

City of Falcon Heights
Planning Commission
City Hall
2077 W. Larpenteur Avenue

Tuesday, September 25, 2006
7:00 p.m.

A G E N D A

- A. CALL TO ORDER: 7:00 p.m.
- B. ROLL CALL: DeLeo ___ Lukermann ___ Lageson ___
Mercer-Taylor ___ Rodich ___ Ryan ___
Tracy ___ Council Liaison Kuettel ___
City Administrator Miller ___ Staff Liaison Jones ___
City Attorney ___
- C. APPROVAL OF MINUTES: August 22, 2006
- D. AGENDA
1. Modification to the Development Program for Development District #1
- E. INFORMATION AND ANNOUNCEMENTS
- F. ADJOURN

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City of Falcon Heights
Planning Commission Minutes
August 22, 2006

PRESENT: Commissioners Lageson, Rodich, Ryan, Tracy, Council Liaison Kuettel, City Administrator Miller, City Attorney Andrea Poehler, Staff Liaison Jones.

ABSENT: Lukermann and Mercer-Taylor (with notice), DeLeo

A quorum being present, the meeting was called to order at 7:04 p.m. by the chair, Commissioner Ryan.

PUBLIC HEARING: Ordinance Amending the Falcon Heights City Code Concerning Drive-throughs

Zoning and Planning Coordinator Jones presented a brief review of the process to date on this issue, noting that a complete history, with relevant documents, is available on the City website. After receiving the final report on the study in July, the City Council voted in support of changes to the City Code that would restrict drive-throughs to banks and financial institutions in B-2, with additional new zoning restrictions. The proposed new ordinance has been made widely available and is attached to these minutes. Existing gas stations would not be affected. State laws require the Planning Commission to hold a hearing on this proposed change to the zoning code and to make a recommendation to the Council.

Commissioner Tracy asked about the rationale for the Council's exception for banks. Councilmember Kuettel replied that the Mayor proposed the exception to make the amendments more business friendly. The Council felt that the B-2 properties are large enough to accommodate this type of business. Jones added that the present language of the code does permit the bank-related use as an accessory use in B-2; thus this change is smaller than the complete prohibition recommended by the consultant in the study report.

Commissioner Lageson asked for clarification for B-1 and B-3. Would no drive-throughs be allowed under any circumstances? Councilmember Kuettel confirmed that they would not and that the use in B-2 (for banks) would be conditional. Jones read the proposed ordinance draft aloud for the audience.

The public hearing was opened.

The first person to speak was Dino Adamidis, owner of Dino's, 1700 Snelling. He presented his recollections of the process conducted in 2003, when the first attempt was made to gain a lot coverage variance to allow the drive-through. He felt that he was promised that he would be able to have the drive-through if he waited a year. He feels the ordinance is aimed just at his business and is unjustified.

Virginia Blaise, 1532 Crawford, said that from the beginning the Crawford neighbors have been against the drive-through. Crawford has always been used as a cut-off by drivers trying to avoid the Snelling-Larpenteur intersection, which has created a traffic problem in the neighborhood. Since Dino's opened the traffic in the alley has increased, and drivers speed through the alley. She is amazed there have not been any accidents. One evening she counted 15 vehicles down the alley within 20 minutes. Snelling/Larpenteur is one of the busiest intersections in the state and to put a drive-through close to it is going to create further problems for the neighborhood.

Wendy Noble, 1539 Crawford, said she has been involved in the process since early on. It was her understanding that when the 2003 variance was withdrawn, that there was no possibility of a future drive-through. She did not know of any commitment that was made to Mr. Adamidis and said that if she had known, she would have been active in any city process giving input into the original design of the restaurant. She had been under the impression that the withdrawal of the 2003 variance meant that Dino's had understood the neighborhood opposition. She supports the restaurant and local businesses but feels that there should be some give and take, and in such a crowded, fully developed area, the needs of the residents need to be given as much priority as the desires of businesses. This is true not just about the Snelling and Larpenteur but throughout the City. Falcon Heights is just not designed for drive-throughs.

Commissioner Ryan reminded the audience that this process is not just about Dino's but for a city-wide ordinance.

Mr. Adamidis came to the podium again to say that the drive-through window is not just to increase his restaurant's business but to provide a public service, that they want to help people who do not want to get out of their cars. He said he does not think his customers use the alleys but that Jimmy John's drivers and customers use his driveways, and the traffic cannot be blamed on Dino's.

Ms. Noble returned to the podium to make it clear that her previous statements referred not just to Dino's but to all the small business properties, such as the dry cleaner on Larpenteur. These would not be suitable for drive-throughs.

There being no one else who wished to speak, the hearing was closed.

DISCUSSION AND ACTION: Ordinance Amendment Concerning Drive-throughs.

Commissioner Lageson asked the City Attorney how difficult or easy it is to combine lots and how difficult or easy it is to change zoning on a property. Ms. Poehler explained that combining lots is a simple matter of applying to the county for a combined PIN number. Rezoning would require application to the City Council and an approval process. Jones added that it might also require an amendment to the comprehensive plan.

Councilmember Kuettel repeated that the Council decided to go through with the study for the purposes of the whole city, although his property was at the forefront in prompting the study. She received some clarification from City Administrator on how the new ordinance removes the possibility of drive-throughs in B-1 and B-3 zones.

Commissioner Ryan expressed concern that B-1 lots could be combined (for instance at Hamline and Hoyt) to meet the size requirement and then rezoned to meet the requirements in the new ordinance, some time in the future. Jones pointed out that in the case he mentioned there would still be problems meeting the other distance requirements.

Mr. Lageson asked why 30,000 square feet was chosen. In view of the possibility raised by Mr. Ryan, he would favor an increase to 35,000 square feet. He also objects to the use being restricted to banks and financial institutions as he objects on principle to this kind of distinction, and he is concerned about 24 hour ATMs. He also expressed concern about the requirement of a traffic study since the ordinance does not say anything about the results of the traffic study. [In fact the proposed ordinance specifies: "A traffic study must be completed documenting that the drive-through facility will not create traffic problems."]

Mr. Ryan and Mr. Tracy said they were also concerned that the 30,00 square foot figure might be too small. Why not make it even larger than 35,000 square feet?

Mr. Lageson asked about the application of the stacking lane provision to pick-up type restaurants like Applebee's. Ms. Poehler said she did not think that "stacking" lane generally applies to special parking for pick-up lanes. Mr. Lageson worried that a business's attorney might argue that the parking places for curbside pickup could be counted as part of the stacking lane. City Administrator Miller said he couldn't presume to speak for the Council, but he felt that the type of use being discussed is much less intrusive to near-by residents because the parking places are there already.

Mr. Ryan said that he thought a provision to require visual shielding should be included in the ordinance, because this issue was prominent in the public meetings. He also felt speaker noise should be inaudible from adjoining commercial properties as well as residential.

Commissioner Rodich said that he attended all the public meetings, and he felt that the ordinance proposed by the Council is a good representation of the feelings expressed by the residents in those meetings. He also agrees with some of the comments this evening.

Ms. Kuettel responded to Mr. Lageson's comment about the traffic study. She said it was not the Council's intent to make extra work or expense for anyone but to guide the design of future facilities, that there are bona fide reasons, not a desire to make applicants jump through hoops.

Mr. Ryan suggested going through the proposed ordinance and try to agree on any proposed changes, then make a motion on a revised ordinance. In the ensuing discussion, the Commissioners accepted the following changes by consensus.

- Remove the restriction to banks and financial institutions. (in Sections 1 and 3)
- Add a requirement for visual screening to Section 2.
- Increase the minimum lot size to 35,000 square feet.

In addition, the Commissioners asked the Council for clarification on Section 2. b., whether the 75 foot distance requirement applies to the entrance and exit of the drive-through lane or to its entirety. For the traffic study requirement, the study would have to be funded by the applicant and subject to review with the rest of the application. Ms. Poehler said the language proposed is broad enough. Mr. Miller said it is customary for the applicant to hire the consultant to do the study, and the City analyzes the data. Ms. Poehler added that the phrase "the drive-through facility will not create traffic problems" give the city broad latitude in determining the existence of a traffic problem.

Lageson moved, Rodich seconded, that the Commission recommend approval of the ordinance with the changes agreed upon and under the condition that the drive-through lane issue be clarified by the Council. There was no further discussion. Motion passed unanimously.

The final decision will go to the City Council in September.

Recodification of the Zoning Chapter of the City Code

Commissioners previously received a list of 71 items of questions, comments and concerns that have been raised by commissioners and staff about the proposed new chapter. Jones assured the Commission that Staff has gone through the chapter line by line. The Commission is only required by Minnesota law to "make a recommendation"; it is not necessary to recommend a final draft. There is still work to be done at the Council level and afterward. The Commission can recommend approval of the chapter with provision that all the concerns and questions be addressed. Commissioners may even recommend additional changes or record additional questions and concerns after taking action this evening; this is a work in progress.

In response to a question from Mr. Rodich, Jones said that the way things have been working is that questions that have arisen have been answered as we go along, but actual changes in the draft will be made all at once at the end.

There being no additional discussion, Tracy moved and Lageson seconded that the Commission recommend approval of the chapter, with the list of questions to be addressed. The motion was approved unanimously.

MINUTES: The minutes for July 25, 2006, were approved.

INFORMATION AND ANNOUNCEMENTS:

Jones reminded everyone that the annual city-wide garage sale is coming up on September 16. Participation is open to all residents. If they want to be on the published list, they should call City Hall and sign up. The City makes no guarantees; the list and map are the best effort to reflect the latest information when they are published.

The following week is the Neighborhood Clean-up at the State Fairground. Evidence of residency is required. Ms. Jones reminded people that wood waste and brush is not accepted at the event, that this material can be taken to the compost center down on Pierce Butler. More information will be available in the flyer that will be mailed out.

Mr. Lageson asked about the landscaped cutouts on Roselawn. Who would be responsible for maintenance? Mr. Jones said she would find out. Mr. Kuettel said it was her understanding that the city would do the planting and that one resident would be responsible for the additional cut-out they had requested.

Mr. Lageson also asked about the signs at the Falcon Heights Town Square, some of which have been there for a long time. Jones said staff would talk to the developer. She pointed out that there is still unleased commercial space and it is in the City's interest to allow the developer some leeway in order to rent that space. Ms. Kuettel pointed out the town homes are still for sale.

Mr. Lageson said he has yet to see the drainage pond at Curtiss Field dry this summer. He thought it was supposed to be dry and asked what happened. Ms. Jones said she would have to refer that question to the Public Works department.

ADJOURNMENT

The Planning Commission meeting adjourned at 8:27 p.m.

Respectfully submitted,

Deborah Jones, Staff Liaison



CITY OF
FALCON HEIGHTS

2077 W. Larpenteur Avenue
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Phone - (651) 792-7600
Fax - (651) 792-7610

MEMORANDUM

To: Members of the Planning Commission

CC: Laura Kuettel, Council Liaison
Deb Jones, Staff Liaison

From: Justin Miller, City Administrator

Subject: Modification to the Development Program for Development District #1

Date: September 20, 2006

SUMMARY

Along with the city's financial advisors, staff has been pursuing an amendment to the Development Program for Development District #1, which includes the city's Tax Increment Financing (TIF) districts. Currently, the taxes produced from these districts can only be used within the current project boundaries (see current map). Staff is proposing that the boundaries be amended to include the entire city (see proposed map). State statutes require that the city council hold a public hearing regarding this issue, and that the planning commission review the proposed amendment for conformance with the city's comprehensive plan.

BACKGROUND

In order to facilitate the construction of 1666 Coffman, the city created a housing TIF district. Under the TIF laws that this district was created, taxes produced can be used for not only housing purposes, but also infrastructure projects that fall within the development district. Currently, much of the city is outside of the project boundaries, so any available tax increment funds cannot be used for many current and planned infrastructure projects (such as the Roselawn Avenue reconstruction).

This action would not change the properties paying taxes in the TIF district, nor would it change the statutory requirement to decertify (return to general tax rolls) the district by 2013. Available increment will only be used after required debt service payments are made. By approving this amendment, Falcon Heights tax dollars will remain in Falcon Heights, and will help fund projects throughout the city. Projects that are in the current Capital Improvements Plan that might be paid for with these funds include but are not limited to:



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- Sidewalk replacement program
- Hamline/Hoyt reconstruction
- Limited streetscaping
- Future street projects, such as Maple Knoll rehabilitation
- Seal coating/crack sealing program
- Prior Avenue mill and overlay

The role of the planning commission in this process is not to look at the financial implications, but rather to determine if the proposed amendment is in conformance with the city's comprehensive plan. Since no new projects are being proposed, and no change in zoning or land use is being considered, staff believes that the proposed amendment is in conformance with the comprehensive plan. Furthermore, the increment will only be used for infrastructure projects, which the comprehensive plan addresses in the following statements:

- Major Street Objectives
 - 4. To maintain the transportation infrastructure of the City.
- Major Street Policies
 - 3. Maintain roadbeds, curb and gutter on City streets.
- Public Utility Objectives
 - 1. To provide municipal services to all areas under the jurisdiction of the city.

Tax Increment Financing can be very confusing, so I intend to provide a brief presentation on how TIF works at the planning commission meeting. If you have any questions before Tuesday's meeting, please feel free to contact me at (651) 792-7611 or justin.miller@ci.falcon-heights.mn.us.

RECOMMENDATION

Staff recommends that the Falcon Heights Planning Commission approve the attached resolution finding that the proposed modification to the development program for development district #1 conforms to the general plans for the development and redevelopment of the city.

**PLANNING COMMISSION
CITY OF FALCON HEIGHTS, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION OF THE CITY OF FALCON HEIGHTS PLANNING
COMMISSION FINDING THAT A MODIFICATION TO THE DEVELOPMENT
PROGRAM FOR DEVELOPMENT DISTRICT NO. 1 CONFORMS TO THE
GENERAL PLANS FOR THE DEVELOPMENT AND REDEVELOPMENT OF
THE CITY.**

WHEREAS, the City Council for the City of Falcon Heights, Minnesota, (the "City") has proposed to adopt a Modification to the Development Program for Development District No. 1, reflecting its increase in size, (the "Development Program Modification") and has submitted the Development Program Modification to the City Planning Commission (the "Commission") pursuant to Minnesota Statutes, Section 469.175, Subd. 3, and

WHEREAS, the Commission has reviewed the Development Program Modification to determine its conformity with the general plans for the development and redevelopment of the City as described in the comprehensive plan for the City.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the Development Program Modification conforms with the general plans for the development and redevelopment of the City as a whole.

Dated: September 26, 2006



Chair

ATTEST:



Secretary

*As of September 19, 2006
Draft for Planning Commission Review*

**MODIFICATION TO THE DEVELOPMENT PROGRAM
FOR DEVELOPMENT DISTRICT NO. 1**



**CITY OF FALCON HEIGHTS
RAMSEY COUNTY
STATE OF MINNESOTA**

Approved: September 22, 1982
First Modification Adopted: April 9, 1983
Second Modification Adopted: March 23, 1988
Third Modification Adopted: January 24, 1996
Fourth Modification Adopted: April 11, 2001
Fifth Modification Adopted: September 26, 2001
Public Hearing for the Sixth Modification: October 6, 2006
Sixth Modification Adopted:



EHLERS
& ASSOCIATES INC

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(for reference purposes only)

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SECTION I

MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 1

Introduction

The following text represents a modification to the Development Program for the Development District No. 1. The modification to the Development Program represents a continuation of the goals and objectives set forth in the original Development Program, as modified, and the expansion of the geographic area of Development District No. 1.

For further information, a review of the Development Program for Development District No. 1, approved on September 22, 1982 and modified on April 9, 1983, March 23, 1988, January 24, 1996, April 11, 2001, and September 26, 2001, is recommended. They are available from the City Clerk/Administrator's office of the City of Falcon Heights.

Statement of Public Purpose

See subsection A "Statement of Public Purpose" found in the Development Program for Development District No. 1, dated January 24, 1996. There is no modification to the existing Program.

Statement of Goals and Objectives

The modification to Development Program for Development District No. 1 and to Tax Increment Financing District Nos. 1-2 and 2-1 is expected to continue to achieve many of the objectives set forth the section "Statement Goals and Objectives" in the Development Program for Development District No. 1, dated January 24, 1996.

Statutory Authority

See also the Statutory Authority found in the Redevelopment Plan for Redevelopment Project No. 1, dated March 23, 1988.

Boundaries of Development District No. 1

The City of Falcon Heights established Development District No. 1 on September 22, 1982, and subsequently established Development District No. 2 on July 11, 1982. Included in the modification of March 23, 1988, the boundaries were modified to encompass all the areas within Development Districts Nos. 1 and 2 to share a coterminous boundary with the Development District. Additional properties were added to the Development District through a modification on January 24, 1996. A map showing the location of Development District No. 1 is illustrated on the map attached in Exhibit A. The consolidation of Development District Nos. 1 and 2 into Development District No. 1 allows the City to combine tax increment currently being generated in the Tax Increment Districts for development and redevelopment activities in the Development District.

(AS MODIFIED ON OCTOBER 11, 2006)

The boundaries of Development District No. 1 shall be coterminous with the municipal boundaries of the City of Falcon Heights.

The City of Falcon Heights' geographic boundaries are as follows:

- North: Roselawn from Fulham to Hamline**
- West: Fulham from Hoyt to Roselawn; Cleveland from Hoyt to Como**
- East: Hamline from Hoyt to Roselawn; Snelling from Hoyt to Como**
- South: Como from Cleveland to Snelling, Hoyt from Fulham to Cleveland, and Snelling to Hamline.**

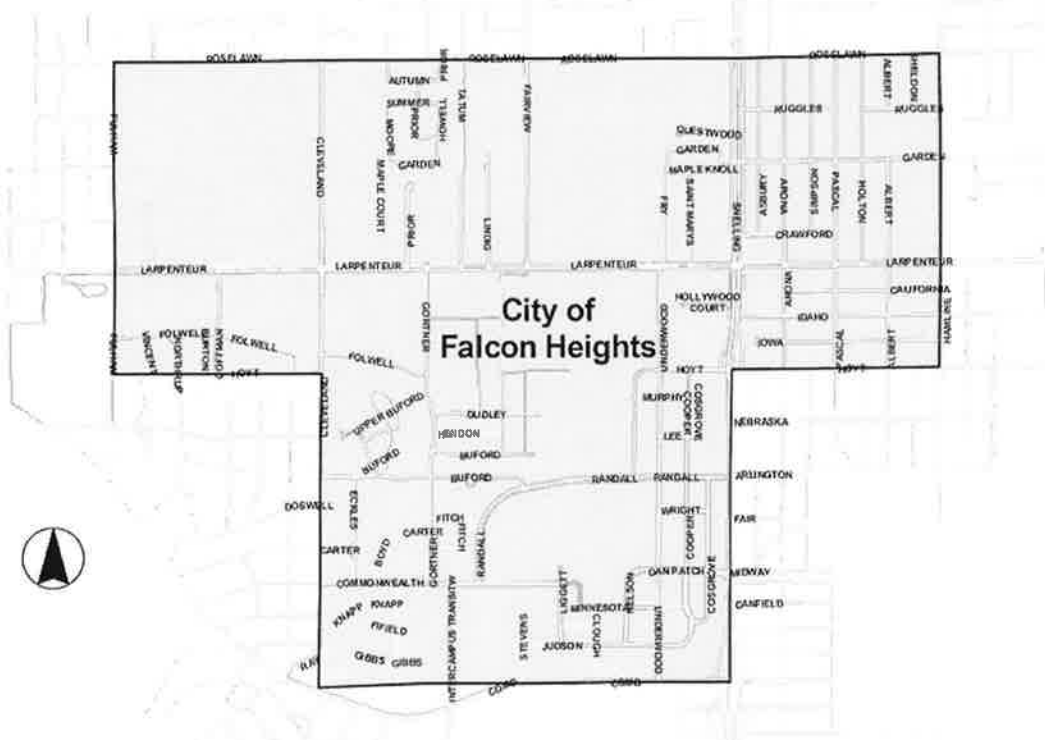
Please see Exhibit I-A for a map.

EXHIBIT I-A

BOUNDARY MAP OF DEVELOPMENT DISTRICT NO. 1

**Development District No. 1
City of Falcon Heights
Ramsey County, Minnesota**

The boundaries of Development District No. 1 shall be coterminous with the municipal boundaries of the City of Falcon Heights



DISCLAIMER: This map is neither a legally recorded map nor a survey and is not intended to be used as one. This map is a compilation of records, information and data located in various city, county, state and federal offices and other sources regarding the area shown, and is to be used for reference purposes only. Sources: Ramsey County (May, 2006), The Lawrence Group (May, 2006) for County parcel and property records data

**PLANNING COMMISSION
CITY OF FALCON HEIGHTS, MINNESOTA**

RESOLUTION NO. _____

**RESOLUTION OF THE CITY OF FALCON HEIGHTS PLANNING
COMMISSION FINDING THAT A MODIFICATION TO THE DEVELOPMENT
PROGRAM FOR DEVELOPMENT DISTRICT NO. 1 CONFORMS TO THE
GENERAL PLANS FOR THE DEVELOPMENT AND REDEVELOPMENT OF
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WHEREAS, the City Council for the City of Falcon Heights, Minnesota, (the "City") has proposed to adopt a Modification to the Development Program for Development District No. 1, reflecting its increase in size, (the "Development Program Modification") and has submitted the Development Program Modification to the City Planning Commission (the "Commission") pursuant to Minnesota Statutes, Section 469.175, Subd. 3, and

WHEREAS, the Commission has reviewed the Development Program Modification to determine its conformity with the general plans for the development and redevelopment of the City as described in the comprehensive plan for the City.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the Development Program Modification conforms with the general plans for the development and redevelopment of the City as a whole.

Dated: September 26, 2006



Chair

ATTEST:



Secretary

Development District #1 Modification

Falcon Heights Planning Commission

September 26, 2006

General Overview

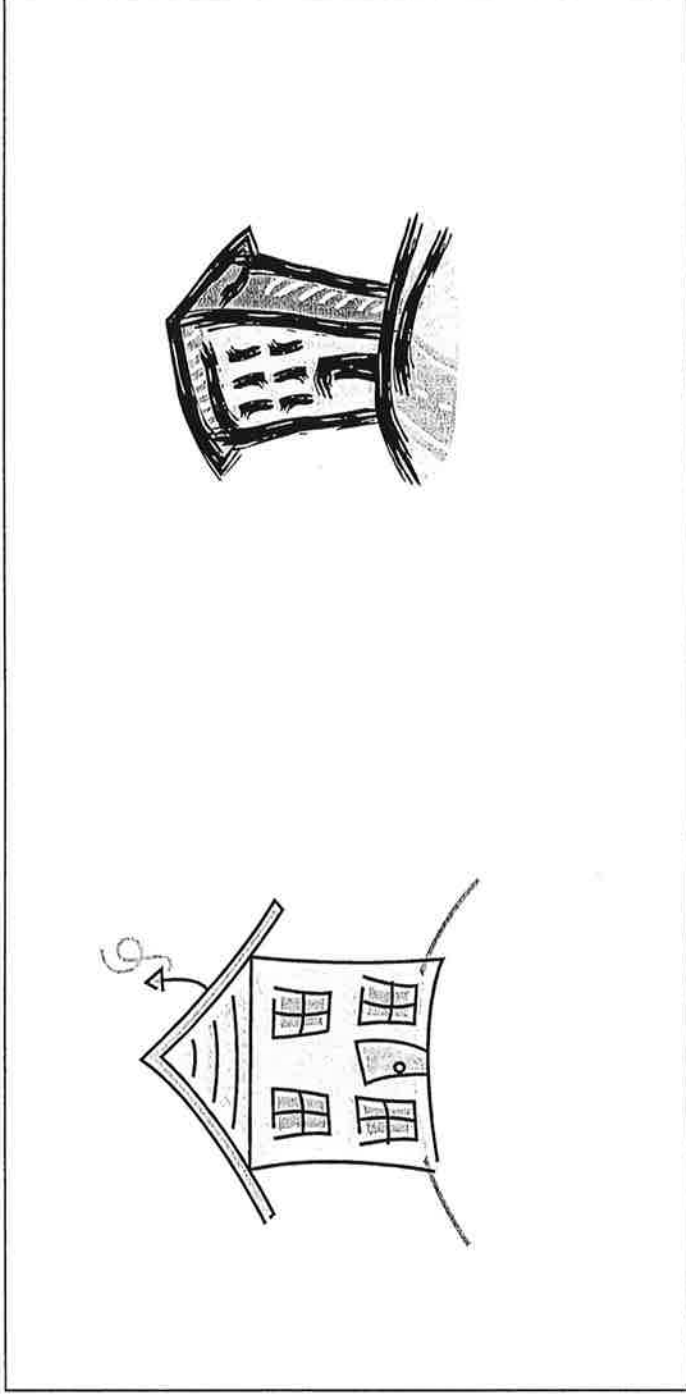
- Proposal to expand development district boundaries of existing Tax Increment Financing (TIF) District to encompass entire city

TIF Overview

- Economic Development tool used by cities to facilitate development that would not otherwise occur
- Uses growth in tax base in specified areas to pay for identified improvements

TIF Basics

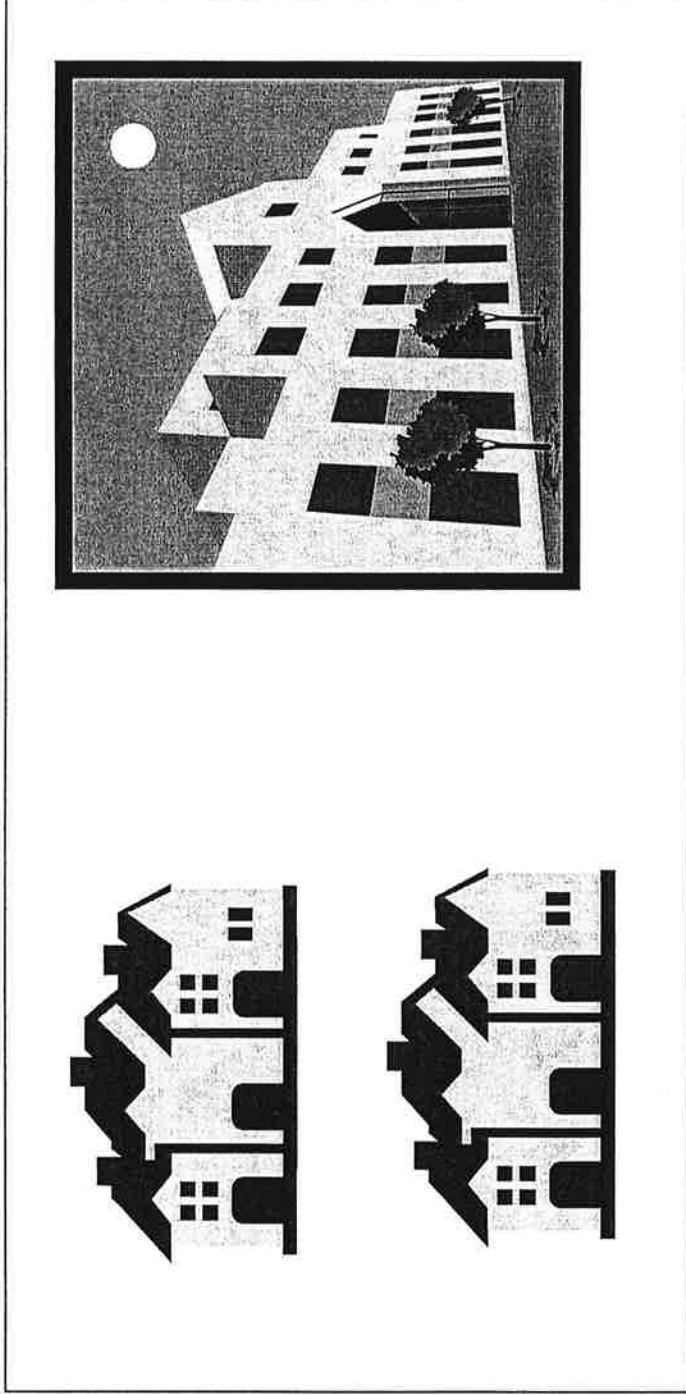
Parcel Before TIF



Base Tax Capacity = \$10,000

TIF Basics

Parcel After TIF



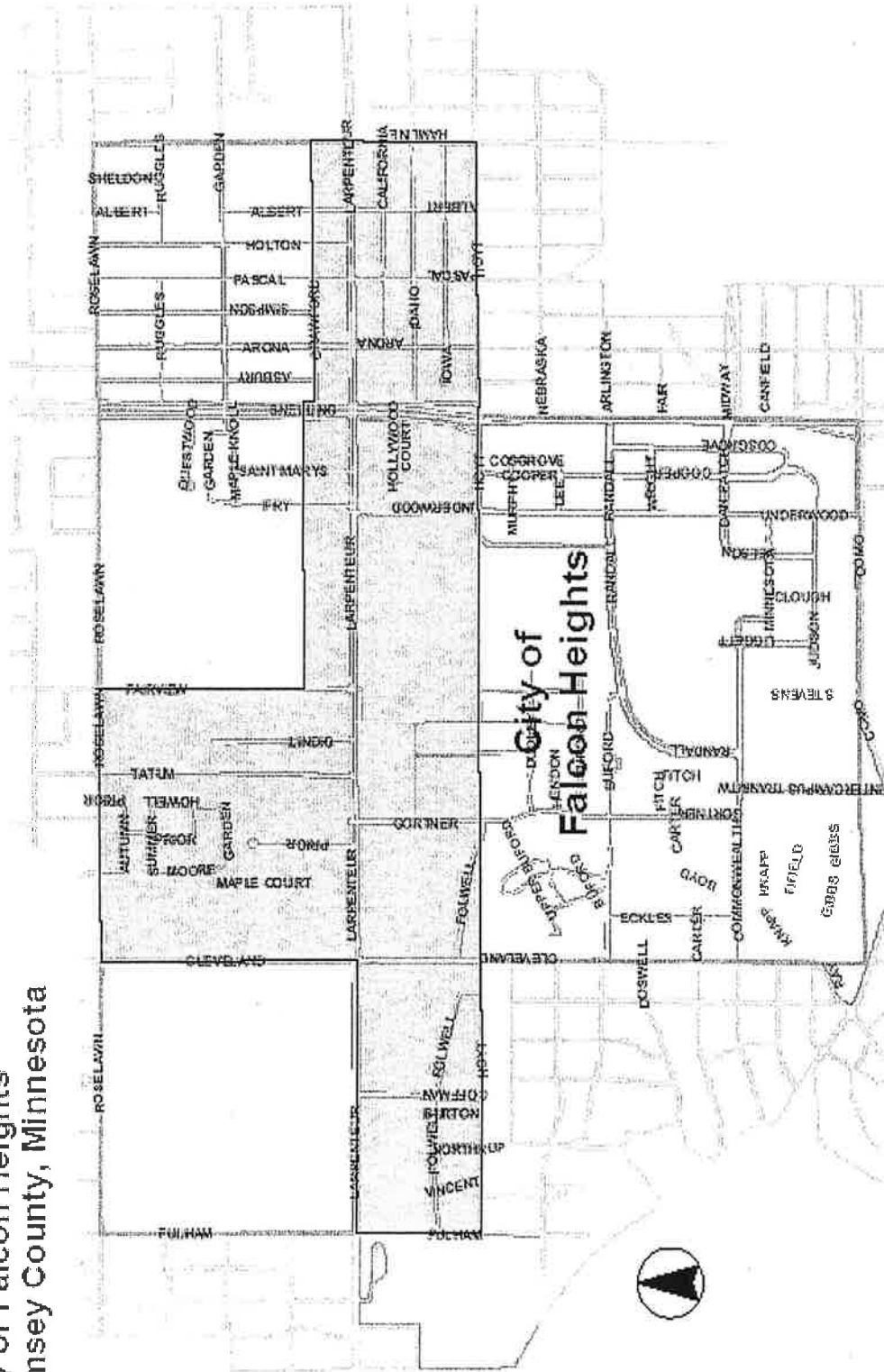
New Tax Capacity = \$1,000,000

Financial Result

- New Tax Capacity \$1,000,000
- Base Tax Capacity \$10,000
- Available Increment \$990,000
- Money can be used to pay debt associated with district, provide infrastructure, or help offset cost of affordable housing

Current Boundaries

Development District No. 1 - Current
 City of Falcon Heights
 Ramsey County, Minnesota



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 Source: Ramsey County (May, 2005). The Lawrence Group (May, 2005) for County parcel and property records data.

Impact

- By approving this modification, available tax increment would be able to be used for infrastructure projects throughout the city, not just in current boundaries

Role of Planning Commission

- State statute requires that any modifications must be reviewed by the planning commission to ensure conformance with comprehensive plan.
- No change in zoning or land use is being considered, and no new projects are being proposed.

Recommendation

- Staff recommends that the Falcon Heights Planning Commission approve the proposed modification.