



MAYOR & COUNCIL COMMUNICATION

DATE: August 19, 2014

REGULAR

ITEM # 12

AGENDA ITEM: Inwood Development (Hans Hagen Homes and Inwood 10, LLC) EAW – Specify RGU and Authorize for Distribution

SUBMITTED BY: Kyle Klatt, Community Development Director

THROUGH: Dean Zuleger, City Administrator

REVIEWED BY: Planning Commission
Nick Johnson, City Planner

SUGGESTED ORDER OF BUSINESS:

- Introduction of ItemCommunity Development Director
- Report/Presentation.....Community Development Director
- Questions from Council to Staff..... Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion..... Mayor & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECCOMENDER: Staff is recommending that the City Council take the initial steps to action to begin the process of completing a mandatory environmental review for a proposed development that will be located on approximately 160 acres within the southeast quadrant of Inwood Avenue and 10th Street in Lake Elmo. The project applicants, Hans Hagen Homes and Inwood 10, LLC have prepared a draft Environmental Assessment Worksheet (EAW) in advance of the City’s review of a concept plan for this project.

FISCAL IMPACT: None – Hans Hagen Homes is preparing the EAW in advance of their planning and zoning applications. Staff has been involved in reviewing the work of the developer’s consultant.

SUMMARY AND ACTION REQUESTED: The City Council is being asked to take action to initiate a mandatory environmental review for a proposed 695-unit mixed-use development on 157 acres of land located at the southeast corner of Inwood Avenue and 10th Street in Lake Elmo. Specifically, the Council is asked to take action to:

- 1) Determine that an Environmental Assessment Worksheet (EAW) will need to be prepared prior to the approval of any plans for the development as proposed.
- 2) Designate the City of Lake Elmo as the RGU (Responsible Governing Unit) for the preparation of the EAW.
- 3) Authorize distribution of the Environmental Assessment Worksheet (EAW) that has been prepared for the proposed Inwood mixed-use development to be located within the I-94 Corridor planning area and within the southeast quadrant of Inwood Avenue and 10th Street.

Staff recommends the City Council authorize distribution of the mandatory EAW with the requested modifications from Staff, starting the 30-day EAW public comment period and take the following action / with the following motion:

“Motion to determine that an EAW is required, designate the City as the RGU, and authorize distribution of the draft EAW for the Inwood mixed-use development project starting the 30-day EAW public comment period.”

LEGISLATIVE HISTORY/PLANNING COMMISSION REPORT: Hans Hagen Homes has prepared the attached EAW and related traffic study in accordance with the guidelines of the Minnesota Environmental Quality Board, which is the organization that oversees the State’s environmental review program. Staff has reviewed the document and any requested modifications to the draft document are noted below.

Under State rules, an EAW must be published in the EQB Monitor as part of the review process. The EQB Monitor is a biweekly publication that announces environmental review documents, public comment periods, and other actions of the Environmental Quality Board. Once published in the EQB Monitor, there is a 30-day comment period during which public agencies and members of the public may comment on the proposed project. The City must further distribute the EAW to a mailing list containing all responsible parties required to receive a copy of an EAW or EIS.

At the end of the 30-day comment period, the City must adopt a resolution that finds an Environmental Impact Statement (EIS) is or is not required for the project. If an EIS is not found to be necessary, the environmental review process is complete and the developer can proceed with platting and development within the project area.

In this case, Hans Hagen Homes has already submitted a PUD Concept Plan application for the Inwood Development and recognizes that the City will not be able to take formal action on the plat application until the environmental review is complete. The Planned Unit Development application may proceed simultaneously with the EAW review.

STAFF REPORT: Staff has reviewed the EAW document and is recommending that the following changes be incorporated into the final draft of the document prior to submission to the EQB:

- 1) Section 11 – Water Resources should be updated to note that the City’s Comprehensive Plan depicts a new water tower on the subject property, and that the developer will be working with the City to determine the appropriate location for this facility as part of the City’s subdivision review process.
- 2) Subheading “iv” under Section 11 – Water Resources should include a description of each of the identified wetlands. There are some discrepancies concerning whether or not certain wetlands will be preserved or disturbed during development. This section should be updated to reflect the current plans for development and wetland impacts.
- 3) Section 15 – Visual Impacts should include a reference to potential visual impacts from a new water tower within the project area.
- 4) The general development site plan and the overall project description should be updated to reflect the most recent version of the PUD Concept Plan that will be considered by the Planning Commission on August 25, 2014.

During the course of the review, it was determined that a traffic impact study would be required, and this study has also been prepared and is attached for consideration by the City Council. Staff has found that the EAW is complete and addresses the minimum requirements for submission to the EQB.

Please note that the version of the draft EAW included in the Council packet includes the worksheet and exhibits though “Exhibit G”. All other exhibits, including the traffic study, are included in the on-line version of the Council packet.

Should the City Council take action to authorize the distribution of the EAW, the document could be published in the September 1, 2014 edition of the EQB Monitor, with the 30-day comment period ending on October 2, 2014.

BACKGROUND INFORMATION (SWOT):

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| Strengths | <ul style="list-style-type: none">• The EAW will allow the City to consider any environmental impacts associated with the project as part of the PUD review process. |
| Weaknesses | <ul style="list-style-type: none">• None |
| Opportunities | <ul style="list-style-type: none">• All comments from reviewers may be included in the City’s review of future development plans for the property. |
| Threats | <ul style="list-style-type: none">• If an Environmental Impact Statement is required (which is unlikely given the project scope and location) it will add |

additional time to the review process.

RECOMMENDATION: Staff recommends the City Council authorize distribution of the mandatory EAW *with the requested modifications* by Staff, thereby starting the 30-day EAW public comment period and take the following action / with the following motion:

“Motion to determine that an EAW is required, designate the City as the RGU, and authorize distribution of the draft EAW for the Inwood mixed-use development project starting the 30-day EAW public comment period.”

ATTACHMENTS:

1. Draft Environmental Assessment Worksheet – Inwood EAW

NOTE: Exhibits “H, I and J (Traffic Study)” are not included but available by accessing the on-line version of the agenda packet.