

**Village of Holmen
Planning Commission Minutes
September 25, 2018**

Village President Proctor called the Planning Commission meeting to order at 6:30PM on Tuesday, September 25, 2018. Present were commission members Proctor, Johnston, Stanek, Rugroden, Grokowsky and Appold; (Kertis was excused); along with advisory members Administrator Heinig. Also in attendance: Pat McKnight, Steve Stoczynsk, Teresa & Bill Peters, George Schmidt, Stephen Trussoni, Shawn Maier, Dave Hanson, Jean Nagel, Mike Regals, Robert Traely, Kelly Duan, Buck Manley and Heidi Trever.

Public Hearing

- a. **Rezoning Petition from JR Sand Lake, LLC, from R-1 Single Family Residential District to R-6 Tow-family Residential District with Zero Lot Lines (supporting 18 twindos immediately along Sand Lake Road on the Pertzsch Farm)**

Motion by Appold, seconded by Johnston to open the public hearing for the above referenced item. Carried 6-0:

Administrator Heinig provided a brief overview of the proposed Rezoning Petition and provided instructions for those in attendance who may wish to speak. It was noted that the petitioners were not present tonight.

Jean Negal (Hanson Road): Asked if the twindo concept was a “ploy” to make money? Wouldn’t nine more homes double the cars coming into the area? Are the homes in this area going to be built in a floodplain? Are other properties nearby impacted by this development? Do we want to encourage housing for lower income people too, as these units are expected to run around \$240K; that seems very high for first time home buyers and younger families...younger families need homes too. Who keeps up the park area—I don’t believe Holmen has the ability to do so? If the Pertzsch farm is annexed, where do the taxes go? Has Mike Regal’s farm been annexed? Who will maintain Hanson Road and who maintains the water lines, etc.? These are just some of the questions I would like addressed when you consider this item tonight.

Mike Regals (Schilling Road): This proposed development, from just single family, now proposing twindos along Sand Lake Road, is a change from what I expected to see. I myself considered purchasing this property to do a development, but was told multifamily was not permissible. It seems unfair that the current developer is able to propose twindos. I actually think this is what makes sense, and I’m not opposed to the development, but it would have been nice to know that twindos were an option for any developer.

Heidi Trever (Pleasant Drive): I live across the street (Sand Lake Road) and I am concerned about additional flooding. How will the development solve the flooding problems from all the water that comes down from Apple Valley? I am also concerned about how all these homes will impact our schools...are we just supposed to keep building more schools? Who is going to pay

for all of this? And I am very concerned about traffic on Hwy. SN. It is a bad road with no sidewalks...where will all of the kids walk? It's not safe.

Motion by Stanek, seconded by Rugroden to close the public hearing, as no other concerns or comments were made. Motion carried 6-0.

Motion by Johnston, seconded by Grokowsky to approve the minutes of the August 28, 2018 Meeting. Carried 6-0.

Public Comment

None

Agenda Items

5. Possible Action and Recommendation on Annexation Petition by B&B Land Development, LLC, of 37.4 acres on County Hwy. V from the Town of Holland

Administrator Heinig provided a brief overview of the proposed annexation. The property is just north of Evergreen Elementary School and would ultimately be developed into executive single-family home sites. The annexation is consistent with the Comprehensive Plan, the Holmen/Holland Boundary Agreement, and was found to be in the public interest by the State of Wisconsin. Heinig recommended the annexation be forwarded to the Village Board with a favorable recommendation to approve.

Motion by Stanek, seconded by Grokowsky to recommend the Village Board accept and approve the annexation petition by B&B Land Development, LLC, of 37.4 acres on County Hwy. V from the Town of Holland. Motion carried 6-0.

6. Possible Action and Recommendation on Rezoning Petition from JR Sand Lake, LLC, from R-1 Single-family Residential District to R-6 Two-family Residential District with Zero Lot Lines (supporting 18 twindos immediately along Sand Lake Road on the Pertzsch farm)

Administrator Heinig outlined the details of the zoning application and attempted to answer the questions from the public hearing. First and foremost, the site is already zoned R-1. It was rezoned to R-1 a few years ago. Mr. Regals is correct that the Village's position (derived from the original public hearing comments of that original rezoning AND in defense of the Comprehensive Plan) was to require this area to be lower density residential. Thus the Village has remained consistent that multifamily shall NOT be considered here. And tonight, multifamily is still not being considered (as two-unit zero lot line development is not multifamily). Heinig explained that since the original rezoning, however, the market for housing options has changed significantly. There is an abundance of single-family lots available now, and twindo lots are selling extremely fast (in fact, every twindo lot that has been platted has pre-sold long before the plat was even recorded). Thus, there is a high demand for twindo lots and since twindos are still considered low density residential, it is still in keeping with the Comprehensive Plan, thus is Comp-plan compliant (whereas multifamily residential is not). Heinig also commented that the Pertzsch's have had a hard time finding a buyer to develop the

property, in part because of Hwy. SN's expansion issues and the site's archeological issues, but also due to the fact that only permitting single family home sites was proving to be difficult to make the project solvent for the developer, in the current market. Thus, allowing some twindos along Sand Lake Road (Hwy. SN) would allow the developer to sell lots faster to make the project solvent while also providing an attractive buffer to the highway, rather than building single family homes on the highway. Thus, Heinig suggested he did not have an issue with the developer's current and specific proposal...something that had never since been proposed by any other developer in the past.

Heinig commented that he expects the lower end of the price point for each twindo to be \$220K, and ranging upward toward \$260K. Heinig confirmed that if other twindos in the Village and in the City of Onalaska were used as a market benchmark, the average twindo in this new development would in fact sell for \$240K. He agreed that these units would therefore be for second or third time home buyers...most likely retirees or empty-nesters looking to downsize their outdoor responsibilities and yard maintenance, while still having a beautiful new home. Heinig agreed that the current market in Holmen and North County was one that reflected home values that likely exceed the threshold for first time home buyers, but stressed that was tied to the cost of new construction, and there was little that could be done to address that situation, particularly in a development area such as this.

Heinig stated that the Pertzsch farm was annexed in 2013 and that the Regal's farm is still in the Town of Onalaska, as well as the Hanson farm (although both of those farms are in the Holmen/Onalaska Boundary Agreement and will ultimately be developed in Holmen if the owners ever chose to sell or develop their properties too). The Pertzsch farm will be developed to ensure that proper access to the East, into these adjacent farms can take place, with both roads and utilities and proper connectivity. Heinig made it clear that all park land would be maintained by the Village of Holmen, and stressed that the Village has the best park and recreation department in western Wisconsin, and certainly has the staff and resources to maintain any new parks.

Heinig addressed the concerns regarding storm water and area flooding, noting that the water coming from Apple Valley does indeed come down through the Pertzsch farm and into the Hwy. SN ditch system, and ultimately travels under Hwy. 53 and toward the Halfway Creek and Mississippi River. The amount of water that large rain fall events can bring is significant, but Heinig stressed that the developer of the Pertzsch farm was only obligated to maintain NEW water that is created from the NEW development itself. Thus, the development would ultimately need to show proper engineering for storm water containment to address that new development impact to the area. The existing water situation, however, is predominately a County issue, because most all of those impacts are occurring along Hwy. SN (Sand Lake Road). The County's plan to expand and improve Hwy. SN are expected to take place in 2022, and an urban storm water system is expected to be built to replace the current open ditches that exist today. It is anticipated that the County's engineering plan to remediate the current storm water issues, is expected to address most of the "flooding" problems that have occurred over the years in the Sand Lake Road area. Heinig stressed again, however, that those issues are not legally pertinent to the Pertzsch farm itself, nor to the development of the Pertzsch farm and nor to tonight's rezoning request.

The concerns about new housing construction and the overall impact on area schools was also addressed. Heinig explained that aside from a current “bubble” of large class sizes that are currently about to enter the High School (class sizes of 330 approximately), enrollment in future class sizes is actually DECREASING, so much so, that the Kindergarten class has approximately 270 kids (a massive decrease from 330). That progressive decrease in class size is observable throughout a pattern of multiple years to come. Thus, there is no need to build more schools, only a need to maintain the schools we have. The school district, in fact, is supportive of new developments, because any new students that those developments might bring in, will ultimately help the district keep their numbers up and thus their funding resources up too. Heinig therefore stressed that tonight’s rezone was only to permit nine more units of residential outside of what was already permitted, and that that number would clearly not have any significant impact on the school system whatsoever.

Heinig then addressed the issue of traffic. One of the biggest concerns that EVERYONE in the area has is the increasing traffic on Hwy. SN and that the road is becoming increasingly difficult to travel on as it deteriorates more and more with every passing year. Heinig again stated that the County’s current funding plan is to rebuild the Hwy in 2022. The Village of Holmen has no say to ensure this will happen, but is just as eager to see the Hwy improved, as the area residents are. Heinig made it clear, however, that no differently that Hwy. 53, Hwy. SN is a regional transportation system, and that MOST of the Hwy.’s traffic impact was coming from new developments far to the NORTH of the area in question. Thus, the increased traffic volumes were a result of the entire North County area growing, and any impact that the development of the Pertzsch farm could even have, would in fact be so small, it would be difficult to even measure, in comparison to the plethora of new development happening in the North. Heinig did mention, however, that when Sand Lake Road is finally rebuilt, it WILL have a multi-use trail on the West side of the entire Hwy. The Village is paying over \$250K to build the trail at our own expense, so as to ensure safe access for our children and bikers, and to ensure proper connectivity of our community. Thus, Sand Lake Road will ultimately be a very safe place to travel for all ages.

With the above having addressed most all concerns or questions that were raised, and with the fact that the rezoning request was still Comp Plan Compliant, and that the twindos would in fact sell and present themselves well along Hwy. SN (acting as a “buffer” to the single-family home sites), Heinig stated he had NO objection to the rezoning request, and stated that the request was actually very sensible. Heinig’s only objection was that one of the proposed twindo sites was located in an area that clearly should remain single-family (as the surrounding home sites were also single-family). Thus, Heinig stated that the rezoning, if recommended for approval, should NOT include lots 35 and 36, thus heretofore, reducing the “18 twindo lot request” to “17 twindos,” instead.

Member Grokowsky asked Heinig why he felt that there was a sudden push to build twindos as opposed to single family homes? Grokowsky reflected on Heinig’s use of the term solvent during his presentation, asking how twindos would help make the development solvent. Heinig reiterated that twindos are selling so fast that developers are seeing a massive return on their investment in record time in comparison to single family homes. Thus, yes, the justification for the developer to build twindos would be to make more money and to make money faster...that is clearly the intent.

Member Appold shared that he owns property across the street (Sand Lake Road) from the site in question, and has various concerns he'd like to voice and represent for himself and his neighbors. He is very concerned about this development adding to the current water problem on Sand Lake Road, is unquestionably concerned that this development will add more traffic to the area; and believes that the increased density and twindos specifically would have a negative impact to his and the neighboring property's home values. Heinig reiterated that the water issues impacting Sand Lake Road are not the developer's responsibility, but those of the County; he also reiterated that all onsite water impacts would need to be resolved by the developer and proven with engineering which would be signed off by the DNR...even if it means eliminating several lots to meet all storm water requirements, the developer would be required to do so. Heinig then clarified for the record, that the zoning request was still Comp Plan Compliant, thus the density was still considered low-density residential; and that any comment regarding twindos "lowering property values," was simply not true, as was evidenced by numerous properties throughout the Village, where high-quality new construction regularly influenced an increase in the overall values of existing properties in the immediate area.

Member Stanek spoke to bring clarity to various items that had been discussed. He first and foremost wanted it known for the record that there was no reason to deny this request just because the developer might make more money selling twindos. This is a free market system and if the developer can make more money selling a product that is in high demand, then more power to them. He did not feel it was appropriate to imply otherwise. He continued with reference to the issue of traffic. Recognizing that Sand Lake Road is likely to see reconstruction by 2022, the reality is that the development timeline for the entire subdivision would likely be five-plus years. Thus, the Hwy should be completely rebuilt and handling traffic effectively long before all the houses are built in the subdivision. He also reflected on a recent rezoning hearing in another location that focused its discussion on fears of anticipated traffic, and the end result has been that no such traffic concerns were ever warranted. He concluded that since the development is Comp Plan Compliant, there is no legal reason to deny the rezoning request, and stated he would be supporting it.

Member Rugroden "echoed" Member Stanek's comments, and went further to state that he felt using the townhomes (twindos) as a "buffer" along Sand Lake Road was an advantage for the developer and the development overall...it made sense.

Member Johnston stated that "drainage" of storm water was his primary concern overall, but clearly stated that between the County's responsibilities and those responsibilities of the developer, they will be forced to "make it right." He reiterated that developments like this are creating values that are higher for Holmen overall, and stated his support for the proposed development.

Member Grokowsky asked once again, why all of a sudden did the market change, why wouldn't we want to just keep the property R-1...R-1 was what the community supported before, why change it? Heinig clarified that in fact, the residents of the area (many of whom were in the room tonight) originally did NOT support even R-1...they wanted the farm to remain in Agriculture permanently. And Member Stanek and Johnston reiterated again, that the current market for twindos is in very high demand and that since the last rezoning took place, there has been a significant amount of new single family home lots created, thus there was a need for other residential products. Heinig agreed, supporting their statements with recognition that

when the R-1 rezoning was authorized, there were approximately 15 residential single family lots left in the Village of Holmen. Today, there are over 350 new residential single family lots on the market, and nearly 500 more being planned for or built as we speak. Conversely, there are zero twinhome lots currently available for purchase. Clearly the market and situation have changed.

President Proctor “echoed” the supportive comments from the membership as well as of staff, and she wanted to confirm with the public that these are “owner occupied” homes...they will be purchased and owned, therefore they were not traditionally rental properties. Heinig did clarify that while that may be true, anyone at any time, could rent their property, so there was no guarantee that some of these sites wouldn’t become rentals, as that is always a possibility, even if they were single family homes. There was no further discussion following this point. Proctor called for the vote.

Motion by Johnston, seconded by Stanek to recommend the Village Board approve the rezoning request from R-1 to R-6 for 17 twindo sites along Sand Lake Road in the proposed Pertzsch Farm Addition (eliminating lots 35 and 36 from the approval). Motion carried 4-0-2 (Appold and Grokowsky abstaining).

7. Possible Action and Recommendation on Petition from JR Sand Lake, LLC, for acceptance of the Pertzsch Farm Addition Preliminary Plat

Heinig stated that since the rezoning request was now forwarded with a favorable recommendation, we could now legitimately consider the Preliminary Plat for the same development. Heinig stated that we vetted most of the issues of concern during the rezoning discussion, and staff has no issue with the proposed plat “in concept,” here at the preliminary stage. Member Stanek asked what the process would be if we approved this plat tonight? Obviously engineering would need to be done and if any changes were required, such as lots eliminated for storm water containment, or if the entire plat needed to be shifted to avoid Sand Lake Road acquisition impacts, all of these changes would be implemented and brought back to the Village Board for final consideration in a FINAL PLAT.

Heinig made the following recommendation: that the Village Board approve and accept the Preliminary Plat of the Pertzsch Farm Addition with the understanding that lots 35 and 36 shall be converted back into a single family lot; that ALL on site storm water containment and storm water systems be fully supported with detailed engineering before acceptance of a final plat; that the Plat be compatible with planned Hwy. SN acquisitions; that the existing home site on the northwest side of the Plat be given utility easement and utility laterals for future hook ups; that the Plat identify restricted access to Hwy. SN; and that ALL Village utility and road design requirements be met and fully acceptable to Village Engineering and that no cost for the development shall be borne by the Village of Holmen.

Motion by Johnston, seconded by Rugroden to accept the Administrator’s recommendation as stated above, and forward such to the Village Board for approval. Motion carried 5-0-1 (Appold abstaining).

8. Possible Action on Petition from for Site Plan & Architectural Review (SPAR) for Stenger's Swede Valley Farm at 3812 Creekside Lane

Administrator Heinig provided a brief overview of the SPAR application for a proposed for Stenger's Swede Valley Farm on Creekside Lane. The building is an approximate 5000 sq. ft. storage facility adjacent to the owners existing operations. The site has appropriate parking and vehicle movement, is properly landscaped for the kind of development it is, and all site lighting is handled from the building. Storm water is channeled to a concrete swale that leads all water to a drain and is taken to the area retention pond. The building is faced with brick, LP siding and decorative shakes at the roof peak. Windows also front the entry way of the building's façade. Colors are Earth tone and in keeping with the Comprehensive Plan. Heinig pointed out that there was a label discrepancy stating that Vinyl siding would be used in some areas. That obviously must be changed to Smart LP siding. Heinig had no issue with the submission and stated that the purposes and guidelines of the SPAR Ordinance had been reasonably met. Signage was not addressed in this application, but will be addressed individually with the Administrator if and when it is needed.

Motion by Johnston, seconded by Appold to approve the Site Plan and Architectural Review, finding that the purposes and guidelines of the SPAR Ordinance have been reasonably met regarding the entire proposed site plan, all external building colors and materials, overall building layout and design, site and building lighting, site and building signage, and site landscaping; assuming the applicant understands that vinyl siding is not permitted and that any reference to siding must be Smart LP Siding (as some labels were not shown correctly on the submission). Carried 6-0.

9. Updates and other informational items from and before the Planning Commission

Administrator Heinig shared that next month we will most likely be considering another annexation and at least two SPAR applications. He again mentioned that other larger development projects were being discussed and could be brought to the Commission sometime in early 2019.

Motion by Grokowsky, seconded by Rugroden to adjourn at 7:34PM. Carried 6-0.

Minutes prepared by Scott Heinig, Village Administrator