



AGENDA

Planning Commission Meeting

4:30 PM - Thursday, May 28, 2026
City Hall Council Chambers

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| 1. CALL TO ORDER | |
| 2. APPROVAL OF MINUTES | |
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| 3. PUBLIC HEARING | |
| 3.1. M & D Properties, LLC and Wels Rezoning Request Wels - M and D Properties LLC - Rezoning - Staff Report with Attachments | 6 - 24 |
| 3.2. M & D Properties, LLC and Wels Variance Request Wels - M and D Properties - Variance Staff Report with Attachments_Optimized | 25 - 46 |
| 4. REPORTS | |
| 4.1. Current Status of Planning Commission Approved Projects | |
| 4.2. City Council decisions concerning Planning Commission Matters in May, 2026 | |
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| 5. ADJOURNMENT | |

MINUTES OF THE REGULAR MEETING
OF THE NEW ULM PLANNING COMMISSION
HELD THURSDAY, APRIL 30, 2026 AT 4:30 P.M.
IN THE CITY COUNCIL CHAMBERS IN CITY HALL

MEMBERS PRESENT

Bill Turnblad, Chair
Joe Schotzko
Michelle Sellner
Larry Mack
Bobbi Fuhr
Linda Beck

MEMBERS ABSENT

Cate Macho

STAFF PRESENT

John Knisley, Planner
David Schnobrich, Community Development Director
Ellwood Zabel, Building Official

1. CALL TO ORDER

Chair Turnblad called the meeting to order at 4:30 p.m. He noted that there was a quorum present.

2. APPROVAL OF MINUTES

2.1 March 26, 2026 Planning Commission Minutes

Chair Turnblad asked if there were any corrections or comments on the February 26th meeting minutes. There being none, Ms. Beck made a motion to accept the minutes as presented. Ms. Fuhr seconded the motion, and all voted aye.

3. PUBLIC HEARINGS

3.1 Variance Request – 900 5th South Street

The Commission considered the application of Mr. Joesph Deml to allow the construction of a residential dwelling addition seven feet (7') from the front yard property line abutting South Franklin Street. Mr. Deml is also the property owner. The street address of the property is 900 5th South Street. The property has a legal description of Lot 7, Block 146 South of Center Street.

Mr. Knisley presented the staff report. He provided the following additional information:

- In addition to the single-family home located on this lot, there is also a detached structure near the alley that formerly was an old barn.
- The total square footage of the proposed addition is approximately 800 square feet.
- Mr. Deml also owns Lot 6 to the north of Lot 7, and this property has utility services.
- The next home to the north is located 27' from the front property line.
- The zoning ordinance allows for "front yard averaging" in this location. This requirement would limit the proposed home addition to 17' from the front property line. This would be 10' behind the existing home. This would cause a 10' reduction in the required front yard setback.

Mr. Knisley noted that staff does not believe the variance request on its own would be injurious to other properties in the vicinity. He further stated that the request being made was a reasonable use of the property and will not change the essential character of the neighborhood.

The staff and Commission members reviewed the following attachments on the overhead monitor:

Attachment 1: Application and Site/Building Plan. Mr. Knisley commented that he measured all of the homes on that side of the street and they ranged from 16' to 27' from the front property line.

Attachment 2: Site Location Map

Attachment 3: Zoning Map

Attachment 4: Site Map

Attachment 5: Ground Level Photographs of the Property

Attachment 6: Findings of Fact Form

The staff and Commission reviewed the following conditions, if the application was recommended for approval:

1. The applicant will pay the cost to record the variance with the Brown County Recorder's Office.
2. The applicant will contact the City to certify the location of the addition once it is staked for construction.

Mr. Turnblad asked if there were any questions. There being none, he opened the Public Hearing.

Mr. Joseph Deml, 900 5th South Street, remarked that Mr. Knisley's had pretty much stated everything. He commented that he wanted to get everything on the first floor. He commented that as he got older, he wouldn't be able to move around as well. He explained that his bathroom was in the basement and the steps to the basement were like a ladder.

Mr. Mack noted that he didn't see any issues. Ms. Beck and Ms. Fuhr agreed. Chair Turnblad did flag one of the Findings of Fact. He asked the Commission to further discuss item nine in the Findings of Fact form. Mr. Turnblad noted that it was a negative finding. He believed the response to item nine should be, "yes" rather than "no" since the practical difficulty in this case is that the house has been there since 1888, which makes using the property according to the Code nearly impossible. He remarked since what was being proposed doesn't bring the home any closer to the street, it respects the existing setback. Mr. Turnblad feels that the practical difficulty finding is met and that the response should be "yes".

Mr. Knisley stated that the reason for the answer of "no" to item nine in the Findings of Facts was because when staff looked at this site, one of the things that needs to be taken into consideration in granting a variance was the existence of other open space on the property where this addition could be located. He commented that staff believe there are other locations that would meet what the applicant wants to do. Mr. Knisley stated that he also sees Mr. Turnblad's point. Mr. Turnblad commented that it was difficult to use the layout for the home with the required setback and it doesn't flow in any practical sense. He felt that the finding was affirmatively met.

Mr. Turnblad asked the Commission if everyone had completely read the Findings of Fact form included in the agenda packet and if they agreed with those Findings with the exception of item nine. All Commission members stated that they accepted the Findings of Fact as presented with the exclusion of item nine, and all agreed to waive the reading of the form.

Mr. Schotzko made a motion to change the response for number nine to "yes" based on the fact that it would be difficult to construct an addition for single level living at the 30' setback. Ms. Sellner seconded the motion, and all voted aye.

Mr. Schotzko then made a motion to recommend approval with conditions the Variance request of Joseph Deml to construct a home addition 7' from the front yard property line abutting South Franklin Street on the property legally described as Lot 7, Block 146, South of Center Street. Ms. Fuhr seconded the motion, and all voted aye.

4. OLD BUSINESS

4.1 Use Considerations in the B-3 (Community Business)Zoning District

Mr. Schnobrich stated that at last month's meeting, staff presented a list of potential uses that could be considered as acceptable for a large vacant commercial space that was currently located in the B-3 (Community Business) zoning district. Staff considered both the B-2 and light industrial zoning districts for land uses that would be appropriate in this district. The Commission and staff have reviewed the list. Mr. Schnobrich then asked for an opportunity to further examine the listed land uses, refine them further and look at possible performance standards and what could be applied in the B-3 zone. The result will be presented to the Commission at their next meeting.

He provided additional information on this subject. He noted that the City currently has six buildings with over 50,000 square feet. Four of those were located in the B-3 zone. Only one was either vacant or partially vacant. He asked if the City should limit the new regulations to new and/or existing buildings. In the B-3 zone, there were 39 permitted uses and 14 conditional uses.

He reviewed with the Commission the 13 land uses that were previously listed as being suitable in the B-3 zone with a Conditional Use Permit (CUP). He recommended the following:

1. Modify the definition for Agriculture and possibly for Landscaping/Nursery Business.
2. Remove from the zoning ordinance the following definitions: Bus Garage and Wholesale.
3. Allow as a CUP the following land uses: Minor Manufacturing, Repair Establishment, Research, Development/Testing Laboratory, Self-Storage, Transportation Services, Wholesale Sales and Industrial Services (General).
4. Currently Allowed: Warehouse & Distribution Facility with a CUP.

He noted that he had compiled a list of 29 potential performance standards. Each current zoning district also has up to 7 Development Standards. The Commission could also use conditions as part of the CUP process in place of performance standards. In researching this matter, he had found a zoning district labeled Industrial/Commercial. The cities of North Mankato and Hutchinson had this type of zoning district, and it included a list of commercial and industrial land uses that were either permitted or were allowed by CUP. He reported that staff were interested in the Commission's viewpoint on this matter.

Chair Turnblad noted that the City was attempting to fix a problem and should limit the new uses to certain buildings within the community based on size. He suggested using more than 50,000 square feet as the minimum building size. The uses would be allowed by CUP. He cautioned that the Commission should take care in the City's approach to defining specifications with existing buildings. Staff agreed that using the CUP process would be the most appropriate approach for this matter.

The Commission stated that multiple uses would be acceptable in a qualifying building. The Commission agreed that the next step would be to draft an ordinance and conduct a public hearing which would present the ordinance to the Commission and the public. The Commission agreed that the staff should draft an ordinance with the proposed changes. Mr. Mack noted the importance of identifying the size of the building that these changes would apply to. Mr. Knisley remarked that the property owner will find more land uses options to be useful. He explained the parking requirements and how they would be applied to a land use. He noted that Burger King had public street access.

5. REPORTS

5.1 City Council Decisions concerning Planning Commission matters in April, 2026

At the City Council's April 7th meeting.

- Received the Herman Monument Reconstruction and Cost Estimate report. Staff have been authorized to pursue funding strategies.
- Approved a Conditional Use Permit for Craig Portner at 1016 North Valley Street for a garage on a lot with no permitted use on it.
- Approved a Conditional Use Permit for the Scooter's Coffee Drive-Through service.
- Awarded the annual contract for public improvements for City projects for \$2.4 million.
- Awarded the contract for the airport crosswind runway, contingent on receiving the federal and state companion grant. The cost is \$1.6 million.
- Approved plans and specifications for a new trap range building.

At the City Council's April 21st meeting

- There was nothing of significance to report.

5.2 Heritage Preservation Commission Activities

- Approved a design review for Golden Home Care, 6 North Minnesota Street, for repainting the exterior of the building.

6. ADJOURNMENT

The meeting was adjourned at 5:34 p.m.

Respectfully submitted,

Linda Beck
Secretary

TO: New Ulm Planning Commission
FROM: David Schnobrich, Community Development Director
John Knisley, Planner
DATE: May 27, 2026

REQUEST: **PUBLIC HEARING – REZONING FROM A-OS (AGRICULTURAL – OPEN SPACE) TO R-3 (MEDIUM DENSITY RESIDENCE DISTRICT)**

Applicant: M & D Properties, LLC
Property Owner: Adam & Shanna Wels

Legal Description: Lot 1, Block 1, Wels Subdivision

Street Addresses: 2405 North Highland Avenue

Note:

- In 2024, the property was petitioned for annexation.
- The City Council subsequently approved the annexation petition.
- As required by the City’s Zoning Ordinance, the property is zoned A-OS at the time of it’s annexation.
- The approval of a change in the zoning of the property from A-OS must follow the established rezoning process.

A. BACKGROUND/INFORMATION

Deadline for Decision: July 10, 2026

Land Use Designation: Medium Density Residential
(Comprehensive Plan)

Surrounding Land Uses (Comprehensive Plan): North – Medium & High Density Residential
East – Medium, High and Low Density Residential
South – Low Density Residential
West –Medium and Low Density Residential

Zoning Designation: Current Zoning: A-OS (Agricultural & Open Space)
Requested Zoning: R-3 (Medium Density Residence District)

Surrounding Zoning: North – Brown County—A-1 (Agriculture)
East – R-3 (Medium Density Residence District), R-4 (High Density Residence District) and R-1 (Single Family Residence District)
South - R-1
West – R-3 and R-1

Current Site Use: Undeveloped

Current Area Uses: North – Brown County – Undeveloped & Wooded Hillside
East – Undeveloped, Vista Prairie at Ridgeway on 23rd, Traulich Estates, Single- Family Dwellings
South – Single-Family Dwellings, Twin Homes, Railroad, Undeveloped, Park
West – Townhomes (6 buildings – 4 units per building) Single-Family Dwellings and Undeveloped

Notice: Provided to all property owners within 350’ of the subject property and published in the Journal on May 16, 2026.

Public Comment:

Status of Utilities: Utilities are located in North Highland Avenue and to the north of the property. The existing utilities in North Highland Avenue can serve the lot being considered for rezoning.

Park Area: The Comprehensive Plan does not recommend a park within the area recommended for rezoning.

B. SITE DESCRIPTION / USE

Comprehensive Plan

As noted earlier, the property is designated as Medium Density Residential (MDR) in the City’s Comprehensive Plan. The property proposed for rezoning is part of a larger area assigned this land use classification. The Comprehensive Plan states that the MDR “includes a range of housing types, such as single family detached and attached housing, twin homes, townhomes, duplexes, row-houses, and moderate density multi-family housing consisting of attached and detached housing units. The density range for this category is between one and twelve units per acre”.

In the 1996 Comprehensive Plan, this area was designated for a Park. The 2007 Plan placed this property in a Medium Density Residential category. The 2024 Plan again designated the property as Medium Density Residential.

Zoning

The property was in Milford Township until its annexation in 2024. Prior to that time, Brown County had zoned the property A-1 Agriculture. As is typical with the annexation of property, it was placed in the A-OS zoning district in 2024.

- The purpose of the A-OS (Agricultural-Open Space) zoning district is to provide areas that will: 1) be retained in agricultural use in advance of the need for these lands for urban purposes; 2) prevent scattered non-agricultural uses from developing improperly; 3) secure economy in governmental expenditures for public utilities and services; 4) prevent inappropriate development in flood hazard areas of the Minnesota and Cottonwood Rivers; and 5) provide locations for public and semi-public uses.
- The purpose of the R-3 (Medium Density Residence District) is to provide medium density housing including one and two unit dwelling units along with directly related complementary uses.

Project Information

- The property proposed for rezoning is 1.90 acres in size or 82,764 square feet.
- The rezoning of the property would permit the construction of four, 4 unit buildings (16 total dwelling units. A variance is required for the 16th unit), two detached garages, and a stormwater retention pond.
- The developer is proposing to construct a private driving lane from the north property line, veering to the south and then passing through the proposed development and intersecting with North Highland Avenue. See attached site plan.
- The development plan would include a 40-stall off-street parking lot. The zoning ordinance requires 32 Off-street parking stalls or 2 per unit).
- The property will be required to provide site landscaping and meet the provisions found in Section 10.2.C.3.b of the zoning ordinance.
- Screening will also need to be provided along the south property line and in other locations abutting property zoned R-1. The screening provisions are found in Section 10.2.D.3.h. of the zoning ordinance and the owner can provide screening via landscape plantings or a solid fence.

- The project site can be subdivided as follows: 46% grass or ground cover, 33% is pavement, 18% will be buildings, and 3% will be a storm water retention pond. These figures were rounded in determining the final numbers.
- The south building wall will be 70' from the south property line of the parcel and the driving lane will be 9.5' north of parcel property line.

2024 Comprehensive Plan Statements on Current Housing Trends

- Population growth is anticipated to continue in New Ulm during the next decade.
- The median price of homes for sale (\$290,000) would require a higher income than New Ulm’s 2022 median income (\$72,819) can afford. Higher interest rates can place additional pressure on potential buyers’ budgets.
- High construction and material costs make it challenging for builders to deliver new single-family homes for less than \$300,000.
- There is a growing demand for a variety of housing types, including townhouses and twin homes.
- The rental vacancy rate, including market-rate, affordable and subsidized housing in New Ulm was 0.8%, which is significantly lower than the industry standard of 5 to 7%.
- There is a strong demand for a wider range of rental housing options.
- Three- or four-unit buildings in 2022 made up 2.6% of the New Ulm’s housing stock.
- The Comprehensive Plan also contains a statement that City regulations should protect neighborhoods from incompatible land uses through effective zoning and city code requirements.

C. APPLICATION INFORMATION

Rezoning Criteria:

- + Pursuant to Minnesota law established by the Minnesota Supreme Court, decisions on rezoning requests must be based on consideration of the following criteria:
 - o **Whether the proposed rezoning corrects an error in the original zoning text or map; or**
 - o **Whether the proposed rezoning addresses needs arising from a changing condition, trend, or fact affecting the subject property and surrounding area.**
- + The rezoning must meet one of the two criteria described above.
- + Of the two criteria, the proposed rezoning does not correct an error in the original zoning text or map. As a result, the rezoning can only be approved if it addresses a changing condition, trend or fact affecting the property and surrounding area.
- + A third criterion to be considered following a decision on the first two is whether the proposed rezoning is consistent with achieving the goals and objectives outlined in the 2024 Comprehensive Plan.
- + It is the responsibility of the petitioner to provide information justifying their request to the Planning Commission.
- + The proposed rezoning from A-OS to R-3 addresses a need or trend for additional housing that is being sought in the community. The proposed rezoning to R-3 is consistent with the Medium Density Land Use designation found in the Comprehensive Plan.

D. STAFF RECOMMENDATION

The staff would recommend approval of the rezoning request for the following reasons:

1. In 2022, the rental vacancy rate, including market-rate, affordable, and subsidized housing in New Ulm was 0.8%, which is significantly lower than the industry standard of 5 to 7%. The existing rental rate indicates a need for additional housing units.
2. The proposed rezoning from A-OS to R-3 addresses a need or trend for additional housing that is being sought for the community.

3. A proposed townhouse project with 15 units qualifies as a permitted use in this proposed R-3 zoning district.
4. The proposed rezoning from A-OS to R-3 addresses a need or trend for additional housing that is being sought for the community.
5. New single-family housing because of cost is currently not a viable housing option for many New Ulm residents that currently rent. Appropriately sized multi-family housing is one of the few viable options for new housing in the community.
6. Land uses that abut the property on the north, east and west are zoned medium or high density residential. The proposed rezoning would be compatible with those adjoining zoning districts. The property is a suitable location for medium density development.
7. According to the 2022 Housing Study, a changing condition would be that the subject property is now available for medium density residential development due to the availability of utilities and street access.
8. Another changing condition is the need for additional housing in appropriate locations in the community.
9. The community has a need for additional medium density residential zoned space. At this time property zoned for low density residential makes up 91.2% of all residential property, medium density 3.4% and high density 5.4%.
10. The New Ulm projected general occupancy demand between 2022 and 2030 is 364 units. The projected senior demand from 2022 to 2027 is 440 units. The total need for housing units would be 804. Residential development to date would need to be subtracted from this number.
11. Since 2022, the City has issued building permits for a net of 167 units. To reach the housing goals in the Housing Study by 2030, the City will need to construct a total of 637 additional dwelling units.

These factors are evidence of a changing condition, need, trend or fact that justify the rezoning.

E. ATTACHMENTS

- Attachment 1: Rezoning Petition and Application
- Attachment 2: Site Location Map
- Attachment 3: Zoning Map of the Area
- Attachment 4: Site Map
- Attachment 5: Land Use Map
- Attachment 6: Ground level photographs of the property
- Attachment 7: Findings of Fact form

RECOMMENDED CONDITIONS:

1. The south property line abutting the R-1 zoned property shall be screened as required in Section 10.2.D of the Zoning Ordinance.
2. A stormwater plan showing how both Lot 1, Block 1, Wels Subdivision and Lot 1, Block 2, Lakeside Addition will meet appropriate engineering standards for this shared facility.
3. Provide appropriate private cross-easements between Lot 1, Block 1 Wels Subdivision and Lot 1, Block 2, Lakeside Addition including but not limited to stormwater utilities, water, sanitary sewer, parking and garage access, and private drive.

F. POTENTIAL MOTIONS

Motion by _____, second by _____ to recommend approval of the request of Adam and Shanna Wels to rezone the property legally described as Lot 1, Block 1, Wels Subdivision from A-OS (Agricultural- Open Space) to R-3 (Medium Density Residence District).

-OR-

Motion by _____, second by _____ to recommend denial of the request of Adam and Shanna Wels to rezone the property legally described as Lot 1, Block 1, Wels Subdivision from A-OS (Agricultural- Open Space) to R-3 (Medium Density Residence District).
(Reasons to be provided by the Planning Commission).



ZONING ORDINANCE TEXT OR ZONING MAP AMENDMENT

City of New Ulm Community Development Department
100 North Broadway
New Ulm, Minnesota 56073
Web Site: www.newulmmn.gov
Telephone: (507) 359-8245
Fax: (507) 359-8306
Hours: M-F 8 a.m.- 4:30 p.m.

APPLICATION FEE: \$350.00 Make check payable to "City of New Ulm."
Application fee must be provided at the time of application.

Date received: MAY 11 REC'D
Fee paid: MAY 11 REC'D
Permit #: _____

Please print.

APPLICANT

NAME: M&D Properties LLC EMAIL ADDRESS: paulakral@hotmail.com
ADDRESS: 2107 N. Highland Ave PHONE NUMBER: 507-217-9470
New Ulm, MN 56073

PROPERTY OWNER (If different from Applicant)

NAME: Adam + Shanna Wels EMAIL ADDRESS: adamwelslawncare@gmail.com
ADDRESS: 56997 412nd St. PHONE NUMBER: 507-276-3602
New Ulm, MN 56073

PROPERTY INFORMATION

PROPERTY ADDRESS: 2405 N. Highland Ave
FULL LEGAL DESCRIPTION: WELS SUBDIVISION LOT-1 BLOCK-1
001.930.001.01.010
ACREAGE/SIZE: 1.9 Acres
CURRENT ZONING TEXT: A-OS Agriculture-Open Space
PROPOSED ZONING TEXT AMENDMENT: R-3 Medium Density Residential
CURRENT ZONING OF PROPERTY: A-OS PROPOSED ZONING OF PROPERTY: R-3

NARRATIVE EXPLAINING THE REQUESTED MODIFICATION AND THE REASONS ARE SUPPORTED BY THE COMPREHENSIVE PLAN:

Proposed rezoning from A-OS to R-3 to allow acre to be developed into residential units compatible to adjoining R-3 zoned properties.

INCLUDE THE FOLLOWING INFORMATION WITH YOUR APPLICATION

- MAP OF PROPERTIES TO BE CHANGED TO DIFFERENT ZONING DESIGNATION
- SPECIFIC TEXT AND/OR MAPS TO BE AMENDED
- ADDRESSES OF PROPERTIES AND LAND USES FOR ADJACENT PROPERTIES
- SITE PHOTOS

Planning Commission Meeting Date: _____

REQUIREMENTS FOR APPROVAL

The City's Land Use Regulations (Appendix A of the City Code) provide standards to evaluate your Variance request. An incomplete application will not be accepted. Please answer the following questions as they relate to your request. (If more space is needed, attach a separate sheet.)

1. In your opinion, does the proposed amendment correct an error or address a need resulting from a changing condition, trend or fact arising since the adoption of the Comprehensive Plan?
 Yes (X) No () Why or why not? Address the housing demand.

2. In your opinion, is the proposed amendment consistent with the goals, objectives, and policies of the Comprehensive Plan?
 Yes (X) No () Why or why not? It is consistent

3. In your opinion, does the proposed amendment address a demonstrated community need?
 Yes (X) No () Why or why not? Address the housing demand

4. In your opinion, will the proposed amendment provide a public benefit and protect the health, safety, morals and general welfare of the public?
 Yes (X) No () Why or why not? It will provide additional housing options to the public in a safe and established complex.

5. In your opinion, will the proposed amendment impact the natural or built environment (e.g. air, water, noise, stormwater, wildlife habitat, water quality, vegetation, drainage, streets) ?
 Yes (X) No () Explain. It will benefit the existing drainage by rerouting excessive runoff to holding areas instead of washing out sidewalks.

6. In your opinion, will the proposed amendment result in a logical, orderly and predictable development pattern?
 Yes (X) No () Explain. Having a designated area to the complex keep traffic orderly + predictable.

7. In your opinion, is the proposed amendment consistent with the purpose of Appendix A of the City Code?
 Yes (X) No () Why or why not? This proposal is very compatible with the adjoining properties.

In order to approve a Comprehensive Plan Amendment, the Planning Commission and City Council must make a finding that the Amendment request complies with the above standards. The Applicant has the burden of proof to show that all of the standards listed above have been satisfied.

The undersigned certifies that he/she is familiar with application fees and other associated costs, and also with the procedural requirements of the City Code and other applicable ordinances. (Both signatures are required if the Applicant is not the Property Owner.)

Paula Khal - MJD Properties LLC
 Applicant's Signature

5/11/26
 Date

[Signature]
 Property Owner's Signature

5-11-26
 Date

STATE OF MINNESOTA

CITY OF NEW ULM
BEFORE THE PLANNING COMMISSION

IN THE MATTER OF THE PETITION OF
WELS FAMILY OF THE CITY OF NEW ULM,
MINNESOTA TO REZONE THE PROPERTY LEGALLY DESCRIBED AS LOT 1, BLOCK
1 WELS SUBDIVISION IN THE CITY OF NEW ULM, BROWN COUNTY, MINNESOTA A-
OS (Agricultural-Open Space) TO R-3 (Medium Density Residential)

PETITION

Your Petitioner, Adam and Shanna Wels, Owners of above listed property, respectfully states
and represents as follows:

I

That Adam and Shanna Wels is the owner of the real estate legally described as Lot 1 Block 1
WELS SUBDIVISION, incorporated by reference herein ("Property")

II

That the Property is presently zoned A-OS

III

That the Wels Family desires to have the zoning of this property changed to R-3

IV

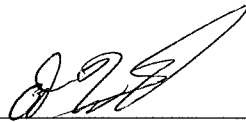
That the area to be rezone to R-3 is legally described on Exhibit A

V

That the proposed rezoning to R-3 will allow residential units in this area and still remain
compatible with the adjoining R-3 zoned properties.

That attached to and made a part of the petition is a plan sheet showing the location of the
property proposed for rezoning and lands located within 350 feet thereof.

Dated: May 11, 2026

By:  _____

Adam Wels- Owner

EXHIBIT A

LEGAL DESCRIPTION

WELS SUBDIVISION LOT-1 BLOCK-1 1.90 AC

PARCEL ID: 00193000101010



00193000101010

Zoning Map

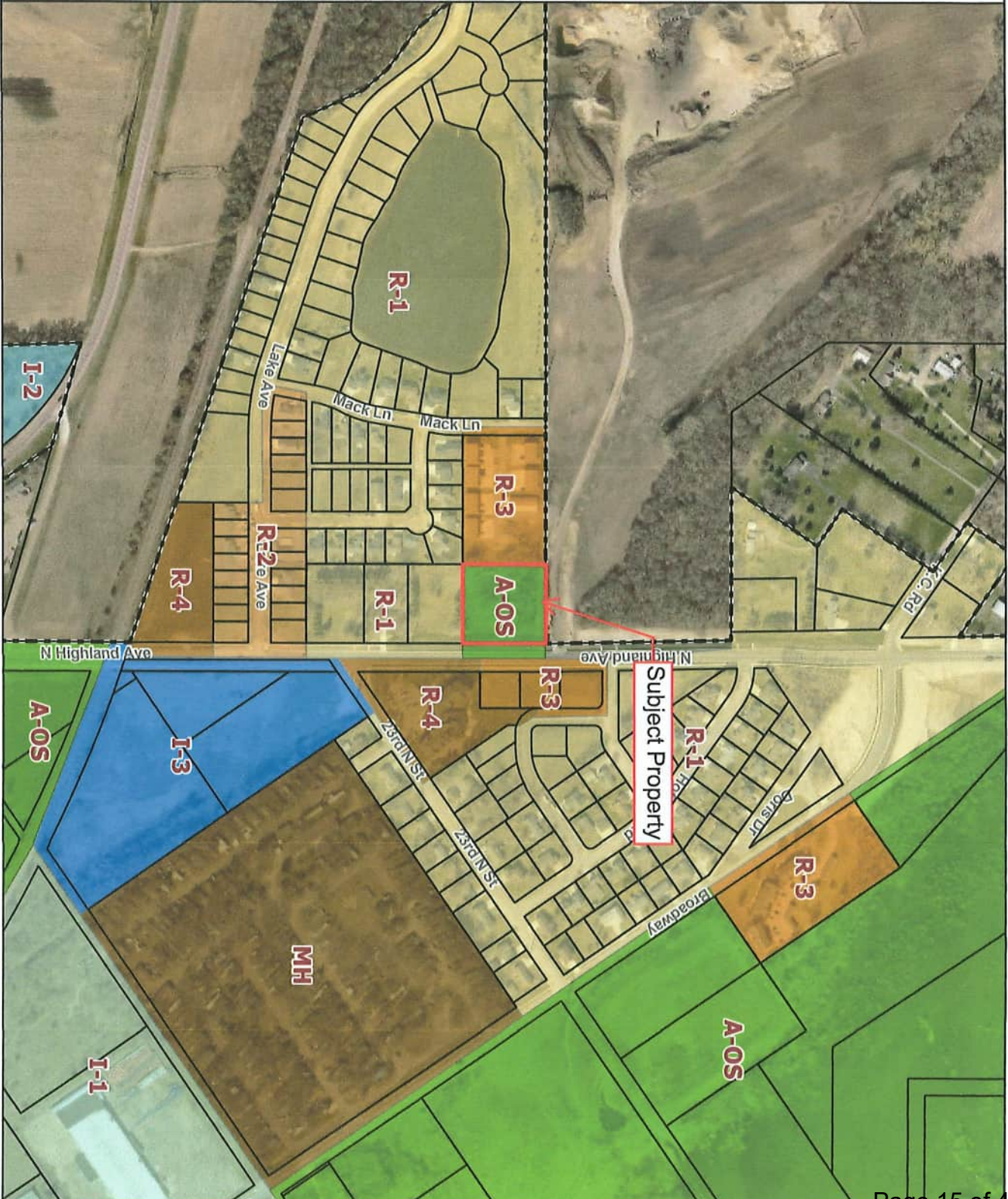
May 2026

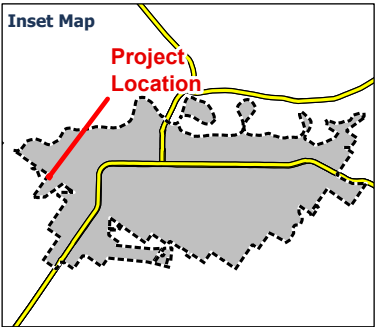
Source: Brown County, MdDOT, MdDNR

0 500 Feet



Legend

- A-OS
- B-1
- B-2
- B-3
- B-4
- CM
- I-1
- I-2
- I-3
- INS-E
- INS-M
- INS-O
- MH
- MU-E
- MU-T
- R-1
- R-1S
- R-2
- R-3
- R-4
- RT-1
- RT-2
- Subject Property
- City Limits





Legend 

-  Subject Property
-  Parcels



0 500 Feet

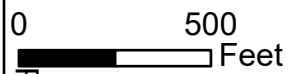
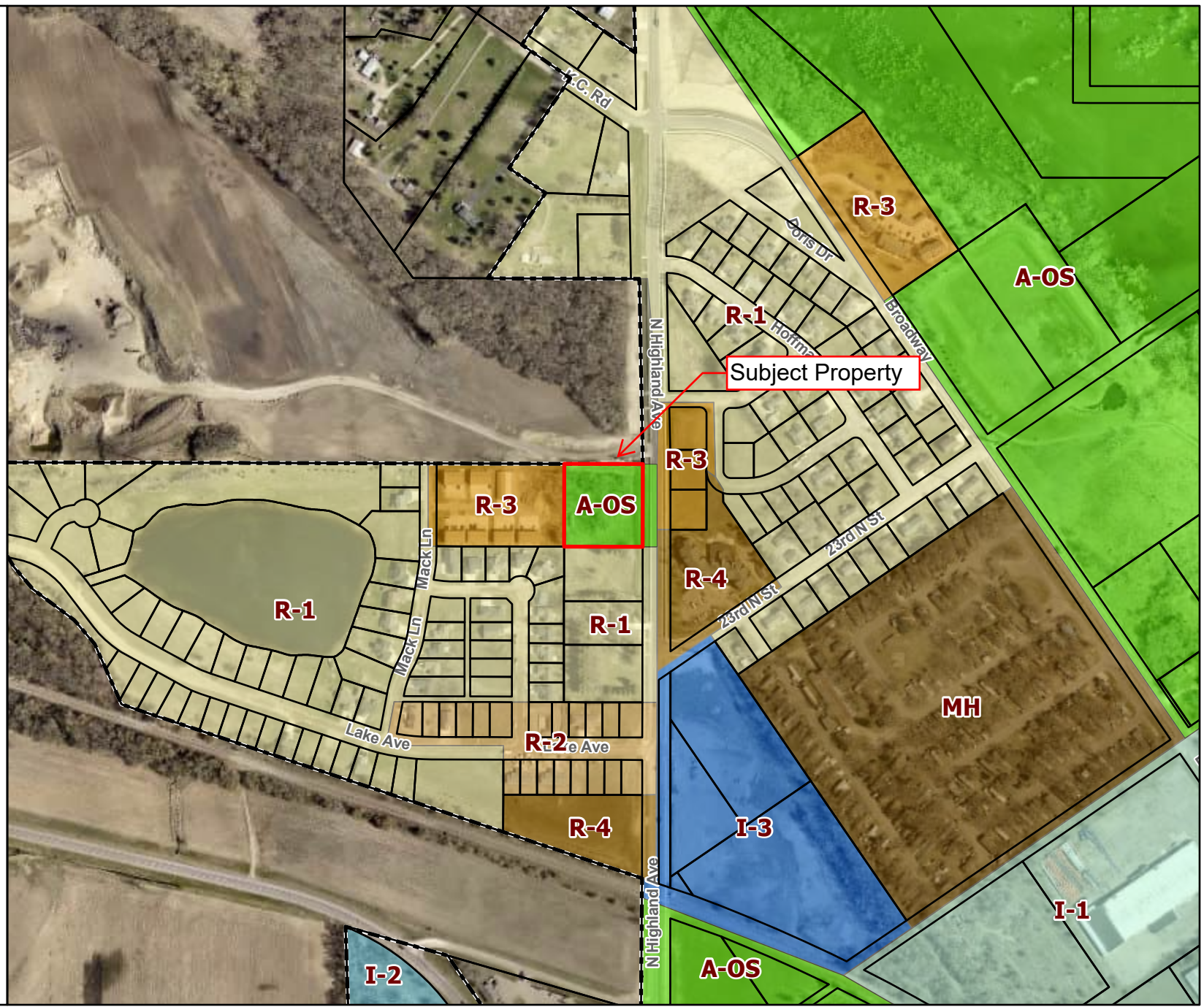
Source: Brown County, MnDOT, MnDNR



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Legend





- A-OS
- B-1
- B-2
- B-3
- B-4
- CM
- I-1
- I-2
- I-3
- INS-E
- INS-M
- INS-O
- MH
- MU-E
- MU-T
- R-1
- R-1S
- R-2
- R-3
- R-4
- RT-1
- RT-2
- Subject Property
- City Limits

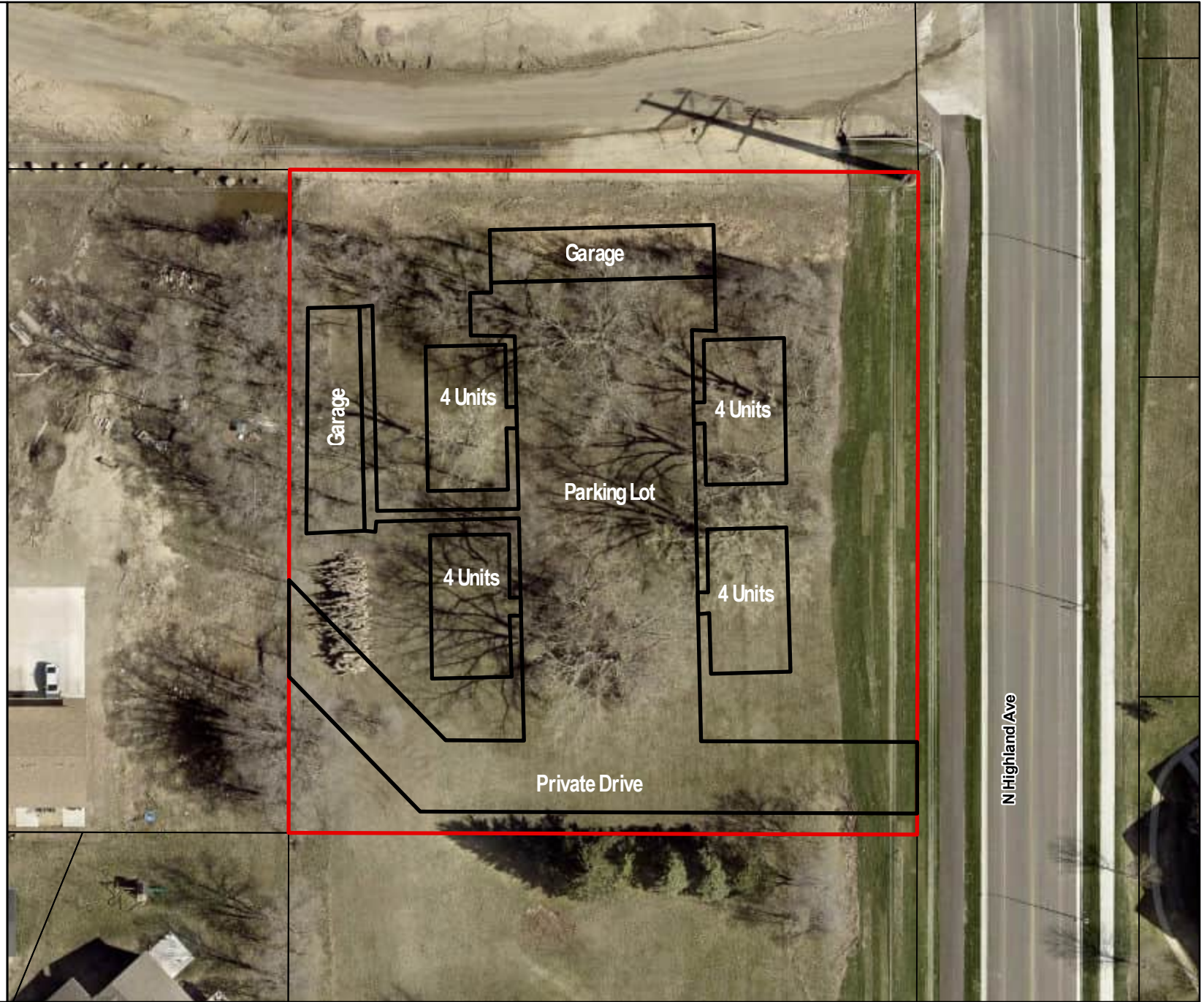


Source: Brown County, MnDOT, MnDNR



Legend

-  Subject Property
-  City Limits
-  Street Labels
-  Parcels



0 30
Feet

Source: Brown County, MnDOT, MnDNR



Legend



- Airport
- Commercial
- Downtown Mixed Use
- High Density Residential
- Industrial
- Low Density Residential
- Medium Density Residential
- Mobile Home
- Public/Semi-Public
- Parks/Open Space
- Undeveloped
- Future Commercial
- Future Industrial
- Future Low Density Residential
- Subject Property
- City Limits



0 500 Feet

Source: Brown County, MnDOT, MnDNR











City of New Ulm
Planning Commission
100 North Broadway
New Ulm, Minnesota 56073

Findings of Fact
Supporting / Denying a Zoning Text or Map Amendment

Name of Applicant: M & D Properties, LLC

Address of the Location of Conditional Use Permit Request: 2107 North Highland Avenue

Planning Commission Hearing Date: May 28, 2026

City Council Hearing Date: June 2, 2026

Requested Zoning Ordinance Text Change or Zoning Map Amendment: To rezone property from A-OS (Agricultural - Open Space) to R-3 (Medium Density Residence District).

Approval of a Zoning Text or Map Amendment requires that the City find that one of the first two following criteria will be met:

- 1. In your opinion, does the proposed amendment correct an error in the original text or map?

Yes () No (x)

Why or why not?

The proposed amendment does not correct an error in the zoning text or amendment.

- 2. In your opinion, does the proposed amendment address needs arising from a changing condition, trend or fact affecting the subject property and surrounding area?

Yes (x) No ()

Why or why not?

The amendment address a change the in condition, trend or fact involving the following:
1) the proposed rezoning to R-3, is consistent and permitted by the with the Comprehensive Plan designation of Medium Density Residential;
3) the community has a need for additional medium density residentially zoned property;
4) the property is now available for medium density residential development;
5) new single family housing because of cost is currently not a viable housing option for many New Ulm residents that currently rent. Appropriately sized multi-family housing is one of the few viable options for new housing in the community.
6) The community has a need for additional medium density residential space. At this time, only 3.4% of the residentially zoned property in the community is zoned for Medium Density Land Uses.
7) Since 2022, the City has issued building permits for a net of 167 units. To reach the housing goals in the Housing Study by 2030, the City will need to construct a total of 637 additional dwelling units in order to accommodate our population growth.
8)there is a need for a greater mix of housing according to the 2022 housing study.

3. In your opinion, is the proposed amendment consistent with achieving the goals and objectives outlined in the Comprehensive Plan?

Yes (x) No ()

Why or why not?

The proposed amendment is consistent with the goals and objectives of the Comprehensive Plan. The Plan designates the property for medium density residential land uses. The proposed project involves R-3 land uses that would be acceptable in this location.

Facts supporting the answer to each question, above, are hereby certified to be the Findings of the New Ulm Planning Commission

APPROVED () DENIED () TABELLED ()

DATED: _____

Chair, Planning Commission

List of supporting documents included as part of the record of proceedings:

- 1: _____
- 2: _____
- 3: _____

TO: New Ulm Planning Commission
FROM: John Knisley, Planner
DATE: May 27, 2026

REQUEST: **VARIANCE REQUEST – TO REDUCE THE MINIMUM LOT AREA PER RESIDENTIAL UNIT TO 5,127 SQUARE FEET PER UNIT TO ALLOW FOR THE CONSTRUCTION OF UP TO 16 RESIDENTIAL DWELLING UNITS ON A PROPERTY 1.90 ACRES IN SIZE.**

Applicant: Adam and Shana Wels
Property Owner: M & D Properties, LLC

Legal Description: Lot 1, Block 1, Wels Subdivision

Street Address: 2405 North Highland Avenue

Property Location: This property is generally located west of North Highland Avenue, south of Stoneridge Road and north of 23rd North Street.

A. BACKGROUND/INFORMATION

Deadline for Decision: July 10, 2026
Land Use Designation: Medium Density Residential
(Comp Plan)

Surrounding Land Uses (Comp Plan): North – Medium and High Density Residential
South – Low Density Residential
East – Medium, High and Low Density Residential
West – Medium and Low Density Residential

Zoning Designation: Current Zoning: A-OS (Agriculture – Open Space)
Requested Zoning: R-3 (Medium Density Residence District)

Surrounding Zoning: North – Brown County – A-1 (Agriculture)
South – R-1
East – R-3 (Medium Density Residence District), R-4 (High Density Residential District), and R-1 (Single Family Residence District)
West – R-3 and R-1

Current Site Use: Undeveloped

Current Area Uses: North – Single Family Residences
South – Single-Family Dwellings, Twin Homes, Railroad, Undeveloped, and Park Land
East – Undeveloped, Vista Prairie at Ridgeway on 23rd, Traulich Estates, Single-Family Dwellings
West – Townhomes (6 buildings – 4 units per building), Single Family Dwellings and Undeveloped

Notice: Provided to all property owners within 350' of the subject property and published in the Journal on May 16, 2026.

Public Comment:

Site Description/Use

- The applicant is proposing to construct four, 4-unit condos on the property for a total of 16 residential dwelling units, two detached garages, and a stormwater retention pond.
- The projected building height of each building is approximately 25'4".
- The applicant has stated that the units will be rented at the current market rate.
- The property proposed for a variance is 1.90 acres in size or 82,764 square feet.
 - The R-3 zoning standards require 5,500 square feet of land area per dwelling unit.
 - Applying this standard to this property would allow the developer to construct 15.04 dwelling units.
 - The applicant is proposing 16 dwelling units, which would amount to 5,173 square feet per dwelling unit or 327 square feet less than the required R-3 standard.
- The developer is proposing to construct a private driving lane from the west property line, veering to the south and then passing through the proposed development and intersecting with North Highland Avenue on the east property line.
 - There are existing large evergreen trees along a portion of the south property line between the private drive and property line. The developer has told staff that these trees will remain on the site and additional evergreen trees will be planted along the south property line to screen the development.
- The development plan includes the construction of a 40-stall off street parking lot. The zoning ordinance requires 32 off-street parking stalls or 2 stalls per dwelling unit.

Project Description

1. History:

- The property was platted in 2024 as part of the Wels Subdivision and was annexed in to the City at that time.
- When the property was annexed it was zoned as A-OS as required by the City's Orderly Annexation Agreement.
- The 2007 and 2024 Comprehensive Plan designated this property as Medium Density Residential.
- The applicant was the developer of the medium density development to the west and sharing the property line with the property considered for the variance.
 - The development to the west consists of 3.08 acres and has 24 dwelling units located on the property.
 - The dwelling units are located in 6 separate 4-plexes.
 - This development took place between 2018 and 2022.
- There will be shared amenities between the existing development to the west and the proposed new development abutting North Highland Avenue. These amenities include a dog park, private drive, and stormwater pond.
- From a development standpoint, the western development could be considered phase 1 and the proposed new development phase 2 for the development of the area.
- When considering reviewing the density amounts for both phase 1 and phase 2 (if the variance were granted for 1 additional dwelling unit for phase 2), it would bring the area per dwelling unit to 5,423 sq ft/ unit – or less than 1.4% less than allowed in the R-3 zoning district (5,550 sq ft/unit).

2. Unique Circumstances

- There are limited properties in the City that are designated as Medium Density Residential. Of the R-3 properties that are undeveloped, a number of them are

not for sale at this time or undevelopable because of topography or soil conditions.

- The request to increase 1 unit to 16 total units is for the purposes of construction and uniform buildings on the property.
- The nearest proposed building will be approximately 70' from the south property line.
- The proposed project addresses a housing need identified in the 2022 Housing Study and 2024 Comprehensive Plan.
- The project provides infill development rather than taking up additional space or farmland outside of the City.
- There is a similar development immediately to the west that will be sharing the private drive proposed to be installed by the developer.

Evaluation: Please see Attachment 7: Staff Response – Findings of Fact Form

Project Considerations: In order to recommend approval of the Variance request, the Commission will need to adopt Findings of Fact and recommendations using the review criteria as provided on the Findings of Fact form on Attachment 6.

The Planning Commission and City Council must make an affirmative finding on all variance criteria in order to grant a Variance request. The applicant has the burden of proof to show that all of the criteria above have been satisfied.

B. ATTACHMENTS

- Attachment 1: Variance Application
- Attachment 2: Site Location Map
- Attachment 3: Zoning Map
- Attachment 4: Site Map
- Attachment 5: Comprehensive Plan Map
- Attachment 6: Ground Level Photos
- Attachment 7: Staff Response – Findings of Fact

C. CONDITIONS, IF RECOMMENDED FOR APPROVAL

1. The applicant shall pay the cost to record the variance with the Brown County Recorder's Office.
2. The applicant will contact the City to verify the location of the buildings once they are staked.
3. The applicant shall provide screening equivalent to 80% opacity along the south property line abutting the property zoned R-1.
4. All lights on the property shall face towards the interior of the property and shall not shed light on abutting properties.

D. POTENTIAL MOTIONS

Motion by _____, second by _____ to recommend approval of the variance request of Adam and Shana Wels to reduce the minimum lot area per residential unit to 5,127 square feet per dwelling unit to allow for the construction of up to 16 residential dwelling units on a property 1.90 acres in size and legally described as Lot 1, Block1, Wels Subdivision.

Motion by _____, second by _____ to recommend denial of the of the variance request of Adam and Shana Wels to reduce the minimum lot area per residential unit to 5,127 square feet per dwelling unit to allow for the construction of up to 16 residential dwelling units on a property 1.90 acres in size and legally described as Lot 1, Block1, Wels Subdivision. for the following reasons: Reasons to be provided by the Planning Commission.



VARIANCE APPLICATION

City of New Ulm Community Development Department

100 North Broadway
New Ulm, Minnesota 56073
Web Site: www.newulmmn.gov
Email: communitydev@newulmmn.gov

Telephone: (507) 359-8245
Fax: (507) 359-8306
Hours: M-F 8 a.m.- 4:30 p.m.

APPLICATION FEE: \$350.00 Make check payable to "City of New Ulm."
Application fee must be provided at the time of application.

Date received: MAY 11 REC'D
Fee paid: MAY 11 REC'D

Please print.

APPLICANT

NAME: M+D Properties LLC EMAIL ADDRESS: paulakral@hotmail.com
ADDRESS: 2107 N. Highland Ave PHONE NUMBER: 507-217-9470
New Ulm, MN 56073

PROPERTY OWNER (If different from Applicant)

NAME: Adam + Shanna Wells EMAIL ADDRESS: adamwellslawncare@gmail.com
ADDRESS: 56997 412nd St. PHONE NUMBER: 507-276-3602
New Ulm, MN 56073

PROPERTY INFORMATION

PROPERTY ADDRESS: 2405 N. Highland Ave
FULL LEGAL DESCRIPTION: WELLS SUBDIVISION LOT-1 Block-1
ACREAGE/SIZE: 1.9 Acres
CURRENT ZONING DISTRICT: A-OS
CURRENT USE OF PROPERTY: Open Space
DESCRIPTION OF PROPOSED PROJECT: Develop a 16 Unit Apartment Complex

SPECIFY THE SECTION OF THE CITY CODE FROM WHICH A VARIANCE IS SOUGHT: Section 4.7
R-3 medium Density Residence District requires 5,500 sqft per unit allowing
15 units

EXPLAIN HOW YOU WISH TO VARY FROM CITY CODE REQUIREMENTS (If more space is needed, attach a separate sheet.): Requesting 16 units to be allowed, in groups
of 4 in 4 structures on property.

AUTHORITY TO FILE APPLICATIONS

Unless otherwise specified in the City Zoning Ordinance, applications may be initiated by:

1. The owner of the property that is the subject of the application;
2. The owner's authorized agent;
3. The City

VARIANCE APPLICATION AND REVIEW PROCEDURES

The City's established Variance Application and Review Procedures can be found in its full extent in Section 2.4.F of Appendix A (Zoning Ordinance) of the City Code.

DETAILED APPLICATION REQUIREMENTS

All Variance Applications shall be in accordance with Section 2.3, General Review Procedures and Requirements of the Zoning Ordinance.

In addition to the general review requirements, applications for a Variance shall include the following:

1. A written narrative demonstrating that the review criteria for a Variance as identified in Section 2.4 (C) (5) of the Zoning Ordinance have been met.
2. A site plan of the property showing all information necessary to allow the City to determine conformance with all zoning provisions, and to evaluate or calculate the specific Variance being requested. Information shall include but not be limited to:
 - a) Property and structure setbacks;
 - b) Setback dimensions/measurements;
 - c) Locations and dimensions of parking areas and access points.
3. If deemed necessary by the Community Development Department, a survey may be required to be submitted with the application in addition to a site plan.
4. Any other information that may be reasonably required by the City to evaluate the application.

APPLICATION

Applications are to be submitted to the Community Development Department. Offices are open Monday through Friday from 8:00 AM to 4:30 PM.

DEADLINE FOR APPLICATION

Complete applications need to be submitted to the Community Development Department at least 15 days before the Planning Commission meeting. This allows the City of New Ulm time to notify surrounding property owners of the date of the hearing and details of the variance and meet public hearing noticing requirements as provided by State Law.

NOTICE OF PUBLIC HEARING

Notice is mailed to all property owners that are located within 350 of the site. Notice is mailed 10 days prior to the hearing.

MEETINGS AND PUBLIC HEARINGS

Meetings of the Planning Commission are scheduled on the last Thursday of the month. Meetings are held at 4:30 PM in the City of New Ulm Council Chambers, 100 North Broadway. The Planning Commission may approve, deny or amend the variance request and establish conditions to ensure compliance with the request and protect surrounding property owners.

STAFF REPORT

After review of the application and site visit, staff will prepare a report to the Planning Commission. This report, along with support documentation, are sent to the Planning Commission in advance of the meeting. Commission members may visit the site before the meeting. All application materials, emails and written information are public information, and may be used in the staff report and distributed to the public.

REQUIREMENTS FOR APPROVAL

The City' Zoning Ordinance provides standards to evaluate your Variance request. An incomplete application will not be accepted. Please answer the following questions as they relate to your request. (If more space is needed, attach a separate sheet.)

1. In your opinion, is the variance in harmony with the purposes and intent of the City's Zoning Ordinance?
Yes (X) No () Why or why not? Providing housing to the public

2. In your opinion, is the variance request consistent with the City's Comprehensive Plan?
Yes (X) No () Why or why not? It aligns with the Comprehensive Plan

3. In your opinion, does the proposal put property to use in a reasonable manner not permitted by the City Zoning Ordinance?
Yes (X) No () Why or why not? It utilizes the ability to provide additional housing.

4. In your opinion, the request will not impair adequate supply of light and air to adjacent property, unreasonably increase congestion of public streets, increase the danger of fire, substantially diminish property values and will not be materially detrimental to the public health, safety or welfare, or injurious to the property or improvements in the zoning district or neighborhood in which the property is located?
Yes (X) No () Why or why not? It will not impair any supply. It will provide a uniformed appearance.

5. In your opinion, are the physical surroundings, lot size or shape, topography, water conditions, or other physical conditions unique to the property?
Yes () No (X) Explain. They are similar to adjacent properties

6. In your opinion, the unique circumstances related to the property do not generally apply to other properties or buildings in the same zoning district or vicinity?
Yes () No (X) Explain. The lot is similar to adjacent properties.

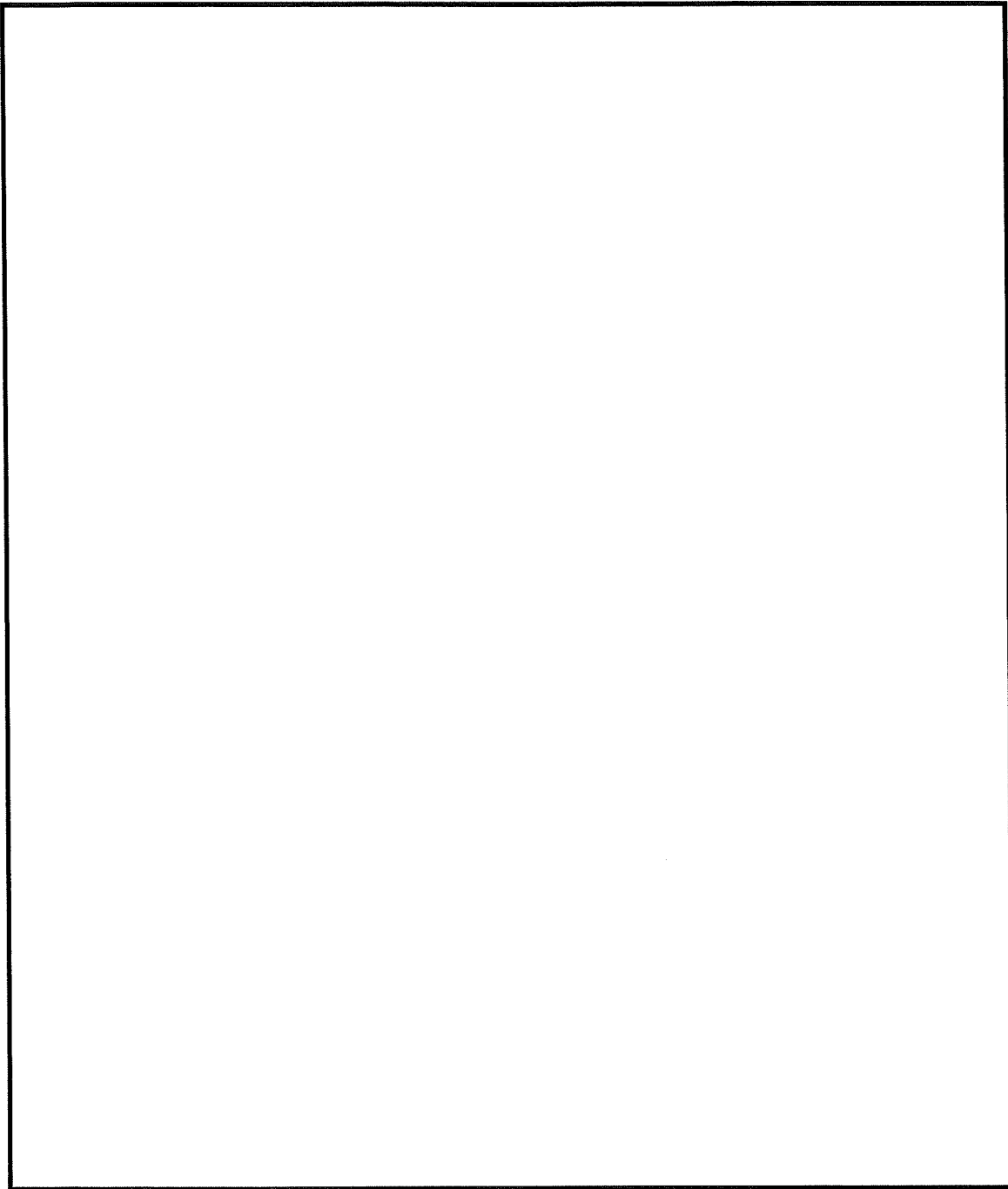
7. In your opinion, the unique circumstances related to the property were not created by the owner of the property?
Yes (X) No () Why or why not? The site is undeveloped

8. In your opinion, the variance will not alter the essential character of the locality?
Yes (X) No () Why or Why Not: It remains residential, uniformed and similar to adjacent properties.

9. In your opinion, is your variance request the minimum amount necessary to eliminate the practical difficulties?
Yes (X) No () Why or why not? modification is for 1 additional unit.

10. In your opinion, economic considerations alone do not constitute reasonable use of the property?
Yes (X) No () Why or why not? Having all the structures look uniformed will be pleasing to the aesthetics of the neighborhood.

SITE DRAWING



In order to grant a Variance, the Planning Commission and City Council must make a finding that the Variance request complies with the above standards. The Applicant has the burden of proof to show that all of the standards listed above have been satisfied.

The undersigned certifies that he/she is familiar with application fees and other associated costs, and also with the procedural requirements of the City Code and other applicable ordinances. (Both signatures are required if the Applicant is not the Property Owner.)

Paul Central - M.D Properties
Applicant's Signature

5/11/26
Date

[Signature]
Property Owner's Signature

5-11-26
Date

Legend



- Subject Property
- City Limits
- Street Labels
- Parcels



0 30 Feet

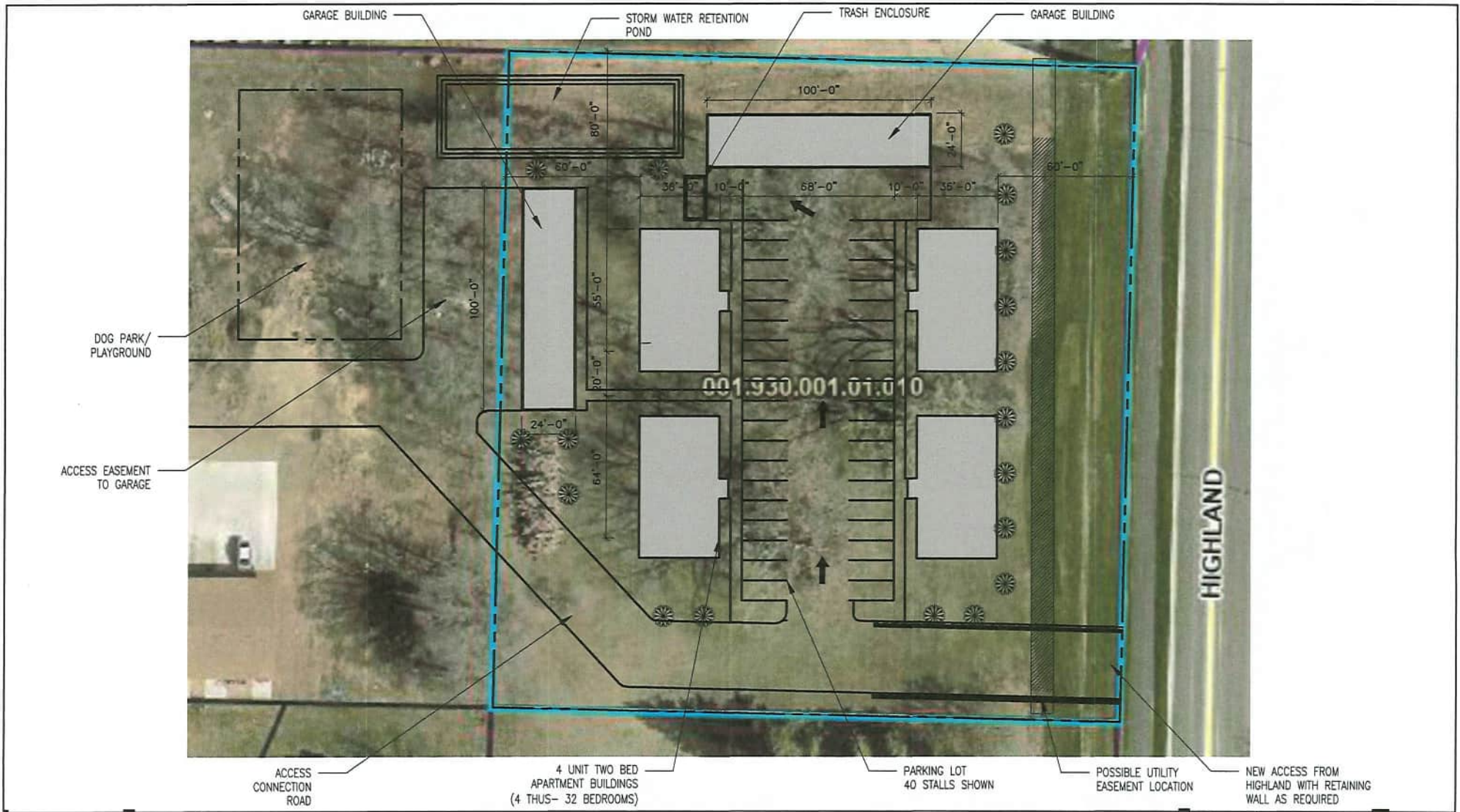
Source: Brown County, MnDOT, MnDNR



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Site Map

May 2026



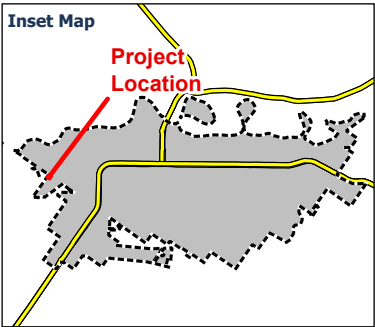
DESIGN CONSULTANT

PROPOSED SITE PLAN
M&D PROPERTIES
 2405 HIGHLAND AVE N
 NEW ULM , MINNESOTA



DATE: 04/28/2026
 SHEET NO.: A0







Legend 

-  Subject Property
-  Parcels



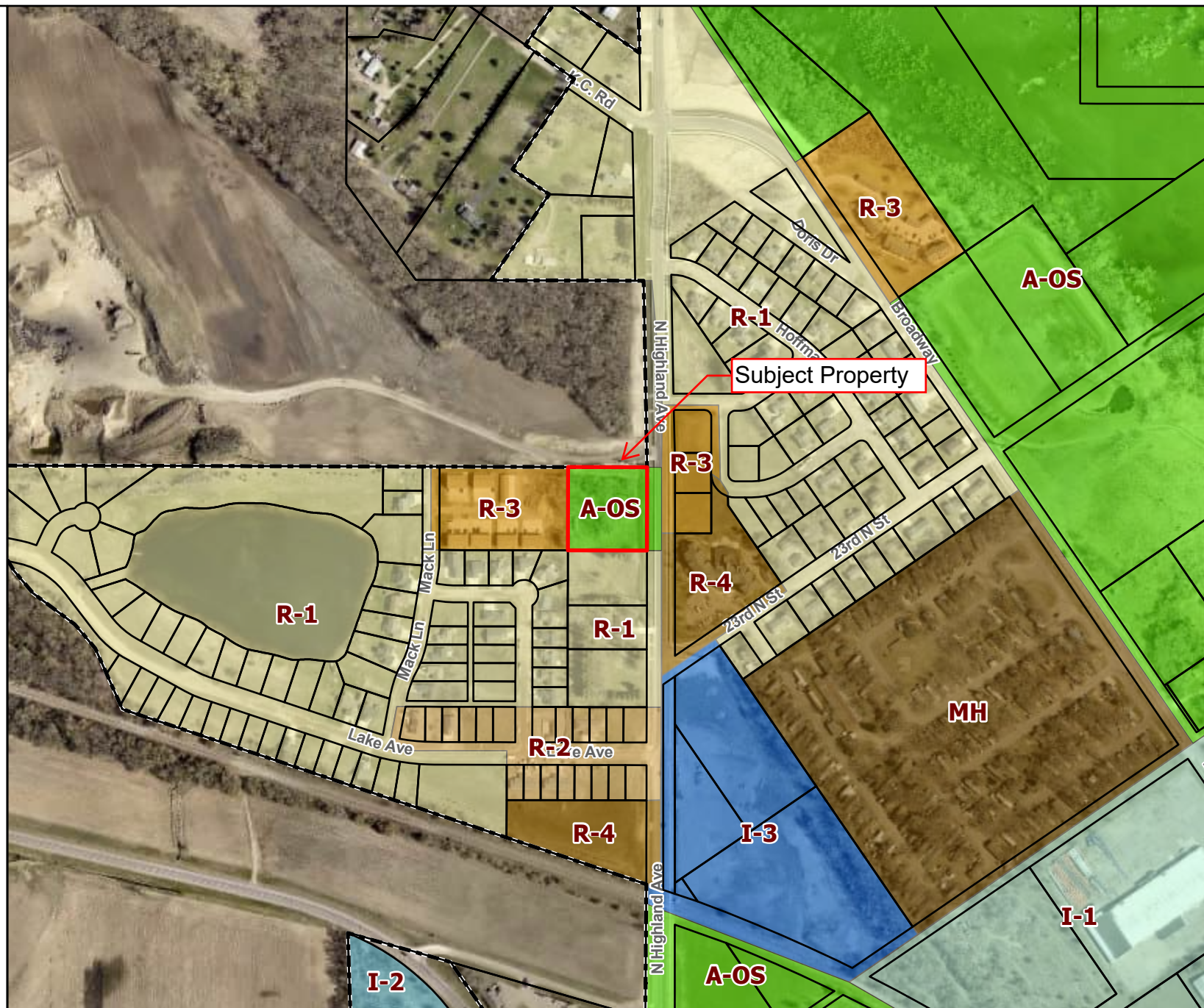
0 500 Feet

Source: Brown County, MnDOT, MnDNR



Legend

- A-OS
- B-1
- B-2
- B-3
- B-4
- CM
- I-1
- I-2
- I-3
- INS-E
- INS-M
- INS-O
- MH
- MU-E
- MU-T
- R-1
- R-1S
- R-2
- R-3
- R-4
- RT-1
- RT-2
- Subject Property
- City Limits







0 500 Feet

Source: Brown County, MnDOT, MnDNR



Legend

-  Subject Property
-  City Limits
-  Street Labels
-  Parcels



















0 30
Feet

Source: Brown County, MnDOT, MnDNR



Legend



-  Airport
-  Commercial
-  Downtown Mixed Use
-  High Density Residential
-  Industrial
-  Low Density Residential
-  Medium Density Residential
-  Mobile Home
-  Public/Semi-Public
-  Parks/Open Space
-  Undeveloped
-  Future Commercial
-  Future Industrial
-  Future Low Density Residential
-  Subject Property
-  City Limits



0 500 Feet

Source: Brown County, MnDOT, MnDNR











City of New Ulm
Planning Commission
100 North Broadway
New Ulm, Minnesota 56073

Findings of Fact
Supporting / Denying a Variance

Name of Applicant: M & D Properties, LLC

Address of the Location of Variance Request: 2107 North Highland Avenue

Planning Commission Hearing Date: May 28, 2026

City Council Hearing Date: June 2, 2026

Variance Request: **To reduce the minimum lot area per dwelling unit to 5,127 sq ft to allow for the construction of up to 16 residential dwelling units on a property 1.90 acres in size.**

A variance may be granted only where the strict enforcement of city zoning controls will result in a practical difficulty due to circumstances unique to the individual property under consideration. A decision on a variance request shall be based on the following criteria:

1. Is the variance in harmony with the purpose and intent of the City's Zoning Ordinance?

Yes (x) No ()

Why or why not?

If the property were rezoned to R-3, medium density residential development would be in harmony with the purpose and intent of the zoning ordinance.

2. Is the variance request consistent with the City's Comprehensive Plan?

Yes (x) No ()

Why or why not?

The land use designation for this property in the 2024 Comprehensive Plan is Medium Density Residential. The proposed development of 16 apartment units is consistent with the Medium Density Residential development directly to the west. The scale of the proposed buildings are consistent with other Medium Density Residential developments.

3. Does the proposal put the property to use in a reasonable manner not permitted by the City Zoning Ordinance?

Yes (x) No ()

Why or why not?

One additional dwelling unit above the allowed 15 dwelling units (if the property were rezoned to R-3) is a reasonable use of the property. The increase would be equivalent to a 6.6% increase in density on the property. The closest location of a building is 70' from an R-1 zoned property. The developer is proposing to keep the large evergreens between the private driveway and the R-1 property to the south to provide a buffer between densities. Additional landscape screening or screening (fence) will be required along the property line as well.

4. Does the proposal impair adequate supply of light and air to adjacent property, unreasonably increase congestion of public streets, increase the danger of fire, substantially diminish property values and will not be materially detrimental to the public health, safety or welfare, or injurious to the property or improvements in the zoning district or neighborhood in which the property is located?

Yes () No (x)

Why or why not?

The proposed height of the buildings are 25'4". Single family homes being constructed/proposed for construction today in New Ulm have ranged from 18'-24' tall. The height of the proposed buildings will not impair the supply of light or air to the adjacent property and will be consistent in size/scale of other area structures. The private driveway will be required to provide sight lines for drivers to see pedestrians using the sidewalk and traffic on North Highland Avenue. It is not anticipated that this project will be detrimental to public health, safety, welfare or be injurious to other properties in the zoning district or adjacent districts.

5. Are the physical surroundings, lot size or shape, topography, water conditions, or other physical conditions unique to the property?

Yes (x) No ()

Why or why not?

The lot size is 1.90 acres and accommodates up to 15.04 dwelling units. The lot was platted in 2024 at this size. At the time of platting the owner was not certain on the specific type of development that would take place on the lot in the future.

6. The unique circumstances related to the property do not generally apply to other properties or buildings in the same zoning district or vicinity?

Yes (x) No ()

Why or why not?

Undeveloped R-3 zoned properties throughout the City vary in size from 0.45 acres all the way up to 8.55 acres in lot area. Many of the R-3 properties in the City are fully developed or not for sale, thus limiting the number of sites available for this type of development. The size of the lot is larger than other R-3 and R-1 lots in the vicinity.

7. The unique circumstances related to the property were not created by the owner of the property?

Yes (x) No ()

Why or why not?

The property was platted in 2024 by the current property owner. At that time the property owner did not have a specific project in mind for the property and was not anticipating a 16 dwelling unit project to be proposed. The lot line was a logical extension from the existing lot immediately to the west.

8. Will the variance alter the essential character of the locality?

Yes () No (x)

Why or why not?

The addition of one dwelling unit will not change the essential character of the neighborhood. If the property is rezoned to R-3 the variance would allow the developer to construct 16 dwelling units rather than the allowed 15. The distance between the closest proposed building and the R-1 property to the south is 70' and approximately 210' from the nearest single family residence. Across North Highland Avenue is R-3 zoned property that is undeveloped and already developed R-4 property.

9. Is the variance request the minimum amount necessary to eliminate the practical difficulty(s)?

Yes (x) No ()

Why or why not?

The developer is only requesting to go up one additional dwelling unit than what would be permitted if the property were zoned R-3. The practical difficulty in this situation is the constructability and uniformity of a four, 4-unit apartment vs three, 4-unit apartments and one, 3-unit apartment.

City of New Ulm

Planning Commission

100 North Broadway

New Ulm, Minnesota 56073

10. Do economic considerations alone not allow for the reasonable use of the property?
Yes () No (X)

Why or why not?

Economic considerations were not the reason for the variance request. While economic considerations are a factor in this situation, the ease of development and uniformity of the buildings were a leading factor of the request.

Facts supporting the answer to each question, above, are hereby certified to be the Findings of the New Ulm Planning Commission

APPROVED (x) DENIED () TABELD ()

DATED: _____

Chair, Planning Commission

List of supporting documents included as part of the record of proceedings:

- 1: See Staff Report to the Planning Commission
- 2: _____
- 3: _____