 units	13 – 15 units/acre	• Balanced setbacks and open space • Typical parking and circulation • Typical stormwater design • Provides functional site layout
 SCENARIO C – HIGH-EFFICIENCY APARTMENT DEVELOPMENT	16.8 – 17.6	Predominantly 3-story apartment buildings with reduced setbacks (where permitted) and efficient site design	305 – 360 units	16 – 19 units/acre	• Reduced setbacks (as allowed) • Smaller building footprints • Efficient parking and circulation • Smaller open space areas

NOTES

These development capacity estimates are planning-level analyses prepared for policy discussion purposes only. They are based on existing North Branch City Code requirements and typical site planning assumptions. Actual unit counts and site designs will vary and can only be determined through a developer's due diligence process, including detailed engineering, architectural design, grading, stormwater management, utility design, market analysis, and compliance with all City, State, and regulatory requirements.