



**City of Lake Elmo
Planning Commission Meeting
Minutes of January 28, 2019**

Chairman Dodson called to order the meeting of the Lake Elmo Planning Commission at 7:00 p.m.

COMMISSIONERS PRESENT: Johnson, Weeks, Hartley, Holtz, Steil

COMMISSIONERS ABSENT: Cadenhead and Risner

STAFF PRESENT: Planning Director Roberts

Approve Agenda:

M/S/P: Hartley/Holtz, move to approve the agenda as presented, ***Vote: 5-0, motion carried unanimously.***

Approve Minutes: December 10, 2018

M/S/P: Hartley/Holtz, move to approve the December 10, 2018 minutes as amended, ***Vote: 5-0, motion carried unanimously.***

Business Item – Mixed Use Ordinance

Roberts started his presentation regarding the continuation of the discussion of the mixed use ordinance. Roberts believes that all of the changes that were discussed have been incorporated. There will be a public hearing for this ordinance update scheduled in two weeks. If there are other changes, there is still time to make changes.

Steil asked if the parking facility that is allowed in the table on page 8 would be an open parking lot. Roberts stated that the parking facility would probably be a parking ramp. Hartley stated this is in mixed use, so it could be a shared parking facility trying to make best use of the land. Roberts pointed out that if the parking facility is the primary use, it is a conditional use. If the parking facility is an accessory use, it is a permitted use as part of the development project.

Hartley thinks the heading of the light industrial/manufacturing uses should eliminate the word extractive as that does not apply.

Hartley is concerned with the wording on page 1 that states at least 50% of the net area must be residential, but there is no upper limit. It would seem to imply that it could all be residential when the goal is to have a mixed use. Holtz stated that given the highest and best use for the area, he doesn't think that should be the goal either. Roberts stated that he feels that the market and developers will dictate what the needs are vs. the City trying to guess. Hartley is wondering if it would make sense to set a high minimum for commercial. Roberts stated an alternative would be to see what happens and review it in a couple of years. Weeks stated that she thinks the landowners are savvy enough to invite in the right developers and feels that it will be fine.

Holtz feels there should be a review process every few years, to make sure the City is on track. Holtz also would like to see the intent and purpose clarified in the ordinance because the applicant has to describe how the long term vision is being fulfilled. Roberts stated that the review process could be put in the annual work plan to be reviewed every year as to the mix in the area.

Steil is wondering if the City sees a large amount of residential going in, if one of the other areas could be changed to be a higher mix of commercial. Roberts stated that a parcel or two could be changed to strictly commercial. Holtz is wondering what the best mechanism is to be to review the ordinance. Roberts doesn't feel that having something in the ordinance is the best, but feels the annual work plan would be the best to review it on an annual basis. Hartley stated that there should be some low minimum of commercial, to demonstrate this is a mixed use. Hartley feels that a property owner could enter an agreement with an adjacent land owner through ghost platting.

Holtz suggested that the application outline how they are meeting at least 10% commercial. That could be through ghost platting or some other mechanism. Steil feels that using a specific percentage locks us in too much. Johnson feels that there should be some margin for flexibility. Hartley is wondering if that could be done through a PUD process. Weeks is shying away from PUD in mixed use. The Commission was concerned with the phrasing on the density and would like it changed to at least 10 but not to exceed 15 units per acre for the MU-C district and at least 6 but not to exceed 10 units per acre for the MU-BP district. The Planning Commission discussed a few minor grammatical changes in regards to secondary dwellings.

M/S/P: Holtz/Hartley, move to approve the changes discussed by the Planning Commission regarding the proposed Mixed Use Commercial and Mixed Use Business Park and bring back to the Planning Commission for Public Hearing on February 11, 2019, **Vote: 5-0, motion carried unanimously.**

Business Item – Housing Study

Roberts started his presentation regarding high density residential and rental housing study. The City Council directed staff to work with the Planning Commission to study

development and ordinance standards for high-density residential rental housing in Lake Elmo. High density would be considered anything about 10 units per acre. The questions to consider would be if the existing standards and ordinances adequate to ensure the development of safe and well-designed high density residential housing in the City? The other question would be if there are measures or ordinances the City should consider adding to the City code to regulate the operation of high density and/or rental housing in Lake Elmo?

Roberts found three general areas that Cities use to regulate high density and rental housing. These areas include rental housing licensing, excessive consumption (or use) services ordinances and zoning and design standards. In regards to rental housing licensing, a lot of Cities do this, but this would require a lot of staff that Lake Elmo does not currently have.

The next category is excessive consumption or use of services ordinance. This helps a jurisdiction to help recover costs from property owners and managers of properties where the City determines there have been an excessive number of calls for City services.

Johnson stated that he is comfortable not discussing licensing at this time. Hartley stated that without a licensing program, there would be no way to know if older homes meet code. Weeks stated that there are instances where enforcement action actually makes situations worse for the tenants.

Hartley stated that if the Building Official currently has the ability to go in and issue correction notice, there would not be a need for a licensing ordinance. Weeks stated that in extreme cases, the City has the ability to partner with Washington County Health to resolve issues that are Health/Safety issues. Roberts stated that at this point, he doesn't see that the City would be gaining anything for residents by having a licensing program with the added cost.

Johnson stated that as far as the excessive consumption issue, he feels that it might be distorted to some extent with the density. For a single property it may seem like a high number of calls, but not when you factor in how many people live there. Hartley stated that it would not just apply to rental property, but to any property that generated a lot of need for services.

Weeks would like to research the excessive consumption issue more with the Deputies and safety personnel to see what has been done in the past to find a solution. Weeks would like the opinion of the safety personnel to see if they feel an ordinance like this would help them. Holtz likes the idea to research to see what types of issues we are seeing in the City. Holtz agrees with Johnson that higher density doesn't necessarily mean higher consumption.

Weeks thinks that if there are high design standard, there will be high quality developments. That is good for the City tax base that pays for the City services.

Johnson is concerned that if the design standards are too strict, they could become cost prohibitive. Johnson thinks that quality development means different things to different people. Weeks feels the current design standards seem to work.

Hartley stated that you can encourage affordable housing by allowing enough density that the cost becomes affordable. Johnson stated that the market place many times drives what is put in different areas. Weeks stated the current design standards have been around for a long time and might be just fine.

Weeks would like to do research to determine what types of issues have occurred in the City. Holtz would like that data compared to other third ring Cities for comparison. The consensus of the Planning Commission was to take no action, but to do more research. Roberts wants to the Planning Commission to decide if there is a problem or a need that needs to be addressed. Steil thinks the City Council might be looking for just a high level review for long term what we might need.

M/S/P: Holtz/Hartley, move that within two months, data be collected by staff regarding excessive consumption specifically data of similar communities third ring communities similar to Lake Elmo such as Medina involving items such as number of calls per resident, if excessive consumption is established, type or nature of call, and design standards regarding large scale, peer reviewed studies in journals regarding the impact of changing design standards on cost and marketability for multi-family or high density,
Vote: 5-0, motion carried unanimously.

City Council Updates – January 15, 2018

1. PUD Ordinance Update – failed on 2-2 vote

Staff Updates

1. Upcoming Meetings
 - a. February 11, 2019
 - b. February 25, 2019

Meeting adjourned at 9:13 pm

Respectfully submitted,

Joan Ziertman
 Building Permit Technician