



**AGENDA STATEMENT NO. 17-2**  
**BUSINESS OF THE PLANNING COMMISSION**  
 City of Victoria, Minnesota

**STAFF REPORT**

**TO:** Planning Commission

**PREPARED BY:** Erin Smith  
 Senior Planner

**RE:** Conditional Use Permit for Zea10 to operate as a warehousing use within property located at 1495 Stieger Lake Lane

**MEETING DATE:** February 7, 2017

**GENERAL INFORMATION:**

**Applicant:**

Zea10, LLC

**Requested Action**

Approval of a Conditional Use Permit allowing Zea10 to operate a warehousing use within a portion of the building at 1495 Stieger Lake Lane.

**Location and Size:**

Property is generally located southwest of the Stieger Lake Lane and Arboretum Boulevard (Highway 5) intersection. Property is approximately 4.7 acres and contains a building with approximately 43,000 square feet.

**LAND USES AND ZONING:**

Location	Existing Land Use	Comprehensive Plan	Current Zoning
Property in Question	20,000 sq. ft Enki Brewing Company; 23,000 sq. ft. leaseable for mixed use (office, retail, warehousing etc.)	Downtown Commercial	CBD
North	Real Deals – Retail & Storage/Warehousing; Old Victoria Public Works Building – Civic/Industrial	Downtown Commercial ; Park & Open Space – Regional Park Inholding	CBD; AG
South	Shell Gas Station; Victoria Fire Station	Downtown Commercial; Public & Semi Public	CBD; R
East	Vacant – Undeveloped	Low – Single Family Residential [Density Range 1.5 – 5.9 units/acre]	Residential
West	Point Victoria Condominiums – High Density Residential	Downtown Commercial [Density Range 11 – 22 units/acre]	CBD

**BACKGROUND:**

The subject property operated from the early 1980's to 2015 as HEI Inc, a company that designed, manufactured and conducted testing on microelectronic devices for the communications, hearing, and medical markets. HEI Inc. closed the business and liquidated

assets in early 2015. In December of 2015, Enki Brewing Company was looking for room to expand from the Creamery site in downtown Victoria. Enki Brewing Company acquired the property located at 1495 Stieger Lake Lane after securing a Conditional Use Permit for a microbrewery (as presented to the Planning Commission 12/1/2015) with plans to occupy a portion of the building for the brewery with remaining area to be leased. Enki opened at their new taproom and production space in the two story portion of the building in October of 2016 and has been actively looking for tenants to occupy the remaining one story space of the building. Zea10, a protein and fiber ingredient company has expressed interest in leasing space within the one story portion of the building pending a Conditional Use Permit approval to operate on the site.

In the beer production process, a byproduct of brewing is spent grain that is discarded, used as fertilizer or sold at low cost as animal feed. Zea10 utilizes the spent grain and manufactures protein and fiber ingredients from the byproduct, complimenting Enki Brewing Company on the site. Zea10 will use their portion of the building similarly to HEI and occupy existing office space as well as research and development space. In total, they will occupy 6,393 square feet of the existing unoccupied portion of the building. The requested Conditional Use permit is specific to the warehousing use of the property which is permitted by Victoria City Code as a conditional use when found that the use meets specified standards and is not detrimental to the Central Business District.



ABOVE: Aerial of property with floor plan of warehousing and office use as proposed by Zea10.

= Approximate boundary of property

**SITE & BUILDING IMPROVEMENTS**

Zea10 is not proposing to alter exterior finishes of the existing building beyond the addition of signage, which will require a permit through the city. The space that Zea10 will occupy was used for similar function when HEI was in full operation so interior site improvements will be minimal.

**HOURS OF OPERATION**

Zea10 will operate during normal business hours, Monday-Friday.

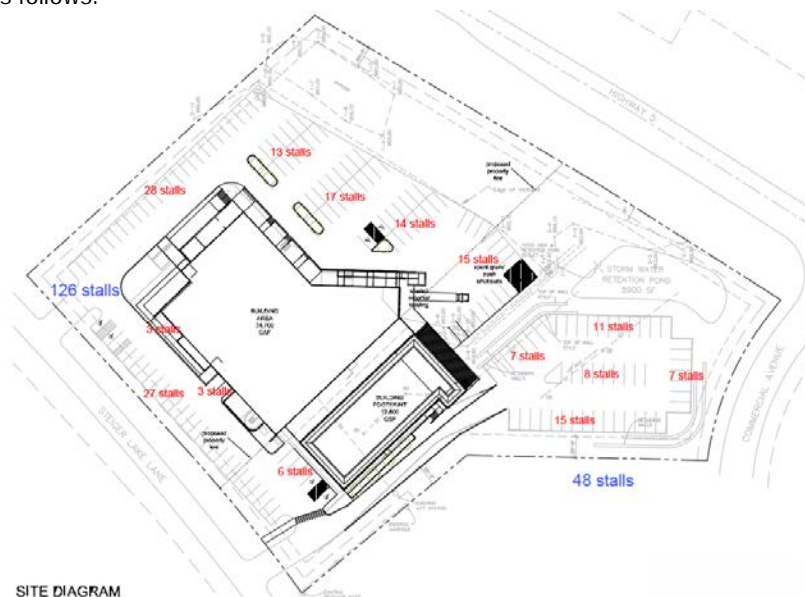
**ACCESS AND PARKING**

Access to the site is provided from 2 driveway connections off of Stieger Lake Lane. The applicant anticipates 6 full time employees to be on site during regular business hours, Monday – Friday. The applicant has indicated that no significant freight or truck traffic is required for their operation but occasional deliveries and small shipments will occur.

Through the Conditional Use process for Enki Brewing Company, a parking analysis was completed and it was determined 59 parking stalls were required for approval for a microbrewery use within the Central Business District. The site currently has 174 total parking spaces or 115 remaining for additional users beyond what is required for Enki at peak time. Zea10 employees will likely leave the site during peak parking needs of Enki. Zea10 will have access to the loading dock should a shipment or delivery require its use.

<b>ENKI BREWING COMPANY SITE – SHARED PARKING ANALYSIS</b>			
<b>User</b>	<b>Uses</b>	<b># of Stalls Required</b>	<b>50% Ordinance Reduction</b>
Enki Brewing Company	<i>Microbrewery</i>	117.08	<b>58.54</b>
Zea10	<i>Office</i>	8.29	<b>4.14</b>
Zea10	<i>Warehousing</i>	.86	<b>.43</b>
<b>TOTALS</b>		<b>126.23</b>	<b>63.11</b>

Available parking within the site is as follows:



## **ENVIRONMENTAL ISSUES**

The applicant does not anticipate noise disruption or air pollution.

## **SIGNAGE**

A sign permit will be required prior to installation of any signage on the property. Zea10 will be permitted one sign per section 106-169 of the City Code. All signage on the site is required to have the same background color, letter color, and type as established signage currently on site.

## **CONDITIONAL USE FINDINGS**

Recommendation of approval should be granted if an applicant can demonstrate a project's ability to meet the conditions as prescribed by the Conditional Use Permit. Section 109-526 – Standards for recommendation by Planning Commission of the City Code states the following required findings:

- The establishment, maintenance or operation of the conditional use will not be detrimental to or endanger the public health, safety, morals, comfort or general welfare.
- The proposed use at that particular location requested is necessary or desirable to provide a service or a facility which is in the interest of public convenience and will contribute to the general welfare of the neighborhood or community.
- The establishment of the conditional use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district.
- The conditional use shall, in all other respects, conform to the applicable regulations of the district in which it is located.

## **SPECIFIC CONDITIONS REQUIRED PER ORDINANCE FOR WAREHOUSING USE**

There are no specific conditions required per the Zoning Ordinance.

## **CONDITIONS UNIQUE TO THIS SITE**

- Zea10 shall complete the necessary leasing of property at 1495 Stieger Lake Lane as identified by the documents submitted with the application for the Conditional Use Permit to remain valid.
- A building permit shall be obtained prior to proceeding with construction and all proposed improvements shall comply with applicable building codes.
- Sign permit(s) shall be obtained prior to construction or installation of signage on the site.
- Any noise or odors shall conform to Chapter 12, Environment.
- Any change within the designated warehousing space for Zea10 would require approval of a new Conditional Use Permit.

## **STAFF RECOMMENDATION**

Based upon the information submitted, staff would recommend approval of the attached Resolution outlining consistency with the conditional use provisions of the Central Business District for a warehousing use for Zea10.

## **CITY OF VICTORIA**

Erin Smith  
Senior Planner

**ATTACHMENTS**

- Exhibit 1      Resolution of Recommendation 17-2
- Exhibit 2      1495 Stieger Lake Lane Tenant Plan, Zea10 Floor Plan, Zea10 Company Narrative