Regular Meeting of the
Little Canada Planning
Commission

Thursday, April 11, 2019
6:30 p.m.
City Center Council Chambers

A G E N D A

MEETING CANCELED DUE TO WEATHER

1. Call To Order - 6:30 P.m.
2. Roll Call
3. Approval Of Minutes
4. Planning Cases
   A. None
5. Other Business
   A. Urban Land Institute Discussion Recap & Planning Updates

Documents:

ULI DISCUSSION RECAP PLANNING UPDATES.PDF

6. Adjourn
TO: Planning Commission Members
FROM: Jessica Jagoe, Associate Planner
DATE: April 5, 2019
RE: ULI Workshop & Planning Updates

Back in February, the Planning Commission and City Council held a joint workshop with the Urban Land Institute called “Navigating Your Competitive Future” to discuss development trends in Little Canada. The panelists brought in from ULI were from varying markets (i.e. industrial/commercial Developer, real estate, and residential affordable housing). There were five Commissioners in attendance.

Attached is the presentation from ULI and a summary of key observations from the workshop discussion. During our meeting, I hope those Commissioners who attended can provide some feedback on the event and how you feel this may help Little Canada as we move forward with our comprehensive planning process. (Updated City zoning map included.)

I will add that in May the City is embarking on a new strategic planning process (this is replacing the previous goal setting workshop). This is a two-day workshop that will comprise of City Council members, City Staff, Parks and Recreation Commission Chair, and Planning Commission Chair. Both of these opportunities will definitely set the stage for impactful discussions in the 2nd half of 2019 for future development opportunities on the horizon.

With that segue you will see below the city code language as it pertains to the role of the Planning Commission. Included with this memo is an excerpt from the “Planning Commission Guide” prepared by the League of Minnesota Cities. This handout outlines areas for involvement from the Planning Commission and identifies engagement opportunities that we will be seeking as those strategic planning goals are set into motion.

202.070. RECOMMENDATIONS OF COMMISSION. The Advisory Planning Commission shall, pursuant to Council directives, Council resolutions, or City ordinances, propose, draft or recommend, overall or partial plans for future physical development and improvements of the City, including all matters relating to zoning and planning as cities are authorized and empowered to undertake pursuant to state statutes and laws. This Commission shall also consider all plats submitted by private property owners, all plans and proposals for development of private or public property within the City as required by City Ordinance, and shall advise the Council on any and all matters referred to it by the Council.
Lastly, several of the Commission members have taken trainings through GTS Educational Events. These training opportunities are cheap in comparison to other trainings, very informative, and are paid for by the City.

Training topics for 2019:
- Basics of Planning & Zoning
- Beyond the Basics of Planning & Zoning
- Your Role as Planning Commissioner
- Public Participation Techniques
- Managing Risk
- Economic Development Basics for Communities

Those of you who have attended workshops may already be on the email list for upcoming trainings, but I will make sure to forward you sessions as they become available in the Twin Cities area. Please visit their website at http://www.mngts.org/LandUse/ for more information. If you wish to sign up, please let me know and the City will handle getting you registered.
ABOUT ULI MN

MISSION
Urban Land Institute Minnesota engages public and private sector leaders to foster collaboration, share knowledge, and join in meaningful strategic action.

VISION
Thriving communities.

REGIONAL COUNCIL OF MAYORS

Minneapolis, Saint Paul and 53 other municipalities are represented in the RCM.

"The RCM provides a nonpartisan platform focused on building civic trust through relationships, inquiry, partnerships and action."

FROM 8 MAYORS IN 2004...

TO 55 MAYORS IN 2018

More than 76 cities have completed ULI Minnesota workshops.

Trust is developed across public and private sectors.

"The workshops are opportunities for City officials to ask questions of real estate professionals in an environment where neither party has anything at risk. This is a new kind of civic space. The developers are neither seeking anything nor defending anything and City officials are not under any pressure. It allows for a spirit of inquiry and exploration that is too often not possible when both parties are advocating specific positions."

ULI MN Governance Chair John Breitinger
Cushman & Wakefield/Northmarq
**DEMOGRAPHICS**

**MARKET FORCES**

**FOUR MAJOR CHANGE DRIVERS**

**TECHNOLOGY**

**RESILIENT INFRASTRUCTURE**

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**DEMOGRAPHICS**

**GENERATIONAL SHIFTS**

**AGING POPULATION**

**CULTURAL DIVERSITY**

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**MILLENNIALS AND BOOMERS COM普RIZE 150 MILLION AMERICANS**

**PROJECTED MN POPULATION: AGES 5–17 AND 65+**

- Under 18 population will **decline** from 23% to 20% of population
- Over 65 will **grow** from 17% to 22%

"These things usually creep along at the speed of a glacier. Not so with aging. **In demographic terms, this is a tsunami. It doesn't get much bigger than this.**" — Thomas Gillaspy, Former MN State Demographer
MOST NEW HOUSEHOLD GROWTH WILL BE AGES 65+

NET HOUSEHOLD GROWTH: 1990–2010

- Under 35: 21%
- 35–64: 80%
- Over 65: 9%

NET HOUSEHOLD GROWTH: 2010–2040

- Under 35: 6%
- 35–64: 85%
- Over 65: 9%

MINNESOTA IS BECOMING MORE CULTURALLY DIVERSE

CHANGE IN RACE/ETHNIC COMPOSITION OF TWIN CITIES

- 2005:
  - Black: 6%
  - Asian and Hawaiian or other Pacific Islander: 7%
  - American Indian or Alaska Native alone: 8%
  - Hispanic or Latino: 8%
  - White: 80%
  - All Communities of Color: 0%

- 2020:
  - Black: 8%
  - Asian and Hawaiian or other Pacific Islander: 8%
  - American Indian or Alaska Native alone: 10%
  - Hispanic or Latino: 11%
  - White: 71%
  - All Communities of Color: 20%

- 2035:
  - Black: 11%
  - Asian and Hawaiian or other Pacific Islander: 11%
  - American Indian or Alaska Native alone: 10%
  - Hispanic or Latino: 10%
  - White: 65%
  - All Communities of Color: 40%

MARKET FORCES

MSP REGION COMPARATIVE ADVANTAGES

- Cost-Burdened Households
- Housing and Jobs Mismatch
- Workforce Shortages
- Commercial Industry Trends

TOP COMPARATIVE ATTRIBUTES OF THE MSP REGION

1. HOUSING: Availability and affordability of housing
2. PROXIMITY: How close to my opportunity is it?
3. MOBILITY: Do I have options to get around?
4. CONNECTIVITY: Can I meet people or be near friends and family?
5. PARKS AND GREEN SPACE: Can I enjoy the outdoors?

ALSO RATED HIGHLY: Access to restaurants/bars, arts/culture, safety

SITUATIONALLY IMPORTANT: Walkability, school district, bike paths
MILLENIALS LIVE IN COMMUNITIES OF ALL TYPES AND WANT URBAN-LIKE AMENITIES

WHERE THEY LIVE

<table>
<thead>
<tr>
<th>Community Type</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Downtown/near downtown</td>
<td>13%</td>
</tr>
<tr>
<td>Dense, older suburbs</td>
<td>13%</td>
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<tr>
<td>Newer suburbs</td>
<td>15%</td>
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<tr>
<td>Rural</td>
<td>7%</td>
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<tr>
<td>Other city neighborhoods</td>
<td>35%</td>
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</table>

HOW THEY SEE THEMSELVES

<table>
<thead>
<tr>
<th>Perception Type</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>City People</td>
<td>37%</td>
</tr>
<tr>
<td>Suburbanites</td>
<td>36%</td>
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<tr>
<td>Small-Town Folk</td>
<td>26%</td>
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FEWER RENTERS PLAN TO BUY IF THEY MOVE

Source: Freddie Mac Survey of Renters, 2018

EXPECT TO

- 34% Planning to BUY
- 66% Planning to RENT

WHEN EXPECT TO MOVE

11% percentage point change since February 2018

ESSENTIAL WORKFORCE HAS THE MOST DIFFICULTY AFFORDING RENT

Nearly 9-in-10 renters employed in the essential workforce, such as healthcare and education, had significant difficulty affording the rent over the past two years.

MISMATCH BETWEEN AFFORDABLE HOUSING AND JOBS

WORKFORCE HOUSING PER LOW-WAGE JOB
PROJECTED SHORTFALL OF 100,000+ SKILLED WORKERS BY 2020

BABY BOOMER RETIREMENTS
STAGNANT LABOR FORCE GROWTH
CHALLENGES RECRUITING TO THE REGION

COMMERCIAL INDUSTRY TRENDS

E-COMMERCE CONTINUES TO GROW RAPIDLY AS WE BUILD FEWER NEW BRICK AND MORTAR SPACES

E-COMMERCE SALES $B

NEW RETAIL SQUARE FEET (MILLIONS)

Sources: New retail space data from JLL Q2 2016 Retail Outlook. E-Commerce sales data from US Economic Census

TECHNOLOGY

AUTOMATION AND JOBS
THE SHARING ECONOMY
NEW TECHNOLOGY, REGULATION AND CITIES

AUTOMATION IS AFFECTING JOBS AND CREATING CHALLENGES AND OPPORTUNITIES
THE SHARING ECONOMY IS CHANGING RETAIL AND SERVICES REGULATION IS PLAYING CONSTANT CATCH-UP

DRIVERLESS VEHICLES ARE ADVANCING QUICKLY AND ARE A HIGH PRIORITY FOR CAR COMPANIES

AUTONOMOUS VEHICLES WILL CREATE LAND USE OPPORTUNITIES AND CHALLENGES

RESILIENT INFRASTRUCTURE
REUSE OF INDUSTRIAL BUILDINGS
DEFERRED MAINTENANCE
TRAILS, PATHS AND SIDEWALKS
WAREHOUSE/DISTRIBUTION FACILITIES ARE MUCH LARGER AND REQUIRE GREATER CLEAR HEIGHTS

AGING INFRASTRUCTURE AND DEFERRED MAINTENANCE

TRAILS, BIKE PATHS AND SIDEWALKS IMPROVE CONNECTIVITY, INCREASE PROPERTY VALUES, AND ATTRACT ECONOMIC DEVELOPMENT

WHAT DOES ALL OF THIS MEAN FOR THE FUTURE OF COMMUNITIES?
LITTLE CANADA COMMUNITY DATA

DEMOGRAPHICS
HOUSING STOCK AND TENURE
EMPLOYMENT AND LABOR
INCOME AND WAGES

DEMOGRAPHIC CHANGE
BY RESIDENT AGE

0% GROWTH (2000-10)
6% GROWTH (2010-17)

% Total '17: 14% 13% 13% 24% 30% 6%

0% GROWTH (2000-10):
2000: 9,771
2010: 9,773
2017: 10,321

6% GROWTH (2010-17):
- Under 15: -7%
- 15 to 24: -6%
- 25 to 34: -1%
- 35 to 54: -6%
- 55 to 74: 52%
- 75 and Over: -20%

PEER COMMUNITY DEMOGRAPHIC BREAKDOWN

TENURE AND HOUSING STOCK

Owner 59%
Renter 35%
Vacant 5%

36% Single Family
Detached
10% Attached Multifamily
(1-4 units)
44% Apartments
(5+ units)
10% Manufactured Home

Sources: ACS 2017 Census Estimate

WAGES AND INCOME IN PEER COMMUNITIES

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<thead>
<tr>
<th>Median HH Income</th>
<th>Average Wages Paid by Employers</th>
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<tr>
<td>$89,800</td>
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<td>$40,000</td>
</tr>
<tr>
<td>$20,000</td>
<td>$0</td>
</tr>
</tbody>
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LITTLE CANADA EMPLOYMENT BY INDUSTRY
Total Jobs = 7,538

**Little Canada Employment by Industry**
- Administrative and Waste Services: 12%
- Educational Services: 10%
- Professional and Business Services: 10%
- Health Care and Social Assistance: 10%
- Retail Trade: 11%
- Construction: 10%
- Manufacturing: 3%
- All Other Industries: 11%

CITY JOBS/RESIDENT WORKERS

- **Employed in Little Canada**
  - Employed Outside: (7,258)
- **Live in Little Canada**
  - Employed Outside: (5,137)

WHERE WORKERS COMES FROM FOR JOBS IN LITTLE CANADA

- **7,538 TOTAL**
- Mpls/St. Paul: 21%
- Roseville: 4%
- Little Canada: 57%
- Maplewood: 4%
- White Bear Lake: 4%
- Blaine: 3%
- Woodbury: 3%
- Brooklyn Park: 2%
- Oakdale: 2%
- Other Cities: 2%
WHERE LITTLE CANADA RESIDENT WORKERS
COMMUTE TO

5,417 TOTAL (ACS, 2015)

- Mpls & St. Paul: 37%
- Bloomington: 35%
- Roseville: 7%
- Little Canada: 5%
- Maplewood: 4%
- White Bear Lake: 3%
- Arden Hills: 2%
- Vadnais Heights: 2%
- Shoreview: 2%
- All Other Cities: 2%


WHAT CAN YOU DO?
WHAT CAN WE DO TOGETHER?

INDUSTRY LEADER PANEL DISCUSSION
MEMORANDUM

TO: Chris Heineman, Little Canada City Administrator

FROM: Gordon Hughes and Cathy Bennett, ULI Minnesota

DATE: March 25, 2019

SUBJECT: ULI Minnesota Navigating Your Competitive Future Workshop

On behalf of ULI Minnesota, thank you for the opportunity to meet with the City Council, Planning Commission and staff on February 27, 2019. Our ULI MN workshop team enjoyed our dialogue with the City officials and appreciated your hospitality. We also appreciated the time that you spent with us in preparation for this workshop.

As a follow up to the workshop, we would like to take a moment to summarize some of the key observations expressed during our panel discussion and dialogue.

- **Data on demographics, housing and jobs in Little Canada, presented at the workshop, offered a point of reference for trends that will affect the City in coming years.** Please feel free to contact us if you have any follow up questions on the data presented at the workshop or any of the materials which we provided.

- **Little Canada has a number of key strengths and assets to leverage.** It has a great location, easy access to key transportation corridors and beautiful natural resources. These assets all contribute to an excellent location for (re)development.

- **Industrial market is migrating eastward.** The industrial market is grouped by submarkets. The northwest market, which has enjoyed significant industrial growth in the past, is migrating easterly. This will begin to drive prospective opportunities to cities like Little Canada which benefit from a close-in location, excellent transportation corridors and access to a labor force.

- **How can the City play a role in attracting industrial users?**
  - Some industrial users have outdoor storage needs that may be prohibited in some cities. If Little Canada can find a way to tastefully accommodate these needs, it will be a competitive advantage for the city in attracting these industries.
  - Close in locations like Little Canada are attractive for distribution centers. Flexibility on “drive in” needs, access and frequency of in and out traffic is important to these users.
  - The hard part is aligning the needs of building owners with the desires of developers. The City can play a role in this. Developer roundtables would help the
City develop a better understanding of the market and what is necessary to accomplish a great (re)development.
  o Remember that the City can be the most patient part of the equation!

- **While transit is important, employers need nearby housing opportunities for employees.** A major problem with the development and expansion of the commercial/industrial base, and job opportunities that come with it, is the mismatch between where jobs are located and the availability of nearby affordable housing choices. This is a growing issue in many markets and has become the number one issue in siting decisions for many new businesses. A ULI MN housing forum revealed that the business/housing mismatch is affecting the growth and locational decisions for many of our region’s major employers.

- **The office market will continue to be challenging throughout the metro area.** High vacancy rates and a predisposition to downtown locations continue to hamper the construction of new office development in suburban settings. Therefore, Little Canada should not anticipate significant office development opportunities.

- **Little Canada, like most cities in the metro area, is well-retailed,** i.e. a broad range of goods and services are readily available to members of the community even if those goods and services aren’t specifically located in Little Canada. They may be just across community lines, or on the dominant routes that take residents to and from work or around town. Retailers tend to pay less attention to community boundaries than to circulation patterns and shopping habits. Although online retailing will continue to dominate the market, experiential retailing will offer a niche especially for goods and services not available on Amazon.

- **Little Canada is not alone in desiring more dining opportunities within its boundaries.** The lack, or apparent lack of dining choices is a common theme in almost all cities that have held ULI MN workshops. Like retail, restaurants follow rooftops and employment concentrations. The City may identify the types of restaurants that it desires and then go after them. Knowing the City’s inventory of suitable locations will help in this effort, especially older shopping center and other underutilized retail spaces that may offer more competitive lease rates. In addition, attracting and/or allowing food trucks within areas of the City may be a great way to test dining choices before the investment in permanent spaces.

- **The importance of creating gathering places.** More than ever, the Next Generation as well as Boomers are looking for communities that are experience-based, i.e. where they can bump into other people and have access to a variety of activities, especially in places that are viewed as authentic. Places where things are happening all the time and full of people are very attractive places for the Next Generation and Boomers. More and more
people want to identify with an interesting and active place to live, work, recreate and shop. Some of the keys:

- **Walkability is a must.** Sidewalks and paths that connect important places along safe and interesting routes are essential to creating a great gathering place.
- **Density.** Successful gathering places are often dependent on a concentration of activities and people. Higher residential densities in such areas contribute to their vibrancy.
- **The City should take the lead.** The City should take the lead in identifying where gathering places could be and be prepared to put some “skin in the game” to make them happen.

- **New workforce housing with modern amenities can provide a needed component of Little Canada’s housing stock.** Today’s mixed income workforce housing products are far different from yesterday’s low-income housing. Cities that have welcomed such developments are generally happy with the results and there are many examples in the metro area that Little Canada may wish to visit. But…up front education and preparation are needed to dispel misinformation and opposition. Information provided in [http://housingcounts.org/](http://housingcounts.org/) will be helpful to the City for finding resources associated with workforce housing. Or share a video message from ULI MN’s recent Housing Summit that explains why affordable housing is essential for a city’s economic success.

- **The economics of housing often make new rental projects difficult in many settings.** In most locations, the market simply cannot bear the rents needed to induce the high construction costs of new rental housing. In such settings, public/private initiatives such as low-income housing tax credits, tax increment financing, tax abatement, reduced fees, and allowing flexible in your land use codes may be necessary to spur the development of new housing options. TIF and abatement can also provide a vehicle for enhancing the appearance of and amenities associated with new rental housing.

- **Bring physical planning and financial planning together.** The best laid plans are only as good as developing the financial wherewithal to accomplish them. The City’s involvement in (re)development can take many forms. It could be financial assistance, it could be marketing initiatives and it could be property assemblage. Whatever the approach, it is important for the City to align available resources and communicate them effectively to the (re)development community. The policies and practices outlined in the [ULI MN (Re)Development-Ready Guide](http://uli.org) will assist the City in establishing (re)development policies and practices that use scarce public dollars to attract private investment, grow jobs, provide affordable housing and build tax base.

- **Plan around Little Canada’s assets.** Sometimes cities attempt to promote development that doesn’t fit with who they are. Focus on Little Canada’s wonderful assets and how
they play into the long-term development potential of the City. One of Little Canada’s assets is its variety of land uses, housing diversity and natural amenities.

- **What are some of the zoning/land use trends in other cities?** Some trends in other cities:
  - **Encouraging mixed uses.** Horizontal mix use projects tend to be more doable than vertical projects. Successful mixed-use projects are often characterized by a great “ecosystem” around them – green space, natural amenities, trails etc.
  - **Medium density housing in single family neighborhoods.** Housing options “in the middle” are generally missing in the market and may be desirable housing choices for a segment of the population. Three-plexes, four-plexes, single level attached housing and small apartments are often missing from the suburban city housing stock. There may be a demand in Little Canada for these types of housing products which would fit nicely into many areas of the community.
  - **Parking requirements.** Many cities have significantly reduced parking requirements in their zoning codes based on today’s demand and the prospect of lessening demand brought about by autonomous vehicles.

- **Does Little Canada need an Economic Development Director.** It is probably inappropriate for the panel to comment on staffing/organizational needs. Some thoughts expressed were:
  - If you establish such a position, be realistic about expectations.
  - The Vadnais Heights Economic Development Commission and Greater MSP may offer resources in lieu of a dedicated position in Little Canada.
  - Consider partnering with other cities or a collaboration of cities. The recently established Rice/Larpenteur Alliance is an example of cities coming together to promote a healthy corridor along Rice Street. Little Canada would have a vested interest in learning how they can be part of the Alliance as work continues to gravitate north along Rice Street.

- **Successful communities provide clear information, promptly respond to development proposals, understand the costs associated with development, establish a clear vision, react appropriately to opportunities, and tell the community’s story and celebrate successes.**
  - **Is the city approval process clear?** Are the city codes clear? Does a developer/consultant have a clear understanding of what needs to be accomplished to attain approvals? Are the comprehensive plan and zoning codes in alignment? Are ordinance requirements, fees and processes clearly spelled out and available on the website?
  - **A quick “no” is preferable to a long “maybe.”** Both developers and lenders are even more risk averse sincere the Great Recession, so communities that can be
very clear about their expectations and have policies and procedures that expedite approvals for projects that are consistent with their vision will be favored.

- The alignment of policy direction between elected officials, appointed officials and staff is especially important. **Leadership and “consistency of vision” are keys to successful communities.** Cities should focus on a development strategy that builds on their assets and a clear sense of who they are and how they fit into the market.

- **Don’t be afraid to brag about Little Canada.** The City has a great story to tell – don’t be afraid to share it proactively with the development community by reaching out to them and developing relationships.

- **Final thoughts of the panel.** The panel concluded the workshop with these final thoughts:
  
  - Find a “niche” or identity that the City can agree on and be prepared to act when an opportunity presents itself. **Dan Mueller, Ryan Companies**
  - Focus on the commercial areas as the first priority. **Jeff Miller, HKGi**
  - Leverage the great diversity you now enjoy. Be flexible with new ideas. Think regionally. **William Boulay, Dominium**
  - Continue the conversation that was started tonight. Work on developing alignment among the council, appointed bodies and staff. **Rusty Fifield, Northland Securities**

On behalf of ULI MN, thank you again for hosting this workshop.
Local ordinance or commission policy may outline such a process. The city should consult the city attorney before establishing criteria and a process for removal.

III. Powers and duties of the planning commission

State statutes vest the planning commission with certain mandatory duties. In addition, state statute allows the city council to prescribe additional duties in local ordinance. In most instances, unless noted in statute or ordinance, the planning commission serves in an advisory capacity.

A. Preparing and recommending a comprehensive plan

The primary duty of a newly created planning agency is advising the city council on the preparation and adoption of a comprehensive plan for the city.

1. Purpose of comprehensive planning

A comprehensive plan is an expression of the community’s vision for the future and a strategic map to reach that vision. Comprehensive planning is not mandatory in cities outside the seven-county metropolitan area. However, comprehensive planning is an important tool for cities to guide future development of land to ensure a safe, pleasant, and economical environment for residential, commercial, industrial, and public activities. In addition, planning can help:

- Preserve important natural resources, agricultural, and other open lands.
- Create the opportunity for residents to participate in guiding a community’s future.
- Identify issues, stay ahead of trends, and accommodate change.
- Ensure that growth makes the community better, not just bigger.
- Foster sustainable economic development.
- Provide an opportunity to consider future implications of today’s decisions.
- Protect property rights and values.
- Enable other public and private agencies to plan their activities in harmony with the municipality’s plans.

For many cities creating a comprehensive plan is the first step in adopting zoning and subdivision regulations for the city.
As a result, the comprehensive plan normally lays out a vision for the city’s future land development and land use, dictating where growth should occur, the type of growth that is allowed in various areas of the city, and the density of such growth. However, a comprehensive plan also may include a:

- Public or community facilities plan.
- Thoroughfare or transportation plan.
- Parks and open space plan.
- Capital improvement program.

While not all cities are required to adopt a comprehensive plan, a plan is still a good practice for a couple of reasons. First, once a plan is adopted, it guides local officials in making their day-to-day decisions and becomes a factor in their decision-making process.

Second, preparing a comprehensive plan prior to the adoption of a zoning ordinance also affords the city additional legal protections if a particular ordinance provision is challenged in court. Zoning ordinances must be reasonable and have a rational basis. Comprehensive plans assist a city in articulating the basis for its zoning decisions. Usually the courts will not question the policies and programs contained in a comprehensive plan adopted by a local community, or question the ordinances based upon the plan, unless the particular zoning provision appears to be without any rational basis, or clearly exceeds the city’s regulatory authority.

If a city is not able to develop a comprehensive plan prior to adopting a zoning ordinance, the zoning ordinance should be adopted in conjunction with extensive, written finding of facts, stating the policy reasons that necessitate the ordinance’s adoption.

2. Preparing the comprehensive plan

State statute vests authority for preparing the comprehensive plan in the planning commission. However, the city council also may propose the comprehensive municipal plan and amendments to the plan by a resolution submitted to the planning commission. When this occurs, the council may not adopt the recommended language until it has received a report from the planning commission or 60 days have elapsed.

The plan may be prepared and adopted in sections, each of which relates to a major subject of the plan, or to a major geographical section of the municipality.

Cities are authorized to collect and analyze data; prepare maps, charts, tables, and other illustrations and displays; and conduct necessary studies when developing a comprehensive plan. Cities also may hire planning consultants and other experts to assist in drafting their plan.
a. Consultants and public input

(1) Professional planners

Cities may hire planning consultants and other experts to assist in drafting their plan. Preparing a comprehensive plan is a large undertaking. While a planning commission can and should do most of the job, many communities have found they also need professional assistance from a professional planning consultant or a competent person on the staff of the city, county, regional development commission, or neighboring city.

Cities may solicit a planner through a request for proposal. While state law does not require planners to be licensed or certified, many cities prefer to hire planners with professional certification from the American Institute of Certified Planners (AICP). To be certified by the AICP, planners need to pass an exam and meet continuing education requirements.

(2) Other consultants

In drafting the plan, the planning commission must consult with other city departments and agencies (for example, the city’s economic development authority).

In drafting a comprehensive plan, the planning commission must consider the planning activities of adjacent units of government and other affected public agencies.

The commissioner of natural resources must provide natural heritage data from the county biological survey, if available, to each city for use in the comprehensive plan.

b. Public input

Cities are required to hold at least one public hearing prior to adopting a comprehensive plan. However, most cities find it helpful to hold a series of public meetings to educate residents about the comprehensive plan, and to solicit citizen input. Some cities even develop extensive public relations campaigns to create excitement about and compliance with the city’s comprehensive planning activities.

c. President Theodore Roosevelt Memorial Bill to Preserve Agricultural, Forest, Wildlife, and Open Space Land

Non-metropolitan cities located in certain specified counties are subject to the President Theodore Roosevelt Memorial Act to Preserve Agricultural, Forest, Wildlife, and Open Space Land
(hereinafter the “T. Roosevelt Memorial Preservation Act”) and should consult this law if they adopt or amend a comprehensive plan.

(1) Cities not subject to the T. Roosevelt Memorial Preservation Act

Cities in Aitkin, Beltrami, Carlton, Cass, Clearwater, Cook, Crow Wing, Hubbard, Isanti, Itasca, Kanabec, Koochiching, Lake, Lake of the Woods, Milles Lacs, Pine, St Louis and Wadena counties are not subject to the T. Roosevelt Memorial Preservation Act, because they are currently classified as “greater than 80 percent area” counties. A “greater than 80 percent area” means a county or watershed or, for purposes of wetland replacement, bank service area where 80 percent or more of the presettlement wetland acreage is intact and one of the following is true:

- Ten percent or more of the current total land area is wetland.
- Fifty percent or more of the current total land area is state or federal land.

In sum, these “80 percent area” counties still contain a significant portion of their presettlement wetland acreage. “Presettlement wetland” means a wetland or public waters wetland that existed in this state at the time of statehood in 1858.

(2) Cities subject to the T. Roosevelt Memorial Preservation Act

Cities outside the metro area, and not located in the counties listed above, must comply with the act. Even though these cities are not required to engage in comprehensive planning, if the city decides to do so, they must likely adopt certain findings of fact under the T. Roosevelt Memorial Preservation Act.

Specifically, when preparing or recommending amendments to the comprehensive plan, the planning commission in these cities must consider adopting goals and objectives that will protect open space and the environment again, probably as findings of fact.

In addition, within three years of adopting a comprehensive plan, the city must consider adopting ordinances as part of the city’s official controls that encourage the implementation of the goals and objectives of the T. Roosevelt Memorial Preservation Act. However, the city is not required to adopt any ordinances. Consideration of ordinance adoption could potentially be documented in findings of fact.
3. **Recommending the comprehensive plan to council**

Once a comprehensive plan is drafted, the planning commission may submit the plan (or a portion of the plan) with its recommendation for adoption to the city council. Upon receipt of the recommended plan, the council may accept the plan, reject the plan, or recommend revisions to the planning commission. In submitting the comprehensive plan to council, the planning commission serves in a strictly advisory role. The city council ultimately decides on the acceptance, rejection, or revision of the plan, and is not bound by planning commission’s recommendations.

4. **Adopting the comprehensive plan**

   a. **Seven-county metro area plan review: adjacent units of government**

   Prior to plan adoption, cities within the seven-county metro area must submit their proposed comprehensive plans to adjacent governmental units and affected school districts for review and comment.

   b. **Seven-county metro area plan review: Metropolitan Council**

   Cities in the seven-county metropolitan area must submit their comprehensive plan to the Metropolitan Council for review of its compatibility and conformity with the Council’s regional system plans. When the Metropolitan Council determines that a city’s comprehensive land use plan may have a substantial impact on or contain a substantial departure from the Metropolitan Council’s regional system plans, the Council has the statutory authority to require the city to conform to the Council’s system plans.

   c. **Public hearing requirements**

   Prior to adoption of a comprehensive plan, the planning commission must hold at least one public hearing. A notice of the time, place, and purpose of the hearing must be published once in the official newspaper of the municipality at least ten days before the day of the hearing.

   d. **Vote requirements**

   Unless otherwise provided in a city charter, the city council may, by resolution by a two-thirds vote of all its members, adopt and amend the comprehensive plan or a portion of the plan. This means that on a five-member council, the comprehensive plan must receive at least four affirmative votes.
B. Implementing the plan

Once a comprehensive plan is adopted, the planning commission continues to exist (unless dissolved using statutory procedures). Once a plan is adopted, the main task of the planning commission is to study and propose to the city council a reasonable and practicable means for putting the plan or section of the plan into effect.

Reasonable and practicable means for putting the plan into action may include:

- Zoning regulations.
- Regulations for the subdivision of land.
- An official map.
- A program for coordination of the normal public improvements and services of the municipality.
- A program for urban renewal, and
- A capital improvement program.

In submitting recommendations for effectuation of the comprehensive plan to council, the planning commission serves in a strictly advisory role. The city council ultimately decides on the adoption of any land use ordinances or city programs.

C. Role in periodic review of the comprehensive plan

After a city has adopted a comprehensive plan, the planning commission is responsible for periodically reviewing the plan and recommending amendments whenever necessary.

Cities within the seven-county metropolitan area must review and update their plan, fiscal devices, and official controls at least every 10 years, and submit their revised plans to the Metropolitan Council for review. “Fiscal devices” means the valuation of property, the designation of urban and rural service districts, and the establishment of development districts and any other statutes authorizing the creation of districts in which the use of tax increment bonding is authorized. “Metropolitan area” or “area” means the area over which the Metropolitan Council has jurisdiction, including the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, but excluding the cities of Northfield, Cannon Falls, Hanover, Rockford, and New Prague.
D. Role in amending the comprehensive plan

After a city has adopted a comprehensive plan, all future amendments to the plan must be referred to the planning commission for review and comment. No plan amendment may be acted upon by the city council until it has received the recommendation of the planning commission, or until 60 days have elapsed from the date an amendment proposed by the city council has been submitted to the planning commission for its recommendation.

In submitting review and comment to council, the planning commission serves in a strictly advisory role. The city council ultimately decides on the acceptance, rejection or the revision of the plan, and is not bound by planning commission recommendations.

1. Procedure for amending a comprehensive plan

In amending a comprehensive plan, cities must follow the same procedure for adoption of a new plan. The planning commission must hold at least one public hearing on the amendment preceded by published notice.

Cities in the seven-county metro area must submit all amendments to their comprehensive plans to the Metropolitan Council for review.

Unless otherwise provided by charter, all amendments to the comprehensive plan must be approved by a two-thirds vote of all its members.

E. Role in purchase and sale of real property

After a comprehensive municipal plan or section of a plan has been recommended by the planning commission and a copy filed with the city council, the planning commission must be given a chance to review and comment on all proposed public acquisitions or disposal of real property within the city. This includes acquisitions or disposal by the city, but also:

- Any special district or agency in the city.
- Any other political subdivision (public schools or the county for example) having jurisdiction within the city.

This provision would appear to apply even when the comprehensive plan has not yet been adopted by council, so long as the planning commission has filed its recommended plan with the city.

After review, the planning commission must report in writing its findings to compliance of the proposed acquisition or to disposal of real estate with the comprehensive municipal plan.
The purpose of this requirement is to allow review of overall municipal development by the city planning commission, the authority charged with developing and reviewing the comprehensive land use plan for the municipality.

The planning commission has 45 days to report on the proposal, unless the city council designates a shorter or longer period for review. If the planning commission does not report within the required timeline, this statutory provision is considered waived by the commission.

In addition, a city council may by resolution adopted by two-thirds vote dispense with this requirement when in its judgment it finds that the proposed acquisition or disposal of real property has no relationship to the comprehensive municipal plan.

In submitting comments and review, the planning commission serves in a strictly advisory role. The city council ultimately decides on the purchase or disposal of real estate and is not bound by planning commission recommendations.

F. Role in capital improvements program

After a comprehensive municipal plan or section of a plan has been recommended by the planning commission and a copy filed with the city council, the planning commission must be given a chance to review and comment on all proposed public capital improvements within the city. This includes not only capital improvements built by the city, but also by:

- Any special district or agency in the city.
- Any other political subdivision having jurisdiction within the city.

The planning commission must report in writing to the city council, other special district or agency, or political subdivision concerned, its findings to compliance of the proposed capital improvement with the comprehensive municipal plan.

The term capital improvement is not defined within the comprehensive planning statute. Other laws governing issuing municipal bonds define “capital improvement” in part as acquisition or betterment of public lands, buildings or other improvements for a city hall, town hall, library, public safety facility, and public works facility. An improvement must have an expected useful life of five years or more to qualify. Capital improvement does not include light rail transit or any activity related to it, or a park, road, bridge, administrative building other than a city or town hall, or land for any of those facilities. For purposes of this section, “capital improvement” may include expenditures involving those for which bonds were or are issued.
The planning commission has 45 days to report on the proposal, unless the city council designates a shorter or longer period for review. If the planning commission does not report within the required timeline, this statutory provision is considered waived by the commission.

A city council may by resolution adopted by two-thirds vote dispense with this requirement when in its judgment it finds that the proposed capital improvement has no relationship to the comprehensive municipal plan.

In submitting comments and review, the planning commission serves in a strictly advisory role. The city council ultimately decides on capital improvements for the city and is not bound by planning commission recommendations.

G. Role in zoning ordinance adoption and amendment

1. Zoning ordinance adoption

The planning commission may, after adopting a comprehensive plan or a portion of a land use plan, prepare a proposed zoning ordinance (including a zoning map) and submit it to the city council with its recommendations for adoption. If a city adopts only a land use plan, the plan must provide guidelines for the timing and sequence of the adoption of official controls to ensure planned, orderly, and staged development and redevelopment consistent with the land use plan.

Note: The Municipal Planning Act has specific provisions related to local zoning of the following uses, which impact zoning ordinances:

- Manufactured home parks.
- Manufactured homes.
- Existing legal nonconformities at the time of zoning ordinance adoption.
- Feedlots.
- Earth sheltered construction, as defined by Minn. Stat. 216C.06.
- Relocated residential buildings.
- State licensed residential facilities or housing services registered under Minn. Stat. 144D and serving six or fewer persons in single family residential districts.
- Licensed day care facilities serving 12 or fewer persons in single family residential districts.
- Group family day care facilities licensed under Minnesota Rules to serve 14 or fewer children in single family residential districts.
- State licensed residential facilities serving 7-16 persons in multifamily residential districts.
• Licensed day care facilities serving 13-16 persons in multifamily residential districts.
• Temporary family health care dwellings.
• Solar energy systems.

Cities cannot adopt local ordinances that contradict the explicit provisions of state law as set out in the Municipal Planning Act on the uses listed above.

The city council may adopt a zoning ordinance by a majority vote of all its members.

In adopting an ordinance, one Minnesota attorney general opinion has found that charter cities may not provide for different voting requirements in their city charter, because the Municipal Planning Act supersedes inconsistent charter provisions.

Prior to the adoption of a zoning ordinance, the city council or planning commission must hold a public hearing. Notice of the time, place, and purpose of the hearing must be published in the official newspaper of the municipality at least ten days prior to the day of the hearing. When an amendment involves changes in district boundaries affecting an area of five acres or less, a similar notice must be mailed at least ten days before the day of the hearing to each owner of affected property and property situated wholly or partly within 350 feet of the property to which the amendment relates.

The drafting and adoption of a city zoning ordinance is covered in detail in the LMC Information Memo, Zoning Guide for Cities.

2. Zoning ordinance amendment

An amendment to a zoning ordinance, including a rezoning, may be initiated by the governing body, the planning commission, or by petition of affected property owners as defined in the zoning ordinance. An amendment not initiated by the planning commission must be referred to the planning commission for study and report. The city council may not act on the proposed amendment (either by adopting or denying the amendment) until the planning commission has made its recommendations or 60 days have elapsed from the date of reference of the amendment without a report by the planning commission.

It is important to note that while state statute provides the planning commission 60 days to respond to proposals, the 60-Day Rule (an entirely different rule with 60 days in the title) still applies to ordinance amendments brought by application or petition of property owners.
As a result, internal procedures should be developed to coordinate planning commission review that does not violate the 60-Day Rule automatic approval statute.

In generating a report on a proposed zoning amendment, the planning commission serves in a strictly advisory role. The city council ultimately decides on the amendment for the city and is not bound by planning commission recommendations.

Prior to the adoption of a zoning ordinance amendment, a public hearing must be held. Under state statute, the city council or the planning commission may conduct the hearing.

Cities may adopt an ordinance or policy directing the planning commission to conduct these hearings when necessary.

The city council may adopt and amend a zoning ordinance by a majority vote of all its members. However, the adoption or amendment of any portion of a zoning ordinance which changes all or part of the existing classification of a zoning district from residential to either commercial or industrial requires a two-thirds majority vote of all members of the governing body.

3. Cities of the first class, additional duties for planning commissions

First class cities must follow very detailed procedures in state statute for zoning amendments that change residential zoning classifications to new commercial or industrial classifications. Planning commissions in cities of the first class must assist the city in these circumstances by conducting studies and developing reports. The adoption or amendment of any portion of a zoning ordinance that changes all or part of the existing classification of a zoning district from residential to either commercial or industrial requires a two-thirds majority vote of all members of the governing body. Charter cities of the first class may opt to follow a different procedure via a city charter provision.

H. Conditional use permits

Some city zoning ordinances provide that some uses within a zoning district will only be allowed upon the granting of a conditional use permit. Conditional use permits are discussed in detail in the LMC Information Memo Zoning Guide for Cities. State statute allows city councils to delegate via ordinance their authority to review and approve conditional use permits to a planning commission or other designated authority.

Planning commissions charged with reviewing applications for conditional use permits must follow fairly strict legal standards for their review.
Specifically, the city must follow the requirements of the zoning ordinance it has adopted.

If a conditional use permit application meets the requirements of the ordinance, generally it must be granted. If an application is denied, the stated reasons for the denial should all relate to the applicant’s failure to meet standards established in the ordinance. The standard of review for conditional use permits is discussed in depth in the LMC Information Memo Zoning Guide for Cities.

I. Role in adoption of an official map for a major thoroughfare plan and a community facilities plan

After the planning commission has adopted a comprehensive plan containing a major thoroughfare plan and a community facilities plan or simply these portions of their comprehensive plan, it may adopt an official map. The official map is not the zoning map required for adoption of a zoning ordinance.

In addition, it is not the map adopted as part of the comprehensive planning process. Instead, the official map is a unique map designed to help carry out the policies of the major thoroughfare plan and community facilities plan. The official map can cover the entire city or any portion of the city.

The purpose of an official map is to identify land needed for future public uses, such as streets, aviation purposes or other necessary public facilities, such as libraries, city halls, parks, etc. Identification on an official map of land needed for future public uses permits both the public and private property owners to adjust their building plans equitably and conveniently before investments are made that will make adjustments difficult to accomplish.

Official maps do not give a city any right to acquire the areas reserved on the map without just compensation by the city. When the city is ready to proceed with the opening of a mapped street, the widening and extension of existing mapped streets, or the use of lands for aviation purposes, it still must acquire the property by gift, purchase, or condemnation. It need not, however, pay for any building or other improvement erected on the land without a permit or in violation of the conditions of the permit.

Following the adoption and filing of an official map, building permits issued under the Minnesota State Building Code are subject to the provisions set forth in the city’s official map. This puts landowners on notice of possible future uses and allows construction to occur within the constraints of the planning.
This way landowners can avoid costly expenditures on developments, for example, that sit in a location planned for future public uses. As a result, any building built without obtaining a building permit or in violation of permit conditions, loses the statutory protection for just compensation, and a municipality need not pay a landowner for a building that needs to be destroyed if a street is widened. In other words, while the official map does not give the city a fee interest in land initially, it does authorize the municipality to acquire such interests in the future without having to pay compensation for buildings that are erected in violation of the official map.

J. Board of zoning adjustment and appeals

A city that has adopted a zoning ordinance or official map should provide for a Board of Zoning Adjustment and Appeals (BZA). By ordinance, a city may delegate the role of a BZA to the city planning commission or a committee of the planning commission. The duties of a BZA include:

- To hear and decide appeals where it is alleged that there is an error in any order, requirement, decision or determination made by an administrative officer in the enforcement of the zoning ordinance.
- To hear requests for variances from a city zoning ordinance.
- To hear and decide appeals when a land use, zoning permit or approval for a building is denied based upon the city’s official map.
- Such other duties as the city council may direct.

In any city where the council does not serve as the BZA, the city council may, except as otherwise provided by charter, provide by ordinance that the decisions of the BZA on matters within its jurisdiction are:

- Final, subject only to judicial review; or
- Final, subject to appeal to the council and the right of later judicial review; or
- Advisory to the council.

The ordinance creating the BZA should specify at minimum:

- The time and manner by which hearings by the BZA shall be held, including provisions related to notice to interested parties.
- Rules for the conduct of proceedings before the BZA, including provisions for the giving of oaths to witnesses and the filing of written briefs by the parties.

In cities where the planning commission does not act as the BZA, the BZA may not make a decision on an appeal or petition until the planning commission, or a representative authorized by it, has had reasonable opportunity, not to exceed 60 days, to review and report to the BZA about the appeal or petition.
It is important to note that while state statute provides the planning commission 60 days to respond to appeals or petitions, the 60-Day Rule (an entirely different rule with 60 days in the title) may still apply to some matters brought before the BZA (for example, requests for variances) by application or petition of property owners. As a result, internal procedures should be developed to coordinate planning commission review that does not violate the 60-Day Rule automatic approval statute.

Planning commissions charged with reviewing applications for variances must follow fairly strict legal standards for their review. Specifically, the city must follow the requirements of the state statute related to whether enforcement of a zoning ordinance provision as applied to a particular piece of property would cause the landowner “practical difficulties.” The standards for review in granting variances are discussed in depth in the LMC Information Memo Zoning Guide for Cities.

K. Role in review of subdivision applications

Absent a charter provision to the contrary, in cities that have adopted a subdivision ordinance, the city council may by ordinance delegate the authority to review subdivision proposals to the planning commission. However, final approval or disapproval of a subdivision application must be the decision of the city council.

Planning commissions charged with reviewing subdivision applications must follow fairly strict legal standards for their review. Specifically, the city must follow the requirements of the subdivision ordinance it has adopted. If a subdivision application meets the requirements of the ordinance, generally it must be granted. If an application is denied, the stated reasons for the denial must all relate to the applicant’s failure to meet standards established in the ordinance. The standard of review for subdivision applications is discussed in depth in an LMC information memo on subdivisions, plats and development agreements.

IV. Planning commission meetings

Planning commission meetings are governed by the same statutes as regular city council meetings. For example, planning commission meetings are subject to the Open Meeting Law and subject to the records retention laws.

A. Open Meeting Law

The Minnesota Open Meeting Law generally requires that all meetings of public bodies be open to the public. This presumption of openness serves three basic purposes:
• To prohibit actions from being taken at a secret meeting where it is impossible for the interested public to become fully informed concerning decisions of public bodies or to detect improper influences.
• To ensure the public’s right to be informed.
• To afford the public an opportunity to present its views to the public body.

The Open Meeting Law applies to all governing bodies of any school district, unorganized territory, county, city, town or other public body, and to any committee, sub-committee, board, department or commission of a public body. Thus, the law applies to meetings of all city planning commissions and any city or commission advisory boards or committees.

At least one copy of the materials made available to the planning commission at or before the meeting must also be made available for inspection by the public. However, this does not apply to not-public data or materials relating to the agenda items of a closed meeting.

The Open Meeting Law also contains some specific notice and record-keeping requirements which are discussed in detail in the LMC Information Memo Meetings of City Councils.

B. The 60-Day Rule

Cities generally have only 60 days to approve or deny a written request relating to zoning, including rezoning requests, conditional use permits and variances. This requirement is known as the “60-Day Rule.”

The 60-Day Rule is a state law that requires cities to approve or deny a written request relating to zoning within 60 days or it is deemed approved. The underlying purpose of the rule is to keep governmental agencies from taking too long in deciding land use issues. Minnesota courts have generally demanded strict compliance with the rule.

All planning commission review of zoning related applications must be completed in a manner that allows the city to complete its entire approval process within the timeframe dictated by the 60-Day Rule. Local ordinance should not establish timeframes for planning commission review of applications or appeal of commission decisions that do not allow the city to comply with the 60-Day Rule.