



# PLANNING COMMISSION MEETING AGENDA

City of New Prague

Wednesday, May 27, 2026 at 6:30 PM

City Hall Council Chambers - 118 Central Ave N

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**1. CALL TO ORDER**

**2. PUBLIC FORUM**

*(Public Forum is intended to afford the public an opportunity to address comments, questions and concerns with the Planning Commission. Speakers limited to five minutes)*

**3. APPROVAL OF REGULAR AGENDA**

**4. APPROVAL OF PREVIOUS MEETING MINUTES**

- [a.](#) April 22, 2026 Planning Meeting Minutes

**5. NEW BUSINESS**

- [a.](#) Request for Concept Plan Review - 76 Acres North of Existing Industrial Park (PIDs 059.933.0210 and 059.933.0212)  
Nate French - applicant
- [b.](#) Public Hearing for Request for Conditional Use Permit #C2-2026 & Variance #V2-2026 - Allow a Chiropractor Office with Apartment above a 1st Floor and Parking Variance at 200 4th Ave SW  
Andrew Fautsch - applicant
- [c.](#) Concept Review of UDC Amendments
  - i. ADUs
  - ii. Miscellaneous
- [d.](#) Planning Commission Review of TIF District 9-1
  - i. Approve Resolution
  - ii. Memo
  - iii. Exhibit 2
- [e.](#) Planning Commission Review of Purchase of 1201 1st Street for new City Hall
  - i. Approve Resolution
  - ii. Memo
  - iii. Sales Brochure

**6. OLD BUSINESS**

- [a.](#) None

**7. MISCELLANEOUS**

- [a.](#) Monthly Business Updates
- [b.](#) Thanks To Outgoing Planning Commission Member Jason Bentson

**8. ADJOURNMENT**

*Anyone speaking to the Planning Commission  
shall state their name and address for the record.  
Thank you.*

THE PURPOSE OF THE ZONING ORDINANCE IS TO PROMOTE THE HEALTH, SAFETY, ORDER, CONVENIENCE AND GENERAL WELFARE, BY REGULATING THE USE OF LAND, THE LOCATION AND USE OF BUILDINGS AND THE ARRANGEMENT OF BUILDINGS ON LOTS, AND THE DENSITY OF POPULATION IN THE CITY OF NEW PRAGUE.

**Regular Meeting Minutes**  
**New Prague Planning Commission**  
**Wednesday, April 22nd, 2026**

**1. Call Meeting to Order**

The meeting was called to order at 6:31 p.m. by Chair Dan Meyer.

The following members were present: Brandon Pike, Shawn Ryan, Dan Meyer, and Rik Seiler.

The following members were absent: Jason Bentson.

The following City Staff were present: Community Development Director Ken Ondich and Planner Evan Gariepy.

**2. Public Forum**

A motion was made by Seiler, seconded by Pike, to open the public forum. Motion carried (4-0).

No comments were given.

A motion was made by Ryan, seconded by Seiler, to close the public forum. Motion carried (4-0).

**3. Approval of Regular Agenda**

A motion was made by Seiler, seconded by Ryan, to approve the April 22nd, 2026, regular meeting agenda. Motion carried (4-0).

**4. Approval of Previous Meeting Minutes**

**A. March 25<sup>th</sup>, 2026, Regular Meeting**

A motion was made by Pike, seconded by Seiler, to approve the March 25<sup>th</sup>, 2026, regular meeting minutes. Motion carried (4-0).

**5. NEW BUSINESS**

**A. Public Hearing for Comprehensive Plan Amendment and Rezoning Certain Properties to RM Medium Density Residential Located in the Plat of Raven Stream Village 1<sup>st</sup> Addition**

Ondich presented the Comprehensive Plan amendment and rezoning request that was proposed by the Calvary Church of New Prague.

Ryan expressed concerns with increased traffic from the proposed residential and church developments. Ondich stated that the development, as proposed, would not trigger the City's traffic study guidelines, but if a PUD was applied for, it would require Planning Commission approval at which point traffic could be reevaluated. Ryan asked the applicant if there was a confirmed buyer for the land, and they stated there is not, nor are they in a rush to sell it.

Shawn inquired about if it could be re-guided and rezoned to R1 Single Family Zoning District instead due to traffic concerns if it were to be developed into a 40-unit townhouse development. Ondich stated that there would be less potentially interested buyers if it was zoned R1 rather than RM, and stated that any commercial development would have also had a notable traffic impact in the area.

Meyer inquired if having less commercial areas in Scott County versus Le Sueur County along the west portion of town would be a financial difference to the City, and Ondich stated it would not.

A motion was made by Pike, seconded by Seiler, to open the public hearing. Motion carried (4-0), the public hearing was opened at 6:55pm.

Pike asked the applicants if there was a set timeline for the development. Howard Braith, elder with Calvary Church and Andy Kazulak, pastor with Calvary Church stated there was not, and that they wanted to obtain the rezoning before trying to sell the land.

A motion was made by Ryan, seconded by Pike, to close the public hearing. Motion carried (4-0), the public hearing was closed at 6:56pm.

A motion was made by Ryan, seconded by Pike, to recommend approval to the City Council of the Comprehensive Plan amendment and rezoning of the west 750' of Outlot G, Raven Stream Village First Addition, as proposed by Calvary Church of New Prague. Motion carried (4-0).

**6. OLD BUSINESS**

**A. None**

**7. Miscellaneous**

**A. Monthly Business Updates**

Ondich presented the monthly business update as information.

**8. Adjournment**

A motion was made by Seiler, seconded by Ryan, to adjourn the meeting at 6:57 pm. Motion carried (4-0).

Respectfully submitted,



Evan C. Gariepy  
Planner



118 Central Avenue North, New Prague, MN 56071  
phone: 952-758-4401 fax: 952-758-1149

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**MEMORANDUM**

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**TO:** PLANNING COMMISSION  
**FROM:** KEN ONDICH, COMMUNITY DEVELOPMENT DIRECTOR  
**SUBJECT:** REQUEST FOR CONCEPT REVIEW OF +/- 76 ACRES OF LAND LOCATED NORTH OF THE EXISTING CITY INDUSTRIAL PARK, GUIDED I-1 LIGHT INDUSTRIAL, AS PROPOSED BY NATE FRENCH, APPLICANT.  
**DATE:** MAY 20, 2026

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**Background / History**

The most recent phase of the City’s Industrial Park (New Prague Business Park 11<sup>th</sup> Addition) was platted in 2015. As part of the planning process leading up to the actual platting, the City completed a feasibility study that included concept plans for the 80 acres located immediately north of the industrial park and involved the property owners in the review process. The review process included a traffic impact study, environmental site assessment, geotechnical study, wetland delineation and a concept layout including roads/utilities and limitations of the city’s sanitary sewer system in serving the 80 acres.

Since 2015, the City has now sold all the lots within the 11<sup>th</sup> Addition area and interest has continued for additional Industrial Park Development.

Nate French, owner of CVF Racing, has indicated that he has a purchase agreement on the approximately 76 acres of land immediately north of the City’s industrial park. Mr. French desires to construct a building up to approximately 200,000 sq. ft. to house CVF Racing as they have out grown their existing facility at 618 6<sup>th</sup> Street NW. The submitted concept plan shows the proposed building on one of 11 lots and one outlot to be created on the subject site. Not all lots need to be final platted, but the preliminary plat must show the full layout to ensure the site works from a transportation and utility standpoint.

The application for a concept review of the 76 acres of land will follow Section 3.004 (B) of the Unified Development Code (UDC). The concept review is limited to city staff review, MnDOT review and finally Planning Commission review to review the procedural requirements and minimum standards of the UDC before filing a preliminary and final plat. Any review comments provided are advisory only and no formal action is taken during the concept review. The goal is

to provide as much feedback as possible to efficiently review formal plat applications and to shorten the overall review time period.

The next step in the land use process is have the property owner initiate the annexation process, zone the property then finally to plat the property. The review of the preliminary plat requires a public hearing as required by Section. 3.006 of the UDC.

**Legal Description**

Parcels 05.933.0210 and 05.933.0212

The below legal is not complete. A full legal will be required prior to submission of a preliminary and final plat.

The South Half of the Northeast Quarter of Section 33, Township 113 North, Range 23 West, Scott County, Minnesota, subject to existing highway right of way.

**Zoning**

The subject sit is currently located outside of New Prague City Limits but is guided as I-1 Light Industrial and Business Park District in the City’s Comprehensive Plan.

**Density / Lot Size**

Per Section 6.001 of the UDC, The minimum lot size in the I-1 Industrial Zoning District is 40,000 square feet (.918 acres). A total of 11 lots, one outlot, and public right of way are shown on the concept plan. The smallest lot on the concept plan is 2.85 acres, thereby meeting the minimum lot size requirement. As a comparison to the 11<sup>th</sup> Addition of the New Prague Business Park, those lots were as small as 1.97 acres.

The minimum lot width for the I-1 Industrial Zoning District is 150’ at the building setback line. The eleven lots are all at least 150’ wide at the building setback line with the narrowest dimension along a public road being proposed Parcel G which would house the new home of CVF Racing.

As noted earlier, there is one outlot shown on the plat containing existing stormwater ponds, wetlands and a proposed regional stormwater pond. The area of the outlot is mostly low/unbuildable land and best suited for stormwater type uses as shown. Staff would suggest that the outlot be deeded to the City, however certain pond improvements for private development may be subject to stormwater maintenance agreement requirements.

**Easements**

Section 6003 (H) of the UDC provides for easement requirements for drainage ways, trails and utilities.

General drainage and utility easements must be provided for on the front lot lines at 10' in width and at 10' in width centered on all side lot lines (providing 5' on each side) as required by the UDC.

Easements for wetlands are determined based on the criteria in Section 6.002 (S) of the UDC. Minimally, a 25' conservation easement will be required which covers required buffer around the wetland. A larger easement may be necessary based on the MnRAM 3.0 system for rating wetlands, up to a maximum of 65' to cover the extent of a wetland buffer. The wetland buffer easements must and also have signage installed per UDC Section 6.002 (S)(4)(E)(12) which states that the signs shall be installed at 200' intervals along the buffer to define its edge. The signs must be at least 12" x 12" in size and at least 4' above grade.

### **Setbacks**

The required building setbacks in the I-1 Industrial Zoning District are 40' front, 25' rear (or 50' when abutting residential zoning), and 15' side.

Furthermore buildings must be setback at least as far back as the yet to be established limits of the conservation easements required to the edge of all delineated wetlands.

### **Building Coverage**

The only parcel shown with a building at this time is Parcel G at 10.49 acres (456,944.4 sq. ft.) The building proposed on this parcel is approximately 200,000 sq. ft. in size. Per UDC Section 6.001, the maximum land coverage by buildings in the I-1 Light Industrial and Business Park District is 40%. This would limit the size of the building on Parcel G to 182,777.76 sq. ft. without a variance being issued.

### **Access / Road Layout**

The transportation section of the Comprehensive Plan identifies:

- 6<sup>th</sup> Street NW as a major collector
- TH21 as an A Minor Arterial
- The north extensions of 6<sup>th</sup> Ave. NW and 8<sup>th</sup> Ave. NW into the proposed development as local roads only.

Staff's biggest concern with the proposed layout at this time is the need for a connection to TH21 along the north end of the site from 8<sup>th</sup> Ave. NW all the way east to TH21. As submitted, the concept plan shows some ROW to access parcels J and K from TH21, but does not continue through to the west which must be addressed. Additionally, 8<sup>th</sup> Ave. NW must also extend north to a future northerly extension of 11<sup>th</sup> Ave. NW as shown on the future corridors map from the Comprehensive Plan. Finally, the northern east/west road, could also extend west beyond the 8<sup>th</sup> Ave. NW extension as shown in the comp. plan, but this may not be necessary.

Staff also notes that while 6<sup>th</sup> Ave. NW does not extend through the development as in the original concept for the site, staff believes it is not necessary and would abut only buildings on

the west side if constructed as the east side is low area/ponds/wetlands, meaning it would be a single loaded road and not serving much of a purpose, particularly when a large 200,000 sq. ft. building would have all the access it needs from the short extension of 6<sup>th</sup> Ave. NW as proposed.

A Traffic Impact Study (TIS) was completed by SEH in 2015 that included New Prague Business Park 11<sup>th</sup> Addition plus the 76 acres of land included in this concept review. The TIS noted in its findings that the development phase that the city just completed (called Phase A in the study) would not cause any need for transportation improvements and will operate at an overall acceptable level through 2019 or the platting of additional land to the north. It does note that right turn lanes both east bound and west bound at TH21 are recommended by the year 2024 when Phase B (land to the north of the proposed plat) is realized (and it is noted that at this time, there are not dedicated right turn lanes in these locations). It also notes that a traffic signal or roundabout is recommended by the year 2034 when Phases C and D (basically the north third of the 76 acres (which would now be identified as Parcels: D, E, H, J and K) are developed. In summary, the original traffic impact study noted that the dedicated right turn lanes might be warranted with the platting of this property or the buildout of at least the southern two-thirds of the property (which would now be identified as Parcels A, B, C, F, G and I).

MnDOT’s Metro District was notified on 4/22/26 of the concept plan as required by statute as the subdivision abuts a state highway. MnDOT has 30 days to comment on the concept and the traffic impact study previously completed. No comments were received at the time of writing this staff report. Their comments will be incorporated into future reports for the platting of the property.

Street Spacing Requirements

Street spacings for proposed streets must meet the below requirements from Section 6.003 of the UDC.

Functional Classification of Existing or Proposed Street	Functional Classification of Existing or Proposed Street			
	Local	Collector	Minor Arterial	Principal Arterial
Local	No Restriction	660’	1,320’	Not Permitted
Collector	660’	660’	1,320’	Not Permitted
Minor Arterial	1,320’	1,320’	1,320’	Not Permitted
Principal Arterial	Not Permitted	Not Permitted	Not Permitted	1 mile (grade separated access only)

Section 6.002 of the UDC Access Spacing and Driveways

Driveway and access spacing to the lots is subject to the provisions of Section 6.002 of the UDC as outlined below. There should not be any issue meeting these requirements on any of the proposed lots.

(1) A street’s functional classification shall be defined by the New Prague Comprehensive Land Use Plan’s Future Functional Classification Map.

(2) The distance from a driveway access to the intersection of two (2) streets shall be in accordance with the following table. The setback measurement shall be measured from the edge of the street right of way to the nearest edge of the curb cut for the driveway access.

STREET WITH PROPOSED PRIVATE DRIVEWAY ACCESS	Nearest Intersecting Street			
	Local Street	Collector	Minor Arterial	Principal Arterial
<b>Local Street</b>				
Residential Driveway	40'	55'	70'	100'
Commercial/Industrial Driveway	100'	150'	150'	*500'
<b>Collector Street</b>				
Residential Driveway	40'	55'	70'	100'
Commercial/Industrial Driveway	100'	200'	*500'	*500'

\*A driveway access may be located less than 500 feet from the nearest intersection if the proper roadway geometrics are installed to limit access to right turns in and out of the property only. Such exceptions are subject to the approval of the City Engineer. Review criteria shall include but not limited to sight lines and distances, traffic volumes and speeds on the public street, intersection controls, street and driveway spacing, and trip generation from the property.



**Trails / Sidewalks**

UDC section 6.003(6) states that in an industrial area, a 5’ wide sidewalk is required on at least one side of each street unless a trail is identified in place of a sidewalk. Sidewalk will definitely need to be extended on both 6<sup>th</sup> Ave. NW and 8<sup>th</sup> Ave. NW and also installed on at least one side of each new road in addition to the extensions noted earlier.

Throughout the original focus group process in 2011 which occurred prior to the platting of New Prague Business Park 11<sup>th</sup> directly south of the subject property, the importance of trails and sidewalks was noted. At this time it was suggested that a trail system could be located through or adjacent to the wetland and pond area on the east side of the side and connect into the required sidewalks in the remainder of the development although that idea was since discounted as the topography of that side of the site doesn’t make it feasible. That said, staff believes this should be explored further, particularly as a greenway connection as the large low area is otherwise unusable for construction of buildings.

**Drainage / Grading**

A preliminary grading plan has not been submitted at this time, however the concept plan shows a “proposed pond” on the lowland area in the proposed east side outlot area. City Staff would support a pond in this location as it is generally low or as a steep slope and is not conducive to construction of buildings and already contains wetlands and stormwater ponds.

**Flood Plain**

As indicated on the FEMA FIRM panel #27139C0290E effective February 12, 2021, the property is located within the un-shaded Zone X which is determined to be outside the 500-year floodplain.

**Wetland Conservation Act**

A Wetland Delineation report dated August 2014 was completed by SEH for the eventual full 100+ acre site for the future industrial park. Since this wetland delineation is over 5 years old, a new wetland delineation will be required for any land included in a new plat.

**DNR Comments**

There are no DNR protected waters on or adjacent to the site however there are wetlands on a portion of the property which is addressed in the previous section of this report. The DNR was notified of the concept and at this time have not submitted any comments. DNR Area Hydrologist Taylor Huinker provided the following comments via e-mail on 5/14/26:

Thanks for sending this over. I don’t see any public waters onsite or close enough for the shoreland ordinance to apply. I do not have any additional comments.

Taylor

**Park Land Dedication**

Section 6.003 (G) of the UDC outlines Park/Public Land Dedication requirements.

The Park Board is to review the proposed park land dedication for the development prior to any public hearings the Planning Commission may have on the Preliminary Plat. At this time, since no preliminary plat has been applied for, the Park Board has not yet formally reviewed.

The land to be dedicated for an industrial development such as this would be the “product of the per capita industrial share – 282 sq. ft. per employee and the expected number of employees in the development at full build out”.

\*\*\$16,779 (Assuming 50 jobs in the new building at 282 sq. ft. per employee is 14,100 sq. ft. or 0.32 acres) worth of land required for park dedication. Fair market value of the unplatted and undeveloped land is estimated at \$1.19 per sq. ft. (estimated gross sales price for undeveloped land) for the purposes of this estimate (developer to provide appraisal to document fair market value). Other possible buildings are not included in the above estimate. In the past as the industrial park built out, park fees were collected at the time of building permit from each new building.

Generally speaking, an industrial park would not be an area where additional park land would be sought. In fact, the Comprehensive Plan does not show this as a future park search area because it is covered within the service area of Foundry Hill Park. That said, a section of greenway trail is shown as a possibility through the expanded industrial park area. An easement to accommodate the greenway trail could be utilized towards park dedication requirements. Existing wetlands, drainage ways and floodplain are not to be considered as contributions to the City.

**Sewer Area Access Charge**

All newly annexed and platted land into the City requires a per acre payment of the Sewer Area Access Charge which is \$6,010 per acre. The total charge for the 76 acre development is \$456,760.

**Water Area Access Charge**

All newly annexed and platted land into the City requires a per acre payment of the Water Access Charge fee. According to the City’s fee schedule the amount to be paid is \$2,814 per acre. The total water area access charge fee owed for the 76 acre development is \$213,864.

**Electric Area Access Charge**

All newly platted lots must pay the New Prague Utilities install and materials “at cost plus 15%”.

Bruce Reimers, Utilities General Manager, can provide an estimate once an application has been made for preliminary plat.

**Sidewalk Fee**

All newly annexed and platted land into the City requires a per lot payment of \$55 for a sidewalk fee. The total sidewalk fee owed for this 11 lot development is \$605.

**Emergency Warning Siren Fee**

All newly annexed and platted land into the City requires payment of an Emergency Warning Siren Area Charge. According to the City’s fee schedule the amount to be paid is \$165 per acre. The total emergency warning siren fee owed for this 76 acre development is \$12,540.

**Saw and Seal Fee (for developers installed roadways):**

All new developer installed streets must pay the City to complete a saw and seal fee of \$3.50 per lineal foot for a saw joint every 40’ of new roadway. The saw and seal would be done approximately 2 weeks following installation of the final lift. Staff would need additional information about what the extent of developer installed roadways might be to give an estimate. Based on the roads in the concept, staff would estimate approximately \$4,600 for the saw and seal fee.

**Water Service**

See comments elsewhere in this report.

**Sanitary Sewer Service**

See comments elsewhere in this report.

**Stormwater System**

See comments elsewhere in this report.

**Engineering Comments**

City Engineer Chris Knutson from SEH provided the following comments via e-mail on April 23, 2026:

Some preliminary comments:

1. The north end of 6<sup>th</sup> Avenue SE should have a cul de sac and not just terminate at a road entrance to CVF Racing.
2. The parcels A-E on the west side may not be serviceable from the proposed pond due to elevation. A second pond and outlet will likely be needed.
3. I believe that Brick's Boatworks connected to an in-place tile for a pond discharge point that may need to be relocated and improved. This may transition from a private drainage agreement to a city-owned utility.

4. A water main loop will be needed between 6<sup>th</sup> Avenue NW and 8<sup>th</sup> Avenue NW. This was previously to occur along the roadways. I expect it could be within utility easement if needed.
5. The parcels A-E on the west side may not be fully serviceable from 6th Street NW sanitary sewer. Building elevations will need to be considered for any mass site grading. The previous study appeared to cut the sewershed to somewhere between Parcel C and D.
6. The proposed pond is landlocked without direct access to any roads. This may be problematic for future maintenance or inspection requirements by public works.
7. CVF should consider where their on-site stormwater volume reduction will fit. This would likely be a rain garden, filtration basin, subsurface, etc. This is needed in addition to the pond. It does not appear to be accounted for.

This may have enough changes where an update to previous business park planning should be considered. That would also include guidance from the NW Lift Station preliminary design.

### **Public Works and Utility Comments**

While no formal comments were received from Public Works Director Matt Rynda or Utilities General Manager Bruce Reimers, both indicated that with 6<sup>th</sup> Ave. NW ending shortly to the north of the existing terminus of 6<sup>th</sup> Ave. NW and providing access only to Parcels G & I, a large public drainage and utility easement will be necessary to provide for access to the proposed pond in the proposed outlot and also for the looping of water main, and also likely for electric and stormwater infrastructure that would have normally followed a dedicated road right of way.

CenterPoint Energy was not solicited for comments at this time.

### **Building Official Comments**

Scott Sasse, Building Official, noted that the elevations for the possible 200,000 sq. ft. building on Parcel G appear to be a Type II-B construction building and that there shouldn't be any problem achieving that kind of square footage for a manufacturing use.

### **City Attorney Comments**

Scott Riggs, City Attorney, was not solicited for comments at this time.

### **Scott County Highway Department Comments**

As the concept plan does not abut any County Road, comments were not solicited from the Scott County Highway Department.

### **MnDOT Comments**

As noted earlier, MnDOT's Metro District was notified on 4/22/26 of the concept plan as required by statute as the subdivision abuts a state highway. No comments have been received at this time.

**Environmental Review**

A Phase 1 Environmental Site Assessment was completed by Wenck and is dated July 2014. It concluded that there is no evidence of recognized environmental conditions, controlled recognized environmental conditions and historical recognized environmental conditions in connection with the subject property.

A Preliminary Geotechnical Evaluation Report was not previously completed by the City for any of the subject property.

An EAW is not mandatory because it does not meet the threshold requirements. Minnesota Rules require preparation of an EAW for the following:

- Projects constructing new or expansion of an existing warehousing or light industrial facility, equal to or in excess of the following threshold – 300,000 sq. ft. (noting that New Prague is a Fourth Class City).
- Projects resulting in the permanent conversion of 80 or more acres of agricultural land located outside of the MUSA (Metropolitan Urban Service Area). In the case of this concept, the development is only 76 acres.

**Street Names**

Existing street names shall be used where connections are made or where streets line up. The two north/south extensions will be named 6<sup>th</sup> Ave. NW and 8<sup>th</sup> Ave. NW. The future east/west road at the north end of the concept plan land is open for naming.

**Annexation**

The entire concept plan area is located within the City’s Orderly Annexation Area with Helena Township. An application for annexation can be filed with the City concurrent with the application for rezoning (establishing zoning) and platting.

**Staff Recommendation**

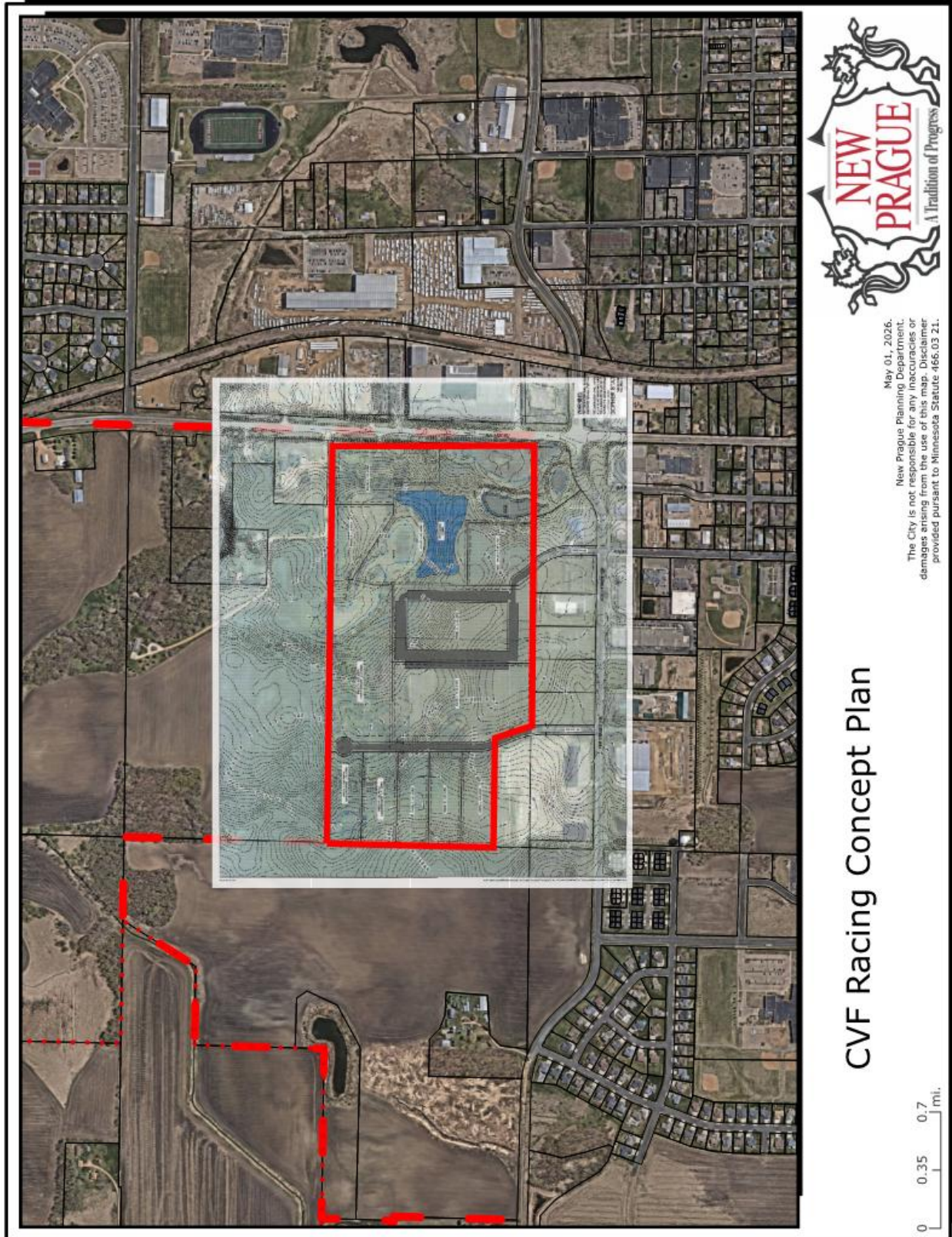
Staff recommends that the Planning Commission review the concept plan and staff comments and provide comment and feedback, but not provide any formal action at this time.

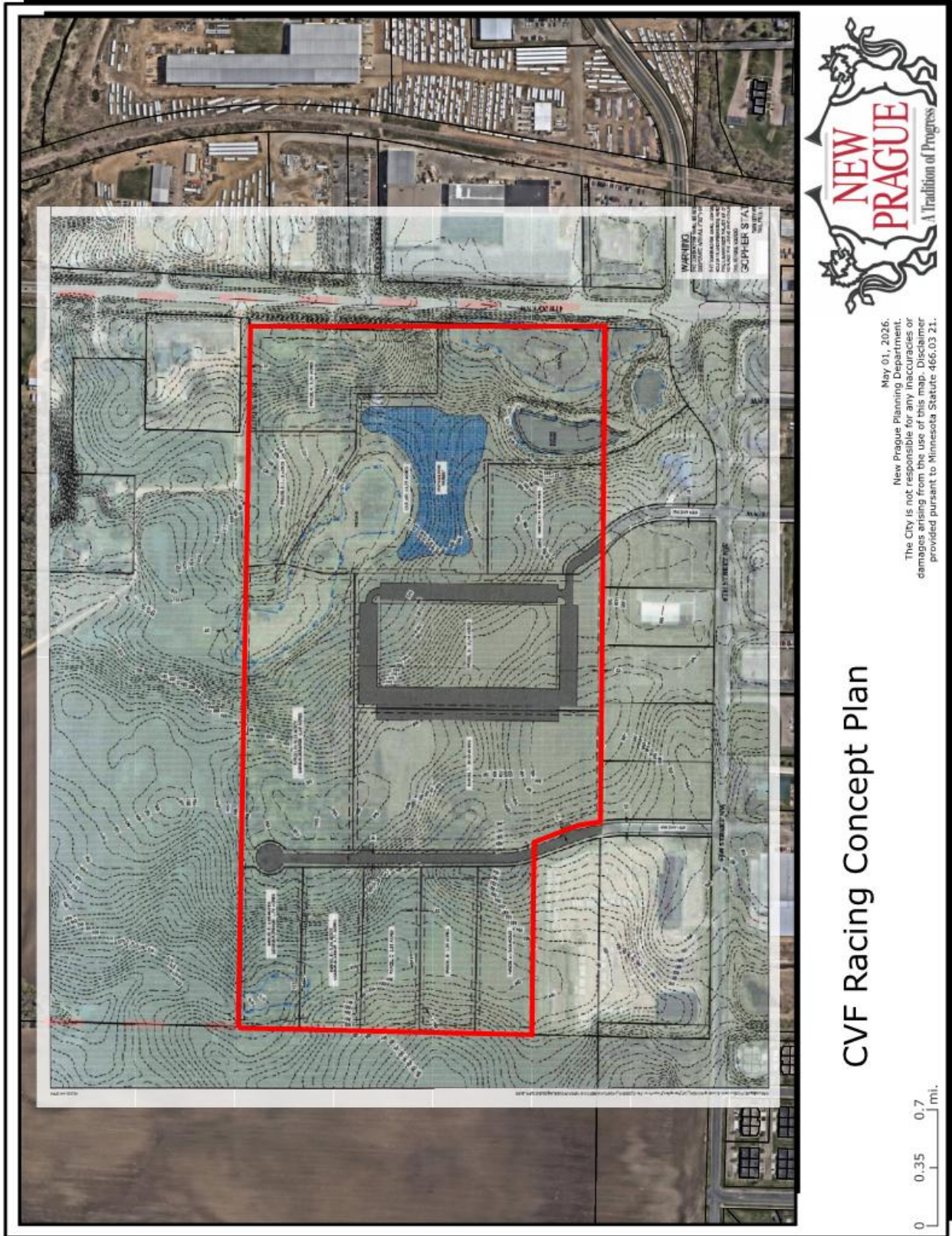
**ATTACHMENTS**

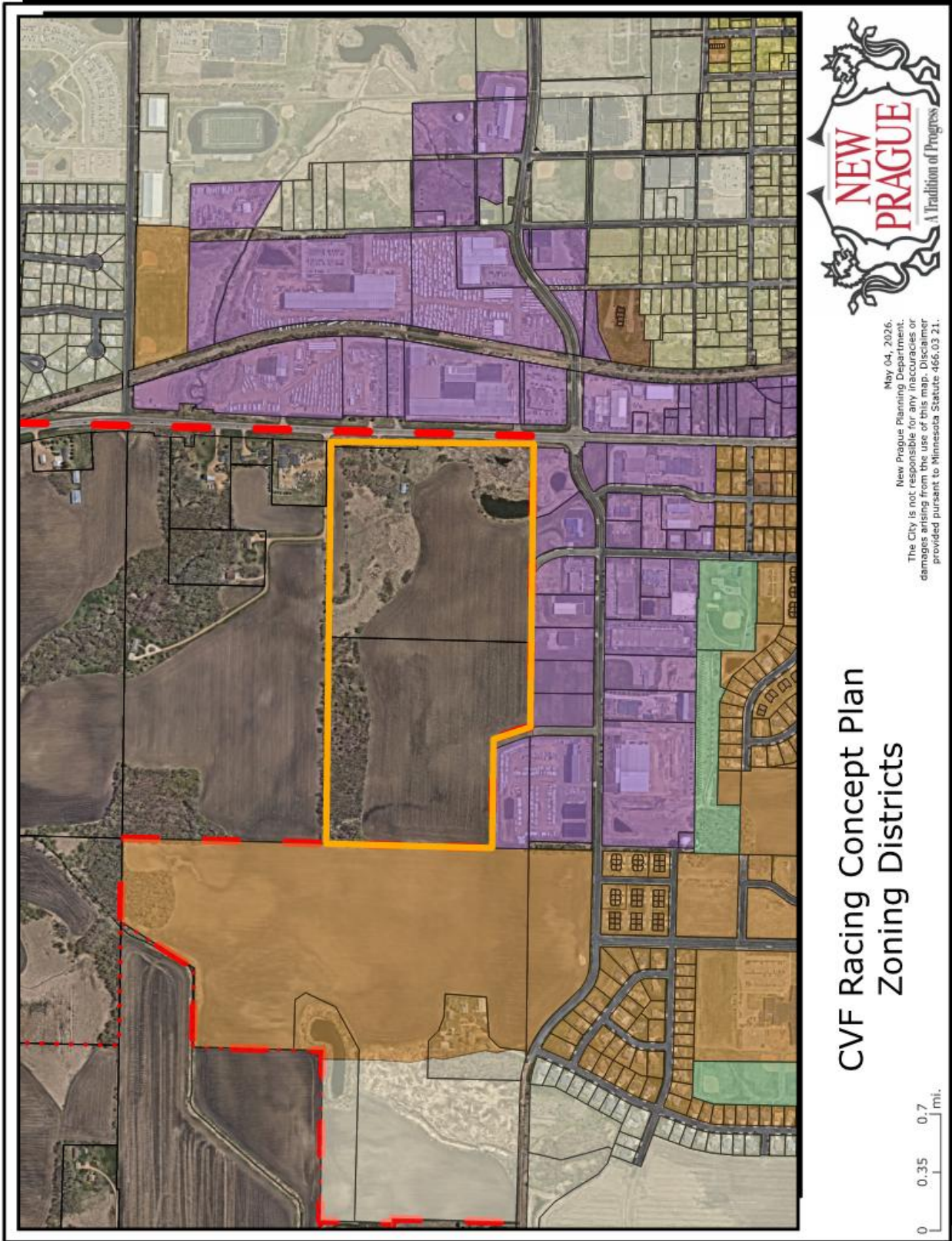
1. Air Photo – April 2026
2. Site Plan Aerial – Dated 5/1/26
3. Site Plan Aerial Zoomed In – Dated 5/1/26
4. Zoning Districts – Dated 5/1/26
5. Comprehensive Plan Guides – Dated 5/1/26
6. Future Corridors – Dated 5/1/26
7. Greenway Map from Comp. Plan. – Undated
8. Proposed Concept Plan by Stantec – Undated
9. Building Elevations by RJ Ryan – Dated 4/17/26
10. Photos – Dated 5/11/26
11. Original Concept – Dated 2015

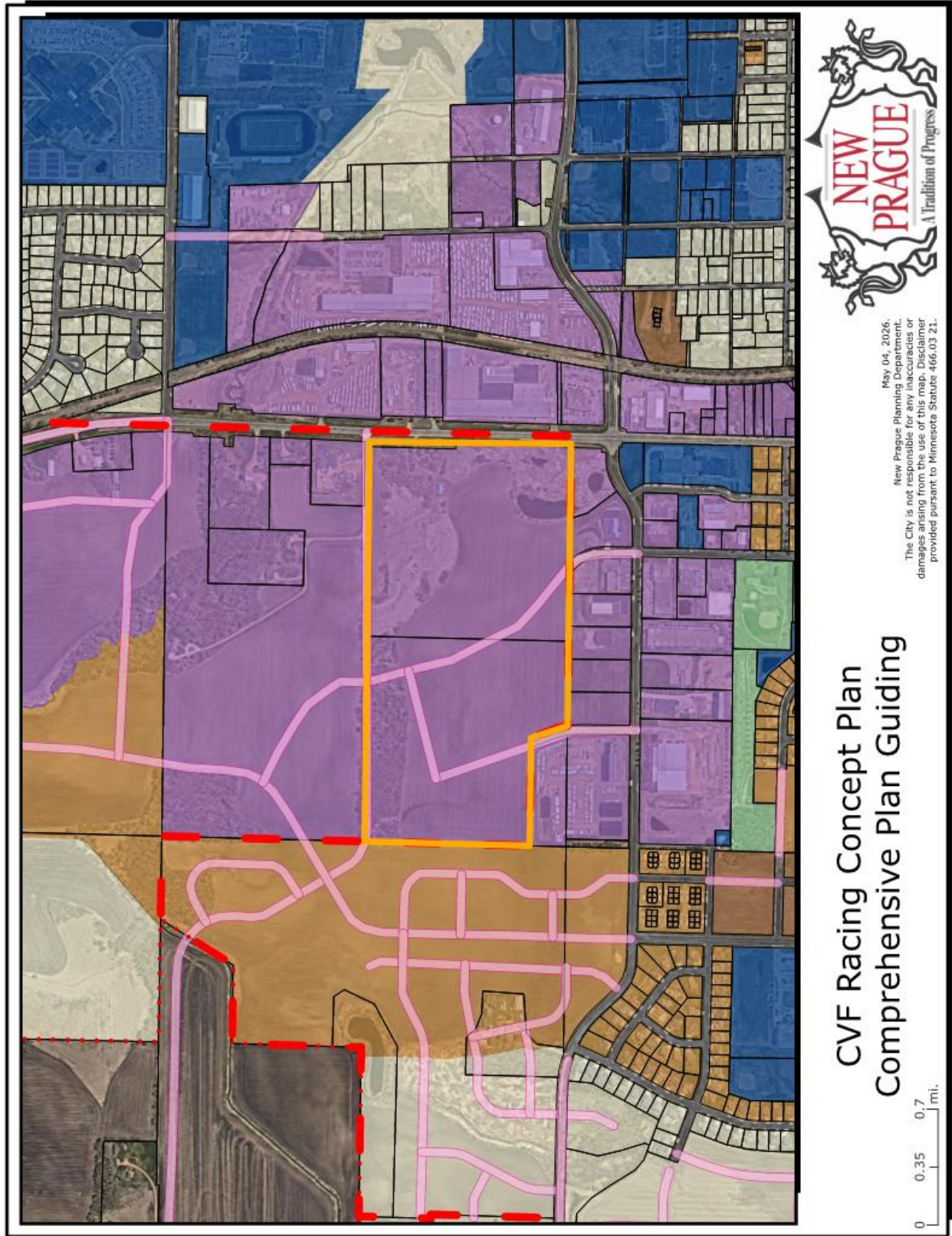


April 2026 Air Photo of the Subject Site Outlined in Blue

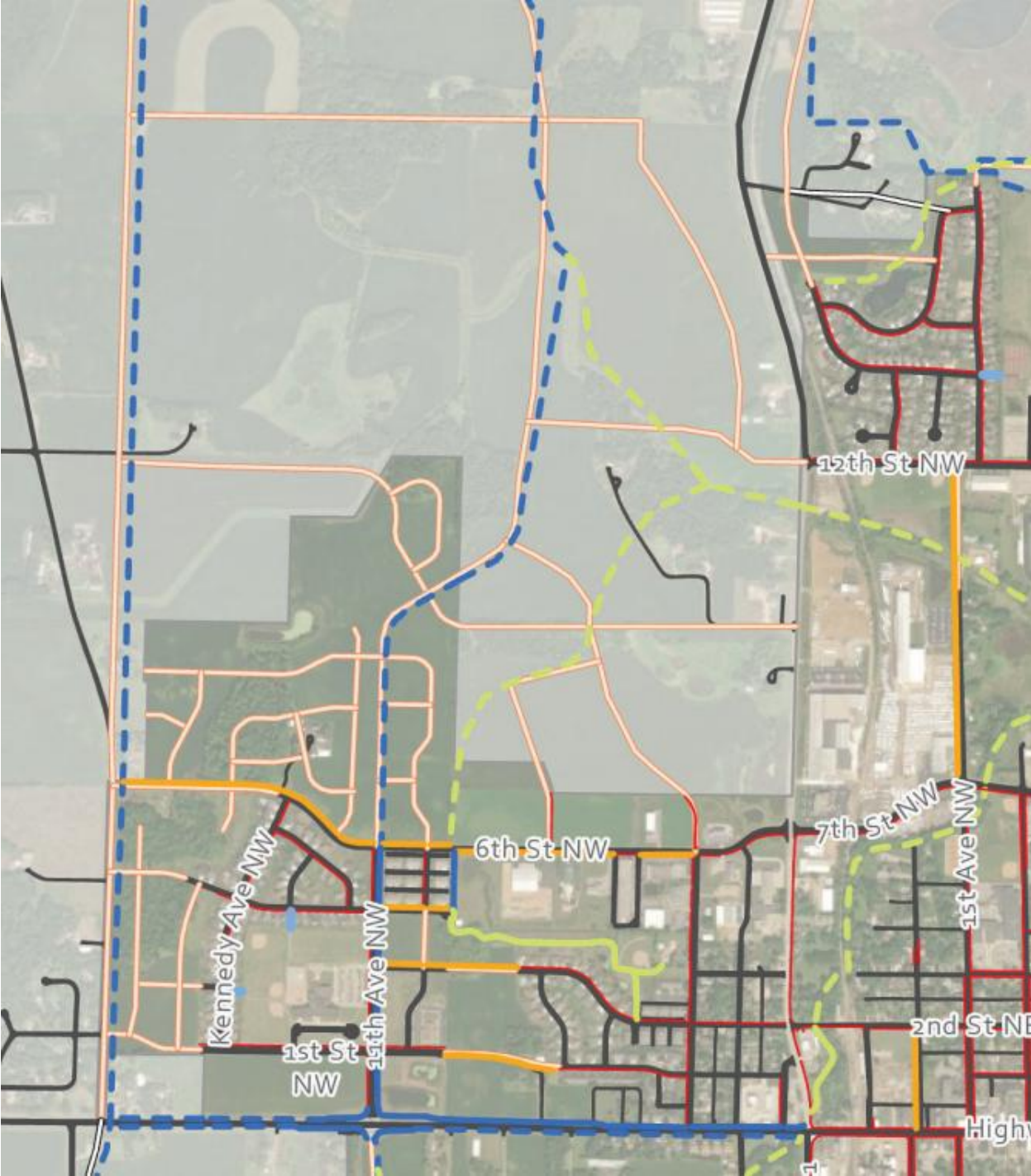




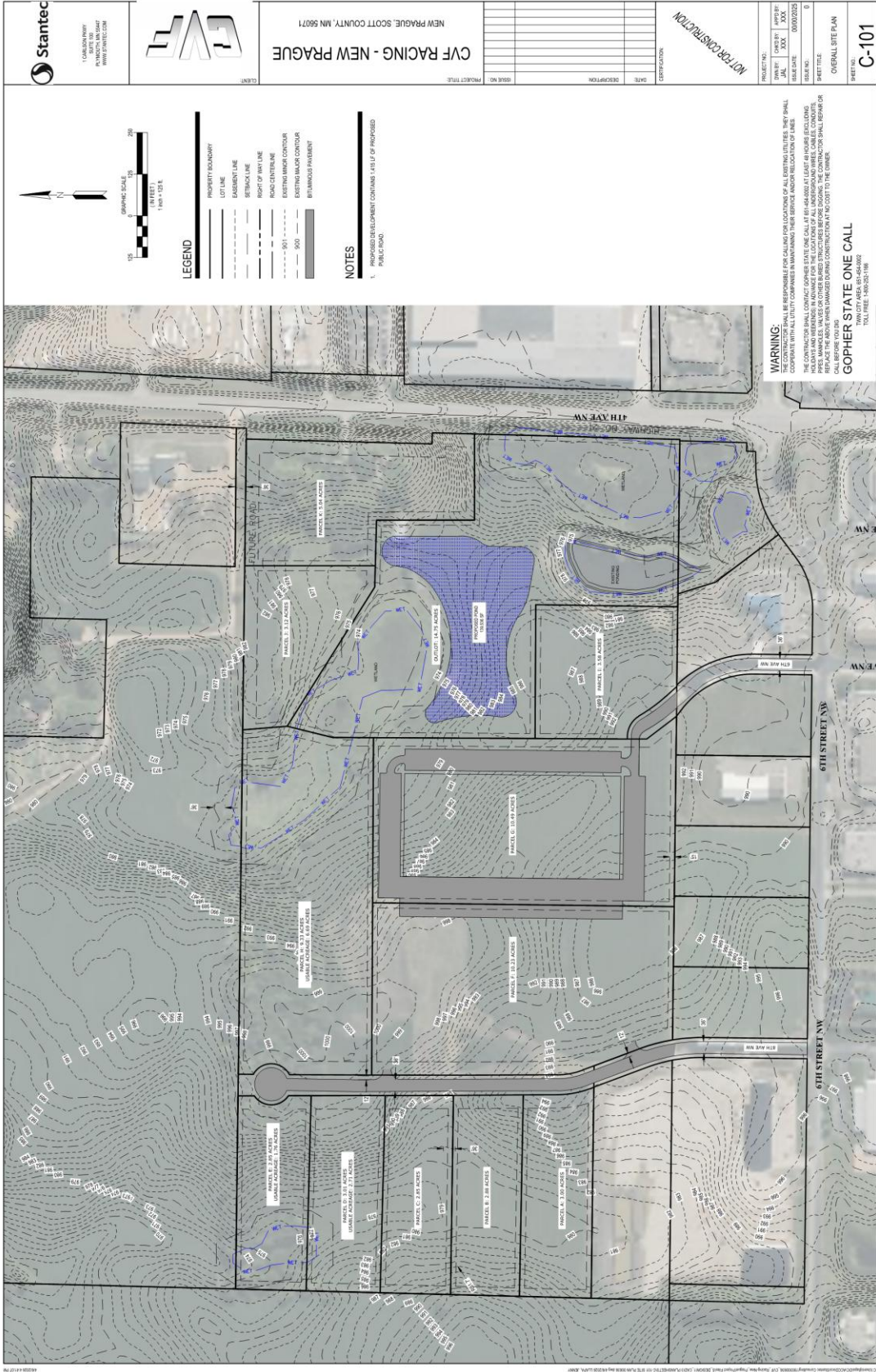


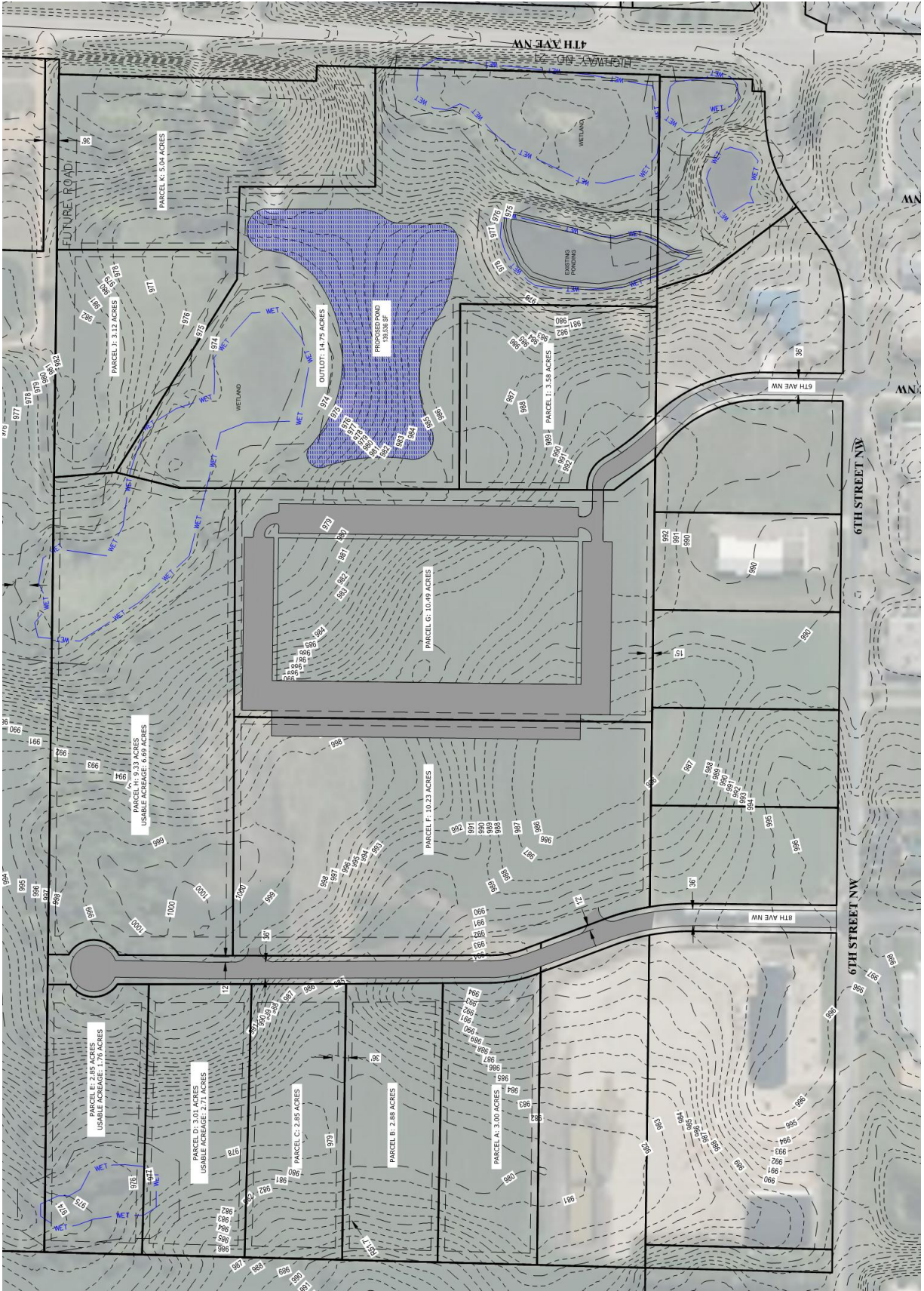








Possible Greenway Trail Corridor shown in Dashed Green Line






**LAMBERT ARCHITECTS**  
 425 Superior Avenue  
 Minneapolis, MN 55412  
 Phone: 612.338.1100  
 Fax: 612.338.1101  
 www.lambertarchitects.com

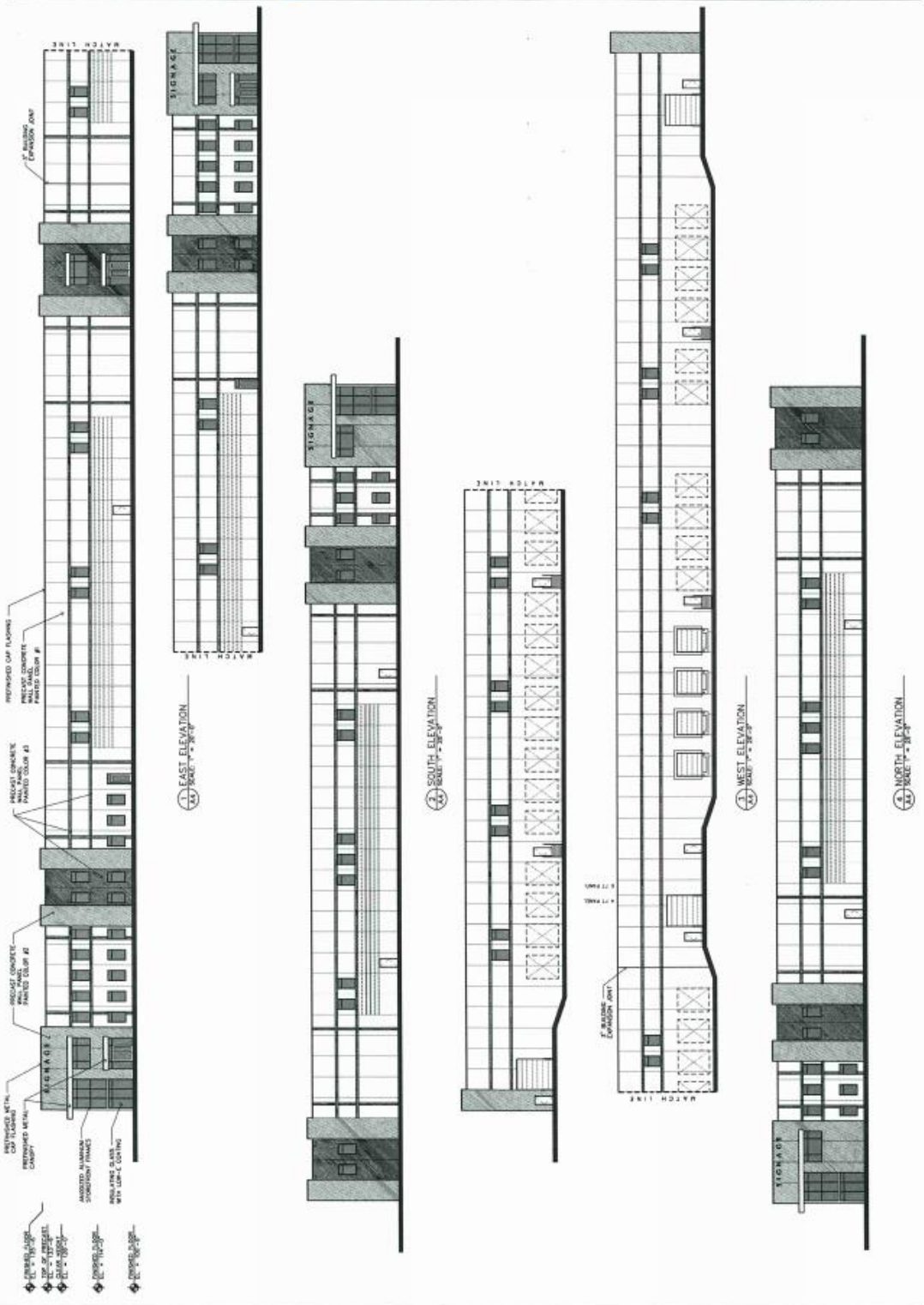
**PRELIMINARY CONSTRUCTION**  
 CONTRACT DOCUMENTS  
 DRAWING NO. 200-0000-0000  
 DATE: 05/27/2016


**RJ Ryer**  
 10000 Grand Avenue  
 Minneapolis, MN 55426  
 Phone: 612.338.1100  
 Fax: 612.338.1101

**CVF RACING 2**  
 New Prague, Minnesota

Project: CVF RACING 2  
 Drawing No.: 200-0000-0000  
 Date: 05/27/2016  
 Project No.: 250817-3

**BUILDING ELEVATION**  
 Sheet Number: **A4**





Looking North from the current end of 8<sup>th</sup> Ave. NW (Bricks Boatworks to the left (west) side



Looking NE from the end of 8<sup>th</sup> Ave. NW (Bevcomm building is on the right side (east) of picture



Looking NE from end of 6<sup>th</sup> Ave. NW (Chart off in the distance to the east)



Looking NW from end of 6<sup>th</sup> Ave. NW



Google Streetview from August 2025 Looking West/NW at the subject site (wetlands/ponds in the foreground)





118 Central Avenue North, New Prague, MN 56071  
phone: 952-758-4401 fax: 952-758-1149

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**MEMORANDUM**

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**TO:** PLANNING COMMISSION  
**FROM:** EVAN C. GARIEPY – PLANNER  
**SUBJECT:** REQUEST FOR CONDITIONAL USE PERMIT #C2-2026 AND VARIANCE #V2-2026 TO ALLOW FOR A CHIROPRACTOR’S OFFICE ON THE FIRST FLOOR AND APARTMENT ON THE SECOND FLOOR WITH REDUCED PARKING REQUIRMENTS AT 200 4<sup>TH</sup> AVE. SW, AS PROPOSED BY ANDREW FAUTSCH.  
**DATE:** MAY 19<sup>TH</sup>, 2026

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**Background / History**

The applicant, Andrew Fautsch, is applying for a Conditional Use Permit and Variance to allow him to operate a chiropractor office out of the first floor of 200 4<sup>th</sup> Ave. SW and to rent out the remainder of the home as a single-family rental property. The property is zoned B-3 Highway Commercial. The applicant stated that the clinic will see approximately 20 patients a day, for 3-5 minutes at a time, 3-4 days a week with himself as the sole practitioner.

Clinics and apartments above the first floor are conditional uses within the B3 Highway Commercial Zoning District. Due to the dimensions of the lot, a Variance is required to continue utilizing the existing parking at the site and without adding additional screening, curbing, and parking spaces. The current use of the property as a single-family residential property is legal nonconforming.

The property is adjacent to Highway 13/21, and MnDOT has been consulted regarding this change of use and proposed parking arrangement. They are in support of it.

Notably, this property has been used as a dual business/residential property in the past. Beginning at some time prior to 2003, and ending in 2020-2021, Nancy Unger operated a tailor business out of the first floor while utilizing the top floor as residential. The property has been utilized only as a single-family residential house since 2021.

**Legal Description**

Parcel A:

All that part of Lot No. 1 and all that part of Lot No. 4 of Block No. 2 of Suchomel’s Second Addition to the City of New Prague, Minnesota, the plat of said addition being on file in the office of the County Recorder of Le Sueur County, Minnesota, described as follows:

Beginning at the Northwest corner of said Lot No. 4; thence East along the North line of said Lot No. 4 and the North line of said Lot No. 1 a distance of 94.64 feet to the Westerly Right-of-Way line of Minnesota Trunk Highway No. 21; thence Southerly along said Right-of-Way Line 108.00 feet; thence Westerly parallel with the North line of said Lot Numbered 1 and 4 a distance of 95.21 feet to the West line of said Lot No. 4; thence North on said West line of Lot No. 4 a distance of 108.00 feet to the place of beginning, and also all of the vacated North and South alley contained within the boundaries of the described tract.

Parcel B:

Lot 5, Block 2, in Suchomel’s Second Addition to New Prague, Le Sueur County, Minnesota.

**Zoning**

The property is zoned B-3 Highway Commercial. This Zoning District solely exists around the intersection of Highways 13, 19, and 21 on the West side of the City. The UDC states that “this district is established to accommodate the type of businesses that are oriented to the traveling public and require highway access[, and] is intended to allow existing businesses and redevelopment/infill of certain types of businesses but not encourage expansion of the overall zoning boundary of the district.”

The current use of the property, a single-family house, is not a permitted or conditional use in the B-3 Zoning District.

The proposed use of the property as a chiropractor’s office falls under the definition of clinic, which is a conditional use in the B-3 Zoning District. Apartments located above the first floor of a building are also a conditional use within the B-3 Zoning District. This would also contribute to the goal of redevelopment and infill within the B-3 Zoning District.

The proposed floor plan of the business includes leaving a small portion of the first floor as residential rental. This will be just off of the tuck-under garage, and a part of the apartment that will be upstairs. Staff believes this is reasonable, as this portion of property will be retaining its current legal non-conforming status as a residence.

**Neighborhood Conditions and Nearby Land Uses**

The property is surrounded by the B-3 Highway Commercial Zoning District.

**North:** The property is one block south of Main Street. There is a residential house directly north, but the block is largely unutilized wooded space.

**West:** One residential property, then undeveloped open field.

**South:** One residential property, then Ettlin's Café.

**East:** The property directly faces Highway 13/21. Across from the highway is New Prague Auto, an auto repair and tire shop.

### **Parking Requirements**

The existing property has approximately 5-6 unmarked parking spots within the garage and drive-way. A residential apartment requires 1.5 parking spaces per bedroom, and a clinic requires 1 parking spot per 150 square feet.

The proposed floor plan shows that the clinic would be 560 square feet, and the applicant stated that there will be 2 bedrooms in the apartment. Per Ordinance, this requires 4 parking spaces for the clinic and 3 parking spaces for the residential property.

Staff believes that unique circumstances apply to the clinic due to the low amount of traffic and clientele that is expected at any one time. The applicant stated that he will be the sole practitioner of the clinic, and that it will be appointment-based. With seeing only approximately 20 clients on working days, and with the business operating with a sole practitioner, Staff does not believe that there is a need for more than 3 commercial parking spaces.

The apartment requires 3 parking spaces, and the applicant proposes having 4 parking spaces. This includes the spot within the garage, and then two stacked parking spots on the south of the building. This exceeds the required amount of parking spaces, providing potential guest parking due to the lack of easy street parking around the site.

A map has been attached of the proposed parking. Due to the proposed configuration, a Variance from multiple parking-related Ordinances is required. The relevant UDC sections have been listed below.

6.002 (I) (2) (d) (1) All areas designed and used as off-street parking areas shall be set back a minimum of 10 feet from a street right of way and five (5) feet from property lines, except in the case of a joint parking lot in which adjacent yard setbacks shall not apply.

The Variance proposes to allow for parking spots that are approximately 3 feet from the street right of way and property line, rather than the required 10 feet from the right of way. This would only create 2 new parking spots, while "relabeling" the existing ones. The 2 newly created parking spots would not be any closer to the right of way than the existing ones.

6.002 (I) (2) (e) Parking Spaces Abutting Residential Uses. Off-street parking facilities which abut a property zoned for residential purposes shall meet the screening requirements stated in Section 6.002 (B) of this Ordinance.

Ordinance 6.002 (I) (2) (e) does not apply, as the abutting properties that are currently utilized as residential are not zoned residential. Thus, no screening is required for the parking on this property. There are additional screening requirements and landscaping requirements listed in 6.002 (I) (2) (m); however, Staff proposes that these landscaping and screening requirements are excluded as a part of this Variance, given that the parking configuration proposed will not be drastically different in configuration or amount from the existing residential use. Additionally, any landscaping or screening would have to be within the right-of-way rather than be able to be on the property.

6.002 (I) (2) (h) Curbing. A poured in place, six (6) inch non-surmountable concrete curb shall be provided around the perimeter of all parking lots designed for four (4) or more cars[.]

Because the proposed parking arrangement shows seven parking spots, this Ordinance would apply. However, due to the former use of the property having this many parking spots without curbing, Staff proposes that the Variance includes an exception from the inclusion of curbing for the parking on this property.

6.002 (I) (2) (i) Striping. Except for single houses, two family houses, and townhomes, all parking stalls shall be marked with white or yellow painted lines not less than four (4) inches wide.

The applicant should stripe the parking spots as required in Ordinance. Additionally, the parking spots reserved for the residential renter property shall be properly marked as to prevent visitors of the clinic from parking in those spot(s).

Thus, the applicant is proposing the following be included in the variance request: to allow for having parking spots closer to the ROW line than permitted, without curbing, without screening, without landscaping, and at a reduced amount for the clinic.

**MnDOT Comments**

Because the property is directly on State Highway 13/21, it required MnDOT’s review. This is especially important due to the direct access provided by the driveway onto the highway. Angie Piltaver, the District 7 Principal Planner with MnDOT, was consulted regarding the proposed change of use, particularly with retaining use of both driveways. She stated the following:

“Given the low traffic generation that this use would create with limited hours and a single practitioner, coupled with the practical difficulties of adding parking at the rear of the building at this time, and taking into consideration that there was a previous business at this site that was also a relatively low traffic generator with a dual residential/business use, we can support the use of the two accesses as they currently exist.

Please note that this decision was made based on the business being a single practitioner with no additional staff and limited hours of operation. If the business grows and traffic issues develop, the owner may be required to remove the driveway on the state highway and potentially establish parking at the rear of the property. Our goal is to maintain safety and operations of the state highway for all users and balance that against the needs and desires of property owners.”

### **Statement of Practical Difficulties**

Staff and the applicant discussed potentially providing parking in the rear yard. However, the applicant stated that there is a very steep slope in the rear yard, making this impractical and inaccessible. This would also require reconfiguring the entrances to be to the rear yard, completely destroying the fence, making the attached garage unusable, and removing a large portion of the rear yard of the property.

### **Staff Comments**

Public Works Director Matt Rynda was consulted regarding the potential for increased traffic on 1<sup>st</sup> Street SW, which is currently unimproved. He stated that the proposed traffic is more than the road currently sees, and that it experiences high washouts after heavy rain. He stated he is not against it, but that there will likely be extra maintenance required for the public road.

Rynda supported adding a condition that, if traffic proves to cause extraneous maintenance on 1<sup>st</sup> Street SW, the City may require the property owner to pay for extra dust control measures.

The City Attorney was consulted regarding this. If extra dust control methods are unsuccessful in keeping 1<sup>st</sup> Street SW useable and in reasonable shape, the Conditional Use Permit shall be revisited to evaluate potential further road maintenance measures, potentially including measures up to removing the current access on 1<sup>st</sup> Street SW or requiring the property owner to improve the portion of 1<sup>st</sup> Street SW that provides access to their property.

### **Criteria for Granting Conditional Use Permits**

Section 3.002 (E) of the Unified Development Code states that the purpose of a Conditional Use Permit is to provide the City with a reasonable degree of discretion in determining the suitability of certain designated uses upon the general welfare, public health, and safety. In making the determination of whether or not the conditional use is to be allowed, the City may consider the nature of the adjoining land or buildings, the effect upon traffic into and from the premises, or on any adjoining roads, and all other or further factors as the City shall deem a prerequisite of consideration in determining the effect of the use on the general welfare, public health, and safety.

The applicant is requesting a Conditional Use Permit to allow for a clinic and an apartment above the first floor in the B3 Highway Commercial Zoning District.

In granting a Conditional Use Permit, the City Council shall consider the advice and recommendations of the Planning Commission and the effect of the proposed use on the Comprehensive Plan and upon the health, safety, and general welfare of occupants of surrounding lands. Among other things, the City Council shall evaluate the criteria noted below. Staff has attempted to evaluate the established criteria for this specific request. Staff's comments are highlighted below in yellow.

- A. The use will not create an excessive burden on existing parks, schools, streets, and other public facilities which serve or are proposed to serve the area.
  - i. The proposed use will not create an excessive burden on existing parks, schools, streets, and other public facilities which serve the area because the proposed use will have an overall minimal impact on public infrastructure except for 1<sup>st</sup> Street SW, upon which additional conditions have been proposed to mitigate any potential burden created on the street that may occur.
  
- B. The use will be sufficiently compatible or separated by distance or screened from adjacent residentially zoned or used land so that existing homes will not be depreciated in value and there will be no deterrence to development of vacant land.
  - i. The proposed use will not depreciate adjacent land, homes, or vacant land because the adjacent homes are legal non-conforming within the B-3 Highway Commercial Zoning District and the past history of the subject property included a business and residence which is very similar to the proposed use, and in the past this use was not an issue.
  
- C. The structure and site shall have an appearance that will not have an adverse effect upon adjacent residential properties.
  - i. The proposed use will not have an appearance that has an adverse effect on adjacent residential properties because the exterior of the building will remain largely the same with the exception of two additional parking spaces.
  
- D. The use, in the opinion of the City Council, is reasonably related to the overall needs of the City and to the existing land use.
  - i. The proposed use is reasonably related to the overall needs of the City and to the existing land use because clinics and apartments above the first floor are both conditional uses within the B3 Highway Commercial Zoning District, the proposed use would be replacing a legal non-conforming single family home, and the Unified Development Code states that a goal within said Zoning District is to promote infill of businesses.
  
- E. The use is consistent with the purposes of the Unified Development Code and the purposes of the zoning district in which the applicant intends to locate the proposed use.
  - i. The proposed use is consistent with the purposes of the Unified Development Code and the zoning district because clinics and apartments above the first floor

are a conditional use within the B3 Highway Commercial Zoning District, the proposed use would be replacing a legal non-conforming single family home, and the Unified Development Code states that a goal within said Zoning District is to promote infill of businesses.

- F. The use is not in conflict with the Comprehensive Plan of the City.
- i. The proposed use is not in conflict with the Comprehensive Plan because the current use as a single family residential property is legal non-conforming, and clinics and apartments above the first floor are conditional uses within the B3 Highway Commercial Zoning District.
- G. The use will not cause traffic hazard or congestion.
- i. The proposed use will not cause traffic hazard or congestion because the proposed use as a clinic will have approximately 20 patients per day, with only one practitioner, which MnDOT reasonably believes will not cause traffic congestion along the highway.
- H. Adequate utilities, access roads, drainage, and necessary facilities have been or will be provided.
- i. The proposed use has or will have adequate utilities, access roads, drainage, and necessary facilities because the property will not face considerably more utility and drainage usage than it currently does, and the access road 1st Street SW has additional proposed conditions to mitigate any potential burden created on the street that may occur.
- I. Section 3.002 (E) (2) of the Unified Development Code states that conditions may be placed upon the approval as are considered necessary to protect the public health, safety, and welfare. Below are suggested conditions for approval:
- i. Approval is subject to the site plan dated 04/21/2026 and the parking plan dated 05/07/2026 on file with the New Prague Planning Department.
  - ii. The property owner must follow all regulations set by MnDOT regarding access to the property and parking.
  - iii. If the clinic is to be expanded to more than one practitioner, or to a point reasonably expected to increase the traffic at the site, this Conditional Use Permit and Variance V2-2026 must be re-evaluated and MnDOT must be consulted.
  - iv. Commercial signage shall only be allowed on the principal building. No freestanding or memorial signs shall be permitted due to the limited property from the building to the road right of way.
  - v. All conditions imposed through Variance V2-2026 must be followed in conjunction with this Conditional Use Permit.
  - vi. If the increase of traffic created by the clinic causes extraneous maintenance on 1<sup>st</sup> Street SW, the property owner shall provide City-approved dust control measures or reimburse the City in full to provide such measures. If extra dust control methods are unsuccessful in keeping 1<sup>st</sup> Street SW in reasonable shape and reasonably usable as determined by the City, this Conditional Use Permit and Variance V2-2026 shall be reevaluated to evaluate potential further road

preservation and maintenance measures, which may include up to moving or removing the property access on 1<sup>st</sup> Street SW or requiring the property owner to improve the portion of 1<sup>st</sup> Street SW that provides access to the property.

**Criteria for Granting Variances**

Section 3.002 (G) of the Unified Development Code states that a Variance may be issued by the City Council to provide relief to the landowner in those cases where the strict application of the Unified Development Code imposes practical difficulties to the property owner in the use of their land. Practical difficulties is a legal standard set forth in law that cities must apply when considering applications for Variances. To constitute practical difficulties, all three factors must be satisfied, which are reasonableness, uniqueness, and essential character. The Unified Development Code’s criteria addresses these standards.

The applicant is requesting a Variance to allow for parking spots closer to the ROW line than permitted, without curbing, without screening, without landscaping, and at a reduced amount for the clinic.

A variance may be granted only in the event that all of the circumstances below exist. Staff has attempted to evaluate the established criteria for this specific request. Staff’s comments are highlighted in yellow below:

- A. The Variance is in harmony with the general purposes and intent of this Ordinance.
  - i. The proposed Variance is in harmony with the general purposes and intent of this Ordinance because off-street parking is a permitted use within the B3 Highway Commercial Zoning District.
  
- B. The Variance is consistent with the Comprehensive Plan.
  - i. The proposed Variance is consistent with the Comprehensive Plan because off-street parking is a permitted use within the B3 Highway Commercial Zoning District.
  
- C. The applicant proposes to use the property in a reasonable manner not permitted by this Ordinance and the City Code.
  - i. The applicant proposes to use the property in a reasonable manner not permitted by this Ordinance and the City Code because the property owner proposes to continue utilizing the existing parking spots, with the two new ones being no closer to the ROW line, and that providing the amount of parking required by Ordinance for the clinic would be excessive for the proposed use.
  
- D. Unique circumstances apply to this property which do not apply generally to other properties in the same zone or vicinity and result from lot size or shape, topography, or other circumstances over which the owner of the property since enactment of this Ordinance has had no control. The unique circumstances do not result from the actions of the applicant.

- i. Unique circumstances apply to this property in that the rear yard has a steep slope that does not allow for parking to be placed in the rear without major configurations to the property and would be inaccessible without further major reconfigurations.
- E. The Variance does not alter the essential character of the neighborhood.
  - i. The proposed Variance does not alter the essential character of the neighborhood because the property will still have the same parking as it did as a single-family residential property, just utilized differently and striped, with the only added parking being non-obtrusive.
- F. The Variance requested is the minimum Variance which would alleviate the practical difficulties. Economic conditions alone do not constitute practical difficulties.
  - i. The proposed Variance is the minimum Variance which would alleviate the practical difficulties because it utilizes the existing parking area at the property rather than requiring reconfiguration of the rear yard and building entrances.
- G. The Board of Adjustment may impose such conditions upon the premises benefited by a Variance as may be necessary to comply with the standards established by this Ordinance, or to reduce or minimize the effect of such Variance upon other properties in the neighborhood, and to better carry out the intend of the Variance. The condition must be directly related to and must bear a rough proportionality to the impact created by the Variance. No Variance shall permit a lower degree of flood protection than the Regulatory Flood Protection Elevation for the particular area or permit standards lower than those required by federal, state, or local law.
  - i. The property owner must follow all regulations set by MnDOT regarding access to the property and parking.
  - ii. The parking spaces dedicated to commercial use and residential use shall be clearly labelled by signs.
  - iii. All parking spaces must be striped, as outlined in UDC 6.002 (I) (2) (i).
  - iv. All conditions imposed in Conditional Use Permit C2-2026 must be followed in conjunction with this Variance.
  - v. If Conditional Use Permit C2-2026 is to be reevaluated due to increased traffic expected on 1<sup>st</sup> Street SW, this Variance shall also be reevaluated.

**Staff Recommendation**

Staff recommends **approval** of Conditional Use Permit #V2-2026 to allow for a clinic and apartment above the first floor at 200 4<sup>th</sup> Ave. SW, as proposed by Andrew Fautsch, for the following reasons:

- A. The proposed use will not create an excessive burden on existing parks, schools, streets, and other public facilities which serve the area because the proposed use will have an overall minimal impact on public infrastructure except for 1st Street SW,

- upon which additional conditions have been proposed to mitigate any potential burden created on the street that may occur.
- B. The proposed use will not depreciate adjacent land, homes, or vacant land because the adjacent homes are legal non-conforming within the B-3 Highway Commercial Zoning District and the past history of the subject property included a business and residence which is very similar to the proposed use, and in the past this use was not an issue.
  - C. The proposed use will not have an appearance that has an adverse effect on adjacent residential properties because the exterior of the building will remain largely the same with the exception of two additional parking spaces.
  - D. The proposed use is reasonably related to the overall needs of the City and to the existing land use because clinics and apartments above the first floor are both conditional uses within the B3 Highway Commercial Zoning district, the proposed use would be replacing a legal non-conforming single family home, and the Unified Development Code states that a goal within said Zoning District is to promote infill of business.
  - E. The proposed use is consistent with the purposes of the Unified Development Code and the zoning district because clinics and apartments above the first floor are a conditional use within the B3 Highway Commercial Zoning District, the proposed use would be replacing a legal non-conforming single family home, and the Unified Development Code states that a goal within said Zoning District is to promote infill of business.
  - F. The proposed use is not in conflict with the Comprehensive Plan because the current use as a single family residential property is legal non-conforming, and clinics and apartments above the first floor are conditional uses within the B3 Highway Commercial Zoning District.
  - G. The proposed use will not cause traffic hazard or congestion because the proposed use as a clinic will have approximately 20 patients per day, with only one practitioner, which MnDOT reasonably believes will not cause traffic congestion along the highway.
  - H. The proposed use has or will have adequate utilities, access roads, drainage, and necessary facilities because the property will not face considerably more utility and drainage usage than it currently does, and the access road 1<sup>st</sup> Street SW has additional proposed conditions to mitigate any potential burden created on the street that may occur.
  - I. With the following conditions, as considered necessary to protect the public health, safety, and welfare:
    - i. Approval is subject to the site plan dated 04/21/2026 on file with the New Prague Planning Department.

- ii. The property owner must follow all regulations set by MnDOT regarding access to the property and parking.
- iii. If the clinic is to be expanded to more than one practitioner, or to a point reasonably expected to increase the traffic at the site, this Conditional Use Permit and Variance V2-2026 must be re-evaluated and MnDOT must be consulted.
- iv. Commercial signage shall only be allowed on the principal building. No freestanding or memorial signs shall be permitted due to the limited property from the building to the road ROW.
- v. All conditions imposed through Variance V2-2026 must be followed in conjunction with this Conditional Use Permit.
- vi. If the increase of traffic created by the clinic causes extraneous maintenance on 1<sup>st</sup> Street SW, the property owner shall provide City-approved dust control measures or pay for the City to provide such measures. If extra dust control methods are unsuccessful in keeping 1<sup>st</sup> Street SW in reasonable shape and reasonably usable as determined by the City, this Conditional Use Permit and Variance V2-2026 shall be reevaluated to evaluate potential further road preservation and maintenance measures, which may include up to moving or removing the property access on 1<sup>st</sup> Street SW or requiring the property owner to improve the portion of 1<sup>st</sup> Street SW that provides access to the property.

Staff recommends **approval** of Variance #V2-2026 to allow for parking spots closer to the ROW line than permitted, without curbing, without screening, without landscaping, and at a reduced amount for a clinic at 200 4<sup>th</sup> Ave. SW, as proposed by Andrew Fautsch, for the following reasons:

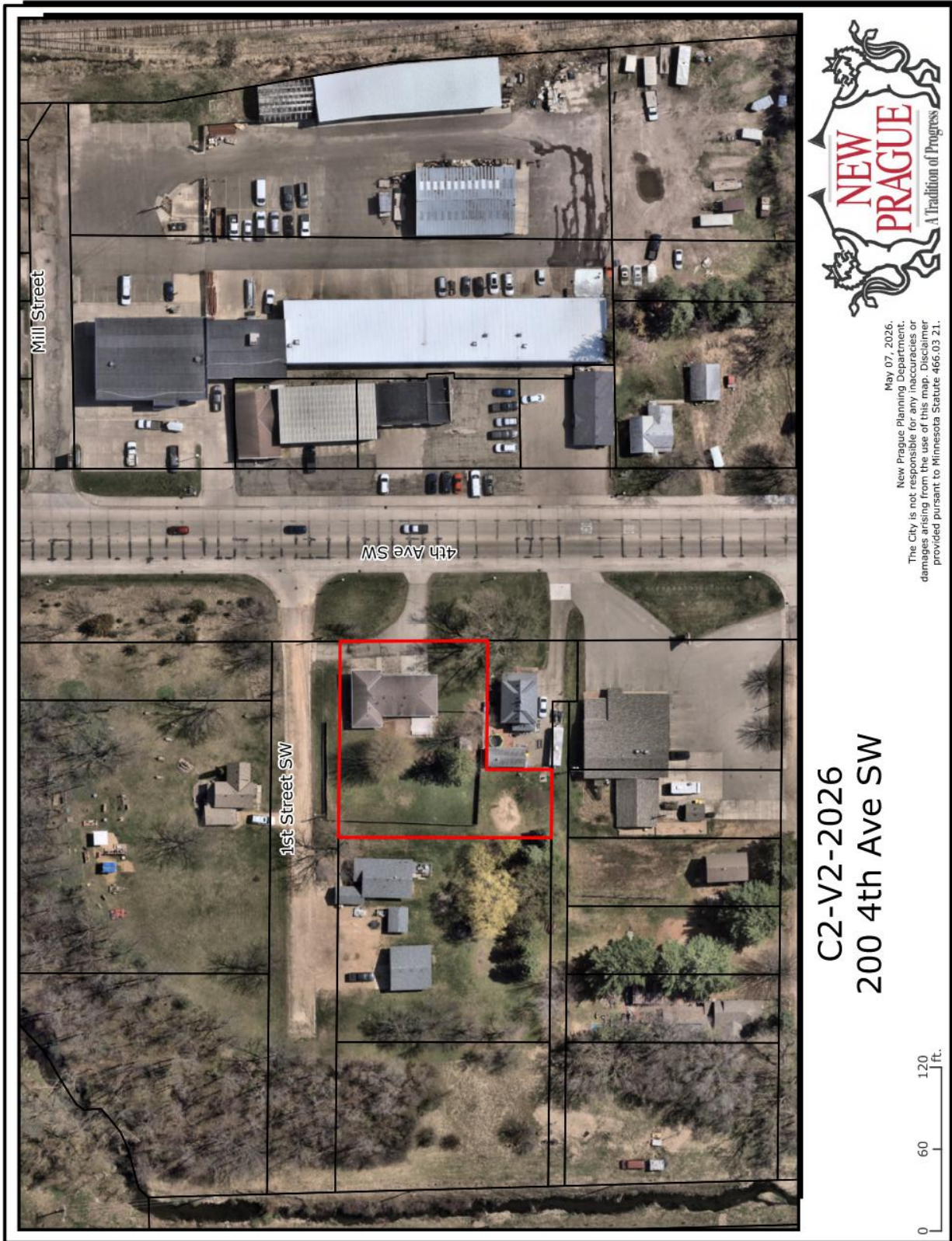
- A. The proposed Variance is in harmony with the general purposes and intent of this Ordinance because off-street parking is a permitted use within the B3 Highway Commercial Zoning District.
- B. The proposed Variance is consistent with the Comprehensive Plan because off-street parking is a permitted use within the B3 Highway Commercial Zoning District.
- C. The applicant proposes to use the property in a reasonable manner not permitted by this Ordinance and the City Code because the property owner proposes to continue utilizing the existing parking spots, with the two new ones being no closer to the ROW line, and that providing the amount of parking required by Ordinance for the clinic would be excessive for the proposed use.
- D. Unique circumstances apply to this property in that the rear yard has a steep slope that does not allow for parking to be placed in the rear without major

reconfigurations to the property and would be inaccessible without further major reconfigurations.

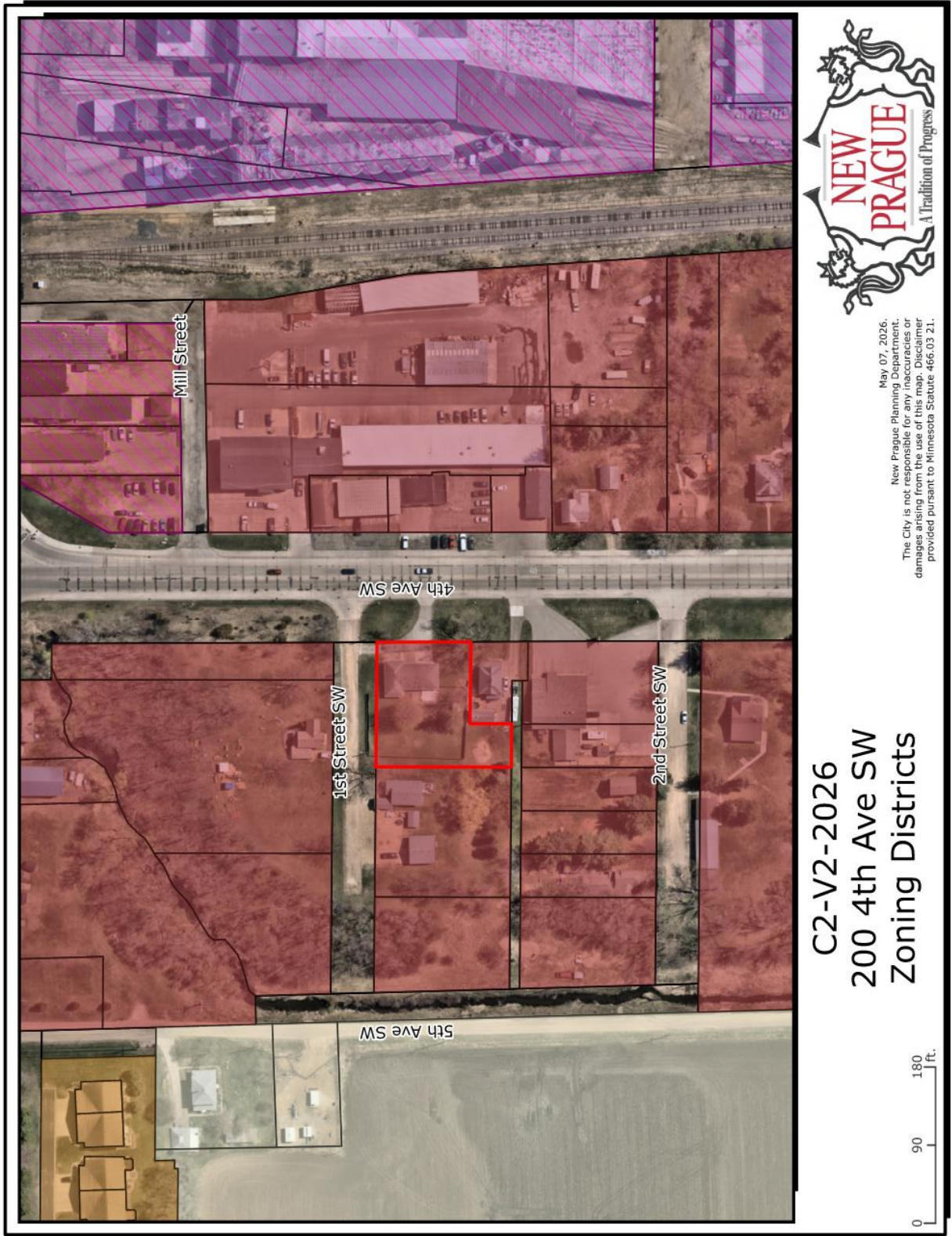
- E. The proposed Variance does not alter the essential character of the neighborhood because the property will still have the same parking as it did as a single family residential property, just utilized differently and striped, with the only added parking being non-obtrusive.
- F. The proposed Variance is the minimum Variance which would alleviate the practical difficulties because it utilizes the existing parking area at the property rather than requiring reconfiguration of the rear yard and building entrances.
- G. With the following conditions:
  - i. The property owner must follow all regulations set by MnDOT regarding access to the property and parking.
  - ii. The parking spaces dedicated to commercial use and residential use shall be clearly labelled by signs.
  - iii. All parking spaces must be striped, as outlined in UDC 6.002 (I) (2) (i).
  - iv. All conditions imposed in C2-2026 must be followed in conjunction with this Variance.
  - v. If Conditional Use Permit C2-2026 is to reevaluated due to increased traffic expected on 1<sup>st</sup> Street SW, this Variance shall also be reevaluated.

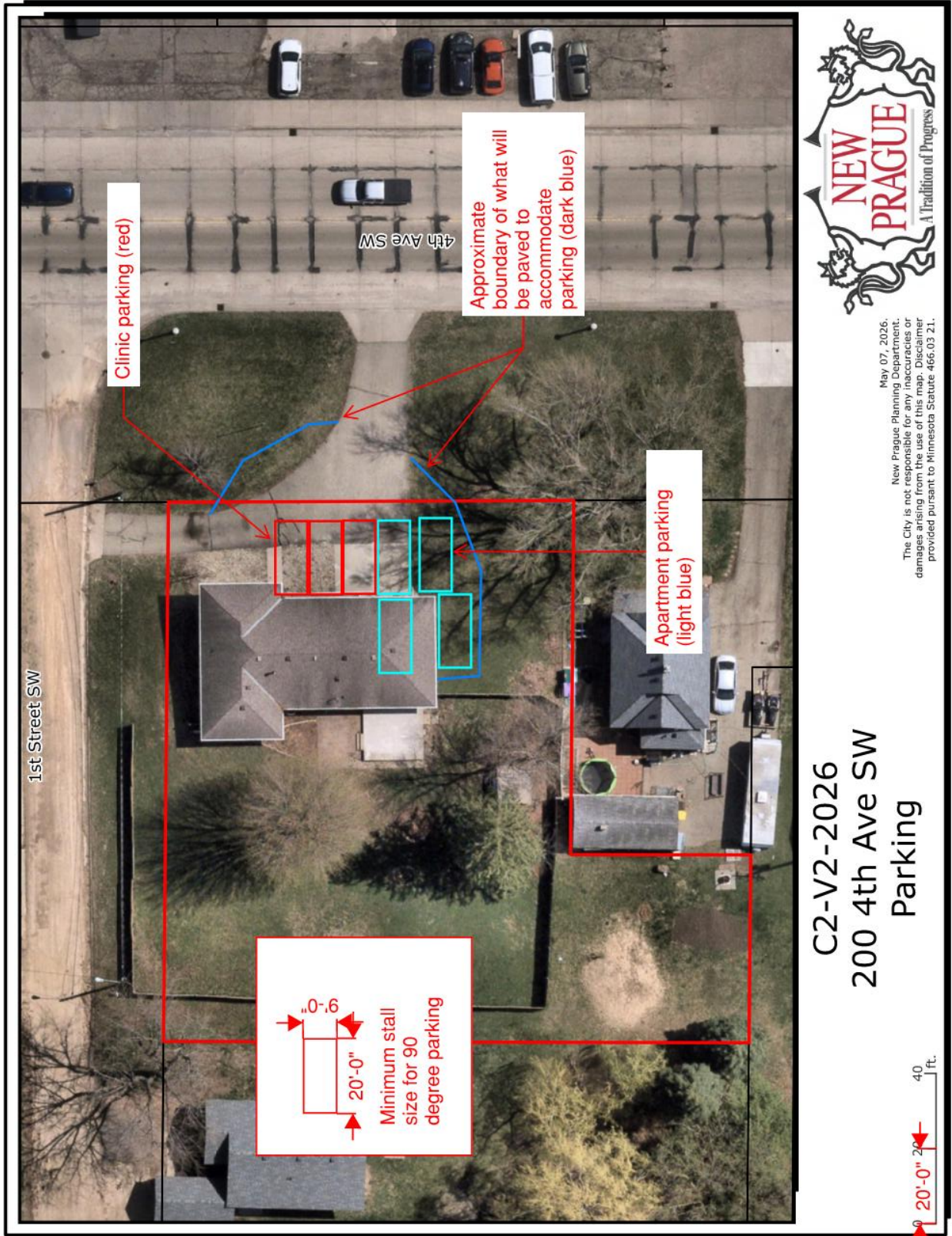
### **Attachments**

1. Site Map Aerial – Dated 05/07/2026
2. Site Map Zoning Districts – Dated 05/07/2026
3. Proposed Parking Spots – Dated 05/07/2026
4. Proposed Interior Building Plan — Dated 04/21/2026
5. Image of Front of Property – Dated 05/07/2026
6. Image of North of Property, showing slope – Dated 05/07/2026
7. Image of Front of Property from the North – Dated 05/07/2026
8. Google Street View – Dated 04/2026
9. Google Street View – Dated 04/2026
10. Google Street View – Dated 04/2026
11. Google Street View – Dated 04/2026
12. Google Street View, showing parking – Dated 07/2023



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118 Central Avenue North, New Prague, MN 56071  
phone: 952-758-4401 fax: 952-758-1149

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**MEMORANDUM**

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**TO:** PLANNING COMMISSION  
**CC:** KEN ONDICH, COMMUNITY DEVELOPMENT DIRECTOR  
**FROM:** EVAN C. GARIEPY, PLANNER  
**SUBJECT:** INFORMATION REGARDING ACCESSORY DWELLING UNITS  
**DATE:** MAY 21<sup>ST</sup>, 2026

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At the March 16<sup>th</sup> City Council meeting, when the Unified Development Code (UDC) was up for a second reading and adoption, the City Council removed the language permitting ADUs from the approved UDC.

The noted concern was that, in the City of Blaine, an ADU was proposed to be used potentially to house homeless people and families. The City Council inquired what restrictions can be put on ADUs, such as a minimum rental period of 30 days, or a requirement for rent to be paid (rather than making them available at no cost) to prevent ADUs from use by homeless people or families, and to bring back new language for consideration.

The Council requested the additional information regarding ADUs so that they can be re-considered for inclusion in the UDC. As this is an amendment to the UDC, it will be presented to the Planning Commission first.

**Research of Other Cities ADU Regulations**

I was unable to find any City that mandates rent is paid to prevent the ADU being used for people transitioning out of homelessness. This stipulation would also prevent family members, such as elderly or college-aged family, from taking residence in an ADU without paying rent. Any loophole, such as an elderly mother paying \$1/month in rent, would be a loophole available for any potential resident.

In the City of Stacy, 25 miles north of the Twin Cities and with a population of about 5,000 people, ADUs can only be allowed by family members, health care providers, or childcare providers – and solely for the purpose of taking place of an ill or disabled resident of the primary house. They mandate that ADUs are temporary and removable, and must take place in a temporary manufactured home or mobile home. This ordinance comes from the Township of Lent, which they merged with in 2023, and has not been revised since that merger. The City/formerly the Township also requires proof of a medical issue requiring care to permit an ADU, and they must renew annually. The City Clerk did not believe there had been any new ADUs in the City since the merge with Lent. I believe that, due to the more urban nature of New Prague, that requiring ADUs to be temporary in the form of manufactured or mobile homes would be detrimental. There are also legal and practical concerns with making sure that

someone within the household is being cared by someone within the ADU, which, in the case of Stacy, means proof of a medical issue from a resident.

City of Blaine

As the City Council mentioned, there are concerns that ADUs were being used to house homeless people and families in Blaine.

There is currently a lawsuit against the City of Blaine, due to the City Council denying a Conditional Use Application for an ADU solely due to the applicant’s intent to use the ADU as a transitional home from people facing homelessness to get back on their feet.

The applicant worked closely with a non-profit that they were involved with. They applied to construct a detached ADU in their rear yard, for which any potential residents would be strongly vetted, including interviews and making sure that no residents were in active drug addiction. The residents would be paying rent, capped at 30% of their income. The family would continue to occupy the primary house, including with multiple young children, and they had no concerns regarding the residents they would rent the ADU out to.

A lawyer with the Institute of Justice is assisting the applicant in suing the City, and they “argue that Blaine wrongfully denied [the] application, which should have been authorized under Blaine law, and that the city did so unconstitutionally, because the denial was based on opposing the idea of who would be living in the ADU.”

Notably, a portion of the lawsuit filed against Blaine is due to the City’s attempt to restrict the definition of “family” of the applicant, as seen in point 101 below. The lawsuit is also based on the City Council’s “irrational distinction” between allowing people to construct an ADU for family or market rate rentals, versus below-market rate rentals for low-income residents, as seen in point 105.

In my opinion, the lawsuit against Blaine shows that some of what the Council requested as restrictions cannot be enforced upon ADUs. The proposed ADU in Blaine was going to be rented/leased to people in a long-term, paying rental agreement with the homeowners, who would be occupying rather than renting out the main home.

Additional text from the filed suit:

100. The City Council’s denial of Alex and Lynda’s CUP application violates Alex and Lynda’s right to establish a home because the City Council’s desire to prohibit rental at below-market rates to low-income residents arbitrarily interferes with Alex and Lynda’s ability to engage in conduct that is deeply rooted in the nation’s history and tradition – namely, the right to establish and make a home in the manner in which you desire.

101. The City Council’s denial of Alex and Lynda’s CUP application violates Alex and Lynda’s right to establish a home because the City Council’s desire to prohibit rental at below-market rates to low-income residents arbitrarily interferes with Alex and Lynda’s ability to engage in conduct that is deeply rooted in the nation’s history and tradition – namely, to identify whom you count as “family” notwithstanding any government-created conception or understanding of the term.

105. The City Council’s denial of Alex and Lynda’s CUP application denies Alex and Lynda equal protection of the law because it was based upon an irrational distinction between who may build ADUs and who may not – those who would rate at below-market rates to low-income residents and those who would rent at market rates or to families.

**City Attorney Comments**

Staff reached out to the City Attorney regarding the concerns of the City Council and in particular if requirements could be added that 1. Rent must be paid and 2. Limit to Family Members or healthcare providers.

The City Attorney advised that requiring for rent to be paid would be very difficult and would have legal risk. There are constitutional arguments against it, and it would be functionally setting a minimum rent.

Regarding restricting ADUs to family members and caregivers, the City Attorney advised not doing so, at minimum until the City of Blaine’s lawsuit is settled.

They also pointed out information regarding the proposed regulation of short-term rentals against ADUs. Short-term rentals are currently a permitted use in all other residential zoning districts, and having this specifically imposed against ADUs requires that it is “reasonable, not arbitrary, and furthers a legitimate government purpose.”

**Existing Language Pertaining to ADUs in the UDC**

**2.001 Rules and Definitions**

Accessory Dwelling Unit (ADU) – A smaller, independent residential dwelling unit located on the same lot as a single-family or two-family dwelling.

ADU, Attached – An accessory dwelling unit which involves an addition to the principal structure on a property to allow for the new secondary unit.

ADU, Detached – An accessory dwelling unit which is separate from the principal structure.

Short-Term Rental – A rental dwelling or rental dwelling unit that is offered to transient guests for a period of less than 30 consecutive days.

**Proposed Amendments related to ADUs for the Unified Development Code**

The language presented was what was drafted for, but taken out of, the final draft of UDC. Deletions to the draft of the language have been ~~struck out~~ and additions have been underlined. All of the following would be an addition to the UDC.

**5.001 - Use Chart**

Accessory dwelling units – Conditional Permitted in the R-1, R-2 and R-3 Zoning Districts.

## 6.002 - Character and Building Standards

### (F) Accessory Dwelling Units

#### (1) The following shall apply to all ADUs:

- (a) An ADU shall only be allowed with an approved Conditional Use Permit on properties within the R-1, R-2, or R-3 Zoning Districts which have a single-family home present.
- (b) Either the home or the ADU shall be occupied by the owner of the property. Proof of owner occupancy shall be recorded to the property.
- (c) Utilities for the primary home and ADU shall not be separately metered, and water and sewer for the ADU shall be connected to the existing principal structure. The ability to establish an ADU may be denied by the City of New Prague if it is deemed that water or sewer capacities in the area are insufficient to serve the ADU.
- (d) An ADU shall require one (1) additional off-street parking stall located on an improved surface in accordance with Section 6.002 (I).
- (e) No more than one (1) ADU shall be permitted on a property, and the primary home and ADU shall share the address number but may be designated as different units (i.e. Unit 1 and Unit 2).
- (f) An ADU shall be located on a permanent foundation.
- (g) An ADU shall meet all architectural standards of the zoning district including consistency in color and material to the home, if applicable.
- (h) The gross floor area of an ADU shall not exceed the gross floor area of the principal structure.
- (i) An ADU shall not be sold independently of the principal residential dwelling and may not be placed on a separate tax parcel.
- (j) ADUs shall not be utilized for short-term rentals as defined under Section 2.001.
- (k) All yard setbacks required of the primary structure shall be met by an attached ADU.
- (l) All ADU rental properties shall require a rental license in accordance with City Codes.
- (m) All ADUs involving additional ground floor area will require a certificate of survey be submitted with the building permit application.

#### (2) Detached ADUs

- (a) A detached ADU shall be located within a side yard or rear yard of a lot unless otherwise authorized by a Conditional Use Permit.
- (b) The maximum floor area of a detached ADU shall not exceed the floor area of the principal structure or 1,064 square feet, whichever is less, unless otherwise authorized by a Conditional Use Permit.
- (c) A detached ADU shall adhere to the required side and rear yard setbacks of the underling zoning district.
- (d) A detached ADU shall maintain a minimum 10-foot separation from the primary dwelling.
- (e) The maximum height of a detached ADU shall not be greater than the height of the primary dwelling nor exceed the height maximum of the underlying zoning district.

**Recommendation**

Staff recommends that the Planning Commission discuss the proposed changes to the UDC relating to ADUs. If the Planning Commission wanted to continue with proposed amendments, a public hearing would be scheduled at the next Planning Commission meeting.



118 Central Avenue North, New Prague, MN 56071  
phone: 952-758-4401 fax: 952-758-1149

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**MEMORANDUM**

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**TO:** PLANNING COMMISSION  
**FROM:** KEN ONDICH, COMMUNITY DEVELOPMENT DIRECTOR  
EVAN C. GARIEPY, PLANNER  
**SUBJECT:** UNIFIED DEVELOPMENT CODE MINOR MISCELLANEOUS AMENDMENTS  
**DATE:** APRIL 29<sup>TH</sup>, 2026

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At the end of March, 2026, the Planning Commission and City Council passed the Unified Development Code. This replaced the old Zoning Ordinance and Subdivision Ordinance in a process that took over a year and multiple revisions.

Since beginning to utilize the Unified Development Code, Staff has noticed some minor discrepancies between the UDC and the former Zoning/Subdivision Ordinances where changes were not intended to be made. The proposed amendments to the UDC would be changing the contents of it to be the same as the former Zoning Ordinance, as they were unintended changes.

**Proposed Amendments**

Proposed deletions are ~~struck out~~, and proposed additions are underlined.

**5.001 Use Chart**

Assisted living facilities are a ~~permitted~~ conditional use in the R-1, R-2, R-3, RM, and RH Zoning Districts.

**6.002 (E) (1) (b) Accessory buildings and structures in residential districts.**

Accessory buildings are permitted in any rear or side yard. Accessory buildings ~~which are 200 square feet or less~~ shall not be erected within six (6) feet of any lot line or ten (10) feet from any alley and provide a minimum of 20 feet of direct access to the entrance.

**Recommendation**

Staff recommends that the Planning Commission discuss the proposed minor miscellaneous amendments to the UDC and schedule a public hearing for the changes at the next Planning Commission meeting.

**RESOLUTION # \_\_\_\_\_**

**RESOLUTION OF THE NEW PRAGUE PLANNING COMMISSION FINDING COMPLIANCE WITH THE NEW PRAGUE COMPREHENSIVE PLAN**

**WHEREAS**, the City of New Prague is considering establishing a Tax Increment Financing District (TIF District 9-1) to facilitate construction of public infrastructure within the City’s industrial park. The specific public infrastructure will include construction of a sidewalk to connect existing and new development in the industrial park and adjacent properties in the City; and,

**WHEREAS**, M.S. Statute 462.356, Subd. 2, requires that when a municipality has adopted a comprehensive plan that the planning agency must review the proposed capital improvement and report in writing to the governing body it’s findings as to compliance of the capital improvement with the comprehensive plan; and,

**WHEREAS**, the New Prague Planning Commission finds:

- A. The proposed public infrastructure, including a sidewalk within the City’s industrial park, complies with the City’s Comprehensive Plan, specifically Goal 1 of the Section on Transportation which states “Create a multimodal transportation network that aligns with anticipated land use/development plans, protects natural resources, and balances motorized and non-motorized needs”.

**NOW, THEREFORE BE IT RESOLVED**, by the Planning Commission of New Prague, Minnesota, that the proposed public infrastructure, including a sidewalk within the City’s industrial park, complies with the City’s Comprehensive Plan.

**Passed this 27th day of May, 2026.**

\_\_\_\_\_  
Charles L. Nickolay, Mayor

State of Minnesota )

)ss.

(CORPORATE ACKNOWLEDGMENT)

County of Scott & Le Sueur )

Subscribed and sworn before me, a Notary Public this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Notary Public

ATTEST: \_\_\_\_\_  
Joshua M. Tetzlaff, City Administrator

State of Minnesota )

)ss.

(CORPORATE ACKNOWLEDGMENT)

County of Scott & Le Sueur )

Subscribed and sworn before me, a Notary Public this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Notary Public

THIS INSTRUMENT DRAFTED BY:  
Kenneth D. Ondich  
City of New Prague  
118 Central Ave. N.  
New Prague, MN 56071  
(952) 758-4401



118 Central Avenue North, New Prague, MN 56071  
phone: 952-758-4401 fax: 952-758-1149

**MEMORANDUM**

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** JOSHUA TETZLAFF, CITY ADMINISTRATOR  
**SUBJECT:** POTENTIAL ECONOMIC DEVELOPMENT TIF FOR PUBLIC INFRASTRUCTURE  
**DATE:** APRIL 30, 2026

Starting in 2022, the City began applying for an Active Transportation grant through MnDOT to pay for a trail connection along 6<sup>th</sup> Avenue NW through the industrial park. This connection would be about 2,600 feet along the north side of 6<sup>th</sup> Avenue NW. To this point, the City’s three applications have not been funded. The 2025 estimate had the trail work costing an estimated \$380k. Staff spoke with the City’s Ehler’s representatives about possible funding sources so that it is able to be complete this area of the industrial park. In addition to grant dollars, the other sources discussed were levying for the project and to create a TIF district over a couple of the properties in the industrial park to capture future value created by them.

As we have discussed in the past, a TIF district captures future created value on a property and allows the creator of the district, in this instance the City, to capture all three entities property taxes on the future created value to be used towards a defined purpose. The amount is determined through the normal tax process. In this instance, the City would retain the City’s portion in addition to the School District’s and County’s portion of added value for the duration of the TIF district. The County and the School District would continue to receive the property tax dollars they are receiving today from these properties. The added future value for the next nine years would go to the City for the infrastructure improvements. After the TIF expires, taxes would again be disseminated proportionally to the other entities. This is an economic development tool that is allowed by the State so that local governments are able to focus public dollars for the betterment of all entities.

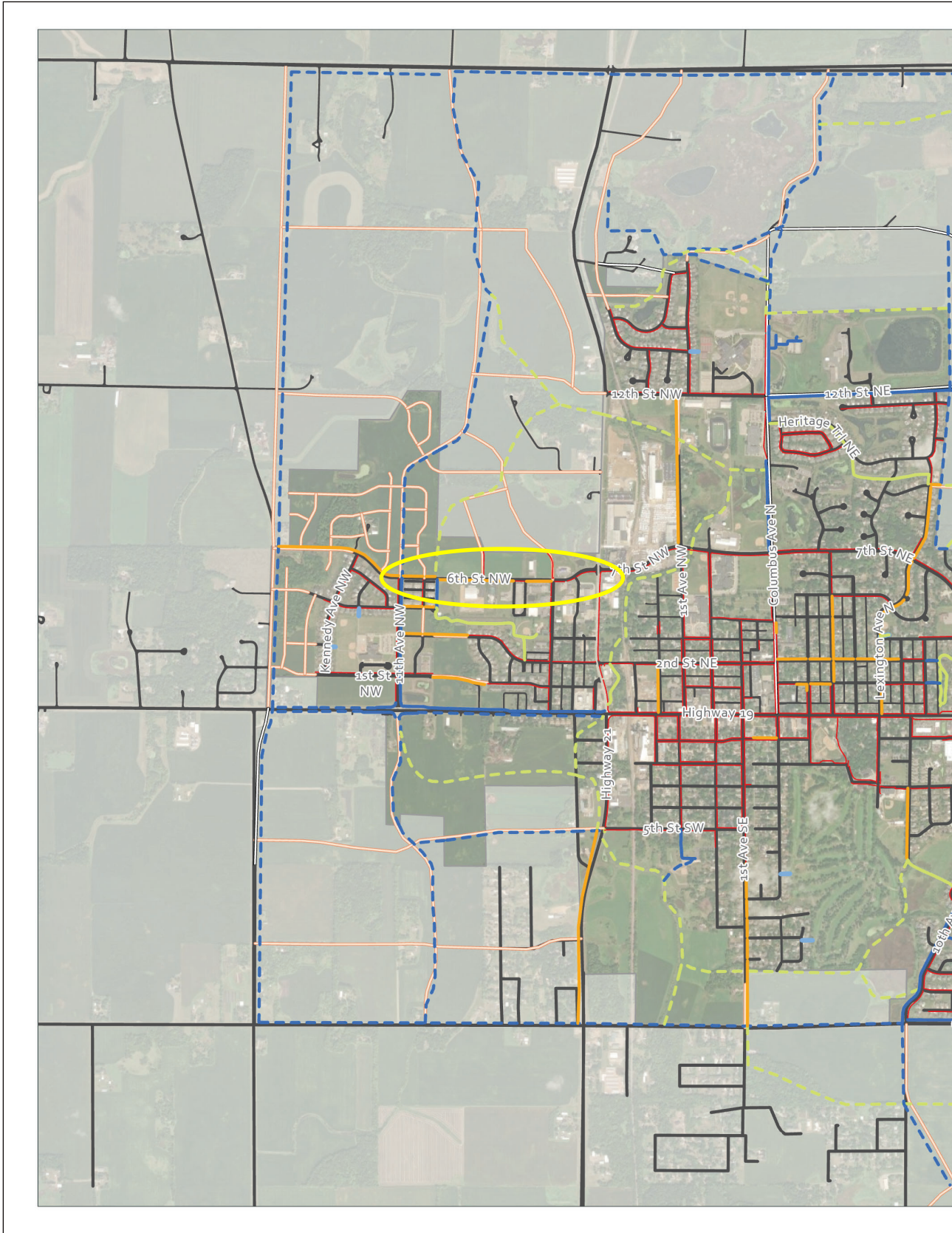
Specific boundaries are required for TIF districts, and this district would be no different. Because most of the industrial park is built out, there isn’t a large amount of future added value to be created by most of the industrial park. Two portions were discussed, primarily the Brick’s Boatworks property and the two remaining industrial park lots, as they have the most future value to gain. By its agreement, Brick’s will be constructing additional buildings over the few years to house more boats indoors and the two remaining properties will build out after the closing of the properties. Both of these actions will create significant added value that the City could capture to pay for the trail improvement. As long as a TIF district is in place prior to the issuance of building permits for either of these properties, the City would be allowed to capture the future added value. If permits were issued prior to the approval of the district, future added value would not be able to be captured within a TIF district.

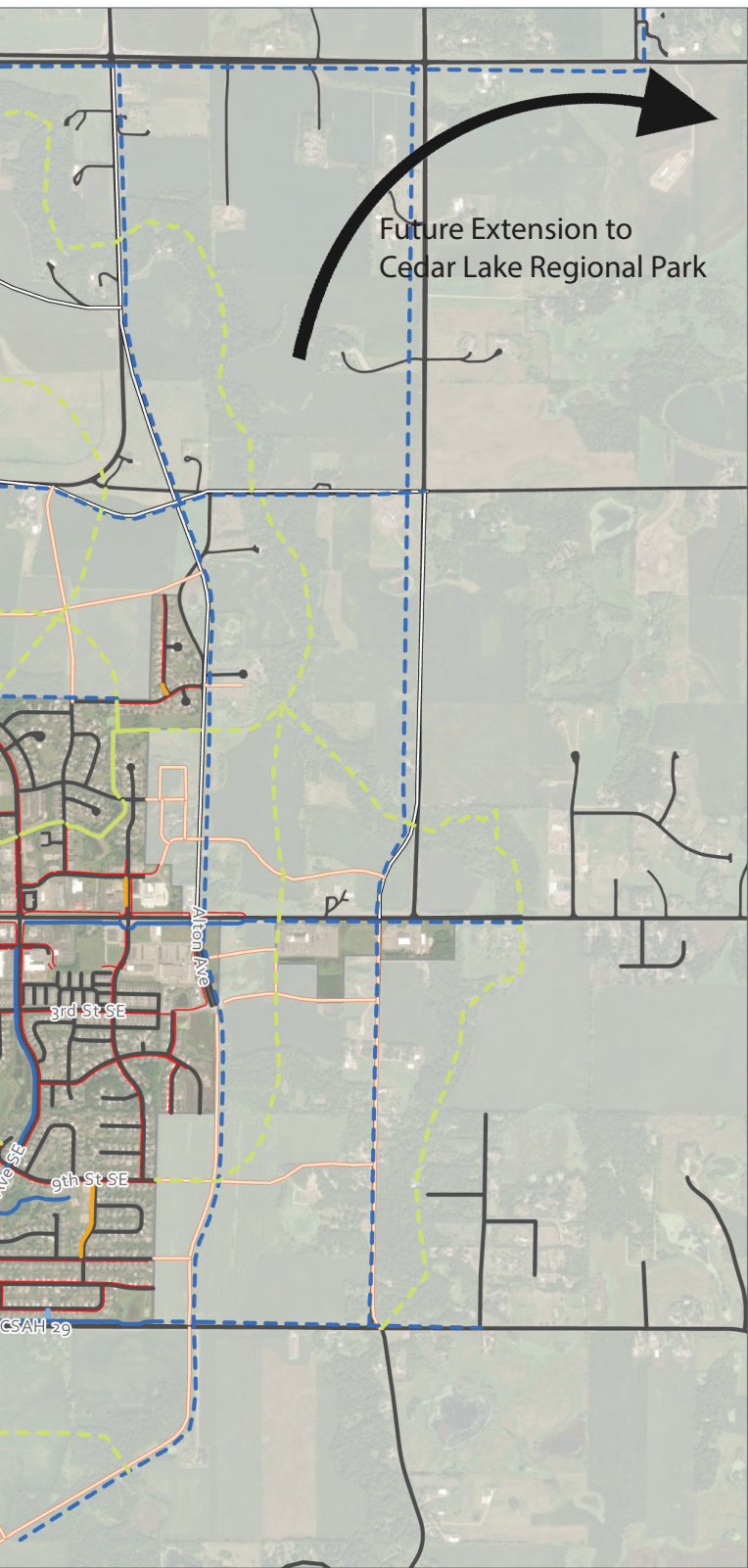
**Recommendation**

I would recommend moving forward with an Economic Development TIF District on these two properties. This district would allow New Prague to retain all future added tax value created by these properties for nine years to be able to build out the trail in the industrial park, completing the infrastructure required in the park. It would also allow the EDA to use their funds for other targeted economic development projects within the City to promote future economic growth.



## Exhibit 2





# FUTURE CORRIDORS & TRAILS

CITY OF NEW PRAGUE  
COMPREHENSIVE PLAN UPDATE

CITY OF NEW PRAGUE  
SCOTT/LE SUEUR COUNTY, MINNESOTA

- Existing Sidewalks
  - Existing Trails
  - Existing Greenway Trails
  - Sidewalk Gaps
  - Potential Trails
  - Potential Greenway Trails
  - Trail Connections
- Roadways
- New Corridor
  - Route Change
  - Existing Roadway

Data Sources:

Scott County, Le Sueur County, City of New Prague, MNDOT



**RESOLUTION # \_\_\_\_\_**

**RESOLUTION OF THE NEW PRAGUE PLANNING COMMISSION FINDING COMPLIANCE WITH THE NEW PRAGUE COMPREHENSIVE PLAN**

**WHEREAS**, the City of New Prague has entered into a purchase agreement to purchase the building and property at 1201 1<sup>st</sup> Street NE, New Prague, MN 56071 (PID 24.057.0050) to become the future location of City Hall due to the high cost of renovation and maintenance at the existing location of City Hall at 118 Central Ave. N; and,

**WHEREAS**, M.S. Statute 462.356, Subd. 2, requires that when a municipality has adopted a comprehensive plan that the planning agency must review the proposed acquisition of land and report in writing to the governing body it’s findings as to compliance of the acquisition with the comprehensive plan; and,

**WHEREAS**, the New Prague Planning Commission finds:

- A. The acquisition of 1201 1<sup>st</sup> Street NE, New Prague, MN 56071 (PID 24.057.0050) complies with the City’s Comprehensive Plan, specifically Goal 2 of the Section of Community Development and Amenities which states “Maintain reliable and quality public services, utilities and facilities to encourage growth and reinvestment”.

**NOW, THEREFORE BE IT RESOLVED**, by the Planning Commission of New Prague, Minnesota, that the acquisition of 1201 1<sup>st</sup> Street NE, New Prague, MN 56071 (PID 24.057.0050) complies with the City’s Comprehensive Plan.

**Passed this 27th day of May, 2026.**

\_\_\_\_\_  
Dan Meyer, Planning Commission Chair

State of Minnesota                    )  
  )ss.                                   (CORPORATE ACKNOWLEDGMENT)  
County of Scott & Le Sueur    )

Subscribed and sworn before me, a Notary Public this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Notary Public

ATTEST: \_\_\_\_\_  
Kenneth D. Ondich, Community Development Director

State of Minnesota                    )  
  )ss.                                   (CORPORATE ACKNOWLEDGMENT)  
County of Scott & Le Sueur    )

Subscribed and sworn before me, a Notary Public this \_\_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Notary Public

THIS INSTRUMENT DRAFTED BY:  
Kenneth D. Ondich  
City of New Prague  
118 Central Ave. N.  
New Prague, MN 56071  
(952) 758-4401



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phone: 952-758-4401 fax: 952-758-1149

**MEMORANDUM**

**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**FROM:** JOSHUA TETZLAFF, CITY ADMINISTRATOR  
**SUBJECT:** CONSIDERATION TO PURCHASE 1201 1<sup>ST</sup> STREET NE  
**DATE:** APRIL 29, 2026

**EXECUTIVE SUMMARY:**

Following the 2023 Facilities Study, the City of New Prague identified a critical need to address aging infrastructure at City Hall. While the initial roadmap suggested a 5+ year wait for renovations due to the recent police station bonding, a unique opportunity emerged in April 2026 to acquire the property at 1201 1st Street NE. This report evaluates the fiscal and operational advantages of transitioning to this modern facility compared to the estimated \$1.2 million costs (2023) required to maintain the current, landlocked City Hall at 118 Central Avenue N.

**The "Sunk Cost" of Status Quo: 118 Central Avenue N**

The current City Hall serves basic needs but fails to meet modern "desires" for a welcoming, transparent, and efficient civic hub. The 2023 study identified \$1.2 million in mandatory maintenance (HVAC, roof, tuck-pointing, and water intrusion) required simply to keep the building functional. This investment is a "sunk cost" that does not resolve fundamental flaws including:

- **Accessibility & Layout:** A fragmented multi-floor layout with "half-floors" that are inaccessible to many residents except through specific side entrances.
- **Operational Inefficiency:** Residents must visit multiple counters for permits and licenses, requiring higher staffing levels and hindering a "One-Stop-Shop" experience.
- **Energy Liability:** High monthly energy costs (\$300–\$2,300 more than 1201 1st St NE) driven by deteriorating single-pane windows, a patchwork of aging HVAC units, and decades old building practices.

**The Strategic Alternative: 1201 1st Street NE**

Similar to the successful 2023 Parks Garage acquisition—which saved the City 65% over a new build—the 1201 1st St NE facility offers a modernized, forward looking solution:

- **Efficiency & Accessibility:** A single-story layout with no steps, featuring a geothermal HVAC system (pumps replaced in 2024) that reduces energy use by over 50%.
- **Operational Design:** An open-floor plan that allows for a centralized lobby and a modern Council Chambers with seamless hybrid meeting integration, efficient use of staff space, and 51 on-site parking stalls.
- **Cultural Alignment:** The building features traditional Czech architectural elements that pay respect to New Prague’s heritage.

**Financial Comparison & Funding Strategy**

The transition is not only operationally superior but fiscally prudent.

- **Comparative Cost:** For an estimated total investment of \$2.2M–\$2.7M (purchase plus needed renovations), the City acquires a modernized, energy-efficient asset. This is only roughly double the cost of the \$1.2M in repairs required to continue operating the current, inefficient building.
- **Cash-Flow Strategy:** Through disciplined "City Facility" reserves, interest earnings, and higher than expected permit activity, the City has \$1.8M in available cash to make a full cash offer, avoiding new taxpayer debt.
- **Internal Financing:** Remaining renovation costs can be funded via an interfund loan from the Sanitary Sewer fund (\$8.2M balance). At a 4% interest rate, the City would essentially pay interest back to itself, keeping community funds local while matching market returns for the Sanitary Sewer fund.

**Conclusion & Recommendation**

Investing \$1.2+ million in the current City Hall leaves the City with the same outdated facility. Transitioning to 1201 1st St NE secures a professional, accessible, and energy-efficient headquarters that supports New Prague's future growth.

[Full Report on Following Pages]

**Full Report:**

In 2023, the City of New Prague completed a Facilities Study that was over a year in the making, outlining the condition of current City facilities and a recommendation with how to proceed. This was the first comprehensive facilities study done since 2005. Some of the major recommendations included rehousing the police department in a new facility, finding a new home for the Parks Department, major renovations for the Golf Pro Shop, and addressing long-overdue needs for City Hall. With the 2023 study in hand, the City Council voted to move forward with construction of a police station to start working on the list of needs.

While the planning of the new police station was taking place, a facility came up for sale Spring 2023 on the west side of Highway 21 near the Fire Station. With a new home for the Parks Department costing an estimated \$3,700,000, the City determined that it would be worth the diligence to at least explore the possibility that this facility would may fit the needs of the City as a Parks Garage. After a quick due diligence period, and with cash in reserves for future facility needs, the City purchased 412 5<sup>th</sup> Avenue NW for \$1,150,00. After spending about \$100,000 to renovate the property so that it would function exactly as we needed it to, the City was able to acquire a Parks Garage that should meet its needs long into the future at an estimated 65% discount from a new facility. On top of that, this was able to be done with reserves set aside for future City facilities and taxes did not have to be raised. Following this acquisition, attention once again shifted back to the primary focus coming out of the 2023 Facilities Study, the Police Station.

Much like the opportunity to meet the needs of the City at a fraction of the estimated cost arose in 2023 for the Parks Department, another opportunity may be before the City again. With the City tentatively looking 5+ years into the future at any major renovations and improvements to the current City Hall due to having just borrowed for the Police Station, in April 2026 the City became aware that a facility on the east side of town was for sale. This facility is located at 1201 1<sup>st</sup> Street NE. Built in 2001 as an office building, the property was purchased in 2009 by a local church and has operated as such since that time. Much the same as the property for sale three years ago, the City decided it was worth a quick due diligence to see if this building would be worth pursuing as an opportunity to unexpectedly meet a need as a potential City Hall.

Many considerations and thought processes should go into any move, especially one as large as considering a new location for City Hall. Thought should be given to what a City Hall needs to be as well as what a City Hall is desired to be, in addition to meeting the basic needs. Then, evaluations can be made on existing facilities and future facilities to see what space best meets the needs of a modern, growing City.

Traditionally, City Hall is a place where the public can visit to hear actions by the City Council and various boards as well as apply for permits and licenses needed to operate within the City. To that end, a City Hall must have a large area that can serve as the City Council Chambers, a place where people are able to observe the actions of the City Council and give testimony when appropriate. This place must have an area that the City Council can deliberate and an area for City staff and other experts to be seated while they wait to provide guidance to the City Councilmembers. A City Hall must also include a counterspace that allows residents to apply for permits and licenses. This would be an area where they are able to ask questions with space for being able to fill out the permit at the counter if need be. When not directly responding to residents, City staff must have a place they are able to complete their work. Parking is an important feature of City Halls, because the Council, staff, and residents who visit City Hall need a place to be able to park their vehicles. Finally, a City Hall must also have space for storing the numerous archives that Cities are required to store and keep. In Minnesota, Cities are required to retain vast amounts of information. There should be adequate space for this. All of these spaces should then be secure and safe.

While the "needs" of a City Hall focus on the mechanics of government—security, offices, and council chambers—the "desires" are what transform the building into a place the community actually loves and uses. It is in this shift from a utilitarian building to a more monumental structure that civic pride is born. In 2026, a City Hall is more than just an office building. In many ways, it also becomes a central hub for the City, balancing the need to efficiently meet the needs of an innovating and progressing City while also feeling

welcoming and transparent. It must be seen both as a source of local pride while also not being ostentatious and wasteful. While a utilitarian building provides counters for residents to visit, a more modern City Hall must be as much of a “One-Stop-Shop” as possible, where a resident can pay a utility bill, apply for a permit, or find a department without wandering through multiple floors or having to stop at multiple counters. It must have strategic digital integration, allowing residents to access forms, check meeting agendas, or receive general City announcements without the need to contact City staff while still providing the option for that face-to-face interaction if a resident desires. In a modern City Hall, the council chambers are not just a place to observe and give testimony. The council chambers and other spaces within City Hall must be flexible and allow for moving furniture and rearranging spaces so that they are able to double as community event space or training areas. Within that flexibility, those spaces must also be flexible with attendance of the uses, allowing seamless hybrid integration of meetings and public testimony. City Hall must be highly accessible. Not just ramps, but door openers, height varying counters, and digital assets that meet the needs of all residents. A modern City Hall should be a model for the community, incorporating energy-saving initiatives and building practices, with a design that seeks to reduce stress for visitors and staff. City Hall should then instill civic pride, using itself to tell a story instead of looking like another office building. This must all be done with both security and transparency in mind, keeping elected officials and staff safe without the building feeling like a fortress.

Once it is determined what is needed in a City Hall and what is desired, the next step would be to assess potential buildings as to their ability to meet those needs. The current City Hall at 118 Central Avenue N meets the basic needs of a City Hall. There is space on the second floor for the City Council and other boards to meet. That space has adequate seating for those who wish to attend and give testimony. The current City Hall also has counter space where the public is able to apply for permits and licenses, with space to fill out paperwork as needed. There is adequate parking, both for staff and for the general public. And City Hall has a large basement that is more than adequate for holding the many archived files the City is required by State Statute to maintain.

While 118 Central Avenue N is able to meet the needs of a City Hall, it does not meet the modern “desires” of a City Hall well. There are multiple counters within City Hall that residents and builders must visit to obtain the various licenses and permits that are needed. While those counters are close to each other, it is two separate stops that someone may have to make. It also means for staffing that two staff members are needed so that each counter has someone available. Digital integration of City Hall is done mostly through the website. There are no areas around City Hall that are currently wired and utilizing announcements or other digital needs. Moving into the City Council chambers, the space is certainly flexible, in that staff seating is done at folding tables that can be moved and the audience seating is with stackable chairs. Hybrid integration is less ideal. Off the Council dais, microphones are handled through three wireless mics that are movable. Video is also centered on the Council dais, so while audio is able to be more flexible, any digital video is not able to be used outside of formal meeting settings where the main body is seated at the dais. While there is an elevator that services three of the four floors at City Hall, City Hall could be far more accessible. One floor, which has the City’s lone conference room and some office space, is only accessible via the south entrance if a person is not able to use the stairs. Also, the two service counters are the same height, accessible only from a standing position by the public. While the current City Hall is in an older building that could be considered historic, and is certainly valued as an older structure by many, the City has not taken any initiatives within City Hall to use modern technology for energy efficiency or as a model for other building practices. More recently, the City has begun updating the security at City Hall, including installing carded door locks at many important locations to be able to secure City Hall better.

Looking at 1201 1<sup>st</sup> Street NE through those same lenses of needs and desires, the 1201 1<sup>st</sup> Street NE location does provide two large open areas that would be able to be used as City Council Chambers or as large meeting spaces for other events. Those spaces could be outfitted with furniture and designed in a way that makes the spaces easily flexible for the needs of the user, whether it is City Council meetings or election administration. There is also a front lobby area that, following some minor renovations to install desks and counter space, would be able to serve as a singular point of contact for all licenses, permits, and utility billing questions. The

building has more than adequate parking to meet the City’s possible needs, with 51 spaces between the lots on the site. Finally, there is space in a small basement to be able to house City files as needs arise.

While the building does not currently have the counter space needed or the furniture needed for a City Hall, the 1201 1<sup>st</sup> Street NE building is fairly accessible in its existing layout, allowing it to be adaptable without large scale renovations. It does not currently have door openers, but the entire building is located on a single story without any steps, except for the basement that is primarily used to access the utilities of the building and would not be publicly accessible. Accessibility features would need to be part of the initial renovation process that adds counters and door accesses. Similarly, the building will need to be updated for the technological needs of the City and can be designed as needed. The building’s HVAC system is centered around a geothermal unit, which are able to reduce energy use by over 50% in some cases, both reducing the use of energy and saving the user money in utility costs. Comparing month to month between the two structures over the last couple years, City Hall spends from \$300 to \$2,300 more on energy than 1201 1<sup>st</sup> Street NE. The building also has historical Czech architecture elements, with pay respects to New Prague’s background. Security, similar to front counter and City Council Chambers layout, would need to be addressed. As a church, the building is more open to the public than what the City would desire. Keycard doors, strategically placed furniture, and other measures would likely need to be implemented.

In addition to looking at whether the two buildings are able to meet the needs and desires of a City Hall, the City also should consider the current conditions of the buildings. Coming out of the facilities study completed in 2023, maintenance needs were identified for City Hall. Some of the maintenance needs listed in the study include updating an HVAC system at the end of its life, replacing a roof that is near the end of its life, performing a tuck point on the brick exterior to shore up deteriorating mortar joints, fixing areas on the exterior walls that are showing water intrusion, and replacing the single pane windows that are deteriorating. These large needs are in addition to the accessibility and cosmetic needs. These upgrades would continue the building functioning as it is but performing needed maintenance on the building. It was also recommended that certain portions of the building be removed, in part due to their utility to the City versus the cost to maintain or repair. One such area would be the garage at the far east side of the structure. An estimate obtained by staff in the spring of 2026 estimated the removal to cost about \$100,000. The abatement of potential asbestos would be on top of that. The portion of the building that currently houses the police department would also need work, similar to the old portion of City Hall, both for maintenance and renovations for use.

In addition to the mechanical and structural needs of City Hall, as stated above, the building’s age and layout also present a situation that isn’t optimal. There are currently multiple counters, floors accessible only by using a different entrance, and one lone conference/meeting room. Using blueprints, staff estimates that of the 8,700 SF that makes up the two main floors of City Hall, only 5,380 SF of that is used for work and meeting space. Large amounts of floor area in City Hall are used for hallways, stairwells, etc. According to Wold Architects when performing the 2023 facilities study, expansion of office space will be needed in the future to accommodate future employee growth, up to an estimated 83% in building size to 18,519 SF of gross space. The City Hall site is fully built out, so any expansion of the building would require tear down of existing structure. These layout difficulties should be considered. But it isn’t just layout difficulties. Taking the existing single pane windows and patchwork of finance/AC units that have been added over the years as the buildings needs have changed as a clue, it is very likely that City Hall would not score well on an energy efficiency rating.

While City Hall does have maintenance needs, floor plan challenges including accessibility, and is not highly energy efficient, it does have positives. First, City Hall is located downtown. While not always the case, City Halls and downtowns seem to be synonymous with each other. Downtown is generally thought of as the hub of business and City Hall is part of that hub. It is in a great location. City Hall is also located in an old, brick building that many consider to be historic by nature of its almost 90-year-old history. While it has maintenance needs and has been changed through previous renovations, targeted investment would be able to restore it to its former self while also modernizing it for today’s municipal needs. City Hall also has more than enough

parking for present and future uses. Finally, City Hall is paid for. There is no debt outstanding on City Hall. The City owns it.

Now let's consider the condition of 1201 1<sup>st</sup> Street NE. The 1201 building is much newer, built in 2001. As such, the facility was built to a new building code and has many of those building practices built into. The HVAC system uses a geothermal pump, with the pumps replaced in the last couple years, extending the need to replace out about twenty years from now. Research states that the pipes used in the geothermal process are expected to last about fifty years before replacement is needed as well. The building was also designed around that system, meaning there is not a patchwork of furnaces and air conditioners feeding the building that have been added over the years. The roof material is copper, which has a life expectancy of over 60+ years, with some lasting twice that. On preliminary review, the brick exterior is in good shape, not needing any immediate major maintenance. If purchased, the City would likely want to consider painting and flooring to give that a refresh while the building is empty.

Beyond mechanical, the general layout of the building is conducive to a City Hall's needs. Overall, the space is utilized a little more efficiently than City Hall, with one primary hallway and no stairwells. A similar assessment of blueprints for 1201 shows about 6,900 SF of space used for work and meeting space, compared to an overall size of about 9,000 SF on the main level. A couple large rooms are available for Council meetings or training space and a large lobby area that could be used for permitting and licenses. There are a couple larger rooms for general staff, with four or five office-sized rooms for both department leads to have an office as well as smaller meeting room space. There is a large, modern conference room for larger meetings, and a modern kitchen that is large enough to be used as an employee breakroom. This building, like City Hall, is also smaller than the projected needs listed in the 2023 Facility Study, about half the size of the estimated gross floor space needed for future growth. Unlike City Hall though, there is space to expand on the lot as needed, without further demolition or acquisition of land necessarily needed. As stated, there would need to be some work done to the building, mostly in the Council space and lobby area. This work would consist of adding doors for security, building out the Council chambers with appropriate furniture, adding bathrooms that were removed, and building out the lobby area. There would also be a need to fully outfit the building with IT needs so that the meeting spaces and offices are fully accessible in a modern world where more meetings happen virtually than in person. The advantage 1201 has for installing IT equipment is that there is crawl space throughout the whole building, which allows for cable to be run anywhere any brought up through the floor, for a clean look that is fully wired.

When considering the \$1.2m estimate in 2023 to address City's maintenance needs against the \$1.7m to purchase 1201 plus an estimated \$500k to \$1m in renovation needs to modernize and equip, I believe that 1201 makes the most sense going forward for the City. If the City were to spend \$1.2m to offset the maintenance costs of City Hall, it would still be essentially the same facility that it is now but with new windows. There would still be multiple floors, one of which can only be accessed by the south entrance for those who are not able to use the stairs. There would still be a patchwork of HVAC units. Removing the western garages would still need to take place and removal or major renovation would likely need to happen to the old police station to modernize it and make it efficient, with an additional elevation change in that space to take into account that is, again, not accessible except by using a western entrance to the building. For a little over double the money to \$2.7m (using the high estimate on renovation costs at 1201), the City is receiving a building that is more modernized, has a better and more efficient layout with an increased amount of usable space, is more accessible, and has lower utility costs. It is also a building that uses traditional Czech architecture elements. Looking to the future the building is able to be expanded without acquiring additional land or knocking down large portions of the building and maintenance items like the roof will last long into the future, allowing the City to begin planning now so that future generations will be able to appreciate a well-maintained building.

Finances are a big part of this. With the police station bond coming online fully in 2027, how can the City afford a \$1.7m building with up to \$1m in renovations? For a number of years now, the City has been putting away small amounts of money each year for City Facility projects. This was the source of funds that allowed

the City to purchase the new Parks facility in 2023 without raising the levy, and is the same source be accessed now. At the end of 2025, the City had \$1,183,560 available in funds for City Facility projects. Due to factors such as high interest earnings, above expected building permit revenues, and below average labor spending due to staff turnover, the City also will have \$447,579 in additional funds to put towards City Facilities. With \$243,668 in a tax abatement clawback from a economic development project in 2017, the City has the required funds to make a full cash offer on 1201 1<sup>st</sup> Street NE.

But purchasing the building is not the full story. As I have already mentioned, there are renovations that need to be done. Paint and floor, building out the council chambers and lobby, outfitting for IT needs, and addressing small security and accessibility updates, the building will need some work before it is able to be fully utilized. Looking at what cash would remain available, there would be \$94,807 remaining in available cash mentioned previously. In addition, the City has pledge \$390,000 in cash to potential contingencies to the police station being built. To this point, there are still significant contingencies that have not been spent and there is a real possibility that the City’s \$390,000 will not be needed and could be redirected back to City Hall. For available cash, the last available source is the 499 Capital Projects fund. This fund currently has \$268,967 available.

Should the need be, the City would be able to lend itself the funds needed from the Sanitary Sewer fund. This fund currently has a healthy fund balance of \$8,237,298. There are about \$3m in expected maintenance projects for the Wastewater Treatment Facility. With its fund balance, the Sanitary Sewer fund would be able to support an interfund loan of up to \$1m to the City for a 10-years. If the City were to set the interest rate for the loan at 4%, this loan rate would match or beat what it would be able to get on the open market for a loan, and would match or beat what the Sanitary Fund is able to get in return on investments, creating a win/win scenario for both the General Fund and the Sanitary Fund. If it needed to borrow the maximum \$1m over 10-years with a 4% interest rate, the annual repayment would be \$123,291. The fund for annual payments would come from interest earnings. Unlike bonds, the City would be able to repay itself early so as not to incur interest should it realize years of increased revenue such as 2025. Total interest, if paid over ten years, would be \$232,909 to the Sanitary Fund for the loan, keeping all interest payments in the community to be spent for community good.

Following a walkthrough of the property, the City Council met in closed session on April 20, 2026, to discuss the property and whether it would like to make a tentative offer. During closed session, the City Council discussed the needs of the City and whether 1201 would be worth investing in to meet those needs. Two days later, the seller of the property tentatively accepted the offer for the City to purchase 1201 1<sup>st</sup> Street NE. For the offers to be formal, the City Council will need to pass a resolution in an open meeting. This will be placed on the agenda for the May 18, 2026, City Council meeting for formal discussion and vote.

[Historic City Hall Report on Following Page]

**Historic City Hall:**

A separate, but equally important question that will need to be answered if the City decides to move forward with 1201 1<sup>st</sup> Street NE will be “what comes next for old City Hall?” This is an important question that should be wrestled with community-wide, because this building has been around since the late 1930s. While it has changed uses, housing everything from a Fire Hall to a jail and now City Hall, the building has been a downtown staple for almost 90 years. So what are the options for the building?

During the facility study that was wrapped up in 2023, it was determined that an estimated \$1.2m would be needed to perform deferred maintenance on the facility. This included a roof, HVAC, tuck pointing the bricks, and replacing the single-pane windows. This estimate did not include an internal renovation or the cost of demolition should any portions of the building be removed. An estimate from a contractor for demoing the old Parks Garage was recently received for \$100,000, not including any potential asbestos work. The estimate within the facility study was that the demolition would cost \$150,000. It is possible after asbestos abatement, if present, that the City spends more than the estimated \$100,000.

I speak to this because, as much as this building has been a staple in the downtown, a real conversation should be had about the value of the building to the City versus the amount of money needed to rehabilitate the building. Speaking to the architect who did the study, it was their opinion that if anything was to be saved, it would be the two-story structure on the east side of the property. The old police station and old parks garage did not have the same historic value, according to them, and was so far degraded, or had enough challenges with grade changes, that it was not worth considering that portion as savable in a usable context. But to even just consider the east portion of the property for saving while demoing the remainder still means that the City would need to pay for that demolition work and then exterior maintenance on the remainder. Taking the estimated costs for maintenance with the estimated cost for removal of the old parks garage means that costs would likely climb above \$1.5m, potentially much higher. Then updating the remaining facility internally would require additional funds. Would the City look at restoring the building to its current office-style use, but updated, or look to revert to the original use from almost 90 years ago?

I believe the City has two primary choices before it: 1) Sell or transfer the property to another entity for re-use, or 2) Demo the entire property to create a bare lot. In either instance, the City should reach out to a property value expert to help gauge the value of the property so that it is able to better determine the likely value.

Of note, should another entity own the property, there is grant money available for rehab use. The problem the City runs into for City Hall is that money isn’t generally available for City Hall type uses. Commercial or housing re-use projects though have more options. Whether the property remains under City ownership or not, it is a very good location with access to both downtown and parking that would likely make the property valuable. How that value compares to cost of using the existing facility though remains to be seen.

# FOR SALE – TURNKEY OWNER-USER FACILITY

1201 1<sup>ST</sup> ST NE  
NEW PRAGUE, MINNESOTA 56071



## Site Information

- Owner/user opportunity
- Well-maintained brick office building, copper roof & high-quality interior finishes
- Ideal for professional users (attorney, medical, daycare, administrative, etc.)
- Flexible layout with private offices and open areas
- Multiple entrances allowing for multi-tenant or single-user configuration
- Ample on-site parking
- Updated lighting and finishes throughout
- Strong visibility with convenient access within New Prague
- Zoned for commercial/office use

## CONTACT US

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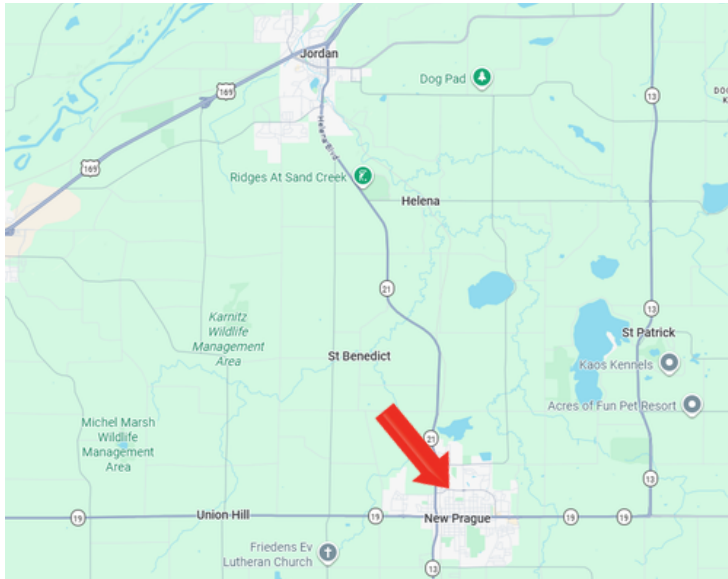


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**HOYT PROPERTIES, INC.** 5353  
WAYZATA BOULEVARD, SUITE 500  
SAINT LOUIS PARK, MN 55416  
TEL **612.338.7787**  
FAX **612.338.7797**  
www.hoytproperties.com

# OFFICE: FOR SALE

1201 1<sup>ST</sup> ST NE  
NEW PRAGUE, MN 56071



## BUILDING SIZE

10,192 sf

## AVAILABLE FOR OCCUPANCY

### IDEAL USERS

- Nonprofit / religious organization
- Daycare / early childhood education
- Counseling / behavioral health center
- Professional office HQ (legal, financial, administrative)
- Training or educational facility

tel 612.338.7787 fax 612.338.7797

## PURCHASE PRICE

Negotiable

## 2026 ESTIMATED RE TAX

Currently Tax Exempt

## 2026 ASSESSED VALUE

\$1,465,200

## PID #

24-057-005-0

## YEAR BUILT

2001

## MECHANICAL

Geothermal Heating & Cooling System

## SPRINKLERS

Mechanical Room only.

## PARKING

Approx. 51 parking stalls

## ZONING

B2 - Community Commercial

## LAND

1.55 acres (67,518 sf)



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1201 1<sup>ST</sup> ST NE  
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**May 2026 EDA Business Updates:**

- **2 new home permits** were issued in April (2 single family homes, 0 townhome units and 0 apartment units). One additional new home permit is available for pick up at this time.
- A **Conditional Use Permit** application is still pending from **Bold North Hemp, LLC** to locate a cannabis cultivation facility at the former mill located at 100 2<sup>nd</sup> Ave. SW. The cultivation would be entirely indoors, and staff are currently collecting additional information on the request in anticipation of the request being reviewed by the Planning Commission at the May 27th Planning Commission meeting. The precise location for the operation is proposed to be in the former warehouse space immediately north of 2 If By Sea Tactical.
- A **Concept Plan Review application for the 76 acres north of the existing Industrial Park** was submitted by Nate French. The Planning Commission will review the concept plan at the May 27<sup>th</sup> Planning Commission meeting. No formal action is taken on concept plan reviews, but the feedback during the meeting will be utilized for the applicant to make changes to the plans before submitting for a preliminary and final plat.
- A **Conditional Use Permit and Variance** were applied for from Andrew Fautsch for a **Chiropractic Clinic and Upper Level Apartment to** locate at 200 4<sup>th</sup> Ave. NW which is located in the B-3 Highway Commercial Zoning District. This would be a conversion of a single-family home.
- **Autowash Systems Inc.** applied for a building permit for a 2,100 sq. ft. addition to an existing building located at 407 4<sup>th</sup> Ave. SW.
- **The closing on the EDA's final two lots in the industrial park occurred on 5/1/26.**
- **Nick Huber Farmers Insurance Agency** is the official new tenant at 105 Main St. W.
- **Alton Ave. corridor study update** – Final adjustments were discussed at a review meeting with the City/County and SEH on 5/4/26.