



**Meeting Location: Municipal Center
7100 147th Street West
Apple Valley, Minnesota 55124**

August 6, 2025

Planning Commission Tentative Agenda

7:00 PM

1. Call To Order

2. Approve Agenda

3. Consent Agenda

Consent Agenda Items are considered routine and will be enacted with a single motion, without discussion, unless a commissioner or citizen requests to have any item separately considered. It will then be moved to the regular agenda for consideration.

A. Approve Minutes of July 16, 2025 Regular Meeting

4. Public Hearings

A. Planned Development No. 1144 (PD-1144) Setback Amendment

1. Consider an ordinance amendment to Planned Development No. 1144, Zone 2 regarding the rear lot setback requirement.

B. §155.320 (Cannabis Businesses, Hemp Businesses, and Temporary Cannabis Events) Text Amendment

1. Consider an amendment to §155.320 (Cannabis Businesses, Hemp Businesses, and Temporary Cannabis Events) to address the procedure of measuring setback buffers for cannabis businesses.

C. §155.397 (Variances) Text Amendment

1. Consider an amendment to §155.397 (Variances) regarding public hearing requirements.

5. Land Use / Action Items

A. Resolution Declaring City-Owned Lands (Central Village West Site) as

Surplus and in Conformance with 2040 Comprehensive Plan

6. Other Business

A. Review of Upcoming Schedule and Other Updates

Planning Commission - Wednesday, August 20, 2025 - 7:00 p.m.

Planning Commission - Wednesday, September 3, 2025 - 7:00 p.m.

City Council - Thursday, August 14, 2025 - 7:00 p.m.

City Council - Thursday, August 28, 2025 - 7:00 p.m.

7. Adjourn

Regular meetings are broadcast, live, on Charter Communications Cable Channel 180 and on the City's website at www.applevalleymn.gov



ITEM:
MEETING DATE:
SECTION:

3.A.
August 6, 2025
Consent Agenda

Description: Approve Minutes of July 16, 2025 Regular Meeting	
Staff Contact: Breanna Vincent, Department Assistant	Department / Division: Community Development

Action Requested:

Approve minutes of the regular meeting of July 16, 2025.

Summary:

The minutes of the regular Planning Commission meeting is attached for your review and approval.

Background:

State statute requires the creation and preservation of meeting minutes which document the official actions and proceedings of public governing bodies.

Budget Impact:

N/A

Attachments:

1. 071625 PC MINUTES

CITY OF APPLE VALLEY
PLANNING COMMISSION MINUTES

July 16, 2025

1. CALL TO ORDER

The City of Apple Valley Planning Commission Meeting was called to order by Chair Kurtz at 7:00 p.m.

Members Present: Jodi Kurtz, Paul Scanlan, Dave Schindler, Phil Mahowald, Becky Sandahl, Jeff Prewitt, and Douglas Hlas

Member(s) Absent: Dave Shindler

City Staff: Community Development Director Tim Benetti, City Planner Terri Dill, Assistant City Engineer Evan Acosta, City Attorney Bob Bauer, and Department Assistant Breanna Vincent.

2. APPROVAL OF AGENDA

Chair Kurtz asked if there were any changes to the agenda. – None.

MOTION: Commissioner Scanlan moved, seconded by Commissioner Mahowald, approving the agenda. Roll call vote: Ayes - 6 – Nays – 0.

3. CONSENT ITEMS

A. Approval of Minutes of July 2, 2025

MOTION: Commissioner Scanlan moved, seconded by Commissioner Mahowald, approving the minutes of July 2, 2025. Roll call vote: Ayes - 6 – Nays – 0.

4. PUBLIC HEARING

A. Valley Station Apartments

Chair Kurtz opened the public hearing.

City Planner Dill provided a brief presentation.

Commissioner Prewitt asked why the applicant was requesting the change from 16 to 48 units per acre when 48 is within the 2040 Comprehensive Plan.

City Planner Dill stated that the land is guided within the Comprehensive Plan to allow 48 units per acre, but the current zoning only allows up to 16 units per acre.

Commissioner Scanlan stated concerns over the number of parking spaces proposed. Commissioner Scanlan asked if the Fire Department has any concerns over egress/ingress for emergency vehicles.

City Planner Dill stated that they have received the plans, and no comments have been made.

Commissioner Scanlan asked that a parking and lighting plan be provided at the next meeting. He asked if there has been any discussion regarding the request for an additional 2 stories from 3 to 5.

City Planner Dill stated that the 5-story plan was submitted as part of their RFP submitted to the City for the sale of the property. The applicant has designed the building with the lighter colors at the top of the structure in order to minimize the visual impact. The apartments behind the proposed building are 3 stories.

Chair Kurtz also expressed concern over the 5-story proposal.

Commissioner Mahowald said that the proposed building is huge relative to the surrounding area and will change the character of the neighborhood. Commissioner Mahowald wondered how many units could be achieved with just a 3-story building.

City Planner Dill stated that this proposal was submitted with their RFP to the Council when they were selecting a developer for the site. The future guided land use of Suburban Intensive High Density is the most dense district and this location was selected for that as it is next to the transit station.

Commissioner Sandahl asked if the Commission actually has a say in this proposal.

City Planner Dill stated that the Commission would review the application the same as any other Site Plan Review and make a recommendation to the City Council.

Commissioner Hlas asked for additional information on the grant application and what step in the process that is at.

City Planner Dill said that there is a transit-oriented district grant application that is available with the Met Council that the developer will be applying for this site. It is to support affordable workforce housing that is within half a mile of a transit station. Funding is for the development of the housing project. The applications are

due August 11th, and the City Council would need to provide a resolution of support before the grant application can be submitted.

The applicant, Blaine Barker (Real Estate Equities), provided additional details on the proposal.

Chair Kurtz asked if it would be possible to recess one of the stories.

Architect Christian Borgan (Kaas Wilson Architects) stated that it is possible and could be explored. There will be less square footage for the first-floor units but it is something the applicants could look into.

Commissioner Scanlan asked if the parking seems adequate with the applicant's experience designing other projects.

Mr. Barker stated that they typically develop with a parking ratio of 1.7 to 1.9 stalls per unit. This development is at 1.6 units per acre. The mitigating factor here is that they do charge \$75/month for covered parking at the other properties and this development will not be charged for the parking space. There are spaces not being utilized at the other properties due to the extra cost.

Commissioner Scanlan stated he still had concerns over inadequate parking for residents and visitors. Commissioner Scanlan asked if the Commission recommends less than 5 stories, will the project still be feasible for the developer?

Mr. Barker stated that it would not be feasible, and their proposal is consistent with what was submitted to the EDA last summer as part of the request for proposals.

Commissioner Hlas asked if they have any similar properties near transit stations.

Mr. Barker stated that the MVTA transit station will be the largest they have developed near which they see as a benefit to the residents. They have developed similar workforce buildings, but not next to a transit station.

Commissioner Hlas asked if they anticipate that some residents may not have a need for a vehicle since they'll be close to public transit.

Mr. Barker stated that they do anticipate this but that the date is harder to quantify. Staff has requested this information, and the applicant is working to find comps.

Commissioner Prewitt asked if the recreational areas on the site are measured comparable to the number of anticipated residents.

Mr. Barker deferred to the landscape architect, Doug Loken (Loucks, Inc.), for this information.

Mr. Loken stated that they have completed 10 projects with this developer and the sizes have varied. The playground for this project is considered a “tot lot” and geared more for children ages 2-6 so the sizes are a bit smaller. Based on the configuration of the site, they plan out the size of the equipment.

Mr. Barker stated that typically for a 150-unit project, they would have one play structure. They would be willing to entertain changes to the playground area if needed.

Commissioner Scanlan asked how many residents they would anticipate with 148 units on site.

Mr. Barker stated there are typically 1.2 to 1.3 residents per bedroom.

Commissioner Mahowald questioned how the density of this development compares to surrounding developments and the amount of green space and amenities provided. Commissioner Mahowald asked if this development will be connected to the developments to the south and east via sidewalks.

Mr. Loken stated that there will be connections to the street to the north and to Gaslight Drive on the west.

Commissioner Sandahl stated that the building looks very nice and likes the amenities provided but expressed concerns about the proposed building height.

Chair Kurtz asked if the schools have been notified of this proposal.

City Planner Dill stated that they have not been contacted, though the school district was notified of the anticipated densities at the time of the 2040 Comprehensive Plan.

Commissioner Prewitt pointed out that a 5-story building would likely be the only way to achieve 48 units per acre on this site.

City Planner Dill agreed that a 5-story building would be needed to maximize the full density of that site.

Chair Kurtz asked if there were any comments from the public.

Resident John Jensen (14120 Forest Ln.) expressed concerns over the height of the building and the population density increasing. The lack of a stoplight at the intersection is a concern with adding more drivers to the area.

Resident Lynette Olson (15612 Garrett Dr.) shared concerns over parking in the cul-de-sac and visitors having to use that area. There are a lot of children who play in the cul-de-sac and there could be safety issues. Ms. Olson asked if the sidewalk south of the site will remain and who is responsible for maintenance of the site. Ms. Olson expressed concern over the height of the building and whether apartment residents will be able to see into surrounding homes.

Mr. Loken stated that the sidewalk will remain. There will be a fence just inside the property line maintained by the developer.

Commissioner Scanlan asked staff if traffic concerns and intersection control information could be brought forward to the next meeting.

Assistant City Engineer Acosta stated that staff will be prepared with this information at the next meeting.

Resident Beth Jensen (14120 Forest Ln.) stated her dissatisfaction with the proposal and stated that townhomes would be a better fit. This is a safe area, and she worried there would be an increase in crime due to lower rent housing.

Resident Mary Jean Charlebois (15560 Gateway Path) had concerns over the height of the building and the proposed parking as there are already issues with surrounding developments. Ms. Charlebois worried about the increase in traffic and safety concerns.

Resident Kurt Peterschmidt (15597 Garnet Way) agreed with previous comments on traffic and density increases. Mr. Peterschmidt asked how this would affect utilities in this area.

Chair Kurtz stated that utility information will be brought forward to the next meeting.

With no further comments, Chair Kurtz closed the public hearing.

5. LAND USE

None

6. OTHER BUSINESS

A. 2025 Bicycle and Pedestrian Plan Update

Assistant City Engineer Acosta and Gabrielle Grinde (Vice President of HKGI) provided a brief presentation.

B. Review of Upcoming Schedule and Other Updates

The next Planning Commission meeting is scheduled for Wednesday, August 6, 2025, 7:00 p.m. The next City Council meeting is Thursday, July 24, 2025 at 7:00 p.m.

CD Director Benetti stated that the September 17th or October 15th Planning Commission meeting will be held in the Regent Conference room as the Council Chambers will be getting sound system upgrades. He also congratulated Commissioner Sandahl on her recent presentation at the Rotary Club meeting.

7. ADJOURNMENT

Chair Kurtz asked for a motion to adjourn.

MOTION: Commissioner Scanlan moved, seconded by Commissioner Hlas, to adjourn the meeting at 8:30 p.m. Roll call vote: Ayes – 6 – Nays – 0.

Respectfully submitted,



Breanna Vincent, Planning Department Assistant

Approved by the Apple Valley Planning Commission
on 08/06/2025.

Jodi Kurtz, Chair



ITEM:
MEETING DATE:
SECTION:

4.A.
August 6, 2025
Public Hearings

Description:

Planned Development No. 1144 (PD-1144) Setback Amendment

1. Consider an ordinance amendment to Planned Development No. 1144, Zone 2 regarding the rear lot setback requirement.

Staff Contact:

Sydnee Stroeing, Associate Planner

Department / Division:

Community Development

Action Requested:

Open the public hearing, receive comments, and close the public hearing. It is the policy of the Planning Commission not to act on an item the evening of the public hearing. However, if there are no outstanding public comments or questions, and the Planning Commission concurs, staff recommends the following:

1. Recommend approval of the draft ordinance amending Article 40, Planned Development No. 1144 of the City Code by revising the rear lot setback requirement for Zone 2.

Summary:

Staff is initiating an amendment to Planned Development No. 1144 (PD-1144) regarding the rear lot setback requirements for Zone 2 of the PD. The amendment corrects the rear lot line setback requirement for the Orchard Place Apartments project based on the approved site plan.

Background:

Ordinance No. 1144, passed on April 24, 2025, established the uses and requirements for PD-1144. Zone 2 of the PD is designated for high-density, multi-family housing uses. The corresponding project to Zone 2 is Orchard Place Apartments. The site plan/building permit authorization for Orchard Place Apartments was also approved on April 24, 2025. The PD Ordinance was set up as a custom zoning district to offer flexibility on standard zoning requirements for the projects in both Zone 1 and Zone 2. The flexibility approved through the PD Ordinance regarding Zone 2 primarily included increased density, reduced parking setbacks, and landscaping reductions.

During review of the building permit for the project, it was determined that there was an oversight of the setback requirements in the approved PD-1144 Ordinance. Due to the definition of front and rear lot lines in City Code, the rear lot line is the northern lot line of the Orchard Place Apartments

property. The north (rear) lot setback on the approved site plan for the apartment project is 12'. PD-1144, Zone 2 requirements were incorrectly stated with a 50' rear lot line setback. Staff is suggesting amending this rear lot line requirement from 50' to 10' to ensure that the approved site plan and apartment building are compliant with City Code. There are no concerns from staff about this amendment as the site plan has already been reviewed and approved by the City Council.

Budget Impact:

N/A

Attachments:

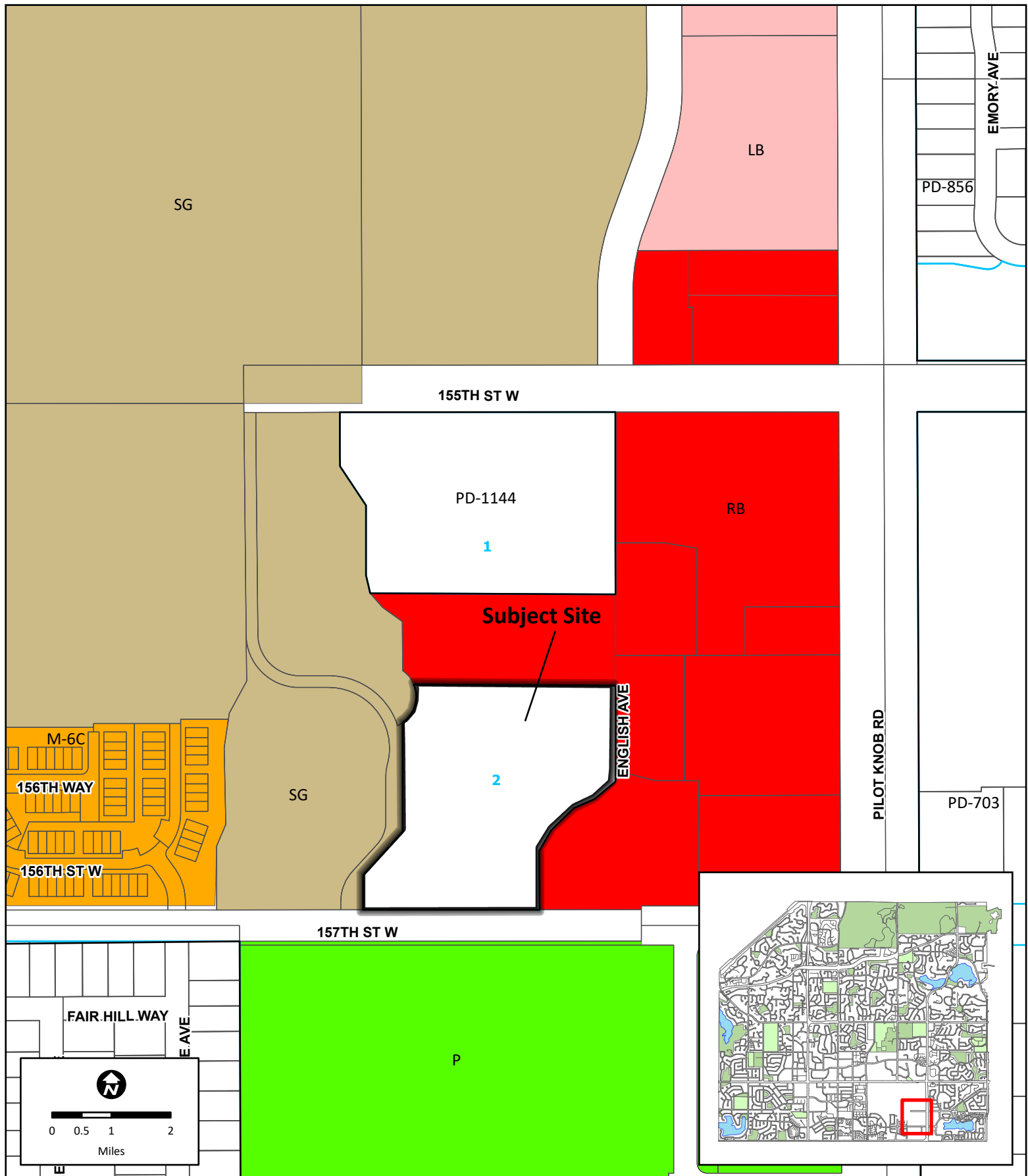
1. Location Map
2. Zoning Map
3. Approved Site Plan
4. Draft Ordinance



PD-1144, ZONE 2

CITY OF APPLE VALLEY

LOCATION MAP



SITE PLAN

KHIA PROJECT	161306000	DATE	01/29/2025	SCALE	AS SHOWN	DESIGNED BY	ACL	DRAWN BY	MJB	CHECKED BY	ACL
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PRELIMINARY

SITE DATA SUMMARY	
PROPERTY AREA (EXCLUDING OUTLOT B)	5.62 AC
PROPOSED IMPERVIOUS AREA	3.77 AC
PROPOSED PAVED AREA	1.66 AC
PROPOSED ZONING	PD (PLANNED DEVELOPMENT)
PROPOSED SURFACE PARKING	208 STALLS
PROPOSED GARAGE PARKING	138 STALLS
PROPOSED TOTAL PARKING	346 STALLS
PROPOSED BUILDING AREA (5 STOREYS)	211,590 SF
PROPOSED F.A.R.	0.88
PROPOSED BUILDING HEIGHT	55.0'
BUILDING SETBACKS	NORTH = 12' EAST = 10' SOUTH = 9' WEST = 65'

KEYNOTE LEGEND

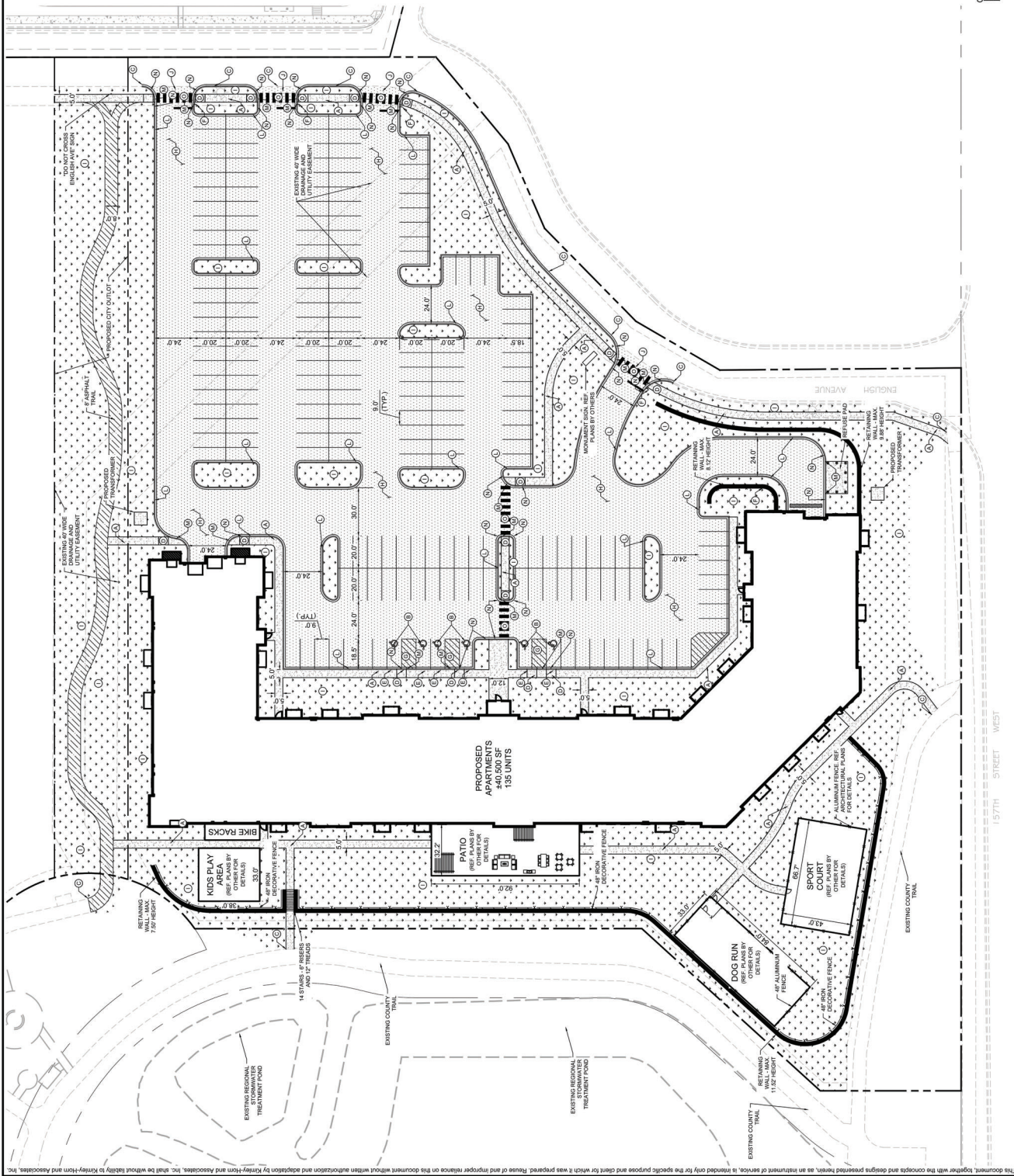
- | | |
|---|---|
| A | CONCRETE SIDEWALK |
| B | ACCESSIBLE PARKING STALL |
| C | MATCH EXISTING EDGE OF PAVEMENT CURB & GUTTER |
| D | ACCESSIBLE CURB RAMP |
| E | ACCESSIBLE PARKING SIGN |
| F | STOP SIGN AND STOP BAR |
| G | AREA STRIPED WITH 4" X 20" @ 8" @ 2' O.C. |
| H | STANDARD TWO ASPHALT PAVEMENT |
| I | LANDSCAPE AREA - SEE LANDSCAPE PLANS |
| J | COMMERCIAL DRIVEWAY APRON |
| K | HEAVY TWO ASPHALT PAVEMENT |
| L | 8"X12 CURB & GUTTER (TYP.) |
| M | FLAT CURB |
| N | TRANSITION CURB |
| O | CROSSWALK MARKING |

SITE PLAN NOTES

- [illegible]

LEGEND

- | | |
|---|---------------------------------|
|  | PROPERTY LINE |
|  | SETBACK LINE |
|  | DRAINAGE AND UTILITY EASEMENT |
|  | PROPOSED FENCE |
|  | RETAINING WALL |
|  | PROPOSED CURB AND GUTTER |
|  | STANDARD DUTY ASPHALT PAVEMENT |
|  | STANDARD DUTY CONCRETE PAVEMENT |
|  | ASPHALT TRAIL |



CITY OF APPLE VALLEY
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF APPLE VALLEY, MINNESOTA,
AMENDING CHAPTER 155-APPENDIX F, ARTICLE 40 OF THE CITY CODE BY
AMENDING THE REAR YARD SETBACK REQUIREMENT FOR PLANNED
DEVELOPMENT NO. 1144, ZONE 2

The City Council of Apple Valley ordains:

Section 1. Chapter 155-Appendix F, Article 40 of the Apple Valley City Code is amended by revising Section A40-5(A)(1) to read as follows:

§ A40-5 MINIMUM AREA STANDARDS AND REQUIREMENTS.

(A) The following standards and requirements shall be met. No improvements shall be placed on such lands unless the lands to be so used or improved shall meet the following minimum area and dimensional requirements:

(1) TABLE OF MINIMUM AREA REQUIREMENTS AND STANDARDS.

<i>Requirements</i>	<i>Zone 1</i>	<i>Zone 2</i>
Lot Dimensions		
Lot area (square feet)	40,000	245,000
Minimum Building Setbacks (measured in feet)		
Along community or neighborhood collectors	40	40
Along any private street or drive ¹	30	30
Side lot line	15	20
Rear lot line	30	50 10
Minimum Parking Setbacks (measured in feet)		
Along community or neighborhood collectors	20	20
Along any private street or drive ¹	10	10
Side lot line	5	5
Rear lot line	5	5
Maximum Impervious Surface	See § 155.350	See § 155.350
Maximum Building Height (measured in feet)	45	60

Maximum Number of Stories		5
¹ Setbacks shall be measured from the back of the curb along a private street.		

Section 2. Effective date. This ordinance shall take effect upon its passage and publication.

PASSED by the City Council this ____ day of _____, 2025.

Clint Hooppaw, Mayor

ATTEST:

Christina M. Scipioni, City Clerk



ITEM:
MEETING DATE:
SECTION:

4.B.
August 6, 2025
Public Hearings

Description:

§155.320 (Cannabis Businesses, Hemp Businesses, and Temporary Cannabis Events) Text Amendment

1. Consider an amendment to §155.320 (Cannabis Businesses, Hemp Businesses, and Temporary Cannabis Events) to address the procedure of measuring setback buffers for cannabis businesses.

Staff Contact:

Sydnee Stroeing, Associate Planner

Department / Division:

Community Development

Action Requested:

Open the public hearing, receive comments, and close the public hearing. It is the policy of the Planning Commission not to act on an item on the evening of the public hearing. However, if there are no outstanding public comments or questions, and the Planning Commission concurs, staff recommends the following:

1. Recommend approval of an ordinance amending §155.320 (Cannabis Businesses, Hemp Businesses, and Temporary Cannabis Events) to address the procedure of measuring setback buffers for cannabis businesses.

Summary:

Staff is initiating an amendment to §155.320 (Cannabis Businesses, Hemp Businesses, and Temporary Cannabis Events). The amendment will update and clarify language based on existing City policy.

Background:

§155.320 (Cannabis Businesses, Hemp Businesses, and Temporary Cannabis Events): The amendment to this Section will clarify the procedure of measuring buffers required for cannabis businesses. City policy when measuring buffers or use setbacks is from the nearest property line. This policy, as it pertains to cannabis business buffers, was reviewed by the Planning Commission in October 2024 when the Cannabis Zoning Ordinance was originally introduced. Currently, the language in §155.320 does not include the procedure that the City uses to measure the setback buffers for cannabis businesses from protected uses. Staff recommends clarifying the procedure for measuring the buffers to ensure that there is no misinterpretation of the Code provision.

Budget Impact:

N/A

Attachments:

1. Draft Ordinance

CITY OF APPLE VALLEY
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF APPLE VALLEY, MINNESOTA,
AMENDING CHAPTER 155 OF THE CITY CODE BY AMENDING SECTION
155.320 TO ADDRESS THE PROCEDURE FOR MEASUREMENT OF SETBACK
BUFFERS FOR CANNABIS BUSINESSES.

The City Council of Apple Valley ordains:

Section 1. Chapter 155 of the Apple Valley City Code is amended by revising Section 155.320(D)(3) to read as follows:

(3) *Buffers.* Buffers shall be measured by a line from the nearest point on the property boundary line of the property on which the protected use is located to the nearest property boundary line of the property on which a cannabis business is proposed to be located. Cannabis businesses shall not be located within:

* * * *

(c) One thousand feet of an existing lawful cannabis business, ~~measured by a line from the nearest point on the property boundary line of the property on which the existing business is located to the nearest property boundary line of the property on which a business is proposed to be located.~~

* * * *

Section 2. Effective date. This ordinance shall take effect upon its passage and publication.

PASSED by the City Council this ____ day of _____, 2025.

Clint Hooppaw, Mayor

ATTEST:

Christina M. Scipioni, City Clerk



ITEM:
MEETING DATE:
SECTION:

4.C.
August 6, 2025
Public Hearings

Description:

§155.397 (Variances) Text Amendment

1. Consider an amendment to §155.397 (Variances) regarding public hearing requirements.

Staff Contact:

Sydnee Stroeing, Associate Planner

Department / Division:

Community Development

Action Requested:

Open the public hearing, receive comments, and close the public hearing. It is the policy of the Planning Commission not to act on an item on the evening of the public hearing. However, if there are no outstanding public comments or questions, and the Planning Commission concurs, staff recommends the following:

1. Recommend approval of an ordinance amending §155.397 (Variances) by requiring a public hearing for variance requests.

Summary:

Staff is initiating amendments to §155.397 (Variances). The amendment will update language based on City policy that has been recently reviewed by the Planning Commission.

Background:

§155.397 (Variances): The amendment to this Section will update the public hearing requirement as directed by the Planning Commission at the July 2, 2025, meeting. Currently, §155.397(B)(4)(a) does not require public hearings for variance requests. Staff recommends holding a public hearing for all variance requests. The publication and notification process would follow the same procedure as other land use requests, which includes a published legal notice and mailing to property owners within 350 feet, a minimum of ten days prior to the hearing date.

Minnesota State Statute does not specifically require a public hearing for land use variances. However, it is common practice for cities to hold a public hearing for the benefit of adjacent property owners to be aware of a variance request. All cities in Dakota County conduct public hearings with variance applications. The hearing provides an opportunity for those affected to provide input in support of or in opposition to an application.

Budget Impact:

N/A

Attachments:

1. Draft Ordinance

CITY OF APPLE VALLEY
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF APPLE VALLEY, MINNESOTA,
AMENDING CHAPTER 155 OF THE CITY CODE BY AMENDING SECTION
155.397 REGARDING VARIANCES.

The City Council of Apple Valley ordains:

Section 1. Chapter 155 of the Apple Valley City Code is amended by revising Section 155.397(B)(4)(a) to read as follows:

(a) The Board of Appeals and Adjustments ~~may~~shall hold a public hearing on the variance request ~~if it deems it necessary or advisable~~. The procedures for the notice and public hearing shall be the same as that described in § 155.400, except that the public hearing shall be held by the Board.

Section 2. Effective date. This ordinance shall take effect upon its passage and publication.

PASSED by the City Council this ____ day of _____, 2025.

Clint Hooppaw, Mayor

ATTEST:

Christina M. Scipioni, City Clerk



ITEM:
MEETING DATE:
SECTION:

5.A.
August 6, 2025
Land Use / Action Items

Description:

Resolution Declaring City-Owned Lands (Central Village West Site) as Surplus and in Conformance with 2040 Comprehensive Plan

Staff Contact:

Tim Benetti, Community Development Director

Department / Division:

Community Development

Action Requested:

Adopt a Resolution declaring city-owned lands generally referred to as The Central Village West Site, located at 7153 - 152nd Street W. and 7169 - 153rd Street W., as surplus and in conformance with the 2040 Comprehensive Plan.

Summary:

Minnesota Statutes, Section 462.356, Subdivision 2, states: "*After a comprehensive plan has been approved by a local government unit, no publicly owned interest in real property within the municipality shall be acquired or disposed of, nor shall any capital improvement be authorized by the municipality... until after the planning agency has reviewed the proposed disposal, or capital improvement and reported in writing to the governing body..., its findings as to compliance of the proposed acquisition, disposal or improvement with the comprehensive municipal plan. The sale [disposal] of city-owned property must be reviewed by the Planning Commission, with findings forwarded to the City Council.*"

City staff hereby present the following findings that support the efforts of the City to declare a) the city-owned land as surplus; b) the land is not needed for municipal operations or other public purpose and should be sold or otherwise disposed; and c) the proposed development is in conformance or is consistent with the general goals and policies of the Apple Valley 2040 Comprehensive Plan.

2040 Comprehensive Plan: Chapter 2. Vision for Apple Valley

Key 2 - A Great Place to Live: Apple Valley is a great place to live; and we support the development of uses that provide active, healthy, and safe places for our neighborhoods and residents.

Key 3 - Business Oriented: The City works to actively attract and retain businesses to achieve the successful vision of Apple Valley, while remaining committed to our traditional high standards of quality.

Key 6 - Healthy and Active: The City's endeavors to become a model of a healthy, active, and

safe community by offering a wide range of formal and informal recreation facilities that support a multitude of active and passive recreation activities.

Key 7 - Sustainable: The proposed new Picklehall facility will be built with energy-efficient windows and building materials; bike racks and other sustainable uses; and unhealthy boulevard trees will be replaced and replanted with species more suitable for the downtown environment.

Key 8 - Accessible: The City supports a multifaceted transportation system that can accommodate automobiles, mass transit, bicycles and pedestrians. This development will provide pedestrian connections to the adjacent parking areas and existing walkways.

Key 9 - Successful Downtown: Apple Valley has a unique, identifiable, and thriving downtown. The City strives for a collection of strongly connected and experiential destinations that serve and enhance the community. The downtown area is and will continue to be a place of commerce. It is the primary location for the goods and services needed by Apple Valley residents and regional communities. The City supports the vision of a downtown area that includes a growing mixture of places to shop, work, live, and play, and which encourages engagement with the built environment at a human scale; and areas or uses that are designed to allow people to reach it and move within it on foot or bicycle.

Goals, Policies and Implementation Procedures in 2040 Plan Supporting the Use

1. Land Use & Mixed-Use Zoning Goals

- Land Use Goal 4.1 Direct development to meet the household, social, spiritual, recreational, and professional needs of the City's residents and workforce.
 - Mixed-use development is explicitly encouraged in downtown and commercial districts, aligning closely with a recreation + retail model like an indoor pickleball facility.
- Goal 4.8 The City provides a flexible framework to encourage property maintenance and facilitate infill redevelopment and adaptive reuse to sustain an attractive environment and prevent the creation of blight.
 - The City uses strategic infill development and redevelopment to improve underutilized properties and neighborhood cohesion.
 - The City will encourage redevelopment when properties are no longer cost-effective to maintain.
- Goal 4.10 Downtown development and redevelopment will enhance walking and bicycling in Apple Valley.

2. Economic Development & Commercial Recreation Goals

- The 2040 Plan prioritizes support for experiential or amenity-oriented commercial uses—which aligns with recreational facilities designed to serve residents and visitors in a walkable setting.
- The 2024 RFP called for “commercial recreation” and restaurant/commercial combined uses as desired toward building local vitality in this Central Village West site.

- The Central Village Plan's vision encourages a walkable, mixed-use urban core with complementary commercial recreation uses.
- Ensure an appropriate mix of development types and an adequate supply of land to secure new business investments consistent with the City's vision.
- Take advantage of opportunities to use public improvements and private development to enhance the image and identity of the City.
- Encourage and facilitate infill commercial and retail development on remaining vacant parcels to ensure the resource is fully utilized.
- Encourage and facilitate redevelopment of underutilized or distressed properties into viable commercial or mixed-use developments.

Background:

The Central Village West Site consists of 3.7 total acres, and is made up of two separate parcels legally described as Lot 1, Block 3 (1.67 acres) and Lot 2, Block 3 (2.03 acres), Village at Founders Circle. The subject site is located south of Apple Valley Ford, east of the Post Office, north of Risor Apartments, and west of GrandStay Hotel. It is designated as "MIX" (Mixed Use) in the 2040 Comprehensive Guide Plan and zoned PD No. 739 (Subzone 4).

Upon completion of an appraisal in early 2024, the city staff initiated a Request for Proposal (RFP) process seeking development proposals for this site. The City received three proposals, all of which were rejected by the Council. Later, on March 13, 2025, city staff presented a letter of intent from Markid Properties to purchase and develop an indoor pickleball facility on the site. The Council unanimously supported Markid Properties' purchase and directed the City Attorney to draft an official purchase agreement. Markid Properties submitted a full-value offer of \$2,500,000, aligning with the highest and best value range determined by the appraisal.

Markid is proposing to develop the subject properties with a new 56,500 sq. ft. indoor pickleball facility, food and beer hall with limited outdoor amenities, referred to as the "Picklehall" development.

Budget Impact:

N/A

Attachments:

1. PC Res. City Land Declared Surplus_Markid_PickleHall (08-06-2025)
2. Location Map - Village of Founder's Circle

**CITY OF APPLE VALLEY
PLANNING COMMISSION RESOLUTION NO. 2025-01**

**A RESOLUTION DECLARING CERTAIN CITY-OWNED LAND
AS HAVING NO PUBLIC PURPOSE NEEDS AND THE PROPOSED
SALE IS IN CONFORMANCE WITH THE 2040 COMPREHENSIVE PLAN
PURSUANT TO MINN. STAT. § 462.356**

WHEREAS, Minnesota Statutes, Section 462.356, Subdivision 2, charges the Planning Commission with the review of any City action relating to the acquisition or disposal of city owned interest in real property or the authorization of any capital improvement thereto to determine such action's compliance with the local Comprehensive Plan; and

WHEREAS, the City of Apple Valley, MN (the "City") owns real property identified as Lot 1, Block 3, VILLAGE AT FOUNDERS CIRCLE, Dakota County, MN/ Parcel ID Number 01-81750-03-010 / 7153 152nd Street W., Apple Valley, MN 55124 and Lot 2, Block 3, VILLAGE AT FOUNDERS CIRCLE, Dakota County, MN / Parcel ID Number 01-81750-03-02 / 7169 153rd Street W., Apple Valley, MN 55124, (the "Property"); and

WHEREAS, the City is considering an action for which the Planning Commission is charged to review, pursuant to Minnesota Statutes, the sale or disposal of city-owned property; and

WHEREAS, City staff have evaluated the Property and recommended it be declared excess and deemed no longer needed for municipal operations or other public purpose; and

WHEREAS, a fair market value has been determined pursuant to an appraisal by a qualified, Minnesota licensed appraiser; and

WHEREAS, the Apple Valley City Council had directed staff to review and negotiate the proposed purchase agreement received from Markid Properties II, LLC; and

WHEREAS, the City has entered into a Sale and Purchase Agreement with Markid Properties II, LLC, (the "Buyer") for the Property subject to the Buyer developing the Property with a new 56,500 sq. ft. indoor pickleball facility, food and beer hall and outdoor amenities (the "Development"); and

WHEREAS, the Planning Commission reviewed the proposed sale and disposal of the Property at its regular meeting on August 6, 2025; and

WHEREAS, the Planning Commission held a public hearing and reviewed the Site and Building Plan for the proposed Development at its regular meeting on July 2, 2025, along with an Ordinance Amendment to Planned Development No. 739 and a final plat reconfiguring the Property as *Village at Founders Circle 3rd Addition*; and

WHEREAS, upon review, the Planning Commission finds that there is no public purpose for the Property and finds the proposed sale and disposal of the Property to be in the city's and its residents' best interest; and

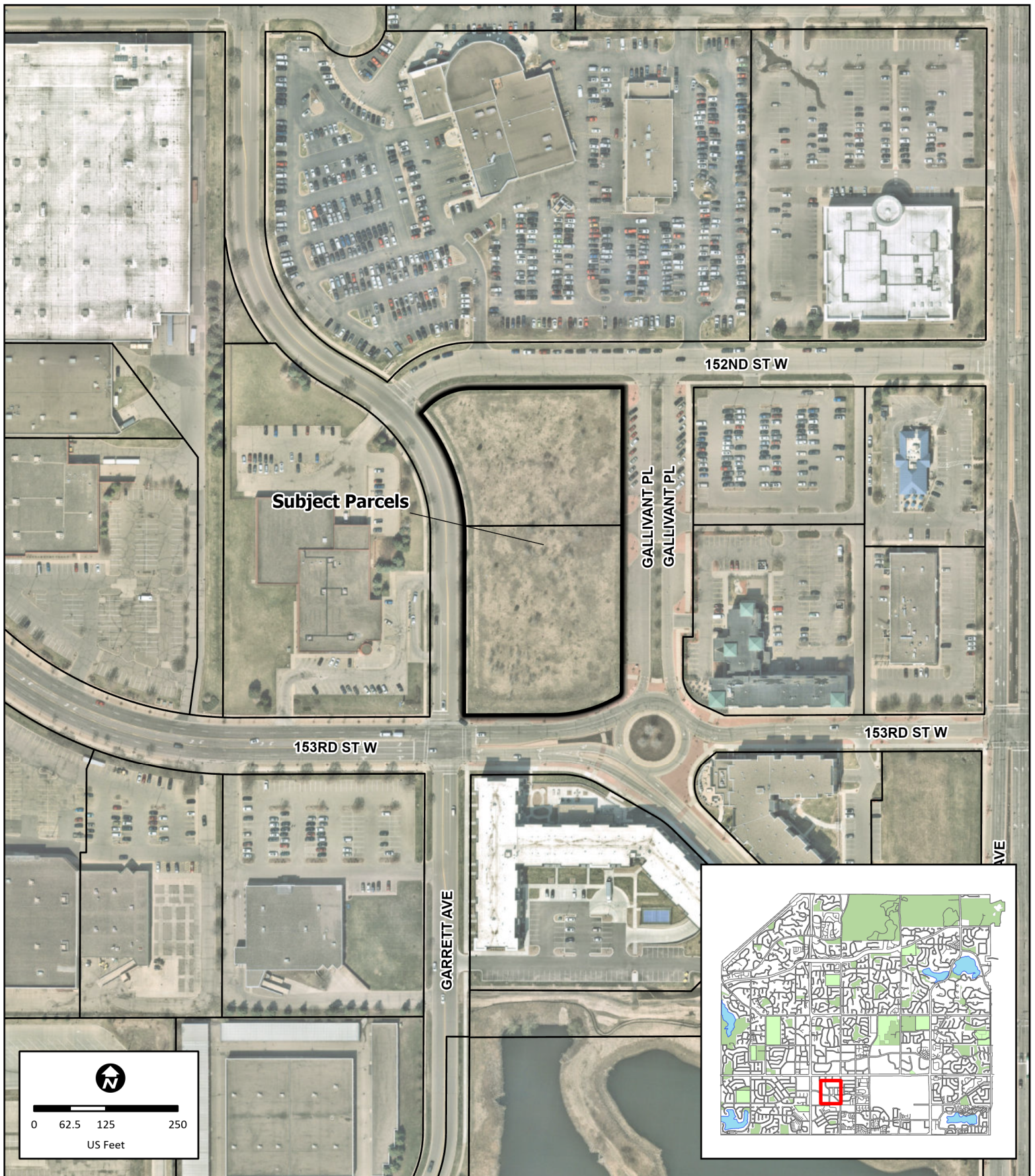
WHEREAS, upon review, the Planning Commission finds that the proposed Development is consistent with the goals, policies, and implementation procedures of the Apple Valley 2040 Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Apple Valley that the City Council of Apple Valley be advised as follows:

- 1) The Property is not needed for municipal operations or other public purpose and should be sold or otherwise disposed.
- 2) The proposed sale and disposal of the Property, subject to the proposed Development as described in the Sale and Purchase Agreement, is in conformance with the Apple Valley 2040 Comprehensive Plan.

ADOPTED this 6th day of August, 2025

Jodi Kurtz, Chair





ITEM:
MEETING DATE:
SECTION:

6.A.
August 6, 2025
Other Business

Description:

Review of Upcoming Schedule and Other Updates
Planning Commission - Wednesday, August 20, 2025 - 7:00 p.m.
Planning Commission - Wednesday, September 3, 2025 - 7:00 p.m.
City Council - Thursday, August 14, 2025 - 7:00 p.m.
City Council - Thursday, August 28, 2025 - 7:00 p.m.

Staff Contact:

Breanna Vincent, Department Assistant

Department / Division:

Community Development

Action Requested:

N/A

Summary:**Next Planning Commission Meetings:**

Wednesday, August 20, 2025 - 7:00 p.m.
Applications due by 9:00 a.m. on Wednesday, July 23, 2025.

Wednesday, September 3, 2025 - 7:00 p.m.
Applications due by 9:00 a.m. on Wednesday, August 6, 2025.

Next City Council Meetings:

Thursday, August 14, 2025 - 7:00 p.m.
Thursday, August 28, 2025 - 7:00 p.m.

Background:

N/A

Budget Impact:

N/A

Attachments:

None