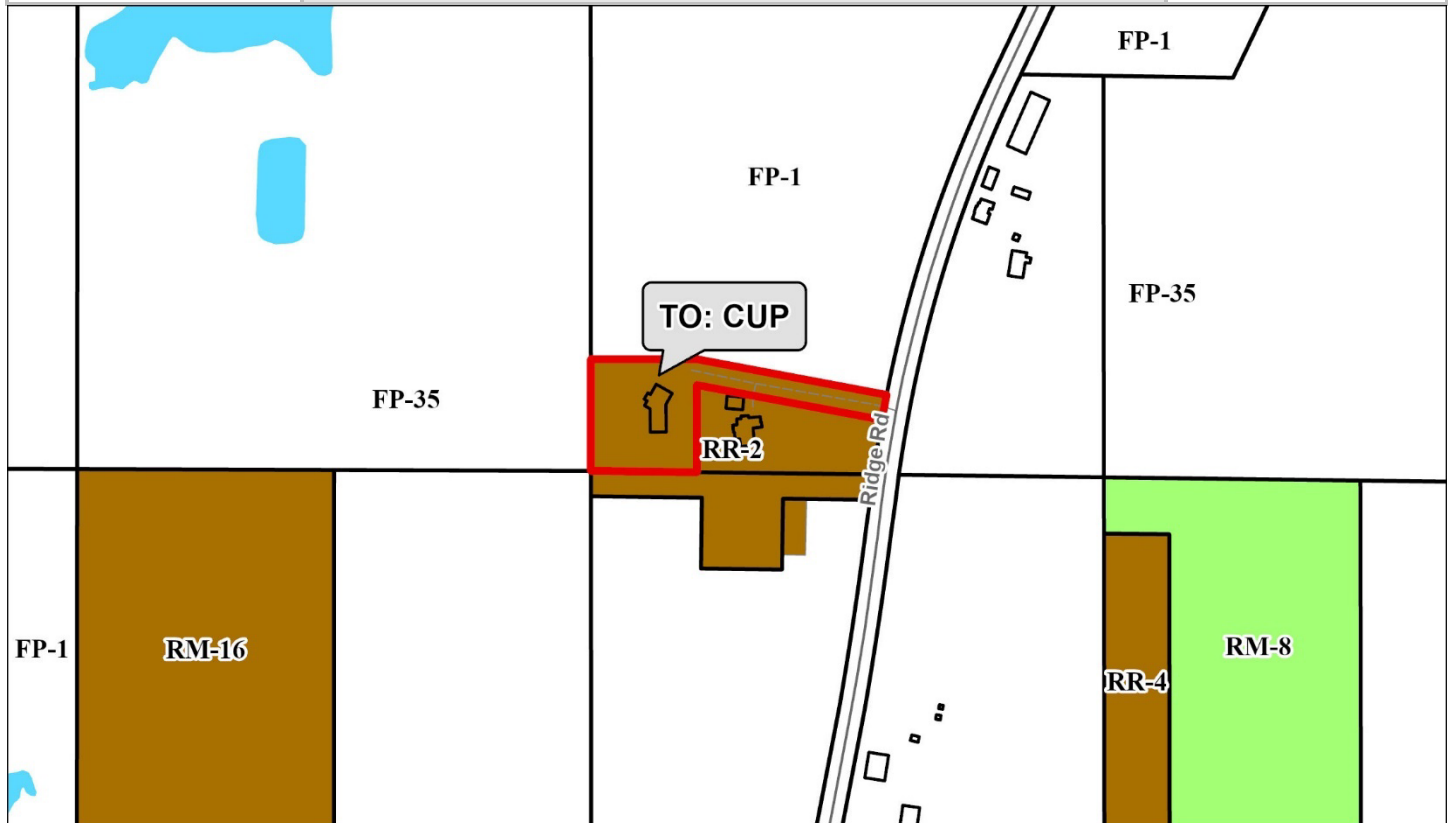


Staff Report  Zoning & Land Regulation Committee	<u>Public Hearing:</u> June 23, 2026 Updated for the July 14, 2026 ZLR Work Meeting		Conditional Use 02709
	<u>Zoning Amendment Requested:</u> TO CUP: LIMITED FAMILY BUSINESS - RENTAL PROPERTY MANAGEMENT		<u>Town, Section:</u> COTTAGE GROVE, Section 12
	<u>Size:</u> 2.09 Acres	<u>Survey Required:</u>	<u>Applicant:</u> BEMO LIVING TR (PETER MILLER)
	<u>Reason for the request:</u> LIMITED FAMILY BUSINESS - RENTAL PROPERTY MANAGEMENT		<u>Address:</u> 4437 RIDGE RD



DESCRIPTION: Peter Miller requests a conditional use permit (CUP) for a limited family business, in order to operate his rental property management business from a new building he plans to construct. The building would be used for a mix of personal storage of his own property, and would include office and storage space for the business.

OBSERVATIONS/ FACTUAL INFORMATION: The property is in residential use and is 2.7 acres in size. The neighboring lands are in agricultural use and zoning on most sides, with one adjacent residence to the east and one undeveloped residential lot to the south.

A limited family business is an allowable conditional use in the RR-2 zoning district.

The applicant obtained a zoning permit in the fall of 2025 to construct a 2,400 square foot accessory storage building (DCPZP-2025-00509). The zoning permit was issued for a residential accessory building for personal storage use, and specifically did not allow for commercial use or commercial storage. Construction has not commenced as the landowner needs to obtain approvals from LWRD for stormwater management due to proposing an additional amount of impervious surfaces that would but the net total over 20,000 square feet. Meanwhile, he has decided to pursue this conditional use to enable an office and a bathroom (sanitary fixtures) within the building.

RESOURCE PROTECTION: There are no sensitive environmental resources on the subject property that would be affected by the proposed conditional use. There is a small area of mapped floodplain and wetland in the northwest corner of the lot. The proposed building would be in the southeast corner.

COMPREHENSIVE PLAN: This petition is in the town's agricultural preservation planning area and is subject to the land use policies related to that designation. The town plan includes the following provision regarding the establishment of small-scale businesses on residential or agricultural properties:

"...Residences and outbuildings may be used for home occupations, limited family businesses, or farm family businesses, as those terms are defined and limited under Dane County zoning rules. For these types of operations, efforts should be made to utilize the existing residence and outbuildings before constructing new buildings..."

The town plan includes the following provision regarding conditional use permits:

"...Proposed conditional use permits should be consistent with the recommendations of this Plan to the extent applicable. In their consideration of conditional use permit requests, the Plan Commission and Town Board will also evaluate the specific timing of the conditional use permit request, its relationship to the nature of both existing and future land uses, and the details of the proposed development."

Limited family businesses are subject to additional standards as found in section 10.103(12):

1. A conditional use permit for a limited family business is designed to accommodate small family businesses without the necessity for relocation or rezoning while at the same time protecting the interests of adjacent property owners. Applicants for this conditional use permit should recognize that rezoning or relocation of the business may be necessary or may become necessary if the business is expanded. No limited family or rural business shall conflict with the purposes of the zoning district in which it is located.
2. The use shall employ no more than one or one full-time equivalent, employee who is not a member of the family residing on the premises.
3. Using applicable conditional use permit standards, the committee shall determine the percentage of the property that may be devoted to the business.
4. The conditional use permit holder may be restricted to a service oriented business and thus prohibited from manufacturing or assembling products or selling products on the premises or any combination thereof.
5. The conditional use permit may restrict the number and types of machinery and equipment the permit holder may be allowed to bring on the premises.
6. Structures used in the business shall be considered to be residential accessory buildings and shall meet all requirements for such buildings. The design and size of the structures is subject to conditions set forth in the conditional use permit.
7. Sanitary fixtures to serve the limited family business use may be installed, but must be removed upon expiration of the conditional use permit or abandonment of the limited family business.
8. The conditional use permit shall automatically expire on sale of the property or the business to an unrelated third party.

The purpose statement for the RR-2 zoning district states:

Purpose. The Rural Residential 2 district is designed to: (a) Provide for single-family residential principal uses and a variety of accessory or ancillary uses, including small-scale farming, appropriate to a rural setting, on compact parcels. The RR-2 district accommodates uses which are compatible with both residential and farming practices, are typically found in a rural location and do not require urban services. (b) Such uses typically generate traffic, noise or other impacts similar to those produced by a single-family residence.

As indicated elsewhere in this report and available in the legistar file for this petition, the neighboring property owner has submitted written opposition to the proposal. Staff is unable to verify the claims regarding multiple business ventures and employees, but understands the concerns expressed regarding compliance with the requirements for obtaining a CUP for a limited family business in light of the purpose of the underlying RR-2 zoning district, relative close proximity of the two residences, and shared driveway.

This proposal, if limited in scope in accordance with the requirements of the ordinance, appears reasonably consistent with the comprehensive plan provisions related to small scale, family run businesses in the designated agricultural

preservation area. As indicated under section 10.103(12), limited family businesses may be need to be relocated if the business expands.

For questions about the comprehensive plan, please contact Senior Planner Majid Allan at (608) 267-2536 or Allan.Majid@danecounty.gov.

CONDITIONAL USE PERMIT DECISION MAKING: “Conditional uses” are those land uses which, because of unusual nature and potential for impacts on neighboring lands, public facilities, the environment or general welfare, warrant special consideration and review.

Prior to granting or denying a conditional use, the zoning committee shall make findings of fact based on evidence presented and determine whether the proposed conditional use, with any recommended conditions, meets all of the standards required to obtain a CUP. Below is the list of the applicable standards from Section 10.101(7)(d) of the Zoning Code, and a summary of the relevant facts including the applicant’s testimony with regards to meeting the standards.

- 1. That the establishment, maintenance or operation of the conditional use will not be detrimental to or endanger the public health, safety, comfort or general welfare.***

The CUP application describes the proposed operations plan. The applicant states that the addition of the building will allow materials currently stored outside to be inside and improve the overall site organization.

- 2. That the uses, values and enjoyment of other property in the neighborhood for purposes already permitted shall be in no foreseeable manner substantially impaired or diminished by establishment, maintenance or operation of the conditional use.***

The applicant states that approval will improve the visual appearance of the property which will cause no negative impact to the neighboring properties.

- 3. That the establishment of the conditional use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district.***

The applicant states that the proposed structure will fit into the existing development pattern of the neighborhood while supporting a small-scale family operation.

This standard pertains to whether the proposed conditional use would affect *how the surrounding properties could be developed and improved, considering what they are currently zoned for*. This property and most of the surrounding properties are agricultural and rural residential, either with existing development or zoned for future development.

- 4. That adequate utilities, access roads, drainage and other necessary site improvements have been or are being made.***

The applicant states that the existing utilities are sufficient to support the proposed use and notes that erosion control and stormwater management permits have already been obtained from Dane County.

- 5. That adequate measures have been or will be taken to provide ingress and egress so designed as to minimize traffic congestion in the public streets.***

Off street parking is provided for the property by an existing and proposed expanded driveway and garage building. The applicant states that business activity is low-volume and does not involve customers or frequent deliveries.

Dane County Highway estimates this land use will generate 10 trips per day.

- 6. That the conditional use shall conform to all applicable regulations of the district in which it is located.***

The proposed use conforms to the applicable regulations of the RR-2 zoning district. A limited family business is an allowable conditional use in the RR-2 zoning district. The building will conform to the required setbacks, height, and use limitations of the district.

- 7. That the conditional use is consistent with the adopted town and county comprehensive plans.***

As noted above, the proposal appears consistent with the Town and County Comprehensive Plans.

8. *If the conditional use is located in a Farmland Preservation Zoning district, the town board and zoning committee must also make the findings described in s. 10.220(1).*

Not applicable.

POTENTIAL NUISANCES ASSOCIATED WITH THE CONDITIONAL USE: The potential nuisances that pertain to limited family business operations most likely involve additional ingress and egress. The applicant's CUP application states that no customer visits will occur and there will not be frequent deliveries to address how these potential nuisances are handled, as noted above. Staff notes that access to the property is via a shared driveway with the adjacent residential property to the east, however the driveway is fully contained on the applicant's property.

Potential conditions of approval specific to this CUP can be developed after public input and deliberation by the Zoning and Land Regulation (ZLR) Committee. Under Dane County Zoning Ordinance section 10.103, there are other special requirements for limited family business operations.

TOWN ACTION: Town Board recommends approval provided that: all stormwater permits are in place for the new building and concrete area, any issues with the shared driveway are worked out, only one non-family employee is on the premises, there is no outdoor storage of business materials, equipment or vehicles, and all new lighting is dark sky compliant.

ZLR PUBLIC HEARING: On May 26th the ZLR Committee held the public hearing on the proposed rezoning. The committee postponed action on the petition due to public opposition. Public comments were submitted by neighbors in advance of the hearing as well as during the hearing. It was apparent that there are a number of disagreements between adjacent property owners and these neighbors having a history of disputes with one another. In addition, the use of the shared driveway is a major point of contention. Following the hearing, David Knocke, who is the adjacent property owner with use of the shared driveway, submitted supplemental information which the committee may accept into the official record if they desire.

APPLICANT RESPONSE TO CONCERNS: The applicants submitted a follow-up letter and photographic exhibits dated July 8, 2026, to address concerns raised at the public hearing regarding the proposed accessory building use. The submittal clarifies the operational scope of the request and details voluntary site mitigations completed since the hearing.

The applicants state they have completed the following physical improvements to the property at their own expense to address neighboring privacy and screening concerns:

- Fencing: Installed approximately 360 linear feet of privacy fencing along the shared property lines.
- Landscaping: Planted approximately 500 linear feet of privacy trees along the majority of the shared property lines.

The applicants submitted photos demonstrating that the home and accessory building site have limited visibility from Ridge Road and neighboring parcels. Exhibit D illustrates the spatial separation between the proposed building site and the property line to the south.

The applicants provided specific details regarding the interior allocation of the building and its relationship to their rental property management business. They state the building is designated as a residential accessory use. It will house personal vehicles, boats, trailers, residential maintenance materials, a private home office, a bathroom, and a recreational space for the family. Outdoor storage currently on the property will be consolidated inside the structure.

While the applicants operate a rental property management business, renovation and maintenance activities occur directly at the off-site rental properties. Large inventory and bulk supplies will continue to be stored at their leased commercial warehouse space in Oregon, Wisconsin. Commercial storage inside the proposed building will be limited to small-scale maintenance components (e.g., replacement appliances, flooring material, plumbing fixtures). The site will not function as a contractor's yard, commercial warehouse, or business headquarters. On-site machinery, including a Bobcat and a dump trailer, are owned personally by the residents and utilized strictly for residential property maintenance (grading, landscaping, tree clearing, and snow removal).

The applicant clarifies that their single full-time employee does not report to the Ridge Road residence. For the past two years, this individual has reported directly to project sites located in Jefferson County. The proposed accessory building use will generate zero customer traffic and requires no designated employee parking on the premises. The applicants note that they continue to maintain the shared driveway serving the property at their own personal expense.

STAFF RECOMMENDATION: Staff believes that the applicant has provided sufficient evidence to address the CUP standards related to the limited family business use, but we do have concerns with the welfare of the neighborhood regardless of if the proposed use is approved. There is serious tension between adjacent property owners. This would best be settled civilly, but have been injected into our land use review process. There are certainly conditions that could be placed on an approval to try to address some of these disputes, but we question if this is the correct forum for such mediation. On the face of the matter, and response from the applicant, the proposed limited family business use is difficult to distinguish between the residential accessory use permitted by right for the proposed building. The exceptions are being allowed sanitary fixtures, and permitting limited indoor storage of commercial goods. On a high level, the neighborhood issues that exist will likely continue regardless of the proposed building containing sanitary fixtures—the conditional use will allow a space for items, currently stored outside, to be stored indoors and out of public view. This would seem to benefit at least one neighbor’s welfare.

The Zoning Administrator has provided a memo regarding the definition of limited family business as an addendum to this staff report.

Staff recommends the committee review the facts of the application and limits of family business and determine if the applicant has satisfied the standards for approving a conditional use permit. If those findings are made, staff recommends approval with the following conditions:

CUP 2709 Potential Conditions of Approval:

Standard Conditions for all Conditional Use Permits from 10.101(7):

1. Any conditions required for specific uses listed under s. 10.103 (see below).
2. The physical development and operation of the conditional use must conform, in all respects, to the approved site plan, operational plan and phasing plan.
3. New and existing buildings proposed to house a conditional use must be constructed and maintained to meet the current requirements of the applicable sections of the Wisconsin Commercial Building Code or Uniform Dwelling Code.
4. The applicant shall apply for, receive and maintain all other legally required and applicable local, county, state and federal permits. Copies of approved permits or other evidence of compliance will be provided to the zoning administrator upon request.
5. Any ongoing business operation must obtain and continue to meet all legally required and applicable local, county, state and federal licensing requirements. Copies of approved licenses or other evidence of compliance will be provided to the zoning administrator upon request.
6. Existing onsite wastewater sewage disposal systems, if any, serving the conditional use must be inspected by a licensed plumber to determine its suitability for the proposed or expanded use. Deficient systems must be brought, at the owner’s expense, into full compliance with the current requirements for new development of the state plumbing code and Chapter 46, Dane County Code.
7. All vehicles and equipment must access the site only at approved locations identified in the site plan and operations plan.
8. Off-street parking must be provided, consistent with s. 10.102(8).
9. If the Dane County Highway, Transportation and Public Works Department or the town engineer determine that road intersection improvements are necessary to safely accommodate the conditional use, the cost of such improvements shall be borne by the landowner. Costs borne by the landowner shall be proportional to the incremental increase in traffic associated with the proposed conditional use.

10. The Zoning Administrator or designee may enter the premises of the operation in order to inspect those premises and to ascertain compliance with these conditions or to investigate an alleged violation. Zoning staff conducting inspections or investigations will comply with any applicable workplace safety rules or standards for the site.
11. The owner or operator must keep a copy of the conditional use permit, including the list of all conditions, on the site, available for inspection to the public during business hours.
12. Failure to comply with any imposed conditions, or to pay reasonable county costs of investigation or enforcement of sustained violations, may be grounds for revocation of the conditional use permit.

Conditions specific to this CUP:

13. A conditional use permit for a limited family business is designed to accommodate small family businesses without the necessity for relocation or rezoning while at the same time protecting the interests of adjacent property owners. Applicants for this conditional use permit should recognize that rezoning or relocation of the business may be necessary or may become necessary if the business is expanded. No limited family or rural business shall conflict with the purposes of the zoning district in which it is located.
14. The use shall employ no more than one or one full-time equivalent, employee who is not a member of the family residing on the premises.
15. Using applicable conditional use permit standards, the committee shall determine the percentage of the property that may be devoted to the business. No outdoor storage of materials or equipment associated with the limited family business use is permitted. All storage must be indoors and therefore screened from public view.
16. This conditional use permit is for operation of a property maintenance business. Manufacturing or assembling products or selling products on the premises or any combination thereof is prohibited.
17. Structures used in the business shall be considered to be residential accessory buildings and shall meet all requirements for such buildings. The design and size of the structures is subject to conditions set forth in the conditional use permit.
18. Sanitary fixtures to serve the limited family business use may be installed, but must be removed upon expiration of the conditional use permit or abandonment of the limited family business.
19. Commercial use of the residential accessory building shall be limited to a property maintenance business. No remuneration shall be received for any other uses or commercialization.
20. Only motor vehicles that are accessory to the principal residential use may be parked outdoors on the property.
21. The conditional use permit shall automatically expire on sale of the property or the business to an unrelated third party.

Please contact Hans Hilbert at (608) 266-4993 or Hilbert.hans@danecounty.gov if you have questions about this petition or staff report.