



**City of Lake Elmo
Planning Commission Meeting
Minutes of May 7, 2018**

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

COMMISSIONERS PRESENT: Emerson, Johnson, Kreimer, Dodson, Lundquist, Dorschner, Weeks, & Hartley

COMMISSIONERS ABSENT: Pearce

STAFF PRESENT: Planning Director Becker, City Planner Prchal and City Administrator Handt

Approve Agenda:

The agenda was accepted as presented.

Approve Minutes: April 23, 2018

M/S/P: Hartley/Lundquist, move to approve the April 23, 2018 minutes as amended,
Vote: 7-0, motion carried unanimously.

Public Hearing – Variance Request 9369 Jane Road

Prchal started his presentation regarding the shoreland variance request at 9369 Jane Road. This request is for a variance of a non-conforming structure that does not meet the minimum structure setbacks from the Ordinary high Water Level, required sideyard and front yard setbacks and maximum impervious standards.

This variance is for a deck as well as an expansion of a garage off the front of the home. There was a variance approved in 2001 to build the home. Some of the key points with that variance was that the house footprint could not be greater than 1350 square feet, which was the size of the original home. A 30 foot setback from Jane Road needed to be maintained which added a 6 foot increase on the setback from the OHW of Lake Jane and must be setback 44.2-52.7 feet from the OHWL.

There are four variance criteria that need to be met. Staff feels that the first one, practical difficulties is met. Because of the size of the lot, the rear and front setbacks would be difficult to be met. The selected locations seem to be the best for the deck and garage. Staff feels that the second criteria of unique circumstances is met. This

property was platted before the OHWL was created, making it difficult to improve the property without approval. Staff feels the third criteria, character of locality is met as this variance will not change the character of the locality. Staff feels the last criteria is met. The side loaded garage will actually make it safer for the homeowner to pull out onto Jane Road.

Dodson asked where the septic is. Prchal stated it is a 201 system which is an offsite system owned by the city. Dodson asked if it has been discussed with the applicant about removing the turnaround stub as a way to reduce the impervious. Prchal stated that he did not discuss that with applicant. That was put in as a turnaround so that they can leave the driveway nose first vs. backing out onto the road.

Heidi Offord, 9369 Jane Road, stated that the driveway is steep going to garage, which makes it difficult to back down the driveway. This is especially true in the winter and there is a surprising amount of traffic on the road. The request for the deck gives them a way to get to the back yard without having to go through the whole house to get to the walk out. Both requests are safety driven.

Public Hearing opened at 7:24 pm

No one spoke and there were no written comments.

Public Hearing closed at 7:24 pm

M/S/P: Lundquist/Johnson, move to recommend approval for the request for shoreland variances from the minimum structure setback from the Ordinary High Water Level, front and side yard setbacks, and maximum impervious surface standards, subject to conditions of approval as recommended by staff , **Vote: 7-0, motion carried unanimously.**

Dodson is concerned about the impervious surface, but does understand the need for the stub turnaround on the driveway. Emerson stated that with this process they will actually end up with less impervious because they are removing some pavers. This is condition number 6.

Public Hearing – Comprehensive Plan 2040 Update

Jennifer Haskamp, Swanson Haskamp Consulting, has been working with the City for just over a year with the update of the Comprehensive Plan. Haskamp went through what the process has been with the update. The Metropolitan Council has governance over this process through the system statement which states that the City has to comply with four regional systems and are required to plan consistently with them. The four systems include transit and transportation, sewer, airports and parks.

Community designations identify which areas are planned for urban services and which areas are planned to stay the same over this planning period. The I94 and Village Area are designated as emerging suburban designation and they are supposed to plan for 3-5 units per acre. The rest of the area is guided for rural development and is encouraged to be 1 unit per 10 acres. These areas are on individual septic or community septic.

Haskamp stated that the City Council requested that they simplify the plan and take out some of the unnecessary items and put them into the system plan, which is the appropriate location. Hopefully this will cut down on the number of Comprehensive Plan requests.

Over the course of the last year, the advisory panel met 11 times to discuss the 2040 Comprehensive Plan. There were a number of public events, such as farmers market. There were a series of stakeholder meetings and 2 open houses.

The things that have changed, are the Urban Reserve, Mixed-Use and Housing. People have asked most about the Urban Reserve. The Urban Reserve, which has been ran past Met Council but not officially approved, would essentially designate areas within the Metropolitan Urban Service Area (MUSA) that are projected to be developed post 2040. These areas would not count towards density calculations for areas in the MUSA. The reason for the proposal was that in the 2030 plan, we were being asked to plan for 25% more housing units. We can reduce that number by 25% per the 2015 system statement, but cannot reduce the MUSA and must hit 3 units per acre. Netting out land within the Urban Reserve allows us to achieve the density of three units per acre while still sticking close to the 25% decrease in population. The areas that within the Urban Reserve Land Use Category were selected on a best guess of where infrastructure will go in. This in essence becomes a staging plan of where the pipe will be next.

Dodson is wondering why we would care about the projections if the density in the MUSA is set. Haskamp stated that a lot of the feedback is that people want to stay as close to the projections as possible. Haskamp stated that it is good to promote continuous growth so that the City is not putting in pipe in advance of needing it.

Haskamp stated that they might have come up with a solution for the Urban Reserve to develop in this planning period if the pipe is available without necessitating a Comprehensive Plan Amendment.

Jay Dema, has been working with Swanson Haskamp Consulting on some of the market research for the Plan. He looked at the market research for the mixed use designation along the I94 corridor. In the 2030 plan, a lot of the land along the I94 corridor is designated as commercial or retail. Retail is going through a lot of changes now with all of the on-line shopping. The office side of things are changing with the digital age, and the amount of space is not required. They felt that adding the mixed use category gave property owners more flexibility for what they can do.

Another question they heard is why plan for different housing types. With an aging population, people are looking for a different, maintenance free type of housing. Also first time home buyers are looking for something a little more affordable. There is also a shift with the uncertainty of the stability of being a homeowner.

Haskamp stated that the new plan integrates the high density land use designation throughout the whole MUSA area vs leaving it mostly on Manning Ave. The goal is to try to reduce the number of Comprehensive Plan Amendments by giving a more diverse land use plan.

Haskamp stated that the advisory panel recommended that 2 additional properties be taken out of Urban Reserve and be guided as high density. This would make it easier for the 5th Street connection to be made. This added approximately 100 additional housing units. The advisory panel also asked that the parks and trails plan be simplified and the new draft attempts to do that.

Haskamp discussed with the Met Council if the land in Urban Reserve can develop prior to 2040 if the utilities are available. If criteria is established so there is no leap frog development and if the land meets all of a set of criteria that is developed through an ordinance process, then it would be permitted to develop at 3-5 units per acre.

Kreimer asked about the urban reserve and is confused why we would not just include those areas and reduce some of the higher densities. Using urban reserve would seem to guarantee that our population will be way higher than everyone thought. Haskamp stated that the fact that the MUSA required 3-5 units per acre makes it difficult. Currently, the city is only at 2.2 units per acre with approved preliminary and final plats, so it will be difficult to get to the 3 units.

Dodson asked about development in the Urban Reserve areas that might make sense to develop with another property across the street. Haskamp stated that those properties would need to develop at the 3-5 units per acre and a zoning ordinance would need to be written very precisely to allow that to happen. There could be circumstances written into the ordinance that might trigger development such as a roadway or street lights.

Haskamp stated that urban reserve properties would only be able to develop at the 3-5 dwelling units without a comprehensive plan amendment. For instance if a property in urban reserve wanted to develop as commercial, that would be a comprehensive plan amendment. Haskamp stated that without urban reserve, everything would need to be at 3-5 units per acre or the numbers don't work. Urban low density and village low density is at 2.5-5, so that doesn't work. Haskamp stated that the good thing about Urban Reserve is that it allows additional time to understand the market for the next planning period.

Dorschner asked if the numbers would change if in the next planning period the market goes south. Haskamp stated that the 3 units comes from what the Met Council considers an efficiency number for the sewer pipe, so she doesn't believe it will ever go lower. Dorschner feels that in the future, things might change for instance with OP developments that need to connect to sewer, that there might be room for some changes or options. Hartley stated that adding the OP developments would actually hurt our numbers.

Dorschner is curious about the downtown and why some sort of a mixed use wasn't used. Haskamp stated that a mixed use would guarantee more commercial that they just don't feel there is a market for. The other piece is that there is a district concept. There would be a village district where more of the commercial is and then the supporting district where the housing will be. It comes down to having households to support the commercial.

Dodson is wondering about the private conservation areas in chapter 6, parks and trails. He is thinking they are typically part of an open space development. Who will be responsible for managing those areas? Haskamp stated that any 84C can manage them and it might be helpful to identify others for the future. Sometimes watershed districts are interested if there is an important water body.

Public Hearing opened at 8:31 pm

Todd Williams, 3025 Lake Elmo Ave, has carefully reviewed the comprehensive plan draft and has 3 ½ typed pages of comments and changes. These comments were included in the packet. Williams will limit his comments to the housing chapter, comments about affordability and the parks chapter. Williams is urging the Planning Commission to include much more about affordable housing in the housing chapter. There is no discussion of how to implement affordable housing. There seems to be a tutorial about affordable housing which is not necessary. Williams would encourage the Planning Commission to reject the housing chapter until concrete goals and plans are included regarding affordable housing. Regarding the parks chapter, Williams recently found out that the City Council approved a very intrusive mountain bike trail system in Reid Park. The mountain bike trails will drastically change this quiet park, but there is no mention of this in the comprehensive plan. This change was buried in the CIP and there was no public hearing regarding this. Williams would urge the Planning Commission to reject the parks chapter until the change to Reid Park is vetted, with consideration for alternate sites.

Tom Wolter, Easton Village developer, feels that the urban reserve category is inappropriate for a portion of his property. They are working with Washington County regarding the realignment of Manning Ave. The Northern property that they own that is designated Urban Reserve has the trunk sewer line installed and water available. They were assessed for it and have been planning for it. Haskamp stated that this property was chosen because they looked at properties from a contiguous growth perspective.

They focused on the Village and moved out. Wolter stated that builders would like to see a greater variety of houses and housing types.

Richard & Jackie McNamara, 10321 10th Street N, feels that their investment and future has been changed by having their property put in urban reserve. In 2008 they had plans to develop their property as commercial. Having the property zoned as urban reserve would definitely decrease the value of it.

Bob Durow, 10363 Manning Ave, has questions about what type of flexibility mixed use brings to a property. The last comprehensive plan did not differentiate, but this comprehensive plan designates his property as mixed use Business Park. His concern is that this will take away some of the flexibility that they had in the past. He would like to see the property be just mixed use so that the market can dictate the use.

Becker went through what can go into a mixed use business park. This was selected because 50 percent needs to be housing and it provides a better transition from commercial to residential. Haskamp further expanded that in the business park mixed use, the property boundaries are not looked at, but the area as a whole is planned to be developed with 50 percent of housing units. The City will need to figure out how to implement that plan and how to monitor it. The other piece is that there is not zoning for the Mixed Use Commercial and Mixed Use Business Park areas. The City has not developed what the allowed, conditional and interim uses are yet. These will be critical to develop so that people know what they can do with their land.

Susan Dunn, 11018 Upper 33rd St N, has concern with development that has occurred in the past number of years. Dunn has concern with the surface water. Dunn is concerned that with the rate of growth, important things will get missed. Dunn is also concerned about the pollution issue. Dunn feels that health, safety and welfare of the residents should be of utmost importance. Sustainability is important and she would hope that with the well closure it is important to think about how to provide water to residents. The land use designations are extremely important, thinking about a cemetery in a RR district. It is important to make sure that uses are compatible with surrounding uses and that the City is thinking about current residents and what they want next to them.

Sarah Lee & David Scream, 711 Manning, they do not feel that Village Urban Reserve is a fair zoning category for their property. They were told that they would be part of a Village category.

Becker stated that there were a number of written comments that were also covered via verbal testimony with the exception of the property owner at 3343 Langly Court. This property owner is guided to be zoned RS and owns a four plex and would like to be reguided to VMX so that the use can be expanded. The use is currently non-conforming.

There was also a developer that previously asked for a comprehensive plan amendment for the OP development density to be calculated at gross acreage vs. net acreage.

M/S/P: Dorschner/Johnson, move to recess the public hearing regarding the Comprehensive Plan, **Vote: 7-0, motion carried unanimously.**

Johnson appreciates the approach of the Urban Reserve, but he is reluctant to go along with it. Johnson thought that since the city services are available for the Easton Village parcel, the exemption would apply. Haskamp stated that it depends what the ordinance requires for the exemption. Kreimer asked what happens if the Met Council doesn't accept the Urban Reserve. Haskamp stated that there will be a draft plan that will go to the Met Council for preliminary review. If the Met Council says that anything in the Urban Reserve needs a Comprehensive Plan Amendment, there is time to modify and there will be another public hearing before the plan is approved. Haskamp stated that the concept of Urban Reserve is not a problem for the Met Council, it is just whether they will require Comprehensive plan amendments to develop in those areas.

Dorschner is cautious of putting restrictions on peoples land for 20 years. In some cases they have planned to develop it. This may work, but the city will need to be diligent when the zoning piece is done.

Hartley stated that a lot of the things that are in this plan derive directly from meeting the Met Council requirements. The Urban Reserve is a reasonable solution to the problem of 3-5 units per acre.

Lundquist is wondering if there could be an incentive for people to put their property into Urban Reserve and to look for volunteers to do so. Dodson thinks that sounds problematic. Haskamp stated that would be starting this process all over again. The City needs to be thoughtful on land use patterns based on market and infrastructure data.

Hartley stated that the Met Council wants the development to be contiguous and they don't want development to leap frog. That leads to planning for where sewer lines will go. It is about the economics of the sewer lines.

Johnson would be in favor of the Urban Reserve if there is a mechanism to develop those properties without the Comprehensive Plan Amendments.

Dodson asked if there was more work that the Met Council would have to do adding pipes. Handt stated that she does not believe there is any more work for the Met Council to do as there are the two interceptors. It would be the developers putting in the infrastructure to get to the interceptors. Emerson does not agree with the Urban Reserve because he does not think it is fair to the property owner not to let them develop at the market rate. Kreimer thinks that all the Urban Reserve does is to say that we are not planning for 24,000 people in this planning period. Dorschner feels that

people are not in favor of the fast growth and this is a way to slow it down. He will be in favor if the zoning can give an exemption.

Emerson feels that there was a lot of money set aside to develop the additional phases of Easton Village and that property should not go into Urban Reserve.

Dodson asked for a straw poll of who is in favor of Urban Reserve. No one is in favor with a number in against. Lundquist abstained because she feels that some land should be put in reserve and maybe the City needs to think outside the box. Handt asked if Urban Reserve isn't essentially phase 4. There already are 3 phases of development with the current Comprehensive Plan. There are currently properties that are not allowed to develop because the infrastructure isn't there and they would have to get the infrastructure there. Haskamp stated that it essentially is a stage 4, but by calling it a reserve category, you are essentially taking it out of the counts for this planning period.

Hartley stated that regardless of what you call it, the pipe isn't there yet and depends in large part on orderly development. The Urban Reserve category is used because it is believed that the pipe is not going to get there in this planning period.

Weeks does not feel that it is fair to put property owners into Urban Reserve and have to go through other hurdles to develop their property with a Comprehensive Plan Amendment. Hartley stated that the without the Urban Reserve, the target population for this planning period will be 25,000 instead of 20,000.

Emerson stated that this will all be market driven. In 5 years, the population could come in way less than what we plan for.

Kriemer wants to add to chapter 2 on page 12, goal #2 to protect existing neighborhoods, "utilize graduated densities, screening and/or open space to separate new sewerred areas from existing neighborhoods".

Hartley stated that he is a little concerned about the wording of separating sewerred areas from non-sewerred areas. Weeks thinks that the way goal #2 is worded already covers it.

Johnson wanted to comment on Reid Park. Handt stated that work on that has already begun. Becker stated that it is a little specific for a Comprehensive Plan. Johnson stated that affordable housing is important. Inclusionary zoning is important, but being less specific has advantages because it allows greater flexibility.

Dodson asked about the housing chapter and how the types of housing is controlled. Density and the implementation strategies can help with that. There can be a market component and developers might have a product preference.

Weeks stated that it is hard to mandate affordable housing as it is sometimes just as expensive as any other type of housing. Weeks stated that many times affordable housing is naturally occurring as homes age. Emerson asked if there is ever an affordable housing component with market rate multi-unit developments. Dema stated that he has seen this happen in other communities.

City Council Updates – May 1, 2018 Meeting

- a. None

Staff Updates

1. Upcoming Meetings
 - b. May 30, 2018 (note change in meeting date)
 - c. June 4, 2018

Meeting adjourned at 10:25 pm

Respectfully submitted,

Joan Ziertman
Planning Program Assistant