



**City of Lake Elmo  
Planning Commission/City Council Workshop  
Minutes of October 13, 2014**

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

**COMMISSIONERS PRESENT:** Williams, Dodson, Kreimer, Larson, Lundgren, Dorschner and Haggard

**COMMISSIONERS ABSENT:** None

City Council Members Present: Smith, Reeves, Nelson, Bloyer and Mayor Pearson

**STAFF PRESENT:** Community Development Director Klatt, City Planner Johnson, City Administrator Zuleger and Planning Intern Casey Riley

**Approve Agenda:**

The agenda was accepted as presented.

**Approve Minutes:** September 8, 2014

There was clarification of a number of items in the minutes and corrections of typographical errors.

M/S/P: Dodson/Kreimer move to approve the minutes of September 22<sup>nd</sup> as amended;  
***Vote: 7-0, motion carried unanimously.***

**Business Items:** Land Use Development Update/Comprehensive Plan Discussion

Klatt began his presentation by describing the materials that were provided to the Planning Commission. He gave a brief overview of the Met Council Thrive 2040 Process. Klatt discussed the elimination of the MOU and described the steps to achieve the elimination. He highlighted the fact that the City is no longer subject to wastewater inefficiency fees, which would have totaled \$1,000,000 in 2015 had the MOU not been eliminated. As the MOU has been retired, the City is no longer subject to growth mandated with penalties.

Klatt started to further describe the Met Council regional planning process, noting that the City's next required decennial update to its Comprehensive Plan is in 2018. The System Statement, identifying the regional expectations of the City's land use plan, will be released in the fall of 2015.

Dodson asked about how regional plans are reviewed by other jurisdictions. Klatt noted that the pertinent organizations are reviewing the plans that they affect them, for instance the watershed district would review the surface water plan.

Johnson stated that the Met Council has a regional plan that is reviewed by all jurisdictions. If there is a major change to a plan, the appropriate agency has to sign off on it.

Larson described all the layers of the planning process, such as the Lake Elmo Airport. He talked about the number of households needed to maintain a viable downtown. In addition, the City needs to be thoughtful in providing enough parks and recreation for newly developing areas.

Williams asked about the number of total households as it relates to the number of persons per household. Council member Smith added that the persons per household number is important to Lake Elmo's ultimate population projections. The 2030 plan used 2.75 persons per household, while the 2040 plan is using 2.5 persons per household. Smith also stated that using ranges makes it much more difficult to manage growth. Smith stated that based on what we have already approved, we really don't need to use all 1000 acres along I-94 to meet our requirement.

There was a general discussion about REC units and the future population obligations for Lake Elmo.

Klatt provided a summary of Lake Elmo obligations. The City will need to plan for a 24,000 population until the 2015 system statement is released. The City has also taken several actions to functionally rebalance the land use plan to reduce numbers when possible.

Haggard asked if we wanted to use the 2040 plan, would 10 months be enough time to look at it. Klatt responded that if there is concern, then the City should use our staging plan. Smith stated that if we are looking at allowing more development in the rural areas on smaller parcels, that should be factored into population as well.

Klatt provided an overview of all the current residential development projects that have received some level of approval from the City. In addition, staff provided estimates of likely future development according to the current land use plan.

Dodson asked if the City identified the area near Manning Ave for high density housing. Klatt noted that the plan was City-driven.

There was a general discussion about the Inwood development.

There was a discussion about the Village Planning Area, specifically the mixed-use area.

Moving forward, Klatt presented the City's staging plan. He highlighted the Stage 1, 2 and 3 areas in the I-94 Corridor. Williams asked to what level of discretion the City has to refuse a proposed development in the Stage 3 area. Klatt noted that the City could deny a project through the use of the Staging Plan. Williams asked about Moratoriums/Interim Ordinances. Klatt explained the state rules surrounding interim ordinances.

Haggard stated that she thought the village was going to be developed before the I-94 corridor was fully built out. Klatt stated that the Village was part of the stage I planning.

Smith stated that she feels we should not have moved into phase II for only 50 homes as it was not necessary until we completed more of phase I.

Klatt further described the functional rebalancing efforts undertaken since the plan has been adopted. These efforts have resulted in a reduction of nearly 500 housing units.

Kyle wrapped up with some concluding thoughts. He provided the staff's recommendations related to rebalancing efforts in advance of the next Comp Plan update which included rebalancing along I94 as part of transit planning and continuing to discuss the rural planning areas.

Discussion of Gateway Corridor and how a transit hub might impact zoning. If a hub goes in the higher density most likely would go closer to the hub.

Williams thanked the staff for the information provided. He noted surprise that the City is still subject to the 2030 Land use plan. He noted that the developments that have been approved thus far have tracked fairly close to the minimum density levels, which is good.

Bloyer stated that he would like to see the rural areas built out at 2.5 acres per unit.

Smith stated that we need to slow down the pace of development. We have already approved almost 2000 units of the previously mandated 4000 units if we include Gonyea West and that is just too many in too short of a time. We need to slow down and have thoughtful growth.

There was a discussion about growth and moving into Stage 2 and water. The City chose to open up that area by running water to Hunter's Crossing.

Mayor asked what suggestions the Planning Commission has in dealing with development.

Larson spoke about providing public amenities for the new and existing residents.

Haggard noted her support for buildout of the Stage 1 areas before pushing into the Stage 2 and 3 areas.

Dorschner noted that the Planning Commission has methodically reviewed development proposals. He noted that a viable downtown requires populations and development in the Village Area. Businesses require rooftops.

Dodson noted that the proposed transit line will make the higher density residential more likely to occur. It makes sense to locate higher density land use adjacent to a transit stop. Dodson noted his concern about the number of homes on private community septic systems. Finally, he noted that the City's lack of commercial land is troubling given the cost of services for residential development.

Smith spoke about the guidance of the Comp Plan with regards to the buffering around rural planning areas.

Kreimer noted that the City should be looking at the 2040 population forecast starting in the Spring of 2014. Kreimer noted that a lower density threshold should be considered in the I-94 Corridor. Kreimer would like to see the low end of the range to be 1.5 units in the I-94 Corridor.

Larson noted that the City should look at development a little outside the box.

Williams noted that he is concerned about the numbers. There seems to be inconsistencies in the plan. 1200 additional homes from the rural areas would be required. Williams noted that the high density housing will be a shock to existing residents.

Haggard asked what the correct number should be for population. Would the Council be ok with residential development over 20,500. Bloyer noted that he would prefer growth in the rural area as opposed to additional growth in the urban areas.

Zuleger shared his recommendation for additional rebalancing or changes to the land uses. He suggested that the land adjacent to Manning Ave would be better served as Business Park. In addition, the land south of 5<sup>th</sup> Street in Stage 1 is more likely to develop commercially. Staff has done some analysis showing that the likely population is closer to 18,000 to 19,000. Klatt noted that with the elimination of the MOU, the City will be able to plan for the best land uses as opposed to only thinking about the numbers.

Larson noted that he would like to maintain the sense of the rural area as best as possible. The City should protect what is different and unique.

Mayor spoke about the rural development areas, specifically 2.5 acre lots.

Williams noted that he would like the City to explore single family design standards. There was a discussion about which direction to go with design standards. The Council asked the Commission to think about it.

## **Updates and Concerns**

### *Council Updates*

1. Hammes Final Plat passed.
2. Hammes Estates Developers Agreement passed.
3. Hunter's Crossing Developers Agreement passed.

### *Staff Updates*

1. Upcoming Meetings
  - a. October 14, 2014 – Downtown Summit 6:30 – 9:30 pm at Christ Lutheran Church to look at economic development issues, market study and planning issues that affect downtown.
  - b. October 27, 2014
  - c. November 10, 2014

*Commission Concerns – None*

Meeting adjourned at 10:23pm

Respectfully submitted,

Joan Ziertman  
Planning Program Assistant