

December 2, 2014

The Scandia Planning Commission held a joint meeting with the Scandia Economic Development Authority on the above date. Chair Christine Maefsky called the meeting to order at 7:00 p.m. The following were in attendance: Commissioners Jan Hogle, Travis Loeffler, Steve Philippi, Dan Squyres and Chair Christine Maefsky. EDA members present included President Tom Triplett, Greg Isaacson, Sally Swanson and Bruce Swenson. Staff present: City Administrator Kristina Handt, City Planner Sherri Buss and Deputy Clerk Brenda Eklund. City Council member Chris Ness was also in attendance.

APPROVAL OF AGENDA

Chair Maefsky added an update of the Log House Landing Improvement Project to the agenda. **Squyres, seconded by Hogle, moved to approve the agenda as amended. The motion carried 5-0.**

Administrator Handt explained that approval of the November 5, 2014 minutes will be on the January agenda, since this is a joint meeting with the EDA and not a regular meeting.

DISCUSSION REGARDING MET COUNCIL THRIVE 2040 COMMUNITY DESIGNATIONS

Planner Buss explained that the Metropolitan Council is in the process of preparing the major policy documents that will help guide the 2040 Comprehensive Plan update process for the region. One of the key documents is Thrive 2040, which was adopted by the Met Council in May 2014. Other policies pertaining to transportation, housing, parks, airports and water resources will be finalized next. Thrive 2040 identifies the community designations and the land use policies that will apply to each designation for the development of Comprehensive Plans. Communities have until the end of 2018 to prepare and submit updated Comp Plans to the Met Council. Each community's Comp Plan must be consistent with the Met Council's goals and policies.

Buss stated that the EDA joined the meeting for a discussion about Scandia's future vision for the village area and the entire community in regards to land use policies related to applicable community designations.

Lisa Barajas of the Met Council staff was present to provide information on the classification schemes and answer questions. Scandia is designated as a Diversified Rural community in the Thrive 2040 document. These communities include a variety of farm and non-farm uses and preservation of agricultural land is supported. DivR communities do not usually have municipal water and septic and are discouraged from residential development at urban densities. To maintain rural atmosphere, 4 per 40 densities are encouraged as clustered lots to preserve large tracts of land versus 1 lot per 10 acres.

Barajas explained that the Rural Center designation could also apply to Scandia. Rural Centers are small towns that serve as commercial, employment and residential centers that serve surrounding rural areas. These may have denser commercial and residential land use patterns

than Diversified Rural communities. Regional, state and federal funding sources are available to develop life-cycle and affordable housing, whereas DivR communities are typically not eligible for these funds.

Squyres asked if the Village Center area could be designated as Rural Center and the rest of Scandia as Diversified Rural. Barajas said that could be done at the City's request and would make sense to have both designations. Where the line is drawn is up to the City. A request could be made at any time and wouldn't have to wait for the 2018 update. Triplett asked if all properties in the RC would need to be connected to a municipal sewer or only part of them. Barajas stated that having part of the properties connected would not disqualify a Rural Center designation.

Triplett stated that lack of housing alternatives such as affordable and life-cycle housing is a critical issue that can have effects on the elementary school population and recruitment to the fire department. Large lots that are common in Scandia cannot be affordable to many working families.

Handt asked if the Rural Residential designation could work for Scandia, as municipal wastewater infrastructure does not need to be extended. Barajas said that the Council does not want to add to this classification and is only acknowledging that they exist, whereas the RC really fits for Scandia.

Barajas explained the Livable Communities Program that offers grants to support affordable, life-cycle housing for Rural Centers. Handt noted that Scandia's Housing Performance Score indicates that a contribution of \$21,000 is needed from the City to receive funding. Barajas said it does not necessarily need to be a monetary contribution and that in-kind services are considered for eligibility. Buss said it could be a good idea to request a grant for the planning stage to address this issue, before the development stage.

Swenson stated three things that are critical for a thriving community: local services, senior housing and affordable housing for families. All three need to be worked on together. He stated that an expanded medical health facility with a pharmacy is needed, but is limited by the infrastructure.

Squyers asked if more density in the Village Center is the goal, and is there any flexibility in DivR to allow for alternative housing ideas, such as nanny suites or mother-in-law apartments. Could an additional unit be added to one lot as a low income rental unit? Barajas said yes, guidelines allow for this as long as open space is preserved – it would be encouraged as a great use of resources. Handt noted that accessory apartments are allowed in all districts through an Administrative Permit process, but separate structures are not allowed.

Triplett asked what steps should be taken to allow for affordable housing. Buss said a change in zoning and amendments to policies in the Comp Plan are needed, so that the zoning and plan are

in agreement. One could start with the area that has the most potential for this type of development.

Maefsky said she would not be comfortable in altering the Comp Plan without considerable public involvement, as increased density in the VN district was a controversial issue during the 2008 Comp Plan update.

Handt explained that the Comp Plan contains the general statements which encourage affordable housing, but it's implemented through the development code. Amending the code to allow for this would still be consistent with the Comp Plan. Handt recommended tweaks to the code to encourage alternative housing. In talking with developers, they are scared off by the CUP requirements for multi-family housing in the VN district. CUPs require an extensive outlay of funds, can be a lengthy process and could end up being denied. By changing multi-family housing to a permitted use, developers may be more likely to invest in the community. Swanson agreed that Scandia's strict regulations can be a problem.

Buss noted that the housing issue should be taken on for the next round of the Comp Plan, but that the Rural Center request could be done at any time. Barajas clarified that the system statement for the new Rural Center designation under Thrive 2040 would be applicable after September 2015, but an amendment to the current plan can be submitted any time up to the end of 2018. Buss stated that they could amend the plan with a vision of downtown as the Rural Center and use these policies as such for its development. Maefsky stated that she would be looking for community input as a first step.

Handt questioned if this needs to go to the point of amending the Comp Plan. Changes to the code could be made now to encourage the desired type of development.

Squyres stated that they should take a cautious approach to make sure the community develops as desired and this needs to be spelled out in the Comp Plan. This is an opportunity to make Scandia a great place – we may end up with a townhome development that looks like it belongs in Woodbury, not Scandia. Maefsky agreed that it needs to be carefully planned out to be sure it fits into the overall plan. Swanson said that this is where the architectural guidelines pertaining to design would be applied.

Handt explained that it's a change in process that she is recommending, and this may be the place to start.

Philippi stated that a change of this magnitude, allowing townhomes on one-acre lots, should be greatly discussed within the community. Triplett noted that there will never be 100% approval. Swanson said that public hearings for code changes allow for this input. Maefsky countered that she thinks by the time a proposal gets to the hearing stage, it's a done deal with only minor changes or tweaking.

Loeffler said that he moved to Scandia because he wanted land and wants surrounding land to stay that way. It could be dangerous unless done in the right location and in a tasteful design, as the set of townhomes in Wyldewood Acres are.

Maefsky summarized the goals as how to increase multi-family affordable housing in the Village Center and to increase the density to increase life-cycle housing – what steps need to be taken to achieve this. Isaacson agreed that they should look at increased density in designated areas that make sense.

Buss advised to start with identifying where and what density they are thinking about, and what design guidelines would be followed. A community strategy meeting with maps and overlays showing proposed changes could be held. Buss explained that they could consider an expansion of the zoning area to include part of the Highway 97 corridor that is close to the core area of town.

Buss continued that the EDA could invite developers in so that they could show examples of what they could market in Scandia. Triplett stated that he could arrange for this type of meeting with the help of Barb Dacy, director of the Washington County HRA.

Maefsky said that the Planning Commission's next meeting would address exploration of the future steps and look at the permitting versus CUP requirement.

LOG HOUSE LANDING IMPROVEMENT PROJECT UPDATE

Maefsky reported on the status of the Log House Landing Improvement Project. The Committee continues to research the concerns and solutions to address erosion, runoff and water quality, access issues, preservation of the rural character and natural resources of the site, and using tax money wisely for the project. Maefsky offered sections of the Comp Plan that referenced specific goals that the end project must meet to stay in conformance to the Plan.

Maefsky explained that the Committee is working with the County Engineer to do a cost analysis of gravel versus paved roadway, within a timeline that will still meet the goal of putting the project out for bids in April 2015. This analysis will be presented at the Committee's December 17 meeting, and she projected to have a recommendation to the Planning Commission in January. Maefsky stated there may need to be a special meeting called next month to keep things on track.

Maefsky did inform the group that the Committee has a consensus that it be a one lane roadway with parking that is consistent with what's there now.

ADJOURNMENT

Loeffler, seconded by Squyres, moved to adjourn the meeting. The motion carried 5-0.

The meeting adjourned at 9:00 p.m.

Respectfully submitted,
Brenda Eklund, Deputy Clerk