

The Planning Commission is an advisory body to the City Council. One of the Commission's functions is to hold public hearings and make recommendations to the City Council. The City Council makes all final decisions on these matters.

Lake Elmo Ordinances require that certain documents and information be included in applications. The Planning Commission may postpone consideration of an application that is incomplete and may for other reasons postpone final action on an application.

For each item, the Commission will receive reports prepared by the City Staff, open the hearing to the public, and discuss and act on the application. If you are aware of information that hasn't been discussed, please fill out a "Request to Appear Before the Planning Commission" slip; or, if you came late, raise your hand to be recognized. Comments that are pertinent are appreciated.

AGENDA

LAKE ELMO PLANNING COMMISSION AGENDA

MARCH 14, 1988

- 7:30 p.m.
1. Agenda
 2. Minutes: February 22, 1988
 3. Downs Lake Estates Preliminary Plat
(continued)
 4. Packard Park 3rd Addition Rezoning
(continued)
 5. Residential Estates (continued)
 6. Section 32/33 Discussion
 7. Request for Lot Split/Adjustment
Robert Leaf
 8. Comprehensive Plan Discussion
 - A. Sign Ordinance
 9. Adjourn

LAKE ELMO PLANNING COMMISSION MINUTES

APPROVED

MARCH 14, 1988

Chairman DeLapp called the Planning Commission meeting to order at 7:31 p.m. in the City Council chambers. Present: DeLapp, Williams, Bucheck, Haacke, Hunt, Simpson, Kunde, Enes, Johnston and Acting Administrator Kueffner. Absent: Stevens, Johnson.

1. Agenda.

The consensus of the Commission was to limit each agenda item to one-half hour of discussion.

M/S/P Williams/Enes - to approve the March 14, 1988 Planning Commission agenda as presented with limiting each agenda item to one-half hour of discussion. (Motion carried 9-0).

2. Minutes: February 22, 1988

M/S/P Haacke/Johnson - to approve the February 22, 1988 Planning Commission minutes as amended. (See page 2-Downs Lake Estates, Page 5-RE Residential Estates). (Motion carried 7-0-2<Abstain: Enes, Williams>).

3. Downs Lake Estates Preliminary Plat (Continued)

At the public hearing on this proposed plat, the Planning Commission asked the City Council for permission to have our City Engineer review Downs Lake 2nd Addition, which lies entirely within the boundaries of West Lakeland.

Larry Bohrer told the Council at its March 1st meeting that West Lakeland does follow the guidelines of the VBWD. Therefore, the Council denied the Planning Commissions request. The City Engineer also stated that VBWD is studying the feasibility of a project that would lower the overflow level of Downs Lake.

Marge Williams referred to her handout: Soils-Washington County Soils #342C (See 305.040D). Wetland data sheet indicated Downs Lake to be:

- a. open water
- b. size of wetland = 37 acres
- c. landlocked
- d. area 2 type soils which are described as "Soils formed on nearly level to steep outwash plains in close proximity to the terminal moraines of the Superior tills. These deposits were laid by glacial melt waters.

This area consists primarily of excessively drained medium to coarse textured soils. The infiltration rate and permeability of these soils is rapid, which tends to keep runoff at a minimum. The water table in these soils is usually well below six feet." (The Washington County Water Inventory , 1983).

In regard to Larry Bohrer's statement of February 19, 1988 that the developer does not propose to provide ponding, Marge referred to (Section 401.240B.3) does say that provisions for surface water disposal, drainage and flood control within the boundaries of the proposed plat...should be detailed. Bohrer also stated that subdivisions in the past have been exempt (by precedents referenced of Crombie Estates and Sovereign). Marge brought up that one may argue that if we are to be on firm ground with the use of the code, then we should require ponding in an area that has poor draining soils and that they are one notch away from being against the code. (See 305.040d).

Ann Bucheck referred to page 40 of VBWD Water Management Plan-January 1985 under Downs Lake which states: "Ultimately, an outlet with a 100-year discharge capacity of 57 cfs is envisioned, but it is not proposed to install this capacity at this time. Easements have been preserved for this storage area during development and any future development should continue to protect this capacity. Ann asked how is this plat going to protect that capacity.

Folz responded that all the criteria set by the VBWD are being applied here. But the ponding that is taking place in West Lakeland will eventually pond to Downs Lake, Ann added. Folz stated that this whole area is part of the subwatershed of the watershed of Downs Lake so eventually all of this water will end up in Downs Lake.

Steve DeLapp stated that according to our code ponding is mandatory and there is no ponding in Lake Elmo. Therefore, there would have to be a variance if this is approved.

Ann Bucheck stated that no matter what the City has done in the past it does not set the precedent for what we do at the present time. Ann felt we should uphold our code in regard to necessary ponding in Lake Elmo. Ann added that we owe it to the people who live on Downs Lake at the present time who are having a difficult time with water.

Tom Simpson asked, in order to comply with the rules, how large would the pond be if it was required. Bruce Folz answered that it was so small it would not be worthwhile--possibly 200 sq.ft.

Lee Hunt felt since ponding seems to be such an easy thing to do, it keeps the City from having to grant a variance, which some of the Commissioners are not in favor of, and keeps the people on Downs Lake happy that we are enforcing the ponding requirements. Hunt stated that he interpreted the rules that ponding is needed and he recommends, without ponding, a variance would be needed.

Ann asked if the soils perk slowly this should be more reason to have ponding. Hunt mentioned that we may wish to require perk tests on both lots. Folz answered that Harry Weaver has been instructed to take soil borings on each of these lots. Folz added that this property was purchased because it is a gravel pit and doesn't perk slowly.

M/S/P Hunt/Enes - to recommend to the City Council that they approve the Downs Lake Estates Preliminary Plat; and that exemption from ponding requirements not be granted (Section 401.240B.3) and with notification to the Council Code Section 305.040D that the soils indicate they are a minimal soil with high runoff. (Motion carried 7-2<Bucheck, Johnston>).

Bucheck was against putting the house on the northside of the property because she feels their runoff would go to the South. If the house was placed on the southside of the property, she understands that esthetically it would be very distasteful to put the one house in front of the other. Ann voiced her concern of protecting the homeowners on Downs Lake above all else.

Johnston questioned the wisdom of requiring ponding because of the amount of area that can go into Downs Lake. It is really a part of a lot that is not going to be used for a structure, the water that is going to come off of this subdivision is going to be falling the opposite direction. He favored allowing approval contingent upon the requirement that any additional drainage would go to the South and not be a detriment to Downs Lake. Johnston was in favor of the preliminary plat, but felt the requirement of ponding was unnecessary because ponding would be so minimal it wouldn't affect Downs Lake.

Rob Enes, Tom Simpson, Barb Haacke agreed with Johnston's statement, but voted in favor of the motion.

4. Packard Park 3rd Addition Rezoning (Continued)

M/S/P Johnston/Enes - to reopen the public hearing on the rezoning request for packard Park 3rd Addition. (Motion carried 9-0).

The Planning Commission tabled this public hearing for input from the commission's Vice Chair, Marjorie Williams and for more residents to provide input. (Amended 3-28-88)

There were no questions or comments from the audience.

Chairman DeLapp closed the public hearing at 8:13 p.m.

Ann Bucheck explained that when the 2nd Addition was being discussed, people went before the VBWD and discussed the problems they were having difficulty with water rising with Downs Lake and Eden Park Pond. VBWD said they would do a study of all the water flow from County Rd. 5 to Downs Lake which would be started sometime this Spring. Ann did not feel it was advisable to rezone property at this time because we do not know what will be happening with the water. She has heard it stated that water from Cty Rd. 5 and intown does flow down toward the southern part of the City and she cannot see making that any more dense at this time.

Chairman DeLapp stated that this is a request that the Future Land Use Map, as recommended to the City Council and approved by the Metropolitan Council, be revised. There has to be some criteria to revise the Comprehensive Plan especially when it was only submitted

nine months ago. For the Commission to recommend a rezoning to R1, they would have to have a basis for saying to the Council that this involved acreage is so unique in the City that the conditions that surround it doesn't apply elsewhere in the city and an exemption to the Comprehensive Plan would be appropriate and not affect other areas. DeLapp has not come up with these unique factors at this point for rezoning.

Marge Williams provided questions which should be raised when proposals for zoning amendments are brought before the Planning Commission. Marge also provided Findings of Fact based on the Comprehensive Plan. (See Exhibit A).

After going over the check list and listening to the answers that were provided, Ann felt this property did not need to be rezoned at this time because it does not meet the criteria necessary for rezoning.

Chairman DeLapp emphasized from the planning book, Job of the Planning Commissioner by Solnit, Albert, that if a rezoning is to be done and there is a sound basis for it, it would have the effect of making the community more desirable for everyone that lives here (current voters not taxpayers) with one exception. That is, we fit into the overall metropolitan, federal, stated framework which is why we have to submit our comp plan to the Council. They have indicated that our level of responsibility is on the order of 40-50 new houses per year.

Marge Williams stated the area involved is bounded by some RR, R1 land (some R1 land is larger than 1 1/2 acres). The City does have a water problem sitting below Packard Park, and it tends to be a continuing problem. The Commission also has an obligation to provide enough land for adequate septic and well and upstream we have a tremendous amount of wells and septic tanks along Lake Elmo Avenue. In order to maintain the quality of life and quality of well water, she would be more interested in seeing this area in RE zoning (2 1/2 - 5 acres) than going to 1 1/2 acres because the density is much more intense and in the future there might be some well pollution.

Barb Haacke had a concern on rezoning this area to R1 because we are an unsewered area, and we have to watch the density that we are going to get. She expressed some nervousness in thinking that someday Lake Elmo may be entirely 1 1/2 acre lots with no sewer. If RE zoning comes about, Barb felt this may be the proper place to put it because of the smaller lots around that area.

Lee Hunt asked what is the time limit for someone to come back for a rezoning request on a particular parcel of land and the answer was 6 months for the same zoning request change. If they were to come back to request a new zone, they could come back sooner--so whenever RE zoning is passed, they could come back then.

M/S/P Johnston/Williams - to recommend to the City Council denial of a zoning request to rezone approximately 26 acres from RR to R1 for the proposed Packard Park 3rd Addition based on the Finding of Facts from the Comprehensive Plan (Exhibit A); and for the Council to note that

the VBWD has stated they will do a study on the water plan and until that time the plan has been completed it could be detrimental to rezone. (Motion carried 9-0).

M/S/P Bucheck/Enes - to switch Item 6 before Item 5 of the agenda because of audience interest. (Motion carried 9-0).

5. Section 32/33 Discussion

At the charge of the Lake Elmo City Council the Planning Commission has been working with interested section 32/33 property owners to try to determine if the City should do anything to aid the property owners in developing their land. Lee Hunt explained that although not the only issue, the one that seemed to be the most critical was that the property owners wanted city aid, perhaps in the form of Tax Increment Financing, to assist in providing sewer and water service to the area. Lee Hunt and Dave Johnson have studied the issue of Tax Increment Financing (TIF) and investigated several other methods of financing. Lee Hunt provided a DRAFT of 10 Findings. Dave was not at the meeting so any additions he may have had to the list were not received.

Hunt said Dave felt that the risks involved were such that Lake Elmo would be developing an infrastructure in the future that coupled with TIF to encourage development in Section 32/33 we would be able to do this effectively. DeLapp felt Dave said that we should not get into TIF unless we had a development proposal before us until we had attorneys assure us that it would be highly desirable for the City's interest. (Amended 3-28-88)

Hunt also brought up that it appears that the legislature is unhappy with the direction people have taken at using TIF. Williams added that the State Planning Agency stated that they are trying to require developers impact fees--tell them if you want to develop here you have to pay money.

Tom Simpson stated as he understands this--the city sells bonds, gives the money to the developer with the thought that development will pay back the money to the City. If the development is not successful, then the City is left "holding the bag". Therefore, it would be in the City's best interest if this was going to be done to know how the money is going to be spent. He felt this would be an incredibly unwise thing to do to make an investment where you don't know anything about the company. Tom agreed that it was out of the question unless someone comes to them with a plan that is very strong.

Hunt added that maybe we need to take a lesson from the State legislature, and Cities of Minnetonka and Eagan in that perhaps TIF has not been the "horn of plenty" that people had thought it was going to be to promote development in the State of Minnesota. But yet it is having an opposite affect, it is hurting Counties, School Districts, State revenues, and in the end hurting cities.

Simpson felt the question should be asked "does the City of Lake Elmo need development so bad that we are willing to make a blind investment?"--just how many people would give their money to someone

who says "I'm not going to tell you what I am going to do with it because I don't know yet, but TRUST me".

Kelly Brookman spoke up and told the Commission that they did not know what TIF is and suggested that an expert from the City's bonding company come in and speak to them.

Rob Enes went on to explain there are two kinds of bonds: General Obligation Bonds and Industrial Revenue Bonds.

General Obligation Bonds cannot be issued for shopping centers or for sewer-water-streets for a shopping center. It has to be for schools, city wells, sewer in some instances. With GOBonds it is fully backed by the taxing power of the underlying authority.

Industrial Revenue Bonds are designed for industry and can be used for shopping centers. These bonds do not have the full taxing authority--it is up to the individual project. If the project goes bad, it does not go back to the City.

M/S/P Bucheck/Hunt - to continue this discussion for ten additional minutes. (Motion carried 9-0).

Hunt read an excerpt on TIF he received from the County "The Legislative auditors suggested that TIF funded public improvements be permitted only if special assessments are not feasible. In 1986 the Tax Increment bill contained language limiting TIF supported public improvements and economic development districts." There now is legislation pending which will further restrict this usage.

Acting City Administrator Kueffner expressed her thought that the Commission should get someone in to talk to them about TIF because she felt they were off-track on what TIF really is and suggested that the States Planning Agency or League of Minnesota Cities would come in free if they were asked to, for this issue or any other that the Planning Commission would like.

A person in the audience asked if there has been a request for Tax Increment Financing. He further added "with all due respect to the Commission, he felt it would be in their own interest to have a consultant come in and explain TIF". DeLapp responded that there has been an indirect approach--people from Section 32 asked what the City was willing to do to help financing in that area to help develop their land. The Commission has spent much time on this and have talked to many experts.

Hunt responded that one problem with bringing in their own bonding expert, which has been cautioned by all the experts, the bonding person is trying to get the business. Lee had polled three members of the City Council (Armstrong, Christ, Graves) to see if they would allow the Commission to hire a consultant. These members did not feel they should hire an independent counsel to talk to them. (He stopped at three because he needed three votes to get this through). Quotes received were from \$400-\$1000 for a talk on TIF.

DeLapp and Hunt replied that they have talked to the League of Minnesota Cities and the county.

~~Marge Williams came to their defense with "she knows that TIF is a complicated issue, but even she--who is a female--understands TIF reasonably well".~~ Marge added that these members have done a good job in investigating TIF and if we need to write a white paper on it--that would be fine. (Amended 3-28-88)

Lee Hunt summed it up by stating if the City Council is not satisfied with their investigation of TIF--then they are the ones that should get in the experts because they have the final say as to what they will do. The Planning Commission is only the advisory board so they could recommend reasonable experts to talk to the Council.

Barb Haacke wanted to indicate that maybe there are some misconceptions. She felt the Commission had the general framework, but if they are working on something that is way off base they would need redirection.

Lee Hunt added that obviously people on different sides of the fence have different opinions concerning TIF. There is a multiplicity of opinions and the commission tends to take a conservative view.

Marge Williams recognized the great deal of work the Commission members have done investigating TIF. In light of the fact that now most cities are interested in the opposite of TIF, which is requiring developer impact fees, she was in favor of making the following motion:

M/S/P Williams/Buckheck - to report to the City Council the 10 Findings on financing (Exhibit B) and indicate to the Council there is a multiplicity of opinions depending where you are on this issue so they may chose to go beyond this. (Motion carried 9-0).

M/S/P Enes/Simpson - to switch Item 7 Robert Leaf before Item 5. RE Zoning because of the applicant being present. (Motion carried 9-0).

7. Discussion for Lot Split/Adjustment: Robert Leaf

Robert Leaf, 2945 Lake Elmo Avenue N., is asking that the city consider allowing him to split some lake frontage so that three propertyowners have lake frontage.

The staff has stated with the exception of Lot A, all of these lots are substandard. If this split would be allowed, it would make the conforming lake frontage for Parcel A and create 3 non-conforming lake frontages. Mr. Leaf also asks for clarification as to why Parcel 0130 cannot be split into two equal buildable parcels.

City Code Section 301.090B states "If in a group of two or more contiguous lots or parcels of land owned or controlled by the same person, any individual lot or parcel does not meet the full width or area requirements of this Ordinance, such individual lot or parcel cannot be considered as a separate parcel of land for purpose of sale

or development, but must be combined with adjacent lots or parcels under the same ownership so that the combination of lots or parcels will equal one or more parcels of land each meeting the full lot width and area requirements of this Ordinance."

Also, 301.090F states "No yard or lot shall be reduced in area or dimension so as to make it less than the minimum requirement by this ordinance, and if the existing yard or lot is less than the minimum required, it shall not be further reduced. No required yard or lot currently used for a building or dwelling group shall be used to satisfy minimum lot area requirements for any one building".

The Staff also reminded the Commission that when Mr. & Mrs. Durand owned this property they were before the council asking that a buildable lot be created out of Parcel 0130. The question of this parcel being landlocked came up, as well as the question as to who owns the supposed road easement (between the Taylor & Mazzara property on 31st Street). As far as the staff knows, this question has not been resolved and the property is still landlocked. As far as creating a new buildable lot, until it has access (and the required lot frontage which may require a variance) we cannot really address this question.

Mr. Leaf stated that this tax forfeiture land will be going up for auction in 1991 and he has the option of buying it. Another option he has is to sell this land to Don Durand and not wait until 1991.

Lee Hunt suggested an easement with the adjacent landowners instead of selling the land. He then would still "own" the land, but sold the rights to use the land and he would still maintain the required footage for lakeshore.

The Commission suggested to Mr. Leaf that he consider splitting the land up and selling it to Mr. Durand as long as he maintains 1 1/2 acres for himself. He would have to keep 150' of lakeshore, and he cannot split off tiny parcels because they would be more non-comforming. Another option is, if a hardship could be proven, a variance could be applied for to split up lakeshore on Parcels D,E,F. As far as the easement off of 30th Street, he would have to check into this further. Also, the Commission suggested they check with the DNR if a shoreland permit is needed.

5. Residential Estates Zoning

Chairman DeLapp provided DRAFT #3 of the Residential Estates Zoning based on concerns brought up at the Public Hearing. The Commission received a letter, dated 2-29-88, from John Stibbe of Lawson, Raleigh & Marshall, indicating their understanding of property (referred to in his letter of February 22, 1988) would remain zoned as general business and that the new zoning classification for residential estates would only apply if the owners requested that they be rezoned to this classification.

There was discussion about problems arising if they allowed horses on 5 acres in RE zoning. It is not consistent with our code which

requires 10 acres. By consensus, it was decided to eliminate the Special Condition of allowing two horses on five acres.

Kelly Brookman asked, "if the Commission adopts RE zoning, are you doing away with R1 zoning?" The Commission answered loudly "No"!!

Chairman DeLapp provided drawings of what RE Zoning would look like. He and the Mayor have been talking about 22' wide roads which would be like the roads that goes past each of their houses. DeLapp brought up the consideration of every 40' or 50' along the public right-of-way a shade tree be planted. The propertyowner would then provide screening between each building.

Steve also brought up the Size of Primary Structure: 1500 feet (minimum) above grade is higher than other cities. The highest he has noted was Oakdale who had 1200 feet and that was not above grade.

DeLapp indicated that RE Zoning is a floating zone and would cover selective portions of the City. The Comprehensive Plan would have to be amended to reflect these areas that are eligible for RE Zoning as an alternative on the Future Land Use Map.

M/S/ Bucheck/Enes - to recommend to the City Council they adopt DRAFT #3 Residential Zoning and they require a correction of the Comprehensive Plan to reflect this and to show a Future Land Use Map where the zoning might be applicable based on their peviously adopted motion, and to permit reduction of road width to 22 feet.

Marge Williams provided information on Rural Management from the State Planning Agency for the Commission's review.

The Commission decided they needed to continue the discussion on RE Zoning at the next meeting.

8. Comprehensive Plan Discussion

Chairman DeLapp provided a newspaper article from White Bear Lake for the Commission's review. The sign ordinance will be discussed at the next meeting.

M/S/P Bucheck/Enes - to adjourn the Planning Commission meeting at 10:40 p.m. (Motion carried 9-0).

Packard Park...3rd addition.....

Findings of Fact:

1. Comprehensive Plan, page 21

Lake Elmo has accepted the population figures projected by the Metropolitan Council over the next fifteen years. The land inventory for the city indicates that there are theoretically already platted parcels that would provide for 447 housing sites, 22.5% more than the amount needed to meet the Metropolitan Council's projected population growth.... The combination of homesites in R1, RR, and the Musa indicate that we have a possibility of 5 times the quantity projected through the year 2,000.

See Table A, Lake Elmo Acreage Comparison

2. Comprehensive Plan, page 20

"In rural residential zones, areas with marginal agricultural soils, woodlands, and similar characteristics, residential development will be permitted on ten acre lots or at a density of four homes per forty acres.

3. Comprehensive Plan, page 25

Lake Elmo has stated that the city intends to "Prevent the premature subdivision of these lands (RR) that will increase the demand for more municipal services." The concern here is to be aware of the absolute density in an area plagued with water problems, and that all systems must be on their own well and septic systems.

4. Comprehensive Plan, page 22

Lake Elmo will "(c) Require all residential developments to conform to the limitations presented by natural features including soils, drainage patterns, topography, woodlands and so on."

5. The land presented for rezoning is shown as currently zoned RR, and is indicated on the Future Land Use as RR. The soils in the area are shown to be Area 2 soils.

City Code

301.060E "Zoning and the Comprehensive Plan. Any amendment to

this Ordinance shall amend the Comprehensive Plan in accordance therewith. The Planning Commission shall inform the Council of any zoning proposal which does not conform to the Comprehensive Plan and inform the Council as to why the Plan should or should not be amended.

Comprehensive Plan

"The County Planning Act states... 'A Comprehensive Plan or plans when adopted by ordinance shall be the basis for official controls adopted under provisions of sections 394.21 to 394.37....."

The major consideration in the general validity of land use regulation involves a balancing of the impact of regulation on an individual against the "weight" of the legislative objectives to be achieved. The Minnesota Supreme Court takes the position that if a regulation is to be upheld it must permit a reasonable remaining economic use of the land. An aspect of this position is that the land regulated must be suitable for the uses permitted. Lyle Czech versus the City of Blaine (1977) Within these constraints, local government may regulate land use (including so-called "down-zoning") without having to compensate the landowner for alleged economic loss." "Growth Management for Minnesota Communities" Minnesota State Planning Agency, 1978

Considerations to think about when considering a rezoning:

1. Have there been some changes in the community that indicate that there is a need to rezone? *Zoned let in RR*
2. Have all public health and safety factors been taken into consideration? (Water drainage problems, traffic patterns, etc.)
3. What is the future use of this parcel?
4. Have the basic growth philosophies of the city been change?

LAKE ELMC REAGE COMPARISON:

8/25/86

	ACRES IN CURRENT COMPREHENSIVE PLAN:	ACRES IN CURRENT ZONING DISTRICT MAP:	ACTUAL CURRENT EXISTING USAGE:	ACRES NEEDED TO MEET THE PROPOSED POP. FCST. FOR THE YEAR 2000 - 6,400:	ACRES IN PROPOSED FUTURE LAND USE MAP:	ACRES IN PROPOSED ZONING DISTRICT MAP:
AGRICULTURAL (AG)	0	1,871	7,427	0	8,144	~7,500
RURAL RESIDENTIAL (R-R)	6,730 (Gen Rural Use)	7,185	2,246	0	1,544	~2,200
RESIDENTIAL (R-1)	3,145 (Residential)	1,891 (447 units \equiv 2.2x; w/o Sects 32 & 33) (1,329 units \equiv 6.6x, w/ sects 32 & 33)	1,606	1,606	1,889 (313 units \equiv 1.6x, w/o Sects 32 & 33) (1,195 units \equiv 6.0x, w/ Sects 32 & 33)	~1,750
HIGH DEN RESIDENTIAL (R2, R3, R4)	760	195 (Cimarron)	195 (Cimarron)	195 (Cimarron)	372 (Cimarron and Sects 32 & 33)	195
BUSINESS (GB, HB, CB)	745 (9.9x)	216 (2.9x; w/o overlay and Sects 32 and 33) 1,035 (13.8x; with overlay) 509 (6.8x; w/ Sects 32 & 33)	216	75	203 (1.3x; w/o Sects 32 & 33) 390 (5.2x; w/ Sects 32 & 33)	~225
INDUSTRIAL (IND)	340	8	4	0	0	~4

At the charge of the Lake Elmo City Council the Lake Elmo Planning Commission has been working with interested section 32/33 property owners to try to determine what, if anything, the city should do to aid the property owners in developing their land.

Although not the only issue, the one that seemed to be the most critical was that the property owners wanted city aid, perhaps in the form of Tax Increment Financing, to assist in providing sewer and water service to the area. We have studied the issue of Tax Increment Financing (TIF), and investigated several other methods of financing and find the following ;

1. It seems that very few alternatives exist that are as financially attractive to developers as TIF
2. TIF Allows developers access to money at lower rates than any other financing option.
3. In almost all other States that have TIF legislation, it is limited to redevelopment only. (1 paper pointed to Minn as the only state allowing TIF for new development)
4. It is, in general, the City that assumes most of the risk in TIF financing.
5. The length of time that a TIF district is in effect is only 7 years, this means that development must be done in a relatively short time span, and should include the entire district. The Lake Elmo Comprehensive Plan shows this area for future use as commercial, but does not encourage its rapid development.
6. Many experts caution that TIF is only effective in areas that expect to see declining tax revenues, and development would not normally occur in that area. In this case TIF is used to allow development to occur.
7. In desirable areas, TIF should not be needed to encourage development. The city of Eagan is a good example, they do not need to use TIF to encourage development.
8. Recent bills introduced in the Minn. State Legislature are intended to curb the use of TIF.
9. School districts do not receive any benefit during the TIF period.
10. Where TIF is most effective is in cities that do not have to increase city services (Infrastructure) to support the development, or that have an aggressive development plan in place that calls for increases in city services.

The Lake Elmo Planning Commission does not feel that we need to encourage development in any particular area of the city through Tax Increment Financing. Developments must be able to stand on their own financial merits. If a development needs subsidies to be financially attractive, maybe the development will not produce the required income to the city to fund increases in Infrastructure and pay off the TIF bonds.

301.070D. R.E.- RESIDENTIAL ESTATES (One family residential)

A. Permitted Uses and Structures:

- 1) One (1) family detached dwellings

B. Accessory Uses and Structures:

- 1) Uses and structures which are customarily accessory and clearly incidental and subordinate to permitted uses and structures.
- 2) Garages, carports, screenhouses, conservatories, playhouses, swimming pools, tennis courts, hobby shops and storage buildings as allowed by code, for private use only.

C. Zoning District Requirements:

1) Lot size:

- (a) Five (5) acre nominal (ten percent (10%) allowance for roads)) minimum per unit.
- (b) Two and one-half (2-1/2) acre (108,900 square feet) minimum per unit for subdivisions of twenty (20) acres or more.

2) Configuration:

- (a) Five (5) acre lots must be able to contain a full circle having a diameter of at least three hundred fifty (350) feet.
- (b) Two and-one-half (2-1/2) acre lots must be able to contain a full circle having a diameter of at least two hundred fifty (250) feet.

3) Lot width at street/highway: 60 feet minimum

4) Building Setback from property lines:

- | | |
|---------------------|--------------------|
| (a) Front: | 80 feet (minimum) |
| (b) Side (Interior) | 40 feet (minimum) |
| (c) Side (Corner) | 80 feet (minimum) |
| (d) Rear | 100 feet (minimum) |
| (e) Arterial street | 100 feet (minimum) |

5) Building Height: 35 feet (minimum)

- 6) Size of Primary Structure: 1500 feet (minimum)
above grade
- 7) Parking: Two (2) enclosed spaces (minimum)
- 8) All lots must have at least one (1) acre of land suitable for septic drainfields and area for two (2) separate and distinct drainfields. Placement of the second required drainfield between the trenches of the first drainfield is prohibited.
- 9) Hardsurface Coverage:
 - (a) Fifteen percent (15%) maximum for up to two and one-half (2-1/2) acres.
 - (b) Five percent (5%) maximum for area over two and one-half (2-1/2) acres.

D. Special Conditions

- 1) A lot size of five (5) acres or more will entitle property owner to a maximum of two accessory structures totalling no more than 1,500 square feet.
- 2) A lot size of two and one half (2-1/2) acres or more will entitle property owner to a maximum of one (1) accessory structure with a maximum of 500 square feet and garden shed up to 150 square feet.
- 3) Two and one half (2-1/2) acre lot subdivisions shall be required to conform to an approved landscape plan for screening buildings from adjacent property.