DATE: May 5, 2015

CONSENT ITEM#

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AGENDA ITEM: Zoning Text Amendment – Freeway Signs for I-94

SUBMITTED BY: Nick M. Johnson, City Planner

THROUGH: Dean Zuleger, City Administrator

REVIEWED BY: Planning Commission

Kyle Klatt, Community Development Director

SUGGESTED ORDER OF BUSINESS (if removed from the Consent Agenda):

- Introduction of ItemCommunity Development Director
- Report/Presentation......Community Development Director

POLICY RECCOMENDER: Planning Commission

<u>FISCAL IMPACT:</u> None – The City's review of the requested Zoning Text Amendment is reimbursed through the submitted application fee.

SUMMARY AND ACTION REQUESTED: The City has received a request from Rihm Kenworth, 11530 Hudson Blvd. N., Lake Elmo, MN, to amend the City's Sign Ordinance to allow freeway signs for commercial properties adjacent to I-94 up to 25 feet in height and 250 square feet in area. After reviewing the request and conducting research, the Planning Commission and Staff are recommending approval of an amendment to the Sign Ordinance to allow freestanding and pylon signs only on commercial properties within 150 feet of Interstate Highway 94 right-of-way. The maximum recommended height is 25 feet, with the maximum recommended surface area is 150 square feet. Should the item be removed from the Consent Agenda, the motion to take the recommended action on the request is as follows:

"Move to adopt Ordinance 08-119, amending the Sign Ordinance to allow freeway signs only for commercial properties within close proximity to I-94."

City Council Meeting May 5, 2015

In addition, Staff is recommending that the City Council authorize summary publication of the approved ordinance through the following motion:

"Move to adopt Resolution No. 2015-29, authorizing summary publication of Ordinance 08-119."

BACKGROUND INFORMATION/STAFF REPORT:

Rihm Kenworth recently began business operations in Lake Elmo in the beginning of 2015 just west of Manning Ave. N. on Hudson Boulevard. In January of 2015, Mr. Dan Dunn of Rihm Kenworth contacted City staff to inquire about the possibility of installing a business identification sign that would be visible from Interstate 94. City staff explained that under the current signage provisions, the maximum size for a ground sign at the applicant's location would be 10 feet in height and 72 square feet in area. In addition, pylon and freestanding signs are not listed as a permitted sign type in the City's signage regulations. At this point, Rihm Kenworth inquired about the process to amend the City's signage regulations, wherein staff assisted in explaining the correct procedure. Rihm Kenworth ultimately submitted a zoning text amendment requesting that freeway signs be allowed for commercial properties adjacent to I-94. In addition, they requested these signs be allowed up to 25 feet in height and 250 square feet in area. The request was heard by the Planning Commission at a public hearing on April 13, 2015.

In researching the request to allow freeway signs, planning staff conducted research of multiple other communities in the Twin Cities Metro Area. The results of this research can be found in Attachment #7. In addition, staff also researched the previous Lake Elmo Sign Ordinance (Attachment #8) to see if these sign types were previously allowed. The previous Lake Elmo signage regulations did allow freestanding signs in the I-94 Sign District. These signs were allowed to be 30 feet tall and up to 150 square feet in surface area. In 2013, the City adopted new signage regulations as part of numerous updates to the City's Zoning Code. These updates were made to prepare the City for sewered growth and development. The new signage regulations did not list pylon or freestanding signs as a permitted sign type. Given Lake Elmo strategic location on the I-94 Corridor, a heavily travelled corridor, it is not surprising that commercial businesses are seeking greater visibility through pylon signage. It should be noted that staff has received multiple inquiries regarding these sign types in the I-94 Corridor. Rihm Kenworth is the first inquirer to take the formal step to request amendment of the City's signage regulations. Staff anticipates that as the I-94 Corridor develops commercially, there will be more and more requests of this nature. Staff recommends allowing freestanding or pylon signs only for properties within close proximity to the corridor. In addition, staff recommended a smaller size allowance than what was requested by Rihm Kenworth (150 sq. ft. vs. 250 sq. ft.). In the judgment of staff, providing some allowance for this sign type with some size restrictions represents a balanced approach. Should the City desire to attract more commercial development in the I-94 Corridor, signage visible to the nearby highway is a desired feature for some business types.

PLANNING COMMISSION REPORT:

The Planning Commission reviewed the applicant's request at a public hearing on April 13, 2015. No one spoke during the public hearing and no written correspondence was received. During the meeting, the Planning Commission discussed the appropriate height and size of signage visible to I-94. In addition, the Planning Commission agreed that if these sign types are allowed, some base level of design standards was appropriate. The Planning Commission directed staff to research other communities about design standards for freeway signs. The information gathered by staff can be found in Attachment #9. The majority of the standards related to building materials and pylon or pole covers. Based on the research, staff proposed a section relating to design standards requiring that the sign and pylon covers be constructed out of attractive materials that are consistent with the principal building. The Planning Commission reviewed the updated ordinance on April 27, 2015. The Planning Commission unanimously recommended approval of the zoning text amendment to allow freeway signs for commercial properties in close proximity to I-94 (Vote: 5-0).

STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS:

Strengths: In the judgment of the Planning Commission and staff, some allowance for pylon or freestanding signs in this area is reasonable. An allowed height of 25 feet and surface area of 150 square feet is not too large to create a visual nuisance, but large enough to allow for visibility. The size proportions are in keeping with surrounding communities, as well as the previous 2009 Lake Elmo Sign Ordinance.

Weaknesses: In the view of some observers, pylon or freestanding signs are not an attractive sign type when compared to other signs. However, these are the only sign types that allow for reasonable visibility for an interstate highway due to distance and travel speed. The Planning Commission did direct the staff to include design standards, supporting pylon covers to promote attractive signs for the I-94 commercial area.

Opportunities: Signage that allows for visibility for to I-94 may be an important consideration for a business to locate in Lake Elmo, depending on the business type. Modest allowances for these sign types may aid the City in recruiting additional commercial development in the I-94 Corridor.

Threats: The City has emphasized a desire to attract additional commercial development to Lake Elmo as of late to balance out the ratio of residential to commercial properties in the community. While it difficult to draw concrete conclusions on the impact of not allowing signage that is visible to I-94, it is possible that reduced amounts of signage will reduce certain types of businesses locating in Lake Elmo.

RECOMMENDATION:

Based on the aforementioned, the Planning Commission and staff are recommending that the City Council approve the proposed amendment to the Sign Ordinance to allow for freestanding or pylon signs on commercial properties within 150 feet of Interstate 94. The maximum

recommended height for the freestanding signs is 25 feet, while the maximum recommended surface area is 150 square feet. Should the item be removed from the Consent Agenda, the motion to take the recommended action on the request is as follows:

"Move to adopt Ordinance 08-119, amending the Sign Ordinance to allow freeway signs only for commercial properties within close proximity to I-94."

In addition, Staff is recommending that the City Council authorize summary publication of the approved ordinance through the following motion:

"Move to adopt Resolution No. 2015-29, authorizing summary publication of Ordinance 08-119."

ATTACHMENTS:

- 1. Ordinance 08-119
- 2. Resolution No. 2015-29
- 3. Excerpt from Lake Elmo Sign Ordinance w/Proposed Changes
- 4. Staff Report to the Planning Commission, dated 4-13-15
- 5. Staff Report to the Planning Commission, dated 4-27-15
- 6. Land Use Application Form, Narrative, and Supporting Materials
- 7. Freeway Signs Comparison Chart
- 8. Excerpt from Lake Elmo 2009 Sign Ordinance I-94 Sign District
- 9. Design Standards Comparison Chart